

Passing Lane

Commentary on Life in Kentucky

Secrets: The Deal

BY LOWELL REESE

SOME time ago, I concluded to my own satisfaction that Gov. Ernie Fletcher and Attorney General Greg Stumbo have reached an agreement in the merit system firing scandal, whereas the governor will not be indicted.

Not on misdemeanor charges arising from misconduct pertaining to the merit system. If there's a deal, obviously we wouldn't expect it to apply to any findings of larger wrongdoing on the scale of a felony.



Lowell Reese

If a deal has been made, we will never know until possibly decades later should one of the parties mention it in his memoirs.

It makes sense that only three people would know about such an arrangement – the governor, the AG and the governor's high-power Nashville lawyer, James Neal. Any leak outside that trio would kill the deal and do great damage to Stumbo's and Fletcher's public service careers.

Not even the governor's top and most trusted staff would know; and certainly not Stumbo's team of crime-fighting attorneys.

Space here doesn't allow a full explanation of why I sense a deal, nor does it allow for a proper defense against critics, even among the media, who say Stumbo's staff would never allow it. Well, they'll never know if a private agreement has been reached outside the office; besides, Stumbo runs his office, not vice versa.

So, what's in it for each of them? Fletcher, in several acts of unusual behavior, has granted what appeared to be concessions to Stumbo – a public apology, firing key staff, asking for the GOP chairman's resignations and not following up when rebuked by the Republican Party captains. All of the above were done within a relatively narrow time window.

As for Stumbo, the ghost of Louie Nunn prevails. Nunn once said (I paraphrase), "Never kill your political enemy, for another flower will bloom on his grave."

Even Sen. Julian Carroll made a public statement that he advised Stumbo not to indict the governor on misdemeanor charges over the merit system. That was not an uttering of altruism.

It's best for Stumbo, or any Democrat, to run against a crippled Ernie Fletcher in '07 than a fresh face backed by Sen. Mitch McConnell.

Lowell Reese is editor of The Kentucky Gazette. This column was reprinted with permission from the Dec. 21, 2005 edition of The Gazette.

Home vs. Hometown

BY DAVID FLOYD

THIS summer, the U.S. Supreme Court by a 5-4 vote in its *Kelo v. New London* decision affirmed that the city of New London, CT could use "eminent domain" to condemn private homes. But this "taking of private property" was not for roads or schools. This taking was for "economic development." New London actually delegated its eminent domain authority to a businessman, who would build hotels, condos, and office buildings in place of the private homes that he took away.

So, we see that governments are now using their power to strip private property rights from citizens, claiming that it's for their hometown's own good. More development equals more tax revenue equals more government to do good things for you.

Those who exercise this authority are sincere in their efforts. But as English philosopher C.S. Lewis said, "Of all tyrannies, a tyranny sincerely exercised for the good of its victims may be the most oppressive."

Elected officials believe that they are doing a good thing when invoking "eminent domain." It's not hard to imagine a mayor using this authority to take property from one "class" of people and then giving the land to political friends who happen to be in the development business. Such oppression can be prevented only by the rule of law for which our constitutional rights serve as the foundation.

We must carefully protect those rights. We can do this by enacting legislation that severely limits the power of government to take private property. In the 2006 legislative session that began Jan. 3, the General Assembly took up bills that propose to do just that. One is Sen. Julian Carroll's (D-7th) bill (BR-311) that prohibits the use of "eminent domain" for economic development, unless approved by voters. I'd remove that last part, since it suggests that a majority can vote to take away an individual's constitutional right.

While it is true in America that the majority rules, we must precisely guard individual rights so that the majority will not oppress. Should we subject our constitutional rights to a vote of the people? I don't think so. Section two of the Kentucky Bill of Rights states that "Absolute and arbitrary power over the lives, liberty and property of freemen exists nowhere in a republic, not even in the largest majority." It is an injustice to deprive one person of a constitutional right in order to benefit another.

Like most, I believe that economic development is essential to growing communities. So when growth stalls because of private property rights, what should a town do? It must wait, patiently, until the property owner changes his or her mind, or passes on.

State Representative David Floyd (R) represents the 50th House District, which includes all of Nelson County and a portion of Spencer County. This commentary is a condensed version of the article he recently wrote.

The Last Word

Additional Comments from Kentuckians on 2006



Lee T. Todd, Jr.

"This is a critical year for the future of the University of Kentucky. We'll continue moving forward with our Top 20 Business Plan, as we build the type of university the Commonwealth of Kentucky must have. We will educate more Kentuckians. We will reach out across the state, enhancing our engagement with Kentucky communities. Our faculty will conduct world-class research, with their innovations and ingenuity forming Kentucky's businesses of tomorrow. There is a lot in store at UK in 2006 and I'm excited to be part of it."

— **Lee T. Todd, Jr.**
President
University of Kentucky

"JPMorgan Chase forecasts that the Federal Open Market Committee will continue to increase the benchmark Fed Funds rate over the course of the next four months to 5 percent. These increases will push the prime rate to 8 percent. The forecast incorporates that the U.S. economy will rebound into the first half of 2006, core inflation will increase even as energy prices moderate, and the Federal Reserve will be tough in its response to inflation. The forecast has the Fed pausing after May, as the economy absorbs the interest rate increases and growth moderates in the second half of 2006."

— **Laura Boison**
Senior Vice President
Chase Bank



Laura Boison



Vickie Yates Brown

"The cost to provide health care benefits for employees is one of the major concerns for employers. The 2006 Segal Health Plan Cost Trend Survey reports that the decline in health plan cost trends for medical services and prescription drugs is expected to continue in 2006. However, costs will increase. Employers that provide PPO, POS, or HMO coverage for employees are expected to experience cost increases of around 12 percent in 2006."

— **Vickie Yates Brown**
Partner
Greenebaum Doll & McDonald PLLC

"AMR is an accredited association management company providing outsourced professional services for local and national non-profit organizations on a full-service or project basis. Most non-profits have recovered from the budget shortfalls and travel woes that impacted conferences, trade shows and other member services after Sept. 11. In 2006, we anticipate continued expansion of services for trade associations, professional



John A. Ruffin

societies and other non-profit organizations that utilize meetings, events, publications and technology to communicate with and among their members, suppliers and related organizations."

— **John A. Ruffin**
President and CEO
AMR Management Services



Dr. Wendy Baldwin

"The business outlook for the University of Kentucky's research and economic development enterprise is excellent. UK has so many strong research programs, evidenced by the peer-reviewed federal funding awarded each year to our faculty in every college."

"We expect our intellectual property pipeline to continue to put UK research and technology into the marketplace. We'll begin a new initiative working with faculty to identify the intellectual property coming from their research and market their IP to business and industry. And we're on the move at Coldstream!"

— **Dr. Wendy Baldwin**
Executive Vice President
University of Kentucky Research

"2006 may be a difficult year for 'for sale' housing in Louisville. The new Metro Louisville government's regulatory revisions have created a difficult climate for new development and construction, thereby increasing the value of existing zoned and approved properties, and lengthening the time for new P&Z approvals. As a result, lot values have significantly increased. Regulatory delays, when coupled with material cost increases (resulting from the country's natural disasters) and interest rate increases, make housing much more expensive. Escalating costs are driving many would be buyers out of the market."

— **Donald J. Cook**
CEO
Renaissance Development



Donald J. Cook



Brian Mefford

"In 2006, ConnectKentucky looks forward to a continuation of the unprecedented growth of technology across Kentucky. Specifically, we expect this will be the year when Kentucky surpasses national averages for indicators such as high-speed Internet usage and home computer ownership. The availability of broadband is expected to rise to 90 percent of all homes and businesses in Kentucky. The impact of technology in education, health and employment will continue its steep increase."

— **Brian Mefford**
President and CEO
ConnectKentucky