

Surprise 107-page bill wins House OK

BY LIAM NIEMEYER
KENTUCKY LANTERN

FRANKFORT — Kentucky’s Republican-controlled House voted Tuesday to make sprawling changes to the state’s tax laws and also to make it easier for lawmakers to incrementally lower the state’s income tax rate in the future.

The 107-page measure that emerged for the first time in the final days of this year’s session was inserted into a “shell” bill by the House budget committee Tuesday morning and approved by the full House Tuesday afternoon, despite protests by Democrats that the changes were moving too fast and without public notice.

Rep. Anne Donworth, D-Lexington, on the House floor questioned how the bill’s widely ranging provisions — from making a statement in support of “alternative jet fuels” to levying a tax on hemp-derived beverages — relate to each other.

The vehicle for making the changes, House Bill 775, sponsored by House Majority Whip Jason Nemes, R-Louisville, was originally a four-page bill making small changes in laws governing tax increment financing districts.

The bill would change a law enacted by the legislature in 2022 that created guardrails for gradually lowering the individual income tax by half a percentage point only when several metrics predict that



Liam Niemeyer/Kentucky Lantern

Rep. Adam Moore, D-Lexington, expresses concern that lawmakers need more time to go through House Bill 775 as bill sponsor Rep. Jason Nemes, R-Louisville, listens.

state finances could sustain the loss of revenue. If approved by the Senate, the new law could potentially allow the GOP-controlled legislature to reduce the tax rate from 0.1% to 0.5% each year depending on how much General Fund revenues exceeded General Fund expenditures.

The 2022 law only allows the legislature to approve a half-percent reduction each legislative session if specific fiscal triggers in the state budget are met; if the triggers aren’t met, then the legislature keeps the income tax rate as is.

All 16 Republicans present on the House Appropriations and Revenue Committee voted to advance the expanded piece of legislation. The minority of Democrats on the committee voted against or passed on

the bill, concerned about the numerous changes to state law and the lack of notice to the public.

Rep. Ken Fleming, R-Louisville, explaining his support for the bill, said lawmakers previously looked at potentially lowering the income tax by smaller increments, calling the newly unveiled framework a “good process.” He said the framework would give “more flexibility” to “make sure we attract workforce and help businesses as well as put more money in people’s pockets.”

MOVING THE GOALPOSTS AGAIN

Committee chair Jason Petrie, R-Elkton, told the committee the new version of HB 775 would “begin a conversa-

tion” but he doubted “it survives the General Assembly’s full process in its current iteration.”

It’s long been a Republican goal to completely eliminate the income tax. Economic analysts with the progressive think tank Kentucky Center for Economic Policy (KCEP) have warned further cuts in the state’s income tax revenue could threaten adequately funding government services including education.

Jason Bailey, the executive director for KCEP, in a statement said HB 775 “moves the goalposts once again on the legislature’s income tax cut triggers, allowing additional cuts even as the costs of those already in place grow.” He said the proposed framework for reducing income tax cuts could allow for tax revenues to be cut by over \$100 million if General Fund revenues exceed spending by “just one penny in one year.”

“Continuing down this path will require more and more cuts to the state budget, sacrificing investments in education, Medicaid and infrastructure in order to provide more tax breaks that go overwhelmingly to the wealthy,” Bailey said in his statement.

Democrats expressed concern in the committee and on the House floor that the public, let alone lawmakers, didn’t have enough time to under-

stand the numerous changes being put forward in the legislation. Republicans voted down an effort by Rep. Adam Moore, D-Lexington, to lay the bill on the clerk’s desk to provide more time for lawmakers to go through the bill’s changes.

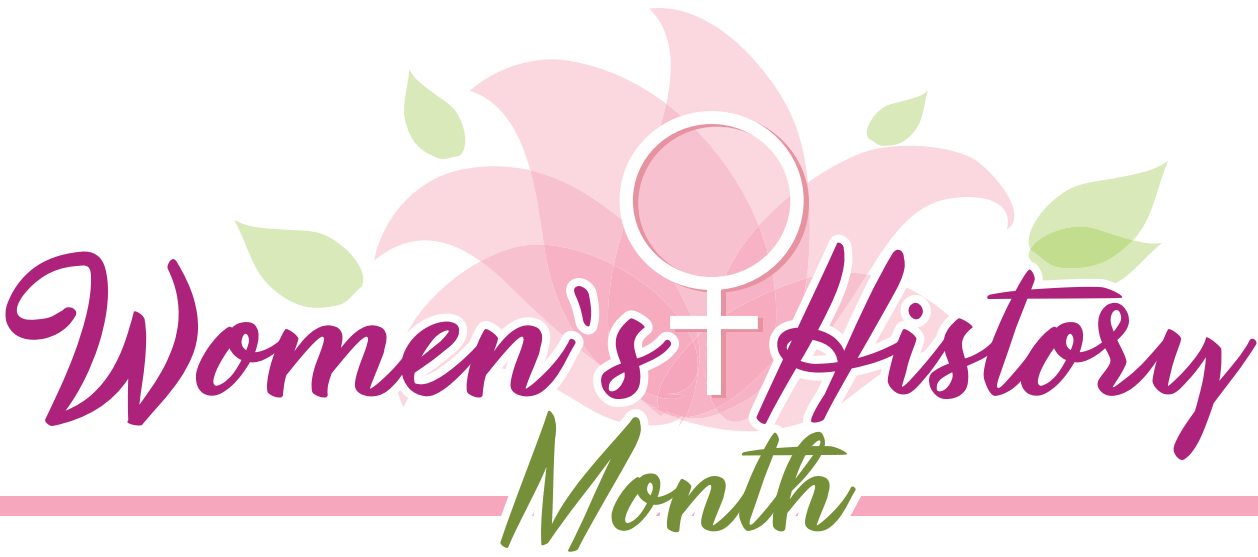
Rep. Tina Bojanowski, D-Louisville, who voted against the bill in the committee, said she didn’t believe there was transparency in the process of advancing the bill because the substitute language wasn’t available to the public when the committee voted on the bill. The substitute language is available publicly on the Legislative Research Commission’s website as of Tuesday afternoon.

“If you are not talking to the Republicans and you’re just trying to get your information from the media, how would they know?” Bojanowski told reporters after the committee meeting. “Transparency I think is the most important thing we can do here, and if they’re going to make the change ... I can’t prevent that from happening. But hopefully the public could chime in and give their perspectives.”

‘SHELL BILLS’ CONTROVERSIAL

The practice of rewriting insignificant bills, known as “shell bills,” with short notice to enact major changes to state

SEE **BILL/PAGE A9**



Rosetta Bacon: A Life Rooted in Trigg County’s History and Heart

For those who knew Rosetta Bacon, her name wasn’t just one in the community—it was a part of its fabric. A daughter of Trigg County, she carried with her the history, the lessons, and the love of a place she always called home.

Born in 1950, Bacon grew up embracing the freedoms and traditions of rural Kentucky. From an early age, she understood the value of hard work and education, excelling in her studies and later earning a degree from Murray State University in 1972. After college, she became the area’s first black news reporter and hosted a weekly talk show on a very familiar station

we know now as WHOP. But for Bacon, success was never just about personal achievements—it was about giving back.

Her roots in Trigg County ran deep, not just through the land but through the stories she helped preserve. As a participant in the Trigg County African-American Oral History Project, she played a role in ensuring that the voices of those who came before her were not forgotten. She

shared her experiences, her family’s legacy, and the changing landscape of the community. Stating that, “History is best honored when it is remembered.”

Bacon came from a family dedicated to faith and service. Her father, Rev. John T. Bacon, and her mother, Ruth Smith Bacon, instilled in their children the importance of community and kindness. Her sister, Althea Marie Bacon Bush, also

H.B. Quinn,
Attorney at Law

14 Court Place
Cadiz, KY
270-522-3481

Hello, Neighbor!

Tina Loomis
368 Lakota Drive
Cadiz, KY 42211
270-522-8444
Fax 270-522-8427
www.tinaloomis.com

Please stop by and say, “Hi!”
We are looking forward to serving your needs for insurance and financial services.
Like a good neighbor, State Farm is there.®

State Farm™

1001013.1 State Farm, Home Office: Bloomington, IL

Planters Bank

MEMBER FDIC

Celebrating Women in Leadership Every Day