Kentucky Retirement Systems 2018 OTHER RETIREMENT-RELATED LEGISLATION

Daily activity is highlighted in **bold** with **RED** font.

SENATE

1. <u>SB 33</u> (BR 286) - <u>M. McGarvey</u>

AN ACT relating to the security of personal information and declaring an emergency. Amend KRS 367.363 to include additional definitions; amend KRS 367.3645 to provide for a free security freeze in the event a protected person has been notified of a security breach pursuant to the Act and to make technical corrections; amend KRS 367.365 to require consumer reporting agencies to encrypt electronic data contained in consumer files and consumer reports; allow for security freezes to be requested by methods established by the consumer reporting agency; allow consumers to request a replacement personal identification number or password in the same manner as the original security freeze request; remove the expiration of a credit freeze after seven years; include gender-neutral language; to prohibit a credit reporting agency from charging a fee for security freeze in the event a consumer has been notified of a security breach; require that consumer reporting agencies notify consumers of security breaches in compliance with KRS 365.732(4) to (7) and provide five years of credit monitoring; allow for a security freeze placed at one nationwide consumer reporting agency to be sent and applied to other nationwide consumer reporting agencies; require third-party agents to notify consumer reporting agencies of security breaches; require consumer reporting agencies to comply with KRS 365.732(3); prohibit requirements that consumers waive rights or submit to arbitration; amend KRS 365.730 to extend definitions to KRS 365.732; to conform the definition of "personally identifiable information"; amend KRS 365.732 to define "encrypt," and "security breach"; provide an exemption for consumer reporting agencies subject to this Act; prohibit electronic or substitute notice from being sent to electronic and email accounts involved in the security breach; provide for the request for three consumer reports from each nationwide consumer reporting agency by consumers affected by a security breach; prohibit requirements that consumers waive rights or submit to arbitration; require certain information holders to encrypt personally identifiable data; make technical corrections; amend KRS 61.931 to exempt certain persons from the definition of "nonaffiliated third parties"; conform the definition of "personally

identifiable information"; make technical corrections; amend KRS 61.932, KRS 61.933, 61.934,171.450, 42.722, and 42.726 to conform; EMERGENCY.

Dec 08, 2017 - Prefiled by the sponsor(s). Jan 02, 2018 - introduced in Senate Jan 03, 2018 - to Banking & Insurance (S)

2. <u>SB 34</u> (BR 409) - <u>J. Carroll</u>

AN ACT relating to state employees.

Amend KRS 18A.110 to require the secretary of the Personnel Cabinet to promulgate administrative regulations for an internal mobility program; prohibit the program from differentiating between full-time and part-time employees in filling full-time positions.

Dec 08, 2017 - Prefiled by the sponsor(s).

Jan 02, 2018 - introduced in Senate

Jan 03, 2018 - to State & Local Government (S)

HOUSE

1. <u>HCR 6</u> (BR 199) - <u>K. Imes</u>

Urge the United States Congress to amend Title II of the Social Security Act to repeal the Government Pension Offset provision.

Sep 18, 2017 - Prefiled by the sponsor(s).

Jan 02, 2018 - introduced in House; to Elections, Const. Amendments & Intergovernmental Affairs (H)

2. <u>HR 11</u> (BR 381) - <u>M. Prunty</u>

Urge the United States Congress to amend Title II of the Social Security Act to repeal the Government Pension Offset Provision and the Windfall Elimination Provision.

Dec 06, 2017 - Prefiled by the sponsor(s).

Jan 02, 2018 - introduced in House; to State Government (H)

3. <u>HB 10</u> (BR 40) - <u>K. Imes</u>, <u>S. Wells</u>

AN ACT proposing to amend Section 29 of the Constitution of Kentucky relating to administrative regulations.

Propose to amend Section 29 of the Constitution of Kentucky to permit the General Assembly or an agency or committee it creates to review, approve, or disapprove any administrative regulation of the executive branch during or between regular sessions of the General Assembly; submit to the voters for approval or disapproval; supply ballot language.

Jun 27, 2017 - Prefiled by the sponsor(s).

Jan 02, 2018 - introduced in House; to Elections, Const. Amendments & Intergovernmental Affairs (H)

Jan 03, 2018 - posted in committee

Jan 08, 2018 - reported favorably, 1st reading, to Calendar

Jan 09, 2018 - 2nd reading, to Rules

<u>HB 29/LM</u> (BR 15) - <u>J. Wayne, G. Brown Jr, T. Burch, J. Donohue, K. Flood, D. Graham, J.</u> Jenkins, <u>M. Marzian, R. Meeks, D. Owens, R. Palumbo, A. Scott</u>

AN ACT relating to taxation.

Amend KRS 140.130 to decouple from changes to the federal estate tax since 2003; amend KRS 141.010 to provide for a reduction and phase-out of the pension exclusion, disallow the domestic production activities deduction, establish a cap for itemized deductions, and define "taxpayer"; amend KRS 141.020 to provide for changes to income tax rates; amend KRS 141.066 to make a technical correction; amend KRS 141.0205 to recognize and order changes in income tax credits; amend KRS 141.0401 to lower the exclusion threshold; amend KRS 141.120 to change apportionment methods to use a "throwback" rule and market-based sourcing for receipts; amend KRS 141.200 to require "combined" reporting for corporations; amend KRS 134.810, 136.310, 136.530, 141.040, 141.121, 141.206, and 141.420 to conform; amend KRS 141.205 to recognize "tax haven" foreign countries and tax all income apportioned or allocated to those countries; amend KRS 141.383, 148.544, and 148.546 to make the film industry tax credit nonrefundable and nontransferable; create a new section of KRS 6.905 to 6.935 to require review and sunset of all economic development tax credits; amend KRS 131.190 to allow LRC employees to review selected tax documents; amend KRS 138.270 to reduce motor fuels dealer compensation to one percent; amend KRS 132.020 to make the real property tax rate 12.2 cents per \$100, remove the rate adjustment provision, and remove the recall provisions; amend KRS 132.260 to clarify requirements for reporting of rental space for mobile or manufactured homes, private aircraft, and certain boats or vessels; amend KRS 132.730, 132.751, 132.810, and 132.815 to clarify property tax treatment of manufactured homes; amend KRS 140.300 to clarify the treatment of agricultural valuation on inherited property; amend KRS 279.200, 279.530, 279.220, and 139.530 to repeal rural electric and telephone co-op taxes; amend KRS 132.097 and 132.099 to amend the exemption for personal property shipped out of state; amend KRS 139.105, 139.200, 139.220, 139.270, 139.340, and 139.740 to impose sales tax on selected services; create a new section of KRS Chapter 141 to provide for a refundable Kentucky earned income tax credit; amend KRS 243.0305 and 243.990 to recognize changes in the distilled spirits case tax; amend KRS 138.130, 138.140, and 138.143 to change the tax on cigarette rolling papers, to raise the tobacco taxes, to impose a floor stock tax, and to tax e-cigarettes; amend KRS 65.125, 65.674, 67.862, 67.938, 67A.843, 68.245, 68.248, 82.095, 97.590, 132.0225, 132.023,

132.024, 132.027, 132.029, 157.440, 160.470, 160.473, 67C.147, 78.530, 342.340, and 134.810 to remove provisions that allow for recall of certain tax rates and make conforming and technical changes; create a new section of KRS Chapter 141 to provide for a refundable noise mitigation credit; repeal KRS 132.017, 132.018, 132.025, 132.720, 143A.035, and 243.710, relating to recall petitions and to various tax rates; provide that estate tax provisions apply for deaths occurring on or after August 1, 2018, sales tax provisions are effective for periods beginning on or after October 1, 2018, motor fuels compensation provisions are effective August 1, 2018, and property tax provisions are for assessments on and after January 1, 2019.

Jul 13, 2017 - Prefiled by the sponsor(s).

Jan 02, 2018 - introduced in House; to Appropriations & Revenue (H)

5. <u>HB 78</u> (BR 388) - <u>J. Kay</u>

AN ACT relating to ethics.

Amend KRS 7.119 to include communication made by members of the General Assembly on publicly owned computers or cell phones in the definition of records available for public inspection; amend KRS 11A.040 to prohibit a public servant from acting as an executive branch lobbyist for one year after leaving employment, and prohibit a public servant from bidding on or holding a state contract unless approved by the Executive Branch Ethics Commission; amend KRS 11A.045 to prohibit a public servant from accepting any gifts or gratuities from a person or business holding a state contract; amend KRS 11A.050 to add the financial statement filings for public servants to include August 15 and December 15, require appointees to state boards and commissions to file a financial disclosure statement on or before April 15, and require constitutional officers and candidates for constitutional office to file a copy of their tax returns with the commission; amend KRS 11A.060 to reestablish the commission as an independent, de jure municipal corporation, and change the way in which board members are appointed and removed; amend KRS 11A.070 to set out requirements for the executive director of the commission, limit his or her employment term, and require he or she be sworn in under Section 228 of the Kentucky Constitution, require the commission to employ four full-time investigators, and make all employees of the commission independent; amend KRS 11A.080 to prohibit the

commission from turning over information to other agencies, contractors, or persons, and from making public statements prior to the completion of an investigation; amend KRS 11A.110 to create an ethics tip line; amend KRS 11A.990 to make failure to disclose a financial disclosure statement or tax return as required a Class D felony and disqualify the public servant from holding public office; amend KRS 12.028 to remove the commission from the reorganization authority of the Governor; amend KRS 18A.005 to include the definition of "relative"; amend KRS 18A.155 to prohibit a relative of a sitting state legislator or cabinet secretary from being hired in the unclassified service; amend KRS 45A.095 to define "business relationship" and "family", and prohibit a no-bid contract with a vendor having a business relationship with the Governor, Lieutenant Governor, or a member of the Governor's Executive Cabinet or any vendor owned by them; amend KRS 45A.715 to prohibit the Department of Revenue from entering into a personal service contract that gives the Governor the authority to set out a bonus payment structure for the collection of taxes; make the former Executive Branch Ethics Commission cease to exist effective January 1, 2019; require the Attorney General, the Auditor of Public Accounts, the Secretary of State, and the Chief Justice of the Commonwealth to submit their nominees to the new Executive Branch Ethics Commission to the Governor by October 1, 2018, and require the Governor to appoint the new commissioners on or before December 1, 2018 to take effect January 1, 2019; reconstitution of Executive Branch Ethics Commission effective January 1, 2019.

Dec 08, 2017 - Prefiled by the sponsor(s). Jan 02, 2018 - introduced in House; to State Government (H)

6. <u>HB 94</u> (BR 95) - <u>D. Keene</u>

AN ACT relating to the transfer of real property on death.

Create new sections of KRS Chapter 394 to establish the Kentucky Uniform Real Property Transfer on Death Act to codify provisions for the creation, administration, modification, termination, and validity of transfer on death deeds; define terms; specify that a transfer on death deed is not an inter vivos transfer and that transfer occurs at the time of the transferor's death; specify that the transferor retains the power to revoke a transfer on death deed; enumerate that a transfer on deed is nontestmentary; establish requirements for a transfer on death deed and specify the process of recording a transfer on death deed; specify that a transfer on death deed is effective without notice to or acceptance by the beneficiary during the transferor's lifetime; establish provisions for the revocation of a transfer on death deed by instrument or act; enumerate the effect of a transfer on death deed during transferor's life; allow a beneficiary to disclaim all or part of the beneficiary's interests; specify the impact of transfer on death deed on claims when an estate is insufficient; enumerate that a beneficiary of a transfer on death deed may disclaim the property interest in the deed; create the form for creating a transfer on death deed; create the form for revocation of a transfer on death deed; require that the provisions of KRS Chapter 394 be applied and construed so as to promote uniformity; conform to federal requirements related to electronic signatures and records; specify the applicability of KRS Chapter 394 to current law; specify that this Act may be cited as the Uniform Real Property Transfer on Death Act; amend KRS 382.110, 391.360, and 403.190 to conform.

Jan 02, 2018 - introduced in House Jan 04, 2018 - to Judiciary (H)

7. <u>HB 105</u> (BR 183) - <u>B. Reed</u>

AN ACT relating to the terms of office of the trustees of the Teachers' Retirement System of Kentucky.

Amend KRS 161.250 to remove the term limits for appointed and elected trustees of the Kentucky Teachers' Retirement System; specify that this Act shall supersede any noncodified provisions to the contrary in prior Acts.

Jan 02, 2018 - introduced in House Jan 04, 2018 - to State Government (H)

8. <u>HB 125</u> (BR 855) - <u>A. Koenig</u>, <u>A. Simpson</u>, <u>J. Nemes</u>

AN ACT relating to voluntary unification of counties.

Create new sections of KRS Chapter 67 to establish a new procedure for the optional consolidation of counties; exclude consolidated local governments, charter county governments, urban-county governments, and unified local governments from the procedures; permit two or more counties to consolidate with such action initiated by public petition or local ordinance; require signatures of 20% or more of the number of persons voting in last presidential election for initiation petition; provide for the contents and certification of petitions as prescribed; require the county judge/executive in the initiating county within 10 days to notify the other local governments and their citizens of the proposal as prescribed; require responding action in adjoining counties within 120 days or initial action becomes void; require a special election within 90 days if adjoining counties enter the process; require approval in each county for consolidation to become effective; prescribe the language for the ballot, other election procedures, and advertisement of the election by the sheriff; require a simple majority of those voting in each county for approval; require all election costs to be paid for by the state, and prohibit any organizational changes in a newly consolidated county for 10 years; prohibit any new county from becoming effective until the end of terms of current officeholders and require new officers to be elected in the same manner and at same time as other county officials; require the county judge/executive in each county to appoint 6 citizens to a transition committee as prescribed; require transition committee to divide county into 3-8 magisterial districts and to select 2-5 names for the new county to be decided by the voters; require final report of the transition committee as prescribed; provide for a gubernatorial appointee to break tie vote on questions relating to the name of the new county, the formation of magisterial districts, or other issues on the ballot; require all taxes from the immediate year to remain in effect until changed by the new county; require the creation of a special taxing district for repayment of prior financial obligations in previously existing counties as prescribed; require surplus funds to be spent in the areas where funds were raised as prescribed; permit voters to determine the location of new county seat from previously existing locations; require county seat to remain at that location for not less than 10 years; require other remaining county buildings to be maintained as branch offices for 10 years as prescribed; require the Department for Local Government to promulgate administrative regulations awarding preference points on community development

block grant applications and provide technical and advisory assistance to consolidated counties; require, upon consolidation, all appointments to boards of special districts to remain in effect until the expiration of the term, at which point the appropriate appointing authority shall make new appointments; amend KRS 67.280 to provide for federal and state election districts as prescribed; repeal KRS 67.190, 67.200, 67.210, 67.220, 67.230, 67.240, 67.250, 67.260, 67.270, 67.290, and 67.310.

Jan 03, 2018 - introduced in House Jan 05, 2018 - to Local Government (H)

9. <u>HB 127</u> (BR 896) - <u>R. Nelson</u>

AN ACT relating to survivor benefits in the Kentucky Teachers' Retirement System. Amend KRS 161.520 to remove marriage as a disqualifying event for a widow or widower who is receiving survivor's benefits from the Kentucky Teachers' Retirement System; specify that the widow or widower must have been married to the deceased contributing member for not less than five years.

Jan 04, 2018 - introduced in House Jan 08, 2018 - to State Government (H)

10. HB 130 (BR 469) - K. Upchurch, J. Petrie, K. Imes, J. Tipton, T. Turner

AN ACT relating to administrative regulations.

Create a new section of KRS 13A.290 to 13A.335 to require the staff of the Administrative Regulation Review Subcommittee to submit to that committee's co-chairs an annual report on administrative regulations found deficient by a legislative committee; list the information that is necessary to complete the report; include prominent text on the first page of the report outlining potential legislative options; amend KRS 13A.290, 13A.330, and 13A.331 to allow a committee to take action on an administrative regulation within 60 days of LRC referral.

Jan 04, 2018 - introduced in House Jan 08, 2018 - to State Government (H) Jan 09, 2018 - posted in committee

11. <u>HB 154</u> (BR 995) - <u>S. Wells</u>

AN ACT relating to administrative regulations.

Amend KRS 13A.290 to require the administrative regulations compiler to compile a list of administrative regulations considered during the year, including their disposition; require the cochairs of the Administrative Regulation Review Subcommittee to file the list of regulations as a simple resolution in their respective chambers; allow members to object to any resolution on the list; require the Legislative Research Commission to refer administrative regulations removed from the list to the interim joint committee with jurisdiction over the administrative regulation for additional consideration.

Jan 08, 2018 - introduced in House

12. <u>HB 158</u> (BR 406) - <u>B. Rowland</u>

AN ACT relating to life insurance for public employees.

Amend KRS 18A.205 to permit certain individuals participating in an optional retirement plan authorized by KRS 161.567, certain individuals employed by a public postsecondary educational institution or certain local governments, and any certified or classified employee or elected member of a local board of education to obtain life insurance under the state-sponsored group life insurance policy or policies if the individual's employer opts to participate in the statesponsored group life insurance program; amend KRS 18A.210 and 18A.215 to conform.

Jan 08, 2018 - introduced in House