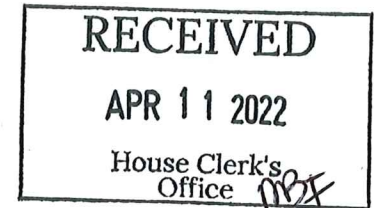




COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

Andy Beshear
GOVERNOR



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VETO MESSAGE FROM THE
GOVERNOR OF THE COMMONWEALTH OF KENTUCKY
REGARDING HOUSE BILL 297 OF THE
2022 REGULAR SESSION

I, Andy Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under section 88 of the Kentucky Constitution, do hereby veto the following:

House Bill 297 of the 2022 Regular Session of the General Assembly in its entirety.


House Bill 297 authorizes the Kentucky Public Pensions Authority (KPPA) to hire six unclassified investment employees not subject to the state personnel system. This would permit KPPA to exceed salary limitations set forth in KRS 64.640. Indeed, House Bill 297 runs contrary to House Bill 1, the Executive Branch budget, which prohibits payment of salaries to executive officers in the Cabinet for Economic Development that exceed the Governor's salary. Additionally, House Bill 297 would permit KPPA to establish the terms of employment for these six positions, meaning it could employ non-residents under conditions not available to any other state employee. Ultimately, these KPPA positions would lack any state oversight or transparency that are needed to manage public pensions' investments effectively.

House Bill 297 would allow the executive director of the KPPA to hire these investment employees at exorbitant salaries, with no upward limitation, like former Governor Bevin did with the \$375,000 per year salary for the former Commonwealth Office of Technology executive director after giving him a \$215,000 per year raise. To be clear, HB 297 sets no limitations on salaries whatsoever, meaning the KPPA could hire friends of its leadership for millions of dollars. After the General Assembly provided former Governor Bevin this authority, and he abused it, upward limits are absolutely required.

The bill does not represent sound fiscal management, and is another example of too many bills going through the process in the last days of the Regular Session, leaving members of the General Assembly without sufficient time to review provisions hidden in an otherwise unobjectionable bill.

For these reasons, I am vetoing House Bill 297.

This, the 11th day of April, 2022.

A handwritten signature in black ink, reading "Andy Beshear". The signature is written in a cursive style with a large, sweeping "A" and "B".

Andy Beshear
Governor