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January 26, 2010 Press Clippings

[Financial adviser Larry Hausman will seek U.S. Rep. John Yarmuth's 3rd District seat, raising number in GOP primary to four](#)

By Joseph Gerth • jgerth@courier-journal.com • January 25, 2010

The field of Republican candidates hoping to challenge U.S. Rep. John Yarmuth in November continued to grow Monday with the entry of financial adviser Larry Hausman into what is now a four-way race.

Already in the Republican primary were Pizza Hut restaurant owner Jeffrey Reetz, UPS pilot Todd Lally and Louisville Gas & Electric power plant operator Jerry Durbin.

Yarmuth, D-3rd District, isn't considered at risk of losing his seat, according to both the Cook Political Report and the Rothenberg Political Report, two Washington-based publications that rate congressional races.

But in light of Republican Scott Brown's U.S. Senate victory last week in the Democratic stronghold of Massachusetts, Republicans nationally are hopeful that the political climate is changing dramatically in their favor.

Polling has shown that independents who backed Democrats in 2008 are increasingly supporting Republicans.

Hausman, 45, said in an interview that, while it would be an "uphill" task to beat Yarmuth, most people didn't give Brown a chance in the Massachusetts race. He said he believes he would represent Louisville better than Yarmuth.

"I think that having grown up in the Catholic community here, I know the undercurrent in this town," he said. "I know how conservative people in this community are."

He said his main goal would be to get the federal debt under control.

"I want to stop this crazy spending," he said, adding that he would have opposed federal stimulus spending and instead backed tax breaks for businesses that hire new workers.

Durbin, 54, of Fern Creek, is in charge of LG&E's Mill Creek power plant and is making his first run for office.

He said he favors a flat-rate income tax, wants to place high tariffs on imported goods from countries that don't pay U.S.-level wages, believes the government should crack down on monopolies and wants the Supreme Court to overturn the Roe v. Wade decision that found a constitutional right to abortion.

Durbin also said he believes the Democratic cap-and-trade legislation to limit carbon emissions is an effort to tax industry, which he opposes.

Reetz, 57, is the owner of 2JR Pizza Enterprises LLC, which operates 32 restaurants in four states. He opposes a government option in health care overhaul legislation and favors a troop buildup in Afghanistan.

Lally, 38, opposes cap-and-trade legislation and believes Yarmuth hasn't done enough to advance the Ohio River Bridges Project.

The filing deadline for this year's election is Tuesday, and Yarmuth so far has no Democratic opposition.

[Senate passes ultrasound abortion bill](#)

By Joseph Gerth • jgerth@courier-journal.com • January 25, 2010

FRANKFORT, Ky. — The Senate passed legislation Monday that would require doctors to show a woman an ultrasound image of her fetus and explain how it is developing before performing an abortion.

Senate Bill 38 passed 32-4 and now goes to the House, where similar measures have died in committee in the past.

As with current law, SB 38 would require doctors or someone designated by them to meet with a woman seeking an abortion at least 24 hours beforehand to explain the procedure. But the meeting would have to be face-to-face; under current law doctors are allowed to conduct that meeting over the telephone.

Also, the bill would require the ultrasound. Doctors would have to tell the woman about development "which shall include the dimensions of the embryo or fetus and the presence of external members and internal organs, if present and viewable."

The bill would allow the woman to avert her eyes from the ultrasound screen.

A doctor who did not follow the bill's provisions could be fined up to \$100,000 for a first offense and up to \$250,000 for subsequent offenses. Any offenses would be reported to the Kentucky Board of Medical Licensure.

"This bill rights a wrong," said Sen. Elizabeth Tori, R-Elizabethtown, its main sponsor. "An ultrasound is nothing more than an X-ray in motion."

There was little discussion on the measure. But abortion rights proponents have argued in the past that such measures are paternalistic and assume wrongly that women obtaining abortions haven't fully thought about what they are doing.

Sen. Kathy Stein, a Lexington Democrat who is one of the legislature's most ardent supporters of abortion rights, proposed an amendment that would have prohibited all abortions, except in emergencies and when the woman's life is in danger.

She said she filed the amendment because the legislature has for years been passing laws to make it more difficult to obtain abortions, when many members really want to outlaw abortion.

"It's obvious from the actions of this body for the past 14 years that it is all about ways to stop abortions," she said. "I believe we can put all of that aside. We can read between the lines."

However, Senate President David Williams ruled that the amendment was not germane to the bill and blocked a vote on it.

In other action, the Senate rejected SB 3, a proposed constitutional amendment that would have created a "21st Century Bill of Rights."

It failed on a party line vote when it didn't get the three-fifths majority needed for a constitutional amendment.

Sen. Brandon Smith, R-Hazard, said the legislation was a response to things going on in Washington.

He argued that the Obama administration and Democrats in Congress are not being transparent in their attempts to pass such things as health care legislation.

Among other things, the bill called for two days' notice before tax legislation is voted on, prohibited laws that require people to buy health insurance, allowed the posting of the Ten Commandments in public places and barred any laws that would deprive people of guns or ammunition.

The measure failed on a vote of 21-0, with 16 Democrats voting "pass."

When he read the results of the roll call, Williams said the vote was "21 yeas and 16 nays."

Senate Minority Leader Ed Worley said afterward that the Democrats "passed" on the measure because they believed it was a political ploy by the Republicans who would later use "no" votes to claim they voted against things like gun rights and the Ten Commandments.

"It's a political bill. Half of what's in the bill is already law," Worley said.

Reporter Joseph Gerth can be reached at (502) 582-4702.

[Kentucky lethal injection protocol vague, experts say](#)

By BRETT BARROQUERE • Associated Press • January 25, 2010

Kentucky's proposed lethal injection procedures, while full of minute detail, are vague and unnecessarily secretive about some critical parts of an execution, according to experts familiar with similar policies in other states.

The state's protocol for carrying out an execution outlines the last days and hours of an inmate's life leading up to execution by lethal injection or electrocution, and the document in some places goes into detail about medical care or preparation.

But the protocol glosses over some areas and omits details in others, particularly when it comes to the insertion of the intravenous device that will deliver the deadly drugs, say three attorneys and a doctor who reviewed Kentucky's proposal.

"It's very vague," said death penalty expert Deborah Denno, a professor at the Fordham University School of Law. "There's very little transparency."

The proposed protocol will be discussed at a public hearing in Frankfort Friday, the first time the state has allowed public comment on the execution method.

It comes a month after the Kentucky Supreme Court ordered all executions halted because the state skipped hearings on the administrative regulations that make up the protocol. The state released the protocol publicly days after the ruling.

Kentucky Justice Cabinet spokeswoman Jennifer Brislin said the state will consider all comments and issue a report detailing what changes it did or did not make, and why, by Feb. 15.

Ultimately, Gov. Steve Beshear will have to sign off on the protocol before executions can resume.

The protocol can be very specific, including details such as the warden ordering a backup IV being used on an inmate if he's still conscious 60 seconds after the administration of the first drug. It also specifies that the drugs in a lethal injection mixture have 10 minutes to take effect before another dose is administered.

But it's the lack of transparency about the insertion of the IV lines — the part of the execution process that has become problematic in other states — that has drawn the most attention from critics of Kentucky's method.

State law and the protocol require that witnesses be present for executions — multiple members of the news media, including The Associated Press, members of the victim's family and witnesses for the condemned.

Unlike other states, such as California, Kentucky keeps the condemned inmate hidden from witnesses behind closed curtains until the IV lines are inserted and he or she is strapped to a gurney. If something were to go wrong, there would be no independent way of knowing it.

Ohio unsuccessfully tried to execute 53-year-old Romell Broom last year. Broom, who was convicted of kidnapping, raping and killing a 14-year-old girl in 1984, complained in an affidavit after the execution attempt that his executioners painfully hit muscle and bone during as many as 18 attempts to reach a vein.

During Kentucky's first lethal injection execution, of Eddie Lee Harper in 1999, court records show it took at least two attempts to properly insert an IV.

“Viewing that process is perhaps the most crucial aspect of determining if an execution has gone awry,” said public defender David Barron, who represents multiple Kentucky death row inmates. “Seemingly they do not want the public or anybody else to see what is actually taking place until they're at the point where they believe there is no problem left.”

Other states, such as California and Ohio, are trying to make the process safer and more open, Denno said. Kentucky's protocol seems to stick close to what has been done before, she said.

“It doesn't seem to try to change in the way other states are at least trying to change,” Denno said.

[FBI agent grilled at trial of road contractor Leonard Lawson and former Transportation Secretary Bill Nighbert](#)

LEXINGTON, Ky. — The defense in the highway contracting bribery trial Monday grilled an FBI agent about the tactics of his investigation and weaknesses in the prosecution's case against road contractor Leonard Lawson and former Transportation Secretary Bill Nighbert.

The prosecution's case is founded on testimony by Jim Rummage, a former Transportation Cabinet engineer. He said that in 2006 and 2007 he was directed by Nighbert to get confidential cabinet cost estimates of road contracts and that these estimates were later given to Lawson before he bid on the contracts.

Rummage testified that — at Nighbert's direction — he delivered some of the estimates to Lawson and that on four occasions Lawson handed him \$5,000 in cash.

But Lawson attorney Guthrie True focused Monday on other aspects of Rummage's testimony: that he spent all of the cash Lawson gave him and that he did not keep copies of the estimates he gave Lawson.

True asked FBI Special Agent Clay Mason, "He (Rummage) didn't keep the estimates, did he?"

"I wish he had," Mason said.

True asked if Rummage had kept even one of the \$100 bills that Rummage said comprised the wads of \$5,000.

"No," Mason said.

True asked if Mason believed Rummage's story, that he spent the cash over a period of about 18 months.

"Yes. I do," Mason said, because other evidence — including recordings of phone calls with Lawson — supports Rummage's story.

Monday was the 10th day of Lawson and Nighbert's trial in U.S. District Court on charges of bribery, conspiracy and obstruction of justice.

In addition to allegedly paying Rummage \$20,000 for the estimates, the indictment charges, Lawson rewarded Nighbert when he left office in December 2007 with a fake consulting job that included a new car and a salary of \$125,000 a year from a Pikeville firm called Utility Management Group.

Mason is expected to complete his testimony Tuesday when the prosecution is likely to rest its case. The defense indicated it would then likely file motions for a directed verdict

of acquittal. If it doesn't win that verdict from U.S. District Judge Karl Forester, the defense will begin with an opening statement by Nighbert attorney Kent Wicker.

On Monday True pressed Mason on Rummage's credibility. Mason said he did not come to believe Rummage's story until March of 2008 — after Mason used Rummage to secretly record telephone calls to Lawson that Mason said produced corroborating evidence against the contractor.

But True noted that the evidence has included tapes Rummage secretly made on his own of Nighbert long before the investigation began, and a recording Rummage secretly made when he was first questioned about leaked estimates by Transportation Cabinet investigators.

True suggested a person so inclined to make recordings also would have recorded more significant events in the scheme — such as delivery of estimates and receipt of cash from Lawson.

Also Monday, Archie Marr, the chief executive officer of Utility Management Group, said he should not have sent three monthly paychecks of \$10,417 each to Nighbert in early 2008.

Marr said that Nighbert was supposed to have started work for the company in January of that year. But instead he began working that month on the staff of Senate President David Williams at a salary of \$70,000.

Marr said Nighbert decided to wait until the summer of that year to start his UMG work, which involved trying to get additional contracts for the company. It holds contracts to operate water districts in Pike County.

The checks were either never cashed by Nighbert or voided by the company, Marr said. They were seized by investigators later in 2008.

Marr said he had no problem with the \$36,000 the company paid to Nighbert to purchase a new Toyota Avalon — a car he said Nighbert returned later to the company after the investigation surfaced.

Reporter Tom Loftus can be reached at (502) 875-5136.

[Quick reform](#)

Courier Journal, editorial
January 26, 2010

The closest thing to a slam-dunk for quick and certain approval in the General Assembly should be legislation to provide more oversight and more openness in the business and the meetings of the Kentucky League of Cities and the Kentucky Association of Counties.

The Lexington Herald-Leader's reporting last year on both groups revealed profligate spending by the groups' staffs. It also revealed that the boards that were supposed to oversee and put the brakes on such extravagance were asleep at the wheel while the spending sprees were going on.

Let's recap the excesses uncovered by the newspaper's stories and also by state Auditor Crit Luallen's reviews of the groups' business dealings and practices:

KLC's top staff members spent hundreds of thousands of dollars on excessive or questionable expenses in recent years. Its former executive director was paid \$331,000-plus in salary last year, and the group paid more than \$1 million in legal services to a law firm in which her husband was a partner, and spent almost \$30,000 at a restaurant in which he was part-owner.

KACo was no slouch in the excessive-expenses department, either, with \$1.4 million of the almost \$2 million charged to KACo credit cards in a three-year period found to be excessive, without adequate documentation or without an established business purpose.

All this, for two organizations that get most of their funding from tax dollars and should be accountable to the taxpayers.

Since those devastating reports, it is true that the boards have snapped to it a little more and have worked up some measures to clean up their agencies' acts. But legislators should resist any pleas to go easy on the legislation in favor of what the boards have done only since the scandal made headlines.

Too little, too late.

Forced and enforced culture change is needed — as is renewed public trust in the groups, for they do important work in providing insurance and services to local Kentucky governments — and that is what legislation will begin to provide.

Proposed legislation in the House would strengthen oversight, toughen standards and practices on procurement and bidding, and make the groups subject to the state's open records and meetings laws while allowing some protection of proprietary information.

Incredibly, after the reports and fallout of last year (the executive directors of both groups resigned), the Herald-Leader reported that the KLC's executive board recently voted to continue to close its meetings to the public.

Incredible. And enough.

As Ms. Luallen told the newspaper, "The key here is to remember that these are organizations that are funded with public dollars and are led by officials who are elected leaders. The majority of their boards are elected leaders representing the public. As such, they are subject to public scrutiny."

Amen to that.

[Ky. National Guard operating airstrip](#)

By Beth Musgrave - bmusgrave@herald-leader.com

FRANKFORT — An old airstrip in the Dominican Republic operated and manned by Kentucky Air National Guard members began receiving and transporting injured Haitian women and children to hospitals in the Dominican Republic on Monday, guardsmen said.

About 45 members of the 123rd Contingency Response Group from the Kentucky Air National Guard base in Louisville opened a former municipal air strip Friday. The strip had been shuttered for more than 12 years. The air hub is in the town of Barahona, just across the border from Haiti.

It took the group about two hours to make the airport operational, said Lt. Col. Kirk Hilbrecht, public affairs director for the Kentucky National Guard. He spoke during a phone interview from Barahona on Monday night.

The group has helped transport more than 570 tons — more than 1 million pounds — of medical supplies, food and water to earthquake-damaged Port-au-Prince and other areas since Friday, Hilbrecht said.

The air strip is about 60 miles from the Haitian capitol.

"I can see Port-au-Prince from here," Hilbrecht said, noting that many fires are set at night in that city.

The supplies, Hilbrecht said, are being taken to Port-au-Prince on flatbed trucks. Even though the trip should take only 60 minutes, it's taken drivers several hours because of the condition of some of the roads.

It's easier to bring supplies and people from the Dominican Republic because "on this side, it's not so densely populated," Hilbrecht said. "Our latest shipment today was blood plasma."

According to the Kentucky Air National Guard blog about its mission in Haiti, Guard members have been working 12-hour shifts to operate the airstrip. The group commands the airport, and controls security and the loading and unloading of supplies, Hilbrecht said.

It's about to get even busier as more aid and military groups use the strip to get supplies into Haiti. Hilbrecht said it's likely that the United Nations will use the strip as a means to bring in more help.

The Guard could be in the Dominican Republic for as long as 120 days, but Hilbrecht said it's likely that they will be there for 60 days.

Many non-governmental groups are also using the airstrip, Hilbrecht said.

"There are a lot of philanthropic doctors who have come down here on their own private planes to help out," Hilbrecht said.

[Democrats in Senate pass on 'bill of rights'](#)

By Jack Brammer - jbrammer@herald-leader.com

FRANKFORT — A constitutional amendment that touches on an array of hot-button issues pushed by conservatives failed in the state Senate on Monday after Democrats took a pass on the bill.

The measure, which backers called the "21st-Century Bill of Rights," would amend the Kentucky Constitution to say no law could force Kentuckians to participate in health insurance systems, provide abortion services or surrender their firearms. It also would ban laws that prevent posting the Ten Commandments and coal mining.

If approved by the legislature, voters would decide its fate at the polls in November.

Senate Bill 3, sponsored by Sen. Brandon Smith, R-Hazard, needed 23 votes for passage. All 20 Republicans in the Senate and its one independent, Bob Leeper of Paducah, voted for the measure, but the 16 Democrats present recorded "pass" votes. Sen. Dorsey Ridley, D-Henderson, was absent.

Senate Minority Leader Ed Worley, D-Richmond, said the bill was "a political ploy" by Republicans to attract more conservatives to the polls in hopes they would support Republican nominees.

But Senate President David Williams, R-Burkesville, said Worley "is the person playing politics with the issue."

Williams said that a "pass vote is equivalent to a no vote on a constitutional amendment" and that he thought at least three Democrats would have voted for the bill.

To revive the bill, two Democrats who voted "pass" would have to ask the chamber to reconsider the issue.

Before Monday's vote, the political parties met in separate caucuses to discuss the bill.

Afterward, Smith explained the legislation, saying it was needed to protect "the great and essential liberties of government."

There was no debate on the measure, and no member explained his or her vote.

[Farmer quits tax-overhaul work group](#)

By Beth Musgrave - bmusgrave@herald-leader.com

FRANKFORT — A Republican House member who has pushed for an overhaul of the state's tax code said Monday that he will no longer work with a group that is examining the issue in the House.

Rep. Bill Farmer, R-Lexington, said Monday that he decided to leave the group because it appeared that the group was looking at decreasing the state's income tax but not eliminating it. Farmer said in a written statement that he was pulling out because he was concerned that the Democrats were simply going to raise taxes.

"Instead of eliminating either income tax, the Democrats' plan would merely reduce the income tax eight-tenths of a percent, from 5.8 percent to 5 percent," Farmer said in a written statement.

Farmer, the lone Republican in the work group, has filed legislation that would do away with the state's income and corporate income tax but would expand the state's sales taxes to services that are currently not taxed.

Rep. Jim Wayne, D-Louisville, and member of the work group, said Monday that the group has not presented a final product yet. The group is looking at how increasing some taxes and decreasing others would affect revenue.

Wayne said it's unlikely that a complete overhaul of the state's tax code could pass this legislative session, but it's possible that some elements of the plan — including doing away with some tax exemptions — could be used to help plug what could be a \$1.5 billion shortfall in the next two-year budget.

It's also possible for the House to look at tax reform after this session is over and pass some of the tax reform measures in January 2012, which would help the second year of the two-year budget, Wayne said.

[KCTCS facility moves to Somerset](#)

Operations center gets an upgrade, officials announce

By Bill Estep - bestep@herald-leader.com

The network operations center that handles online learning and e-mail services for the Kentucky Community and Technical College System has been significantly upgraded, officials announced Monday.

It was moved to the Center for Rural Development in Somerset and expanded with a \$1.1 million loan from the U.S. Department of Agriculture Rural Development.

The upgrade added more capacity and features to protect against a service outage. The new facility is designed to come back online within seconds, said Lonnie Lawson, president and chief executive of the Center for Rural Development.

The high-tech bank of servers, cooled by two 22-ton units and backed up by a giant generator, requires fingerprint access as a security measure.

The center provides data- and server-storage services for a number of universities and businesses, and KCTCS is one of the largest customers. The center hosts 180,000 e-mail boxes for KCTCS and online classes for 50,000 students, said Rick Chlopan, chief information officer for KCTCS.

"This is the most state-of-the-art facility for hosting data, certainly within higher education, within the state of Kentucky," Chlopan said.

Lawson said the increased computing power creates an opportunity for additional business for the Center for Rural Development. For instance, it gives the center the ability to offer online classes nationwide, he said.

Republican U.S. Rep. Harold "Hal" Rogers, R-Somerset, said the network operations center will advance the rural development center's mission of improving the economy in his district — largely rural and with pockets of persistent poverty — through technology and innovation.

[UK's new pharmacy building dedicated](#)

By Ryan Alessi - ralessi@herald-leader.com

For the last two weeks, University of Kentucky pharmacy students have been settling into their new \$134 million digs, complete with spacious classrooms, two 219-seat auditoriums and gobs of research space.

"The old classrooms were pretty much just desks, and the new classrooms have tables that go all the way across and include speakers and microphones," said Alex Flannery, a third-year pharmacy student from Louisville. "So instead of being lectured at, our classes consist of very interactive student comments all throughout the lecture."

On Monday, UK leaders and state dignitaries officially dedicated the five-floor, 286,000-square-foot building on South Limestone. It is now the largest academic building in Kentucky.

"And it's filled on Day 1," UK President Lee T. Todd Jr. said in his address to more than 1,000 people who attended the ribbon-cutting ceremony. Most of UK's 600 pharmacy students, wearing their white coats, lined the railings of the building's five-story atrium to watch the proceeding.

Todd noted that UK's pharmacy college is ranked in the top five nationally and its students have the highest first-time pass rate on the national pharmacy licensing exam since 2002.

"Walking in today, I was excited to see the future of Kentucky's medical campus taking shape," Todd said.

The pharmacy school is a key addition to that campus.

Approved in 2006 with \$120 million in funds from state bonds and finished with \$14 million in donations and university funds, the building includes research space for interdisciplinary medical and pharmacy work.

Much of its fourth floor has been dedicated for the work of Dr. Mark Evers, who came to UK in April 2009 to become director of UK's Markey Cancer Center.

Evers and his research team are leading collaborative research on cancer biology and experimental therapeutics, said Patrick McNamara, interim dean of the pharmacy college.

He said the building will house research in biomedical engineering, cancer and neuroscience.

It also is home to UK's Faith Pharmacy, a volunteer outreach effort to provide medicine and counseling to people who have chronic diseases but lack health insurance.

Both Todd and Gov. Steve Beshear, who also spoke at the ceremony, said development of more research space is necessary to UK's improvement and the economic development prospects of Kentucky.

Beshear recommended last week that the General Assembly approve the sale of bonds to cover the nearly \$206 million cost of a science research building at UK.

"Those are the kinds of investments our state must continue to make a priority," Beshear told the crowd, which included six lawmakers.

Flannery, the student who also chairs the Kentucky Alliance of Pharmacy Students, said the biggest effect of the new building so far to boost students' energy.

"You go through pharmacy school and it's tough — you get worn out," he said. "But this new building has brought a fresh attitude to everyone and motivated us."

Conservative constitutional amendment fails in state Senate

By Jack Brammer - jbrammer@herald-leader.com

FRANKFORT — A constitutional amendment that touches on an array of hot-button issues pushed by conservatives failed in the state Senate Monday after Democrats took a pass on the bill.

The measure, which backers called the “21st Century Bill of Rights,” would amend the Kentucky Constitution to say no law could force Kentuckians to participate in health insurance systems, provide abortion services or surrender their firearms. It also would ban laws that prevent posting the Ten Commandments and coal mining.

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There was no debate on the measure and no member explained his or her vote.

[Senate approves abortion bill](#)

Herald-Leader

By Jack Brammer

FRANKFORT – The state Senate approved a bill Monday that would require a woman seeking an abortion to receive an ultrasound.

Senate Bill 38, sponsored by Sen. Elizabeth Tori, R-Elizabethtown, has passed the Senate for the last two years but died in the House.

It would penalize doctors who fail to give a woman an ultrasound before performing an abortion. The fine would be up to \$100,000 for the first offense and up to \$250,000 for subsequent offenses.

Tori said the measure does not require the pregnant woman to look at the ultrasound.

Sen. Kathy Stein, D-Lexington, tried to amend the bill to delete its provisions but Senate President David Williams, R-Burkesville, said her amendment did not pertain to the bill and ruled it out of order.

The Senate passed the bill on a 32-4 vote. Voting against it were Stein and Democrats Denise Harper Angel of Louisville, Joey Pendleton of Hopkinsville and Tim Shaughnessy of Louisville.

The measure now goes to the House for its consideration.

[KACo still does not get it](#)
Herald-Leader, editorial

When a state audit finds \$3 million in questionable spending by a "self-serving culture" of "board members, management and staff" at an organization funded largely with public money, taxpayers might soon expect to hear of a thorough housecleaning.

But not at KACo, which once stood for the Kentucky Association of Counties but now is becoming better known as the "Kentucky Association of Constant Outrages."

At KACo, where a Herald-Leader investigation found that five top executives racked up nearly \$600,000 in travel and entertainment expenses during a two-year period, the housecleaning began and ended with former executive director Bob Arnold. He was forced out in September but continues to draw his \$178,000 annual salary.

Arnold's departure opened the way for KACo to find a replacement who could bring some instant credibility to an agency desperately needing an extreme makeover of its image as the home of free-spending, wild and crazy party animals who blow \$31,000 (including \$10,000 in hotel cancellation fees) sending six people on a trip to Washington, spend more than \$7,000 on a single dinner and put visits to strip clubs and the escort services of Campus Cuties on a KACo credit card.

A committee tasked with conducting the search for Arnold's replacement found such a candidate when it recommended that the KACo board hire Ed Hatchett, a former state auditor with an impeccable record.

But KACo board members showed no interest in cleaning up the organization's image Friday when they rejected the search committee's recommendation and chose instead to promote Denny Nunnelley, the longtime deputy director who was one of the five executives responsible for all the lavish spending on travel and entertainment in recent years.

A state audit of KACo, prompted by the Herald-Leader's investigation into the agency's spending, found some \$3 million in undocumented, excessive or improper spending. The audit report said Nunnelley signed off on \$70,486 of that amount.

A similar Herald-Leader investigation and subsequent state audit of the Kentucky League of Cities produced considerable hue and cry from various city officials threatening to withdraw from the league or at least withhold dues because of KLC's profligate spending habits.

But there has been precious little similar outcry from county officials upset over KACo's spending.

Friday's decision by the KACo board helps explain that.

Promoting one of the offenders in KACo's orgy of excess makes a fairly clear statement that the good old boys in county courthouses across Kentucky couldn't care less about the integrity and credibility of the agency that represents them.

They just don't want the party to end.

[Proposed constitutional amendment defeated in Ky.](#)

By BRUCE SCHREINER
Associated Press Writer

FRANKFORT, Ky. (AP) -- Senate Democrats defeated a measure Monday that would have let voters decide whether to expand Kentucky's Constitution to include a so-called "21st-century Bill of Rights" dealing with a series of hot-button issues.

The proposal sought to create a new section of the state Constitution to say that no law could force Kentuckians to provide abortions, participate in any health care system or surrender their firearms when lawfully possessed.

It also would have prevented any law from interfering with posting the Ten Commandments as part of a display of historic documents, or to prevent coal mining.

"That is a political bill," Senate Minority Leader Ed Worley, D-Richmond, told reporters after the vote. "Half of what was in that bill is already law."

The measure finished two votes short of the 23 needed to clear the Senate. Republicans and the lone independent voted for it. Sixteen Democrats voted neither yes nor no but "passed."

Worley said the bill was meant to create a "wedge issue" on the ballot to entice more socially conservative voters to the polls to help Republicans.

Senate President David Williams, R-Burkesville, said at least three Senate Democrats had indicated they wanted to vote for the measure. Williams said it was Worley who played politics by orchestrating a bloc vote by Democrats to stymie the measure.

"A 'pass' vote is the equivalent of a 'no' vote on a constitutional amendment where 23 votes are necessary," Williams told reporters.

The measure could be revived if at least two senators who "passed" on the vote reconsider and ask that it be brought up again, Williams said.

It was the second time this month that Senate Democrats blocked a proposed constitutional amendment. Last week, 16 Democrats voted along party lines to defeat a measure that would have given voters a say in any proposal that would expand gambling in Kentucky.

Williams chided Democrats for "a relatively consistent position that they're taking on allowing the people to decide things such as expansion of gaming."

[Economic center sought at WKU](#)

By JENNA MINK, The Daily News, jmink@bgdailynews.com/783-3246

The economy has been a hot topic for the past two years, and a local professor is trying to bridge the gap between economic experts and local residents.

Brian Goff, economics professor at Western Kentucky University, is spearheading a project that would create an economics research center at WKU.

The center, dubbed the WKU Center for Applied Economics, would be located in the Gordon Ford College of Business building and would allow students and faculty to conduct research and share their findings with the general public, Goff said.

Experts would “put information out there and let people make up their minds, (such as) what policies should we pursue or not pursue,” he said.

Goff declined to reveal the amount of funding the center would require, but it’s awaiting approval from the WKU Board of Regents; board members will discuss the proposal at its next meeting.

Such centers are not uncommon; in fact, nearby universities are conducting economic research and releasing it to the public. Both the University of Kentucky and Middle Tennessee State University have business research centers.

Most centers specialize in a certain topic. For example, some focus on economic development. At WKU, the proposed research center would concentrate on the local economy and topics that impact the region.

“A big part of this is a desire to have a little more outreach between the expertise we have and the people in business and the community,” he said.

Researchers would connect to the public through publications and through the Internet - the center would set up a Web site where experts would publish their findings.

The university employs economic experts who focus on topics, such as health care and economic development. Researchers would also study government policies, legal changes, proposed business start-ups and other information to determine its impact on the region.

For example, local experts recently studied the potential impact of proposed video slots at Kentucky Downs, a horse racing track in Franklin. When comparing the racetrack to similar facilities in Indiana and Pennsylvania, local researchers found the Franklin track would generate an additional \$170 million to \$180 million in revenue, which could result in a 13 percent job increase, Goff said.

That's an example of the type of issues local students and experts would study and then publish. The center would also publish studies conducted at other institutions, which could impact the local economy, Goff said.

"If somebody at UK or at Harvard (has) done a study that's important to somebody in our area ... nobody's sitting at home in Bowling Green reading that," he said.

During an economic slump, more people are interested in the state of the economy because it personally affects them, said Jim Hizer, president and CEO of the Bowling Green Area Chamber of Commerce.

"In order to understand where we need to go economically, it's important to understand where we are today," he said, "and the best way to understanding where we are today is to look at the existing research and assess the true nature of the regional economy."

If it's approved, Goff hopes the center's Web site will be running by May and an annual report on the local economy will be published by the end of this academic year, he said.

When the Web site is fully functioning, staff members will spread the word through local media announcements and will make a list of people who would be interested in receiving printed publications, Goff said.

In addition to informing the local community, the center will also engage WKU graduate students, giving them hands-on research experience, Goff said.

"So if that ultimately helps attract some other (students), that would be great," he said. "Probably more than recruiting students, the intent was to engage the students that we have."

[Farmer leaves tax reform group, says Democrats want tax increases](#)

By RONNIE ELLIS

CNHI News Service

FRANKFORT — The bi-partisan effort to study tax reform in the state House of Representatives hit a roadblock Monday when Rep. Bill Farmer, R-Lexington, one of the key players in the debate announced he's pulling out.

Farmer said Democrats want a plan that is a "broad base tax increase under the guise of tax reform." He said the size of an earned income tax credit proposed by Democrats, led by Rep. Jim Wayne, D-Louisville, represents "a redistribution of wealth."

Wayne said that's not true - nor has any plan been finalized which incorporates Farmer's objections.

"There's no proposal yet," Wayne said when told Farmer might be thinking of pulling his support for an effort to "blend" his and Wayne's separate bills on tax reform. Both men referred to estimates of state revenues depending on several different changes in the tax code, but Wayne said those data are "only a starting point using (Wayne's) House Bill 13 and Bill Farmer's bill."

Farmer and Wayne have each proposed changes to the tax system but they take different philosophical approaches. Farmer would eliminate corporate and individual income taxes and extend the sales tax at a lower rate to services. He says the change would aid job creation.

Wayne's proposal is to apply the sales tax to some "luxury services," shift some of the tax burden to the more wealthy while incorporating an earned income tax credit for the working poor and giving the middle class a tax break. He says his measure is fairer because currently the lowest income groups pay a higher percentage of earnings than the wealthy.

House Speaker Greg Stumbo, D-Prestonsburg, asked the two to work with former budget chair and expert on state budgets, Rep. Harry Moberly, D-Richmond, and others to "blend" the two proposals and bring a compromise to House leaders. That's the group Farmer said Monday he's leaving.

On Monday, Farmer said his "recommendations were abandoned and the tax reform plan I proposed was morphed into a full frontal tax increase."

Stumbo said Farmer's plan contained a miscalculation by legislative staff but Farmer said he knew of the miscalculation and had accounted for that, but his intent he said had always been to produce a revenue-neutral plan and the Democrats' plans would produce significantly more revenue.

But Wayne - even before Stumbo asked him and Farmer to collaborate - always listed as one of his goals to produce a more "reliable" revenue stream for a budget which currently faces as much as a \$1.4 billion shortfall over the next two years. Without new revenue, Stumbo said Monday, the state would have to impose "draconian" cuts in the next budget.

Taxes are a touch subject for incumbent legislators in an election year and all 100 House members will be on this year's ballot. Monday afternoon, Farmer learned he'd have a Republican opponent in the May primary - Jacob Hartlage of Lexington. So far, no Democrat has filed. But Farmer told Kentucky Public Radio late Wednesday afternoon that had nothing to do with his decision to pull out of the working group.

Farmer said the Democratic plan would have reduced income taxes by less than 1 percent and by placing the sales tax on some services and eliminating some sales tax exemptions raise \$850 million. Wayne said there is no Democratic final plan and the \$850 million cited by Farmer is simply one of several results of different tax changes on a spreadsheet to show the group how each would affect the state budget.

Farmer also objected to the cost of the earned income tax credit proposed by Wayne \$93 million in FY 2012, calling it a "redistribution of wealth." But Wayne said the proposal grants the credit up to 15 percent the federal credit and said that is based on the median of such credits in other states that offer it.

[Wrong choice — 01/26/10](#)
Daily Independent, editorial

New KACo chief executive is too closely tied to its past

The board of directors of the Kentucky Association of Counties erred in choosing Denny Nunnelley, its long-time deputy director, over former state Auditor Ed Hatchett as its new chief executive officer.

In Hatchett, a lawyer who served as banking commissioner before serving one-term as auditor, KACo had the opportunity to provide a clean break from the abuses exposed in a scathing audit by the office of Auditor Crit Luallen by hiring a respected leader with an unblemished reputation for fairness and independence.

By choosing Nunnelley, who has been the number two person at KACo since 1994, the KACo board is sending the message that it has not learned the right lessons from the years of wasteful spending under former Executive Director Bob Arnold, whose resignation was forced by the KACo board in September. Arnold's dismissal was not because the board, made up of elected county leaders from throughout the state, was dissatisfied with his leadership but because it recognized what Arnold's leadership had done to the organization's reputation by the misuses exposed by Luallen's scathing audit.

Indeed the same meeting in which KACo's board demanded Arnold's resignation, the board praised the executive they had just fired for his outstanding years of leadership. That was a clear indication that the board was far from repentant about the organization's misdeeds.

When the KACo committee assigned to recommend a successor to Arnold chose Hatchett, the former auditor was widely praised as the right person to help restore KACo's tarnished reputation. Not only had Hatchett, an attorney, done an excellent job as auditor in the days when elected state leaders could only serve one term, but he had no previous ties to KACo. In short, he offered a clean break from the misdeeds of the past.

But KACo's board refused to accept the committee's recommendation and opted to interview Hatchett and the three other finalists for executive director. In choosing Nunnelley, the KACo board chose the candidate with the closest ties to the abuses of the past. Instead of offering new leadership, the board sent a message that it has yet to learn the right lessons from the audit by Luallen and that the good-old-boy system that has sowed the seeds of abuse still exists at KACo.

Nunnelley, who served in the Kentucky Senate from 1995 to 1998, as Woodford County judge-executive from 1986 to 1993, and as Woodford County sheriff from 1982 to 1985, may prove to be an outstanding leader of KACo. He certainly has earned the praise of board members.

“The Board came to this decision following a thoughtful and thorough review of the four outstanding candidates selected by the search committee,” said Rick Smith, president of the KACo Board. “Denny Nunnelley is an extremely qualified and talented executive who will provide strong, reliable leadership.”

In making the announcement, Smith emphasized that KACo’s number one goal is to fully integrate the code of ethics and new management policies passed on September 30 into a management culture that is pervasive throughout the organization. One would hope those policies are fully implemented, but we would feel a lot more confident about just how serious KACo is about ending past abuses if KACo’s board had not (1) so lavishly praised the executive director it had just fired in September and (2) hired his top aide in January.

[Budget talks loom](#)

WKU College Heights Herald

By Laurel Wilson | 26 January 2010

Tags: Frankfort, Gary Ransdell, Steve Beshear

Weeks into the legislative session in Frankfort, lawmakers are still likely months away from creating a state budget for the next two years, leaving Western administrators wondering if their legislative priorities will be achieved.

A two-year state budget proposed by Gov. Steve Beshear that relied on revenue from expanded racetrack gambling failed to gain support in the legislature last week and is unlikely to go anywhere, said Ann Mead, vice president for Finance and Administration.

Western administrators didn't get involved in the discussion about Beshear's proposal, said Robbin Taylor, vice president for Public Affairs.

If Beshear's proposal had passed, Western would have avoided budget cuts in 2011 and would have had only a 2 percent budget cut in 2012, Mead said.

Beshear's proposal shows that he appreciates higher education, she said.

The General Assembly won't approve a state budget until late March or April, and it's unclear how higher education will be funded now that Beshear's proposal failed to pass, President Gary Ransdell said.

There's more uncertainty in this session than in past years, Mead said.

The legislature will have to build the budget from scratch since Beshear based everything on his slot bill, Taylor said.

Various options for alternative sources of funding will be discussed, including tax reform, Ransdell said.

He said he's not sure if any options are gathering momentum, but he's hopeful that another source of funding will be found.

"Higher ed is going to need some help if we're going to avoid more budget cuts," Ransdell said.

Even with the state budget uncertain, Western gave a list of legislative priorities to the General Assembly, Mead said. The list represents the university's funding needs for next two years.

The top priority on the list is replacing the federal stimulus money that the state is using to fund higher education in 2010-2011.

The \$70 million in stimulus money will run out by June 30, 2011, and legislators need to find a way to replace that money in the upcoming budget.

Western's share of the stimulus money is \$5.4 million, and the university will face a reduction of that much if the money isn't replaced.

Another priority on Western's list is a request to pay for construction projects as well as strategic initiatives such as improving retention and graduation, Mead said.

[College has prescription for excellence](#)

Kentucky Kernel

January 25, 2010 by News Staff · [Leave a Comment](#)

By Chris Robbins

A new resident has taken over 789 S. Limestone.

A crowd of around 200, including students, faculty and staff, gathered outside the new College of Pharmacy building for the ribbon cutting ceremony Monday.

The new building, which was completed in December, is the first part of what will be the new academic medical center on Limestone, according to the College of Pharmacy Web site. It has two 219-seat auditoriums, a 110-seat classroom, a 54-seat classroom and cost \$132 million to build.

“This facility challenges students and faculty to do more,” said Patrick McNamara, interim dean of the College of Pharmacy.

Gov. Steve Beshear said the building is a milestone for UK.

“Watching the growth on the south end of campus has been such a thrill for me,” Beshear said. “There’s no question that the Commonwealth’s medical campus of the future will be a major catalyst for boosting health and economic development.”

McNamara said the basement and first three floors of the new facility are complete and operational, but the remaining two floors, which will house laboratory space for research, have not been completed.

“We hope to begin construction on the top two floors in July 2010 and finish toward the end of 2011,” McNamara said. “Initially we had hoped to finish all construction by 2010, but we couldn’t secure funding, so we finished the academic areas first.”

The college is waiting on a grant from the National Institute of Health to finish the fourth floor, and matching funds from the university will complete the fifth, McNamara said.

Classrooms on the first and second floor feature wireless Internet access and teleconferencing equipment to connect with community-based volunteer faculty throughout Kentucky, McNamara said. The second floor will also have a learning space set up like a clinic where students interact with patient actors, he said.

The third floor will contain faculty offices and research laboratories, and the fourth and fifth floors will house laboratories and offices for research, McNamara said.

Beshear believes these new facilities are important to the future of medicine.

“New research and updated facilities are absolutely essential to help our pharmacists stay abreast of technological innovations,” Beshear said.

[Lt. Gov. Mongiardo files for U.S. Senate](#)

By Ronnie Ellis / CNHI News Writer

Both of the perceived frontrunners for the Democratic nomination for the U.S. Senate are now officially in the race. Thursday, Lt. Gov. Daniel Mongiardo filed his candidacy papers — one day after Attorney General Jack Conway filed his.

But, Mongiardo said afterward, he's more aligned with the mood of Kentucky Democratic voters and voters in general than his opponents.

"People know I'm a pro-growth, independent Democrat, an independent leader," Mongiardo told reporters shortly after he signed his papers, accompanied by his wife Allison and their one-month old daughter Kathryn. State Senators Gerald Neal of Louisville and Julian Carroll of Frankfort also came along and signed as witnesses.

"I've got a record people can trust," he said. He said the difference between himself and Conway is "very, very clear. I've been consistent since day one. People may not agree with me but they know where I stand."

He said the Democratic health care reform plan currently before Congress isn't what the country needs and his experience as a physician will be beneficial in the debate and "solving the major problem" of health care costs.

But he doesn't support the current plan.

"They've got it wrong, that's why there's a backlash right now against Democrats," Mongiardo said, criticizing deals to garner votes from key senators. "We need to throw it all out and start over."

That's basically the same line used by Sen. Mitch McConnell, Kentucky's senior senator and Republican Leader. But Mongiardo said McConnell is only an "obstructionist" who simply wants to halt the reform for partisan reasons.

He said his reason for wanting to start over is because the measure does too little to control costs although he supports some parts such as coverage of pre-existing illness and portability of coverage from job to job.

Mongiardo narrowly lost to incumbent Republican Sen. Jim Bunning in 2004 and said that experience will help him this time. (Bunning is not seeking re-election.)

Mongiardo said it's clear voters "are extremely angry right now. They're fed up with the partisan approach they've seen in their system. They're tired of whomever is in power right now and they're hungry for an independent leader who is not going to go to Washington and be changed by the system."

But that doesn't mean, Mongiardo said, that the environment favors the eventual Republican nominee in the race.

"I'm the only one who has a record of being independent, who has a record of standing up and fighting for our working families regardless of whoever is on the other side," Mongiardo said, noting he has opposed policies of his own party, including cap and trade.

In addition to Mongiardo and Conway, three others have filed in the Democratic primary: James Buckmaster of Henderson, Darlene F. Price of Whitley City, and Maurice Sweeney of Louisville. On the Republican side, Secretary of State Trey Grayson, Rand Paul of Bowling Green, Bill Johnson of Elkton, Gurley Martin of Owensboro, and Jon. J. Scribner of Gray have filed.

State awards high-tech funding

9 companies receive nearly \$2.2 Million

By Scott Sloan - ssloan@herald-leader.com

State officials on Monday announced the recipients of its most recent round of funding for high-tech small businesses.

Nine Kentucky-based companies will share nearly \$2.2 million in state funding as part of a program that matches two federal grant programs up to a certain dollar amount. This round of state awards comes on top of more than \$6 million in federal funding to the firms, according to state officials.

Kentucky is the only state to match both phases of the federal Small Business Innovation Research and Small Business Technology Transfer programs. The state offers up to \$100,000 for Phase 1 federal awards for the grants and up to \$500,000 per year for up to two years for Phase 2 federal awards.

At a recent high-tech conference, "there was a line of people from all around the world wanting to talk to people about this program," said Gov. Steve Beshear who spoke at the press conference recognizing the recipients on Monday.

The state had 12 applicants in this most recent round and applications are still being taken in the newest solicitation. More information is available on www.thinkkentucky.com.

The state has awarded \$17.7 million to date to 46 Kentucky companies. Eight companies have relocated to the state to receive the funds.

Central Kentucky companies announced as recipients on Monday were:

- NuForm Materials, located near Georgetown, which makes ceramic materials for use in the automotive and aerospace industries.
- 3H Company of Lexington, which is working on clean coal technology and the ability to capture and store carbon dioxide underground.
- Topasol of Lexington, which produces nanoparticles for uses in sensors, solar cells and other materials.
- Transposagen of Lexington, which develops genetically modified laboratory rats for use in medical research.
- Four Tigers, located near Paris, which is developing blackberry-based products that utilize the fruit's anti-inflammatory and antioxidant properties.

Other companies receiving awards were NaugaNeedles, SCR, ApoImmune and PGxl Laboratories, all of Louisville.

[W.Va. groups want more funds for smoking programs](#)

By TOM BREEN
MORE FROM BUSINESSWEEK

West Virginia has the country's highest smoking rate, and its Medicaid program is doing little to change that, members of a coalition of health groups said Monday.

Led by the American Lung Association, the groups say the state's Medicaid plan is both too confusing and too narrow when it comes to offering smokers a chance to quit.

Some smokers may have three options at trying to kick the habit, including nicotine gum and a patch. Some may have more, depending on which Medicaid plan they're part of. The Centers for Disease Control and Prevention recommends a range of seven.

No one on Medicaid in West Virginia has access to all of the options at once, according to Deborah Brown, acting CEO of the lung association's Mid-Atlantic chapter.

"The variation in benefits is what's confusing," she said. "People don't know what their options are."

The groups, which include the American Heart Association and the West Virginia Medical Association, want Medicaid to offer recipients who smoke a plan that includes all seven CDC-recommended therapies: gum, patch, nasal spray, inhaler, lozenge and two prescription medications. That's what's available in neighboring Ohio and Virginia, Brown said, and Kentucky Gov. Steve Beshear has proposed funding a similar plan in that state.

In his State of the Commonwealth address this month, Beshear said new short-term costs to expand treatment will save Kentucky's Medicaid program money in the long run. The groups in Charleston cited similar reasoning.

"West Virginia Medicaid will pay for a lung transplant, however, they won't pay for lower-cost, comprehensive cessation therapies," Brown said.

The state's Medicaid operation has a budget of about \$3 billion in state and federal dollars, serving roughly 300,000 people at any given time. Tobacco-related health spending costs Medicaid about \$229 million annually, according to the state Division of Tobacco Prevention.

None of the groups at the statehouse had an estimate for how much it would cost to offer Medicaid recipients the full range of treatments the CDC recommends. A call to John Law, spokesman for the Department of Public Health, was not immediately returned.

Gov. Joe Manchin said Monday he wants to see specifics about what the plan would entail, but that he's supportive of efforts to reduce smoking.

"I have children who smoke, and I hate it," he said. "I'm in favor of looking at everything to find the most effective solution."

West Virginia has consistently ranked as one of the states where health problems associated with cigarettes loom large. About 27 percent of adults here smoke, the highest rate in the country, according to the CDC.

Nationally, the rate of smoking among Medicaid recipients is significantly higher than in the general population. In West Virginia, a Department of Health and Human Resources study found that 46 percent of pregnant women receiving Medicaid smoke, roughly five times the national average for expectant mothers.

The groups hope for legislative support, and plan to present a petition soon to DHHR Secretary Patsy Hardy.

"It's important for our state not only to support healthy behavior, but to provide incentives for it," said Gaylene Miller, director of the state AARP, which supports the proposal.

[Dem. files for U.S. House seat](#)

By JOHN FRIEDLEIN

jfriedlein@thenewsenterprise.com

OWENSBORO — A real estate agent who also is a homebuilder recently filed to compete against a first-term GOP incumbent in Kentucky's 2nd district congressional race.

Democrat Ed Marksberry is a populist candidate, campaign spokesman Scott Marksberry said.

Job creation will be the 46-year-old's top priority.

He also is for the effort to provide affordable and accessible health care to working class families, Scott Marksberry said. The Owensboro man supports his party's health care reform efforts and feels there has been too much fear mongering and distortions on the topic, his spokesman said.

Incumbent Brett Guthrie — whose district includes Hardin County — voted against proposed health care reform.

Scott Marksberry said his U.S. House campaign is in its infancy and the candidate isn't the one with the largest wallet.

The Guthrie campaign said it has \$600,000 in the bank.

Ed Marksberry is a conservative Democrat along the lines of long-time U.S. Rep. William H. Natcher, his spokesman said. He has never run for office but has worked for several political campaigns.

Republican Ron Lewis of Cecilia succeeded Natcher and served for 14 years until Guthrie, 45, took office.

"We have a lot of respect for Brett Guthrie," Scott Marksberry said. "We're just hoping to run an issue-oriented campaign."

The campaign wants more attention focused on Main Street, he said.

"We feel like Wall Street has been given a pass," he said.

Another concern is the recent Supreme Court ruling to take away limits on corporate and union campaign donations.

Candidate Marksberry — who served in the U.S. Air Force — is concerned the ruling will force campaigns to seek corporate sponsorship and won't represent average voters.

His spokesman said voters' backlash probably won't come until after the November elections, when they see how much corporate money was used to manipulate the outcomes.

The filing deadline for the major parties in this year's race is today.

[Kentucky Guard aids Haiti](#)
State Journal Staff Report

PORT AU PRINCE, HAITI - Two Combat Controllers from the Kentucky Air National Guard's 123d Special Tactics Squadron have been setting up drop zones, helicopter landing zones and providing airfield operations and air traffic control at the international airport since arriving in Port-au-Prince, Haiti last week.

Their names are not being released as part of the Department of Defense policy protecting the identity of special operations group members.

"These Airmen are doing a remarkable job," said Lt. Col. Kirk Hilbrecht, Public Affairs Officer for the Kentucky National Guard, speaking from the Dominican Republic. "They are doing everything possible to guarantee the relief makes it into the hands of those who are desperately in need."

Both Airmen are continuing with their mission to locate suitable drop zones as well as provide air traffic control at the Port-au-Prince International Airport.

The deployment of the two combat controllers was later followed with the deployment of 45 members of the Kentucky Air Guard's 123rd Contingency Response Group, which arrived Friday in the Dominican Republic to assist in airfield operations supporting the relief effort.

Tax reform panel member quits

Paducah Sun

Written by Bill Bartleman

Tuesday, January 26 2010

The lone Republican state legislator asked to help draft a comprehensive tax reform plan has resigned from the committee, saying Democrats want to use it to pass a broad base tax increase that would raise an additional \$850 million next year.

Rep. Bill Farmer, R-Lexington, also said his reform ideas are being ignored.

However, Rep. Jim Wayne, D-Louisville, said the working group, which also includes Rep. Harry Moberly, D-Richmond, hasn't started to draft a plan. Wayne said he didn't know Farmer had resigned.

"We are still gathering information from the staff," Wayne said. "There must be a misunderstanding. He's a valuable member of our group, and I'll ask him to reconsider."

Both Wayne and Farmer introduced bills proposing tax reform. Wayne wants to lower taxes for the poor and middle class, and increase taxes for the wealthy. Farmer wants to eliminate corporate and individual income taxes and lower the sales tax and expand it to more goods and services.

House Speaker Greg Stumbo last week asked Wayne and Farmer to lead a working group to draft a bipartisan plan.

Farmer said he based his conclusion on Democrats' plans by reviewing data Wayne requested from the budget committee staff.

"What they did is take a huge chunk of my tax plan to expand the sales tax and laid it over the current tax code," Farmer said. "They eliminated the corporate tax but not the individual income tax. They proposed reducing it from a top rate of personal income tax from 5.8 percent to 5 percent.

"The long and short of it is that it would have increased taxes by \$850 million the first year and another \$100 million the second year," Farmer said.

Farmer said his plan would have raised the same amount of money as the existing tax structure. The benefit of his plan is that state tax revenue would grow at the same rate as the economy.

Wayne said the data gathered from the budget staff on implications of certain changes was not meant to imply that those changes would be a part of the proposal.

"We asked for revenue from all of the current forms of taxation and asked for the impact of adjusting them up or down," Wayne said. "We are collecting all of the pieces of the

puzzle with numbers attached, and we'll use those as the framework to put together a plan.”

However, he acknowledged there are goals that will be used to prepare a plan.

“We want to give relief to the working poor, expand the sales tax to more services, give relief to corporations large and small, and relief to middle income families,” Wayne said. “We want to make it elastic so it grows with the economy.”

He also said the goal is to make the tax code more progressive so it shifts more of the burden on the wealthy.

The committee will continue its work without Farmer.

[KCTCS president seeks support](#)

By Joy Campbell, Messenger-Inquirer

Published: Tuesday, January 26, 2010 12:35 AM CST

Higher education -- specifically KCTCS -- is the most important tool for the recovery of Kentucky's economy, and the state needs to find a way to support the colleges.

That was the crux of the message from Kentucky Community and Technical College System President Michael McCall during a forum Monday at Owensboro Community & Technical College to garner grass-roots support for the state's 16 community and technical colleges.

"It's about jobs; our economy will not recover without jobs," McCall told a small group in the Advanced Technology Center at OCTC. "Eighty-three percent of the jobs between now and 2014 will require an associate's degree or higher."

McCall made a strong pitch for Owensboro residents to sign a petition pledging their support of OCTC and KCTCS, to support its legislative agenda, and to join him in Frankfort at some point during the General Assembly as KCTCS creates a presence every week.

A rally is scheduled for 1:30 p.m. Feb. 25 in the Capitol Rotunda, and OCTC will be featured as part of the system's "showcase" in Frankfort March 3-5.

McCall also invited the group to join the social networking site:
<http://MyKCTCS.ning.com>.

KCTCS is doing its share in helping students prepare for jobs, but it needs help to continue moving forward, McCall said.

As the largest provider of postsecondary education in the state, the community and technical college system is serving 54 percent of all undergraduate students with an enrollment of 100,348.

The system also is the state's largest provider of work force training and education, he said.

Kentuckians have access to postsecondary education through KCTCS' 16 colleges that have 68 different campuses.

"We have sites within a 30-minute drive of 95 percent of Kentuckians," McCall said.

Access was one of the "points of pride" McCall outlined. Other areas he touted were the 37 new facilities and 533 new programs KCTCS has added since 1998, and the degree to which the system has boosted Kentuckians' employability.

The system awarded 153,212 credentials that include associate's degrees, diplomas and certificates.

Students who receive an associate's degree will earn an average of \$245,000 more in their lifetime, McCall said.

KCTCS offers the first two years of a bachelor's degree at an affordable cost, McCall said. More than 15,000 KCTCS students transferred to four-year institutions last year.

McCall laid out KCTCS' legislative agenda and asked the group to become advocates for these four priorities:

- * Maintain 2009-10 base funding -- \$215 million.
- * Secure full funding for operation and maintenance of new facilities -- \$8.2 million.
- * Capital budget requests (prioritized) totaling \$50.6 million.

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Owensboro was McCall's last stop on the campaign called "Transforming Lives, Transforming Kentucky."

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By Steve Vied, Messenger-Inquirer

Published: Tuesday, January 26, 2010 12:35 AM CST

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Not long after Guthrie arrived at the Mary Mitchell Cancer Center he stepped into the tissue culture lab where Sankar works with rodents, trying to learn how to direct stem cells to regenerate nerve tissue.

Guthrie was impressed and said he hopes the research will someday help brain-injured military personnel.

"We have so many brain injuries and so many of them are surviving now," Guthrie said.

Keith Davis, executive director of the research program, told Guthrie the quest is to figure out to take stem cells out and then put them back in to generate specific tissue in order to repair traumatic injuries.

Moments earlier Guthrie spent a few minutes talking to research scientist Nobuyuki Matoba, who does research with plant-based pharmaceuticals in hopes of producing vaccines and anti-viral proteins. He also met research scientist Kenneth Palmer, who does basic research in broad spectrum anti-virals made possible with close to \$2.5 million in various grants, most of it provided by the National Institutes of Health.

Guthrie came to the cancer center to observe how a \$2 million appropriation to the center from the U.S. Department of Defense was being used. The grant was announced in December. The grants for cancer and other types of medical research based on plant-based technology followed grants of \$2 million for the center in 2007 and 2008.

The research program is a joint venture between OMHS and the University of Louisville's James Graham Brown Cancer Center. The partners created the program to develop cancer therapies using plant-based production systems. Ten months ago, Palmer was the senior author of a study published in the National Academy of Sciences about how the HIV inhibitor can be produced cheaply in plants. Another partner is Kentucky BioProcessing, an OMHS venture established in 2006.

Guthrie, one of those who helped secure the Department of Defense grant, said the appropriation will help the local economy by creating jobs and also has the potential to help in the fight against bio-terrorism.

"I was talking to people today who might change the world," Guthrie said.

Paducah Sun, Messenger-Inquirer Press Clips 1 26 10

Tax reform panel member quits

Paducah Sun

Written by Bill Bartleman

Tuesday, January 26 2010

The lone Republican state legislator asked to help draft a comprehensive tax reform plan has resigned from the committee, saying Democrats want to use it to pass a broad base tax increase that would raise an additional \$850 million next year.

Rep. Bill Farmer, R-Lexington, also said his reform ideas are being ignored.

However, Rep. Jim Wayne, D-Louisville, said the working group, which also includes Rep. Harry Moberly, D-Richmond, hasn't started to draft a plan. Wayne said he didn't know Farmer had resigned.

"We are still gathering information from the staff," Wayne said. "There must be a misunderstanding. He's a valuable member of our group, and I'll ask him to reconsider."

Both Wayne and Farmer introduced bills proposing tax reform. Wayne wants to lower taxes for the poor and middle class, and increase taxes for the wealthy. Farmer wants to eliminate corporate and individual income taxes and lower the sales tax and expand it to more goods and services.

House Speaker Greg Stumbo last week asked Wayne and Farmer to lead a working group to draft a bipartisan plan.

Farmer said he based his conclusion on Democrats' plans by reviewing data Wayne requested from the budget committee staff.

"What they did is take a huge chunk of my tax plan to expand the sales tax and laid it over the current tax code," Farmer said. "They eliminated the corporate tax but not the individual income tax. They proposed reducing it from a top rate of personal income tax from 5.8 percent to 5 percent.

"The long and short of it is that it would have increased taxes by \$850 million the first year and another \$100 million the second year," Farmer said.

Farmer said his plan would have raised the same amount of money as the existing tax structure. The benefit of his plan is that state tax revenue would grow at the same rate as the economy.

Wayne said the data gathered from the budget staff on implications of certain changes was not meant to imply that those changes would be a part of the proposal.

“We asked for revenue from all of the current forms of taxation and asked for the impact of adjusting them up or down,” Wayne said. “We are collecting all of the pieces of the puzzle with numbers attached, and we’ll use those as the framework to put together a plan.”

However, he acknowledged there are goals that will be used to prepare a plan.

“We want to give relief to the working poor, expand the sales tax to more services, give relief to corporations large and small, and relief to middle income families,” Wayne said. “We want to make it elastic so it grows with the economy.”

He also said the goal is to make the tax code more progressive so it shifts more of the burden on the wealthy.

The committee will continue its work without Farmer.

[KCTCS president seeks support](#)

By Joy Campbell, Messenger-Inquirer

Published: Tuesday, January 26, 2010 12:35 AM CST

Higher education -- specifically KCTCS -- is the most important tool for the recovery of Kentucky's economy, and the state needs to find a way to support the colleges.

That was the crux of the message from Kentucky Community and Technical College System President Michael McCall during a forum Monday at Owensboro Community & Technical College to garner grass-roots support for the state's 16 community and technical colleges.

"It's about jobs; our economy will not recover without jobs," McCall told a small group in the Advanced Technology Center at OCTC. "Eighty-three percent of the jobs between now and 2014 will require an associate's degree or higher."

McCall made a strong pitch for Owensboro residents to sign a petition pledging their support of OCTC and KCTCS, to support its legislative agenda, and to join him in Frankfort at some point during the General Assembly as KCTCS creates a presence every week.

A rally is scheduled for 1:30 p.m. Feb. 25 in the Capitol Rotunda, and OCTC will be featured as part of the system's "showcase" in Frankfort March 3-5.

McCall also invited the group to join the social networking site:
<http://MyKCTCS.ning.com>.

KCTCS is doing its share in helping students prepare for jobs, but it needs help to continue moving forward, McCall said.

As the largest provider of postsecondary education in the state, the community and technical college system is serving 54 percent of all undergraduate students with an enrollment of 100,348.

The system also is the state's largest provider of work force training and education, he said.

Kentuckians have access to postsecondary education through KCTCS' 16 colleges that have 68 different campuses.

"We have sites within a 30-minute drive of 95 percent of Kentuckians," McCall said.

Access was one of the "points of pride" McCall outlined. Other areas he touted were the 37 new facilities and 533 new programs KCTCS has added since 1998, and the degree to which the system has boosted Kentuckians' employability.

The system awarded 153,212 credentials that include associate's degrees, diplomas and certificates.

Students who receive an associate's degree will earn an average of \$245,000 more in their lifetime, McCall said.

KCTCS offers the first two years of a bachelor's degree at an affordable cost, McCall said. More than 15,000 KCTCS students transferred to four-year institutions last year.

McCall laid out KCTCS' legislative agenda and asked the group to become advocates for these four priorities:

- * Maintain 2009-10 base funding -- \$215 million.
- * Secure full funding for operation and maintenance of new facilities -- \$8.2 million.
- * Capital budget requests (prioritized) totaling \$50.6 million.

"All 16 communities want at least one facility," McCall said of the capital budget.

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