

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2026 Regular Session**

Part I: Measure Information

Bill Request #:	968	Bill #:	HB 676/HCS 1
Document ID #:	7826	Sponsor:	Rep. Rebecca Raymer
Bill Title:	AN ACT relating to the Kentucky statewide health data utility.		

Unit of Government: City County Urban-County
 Charter County Consolidated Local Unified Local

Office(s) Impacted: Local Governments offering health plans

Requirement: Mandatory Optional

Effect on Powers & Duties: Modifies Existing Adds New Eliminates Existing

Other Fiscal Statement(s) that may exist: Actuarial Analysis Corrections Impact
 Health Benefit Mandate State Employee Health Plan

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 676/HCS 1 creates the Kentucky statewide health data utility, a comprehensive system intended to transform how health information is shared and analyzed across Kentucky.

Section 1 states the purpose is to create a secure, interoperable system for sharing health information that improves patient outcomes, reduce errors and informs health planning. It also emphasizes privacy protections and allows patients to opt out.

Section 3 creates the Kentucky statewide health data utility fund, a restricted fund in the State Treasury, financed by grants, gifts, fees, penalties, and appropriations to support the utility’s development and operation.

Section 4 authorizes the Legislative Research Commission to develop and manage a Kentucky statewide health data utility, granting it the power to secure funding, establish data-sharing agreements with federal and out-of-state agencies, and contract with third-party vendors for technical operations. If the Commission elects to perform these duties, it must promulgate administrative regulations to standardize reporting requirements, set participant penalties, and define data access for authorized recipients.

Section 5 outlines the utility’s core functions. It will serve as the sole statewide health information exchange, incorporating a health care information exchange, pharmacy exchange, all-payer claims database, and community information exchange, while providing secure access to authorized recipients and consumer-friendly public data.

Section 7 creates the Kentucky Health Information Technology Advisory Board to set policies for data sharing and governance, review privacy and security practices, and advise on accessibility.

Section 8 establishes mandatory reporting requirements for participants such as health facilities, health care payers, and other entities. These participants must comply with health information sharing and submission requirements set by the Commission through administrative regulations in accordance with Section 4.

Section 9 gives the Attorney General authority to enforce mandatory reporting requirements established in Section 8. The Attorney General can investigate complaints, issue subpoenas, and seek injunctions. Civil penalties of up to \$1,000 per day may be assessed for noncompliance, with adjustments allowed every two years based on inflation. Local, state, and federal agencies are exempt from these penalties. All collected penalties are deposited into the Kentucky statewide health data utility fund.

The fiscal impact of HB 676/HCS 1 is indeterminable. The fiscal impact is unchanged from the bill as introduced. According to the Kentucky Public Pensions Authority (KPPA) on the bill as introduced, the estimated number of individuals potentially affected is 444,293 as of June 30, 2025. KPPA does not expect a change in benefit payments, employer costs or administrative expenses.

Additionally, the Judicial Form Retirement System (JFRS) determined that the bill as introduced will have no material impact on benefits, participation or the actuarial liability of its administered plans. While requirements could potentially increase insurance premiums, the direct cost to Judicial Retirement Plans or Legislators Retirement Plans is indeterminable at this time. JFRS verified that the bill could potentially affect 1,025 participants but there is no change in benefits, employer costs or administrative expenses to be expected.

The Kentucky League of Cities and Kentucky Association of Counties were consulted regarding this legislation, in which this statement may be updated if a response is received.

Data Source(s): Kentucky Public Pensions Authority, Judicial Form Retirement System, LRC Staff

Preparer: HT **Reviewer:** MS (MDA) **Date:** 3/10/26