

Week four legislative update

BY AARON REED
STATE SENATOR

As we begin another week in the 2025 Legislative Session, our hearts are with the many Kentuckians impacted by the severe storms and historic flooding that swept across the commonwealth this past weekend. Several communities, particularly in eastern and south-central Kentucky, experienced widespread devastation, with homes and businesses submerged, roads washed out, and thousands left without power. At one point, there were over 300 road closures. Tragically, reports confirm that lives have been lost in the flooding, and we mourn alongside the families affected.

The Governor declared a state of emergency, and the President approved it to ensure federal resources are available to assist in recovery efforts. First responders, the National Guard, and local emergency management teams continue working tirelessly to conduct water rescues and aid those in need. Reports indicated there were hundreds of water rescues, which saved many lives. Their dedication, and that of local neighbors, in the face of such horrors is commendable, and we are grateful for their service.

In the days and weeks ahead, we must focus on supporting the impacted communities and ensuring they receive the necessary resources. The General Assembly will work closely with state and federal officials to assist in relief efforts, and we urge all Kentuckians to remain vigilant as conditions continue to evolve.

Week four of the 2025 Legislative Session marked the bill filing deadlines for the House and Senate. By the end of the week, the Senate had proposed 267 bills, while the House had introduced 814.

In the upper chamber, the Senate Majority Caucus successfully limited the number of bills each member introduced. For comparison, during the previous 30-day legislative session in 2023, the Senate proposed 282 bills; in 2021, there were 285.

The Senate approved these bills in week four.

SB 2 ensures no taxpayer dollars are used for transgender surgeries or hormone therapy for inmates while still protecting access to medically necessary care for conditions like thyroid or hormonal disorders. The bill draws a clear line between essential health care and elective procedures, which prevents state agencies from pushing unauthorized policies behind closed doors.

For nearly three years, an internal memo from the Beshear administration authorized taxpayer-funded gender transition treatments for inmates. The memo bypassed legislative review and avoided public scrutiny. The administration never filed the policy as an official regulation, which kept it hidden from oversight until it was exposed. Only then did the administration belatedly file an official regulation, which triggered the required legislative review process.

During a December Administrative Regulation Review Subcommittee hearing, Department of Corrections officials refused to answer legislative questions

and claimed they had requested a legal opinion from the attorney general. Records show the request was only filed on the Friday before the Monday hearing. Attorney General Russell Coleman responded swiftly and confirmed Kentucky has no legal obligation to use taxpayer funds for gender-affirming surgeries for incarcerated individuals, stating: “For most Kentuckians, the answer to the Department’s question is self-evident.”

SB 10 enhances retiree health benefits for County Employees Retirement System (CERS) members by increasing health insurance subsidies to \$40 per year for non-hazardous retirees and \$50 per year of service for hazardous retirees. To support this, hazardous employees will contribute 2% of pay, and non-hazardous employees hired after July 1, 2003, will also begin contributing. The change applies retroactively for eligible retirees on Jan. 1, 2026. The bill, developed in collaboration with law enforcement, firefighters, and local governments, strengthens recruitment and retention while keeping the system financially sound.

SB 13 would cap the number of managed care organizations in Kentucky’s Medicaid system at three, aiming to streamline administration, reduce complexity for health care providers—especially in rural areas—and lower overhead costs. The measure allows providers to focus more on patient care by easing administrative burdens. If enacted, the bill would take effect on Jan. 1, 2026.

SB 15 exempts minor league baseball players from Kentucky’s wage-and-hour laws to align with the federal-ly-negotiated collective bargaining agreement (CBA). The CBA provides significant benefits for players, including salary increases, year-round pay, health insurance, and housing assistance. Without this legislation, state regulations could disrupt player development and team operations. Kentucky is home to several Minor League Baseball teams, including the Louisville Bats and Bowling Green Hot Rods, as well as independent teams like the Lexington Legends and Florence Y’alls. Supported by MLB and the MLBPA, the bill protects these teams’ operations and ensures baseball continues to thrive as a vital part of Kentucky’s economy and culture.

SB 18 expands insurance options for licensed vehicle dealers by allowing them to obtain required bonds or insurance coverage from a broader range of insurers, including non-admitted insurers that meet Kentucky’s regulatory standards. This change gives motor vehicle dealers, new recreational vehicle dealers, auction dealers, and wholesalers more flexibility in meeting state licensing requirements. The bill also includes technical updates to existing insurance statutes.

SB 24 strengthens protections against insurance fraud by closing loopholes, deterring fraud, and protecting consumers from inflated or false claims. The bill expands the definition of insurance fraud by broadening what qualifies as a fraudulent statement in property and casualty insurance

claims. It updates the definition of “statement” to include estimates for casualty damages and bids or proposals related to property damage. Fraudulent insurance acts now explicitly include any misrepresentation of the scope of damages, including repair costs, towing, storage, and other associated expenses.

SB 28 establishes a new agricultural economic development program within the Department of Agriculture to strengthen Kentucky’s agricultural economy. It creates the Agricultural Economic Development Board to oversee the Agricultural Economic Development Fund, which provides financial support for projects across the state. Importantly, any unspent funds at the end of a fiscal year will carry over and provide long-term support for agriculture initiatives. The program aims to boost agribusiness, create jobs, and promote development in rural areas to keep Kentucky agriculture competitive and adaptable to future challenges. Designated as an emergency measure, this bill will take effect immediately to provide timely support for the state’s agricultural sector.

SB 67 proposes a constitutional amendment to shield Kentucky homeowners aged 65 and older from property tax increases due to rising property values. If enacted, the amendment would freeze the assessed value of a senior’s primary residence and contiguous real property at the value recorded when they turn 65 or purchase the property, whichever is later. This measure aims to provide financial relief to seniors on fixed incomes and potentially save them hundreds of dollars annually. The proposed amendment would modify Section 170 of the Kentucky Constitution. For it to appear on the 2026 ballot, SB 67 must secure three-fifths approval in both the Kentucky House and Senate; gubernatorial approval is not required for constitutional amendments. If a majority of voters endorse the amendment in the 2026 election, it would be adopted shortly thereafter.

SB 69 modernizes Kentucky’s animal health regulations by creating a new license for animal chiropractors and equine dental providers, and establishing an advisory committee under the Kentucky Board of Veterinary Examiners. Experienced professionals (legacy candidates) can apply for a license without meeting education requirements within the first 18 months. After that, all new applicants must meet standard education and testing requirements. The bill also ensures only veterinarians can prescribe or administer medication for equine dental procedures and updates patient record laws so law enforcement and health departments can confirm rabies vaccination records when needed.

SB 77 updates the membership eligibility for the Education Professional Standards Board (EPSB), which oversees teacher certification standards in Kentucky. Currently, the governor appoints a chief academic officer (CAO) from an independent not-for-profit college or university to serve on the board. The bill allows the governor to appoint either the CAO or the head of the educator

preparation program at those institutions. This is one of 15 people appointed to the board by the governor. Since some colleges do not have a CAO, this change ensures they remain fairly represented in shaping education policies. By expanding eligibility, SB 77 ensures that all independent not-for-profit colleges and universities have a voice on the EPSB.

SB 79 updates state personnel policies to improve efficiency, accountability, and workforce management. It clarifies job classifications, removes outdated regulations, and strengthens payroll consistency while prioritizing job security for full-time employees. The bill would require remote state employees to return to in-person work. It allows designated leaders in the executive, judicial, and legislative branches to set a policy allowing up to two monthly telework days for certain employees. The bill reclassifies wardens as non-merit employees to address challenges in juvenile detention facilities and allow for faster leadership changes when needed.

SB 84 reins in bureaucratic overreach by requiring Kentucky courts to interpret laws independently, without deferring to state agencies. It mandates de novo review for judges to decide legal questions based on statutory text alone. This reform aligns with the 2024 U.S. Supreme Court decision overturning the Chevron doctrine, which previously expanded agency power by allowing courts to defer to agency interpretations. Without this safeguard, Kentucky agencies could continue exceeding legislative intent. Senate Bill 84 ensures legal ambiguities are resolved against expanded agency authority and preserves judicial independence and the balance of power.

SB 87 strengthens Kentucky’s aviation industry by streamlining procurement for major commercial airports, increasing safety measures, and expanding workforce development opportunities. It allows Cincinnati-Northern Kentucky International, Lexington-Bluegrass, and Louisville International airports to follow FAA small purchase procedures for transactions up to \$150,000 while maintaining state oversight for larger purchases. The bill raises fines for airport regulation violations, updates legal terminology, and repeals outdated unmanned aircraft mapping requirements. It ensures transparency by requiring an annual report on the Kentucky Aviation Economic Development Fund while limiting funding to general aviation airports. Additionally, it directs the Council on Postsecondary Education to study the creation of an FAA-recognized air traffic control or safety program at a Kentucky university, with a timeline for implementation.

SB 103 enhances transparency and accountability within the Kentucky Office of Vocational Rehabilitation (OVR) to better support individuals with disabilities. With Kentucky ranking 48th nationally in employment disparity, the bill requires the OVR executive

director to establish a preference for in-state service providers—unless doing so would effectively deny an individual access to a necessary service available out-of-state. This ensures that Kentucky-based providers are prioritized while maintaining essential service access. The bill also mandates clear service fee regulations to prevent arbitrary costs and improve fairness. Additionally, it strengthens oversight by requiring OVR to submit an annual report to the governor and provide a comprehensive review of its operations and finances. By reinforcing transparency and prioritizing in-state services, SB 103 advances Kentucky’s commitment to expanding job opportunities and independence for individuals with disabilities.

SB 104 enhances Kentucky’s Deferred Compensation program by authorizing self-directed brokerage accounts and gives participants more investment choices in SEC-registered securities while ensuring compliance with federal regulations. It strengthens fiduciary protections by allowing the board to obtain liability insurance, clarifying that trustees are not liable for individual investment decisions, and establishing a high legal threshold for claims against trustees. It also authorizes the board to promulgate administrative regulations, to establish greater flexibility and safeguards for public employees planning for retirement.

SB 111 strengthens Kentucky’s juvenile justice system by prioritizing mental health treatment for youth in crisis and improving facility safety. The bill supports the design of a secure high-acuity mental health facility for juveniles experiencing severe crises, to make sure they receive appropriate care rather than being placed in standard detention units. It also establishes a structured continuum of care, improving evaluation and treatment placement for mentally ill youth. Additionally, the bill enhances facility safety and staffing by creating a clear process for transferring violent juveniles from non-secure inpatient facilities to appropriate settings. While initial plans for two female-only detention centers were removed due to budget constraints, Sen. Carroll, sponsor of SB111, remains committed to securing funding in a future budget cycle. By addressing critical gaps in Kentucky’s juvenile justice system, SB 111 positions the state to comply with federal recommendations and improve long-term outcomes for at-risk youth.

SB 179 establishes a \$10 million grant program within the Kentucky Nuclear Energy Development Authority (KNEDA) to support and attract nuclear energy projects. Funded through existing appropriations to the University of Kentucky, the program will be administered by a KNEDA advisory subcommittee to continue targeted investment in nuclear innovation. By advancing nuclear energy development, SB 179 strengthens Kentucky’s position as a leader in the industry, fosters economic growth, and

reinforces the state’s commitment to a diverse and reliable energy portfolio.

Senate Joint Resolution (SJR) 25 directs the Department of Revenue to evaluate the feasibility of physical agricultural tax exemption cards to simplify transactions and enhance verification for farmers and retailers. The study will assess the cost of production through in-house and third-party options and review similar programs in other states to identify best practices. The goal is to streamline transactions, reduce administrative burdens, and provide lawmakers with clear cost and implementation data before potential adoption. The Department of Revenue must submit its findings by December 1, to the Interim Joint Committees on Agriculture and Appropriations and Revenue. As a joint resolution, SJR 25 does not create a permanent law but carries legal authority to direct this study.

Senate Concurrent Resolution (SCR) 43 expressed the General Assembly’s support for the Crisis Recovery Support Network coordinated by the Southern Regional Education Board (SREB). The network provides long-term counseling support to schools, districts, and postsecondary institutions recovering from natural disasters, school shootings, and other crises, focusing on rural areas lacking resources. SREB will cover initial training and coordination costs, though states may later contribute \$10,000 annually to sustain the program. By adopting SCR 43, the Kentucky General Assembly affirms its commitment to student and educator well-being by recognizing the network as a trusted resource for crisis recovery.

I was excited to invite military children and their families to the annual Military Kids Day at the state Capitol on Tuesday, February 25. This special event celebrated the resilience, sacrifice, and contributions of military children as young heroes who support their parents or guardians serving in the military.

You can track bills and meetings in several ways. Stay updated on legislative proceedings by visiting legislature.ky.gov, or finding the status of legislation by calling 866-840-2835. You can also get legislative meeting information at 800-633-9650 and watch live at KET.org/Legislature, or access archived footage on the LRC YouTube Channel at THIS LINK or KET.org/legislature/archives.

And you can follow the legislature on social media. For updates, follow me on Facebook Aaron Reed Kentucky Senator #7, Instagram aaronreed5326, X @AaronReed4KY, or track the Senate Majority Caucus at @KYSenateGOP on X and Instagram. Press releases from the Senate Majority Caucus and information on members are also available at our website, kysenategop.com.

Thank you for allowing me to serve you in the Kentucky Senate. If you have any questions, concerns, or ideas, please reach out to my office if I or my staff can be of any assistance to you or your family by emailing me at Aaron.Reed@kylegislature.gov or by calling me toll-free at 1-800-372-7181.