2 Be it enacted by the General Assembly of the Commonwealth of Kentucky: 3 → Section 1. KRS 15A.065 is amended to read as follows: 4 (1)The Department of Juvenile Justice shall be headed by a commissioner and shall 5 develop and administer programs for: 6 Prevention of juvenile crime; (a) 7 Identification of juveniles at risk of becoming status or public offenders and (b) 8 development of early intervention strategies for these children, and, except for 9 adjudicated youth, participation in prevention programs shall be voluntary; 10 Providing educational information to law enforcement, prosecution, victims, (c) 11 defense attorneys, the courts, the educational community, and the public 12 concerning juvenile crime, its prevention, detection, trial, punishment, and 13 rehabilitation: 14 (d) The operation of or contracting for the operation of postadjudication treatment 15 facilities and services for children adjudicated delinquent or found guilty of 16 public offenses or as youthful offenders; 17 The operation or contracting for the operation, and the encouragement of (e) 18 operation by others, including local governments, volunteer organizations, and 19 the private sector, of programs to serve predelinquent and delinquent youth; 20 Utilizing outcome-based planning and evaluation of programs to ascertain (f) 21 which programs are most appropriate and effective in promoting the goals of 22 this section: 23 Conducting research and comparative experiments to find the most effective (g) 24 means of: 25 Preventing delinquent behavior; 1. 2. 26 Identifying predelinquent youth; 27 3. Preventing predelinquent youth from becoming delinquent;

1

AN ACT relating to mandated reports.

- 1 4. Assessing the needs of predelinguent and delinguent youth; 2 5. Providing an effective and efficient program designed to treat and 3 correct the behavior of delinquent youth and youthful offenders; 4 6. Assessing the success of all programs of the department and those 5 operated on behalf of the department and making recommendations for new programs, improvements in existing programs, or the modification, 6 7 combination, or elimination of programs as indicated by the assessment 8 and the research; and 9 (h) Seeking funding from public and private sources for demonstration projects, 10 normal operation of programs, and alterations of programs. 11 (2)The Department of Juvenile Justice may contract, with or without reimbursement, 12 with a city, county, or urban-county government, for the provision of probation, 13 diversion, and related services by employees of the contracting local government. 14 (3) The Department of Juvenile Justice may contract for the provision of services, 15 treatment, or facilities which the department finds in the best interest of any child, 16 or for which a similar service, treatment, or facility is either not provided by the 17 department or not available because the service or facilities of the department are at 18 their operating capacity and unable to accept new commitments. The department 19 shall, after consultation with the Finance and Administration Cabinet, promulgate 20 administrative regulations to govern at least the following aspects of this 21 subsection: 22 Bidding process; and (a)
- 23 Emergency acquisition process. (b)

24 The Department of Juvenile Justice shall develop programs to: (4)

25 (a) Ensure that youth in state-operated or contracted residential treatment 26 programs have access to an ombudsman to whom they may report program 27 problems or concerns;

- 1
- (b) Review all treatment programs, state-operated or contracted, for their quality and effectiveness; and
- 2 3

(c) Provide mental health services to committed youth according to their needs.

4 (5)(a) The Department of Juvenile Justice shall have an advisory board appointed by 5 the Governor, which shall serve as the advisory group under the Juvenile Justice and Delinquency Prevention Act of 1974, Pub. L. No. 93-415, as 6 7 amended, and which shall provide a formulation of and recommendations for 8 meeting the requirements of this section not less than annually to the 9 Governor, the Justice and Public Safety Cabinet, the Department of Juvenile 10 Justice, the Cabinet for Health and Family Services, and the Interim Joint 11 *Committee*[Committees] on Judiciary [and on Appropriations and Revenue] 12 of the Legislative Research Commission when the General Assembly is not in 13 session, and the Judiciary Committee [and the Appropriations and Revenue 14 Committees] of the House of Representatives and the Senate when the 15 General Assembly is in session. The advisory board shall develop program 16 criteria for early juvenile intervention, diversion, and prevention projects, develop statewide priorities for funding, and make recommendations for 17 allocation of funds to the Commissioner of the Department of Juvenile 18 19 Justice. The advisory board shall review grant applications from local juvenile 20 delinquency prevention councils and include in its annual report the activities 21 of the councils. The advisory board shall meet not less than quarterly.

(b) The advisory board shall be chaired by a private citizen member appointed by
the Governor and shall serve a term of two (2) years and thereafter be elected
by the board. The members of the board shall be appointed to staggered terms
and thereafter to four (4) year terms. The membership of the advisory board
shall consist of no fewer than fifteen (15) persons and no more than thirtythree (33) persons who have training, experience, or special knowledge

1	concerning the prevention and treatment of juvenile delinquency or the
2	administration of juvenile justice. A majority of the members shall not be full-
3	time employees of any federal, state, or local government, and at least one-
4	fifth $(1/5)$ of the members shall be under the age of twenty-four (24) years at
5	the time of appointment. On July 15, 2002, any pre-existing appointment of a
6	member to the Juvenile Justice Advisory Board and the Juvenile Justice
7	Advisory Committee shall be terminated unless that member has been re-
8	appointed subsequent to January 1, 2002, in which case that member's
9	appointment shall continue without interruption. The membership of the board
10	shall include the following:
11	1. Three (3) current or former participants in the juvenile justice system;
12	2. An employee of the Department of Juvenile Justice;
13	3. An employee of the Cabinet for Health and Family Services;
14	4. A person operating alternative detention programs;
15	5. An employee of the Department of Education;
16	6. An employee of the Department of Public Advocacy;
17	7. An employee of the Administrative Office of the Courts;
18	8. A representative from a private nonprofit organization with an interest in
19	youth services;
20	9. A representative from a local juvenile delinquency prevention council;
21	10. A member of the Circuit Judges Association;
22	11. A member of the District Judges Association;
23	12. A member of the County Attorneys Association;
24	13. A member of the County Judge/Executives Association;
25	14. A person from the business community not associated with any other
26	group listed in this paragraph;
27	15. A parent not associated with any other group listed in this paragraph;

- 1 16. A youth advocate not associated with any other group listed in this
 2 paragraph;
- 3 17. A victim of a crime committed by a person under the age of eighteen
 4 (18) not associated with any other group listed in this paragraph;
- 5 18. A local school district special education administrator not associated
 6 with any other group listed in this paragraph;
- 7 19. A peace officer not associated with any other group listed in this8 paragraph; and
- 9 20. A college or university professor specializing in law, criminology,
 10 corrections, psychology, or similar discipline with an interest in juvenile
 11 corrections programs.
- 12 (c) Failure of any member to attend three (3) meetings within a calendar year
 13 shall be deemed a resignation from the board. The board chair shall notify the
 14 Governor of any vacancy and submit recommendations for appointment.
- 15 The Department of Juvenile Justice shall, in cooperation with the Department of (6)16 Public Advocacy, develop a program of legal services for juveniles committed to 17 the department who are placed in state-operated residential treatment facilities and 18 juveniles in the physical custody of the department who are detained in a state-19 operated detention facility, who have legal claims related to the conditions of their 20 confinement involving violations of federal or state statutory or constitutional 21 rights. This system may utilize technology to supplement personal contact. The 22 Department of Juvenile Justice shall promulgate an administrative regulation to 23 govern at least the following aspects of this subsection:
- 24 (a) Facility access;
- 25 (b) Scheduling; and
- 26 (c) Access to residents' records.
- 27 (7) The Department of Juvenile Justice may, if space is available and conditioned upon

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the department's ability to regain that space as needed, contract with another state or federal agency to provide services to youth of that agency.

2 3

 \rightarrow Section 2. KRS 18A.2255 is amended to read as follows:

4 $\left[\frac{1}{1}\right]$ The secretary of the Personnel Cabinet shall submit to the Advisory Committee of 5 State Health Insurance Subscribers established in KRS 18A.225, at least thirty (30) days 6 prior to issuing requests for proposals, the health benefit plans that will be submitted to 7 carriers. The secretary of the Personnel Cabinet shall also provide to employee 8 organizations who are represented on the Advisory Committee of State Health Insurance 9 Subscribers information necessary so that the member representing the organization can 10 fulfill his or her responsibilities under this section. The advisory committee shall submit 11 in writing to the secretary the committee's approval of the plans or its recommendations 12 on changes to the plans no later than seven (7) days prior to the issuance of requests for 13 proposals. The advisory committee shall advise the secretary on:

14 (1)[(a)] Health insurance benefit options that should be included in the program;

15 (2)[(b)] Procedures for soliciting bids or requesting proposals for contracts from
 16 carriers for the program;

17 (3)[(c)] The implementation, maintenance, and administration of the health insurance
18 benefits under the program; and

- 19 (4)[(d)] The development of a uniform prescription drug formulary that contains fair 20 and reasonable standards and procedures for patient access to medically necessary 21 alternatives to the formulary and patient choice of higher-cost alternatives to the 22 formulary, and that ensures that discounts negotiated with drug manufacturers are 23 passed to the program.
- 24 [(2) The secretary of the Personnel Cabinet shall, at the discretion of the co-chairs of the
- 25 Interim Joint Committee on Appropriations and Revenue, either submit a written

26 report to or testify before the Interim Joint Committee on Appropriations and

27 Revenue on the state employee health insurance program for the next plan year prior

1		to the issuance of the requests for proposals.]
2		\rightarrow Section 3. KRS 39G.030 is amended to read as follows:
3	Eacl	n year by November 1, the executive director of the Kentucky Office of Homeland
4	Secu	urity shall submit a written report to the Governor, the Auditor of Public Accounts,
5	the	Legislative Research Commission, and the Interim Joint Committee on Seniors,
6	Vete	erans, Military Affairs, and Public Protection. The written report shall:
7	(1)	Assess the Commonwealth's preparedness to respond to acts of war or terrorism,
8		including nuclear, biological, chemical, electromagnetic pulse, agro-, eco-, or cyber-
9		terrorism;
10	(2)	Identify the priority of needs, areas of improvement, and the overall progress made
11		with regard to the Commonwealth's preparedness; and
12	(3)	Provide a record of all federal homeland security funding, including grants, gathered
13		under KRS 39G.020 since the last annual written report, as well as any other
14		relevant homeland security funding information gathered by the Kentucky Office of
15		Homeland Security. The record shall identify, at a minimum, the specific federal
16		source, the amount, the specific recipient, the intended use of the funding, the actual
17		use of the funding, and any unspent amount.
18	(4)	The Auditor of Public Accounts shall conduct an examination of revenues and
19		expenditures provided under the annual written report and under KRS
20		39G.020(2)(c) and, if examination findings warrant, shall conduct audits. No later
21		than January 30, the Auditor shall submit all examination and audit reports to the
22		Senate Veterans, Military Affairs, and Public Protection Committee and the House
23		Seniors, Military Affairs, and Public Safety Committee.
24	(5)	(a) In addition to the annual report required under this section, the executive
25		director of the Office of Homeland Security shall provide to the Legislative
26		Research Commission and the Interim Joint Committee on Appropriations
27		and Revenue an annual[a quarterly] report on the receipt and expenditure of

1			homeland security funds since the previous [quarterly_]report.
2		(b)	The report shall identify, at a minimum, the following:
3			1. Amount and specific source of any homeland security funds received;
4			2. Specific expenditures by amount, recipient, and intended or actual use;
5			and
6			3. Balance of funds remaining in the account.
7		(c)	The initial <u>annual[quarterly]</u> report shall be submitted by October 15,
8			2022[2006], and shall contain the required information on receipts and
9			expenditures since the passage of the federal Homeland Security Act of 2002,
10			Pub. L. No. 107-296.
11		→S	ection 4. KRS 45.031 is amended to read as follows:
12	(1)	Any	department, board, commission, agency, advisory council, interstate compact,
13		corp	orate body, or instrumentality of the Commonwealth of Kentucky applying for
14		fede	ral funds, aids, loans, or grants shall file a summary notification of the intended
15		appl	ication with the Department for Local Government in accordance with the
16		exist	ting A-95 procedures.
17	(2)	Whe	en as a condition to receiving federal funds, the Commonwealth of Kentucky is
18		requ	ired to match the federal funds, a statement shall be filed with the notice of
19		inter	nt or summary of the application stating:
20		(a)	The amount and source of state funds needed for matching purposes;
21		(b)	The length of time the matching funds shall be required;
22		(c)	The growth of the program;
23		(d)	How the program will be evaluated;
24		(e)	What action will be necessary should the federal funds be canceled, curtailed,
25			or restricted; and
26		(f)	Any other financial and program management data required by the Finance
27			and Administration Cabinet or by law.

1 (3)Any application for federal funds, aids, loans, or grants which will require state 2 matching or replacement funds at the time of application or at any time in the 3 future, must be approved by the secretary of the Finance and Administration 4 Cabinet, the Legislative Research Commission, and the Chief Justice for their 5 respective branches of government or their designated agents prior to its filing with 6 the appropriate federal agency. Any application for federal funds, aids, loans, or 7 grants which will require state matching or replacement funds at the time of 8 application or at any time in the future, when funds have not been appropriated for 9 that express purpose, must be approved by the General Assembly, if in session. 10 [When the General Assembly is not in session, the application shall be reported to and reviewed by the Interim Joint Committee on Appropriations and Revenue, as 11 12 provided by KRS 48.500(3).]

(4) When any federal funds, aids, loans, or grants are received by any department,
board, commission or agency of the Commonwealth of Kentucky, a report of the
amount of funds received shall be filed with the Finance and Administration
Cabinet; and this report shall specify the amount of funds which would reimburse
an agency for indirect costs as provided for under OMB Circular A-87.

18 (5) The secretary of the Finance and Administration Cabinet may refuse to issue his
 19 warrant for the disbursement of any state or federal funds from the State Treasury as
 20 the result of any application which is not approved as provided by this section, or in
 21 regard to which the statement or reports required by this section were not filed.

(6) The secretary of the Finance and Administration Cabinet shall be responsible for the
 orderly administration of this section and for issuing the appropriate guidelines and
 regulations from each source of fund used.

25 → Section 5. KRS 45.241 is amended to read as follows:

- 26 (1) As used in this section:
- 27 (a) "Debt" means:

1		1. For agencies, a sum certain which has been certified by an agency as due
2		and owing; and
3		2. For local governments, a sum certain which has been certified by a local
4		government as due and owing, including but not limited to any
5		delinquent taxes or fees other than delinquent real and personal property
6		taxes;
7	(b)	"Liquidated debt" means:
8		1. For agencies, a legal debt for a sum certain which has been certified by
9		an agency as final due and owing, all appeals and legal actions having
10		been exhausted;
11		2. For local governments, a legal debt for a sum certain which has been
12		certified by a local government as final due and owing, all appeals and
13		legal actions having been exhausted, including but not limited to any
14		delinquent taxes or fees other than delinquent real and personal property
15		taxes; and
16		3. For the Court of Justice, a legal debt including any fine, fee, court costs,
17		or restitution due the Commonwealth, which have been imposed by a
18		final sentence of a trial court of the Commonwealth and for which the
19		time permitted for payment pursuant to the provisions of KRS 534.020
20		has expired;
21	(c)	"Agency" means an organizational unit or administrative body in the
22		executive branch of state government, as defined in KRS 12.010;
23	(d)	"Department" means the Department of Revenue;
24	(e)	"Court of Justice" means the Administrative Office of the Courts, all courts,
25		and all clerks of the courts;
26	(f)	"Forgivable loan agreement" means a loan agreement entered into between an
27		agency and a borrower that establishes specific conditions, which, if satisfied

- by the borrower, allows the agency to forgive a portion or all of the loan;
- 2 (g) "Improper payment" means a payment made to a vendor, provider, or recipient
 3 due to error, fraud, or abuse; and
- 4 (h) "Local government" means any city, county, urban-county government,
 5 consolidated local government, charter county, or unified local government of
 6 the Commonwealth.

7 (2) Each agency and the Court of Justice shall develop, maintain, and update in a timely
8 manner an ongoing inventory of each debt owed to it, including debts due to
9 improper payments, and shall make every reasonable effort to collect each debt.
10 Within sixty (60) days after the identification of a debt, each agency shall begin
11 administrative action to collect the debt.

- 12 (3) The Auditor of Public Accounts shall review each agency's debt identification and13 collection procedures as part of the annual audit of state agencies.
- 14 (4) An agency shall not forgive any debt owed to it unless that agency has entered into a
 15 forgivable loan agreement with a borrower, or unless otherwise provided by statute.
- 16 (5) For those agencies without statutory procedures for collecting debts, the Department
 17 of Revenue shall promulgate administrative regulations in accordance with KRS
 18 Chapter 13A to prescribe standards and procedures with which those agencies shall
 19 comply regarding collection of debts, notices to persons owing debt, information to
 20 be monitored concerning the debts, and an appeals process.
- 21 (6)(a) Each agency and the Court of Justice shall identify all liquidated debts, 22 including debts due to improper payments, and shall submit a list of those 23 liquidated debts in the form and manner prescribed by the department to the 24 department for review. The department shall review the information submitted 25 by the agencies and the Court of Justice and shall, within ninety (90) days of 26 receipt of the information, determine whether it would be cost-effective for 27 the department to further pursue collection of the liquidated debts.

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1	(b)	A local government, after making reasonable efforts to collect its debts, may
2		by ordinance, resolution, or otherwise pursuant to law, submit a list of its
3		liquidated debts that have been due and owing for more than ninety (90) days
4		to the department for review to determine whether it would be cost-effective
5		for the department to pursue collection of the liquidated debts. The
6		department shall review the information submitted by a local government and
7		shall, within ninety (90) days of receipt of the information, determine whether
8		it would be cost-effective for the department to further pursue collection of the
9		liquidated debts.
10	(c)	The department may, after consultation with the agency, Court of Justice, or a
11		local government, return the liquidated debt to the entity submitting the
12		liquidated debt if:
13		1. The request for review contains insufficient information; or
14		2. The debt is not feasible to collect.
15		Any return of a liquidated debt shall be in writing, and shall state why the debt
16		is being returned.
17	(d)	The department shall identify in writing to the submitting agency, Court of
18		Justice, or local government, the liquidated debts it has determined that it can
19		pursue in a cost-effective manner, and the agency, Court of Justice, or local
20		government shall officially refer the identified liquidated debts to the
21		department for collection.
22	(e)	The agency Court of Justice and local government shall retain a complete

- (e) The agency, Court of Justice, and local government shall retain a complete
 record of all liquidated debts referred to the department for collection until the
 debt is collected, forgiven, or returned as uncollectible.
- (f) Each agency, the Court of Justice, and local government shall make
 appropriate accounting of any uncollected debt as prescribed by law.
- 27 (7) (a) If the agency recovers the debt funds prior to referral to the department, the

1		ager	ncy shall retain the collected funds in accordance with its statutory
2		auth	ority.
3	(b)	1.	Upon referral of a liquidated debt to the department, the liquidated debt
4			shall accrue the following amounts:
5			a. Interest on the total amount of the debt plus legal accruals at the
6			tax interest rate provided in KRS 131.183, from the time of referral
7			until paid; and
8			b. A one (1) time twenty-five percent (25%) collection fee on the
9			total amount of the debt plus legal accruals, as of the time of
10			referral;
11			unless the interest and collection fee are waived by the department.
12		2.	The interest and collection fee shall be in addition to any other costs
13			accrued prior to the time of referral.
14		3.	The department may deduct and retain from the liquidated debt
15			recovered an amount equal to the lesser of the collection fee or the
16			actual expenses incurred in the collection of the debt.
17		4.	In the case of agencies and the Court of Justice, any funds recovered by
18			the department after the deduction of the department's cost of collection
19			expenses may, at the discretion of the secretary of the Finance and
20			Administration Cabinet, be returned to the agency identifying the
21			liquidated debt or to the Court of Justice for allocation as otherwise
22			provided by law. If the recovered funds and interest are not returned to
23			the agency or Court of Justice, the amounts shall be deposited in the
24			general fund, except for Medicaid benefits funds and funds required by
25			law to be remitted to a federal agency, which shall be remitted as
26			required by law.
27		5.	In the case of local governments, any funds recovered by the department

1	after the deduction of the department's cost of collection expenses shall
2	be returned to the local government referring the liquidated debt, for
3	allocation as provided by ordinance, resolution, or as otherwise provided
4	by law.

(c) Nothing in this section shall prohibit the department from entering into a
memorandum of agreement with an agency pursuant to KRS 131.130(11), for
collection of debts prior to liquidation. If an agency enters into an agreement
with the department, the agency shall retain funds collected according to the
provisions of the agreement.

10 (d) This section shall not affect any agreement between the department and an
11 agency entered into under KRS 131.130(11) that is in effect on July 13, 2004,
12 that provides for the collection of liquidated debts by the department on behalf
13 of the agency.

- (e) This section shall not affect the collection of delinquent taxes by sheriffs or
 county attorneys under KRS 91A.070 or 134.504.
- 16 (f) This section shall not affect the collection of performance or reclamation
 17 bonds.
- (8) Upon receipt of a referred liquidated debt and after its determination that the debt is
 feasible and cost-effective to collect, the department shall pursue collection of the
 referred debt in accordance with KRS 131.030.
- (9) By administrative regulation promulgated under KRS Chapter 13A, the department
 shall prescribe the electronic format and form of, and the information required in, a
 referral.
- (10) [(a)] The department shall report annually by October 1 to the Interim Joint
 Committee on Appropriations and Revenue on the collection of debts,
 including debts due to improper payments, referred by agencies and the Court
 of Justice. The report shall include the total amount by agency and fund type

1	of liquidated debt that has been referred to the department; the amount of each
2	referring agency's liquidated debt, by fund type, that has been collected by the
3	department; and the total amount of each referring agency's liquidated debt, by
4	fund type, that the department determined to be cost-ineffective to collect,
5	including the reasons for the determinations.
6	[(b) Each cabinet shall report annually by October 1 to the Interim Joint
7	Committee on Appropriations and Revenue on:
8	1. The amount of previous fiscal year unliquidated debt by agency,
9	including debts due to improper payments, fund type, category, and age,
10	the latter to be categorized as less than one (1) year, less than five (5)
11	years, less than ten (10) years, and over ten (10) years; and
12	2. The amount, by agency, of liquidated debt, including debts due to
13	improper payments, not referred to the department; a summary, by
14	criteria listed in subsection (6)(a) of this section, of reasons the
15	department provided for not requesting referral of those liquidated debts;
16	and a summary of the actions each agency is taking to collect those
17	liquidated debts.
18	(c) Beginning on October 1, 2005, the Court of Justice shall report annually by
19	October 1 of each year to the Interim Joint Committee on Appropriations and
20	Revenue the amount of previous fiscal year unliquidated debt by county and
21	whether in the Circuit Court or District Court; and fund type and age, the
22	latter categorized as less than one (1) year, less than five (5) years, less than
23	ten (10) years, and over ten (10) years. The first year for which the Court of
24	Justice shall be required to report is the fiscal year beginning on July 1, 2004
25	and ending on June 30, 2005. The Court of Justice shall not be required to
26	report unliquidated debts in existence prior to July 1, 2004.
27	(d) The Finance and Administration Cabinet shall report annually by October 1 to

27 (d) The Finance and Administration Cabinet shall report annually by October 1 to

- the Interim Joint Committee on Appropriations and Revenue on the amount of
 the General Government Cabinet's unliquidated debt by agency, fund type,
 and age, the latter categorized as less than one (1) year, less than five (5)
 years, less than ten (10) years, and over ten (10) years.]
- 5 (11) At the time of submission of a liquidated debt to the department for review, the
 6 referring agency, the Court of Justice, or, where feasible, the local government shall
 7 provide information about the debt to the State Treasurer for the Treasurer's action
 8 under KRS 44.030(1).
- 9 → Section 6. KRS 45.812 is amended to read as follows:

10 Prior to the issuance of the revenue bonds or notes authorized by an appropriation (1)11 of the General Assembly, or by or on behalf of any Kentucky school district, the 12 agency, corporation, or school district authorized to issue the bonds or notes shall 13 furnish to the Capital Projects and Bond Oversight Committee and the Interim 14 Joint Committee on Appropriations and Revenue], and make available to the public, 15 a listing of all costs associated, either directly or indirectly, with the issuance of the 16 revenue bonds or notes. The costs shall be itemized as to amount and name of 17 payee, and shall include fees or commissions paid to, or anticipated to be paid to, 18 issuers, underwriters, placement agents and advisors, financial advisors, 19 remarketing agents, credit enhancers, trustees, accountants, and the counsel of all 20 these persons, bond counsel, and special tax counsel, and shall include the 21 economic benefits received or anticipated to be received by any other persons from 22 any source in return for services performed relating to the issuance of the bonds or 23 notes. Changes in amounts or names of payees or recipients, or additions of 24 amounts or names of payees or recipients, to the listing furnished and made 25 available pursuant to this subsection, shall be furnished to the Capital Projects and 26 Bond Oversight Committee and the Interim Joint Committee on Appropriations 27 and Revenuel and made available to the public within three (3) days following the

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1 change.

- 2 (2) The costs required to be furnished under the provisions of subsection (1) of this
 3 section shall not include the payment of wages or expenses to full-time, permanent
 4 employees of the Commonwealth of Kentucky.
- 5

→ Section 7. KRS 45.814 is amended to read as follows:

6 Prior to the issuance of the revenue bonds or notes authorized by a branch budget bill, the 7 agency authorized to issue the bonds or notes shall furnish to the Capital Projects and 8 Bond Oversight Committee and the Interim Joint Committee on Appropriations and 9 Revenuel, and make available to the public, a listing of all costs associated, either directly 10 or indirectly, with the issuance of the revenue bonds or notes. The costs shall be itemized 11 as to amount and name of payee, and shall include fees or commissions paid to, or 12 anticipated to be paid to issuers, underwriters, placement agents and advisors, financial 13 advisors, remarketing agents, credit enhancers, trustees, accountants, and the counsel of 14 all these persons, bond counsel, and special tax counsel, and shall include the economic 15 benefits received or anticipated to be received by any other persons from any source in 16 return for services performed relating to the issuance of the bonds or notes. Changes in 17 amounts or names of payees or recipients, or additions of amounts or names of payees or 18 recipients, to the listing furnished and made available pursuant to this section shall be 19 furnished to the Capital Projects and Bond Oversight Committee [and the Interim Joint 20 Committee on Appropriations and Revenue and made available to the public within 21 three (3) days following the change.

22

 \rightarrow Section 8. KRS 45.816 is amended to read as follows:

Prior to the issuance of the revenue bonds or notes, the agency authorized to issue the bonds or notes shall furnish to the Capital Projects and Bond Oversight Committee[and the Interim Joint Committee on Appropriations and Revenue], and make available to the public, a listing of all costs associated, either directly or indirectly, with the issuance of the revenue bonds or notes. The costs shall be itemized as to amount and name of payee,

1 and shall include fees or commissions paid to, or anticipated to be paid to, issuers, 2 underwriters, placement agents and advisors, financial advisors, remarketing agents, 3 credit enhancers, trustees, accountants, and the counsel of all such persons, bond counsel 4 and special tax counsel, and shall include the economic benefits received or anticipated to 5 be received by any other persons from any source in return for services performed relating 6 to the issuance of the bonds or notes. Changes in amounts or names of payees or 7 recipients, or additions of amounts or names of payees or recipients, to the listing 8 furnished and made available pursuant to this section, shall be furnished to the Capital 9 Projects and Bond Oversight Committee and the Interim Joint Committee on 10 Appropriations and Revenue and] made available to the public within three (3) days 11 following the change.

12

→ Section 9. KRS 56.863 is amended to read as follows:

13 The commission shall have the power and duty to:

14 (1) Maintain the records and perform the functions necessary and proper to accomplish
15 the purposes of KRS 56.860 to 56.869;

16 (2) Promulgate administrative regulations relating to KRS 56.860 to 56.869;

17 (3) Conduct analysis to determine the impact of fluctuating receipts of revenues on the
18 budget of the Commonwealth, fluctuating interest rates upon the interest-sensitive
19 assets and interest-sensitive liabilities of the Commonwealth, and the resulting
20 change in the net interest margin on the budget of the Commonwealth;

- (4) Develop strategies to mitigate the impact of fluctuating receipts of revenues on the
 budget of the Commonwealth and of fluctuating interest rates on the
 Commonwealth's interest-sensitive assets and interest-sensitive liabilities;
- Report its findings to the State Investment Commission at least annually to assist
 the State Investment Commission in developing and implementing its investment
 strategy. The State Investment Commission shall provide the commission with a
 copy of its monthly investment income report to aid the commission in developing

- 1 and implementing its strategies;
- 2 (6) Issue funding notes, project notes, and tax and revenue anticipation notes or other
 3 obligations on behalf of any state agency to fund authorized projects or to satisfy
 4 judgments;
- 5 (7) Refund any funding notes, project notes, or tax and revenue anticipation notes
 6 issued under KRS 56.860 to 56.869 to achieve economic savings, to better match
 7 receipts with expenditures, or as a part of a continuing finance program;
- 8 (8) Designate individual employees or officers of the Office of Financial Management 9 within the Office of the Controller as agents for purposes of approving the principal 10 amount of tax and revenue anticipation notes, the interest rate, the discount, 11 maturity date, and other relevant terms of tax and revenue anticipation notes, project 12 notes, and funding notes or refunding notes issued within constraints established by 13 the commission and to execute agreements, including notes and financial 14 agreements, for the commission;
- 15 (9) Enter into financial agreements for the purpose of hedging its current or projected
 16 interest-sensitive assets and interest-sensitive liabilities to stabilize the
 17 Commonwealth's net interest margin, as deemed necessary by the commission,
 18 subject to administrative regulations promulgated by the commission that limit the
 19 net exposure of the Commonwealth as a result of these financial agreements;
- (10) Deposit net interest payments and premiums received by the commission under
 financial agreements into a restricted account, which shall not lapse at the end of the
 fiscal year but shall continue to accumulate to act as security for these financial
 agreements. This duty is mandatory in nature. Any accumulated funds in excess of
 the amount determined by the commission to be necessary to establish this security
 may be applied to debt service payments, net interest payments, and premiums and
 expenses related to interest-sensitive liabilities; and
- 27 (11) Report to the Capital Projects and Bond Oversight Committee[and the Interim Joint

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Committee on Appropriations and Revenue] on a semiannual basis, by September 30 and March 31 of each year, the following:

- (a) A description of the Commonwealth's investment and debt structure;
- 4 (b) The plan developed to mitigate the impact of fluctuating revenue receipts on 5 the budget of the Commonwealth and fluctuating interest rates on the interestsensitive assets and interest-sensitive liabilities of the Commonwealth, 6 7 including an analysis of the impact that a change in the net interest margin 8 would have on the budget of the Commonwealth. The report due by March 31 9 of each year shall reflect the strategy for January through June of the fiscal 10 year, and the report due by September 30 shall reflect the strategy for July 11 through December of the fiscal year;
- 12 (c) The principal amount of notes issued, redeemed, and outstanding; and a 13 description of all financial agreements entered into during the reporting 14 period. The report due by March 31 shall include information about 15 agreements entered into from July through December of the fiscal year. The 16 report due by September 30 shall include information about agreements 17 entered into between January and June of the prior fiscal year; and
- 18 (d) A summary of gains and losses associated with financial agreements and any 19 other cash flow strategies undertaken by the commission to mitigate the effect 20 of fluctuating interest rates during each reporting period. The report due by 21 March 31 shall include information about agreements and strategies entered 22 into or undertaken from July through December of the fiscal year. The report 23 due by September 30 shall include information about agreements and 24 strategies entered into or undertaken from January through June of the prior 25 fiscal year.
- 26 → Section 10. KRS 151.720 is amended to read as follows:
- 27 The Kentucky River Authority is authorized and empowered to:

- (1) Construct, reconstruct, provide for the major maintenance, or repair the locks and
 dams on the Kentucky River and all real and personal property pertaining thereto, as
 well as maintain the channel;
- 4 (2) Acquire by purchase, exercise of the rights of eminent domain, grant, gift, devise, or
 5 otherwise, the fee simple title to or any acceptable lesser interest in any real or
 6 personal property and by lease or other conveyance, contract for the right to use and
 7 occupy any real or personal property selected in the discretion of the authority as
 8 constituting necessary, desirable, or acceptable sites to fulfill its statutory authority
 9 and power;
- 10 (3) Lease its real or personal property to other state agencies, political subdivisions of
 the Commonwealth, corporations, partnerships, associations, foundations, or
 persons as the authority deems necessary to carry out the purposes of this section;
- 13 (4) Sell or otherwise dispose of its real or personal property in accordance with KRS
 14 56.463 and 45A.045;
- 15 (5) Collect water use fees from all facilities using water from the Kentucky River basin,
 16 except those facilities using water primarily for agricultural purposes. Facilities
 17 charged such a fee may pass on all or any part of the fee;

18 (6) Issue revenue bonds in accordance with KRS 151.730;

- 19 (7) Employ persons to carry out the authority's responsibilities with revenue from the
 20 water use fees, including an executive director who shall serve at the pleasure of the
 21 authority;
- (8) Contract for services with other state agencies, political subdivisions of the
 Commonwealth, corporations, partnerships, associations, foundations, or persons to
 perform its duties;
- 25 (9) Promulgate administrative regulations providing for clean water, which shall not be
 26 less stringent than the state and federal regulations for clean water;
- 27 (10) Exercise all other powers necessary to perform its public purpose to implement and

enforce the plans developed by the authority pursuant to this section and KRS
 151.727 and 151.728, and to enforce administrative regulations promulgated by the
 authority. The long-range water resource plan and drought response plan shall be
 implemented for the basin upon the direction of the authority;

5 (11) Develop comprehensive plans for the management of the Kentucky River within the 6 basin, including a long-range water resource plan and a drought response plan. Each 7 county within the basin shall develop a long-range water resource plan and submit it 8 to the authority. The authority, after consultation with the Energy and Environment 9 Cabinet, shall develop a unified long-range water resource plan for the basin. The 10 unified long-range water resource plan shall be implemented over short-range and 11 long-range time periods. The short-range plan shall be for a period of six (6) years 12 and the long-range plan shall be for a period of twenty (20) years. The authority 13 shall conduct a public hearing on the plan prior to its adoption and amend the plan 14 as appropriate based on the comments received. The Energy and Environment 15 Cabinet shall review the draft unified plan and provide comment during the public 16 comment period concerning the consistency of the plan with the state requirements 17 under KRS Chapters 224 and 151. A drought response plan for the basin shall be developed by the authority and shall be coordinated with the Energy and 18 19 Environment Cabinet to assure consistency with KRS Chapters 224 and 151, and 20 this plan shall be implemented for the basin upon the direction of the authority;

(12) Develop and promote a plan for the protection and use of groundwater within the
 basin. Administrative regulations may be promulgated implementing the plan, and
 these regulations shall not be less stringent than state and federal regulations
 protecting groundwater;

(13) Promote private investment in the installation of hydroelectric generating units on
 all existing constructed and reconstructed Kentucky River dams under the
 jurisdiction of the authority, by developing a standard lease, establishing reasonable

financial responsibility requirements, verifying that the proposed installation of the
 hydroelectric unit will not adversely affect the structural integrity of the dam, and
 adopting a schedule of reasonable fees for water used in the generation of
 hydroelectric power;

5 (14) Develop recreational areas within the basin. These recreational areas may be
operated and funded by the state Department of Parks, Office of Kentucky Nature
Preserves, or other governmental entity as specifically authorized or permitted
within the biennial executive budget. There is hereby created the Kentucky River
9 Park to be located as determined by the authority;

(15) Utilize funds provided for recreational purposes within the biennial executive
 budget for major or minor maintenance if the authority certifies to the secretary of
 the Finance and Administration Cabinet that a significant need exists for the repairs
 and no other funds are available for the maintenance;

- 14 (16) Coordinate the Kentucky River basin water resources activities among state15 agencies;
- 16 (17)[Report quarterly on all of its activities to the legislative Committee on
 17 Appropriations and Revenue;
- (18)] Receive reports from state agencies on litigation concerning the Kentucky River,
 which agencies are hereby directed to report to the authority;
- 20 (18)[(19)] Credit to the authority any income derived from the interest earned on the
 21 investment of the water use fees collected, which shall be available for the
 22 authority's expenditure; and
- (19)[(20)] Accomplish the watershed management mission of the authority, which is to
 fulfill the provisions of this section for the Kentucky River basin, the boundary of
 which shall be defined by a hydrologic map promulgated in an administrative
 regulation.
- 27 → Section 11. KRS 151.728 is amended to read as follows:

1	(1)	Beginning with the 2000-2002 biennium and each biennium thereafter, the authority
2		shall submit to the General Assembly a six (6) year program of preconstruction and
3		construction activities to maintain or increase water available within the Kentucky
4		River. The program shall include a two (2) year construction component that shall
5		be implemented as authorized by the General Assembly in the authority's biennial
6		budget and a four (4) year preconstruction component that shall advise the General
7		Assembly of the consistency of ongoing and long-term planning with the
8		construction activities funded by the General Assembly.
9	(2)	The program shall be developed by considering, at a minimum, the following
10		factors:
11		(a) The population to be served by the available water;
12		(b) The social, economic, and environmental impact of program elements;
13		(c) The condition of existing facilities critical to water availability;
14		(d) The cost of maintaining, improving, replacing, or removing facilities; and
15		(e) The dependence of communities within the river basin on specific Kentucky
16		River dam pools or other sources of water.
17	(3)	The program shall include a four (4) year planning document setting out
18		preconstruction activities that include planning and design and an environmental
19		analysis of projects to maintain or increase water available within the Kentucky
20		River and geotechnical and stability evaluations of the Kentucky River locks and
21		dams.
22	(4)	The authority shall provide to the General Assembly a long-range planning
23		document consisting of twenty (20) years for water supply projects being considered
24		by the authority.
25	(5)	The authority shall be responsible for the execution of each six (6) year program as
26		approved and authorized in the budget by the General Assembly[and shall report
27		any anticipated deviations from the authorized construction funding or

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preconstruction program to the Interim Joint Committee on Appropriations and
 Revenue].

3 → Section 12. KRS 154.80-140 is amended to read as follows:

- 4 (1) There is created the riverport marketing assistance trust fund, to be administered by
 5 the Cabinet for Economic Development.
- 6 (2) The riverport marketing assistance trust fund may receive appropriations, federal
 7 funds, contributions, gifts, and donations.
- 8 (3) The purpose of the riverport marketing assistance trust fund shall be to promote and 9 market Kentucky's riverport to industrial, business, and commercial prospects, to 10 attract economic development. To the extent funds are available, the fund shall 11 make grants to riverport authorities for marketing activities, including research, 12 advertising, participation in trade shows, and preparation of promotional materials. 13 Grants shall not be used for activities such as salaries, administrative expenses, or 14 internal newsletters.
- 15 (4) Notwithstanding KRS 45.229, moneys remaining in the fund at the close of a fiscal
 16 year shall not lapse but shall carry forward into the succeeding fiscal year. Interest
 17 earned on any moneys in the fund shall accrue to the fund. Amounts from the fund
 18 shall be disbursed and expended in accordance with this section.
- 19 (5) Grants under this section shall not exceed fifteen thousand dollars (\$15,000) per
 20 project or thirty thousand dollars (\$30,000) per applicant each year. Projects shall be
 21 completed within one (1) year of funding. To receive a grant, an applicant shall
 22 provide at least a fifty percent (50%) match, which may be obtained from any public
 23 or private source.
- 24 (6) (a) Grants shall be reviewed and awarded semiannually.
- (b) The Cabinet for Economic Development shall submit all applications to the
 Water Transportation Advisory Board established by KRS 174.200 for
 evaluation and recommendations prior to awarding any grant funding under

1 this section.

- 2 (c) Higher priority shall be given to applications with a larger share of match
 3 money, for those where the match money has already been obtained, and for
 4 projects with a detailed riverport marketing plan.
- 5 (7) The Cabinet for Economic Development shall on a semiannual basis submit a report
 6 detailing all grants awarded under this section to the Water Transportation Advisory
 7 Board <u>and[,]</u> the Interim Joint Committee on Transportation[, and the Interim Joint
 8 Committee on Appropriations and Revenue].
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→ Section 13. KRS 171.027 is amended to read as follows:

10 There is established a public library facilities construction fund to assist local libraries 11 with debt service payments for new library facilities and library improvements. The 12 Department for Libraries and Archives is authorized to enter into long-term written 13 memoranda of agreement with local libraries or other governing bodies to assist in debt 14 service payments relating to library construction or renovation projects. The agreements 15 shall specify the rights, duties, and obligations of both the local public library, or other 16 governing body, and the department. The department shall promulgate administrative 17 regulations to establish the application process, criteria for selecting projects for 18 assistance, a minimum level of local participation, and the process to be followed in the 19 construction of facilities.[The department shall report assistance awards to the Interim 20 Joint Committee on Appropriations and Revenue within thirty (30) days of execution of 21 any memorandum of agreement.]

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- \rightarrow Section 14. KRS 174.210 is amended to read as follows:
- (1) There is created a riverport financial assistance trust fund, to be administered by the
 Transportation Cabinet.
- (2) The riverport financial assistance trust fund may receive appropriations, federal
 funds, contributions, gifts, and donations.
- 27 (3) The purpose of the riverport financial assistance trust fund shall be to improve

1 riverport facilities and infrastructure, to capture the economic and trade potential 2 offered by water transportation. To the extent funds are available, the fund shall 3 make grants to riverport authorities for new construction and major replacement or 4 repair projects, including but not limited to improvement of docks, wharves, 5 equipment, port buildings, storage facilities, roads and railroads to facilitate the 6 flow of commerce through the port, other on-site improvements, and related 7 professional services. Eligible projects shall not include routine operations, 8 maintenance, or repair activities.

9 (4) Notwithstanding KRS 45.229, moneys remaining in the fund at the close of a fiscal
10 year shall not lapse but shall carry forward into the succeeding fiscal year. Interest
11 earned on any moneys in the fund shall accrue to the fund. Amounts from the fund
12 shall be disbursed and expended in accordance with this section.

13 (5) To be eligible for a grant under this section, the applicant shall provide at least a
14 twenty percent (20%) match, which may be obtained from any public or private
15 source.

16 (6) (a) Grant applications shall be reviewed and awarded annually.

- (b) The Transportation Cabinet shall submit all applications to the Water
 Transportation Advisory Board established by KRS 174.200 for evaluation
 and recommendations prior to awarding any grant funding under this section.
- 20 (c) Priority shall be given to applicants with a riverport master plan, for capital21 intensive projects for which permits have been obtained, and for projects for
 22 which matching funds have been obtained.
- (7) The Transportation Cabinet shall submit on an annual basis a report detailing all
 grants awarded under this section to the Water Transportation Advisory Board
 <u>and[,]</u> the Interim Joint Committee on Transportation[, and the Interim Joint
 Committee on Appropriations and Revenue].
- 27 → Section 15. KRS 198A.090 is amended to read as follows:

- (1) Except as provided in subsection (6) of this section, the corporation may provide for
 the issuance, at one (1) time or from time to time, of bonds of the corporation if the
 cumulative outstanding indebtedness of the corporation's bonds does not exceed
 five billion dollars (\$5,000,000,000), in order to carry out and effectuate its
 corporate purposes and powers.
- 6 (2) In anticipation of the issuance of bonds, the corporation may provide for the 7 issuance, at one (1) time or from time to time, of bond anticipation notes. The 8 principal of and the interest on the bonds or notes shall be payable solely from the 9 funds provided for the payment. Notes may be made payable from the proceeds of 10 bonds or renewal notes or, if bond or renewal note proceeds are not available, notes 11 may be paid from any available revenues or assets of the corporation.
- 12 (3)The bonds or notes of each issue shall be dated and may be made redeemable before 13 maturity at the option of the corporation at a price and under terms and conditions 14 determined by the corporation. Bonds or notes shall bear interest at a rate 15 determined by the corporation. Notes shall mature at a time not exceeding ten (10) 16 years from their date and bonds shall mature at a time not exceeding forty (40) years from their date, as determined by the corporation. The corporation shall determine 17 18 the form and manner of execution of the bonds or notes, including any interest 19 coupons to be attached thereto, and shall fix the denomination and the place of 20 payment of principal and interest, which may be any bank or trust company within 21 or without the Commonwealth. If an officer whose signature or a facsimile of 22 whose signature appears on any bonds, notes, or coupons attached to them shall 23 cease to be an officer before the delivery thereof, the signature or facsimile shall be 24 valid and sufficient for all purposes as if he had remained in office until delivery. 25 The corporation may provide for the authentication of the bonds or notes by a 26 trustee or fiscal agent. The bonds or notes may be issued in coupon or in registered 27 form, or both, as the corporation may determine, and provision may be made for the
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1 registration of any coupon bonds or notes as to principal alone and also as to both 2 principal and interest, and for the reconversion into coupon bonds or notes of any 3 bonds or notes registered as to both principal and interest, and for the interchange of 4 registered and coupon bonds or notes. Upon the approval of a resolution of the 5 corporation, authorizing the sale of its bonds or notes, the bonds or notes may be sold in a manner, either at public or private sale, and for a price the corporation 6 7 shall determine to be for the best interest of the corporation and best effectuate the 8 purposes of this chapter, if the sale is approved by the corporation.

9 (4) The proceeds of any bonds or notes shall be used solely for the purposes for which 10 they are issued and shall be disbursed in the manner and under the restrictions, if 11 any, the corporation may provide in the resolution authorizing the issuance of bonds 12 or notes or in the trust agreement securing the same.

13 (5) Prior to the preparation of definitive bonds, the corporation may, under like
restrictions, issue interim receipts or temporary bonds, with or without coupons,
exchangeable for definitive bonds when the bonds have been executed and are
available for delivery. The corporation may also provide for the replacement of any
bonds or notes which become mutilated, destroyed, or lost.

18 (6) (a) Prior to the issuance of any bonds or notes that are not secured by:

191.Direct obligations or obligations guaranteed by the United States of20America; or

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2. Obligations of federal agencies to the extent that the obligations are
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backed by the full faith and credit of the United States of America; or

Repurchase agreements with any primary dealer in securities fully
secured by obligations described in subparagraphs 1. and 2. of this
paragraph if the market value of the security is maintained at one
hundred three percent (103%) of the principal amount of the repurchase
agreement and the security is held by an independent third-party

1		custodian financial institution; or
2		4. Insured or guaranteed construction loans or mortgage loans as defined
3		by KRS 198A.010(10) and (11); or
4		5. Guaranty insurance policies which guarantee payment of the principal
5		and interest on the bonds issued by a nationally recognized entity
6		authorized to issue guarantees and rated in the highest rating category by
7		at least one (1) of the nationally recognized rating services;
8		the corporation shall obtain the approval of the issuance from the General
9		Assembly in accordance with the provisions of KRS 56.870(1), unless the
10		provisions of paragraph (b) of this subsection apply. This requirement shall
11		not apply to refunding bond or note issues which are for the purpose of
12		achieving debt service savings and which do not extend the term of the
13		refunded bonds or notes.
14		(b) The corporation may provide for the issuance, at any one (1) time or from
15		time to time, of bonds which do not satisfy the requirements of paragraph (a)
16		of this subsection without approval of the issuance by the General Assembly if
17		the cumulative outstanding indebtedness of the corporation that does not meet
18		the requirements of paragraph (a) of this subsection does not exceed thirty
19		million dollars (\$30,000,000).
20		[(c) The corporation shall annually report on its housing and bonding programs to
21		the Interim Joint Committee on Appropriations and Revenue.]
22	(7)	The Finance and Administration Cabinet shall provide to the corporation fiscal
23		consultant services regarding revenue bond management as necessary.
24		→ Section 16. KRS 214.544 is amended to read as follows:
25	(1)	A Colon Cancer Screening and Prevention Advisory Committee shall be
26		established. The advisory committee shall include:
27		(a) One (1) member of the House of Representatives who shall be appointed by

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1			the Speaker of the House;
2		(b)	One (1) member of the Senate who shall be appointed by the President of the
3			Senate;
4		(c)	The deputy commissioner of the Department for Public Health;
5		(d)	The commissioner of the Department of Insurance, or his or her designee;
6		(e)	The commissioner of the Department for Medicaid Services, or his or her
7			designee;
8		(f)	Two (2) at-large members who shall be appointed by the Governor;
9		(g)	One (1) member who shall be appointed by the Governor from a list of three
10			(3) names provided by the American Cancer Society;
11		(h)	The director of the Kentucky Cancer Program at the University of Kentucky;
12		(i)	The director of the Kentucky Cancer Program at the University of Louisville;
13		(j)	The director of the Kentucky Cancer Registry;
14		(k)	The director of the Colon Cancer Prevention Project;
15		(1)	The chair of Kentucky African Americans Against Cancer; and
16		(m)	The director of the Kentucky Cancer Consortium.
17		Men	nbers of the advisory committee shall be appointed for a term of four (4) years.
18	(2)	(a)	Members appointed under subsection (1)(a) to (g) of this section shall be
19			appointed as follows:
20			1. Members shall be appointed for a term of four (4) years, except as
21			provided in subparagraph 2. of this paragraph;
22			2. The initial appointments shall be for a period of two (2) years; thereafter,
23			the appointments shall be for a term of four (4) years; and
24			3. Members shall not serve more than two (2) terms of four (4) years.
25		(b)	Members serving under subsection (1)(h) to (m) of this section shall serve by
26			virtue of their positions and shall not be subject to term limits.
27	(3)	The	chair of the advisory committee shall be elected from the membership of the

- advisory committee to serve for a two (2) year term. A member of the advisory
 committee may designate an alternate to attend meetings in his or her place.
- 3 (4) The advisory committee may add members from other organizations as deemed4 appropriate.
- 5 (5) The advisory committee shall provide recommendations for the overall
 6 implementation and conduct of the Colon Cancer Screening and Prevention
 7 Program.
- 8 (6) The advisory committee shall establish and provide oversight for a colon cancer 9 screening public awareness campaign. The Cabinet for Health and Family Services 10 shall contract with the Kentucky Cancer Consortium at the University of Kentucky 11 to provide the required support. The amount of the contract shall not be included in 12 the base budget of the university as used by the Council on Postsecondary 13 Education in determining the funding formula for the university.
- 14 (7) The Colon Cancer Screening and Prevention Advisory Committee shall provide an
 annual report on implementation and outcomes from the Colon Cancer Screening
 and Prevention Program and recommendations to the Legislative Research
 Commission, the Interim Joint Committee on Health, Welfare, and Family Services,
 [the Interim Joint Committee on Appropriations and Revenue,] the Governor, the
 secretary of the Cabinet for Health and Family Services, and the commissioner of
 the Department for Public Health.
- (8) The Kentucky Cancer Program, jointly administered by the University of Kentucky and the University of Louisville, shall establish a colon cancer screening, education, and outreach program in each of the state area development districts. The colon cancer screening, education, and outreach program shall focus on individuals who lack access to colon cancer screening. The Cabinet for Health and Family Services shall contract with the University of Louisville and the University of Kentucky to provide the required support. The amount of the contract shall not be included in the

- base budgets of the universities as used by the Council on Postsecondary Education
 in determining the funding formula for the universities.
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→ Section 17. KRS 214.556 is amended to read as follows:

4 (1) There is hereby established within the Kentucky cancer program the Kentucky
5 Cancer Registry and the cancer patient data management system for the purpose of
6 providing accurate and up-to-date information about cancer in Kentucky and
7 facilitating the evaluation and improvement of cancer prevention, screening,
8 diagnosis, therapy, rehabilitation, and community care activities for citizens of the
9 Commonwealth. The cancer patient data management system shall be administered
10 by the Lucille Parker Markey Cancer Center.

(2) Each licensed health facility which provides diagnostic services, or diagnostic
services and treatment, or treatment to cancer patients shall report to the Kentucky
Cancer Registry, through the cancer patient data management system and in a
format prescribed by the Kentucky Cancer Registry, each case of cancer seen at that
health facility. Failure to comply may be cause for assessment of an administrative
fine for the health facility, the same as for violation of KRS 216B.250.

17 Each health facility shall grant to the cancer registry access to all records which (3) 18 would identify cases of cancer or would establish characteristics of the cancer, 19 treatment of the cancer, or status of any identified cancer patient. Hospitals actively 20 participating and enrolled in the cancer patient data management system of the 21 Kentucky Cancer Program as of July 13, 1990, shall be considered to be in 22 compliance with this section. The Lucille Parker Markey Cancer Center shall 23 provide staff assistance in compiling and reporting required information to hospitals 24 which treat a low volume of patients.

(4) No liability of any kind or character for damages or other relief shall arise or be
 enforced against any licensed health facility by reason of having provided the
 information or material to the Kentucky Cancer Registry pursuant to the

- 1 requirements of this section.
- 2 (5) The identity of any person whose condition or treatment has been reported to the
 3 Kentucky Cancer Registry shall be confidential, except that:
- 4 (a) The Kentucky Cancer Registry may exchange patient-specific data with any
 5 other cancer control agency or clinical facility for the purpose of obtaining
 6 information necessary to complete a case record, but the agency or clinical
 7 facility shall not further disclose such personal data; and
- 8 (b) The Kentucky Cancer Registry may contact individual patients if necessary to
 9 obtain follow-up information which is not available from the health facility.

10 All information, interviews, reports, statements, memoranda, or other data furnished (6)11 by reason of this section, expressly including all portions, subsets, extracts, or 12 compilations of the data as well as any findings or conclusions resulting from those 13 studies, shall be privileged and shall not be considered public records under KRS 14 61.870 to 61.884. The Kentucky Cancer Registry may determine that certain 15 extracts, subsets, or compilations of data do not reveal privileged information and 16 may be published or otherwise shared to further the public health goals set forth 17 herein.

18 The Kentucky Cancer Registry shall make periodic reports of its data and any (7)19 related findings and recommendations to the Legislative Research Commission, the 20 Interim Joint Committee Committees on Appropriations and Revenue and] on 21 Health and Welfare, the Governor, the Cabinet for Health and Family Services, the 22 reporting health facility, and other appropriate governmental and nongovernmental 23 cancer control agencies whose intent it is to reduce the incidence, morbidity, and 24 mortality of cancer. The Kentucky Cancer Registry may conduct analyses and 25 studies as are indicated to advance cancer control in the Commonwealth, either 26 directly or by confidentially sharing data with third parties.

→ Section 18. KRS 216.2929 is amended to read as follows:

(1) (a) The Cabinet for Health and Family Services shall make available on its Web
 site information on charges for health-care services at least annually in
 understandable language with sufficient explanation to allow consumers to
 draw meaningful comparisons between every hospital and ambulatory facility,
 differentiated by payor if relevant, and for other provider groups as relevant
 data becomes available.

7 (b) Any charge information compiled and reported by the cabinet shall include the
8 median charge and other percentiles to describe the typical charges for all of
9 the patients treated by a provider and the total number of patients represented
10 by all charges, and shall be risk-adjusted.

11 (c) The report shall clearly identify the sources of data used in the report and 12 explain limitations of the data and why differences between provider charges 13 may be misleading. Every provider that is specifically identified in any report 14 shall be given thirty (30) days to verify the accuracy of its data prior to public 15 release and shall be afforded the opportunity to submit comments on its data 16 that shall be included on the Web site and as part of any printed report of the 17 data.

(d) The cabinet shall only provide linkages to organizations that publicly report
 comparative-charge data for Kentucky providers using data for all patients
 treated regardless of payor source, which may be adjusted for outliers, is risk adjusted, and meets the requirements of paragraph (c) of this subsection.

(2) (a) The cabinet shall make information available on its Web site at least annually
describing quality and outcome measures in understandable language with
sufficient explanations to allow consumers to draw meaningful comparisons
between every hospital and ambulatory facility in the Commonwealth and
other provider groups as relevant data becomes available.

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(b) 1. The cabinet shall utilize only national quality indicators that have been

1			endorsed and adopted by the Agency for Healthcare Research and
2			Quality, the National Quality Forum, or the Centers for Medicare and
3			Medicaid Services; or
4			2. The cabinet shall provide linkages only to the following organizations
5			that publicly report quality and outcome measures on Kentucky
6			providers:
7			a. The Centers for Medicare and Medicaid Services;
8			b. The Agency for Healthcare Research and Quality;
9			c. The Joint Commission; and
10			d. Other organizations that publicly report relevant outcome data for
11			Kentucky providers.
12		(c)	The cabinet shall utilize or refer the general public to only those nationally
13			endorsed quality indicators that are based upon current scientific evidence or
14			relevant national professional consensus and have definitions and calculation
15			methods openly available to the general public at no charge.
16	(3)	Any	report the cabinet disseminates or refers the public to shall:
17		(a)	Not include data for a provider whose caseload of patients is insufficient to
18			make the data a reliable indicator of the provider's performance;
19		(b)	Meet the requirements of subsection (1)(c) of this section;
20		(c)	Clearly identify the sources of data used in the report and explain the
21			analytical methods used in preparing the data included in the report; and
22		(d)	Explain any limitations of the data and how the data should be used by
23			consumers.
24	(4)	The	cabinet shall report at least biennially, no later than October 1 of each odd-
25		num	bered year, on the special health needs of the minority population in the
26		Com	monwealth as compared to the population in the Commonwealth as compared
27		to th	e population at large. The report shall contain an overview of the health status

of minority Kentuckians, shall identify the diseases and conditions experienced at
 disproportionate mortality and morbidity rates within the minority population, and
 shall make recommendations to meet the identified health needs of the minority
 population.

- 5 (5) The report required under subsection (4) of this section shall be submitted to the
 6 Interim Joint <u>Committee[Committees]</u> on [Appropriations and Revenue and]Health
 7 and Welfare and to the Governor.
- 8 Section 19. KRS 224.10-230 is amended to read as follows:
- 9 (1) The cabinet shall implement a time and accounting system to reasonably and10 accurately document its actual costs.
- (2) [The cabinet shall submit documentation of its costs to the Interim Joint
 Appropriations and Revenue Committee prior to the cabinet's submittal of its
 biennial budget request.
- (3)]The cabinet may promulgate regulations amending the fees set forth in KRS
 224.20-050, 224.46-012 to 224.46-018, and 224.70-120. The fees established in the
 promulgated regulations shall be based on the cabinet's actual costs.

17 → Section 20. KRS 342.1223 is amended to read as follows:

- 18 (1) The Kentucky Workers' Compensation Funding Commission is created as an
 agency of the Commonwealth for the public purpose of controlling, investing, and
 managing the funds collected pursuant to KRS 342.122.
- 21 (2) The commission shall:
- (a) Hold, administer, invest, and reinvest the funds collected pursuant to KRS
 342.122 and its other funds separate and apart from all "state funds" or "public
 funds," as defined in KRS Chapter 446;
- (b) Act as a fiduciary, as defined in KRS Chapter 386, in exercising its power
 over the funds collected pursuant to KRS 342.122, and may invest association
 funds through one (1) or more banks, trust companies, or other financial

1			institutions with offices in Kentucky in good standing with the Department of
2			Financial Institutions, in investments described in KRS Chapter 386, except
3			that the funding commission may, at its discretion, invest in equity securities;
4		(c)	Report to the General Assembly at each even-numbered-year regular session
5			the actuarial soundness and adequacy of the funding mechanism for the
6			special fund and other programs supported by the mechanism, including
7			detailed information on the investment of funds and yields thereon;
8		(d)	Recommend to the General Assembly, not later than October 31 of the year
9			prior to each even-numbered-year regular legislative session, changes deemed
10			necessary in the level of the assessments imposed in this chapter;
11		(e)	In conjunction with the Labor Cabinet, submit to the General Assembly, not
12			later than October 31 of the year prior to each even-numbered-year regular
13			legislative session, a proposed budget for the biennium beginning July 1
14			following the even-numbered-year regular session of the General Assembly;
15		(f)	[In conjunction with the Labor Cabinet, provide to the Interim Joint
16			Committee on Appropriations and Revenue an annual budget and detailed
17			quarterly financial reports;
18		(g)	
19			Cabinet or the Department of Revenue, of all entities subject to the
20			assessments imposed in this chapter; and
21		<u>(g)</u> [((h)] Report monthly to the <u>Committee</u> [Committees on Appropriations and
22			Revenue and]on Economic Development and Workforce Investment its
23			monthly expenditures of restricted agency funds and the nature of the
24			expenditures.
25	(3)	The	commission shall have all of the powers necessary or convenient to carry out
26		and	effectuate the purposes for which it was established, including, but not limited
27		to, tl	he power:

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- 1 (a) To sue and be sued, complain, or defend, in its name; 2 (b) To elect, appoint, or hire officers, agents, and employees, and define their 3 duties and fix their compensation within the limits of its budget approved by 4 the General Assembly. Notwithstanding any provision of KRS Chapter 18A to 5 the contrary, officers and employees of the funding commission may be exempted from the classified service; 6 7 To contract for investment counseling, legal, actuarial, auditing, and other (c)
- 8 professional services in accordance with the provisions relating to personal
 9 service contracts contained in KRS Chapter 45A;
- 10 (d) To appoint, hire, and contract with banks, trust companies, and other entities
 11 to serve as depositories and custodians of its investment receipts and other
 12 funds;
- (e) To take any and all other actions consistent with the purposes of the
 commission and the provisions of this chapter; and

15 (f) To make and promulgate administrative regulations.

16 (4) The Kentucky Workers' Compensation Funding Commission may utilize the 17 investment expertise and advice of the Office of Financial Management within the Finance and Administration Cabinet. The Kentucky Workers' Compensation 18 19 Funding Commission may procure one (1) or more consulting firms and enter into a 20 personal service contract with such consulting firms to provide investment advisory, 21 investment counseling, or investment management services. The Office of Financial 22 Management shall participate in the selection of any firms for investment services 23 provided, however, the Kentucky Workers' Compensation Funding Commission 24 shall have the right to make the final decision on the selection of any firms. 25 Notwithstanding any provisions of this section to the contrary, all contracts for 26 investment advisory, investment counseling, or investment management services or 27 for the management of assets shall be subject to KRS Chapter 45A. The fees

- charged by financial institutions for managing the investments of the funds of the
 funding commission shall be paid from the investment earnings of the funds.
- 3 (5) The commission shall be attached to the Labor Cabinet for administrative purposes4 only.

Section 21. KRS 342.765 is amended to read as follows:

5

6 (1) Notwithstanding the provisions of KRS Chapter 342 to the contrary, the office of
7 the Attorney General shall be responsible for the administration of the uninsured
8 employers' fund and shall be charged with the conservation of the assets of the fund.
9 Funds to reimburse the Attorney General's office for expenses incurred in litigation
10 and administration in defense of the uninsured employers' fund shall be transferred
11 upon request of the Attorney General's office and approval by the secretary of the
12 Labor Cabinet.

13 (2) The office of the Attorney General shall report monthly to [the Interim Joint
Committee on Appropriations and Revenue,]the Interim Joint Committee on
Economic Development and Workforce Investment[,] and the commissioner the
amount of the agency fund expenditures in each month for the uninsured employers'
fund and the nature of these expenditures. In addition, the Office of the Attorney
General shall report quarterly to the commissioner on the amount of funds recouped
from uninsured employers.

20 → Section 22. KRS 353.776 is amended to read as follows:

By January 1 each year, the authority shall make an annual report of its activities for the preceding fiscal year to the Office of the State Budget Director[and to the Interim Joint Committee on Appropriations and Revenue]. Each such report shall set forth a complete operating and financial statement covering its operations during the year. The authority shall provide for an audit of its books and accounts to be made within ninety (90) days after the close of each fiscal year by certified public accountants and the cost thereof may be treated as a part of the cost of construction of the project. Audits under this section 1 shall be public records within the meaning of KRS 61.870 to 61.884.

- Section 23. KRS 56.463 is amended to read as follows:
- 3 The cabinet shall have the power and duty:

2

- 4 (1) To determine the comparative needs and demands of the various state agencies for
 5 acquiring real estate and for building projects;
- 6 (2) To purchase or otherwise acquire all real property determined to be needed for state
 7 use and upon the approval of the secretary of the Finance and Administration
 8 Cabinet as to the determination of need and as to the action of purchase or other
 9 acquisition, except as provided in KRS Chapters 175, 176, 177, and 180. All such
 10 acquisitions of real property or interests therein shall be made in accordance with
 11 KRS 45A.045;
- 12 (3) To sell or otherwise dispose of all property, including any interest in real property,
 13 of the state that is not needed or has become unsuitable for public use or would be
 14 more suitable consistent with the public interest for some other use as determined
 15 by the secretary of the Finance and Administration Cabinet. All such sales or other
 16 disposition shall be made in accordance with KRS 45A.045;
- 17 To control the use of any real property owned or otherwise held by the (4) (a) Commonwealth, or any state agency, and to determine for what periods of 18 19 time and for what purposes any state agency may use the same, including the agency for whose use it was initially acquired or improved, and to determine 20 21 what appropriate uses shall be made of such real property during periods that 22 the cabinet finds the same is not required for the purposes of any particular 23 state agency. The cabinet shall allocate to the General Assembly and the 24 Legislative Research Commission *all*[the amount of] space within the New 25 State Capitol Annex[, currently assigned to the legislative branch] in the basement and on the first, second, third, and fourth floors [floor totaling 26 27 forty-nine thousand six hundred thirty-eight (49,638) square feet;

1	approximately twenty four thousand four hundred fifty two (24,452) square
2	feet on the second floor from an imaginary line running north and south down
3	the center of the center wing hallway of the building and all space to the east
4	of this line], excluding:
5	1. Mechanical areas, public entrances, <i>vestibules</i> , and restrooms; <i>and</i>
6	2. The following additional space, as allocated on January 1, 2022:
7	a. Areas in the basement occupied by the Kentucky State Police and
8	<u>Facilities Security;</u>
9	b. Areas in the basement operated as the snack bar and cafeteria,
10	as well as storage areas related to the operation of the snack bar
11	and cafeteria;
12	c. The area in the basement operated as a nurse's station;
13	d. The area in the basement used as an automated teller machine
14	<u>(ATM);</u>
15	e. The office space in the basement occupied by the Secretary of
16	<u>State;</u>
17	<u>f.</u> Utility spaces in the basement west wing and east wing northern
18	most hallways occupied by janitorial, maintenance, and
19	<u>mechanical staff;</u>
20	g. The loading dock in the rear of the annex basement, along with
21	the office space immediately adjacent to the loading dock on the
22	back wall of the annex, provided that the General Assembly and
23	the Legislative Research Commission shall be given access to
24	and use of the loading dock and the receiving areas adjacent to
25	the loading dock; and
26	h. Office and studio space on the first floor currently occupied and
27	used for broadcasting purposes by Kentucky Educational

1	<u><i>Television</i></u> [; approximately twenty three thousand nine hundred
2	forty (23,940) square feet on the third floor from an imaginary line
3	running north and south down the center of the center wing
4	hallway of the building and all space to the east of this line,
5	excluding mechanical areas, public entrances, and restrooms;
6	approximately twenty two thousand fifty six (22,056) square feet
7	on the fourth floor from an imaginary line running north and south
8	down the center of the center wing hallway of the building and all
9	space to the east of this line, excluding mechanical areas, public
10	entrances, and restrooms].

All space assigned to the legislative branch and plans, uses, furnishings, and
equipment therefor are subject to the specific approval of the Legislative
Research Commission;

- 14 (b) All additional space in the New State Capitol Annex, not specifically allocated 15 for use by the General Assembly and the Legislative Research Commission in 16 paragraph (a) of this subsection, shall be allocated for the use of the legislative 17 branch, with occupancy by the legislative branch to be determined by the Legislative Research Commission, upon a. Until the Legislative Research 18 19 Commission, by] vote of a majority of <u>the[its]</u> entire membership <u>of the</u> 20 Legislative Research Commission[, determines that the legislative branch 21 shall occupy all or part of such additional space in the Capitol Annex, the 22 cabinet shall continue to determine the occupancy of such additional space];
- (c) [Forty percent (40%) of the floor space provided by paragraph (a) of this
 subsection for use by the legislative branch shall be assigned for the use of the
 Senate. Sixty percent (60%) of the floor space provided by paragraph (a) of
 this subsection for use by the legislative branch shall be assigned for the use
 of the House of Representatives; and

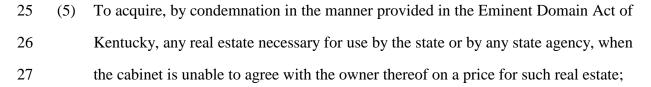
1	(d) -	<u>In order for the General Assembly and the Legislative Research</u>
2		Commission to efficiently utilize the space provided by paragraphs (a) and
3		(b) of this subsection, the cabinet shall enter into a memorandum of
4		understanding with the Legislative Research Commission on or about
5		February 1, 2023, and as often as every two (2) years thereafter at the
6		request of the Legislative Research Commission, to establish tenancy terms,
7		including but not limited to building maintenance, repairs, renovations, and
8		upgrades; facility security; janitorial services; and applicable rental and
9		utilities rates. The Legislative Research Commission shall at any time, and
10		upon at least sixty (60) days' notice, be authorized to discontinue the
11		cabinet's provision of janitorial services for the New State Capitol Annex
12		and to enter into a separate contract for the provision of those services, with
13		the applicable rental and utilities rates to be proportionately reduced to
14		reflect that separate contract, provided that the Legislative Research
15		Commission may also at any time, and upon at least sixty (60) days' notice,
16		elect to have the cabinet continue or reinstate the provision of those
17		janitorial services at the cabinet's expense;
18	<u>(d)</u>	For the purposes of this subsection, real property shall include the parking
19		areas adjacent to the New State Capitol and the New State Capitol Annex,
20		and the cabinet shall allocate to the General Assembly and the Legislative
21		Research Commission all parking spaces within the Capitol campus
22		parking garage, all parking spaces in the east, south, and west parking lots
23		of the New State Capitol Annex, and all parking spaces in the west parking
24		lot of the New State Capitol, except for those spaces in the west parking lot
25		of the New State Capitol allocated, as of January 1, 2022, to the Supreme
26		Court of Kentucky, the Attorney General, and the Secretary of State. Any
27		further allocation of any parking spaces allocated pursuant to this

1

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paragraph shall be within the sole discretion of the Legislative Research Commission or its designee; and

3 To determine the housing and furnishings needs of the various state agencies (e) 4 located in Frankfort and to establish and put into effect a permanent program 5 for housing them. Subject to paragraphs (a) and (b) of this subsection, the cabinet is also authorized and directed to allocate office space and furnishings 6 7 in existing public buildings located in Frankfort, exclusive of the third and fourth floors of the New State Capitol and the space in the New State Capitol 8 9 Annex allocated to the legislative branch, according to the needs of the 10 various agencies. When necessary, the cabinet is authorized to provide 11 additional office space and furnishings in Frankfort under any building 12 program the cabinet deems most advisable and economical for the state. The 13 permanent housing program shall include provisions for housing the General 14 Assembly and its related agencies, including the Legislative Research 15 Commission, and its subcommittees, the executive offices, the Supreme Court 16 and the clerk of the Supreme Court, the Department of Law and the law library, in the New State Capitol, provided the General Assembly and the 17 Legislative Research Commission shall have complete control and exclusive 18 19 use of the third and fourth floors of the New State Capitol and shall have 20 exclusive use of the space in the New State Capitol Annex allocated to them 21 under paragraphs (a) and (b) of this subsection. If there be any additional 22 space in the Capitol, it shall be assigned to agencies whose activities are most 23 closely related to the agencies directed to be located permanently in the 24 Capitol;



- (6) To lease any real property, or any interest in such real property, owned by the state
 or any agency thereof, in accordance with KRS 45A.045;
- 3 (7)To provide for and adopt plans and specifications as may be necessary, to provide 4 adequate public notice for and receive bids for any expenditures proposed to be 5 made, to award contracts for the purpose authorized, to supervise construction and 6 make changes and revisions in plans and specifications or in construction as may 7 become necessary, and generally to do any and all other things as may become 8 necessary or expedient in order to effectively fulfill and carry out the purposes of 9 this chapter, including the right to employ clerks, engineers, statisticians, architects, 10 or other persons required to be employed in order to fulfill the functions of the 11 Commonwealth relating to state property and buildings provided in KRS 56.450 to 12 56.550; and
- 13 (8) To adopt rules and promulgate administrative regulations as may be necessary to
 govern the acquisition, control, and disposition of the real property to which this
 section is applicable.
- 16 \rightarrow Section 24. The following KRS sections are repealed:
- 17 342.231 Monthly reports.
- 18 176.5066 Revenues relating to motorcycle safety education program fund -- Report.