

INTERIM JOINT COMMITTEE ON STATE GOVERNMENT

Minutes of the 2nd Meeting of the 2025 Interim

July 29, 2025

Call to Order and Roll Call

The second meeting of the Interim Joint Committee on State Government was held on July 29, 2025, at 11:00 AM in Room 154 of the Capitol Annex. Representative David Hale, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative David Hale, Co-Chair; Senator Michael J. Nemes, Co-Chair; Representative DJ Johnson, Co-Chair; Senators Julie Raque Adams, Greg Elkins, Keturah Herron, Scott Madon, Amanda Mays Bledsoe, Christian McDaniel, Robby Mills, Steve Rawlings, and Lindsey Tichenor; and Representatives Shane Baker, Ryan Bivens, Josh Calloway, Beverly Chester-Burton, Anne Gay Donworth, Peyton Griffie, Erika Hancock, John Hodgson, Mary Beth Imes, Matthew Lehman, Chris Lewis, Scott Lewis, Matt Lockett, Savannah Maddox, Mary Lou Marzian, Marianne Proctor, Rebecca Raymer, T.J. Roberts, Nancy Tate, Aaron Thompson, James Tipton, Joshua Watkins, and Susan Witten.

Guests: Karen Sellers, Executive Director, State Board of Elections (SBE); Richard House, Assistant Executive Director, SBE; Taylor Brown, General Counsel, SBE; Robert Long, Deputy Secretary, Personnel Cabinet; Chris Chamness, Commissioner, Department of Employee Insurance, Personnel Cabinet; Representative Shawn McPherson; and Danielle Clore, Executive Director/CEO, Kentucky Nonprofit Network.

LRC Staff: Daniel Carter, Jesse Farler, Christina Gordley, Shannon Tubbs, and Peggy Sciantarelli.

Approval of Minutes - June 24 Meeting

The minutes of the June 24, 2025, meeting were approved without objection, upon motion by Representative Roberts.

Voter List Maintenance - State Board of Elections

Karen Sellers, Executive Director, State Board of Elections (SBE); Richard House, Assistant Executive Director, SBE; and Taylor Brown, General Counsel, SBE gave an overview of voter list maintenance in the Commonwealth. Mr. Brown discussed National Voter Registration Act (NVRA) requirements; KRS 116.112 (voter registration purge program) and KRS 116.113; and Kentucky's membership in the Electronic Registration Information Center (ERIC).

KRS 116.112 requires the SBE to establish a voter registration purge program using change-of-address information supplied by the United States Postal Service (USPS). Through membership in ERIC, the SBE receives USPS change-of-address information. In February 2023, the first time a purge was conducted pursuant to the NVRA and the KRS purge program, more than 127,000 registrations were removed from Kentucky's voter rolls. From July 1, 2024 to June 30, 2025, there were 284,351 voter registration removals. Reasons for removal included death, declaration of incompetency, felony conviction, out-of-state registration, excusal from jury duty as a noncitizen, voter request, and duplicate registration. No voter registration is removed solely for failure to vote.

Representative Proctor referred to the reported removal of 223 persons who identified as noncitizens on a jury duty excuse form and questioned why noncitizens had been included in the voter rolls. Mr. Brown said he was not able to answer that question because the noncitizen jury questionnaire process is new to SBE. The noncitizen removals have been forwarded to the Attorney General for investigation. Senator Mills also questioned the registration of those noncitizen voters and looked forward to hearing the results of the investigation.

In response to Co-Chair Nemes, Mr. Brown discussed SBE's information exchange with other states. Other than ERIC, there is not an organized collaboration of states working toward NVRA's list maintenance goals. SBE has had productive exchanges with two other non-member states.

Co-Chair Johnson spoke about the challenge of maintaining a trusted system that ensures the ability to vote. He suggested SBE staff meet with him to determine what may need to be done legislatively.

Representative Tipton asked how his daughter, who recently moved to Florida, can be removed from Kentucky's voter rolls. Mr. Brown suggested she be removed through the postcard system. SBE is in discussions with Florida to craft a reciprocal agreement. Representative Tipton asked whether states have been willing to discuss reciprocal agreements, and Mr. Brown said SBE has been met with openness by the states it has approached.

Senator Rawlings said at least nine states have left ERIC, and he has read articles criticizing ERIC. Mr. Brown said those states left due to concern about cost of required postcard mailings. However, ERIC has since amended its bylaws to delete the requirement.

Representative Donworth expressed concern about accuracy, since voters may have duplicate names. Mr. Brown said that in addition to name and address, voter registration includes date of birth and might also include a social security number. Currently, voter rolls

do not contain full social security numbers. He also explained provisional voting and the appeals process, which allows voters removed by mistake to still cast their vote.

Representative Hodgson discussed 2024 Regular Session House Bill 44, enacted elections-related legislation that he sponsored. Mr. Brown noted the legislation enhanced the amount and type of voter registration information available to county clerks and the SBE website. He also clarified how its passage relates to participation in ERIC.

In response to Representative Marzian, Ms. Sellers said SBE's postcard mailings cost approximately \$100,000 each year. SBE has been recused from sending postcards to eligible but unregistered voters. Mr. Brown explained voter registration data does not include political party affiliation.

In response to Representative Roberts, Mr. Brown discussed the current process used by county clerks and SBE to reject or remove illegal and ineligible registrations. Current law does not require a social security number when registering to vote. If that information was available, it would improve the ability to check citizenship status, but it would also require the legislature to grant the ability to SBE.

Chair Hale thanked the speakers for their presentation and complimented SBE for its work, in conjunction with the Secretary of State, to clean up voter rolls.

State Employee Health Insurance Plan

Chris Chamness, Commissioner, Department of Employee Insurance, Personnel Cabinet, and Robert Long, Deputy Secretary, Personnel Cabinet, gave an overview of the Kentucky Employee Health Plan (KEHP). KEHP administers health and flexible spending benefits for more than 300,000 people in Kentucky.

Mr. Chamness discussed enrollment and covered lives trends over the last six years; net payments and claims by year; plan expenses; cancer screening compliance rates; medical and pharmacy trends; wellness fairs; cost prevention programs; and 2025 health plan premiums and options. Net payments grew from \$1.6 billion in 2020 to \$2.25 billion in 2024. Claims payments to members represent 92.4 percent of KEHP expenses.

In response to Representative Witten's question about the increased utilization, cost, and health impact of GLP drugs, Mr. Chamness said the uptake in use of these drugs is a new phenomenon. It is being studied but will take several years to realize the benefits.

In response to Chair Hale, Mr. Chamness discussed aspects of behavioral health that contribute to increased medical spend.

Discussion of HB 622 (2025 RS)

Representative Shawn McPherson discussed 2025 Regular Session HB 622, which he sponsored. Danielle Clore, Executive Director/CEO, Kentucky Nonprofit Network, accompanied him in support of the legislation. HB 622 passed the House and was amended in the Senate and in free conference. The provisions relating to government contracts were vetoed, and the enacted version did not accomplish the intended purpose of the bill as introduced.

Representative McPherson said HB 622 is a "common sense" contracts bill that serves as a framework and structure for more efficient government. It would allow for negotiation relating to government contracts and partial payment of invoices. He plans to file the legislation again in the 2026 Regular Session.

Ms. Clore thanked Representative McPherson for championing the issue on behalf of nonprofits. She said the ability to make contract payments on time is a national issue not unique to Kentucky. HB 622 would require prompt payment to vendors; ensure late payment penalties are included in contracts; allow the state to make partial payments on invoices for services properly delivered and billed; direct the promulgation of regulations establishing a formal dispute resolution process to address overdue payments; allow the state to consider remuneration of vendors who have incurred additional financing costs due to late payments; and require reporting to the General Assembly.

When Chair Hale asked whether a specific reason was given for the line item veto, Representative McPherson said he was advised that the legislation should have been discussed with the Governor as well as cabinet heads. There was fear federal money might be stripped. Availability of federal money is an issue that could be addressed through proper writing of a government contract.

Representative Lehman responded that the regulatory process and the allocation of federal money and grants should be addressed in future legislation. He believes it was an important part of the veto message to not put Kentucky in a position of paying when funds may not be available.

When Representative Watkins asked whether state agencies had given any reason for delayed payments to nonprofits, Ms. Clore said she believes the Finance and Administration Cabinet has sought to find the answer themselves, since they are dealing with multiple departments. Nonprofits have been reluctant to raise red flags that might jeopardize future funding, which has made it difficult to address the issue.

Representative Bivens spoke of a past building project in which he was involved that incurred problems of delayed payments and increased cost after being relegated to a

government contract. He greatly favors HB 622 and would like it to be expanded to examine additional aspects of the government contracting process.

Senator Madon spoke in support of HB 622 and helping nonprofit organizations continue their work. He commented that the federal government is allowed to make partial payments when awarding grants, and he questioned why Kentucky's government contract process does not allow for partial payments.

Adjournment

Chair Hale announced the next meeting would be held August 21 at the Kentucky State Fair. There being no further business, the meeting adjourned at 12:28 PM.