

## **LEGISLATIVE UPDATE**

**Friday, January 27, 2006**

*by State Representative David Osborne*

### **Labor, health and energy on the agenda as first month ends**

With the first full month of the 2006 General Assembly behind us, members of the State House of Representatives are working to get legislation through committees and the full House in order to give each bill enough time to be deliberated.

All of the legislative committees have been busy working on legislation to send to the full House for consideration. The Kentucky General Assembly's committee system provides us not only with an opportunity to hear testimony on the issues before us, but also with a chance to examine bills and make changes. As a matter of fact, many of the bills we will vote on while on the House Floor have been amended by the legislative committee they originated in before coming to the floor. These changes can improve the bill or simply ensure that it accomplishes its goal.

Among the bills we have passed this week is HB 326, legislation that would create a Kentucky Educator Award and Recognition Fund to provide matching funds for schools that have state and national award winning educators that have received either a cash award or an equivalent benefit. Funding for the program would consist of proceeds from contributions, appropriations, or other moneys made available for purposes of the fund. Under HB 326, local school districts would notify the Kentucky Department of Education for disbursement of money from the fund. HB 326 passed the House on a vote of 96-0.

Members of the House Natural Resources and Energy Committee heard testimony on a process used to extract a liquid fuel from coal. The process, known as Fischer Tropsch, can be used to convert coal into a fuel that can be used instead of diesel gasoline to power automobiles. Fischer

Tropsch has been used for over eight decades throughout the world and actually produces a cleaner burning fuel than what we use today. Obviously, in a state that produces as much coal as we do, Fischer Tropsch may provide a potential for both using Kentucky coal mined by Kentucky miners and an alternative fuel.

The committee hearing on Fischer Tropsch comes on the heels of House passage of HB 299, innovative legislation that promotes the use of Kentucky coal and biodiesel as alternative fuels so that we as a nation can become more energy independent. In addition, HB 299 would also require the state to consider energy efficient HVAC systems when letting bids for state government construction contracts. HB 299 passed the House on a vote of 96-0.

Two of the most controversial issues I receive calls and emails about are labor issues - prevailing wage and employee choice - that the House Labor and Industry Committee will most likely not be debating. The governor highlighted both in his State of the Commonwealth Speech and his Budget Address and since then labor unions have been working hard to ensure that neither gets a hearing.

Prevailing wage refers to a law requiring that an average wage is paid to similarly employed workers engaged in a particular occupation. Here in Kentucky, the prevailing wage law specifically sets a wage for laborers working on construction projects and that wage is rarely based on the local market's wage. Those in favor of eliminating prevailing wage point out studies that show our mandatory prevailing wage law increases the cost of construction dramatically - up to 20 percent on school construction projects alone. Opponents of repealing prevailing wage defend the law as a way to ensure higher wages for workers.

Many of you have also heard the term "Employee Choice," particularly after the governor's speeches. Employee Choice legislation, also called "right to work," would prohibit mandatory membership or financial support of a labor organization as a condition of employment. Those against employee choice claim it will threaten the representation that labor unions give employees. Currently, around 9 percent of working Kentuckians hold membership in a labor union. Neighboring states, including Tennessee, have had employee choice laws on the books for decades. Proponents of employee choice argue that it does not prohibit labor unions, just requiring Kentuckians to either be a member or give them money. Those in favor of the law also cite Tennessee's success in economic development and studies that show it would create nearly 9,500 new jobs within three years here in Kentucky - new jobs with a total personal income of \$428 million.

As you can see, both prevailing wage and employee choice are hot button issues that can have a great effect on our work to bring new jobs to our state, as well as to the conditions that Kentuckians work under.

Over the next few weeks I will continue to update you on our progress. In the meantime, I can be reached here at home anytime, or through the toll-free message line in Frankfort at 1-800-372-7181. Those with hearing impairments may leave messages for me by calling the TTY message Line at 1-800-896-0305. If you have internet access you can e-mail me at [david.osborne@lrc.ky.gov](mailto:david.osborne@lrc.ky.gov) or keep track through the Kentucky Legislature Home Page: <http://www.lrc.ky.gov>.