

LEGISLATIVE OVERSIGHT & INVESTIGATIONS COMMITTEE

Minutes

August 15, 2024

Call to Order and Roll Call

The 3rd meeting of the Legislative Oversight & Investigations Committee was held on August 15, 2024, at 1:00 PM in Room 131 of the Capitol Annex. Representative Adam Bowling, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Adam Bowling, Co-Chair; Senator Brandon J. Storm, Co-Chair; Senator Jason Howell, Vice Chair; Senators Julie Raque Adams, Donald Douglas, Gerald A. Neal, and Reginald Thomas; Representatives Jason Petrie, John Blanton, Lindsey Burke, Ken Fleming, Matt Lockett, Steve Riley, Scott Sharp, and Pamela Stevenson.

Guests: James Ballinger, State Highway Engineer, and John Moore, Deputy State Highway Engineer, Kentucky Transportation Cabinet; and Elizabeth Dodd, Social Worker, Lexington Veterans Association Health Care System.

LRC Staff: Committee Staff Administrator William Spears; Committee Analysts McKenzie Ballard, Jacob Blevins, Christopher Hall, Taylor Johnston, Jeremy Skinner, Austin Sprinkles, Shane Stevens, and Joel Thomas; and Ashley Taylor, Committee Assistant.

Approve Minutes from July 11, 2024

Upon motion by Representative Lockett and second by Senator Storm the minutes for the July 11th, 2024, meeting were approved without objection.

Staff Report: Update to Single-Bid Asphalt Contracts

Committee Analyst Jeremy Skinner presented an update to the staff report "Single-Bid Asphalt Contracts," initially presented in December 2023. The report included findings and recommendations related to the procurement processes for asphalt contracts in Kentucky, with updates pursuant to requests from Representative Bowling and Representative Burke. Staff also provided a handout comparing Kentucky's asphalt contracts to contracts from three bordering states. Staff's full presentation is available on the Legislative Oversight and Investigations Committee webpage.

Upon conclusion of the presentation, Representative Lockett inquired about the lower percentages of single-bid contracts in Indiana and Ohio compared to Kentucky. Mr. Skinner explained that the data from other states were limited, and staff were not provided with

specific information to make a direct comparison. Mr. Spears said staff could review the data to identify any patterns.

Senator Howell raised concerns about the percentage of projects exceeding the engineer's estimates, particularly in single-bid contracts, and asked why these projects consistently go over the estimates each year. Mr. Skinner explained that the percentages fluctuate naturally and no specific pattern was identified, though the 2020 data was impacted by COVID-19. Some contractors reported staffing issues, which could lead to competition problems. Senator Howell asked if the high number of single-bid projects might be due to slower turnaround times in government work. Mr. Skinner responded that contractors mentioned stricter state work specifications as a factor that affects their willingness to take on state jobs.

Senator Douglas inquired if the Transportation Cabinet had begun implementing any of the six recommendations provided by LOIC staff. Mr. Skinner deferred to the Transportation Cabinet representatives. James Ballinger, State Highway Engineer, and John Moore, Deputy State Highway Engineer, testified that the Transportation Cabinet is implementing the recommendations and was waiting on the final report to finalize the actions. Representative Bowling requested that the Transportation Cabinet provide an update on its progress within 30 to 60 days.

In response to a question from Representative Fleming, Mr. Skinner explained that the structural reasons mentioned in Recommendation 3.1 referred to external factors in rural areas that might deter contractors from bidding on state jobs. In response to a question from Representative Petrie, Mr. Skinner reported that single-bid contracts from 2018 to July 2023 cost approximately \$9.5 million more than the total engineer's estimates for those projects. Representative Petrie noted that, while not all single-bid contracts are inappropriate, increasing competition would be beneficial because single-bid contracts tend to be more expensive.

Upon motion by Senator Storm and second by Representative Lockett the staff report "Single-Bid Asphalt Contracts" was approved without objection.

Summary of Complaint Data

Committee Analysts McKenzie Ballard and Jacob Blevins presented a summary of complaint data related to various boards and commissions in Kentucky. Staff's full presentation is available on the Legislative Oversight and Investigations Committee webpage.

Elizabeth Dodd, a licensed social worker with the Lexington VA Healthcare System, provided testimony regarding issues with the Kentucky Board of Examiners of Psychology. One of her employees faced significant delays in receiving her license after graduation,

leading the employee to seek licensure from Ohio. The employee's application was approved within hours by Ohio, compared to months of waiting without a response from the Kentucky board. Ms. Dodd reported a serious incident involving an inappropriate relationship between an employee and a patient. She filed a complaint with the board but did not receive a response for four months, during which the board lost the original complaint that contained sensitive information. In response to a question by Representative Bowling, Ms. Dodd confirmed that the board eventually investigated the inappropriate relationship.

Senator Thomas then inquired about the Board of Cosmetology and requested staff to separate complaints regarding it received before and after July 15th, 2024 to assess the impact of Senate Bill 14 from Regular Session 2024. He also asked for information on complaints related to the executive director of the Board of Cosmetology. Ms. Ballard indicated that staff could review the complaints.

Representative Blanton commented on the delays in the Transportation Cabinet providing car titles, noting that the issue had been corrected. He asked about the time delays in the licensing process with the Board of Examiners of Psychology, particularly whether it was due to staffing issues or remote work. Ms. Ballard noted that specific information was not available at this time.

Representative Fleming expressed concerns about delays in the licensing process for marriage and family therapists, indicating that these delays pose significant obstacles to the workforce and might necessitate restructuring the Board of Licensure for Marriage and Family Therapists to be more user-friendly.

Senator Raque Adams requested that staff include information on when boards were constituted and any modifications that have been made over time. She advised that all boards need to be reviewed and modernized.

Senator Storm inquired whether complaints related to driver's licenses were linked to the Medical Review Board, to which Ms. Ballard responded that no such complaints had been received. Senator Storm requested the committee investigate this further.

Representative Burke asked whether the Kentucky Bar Association uses the services of the Department of Professional Licensing and shared her own experiences with licensing delays, noting that such issues had led her nonprofit to dismiss a judge due to untimely licensure. Ms. Ballard offered to follow-up regarding whether the Kentucky Bar Association is independent.

Adjournment

Upon motion by Representative Lockett and second by Senator Storm, the meeting was adjourned.