

**CHAPTER 51****( SB 158 )**

AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

- (1) *The Office of Fleet Management pursuant to Section 3 of this Act shall be generally responsible for all technical and administrative services related to the Commonwealth's fleet of vehicles, including but not limited to:*
  - (a) *Procuring vehicles;*
  - (b) *Maintaining and repairing vehicles;*
  - (c) *Reserving, assigning, and distributing vehicles;*
  - (d) *Reporting fleet mileage; and*
  - (e) *Performing any additional administrative functions and duties the secretary may assign.*
- (2) *There shall be established in the Office of Fleet Management the following divisions which shall be headed by a division director who shall report to the executive director of the Office of Fleet Management:*
  - (a) *Division of Maintenance; and*
  - (b) *Division of Operations and Administration.*
- (3) *The division directors appointed under this section shall be appointed by the secretary with the approval of the Governor under KRS 12.050. There may be, if needed, sections assigned to specific areas of work, responsible directly to the executive director of the Office of Fleet Management.*

➔Section 2. KRS 12.020 is amended to read as follows:

Departments, program cabinets and their departments, and the respective major administrative bodies that they include are enumerated in this section. It is not intended that this enumeration of administrative bodies be all-inclusive. Every authority, board, bureau, interstate compact, commission, committee, conference, council, office, or any other form of organization shall be included in or attached to the department or program cabinet in which they are included or to which they are attached by statute or statutorily authorized executive order; except in the case of the Personnel Board and where the attached department or administrative body is headed by a constitutionally elected officer, the attachment shall be solely for the purpose of dissemination of information and coordination of activities and shall not include any authority over the functions, personnel, funds, equipment, facilities, or records of the department or administrative body.

I. Cabinet for General Government - Departments headed by elected officers:

- (1) The Governor.
- (2) Lieutenant Governor.
- (3) Department of State.
  - (a) Secretary of State.
  - (b) Board of Elections.
  - (c) Registry of Election Finance.
- (4) Department of Law.
  - (a) Attorney General.
- (5) Department of the Treasury.
  - (a) Treasurer.
- (6) Department of Agriculture.

- (a) Commissioner of Agriculture.
  - (b) Agricultural Development Board.
  - (c) Kentucky Agricultural Finance Corporation.
  - (7) Auditor of Public Accounts.
- II. Program cabinets headed by appointed officers:
- (1) Justice and Public Safety Cabinet:
    - (a) Department of Kentucky State Police.
      - 1. Office of Administrative Services.
        - a. Division of Operational Support.
        - b. Division of Management Services.
      - 2. Office of Operations.
        - a. Division of West Troops.
        - b. Division of East Troops.
        - c. Division of Special Enforcement.
        - d. Division of Commercial Vehicle Enforcement.
      - 3. Office of Technical Services.
        - a. Division of Forensic Sciences.
        - b. Division of Information Technology.
    - (b) Department of Criminal Justice Training.
    - (c) Department of Corrections.
    - (d) Department of Juvenile Justice.
    - (e) Office of the Secretary.
    - (f) Office of Drug Control Policy.
    - (g) Office of Legal Services.
    - (h) Office of the Kentucky State Medical Examiner.
    - (i) Parole Board.
    - (j) Kentucky State Corrections Commission.
    - (k) Office of Legislative and Intergovernmental Services.
    - (l) Office of Human Resource Management.
      - 1. Division of Human Resource Administration.
      - 2. Division of Employee Management.
    - (m) Department of Public Advocacy.
    - (n) Office of Communications.
      - 1. Information Technology Services Division.
    - (o) Office of Financial Management Services.
      - 1. Division of Financial Management.
    - (p) Grants Management Division.
  - (2) Education and Workforce Development Cabinet:
    - (a) Office of the Secretary.

1. Governor's Scholars Program.
  2. Governor's School for Entrepreneurs Program.
  3. Office of the Kentucky Workforce Innovation Board.
  4. Foundation for Adult Education.
  5. Early Childhood Advisory Council.
- (b) Office of Legal and Legislative Services.
1. Client Assistance Program.
- (c) Office of Communication.
- (d) Office of Administrative Services.
1. Division of Human Resources.
  2. Division of Operations and Support Services.
  3. Division of Fiscal Management.
- (e) Office of Technology Services.
- (f) Office of Educational Programs.
- (g) Office of the Kentucky Center for Statistics.
- (h) Board of the Kentucky Center for Statistics.
- (i) Board of Directors for the Center for School Safety.
- (j) Department of Education.
1. Kentucky Board of Education.
  2. Kentucky Technical Education Personnel Board.
  3. Education Professional Standards Board.
- (k) Department for Libraries and Archives.
- (l) Department of Workforce Investment.
1. Office of Vocational Rehabilitation.
    - a. Division of Kentucky Business Enterprise.
    - b. Division of the Carl D. Perkins Vocational Training Center.
    - c. Division of Blind Services.
    - d. Division of Field Services.
    - e. Statewide Council for Vocational Rehabilitation.
  2. Office of Unemployment Insurance.
  3. Office of Employer and Apprenticeship Services.
    - a. Division of Apprenticeship.
  4. Career Development Office.
  5. Office of Adult Education.
  6. Unemployment Insurance Commission.
  7. Kentucky Apprenticeship Council.
  8. Division of Technical Assistance.
- (m) Foundation for Workforce Development.

- (n) Kentucky Workforce Investment Board.
  - (o) Kentucky Commission on the Deaf and Hard of Hearing.
  - (p) Kentucky Educational Television.
  - (q) Kentucky Environmental Education Council.
- (3) Energy and Environment Cabinet:
- (a) Office of the Secretary.
    - 1. Office of Legislative and Intergovernmental Affairs.
    - 2. Office of Legal Services.
      - a. Legal Division I.
      - b. Legal Division II.
    - 3. Office of Administrative Hearings.
    - 4. Office of Communication.
    - 5. Mine Safety Review Commission.
    - 6. Office of Kentucky Nature Preserves.
    - 7. Kentucky Public Service Commission.
  - (b) Department for Environmental Protection.
    - 1. Office of the Commissioner.
    - 2. Division for Air Quality.
    - 3. Division of Water.
    - 4. Division of Environmental Program Support.
    - 5. Division of Waste Management.
    - 6. Division of Enforcement.
    - 7. Division of Compliance Assistance.
  - (c) Department for Natural Resources.
    - 1. Office of the Commissioner.
    - 2. Division of Mine Permits.
    - 3. Division of Mine Reclamation and Enforcement.
    - 4. Division of Abandoned Mine Lands.
    - 5. Division of Oil and Gas.
    - 6. Division of Mine Safety.
    - 7. Division of Forestry.
    - 8. Division of Conservation.
    - 9. Office of the Reclamation Guaranty Fund.
  - (d) Office of Energy Policy.
    - 1. Division of Energy Assistance.
  - (e) Office of Administrative Services.
    - 1. Division of Human Resources Management.
    - 2. Division of Financial Management.
    - 3. Division of Information Services.

- (4) Public Protection Cabinet.
  - (a) Office of the Secretary.
    - 1. Office of Communications and Public Outreach.
    - 2. Office of Legal Services.
      - a. Insurance Legal Division.
      - b. Charitable Gaming Legal Division.
      - c. Alcoholic Beverage Control Legal Division.
      - d. Housing, Buildings and Construction Legal Division.
      - e. Financial Institutions Legal Division.
      - f. Professional Licensing Legal Division.
    - 3. Office of Administrative Hearings.
    - 4. Office of Administrative Services.
      - a. Division of Human Resources.
      - b. Division of Fiscal Responsibility.
  - (b) Office of Claims and Appeals.
    - 1. Board of Tax Appeals.
    - 2. Board of Claims.
    - 3. Crime Victims Compensation Board.
  - (c) Kentucky Boxing and Wrestling Commission.
  - (d) Kentucky Horse Racing Commission.
    - 1. Office of Executive Director.
      - a. Division of Pari-mutuel Wagering and Compliance.
      - b. Division of Stewards.
      - c. Division of Licensing.
      - d. Division of Enforcement.
      - e. Division of Incentives and Development.
      - f. Division of Veterinary Services.
  - (e) Department of Alcoholic Beverage Control.
    - 1. Division of Distilled Spirits.
    - 2. Division of Malt Beverages.
    - 3. Division of Enforcement.
  - (f) Department of Charitable Gaming.
    - 1. Division of Licensing and Compliance.
    - 2. Division of Enforcement.
  - (g) Department of Financial Institutions.
    - 1. Division of Depository Institutions.
    - 2. Division of Non-Depository Institutions.
    - 3. Division of Securities.

- (h) Department of Housing, Buildings and Construction.
  - 1. Division of Fire Prevention.
  - 2. Division of Plumbing.
  - 3. Division of Heating, Ventilation, and Air Conditioning.
  - 4. Division of Building Code Enforcement.
- (i) Department of Insurance.
  - 1. Division of Health and Life Insurance and Managed Care.
  - 2. Division of Property and Casualty Insurance.
  - 3. Division of Administrative Services.
  - 4. Division of Financial Standards and Examination.
  - 5. Division of Licensing.
  - 6. Division of Insurance Fraud Investigation.
  - 7. Division of Consumer Protection.
- (j) Department of Professional Licensing.
  - 1. Real Estate Authority.
- (5) Labor Cabinet.
  - (a) Office of the Secretary.
    - 1. Office of General Counsel.
      - a. Workplace Standards Legal Division.
      - b. Workers' Claims Legal Division.
    - 2. Office of Administrative Services.
      - a. Division of Human Resources Management.
      - b. Division of Fiscal Management.
      - c. Division of Professional Development and Organizational Management.
      - d. Division of Information Technology and Support Services.
    - 3. Office of Inspector General.
  - (b) Department of Workplace Standards.
    - 1. Division of Occupational Safety and Health Compliance.
    - 2. Division of Occupational Safety and Health Education and Training.
    - 3. Division of Wages and Hours.
  - (c) Department of Workers' Claims.
    - 1. Division of Workers' Compensation Funds.
    - 2. Office of Administrative Law Judges.
    - 3. Division of Claims Processing.
    - 4. Division of Security and Compliance.
    - 5. Division of Information Services.
    - 6. Division of Specialist and Medical Services.
    - 7. Workers' Compensation Board.
  - (d) Workers' Compensation Funding Commission.

- (e) Occupational Safety and Health Standards Board.
  - (f) State Labor Relations Board.
  - (g) Employers' Mutual Insurance Authority.
  - (h) Kentucky Occupational Safety and Health Review Commission.
  - (i) Workers' Compensation Nominating Committee.
- (6) Transportation Cabinet:
- (a) Department of Highways.
    - 1. Office of Project Development.
    - 2. Office of Project Delivery and Preservation.
    - 3. Office of Highway Safety.
    - 4. Highway District Offices One through Twelve.
  - (b) Department of Vehicle Regulation.
  - (c) Department of Aviation.
  - (d) Department of Rural and Municipal Aid.
    - 1. Office of Local Programs.
    - 2. Office of Rural and Secondary Roads.
  - (e) Office of the Secretary.
    - 1. Office of Public Affairs.
    - 2. Office for Civil Rights and Small Business Development.
    - 3. Office of Budget and Fiscal Management.
    - 4. Office of Inspector General.
    - 5. Secretary's Office of Safety.
  - (f) Office of Support Services.
  - (g) Office of Transportation Delivery.
  - (h) Office of Audits.
  - (i) Office of Human Resource Management.
  - (j) Office of Information Technology.
  - (k) Office of Legal Services.
- (7) Cabinet for Economic Development:
- (a) Office of the Secretary.
    - 1. Office of Legal Services.
    - 2. Department for Business Development.
    - 3. Department for Financial Services.
      - a. Kentucky Economic Development Finance Authority.
      - b. Finance and Personnel Division.
      - c. IT and Resource Management Division.
      - d. Compliance Division.
      - e. Incentive Administration Division.

## ACTS OF THE GENERAL ASSEMBLY

- f. Bluegrass State Skills Corporation.
  - 4. Office of Marketing and Public Affairs.
    - a. Communications Division.
    - b. Graphics Design Division.
  - 5. Office of Workforce, Community Development, and Research.
  - 6. Office of Entrepreneurship and Small Business Innovation.
    - a. Commission on Small Business Innovation and Advocacy.
- (8) Cabinet for Health and Family Services:
  - (a) Office of the Secretary.
    - 1. Office of the Ombudsman and Administrative Review.
    - 2. Office of Public Affairs.
    - 3. Office of Legal Services.
    - 4. Office of Inspector General.
    - 5. Office of Human Resource Management.
    - 6. Office of Finance and Budget.
    - 7. Office of Legislative and Regulatory Affairs.
    - 8. Office of Administrative Services.
    - 9. Office of Application Technology Services.
    - 10. *Office of Data Analytics.***
  - (b) Department for Public Health.
  - (c) Department for Medicaid Services.
  - (d) Department for Behavioral Health, Developmental and Intellectual Disabilities.
  - (e) Department for Aging and Independent Living.
  - (f) Department for Community Based Services.
  - (g) Department for Income Support.
  - (h) Department for Family Resource Centers and Volunteer Services.
  - (i) Office for Children with Special Health Care Needs.
  - ~~(j) Office of Health Data and Analytics.~~
- (9) Finance and Administration Cabinet:
  - (a) Office of the Secretary.
  - (b) Office of the Inspector General.
  - (c) Office of Legislative and Intergovernmental Affairs.
  - (d) Office of General Counsel.
  - (e) Office of the Controller.
  - (f) Office of Administrative Services.
  - (g) Office of Policy and Audit.
  - (h) Department for Facilities and Support Services.
  - (i) Department of Revenue.
  - (j) Commonwealth Office of Technology.



- (k) State Property and Buildings Commission.
  - (l) Office of Equal Employment Opportunity and Contract Compliance.
  - (m) Kentucky Employees Retirement Systems.
  - (n) Commonwealth Credit Union.
  - (o) State Investment Commission.
  - (p) Kentucky Housing Corporation.
  - (q) Kentucky Local Correctional Facilities Construction Authority.
  - (r) Kentucky Turnpike Authority.
  - (s) Historic Properties Advisory Commission.
  - (t) Kentucky Higher Education Assistance Authority.
  - (u) Kentucky River Authority.
  - (v) Kentucky Teachers' Retirement System Board of Trustees.
  - (w) Executive Branch Ethics Commission.
  - (x) ***Office of Fleet Management.***
- (10) Tourism, Arts and Heritage Cabinet:
- (a) Kentucky Department of Tourism.
    - 1. Division of Tourism Services.
    - 2. Division of Marketing and Administration.
    - 3. Division of Communications and Promotions.
  - (b) Kentucky Department of Parks.
    - 1. Division of Information Technology.
    - 2. Division of Human Resources.
    - 3. Division of Financial Operations.
    - 4. Division of Facilities Management.
    - 5. Division of Facilities Maintenance.
    - 6. Division of Customer Services.
    - 7. Division of Recreation.
    - 8. Division of Golf Courses.
    - 9. Division of Food Services.
    - 10. Division of Rangers.
    - 11. Division of Resort Parks.
    - 12. Division of Recreational Parks and Historic Sites.
  - (c) Department of Fish and Wildlife Resources.
    - 1. Division of Law Enforcement.
    - 2. Division of Administrative Services.
    - 3. Division of Engineering, Infrastructure, and Technology.
    - 4. Division of Fisheries.
    - 5. Division of Information and Education.

6. Division of Wildlife.
7. Division of Marketing.
- (d) Kentucky Horse Park.
  1. Division of Support Services.
  2. Division of Buildings and Grounds.
  3. Division of Operational Services.
- (e) Kentucky State Fair Board.
  1. Office of Administrative and Information Technology Services.
  2. Office of Human Resources and Access Control.
  3. Division of Expositions.
  4. Division of Kentucky Exposition Center Operations.
  5. Division of Kentucky International Convention Center.
  6. Division of Public Relations and Media.
  7. Division of Venue Services.
  8. Division of Personnel Management and Staff Development.
  9. Division of Sales.
  10. Division of Security and Traffic Control.
  11. Division of Information Technology.
  12. Division of the Louisville Arena.
  13. Division of Fiscal and Contract Management.
  14. Division of Access Control.
- (f) Office of the Secretary.
  1. Office of Finance.
  2. Office of Government Relations and Administration.
- (g) Office of Legal Affairs.
- (h) Office of Human Resources.
- (i) Office of Public Affairs and Constituent Services.
- (j) Office of Arts and Cultural Heritage.
- (k) Kentucky African-American Heritage Commission.
- (l) Kentucky Foundation for the Arts.
- (m) Kentucky Humanities Council.
- (n) Kentucky Heritage Council.
- (o) Kentucky Arts Council.
- (p) Kentucky Historical Society.
  1. Division of Museums.
  2. Division of Oral History and Educational Outreach.
  3. Division of Research and Publications.
  4. Division of Administration.
- (q) Kentucky Center for the Arts.

1. Division of Governor's School for the Arts.
    - (r) Kentucky Artisans Center at Berea.
    - (s) Northern Kentucky Convention Center.
    - (t) Eastern Kentucky Exposition Center.
  - (11) Personnel Cabinet:
    - (a) Office of the Secretary.
    - (b) Department of Human Resources Administration.
    - (c) Office of Employee Relations.
    - (d) Kentucky Public Employees Deferred Compensation Authority.
    - (e) Office of Administrative Services.
    - (f) Office of Legal Services.
    - (g) Governmental Services Center.
    - (h) Department of Employee Insurance.
    - (i) Office of Diversity, Equality, and Training.
    - (j) Office of Public Affairs.
  - III. Other departments headed by appointed officers:
    - (1) Council on Postsecondary Education.
    - (2) Department of Military Affairs.
    - (3) Department for Local Government.
    - (4) Kentucky Commission on Human Rights.
    - (5) Kentucky Commission on Women.
    - (6) Department of Veterans' Affairs.
    - (7) Kentucky Commission on Military Affairs.
    - (8) Office of Minority Empowerment.
    - (9) Governor's Council on Wellness and Physical Activity.
    - (10) Kentucky Communications Network Authority.
- ➔Section 3. KRS 42.0145 is amended to read as follows:
- (1) The Office of the Secretary of the Finance and Administration Cabinet shall consist of the Office of Inspector General, Office of General Counsel, Office of Administrative Services, Office of Legislative and Intergovernmental Affairs, Office of Policy and Audit, ~~and~~ Office of Equal Employment Opportunity and Contract Compliance, **and Office of Fleet Management**, each headed by an executive director who shall be appointed by the secretary with the approval of the Governor. The Office of the Secretary shall include a deputy secretary who shall be appointed by the secretary with the approval of the Governor. The deputy secretary shall be responsible to and have such authority to sign for the secretary as the secretary designates in writing.
  - (2) The secretary may organize the office into such additional administrative units as he deems necessary to perform the functions and fulfill the duties of the cabinet, subject to the provisions of KRS Chapter 12.
  - (3) All appointments under this chapter to positions not in the classified service shall be made pursuant to KRS 12.050, and such appointees shall be major assistants to the secretary and shall assist in the development of policy.

➔Section 4. KRS 42.0171 is amended to read as follows:

- (1) The Office of Administrative Services established in KRS 42.0145 shall be generally responsible for all internal administrative and human resource functions of the cabinet, including but not limited to providing administrative assistance; managing and preparing the cabinet's budget; performing general accounting; managing fiscal, personnel, and payroll functions of the cabinet; providing statewide postal and printing services; providing administrative support to boards and commissions; and performing any additional administrative functions and duties the secretary may assign.
- (2) There shall be established in the Office of Administrative Services:
  - (a) The Office of Budget and Fiscal Management, headed by an executive director who shall report directly to the executive director of the Office of Administrative Services, and consisting of the:
    1. Division of Budget; and
    2. Division of Fiscal Management; and
  - (b) The following divisions which shall be headed by a division director who shall report to the executive director of the Office of Administrative Services:
    1. Division of Human Resources; *and*
    2. Division of Postal Services~~}; and~~
    3. ~~Division of Fleet Management}.~~
- (3) Executive directors and division directors appointed under this section shall be appointed by the secretary with the approval of the Governor under KRS 12.050~~}. Each division shall be headed by a division director appointed by the secretary of the Finance and Administration Cabinet.~~ There may be, if needed, sections assigned to specific areas of work, responsible directly to the executive director of the Office of Administrative Services.

➔Section 5. KRS 45A.625 is amended to read as follows:

- (1) The Finance and Administration Cabinet shall develop a strategy to:
  - (a) Replace at least fifty percent (50%) of the state-owned passenger vehicles and light-duty trucks managed by the ~~Office~~~~Division~~ of Fleet Management as of January 1, 2014, with:
    1. New qualified hybrid motor vehicles as defined in 26 U.S.C. sec. 30B;
    2. New advanced lean burn technology motor vehicles as defined in 26 U.S.C. sec. 30B;
    3. New qualified fuel cell motor vehicles as defined in 26 U.S.C. sec. 30B; or
    4. New qualified alternative fuel motor vehicles as defined in 26 U.S.C. sec. 30B; and
  - (b) Increase the use of ethanol, cellulosic ethanol, biodiesel, and other alternative transportation fuels as defined in KRS 152.715 to reduce state government's dependence on petroleum-based transportation fuels, where possible.
- (2) On or before December 1, 2013, and every December 1 thereafter, the cabinet shall report to the Legislative Research Commission:
  - (a) The strategy for transitioning to motor vehicles outlined in subsection (1) of this section, including a life-cycle cost comparison, and a projected timetable to replace motor vehicles in the state motor pool as provided in subsection (1) of this section; and
  - (b) The strategy for increased use of ethanol, cellulosic ethanol, biodiesel, and alternative transportation fuels, including the targeted amount and the dates by which these targets shall be achieved.

➔Section 6. KRS 194A.030 is amended to read as follows:

The cabinet consists of the following major organizational units, which are hereby created:

- (1) Office of the Secretary. Within the Office of the Secretary, there shall be an Office of the Ombudsman and Administrative Review, an Office of Legal Services, an Office of Inspector General, an Office of Public Affairs, an Office of Human Resource Management, an Office of Finance and Budget, an Office of Legislative and Regulatory Affairs, an Office of Administrative Services, ~~and~~ an Office of Application Technology Services, *and an Office of Data Analytics*, as follows:

- (a) The Office of the Ombudsman and Administrative Review shall be headed by an executive director who shall be appointed by the secretary with the approval of the Governor under KRS 12.050 and shall:
1. Investigate, upon complaint or on its own initiative, any administrative act of an organizational unit, employee, or contractor of the cabinet, without regard to the finality of the administrative act. Organizational units, employees, or contractors of the cabinet shall not willfully obstruct an investigation, restrict access to records or personnel, or retaliate against a complainant or cabinet employee;
  2. Make recommendations that resolve citizen complaints and improve governmental performance and may require corrective action when policy violations are identified;
  3. Provide evaluation and information analysis of cabinet performance and compliance with state and federal law;
  4. Place an emphasis on research and best practices, program accountability, quality service delivery, and improved governmental performance;
  5. Provide information on how to contact the office for public posting at all offices where Department for Community Based Services employees or contractors work, at any facility where a child in the custody of the cabinet resides, and to all cabinet or contracted foster parents;
  6. Report to the Office of Inspector General for review and investigation any charge or case against an employee of the Cabinet for Health and Family Services where it has cause to believe the employee has engaged in dishonest, unethical, or illegal conduct or practices related to his or her job duties; or any violation of state law or administrative regulation by any organization or individual regulated by, or contracted with the cabinet;
  7. Compile a report of all citizen complaints about programs or services of the cabinet and a summary of resolution of the complaints and submit the report upon request to the Child Welfare Oversight and Advisory Committee established in KRS 6.943, and the Interim Joint Committee on Health and Welfare and Family Services;
  8. Include oversight of administrative hearings; and
  9. Provide information to the Office of the Attorney General, when requested, related to substantiated violations of state law against an employee, a contractor of the cabinet, or a foster or adoptive parent;
- (b) The Office of Legal Services shall provide legal advice and assistance to all units of the cabinet in any legal action in which it may be involved. The Office of Legal Services shall employ all attorneys of the cabinet who serve the cabinet in the capacity of attorney, giving legal advice and opinions concerning the operation of all programs in the cabinet. The Office of Legal Services shall be headed by a general counsel who shall be appointed by the secretary with the approval of the Governor under KRS 12.050 and 12.210. The general counsel shall be the chief legal advisor to the secretary and shall be directly responsible to the secretary. The Attorney General, on the request of the secretary, may designate the general counsel as an assistant attorney general under the provisions of KRS 15.105;
- (c) The Office of Inspector General shall be headed by an inspector general who shall be appointed by the secretary with the approval of the Governor. The inspector general shall be directly responsible to the secretary. The Office of Inspector General shall be responsible for:
1. The conduct of audits and investigations for detecting the perpetration of fraud or abuse of any program by any client, or by any vendor of services with whom the cabinet has contracted; and the conduct of special investigations requested by the secretary, commissioners, or office heads of the cabinet into matters related to the cabinet or its programs;
  2. Licensing and regulatory functions as the secretary may delegate;
  3. Review of health facilities participating in transplant programs, as determined by the secretary, for the purpose of determining any violations of KRS 311.1911 to 311.1959, 311.1961, and 311.1963;
  4. The duties, responsibilities, and authority pertaining to the certificate of need functions and the licensure appeals functions, pursuant to KRS Chapter 216B; ~~and~~

5. The notification and forwarding of any information relevant to possible criminal violations to the appropriate prosecuting authority;
  6. ***The oversight of the operations of the Kentucky Health Information Exchange; and***
  7. ***The support and guidance to health care providers related to telehealth services including the development of policy, standards, resources, and education to expand telehealth services across the Commonwealth;***
- (d) The Office of Public Affairs shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050. The office shall provide information to the public and news media about the programs, services, and initiatives of the cabinet;
  - (e) The Office of Human Resource Management shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050. The office shall coordinate, oversee, and execute all personnel, training, and management functions of the cabinet. The office shall focus on the oversight, development, and implementation of quality improvement services; curriculum development and delivery of instruction to staff; the administration, management, and oversight of training operations; health, safety, and compliance training; and equal employment opportunity compliance functions;
  - (f) The Office of Finance and Budget shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050. The office shall provide central review and oversight of budget, contract, and cabinet finances. The office shall provide coordination, assistance, and support to program departments and independent review and analysis on behalf of the secretary;
  - (g) The Office of Legislative and Regulatory Affairs shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050. The office shall provide central review and oversight of legislation, policy, and administrative regulations. The office shall provide coordination, assistance, and support to program departments and independent review and analysis on behalf of the secretary;
  - (h) The Office of Administrative Services shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050. The office shall provide central review and oversight of procurement, general accounting including grant monitoring, and facility management. The office shall provide coordination, assistance, and support to program departments and independent review and analysis on behalf of the secretary; ~~and~~
  - (i) The Office of Application Technology Services shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050. The office shall provide application technology services including central review and oversight. The office shall provide coordination, assistance, and support to program departments and independent review and analysis on behalf of the secretary; ***and***
  - (j) ***The Office of Data Analytics shall be headed by an executive director who shall be appointed by the secretary with the approval of the Governor under KRS 12.050 and shall identify and innovate strategic initiatives to inform public policy initiatives and provide opportunities for improved health outcomes for all Kentuckians through data analytics. The office shall provide leadership in the redesign of the health care delivery system using electronic information technology to improve patient care and reduce medical errors and duplicative services;***
- (2) Department for Medicaid Services. The Department for Medicaid Services shall serve as the single state agency in the Commonwealth to administer Title XIX of the Federal Social Security Act. The Department for Medicaid Services shall be headed by a commissioner for Medicaid services, who shall be appointed by the secretary with the approval of the Governor under KRS 12.050. The commissioner for Medicaid services shall be a person who by experience and training in administration and management is qualified to perform the duties of this office. The commissioner for Medicaid services shall exercise authority over the Department for Medicaid Services under the direction of the secretary and shall only fulfill those responsibilities as delegated by the secretary;
  - (3) Department for Public Health. The Department for Public Health shall develop and operate all programs of the cabinet that provide health services and all programs for assessing the health status of the population for the promotion of health and the prevention of disease, injury, disability, and premature death. This shall include

but not be limited to oversight of the Division of Women's Health. The Department for Public Health shall be headed by a commissioner for public health who shall be appointed by the secretary with the approval of the Governor under KRS 12.050. The commissioner for public health shall be a duly licensed physician who by experience and training in administration and management is qualified to perform the duties of this office. The commissioner shall advise the head of each major organizational unit enumerated in this section on policies, plans, and programs relating to all matters of public health, including any actions necessary to safeguard the health of the citizens of the Commonwealth. The commissioner shall serve as chief medical officer of the Commonwealth. The commissioner for public health shall exercise authority over the Department for Public Health under the direction of the secretary and shall only fulfill those responsibilities as delegated by the secretary;

- (4) Department for Behavioral Health, Developmental and Intellectual Disabilities. The Department for Behavioral Health, Developmental and Intellectual Disabilities shall develop and administer programs for the prevention of mental illness, intellectual disabilities, brain injury, developmental disabilities, and substance ~~use[abuse]~~ disorders and shall develop and administer an array of services and support for the treatment, habilitation, and rehabilitation of persons who have a mental illness or emotional disability, or who have an intellectual disability, brain injury, developmental disability, or a substance ~~use[abuse]~~ disorder. The Department for Behavioral Health, Developmental and Intellectual Disabilities shall be headed by a commissioner for behavioral health, developmental and intellectual disabilities who shall be appointed by the secretary with the approval of the Governor under KRS 12.050. The commissioner for behavioral health, developmental and intellectual disabilities shall be by training and experience in administration and management qualified to perform the duties of the office. The commissioner for behavioral health, developmental and intellectual disabilities shall exercise authority over the department under the direction of the secretary, and shall only fulfill those responsibilities as delegated by the secretary;
- (5) Office for Children with Special Health Care Needs. The duties, responsibilities, and authority set out in KRS 200.460 to 200.490 shall be performed by the office. The office shall advocate the rights of children with disabilities and, to the extent that funds are available, shall ensure the administration of services for children with disabilities as are deemed appropriate by this office pursuant to Title V of the Social Security Act. The office may promulgate administrative regulations under KRS Chapter 13A as may be necessary to implement and administer its responsibilities. The duties, responsibilities, and authority of the Office for Children with Special Health Care Needs shall be performed through the office of the executive director. The executive director shall be appointed by the secretary with the approval of the Governor under KRS 12.050;
- (6) Department for Family Resource Centers and Volunteer Services. The Department for Family Resource Centers and Volunteer Services shall streamline the various responsibilities associated with the human services programs for which the cabinet is responsible. This shall include, but not be limited to, oversight of the Division of Family Resource and Youth Services Centers and Serve Kentucky. The Department for Family Resource Centers and Volunteer Services shall be headed by a commissioner who shall be appointed by the secretary with the approval of the Governor under KRS 12.050. The commissioner for family resource centers and volunteer services shall be by training and experience in administration and management qualified to perform the duties of the office, shall exercise authority over the department under the direction of the secretary, and shall only fulfill those responsibilities as delegated by the secretary;
- (7) ~~{The Office of Health Data and Analytics shall identify and innovate strategic initiatives to inform public policy initiatives and provide opportunities for improved health outcomes for all Kentuckians through data analytics. The office shall provide leadership in the redesign of the health care delivery system using electronic information technology as a means to improve patient care and reduce medical errors and duplicative services. The office shall facilitate the purchase of individual and small business health insurance coverage for Kentuckians. The office shall be headed by an executive director appointed by the secretary with the approval of the Governor under KRS 12.050;~~
- ~~(8)~~ Department for Community Based Services. The Department for Community Based Services shall administer and be responsible for child and adult protection, violence prevention resources, foster care and adoption, permanency, and services to enhance family self-sufficiency, including child care, social services, public assistance, and family support. The department shall be headed by a commissioner appointed by the secretary with the approval of the Governor in accordance with KRS 12.050;
- ~~(8)~~~~(9)~~ Department for Income Support. The Department for Income Support shall be responsible for child support enforcement and disability determination. The department shall serve as the state unit as required by Title II and Title XVI of the Social Security Act, and shall have responsibility for determining eligibility for

disability for those citizens of the Commonwealth who file applications for disability with the Social Security Administration. The department shall be headed by a commissioner appointed by the secretary with the approval of the Governor in accordance with KRS 12.050; and

- (9)~~((10))~~ Department for Aging and Independent Living. The Department for Aging and Independent Living shall serve as the state unit as designated by the Administration on Aging Services under the Older Americans Act and shall have responsibility for administration of the federal community support services, in-home services, meals, family and caregiver support services, elder rights and legal assistance, senior community services employment program, the state health insurance assistance program, state home and community based services including home care, Alzheimer's respite services and the personal care attendant program, certifications of assisted living facilities, the state Council on Alzheimer's Disease and other related disorders, and guardianship services. The department shall also administer the Long-Term Care Ombudsman Program and the Medicaid Home and Community Based Waivers Participant Directed Services Option (PDS) Program. The department shall serve as the information and assistance center for aging and disability services and administer multiple federal grants and other state initiatives. The department shall be headed by a commissioner appointed by the secretary with the approval of the Governor in accordance with KRS 12.050.

➔Section 7. KRS 194A.101 is amended to read as follows:

- (1) The ~~Office~~~~[Division]~~ of ~~Data~~ Analytics is hereby created in the Office of ~~the Secretary~~~~[Health Data and Analytics]~~. The ~~office~~~~[division]~~ shall provide oversight and strategic direction and be responsible for coordinating the data analysis initiatives for the various departments that regulate health care and social services to ensure that policy is consistent with the long-term goals across the Commonwealth.
- (2) The ~~office~~~~[division]~~ shall have the authority to review all data requests received by the cabinet from the public, review the requests for content to determine the cabinet's response, and approve the release of the requested information. The ~~office~~~~[division]~~ shall review data analyses conducted by the departments within the cabinet to ensure the consistency, quality, and validity of the analysis prior to its use in operational and policy decisions. The ~~office~~~~[division]~~ shall facilitate the process of data integration by initiating and maintaining data-sharing agreements in order to improve inter-agency and cross-cabinet collaboration.
- (3) The Office of ~~Health~~~~[Data and]~~Analytics shall promulgate administrative regulations in accordance with KRS Chapter 13A to implement this section.

➔Section 8. KRS 194A.103 is amended to read as follows:

- (1) The Division of **Kentucky Health Information Exchange** is hereby created in the Office of ~~Inspector General~~~~[Health Data and Analytics]~~. The division shall provide leadership in the redesign of the health care delivery system using electronic information technology as a means to improve patient care and reduce medical errors and duplicative services.
- (2) The Office of ~~Inspector General~~~~[Health Data and Analytics]~~ shall promulgate administrative regulations in accordance with KRS Chapter 13A to implement the provisions of this section.

➔Section 9. KRS 194A.105 is amended to read as follows:

There is hereby created a Division of Telehealth Services within the Office of ~~Inspector General~~~~[Health Data and Analytics]~~ to be headed by a director appointed by the secretary pursuant to KRS 12.050. The division shall:

- (1) Provide guidance and direction to healthcare providers delivering care using telehealth;
- (2) Develop guidance, resources, and education to help promote access to healthcare services in the Commonwealth;
- (3) Assist the Cabinet for Health and Family Services with the implementation of KRS 211.334; and
- (4) Provide the Department for Medicaid Services with any additional information deemed relevant by the division for inclusion in the report required by KRS 211.334(3).

➔Section 10. KRS 211.334 is amended to read as follows:

- (1) The cabinet, in consultation with the Division of Telehealth Services within the Office of ~~Inspector General~~~~[Health Data and Analytics]~~ as established in KRS 194A.105, shall:
  - (a) Provide guidance and direction to providers delivering health care services using telehealth or digital health;
  - (b) Promote access to health care services provided via telehealth or digital health;



- (c) Maintain an online telehealth provider directory for consumer use; and
- (d) No later than thirty (30) days after June 29, 2021, promulgate administrative regulations in accordance with KRS Chapter 13A to:
  - 1. Establish a glossary of telehealth terminology to provide standard definitions for all healthcare providers who deliver health care services via telehealth, all state agencies authorized or required to promulgate administrative regulations relating to telehealth, and all payors;
  - 2. Establish minimum requirements for the proper use and security of telehealth, including requirements for confidentiality and data integrity, privacy and security, informed consent, privileging and credentialing, reimbursement, and technology;
  - 3. Establish minimum requirements to prevent waste, fraud, and abuse related to telehealth; and
  - 4. Maintain the discretion of state agencies authorized or required to promulgate administrative regulations relating to telehealth to establish requirements to authorize, prohibit, or otherwise govern the use of telehealth in accordance with the state agencies' respective jurisdictions.
- (2) In order to comply with the deadline for the promulgation of administrative regulations established in subsection (1)(d) of this section, the cabinet may promulgate emergency administrative regulations in accordance with KRS 13A.190.
- (3) The cabinet, in consultation with the Department for Medicaid Services and any managed care organization with whom the department contracts for the delivery of Medicaid services, shall study the impact of telehealth on the health care delivery system in Kentucky and shall submit an annual report to the Legislative Research Commission no later than December 1 of each year. This report shall include analysis of:
  - (a) The economic impact of telehealth on the Medicaid budget, including any costs or savings as a result of decreased transportation expenditures and office or emergency room visits;
  - (b) The quality of care as a result of telehealth services;
  - (c) Reimbursement and delivery of telehealth among all managed care organizations with whom the department contracts for the delivery of Medicaid services; and
  - (d) Any other issues deemed relevant by the cabinet, including any issues or information deemed relevant by the Division of Telehealth Services pursuant to KRS 194A.105(4).

**Signed by Governor March 29, 2022.**