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**FOR IMMEDIATE RELEASE**

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## **LEGISLATIVE UPDATE**

By State Representative Brad Montell

FRANKFORT – As another week ended in Frankfort, the session continued to be dominated by budget talks and meetings designed to shore up the projected \$1 billion-plus shortfall in our state's upcoming budget. Unlike most families and businesses that create a spending plan to match their available income, governments often calculate all the spending needs and then try to create a revenue plan to match spending. This year, I am hopeful that things will be different.

The mood has noticeably changed among legislative members this year. There are very few signs of partisanship, at least in the House, and I think one reason is that the Speaker and the Senate President, along with other members of leadership, are working together crafting this year's budget.

The only player not present seems to be Governor Beshear. I, along with other House and Senate members, again received a letter from the governor last week asking us to consider gaming as a source of revenue to fix the budget. While feelings on this issue vary widely among members, I do not know one House member who believes that gaming legislation is a realistic solution for this year's budget. Nor is raising a new tax to plug the shortfall realistic. That being said, the focus from the legislature continues to be on finding cost-saving measures and making cuts to balance the budget.

Most of the effort, for now, centers on cost-savings that can be found in government. One of the biggest savings areas could be in reducing contract employees. Here is how it works. A merit employee retires and is not replaced with another merit employee. As this is multiplied hundreds of times, over several years, the state employee role begins to decrease. It is a great talking point for the governor to show that government has "shrunk" under his administration.

However, shrinking government employee numbers are only half of the story. Many times, the merit employee is replaced with a "contract" employee so that the new hire is not counted as a state employee. No one seems to know how many contract workers exist nor where they are located. No one knows how many are appointed by the governor or are hired through a cabinet, but the numbers are probably in the thousands.

Last week, I was the co-sponsor of HB 387, which would force the Finance and Administration Cabinet to release the contract employee numbers and the supporting information within 15 days. HB 387 has bi-partisan support. Armed with this information, I believe we can significantly reduce the size and cost of state government, without affecting service delivery and without laying off merit employees.

There is also talk of significant savings being found in Medicaid delivery, which I will discuss in the next column.

Several bills have moved through the committee process and to the full House for a vote. One such bill was HB 325, which passed on Friday. It was necessitated by last year's audits, which revealed questionable spending on the part of Kentucky Association of Counties (KACO) and the Kentucky

League of Cities (KLC). This legislation would require KACO and KLC to comply with the state's open records laws and adhere to Kentucky's open meetings statutes. They would also be directed to adopt ethics policies, follow state procurement codes and be subject to annual audits.

You may stay informed of legislative action on bills by visiting the Legislative Research Commission website at [www.lrc.ky.gov](http://www.lrc.ky.gov) or by calling the LRC toll-free Bill Status Line at 866-840-2835. To find out when a committee meeting is scheduled, you may call the LRC toll-free Meeting Information Line at 800-633-9650. If you would like to share your comments or concerns with me or another legislator about a particular bill under consideration, you may call the toll-free Legislative Message Line at 800-372-7181.

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