

CHAPTER 85**(HB 108)**

AN ACT relating to reorganization.

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

Section 1. KRS 12.020 is amended to read as follows:

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

1. The Governor.
2. Lieutenant Governor.
3. Department of State.
 - (a) Secretary of State.
 - (b) Board of Elections.
 - (c) Registry of Election Finance.
4. Department of Law.
 - (a) Attorney General.
5. Department of the Treasury.
 - (a) Treasurer.
6. Department of Agriculture.
 - (a) Commissioner of Agriculture.
 - (b) Kentucky Council on Agriculture.
7. Superintendent of Public Instruction.
8. Auditor of Public Accounts.
9. Railroad Commission.

II. Program cabinets headed by appointed officers:

1. Justice Cabinet:
 - (a) Department of State Police.
 - (b) Department of Criminal Justice Training.

- (c) Department of Corrections.
 - (d) Department of Juvenile Justice.
 - (e) Office of the Secretary.
 - (f) Offices of the Deputy Secretaries.
 - (g) Office of General Counsel.
 - (h) Division of Kentucky State Medical Examiners Office.
 - (i) Parole Board.
 - (j) Kentucky State Corrections Commission.
 - (k) Commission on Correction and Community Service.
2. Education, Arts, and Humanities Cabinet:
- (a) Department of Education.
 - (1) Kentucky Board of Education.
 - (2) Education Professional Standards Board.
 - (b) Department for Libraries and Archives.
 - (c) Kentucky Arts Council.
 - (d) Kentucky Educational Television.
 - (e) Kentucky Historical Society.
 - (f) Kentucky Teachers' Retirement System Board of Trustees.
 - (g) Kentucky Center for the Arts.
 - (h) Kentucky Craft Marketing Program.
 - (i) Kentucky Commission on the Deaf and Hard of Hearing.
 - (j) Governor's Scholars Program.
 - (k) Governor's School for the Arts.
 - (l) Operations and Development Office.
 - (m) Kentucky Heritage Council.
 - (n) Kentucky African-American Heritage Commission.
 - (o) Board of Directors for the Center for School Safety.
3. Natural Resources and Environmental Protection Cabinet:
- (a) Environmental Quality Commission.
 - (b) Kentucky Nature Preserves Commission.
 - (c) Department for Environmental Protection.
 - (d) Department for Natural Resources.
 - (e) Department for Surface Mining Reclamation and Enforcement.

- (f) Office of Legal Services.
 - (g) Office of Information Services.
4. Transportation Cabinet:
- (a) Department of Highways.
 - 1. *Office of Program Planning and Management.*
 - 2. *Office of Project Development.*
 - 3. *Office of Construction and Operations.*
 - 4. *Office of Intermodal Programs.*
 - 5. *Highway District Offices One through Twelve.*
 - (b) Department of Vehicle Regulation.
 - (c) Department of Administrative Services.
 - (d) Department of Fiscal Management.
 - (e) Department of Rural and Municipal Aid.
 - (f) *Department of Human Resources Management.*
 - (g) *Office of the Secretary.*
 - (h) Office of General Counsel *and Legislative Affairs.*
 - (i)~~(g)~~—Office of Public Affairs.
 - (j)~~(h)~~—*Office of Transportation Delivery*~~[Office of Personnel Management].~~
 - (k)~~(i)~~—Office of Minority Affairs.
 - ~~(l)(j) Office of Environmental Affairs.~~
 - ~~(k)~~—Office of Policy and Budget.
5. Cabinet for Economic Development:
- (a) Department of Administration and Support.
 - (b) Department of Job Development.
 - (c) Department of Financial Incentives.
 - (d) Department of Community Development.
 - (e) Tobacco Research Board.
 - (f) Kentucky Economic Development Finance Authority.
6. Public Protection and Regulation Cabinet:
- (a) Public Service Commission.
 - (b) Department of Insurance.
 - (c) Department of Housing, Buildings and Construction.
 - (d) Department of Financial Institutions.

- (e) Department of Mines and Minerals.
 - (f) Department of Public Advocacy.
 - (g) Department of Alcoholic Beverage Control.
 - (h) Kentucky Racing Commission.
 - (i) Board of Claims.
 - (j) Crime Victims Compensation Board.
 - (k) Kentucky Board of Tax Appeals.
 - (l) Backside Improvement Commission.
 - (m) Office of Petroleum Storage Tank Environmental Assurance Fund.
7. Cabinet for Families and Children:
- (a) Department for Social Insurance.
 - (b) Department for Social Services.
 - (c) Public Assistance Appeals Board.
 - (d) Office of the Secretary.
 - (e) Office of the General Counsel.
 - (f) Office of Program Support.
 - (g) Office of Family Resource and Youth Services Centers.
 - (h) Office of Technology Services.
 - (i) Office of the Ombudsman.
 - (j) Office of Aging Services.
8. Cabinet for Health Services.
- (a) Department for Public Health.
 - (b) Department for Medicaid Services.
 - (c) Department for Mental Health and Mental Retardation Services.
 - (d) Kentucky Commission on Children with Special Health Care Needs.
 - (e) Office of Certificate of Need.
 - (f) Office of the Secretary.
 - (g) Office of the General Counsel.
 - (h) Office of Program Support.
 - (i) Office of the Inspector General.
9. Finance and Administration Cabinet:
- (a) Office of Legal and Legislative Services.
 - (b) Office of Management and Budget.

- (c) Office of Financial Management and Economic Analysis.
 - (d) Office of the Controller.
 - (e) Department for Administration.
 - (f) Department of Facilities Management.
 - (g) Department of Information Systems.
 - (h) State Property and Buildings Commission.
 - (i) Kentucky Pollution Abatement Authority.
 - (j) Kentucky Savings Bond Authority.
 - (k) Deferred Compensation Systems.
 - (l) Office of Equal Employment Opportunity Contract Compliance.
 - (m) Office of Capital Plaza Operations.
 - (n) County Officials Compensation Board.
 - (o) Kentucky Employees Retirement Systems.
 - (p) Commonwealth Credit Union.
 - (q) State Investment Commission.
 - (r) Kentucky Housing Corporation.
 - (s) Governmental Services Center.
 - (t) Kentucky Local Correctional Facilities Construction Authority.
 - (u) Kentucky Turnpike Authority.
 - (v) Historic Properties Advisory Commission.
 - (w) Kentucky Kare Health Insurance Authority.
10. Labor Cabinet:
- (a) Department of Workplace Standards.
 - (b) Department of Workers' Claims.
 - (c) Kentucky Labor-Management Advisory Council.
 - (d) Occupational Safety and Health Standards Board.
 - (e) Prevailing Wage Review Board.
 - (f) Workers' Compensation Board.
 - (g) Kentucky Employees Insurance Association.
 - (h) Apprenticeship and Training Council.
 - (i) State Labor Relations Board.
 - (j) Kentucky Occupational Safety and Health Review Commission.
 - (k) Office of Administrative Services.

- (l) Office of Labor-Management Relations and Mediation.
 - (m) Office of General Counsel.
 - (n) Workers' Compensation Funding Commission.
 - (o) Employers Mutual Insurance Authority.
11. Revenue Cabinet:
- (a) Department of Property Valuation.
 - (b) Department of Tax Administration.
 - (c) Office of Financial and Administrative Services.
 - (d) Department of Law.
 - (e) Department of Information Technology.
 - (f) Office of Taxpayer Ombudsman.
12. Tourism Development Cabinet:
- (a) Department of Travel.
 - (b) Department of Parks.
 - (c) Department of Fish and Wildlife Resources.
 - (d) Kentucky Horse Park Commission.
 - (e) State Fair Board.
 - (f) Office of Administrative Services.
 - (g) Office of General Counsel.
13. Cabinet for Workforce Development:
- (a) Department for Adult Education and Literacy.
 - (b) Department for Technical Education.
 - (c) Department of Vocational Rehabilitation.
 - (d) Department for the Blind.
 - (e) Department for Employment Services.
 - (f) State Board for Adult and Technical Education.
 - (g) Governor's Council on Vocational Education.
 - (h) The State Board for Proprietary Education.
 - (i) The Foundation for Adult Education.
 - (j) The Kentucky Job Training Coordinating Council.
 - (k) Office of General Counsel.
 - (l) Office of Communication Services.
 - (m) Office of Development and Industry Relations.

- (n) Office of Workforce Analysis and Research.
 - (o) Office for Administrative Services.
 - (p) Office for Policy and Budget.
 - (q) Office of Personnel Services.
 - (r) Unemployment Insurance Commission.
14. Personnel Cabinet:
- (a) Office of Administrative and Legal Services.
 - (b) Department for Personnel Administration.
 - (c) Department for Employee Relations.
 - (d) Kentucky Public Employees Deferred Compensation Authority.
 - (e) Kentucky Kare.
 - (f) Division of Performance Management.
 - (g) Division of Employee Records.
 - (h) Division of Staffing Services.
 - (i) Division of Classification and Compensation.
 - (j) Division of Employee Benefits.
 - (k) Division of Communications and Recognition.

III. Other departments headed by appointed officers:

- 1. Department of Military Affairs.
- 2. Council on Postsecondary Education.
 - (a) Kentucky Commission on Community Volunteerism and Service.
- 3. Department for Local Government.
- 4. Kentucky Commission on Human Rights.
- 5. Kentucky Commission on Women.
- 6. Department of Veterans' Affairs.
- 7. Kentucky Commission on Military Affairs.
- 8. Office of the Chief Information Officer.

Section 2. KRS 174.016 is amended to read as follows:

- (1) ~~The Department of Rural and Municipal Aid is created as a major organizational unit within the Transportation Cabinet. The department shall be headed by a commissioner who may be designated as a deputy secretary of transportation for operational purposes. The commissioner shall be appointed by the Governor pursuant to KRS 12.040 and shall be directly supervised by and responsible to the secretary.~~
- (2) The Department of Rural and Municipal Aid shall be responsible for the development and implementation of the Rural Secondary Program and such other functions as are assigned by

the secretary, except that the department shall not have jurisdiction over the County Road Aid Program or Municipal Road Aid Program unless an agreement initiated by a county or municipality is in effect.

- (2)~~(3)~~ The Department of Rural and Municipal Aid shall include an assistant state highway engineer for rural and municipal aid appointed pursuant to KRS Chapter 12 by the secretary upon the recommendation of the state highway engineer of the Department of Highways.

Section 3. KRS 174.020 is amended to read as follows:

- (1) The Transportation Cabinet~~[in addition to the departments set forth in KRS 174.015]~~ shall consist of the following *major* organizational units:

(a) *The Office of the Secretary, which shall include, but not be limited to:*

1. a. *The secretary to be appointed by the Governor under KRS 12.255; and*
- b. *The deputy secretary appointed under KRS 12.040;*

2. *The Railroad Commission shall be attached to the Office of the Secretary for administrative purposes;*

(b) *The Department of Highways, headed by a commissioner, appointed by the Governor under KRS 12.040 on the recommendation of the secretary;*

(c) *The Department of Vehicle Regulation, headed by a commissioner, appointed by the secretary with the approval of the Governor, under KRS 12.040;*

(d) *The Department of Rural and Municipal Aid, headed by a commissioner appointed by the Governor under KRS 12.040;*

(e) *The Department of Fiscal Management, headed by a commissioner appointed by the Governor under KRS 12.040;*

(f) *The Department of Administrative Services, headed by a commissioner appointed by the Governor under KRS 12.040;*

(g) *The Department of Human Resources Management, headed by a commissioner appointed by the Governor under KRS 12.040;*

(h) *The following offices, which shall be attached to the Office of the Secretary:*

1. *The Office of Public Affairs, headed by an executive director appointed under KRS 12.040;*

2. *The Office of Policy and Budget, headed by an executive director appointed under KRS 12.040;*

3. *The Office of Transportation Delivery, headed by an executive director appointed under KRS 12.040;*

4. *The Office of General Counsel and Legislative Affairs, headed by an executive director appointed under KRS 12.040;*

5. *The Office of Minority Affairs, headed by an executive director appointed under KRS 12.040;*

(i) *The following offices, which shall be attached to the Department of Highways;*

1. *The Office of Program Planning and Management, headed by an executive director appointed under KRS 12.040, who shall be a registered professional engineer under KRS Chapter 322, and known as the deputy state highway engineer for program planning and management;*
2. *The Office of Project Development, headed by an executive director appointed under KRS 12.040, who shall be a registered professional engineer under KRS Chapter 322, and who shall be known as the deputy state highway engineer for project development;*
3. *The Office of Construction and Operations, headed by an executive director appointed under KRS 12.040, who shall be a registered professional engineer under KRS Chapter 322, and who shall be known as the deputy state highway engineer for construction and operations;*
4. *The Office of Intermodal Programs, headed by an executive director appointed under KRS 12.040, who shall be a registered professional engineer under KRS Chapter 322, and who shall be known as the deputy state highway engineer for intermodal programs. The Kentucky Airport Zoning Commission established by KRS 183.861 shall be attached to the Division of Aeronautics within the Office of Intermodal Programs for administrative purposes; and*
5. *Highway District Offices One through Twelve, each district office to be headed by a chief highway district engineer, appointed by the secretary upon the recommendation of the commissioner and the state highway engineer, with the approval of the Governor*

~~[Office of the Secretary of Transportation comprised of the secretary of transportation, a deputy secretary for administration, a deputy secretary for legal affairs, and the Office of Environmental Affairs created by paragraph (h) of this subsection;~~

- ~~(b) Railroad Commission, attached to the Office of the Secretary for administrative purposes;~~
- ~~(c) Office of Public Affairs, headed by an executive director who shall serve as mediaspokesperson and shall be responsible for all matters relating to public relations and information;~~
- ~~(d) Office of General Counsel, headed by an executive director responsible for general office administration, and the general counsel who provides legal services for the cabinet;~~
- ~~(e) Office of Personnel Management, headed by an executive director who shall be responsible for the implementation of programs and practices for the recruitment, utilization, and management of cabinet personnel;~~
- ~~(f) Office of Minority Affairs, headed by an executive director who shall be responsible for the development and implementation of programs and procedures for assisting minorities in employment and contractual relations with the cabinet;~~
- ~~(g) Kentucky Airport Zoning Commission established by KRS 183.861, which shall be attached to the Division of Aeronautics;~~
- ~~(h) Office of Environmental Affairs, headed by an executive director who shall oversee all Transportation Cabinet environmental issues, activities, and programs; developing and~~

~~implementing policies; and procedures. The position of executive director is a policymaking position under the provisions of KRS 18A.175. The Office of Environmental Affairs may direct the Transportation Cabinet's environmental activities, associated personnel, and facilities when necessary to assure compliance with environmental laws and regulations; and~~

- ~~(i) Office of Policy and Budget, headed by an executive director who shall be responsible for administering the budget functions of the Transportation Cabinet].~~
- (2) ~~[The executive directors of the Offices of Public Affairs, General Counsel, Personnel Management, Minority Affairs, Environmental Affairs, and Policy and Budget shall be appointed by the secretary with the approval of the Governor pursuant to KRS 12.050.]~~ The positions of director in the Division of Fleet Management, Division of Professional Services, and Division of Environmental Analysis are policy-making positions *under* ~~[pursuant to]~~ KRS 18A.175.

Section 4. KRS 174.025 is amended to read as follows:

The executive director of the Office of General Counsel *and Legislative Affairs* may also serve as general counsel if so appointed pursuant to KRS 12.210. The Office of General Counsel *and Legislative Affairs* shall be directly responsible to the secretary and shall perform such duties as may be assigned by the secretary. The office shall consist of such ~~[attorney]~~ appointed pursuant to KRS 12.210 and such employees as necessary to perform the duties, responsibilities, and functions of the office.

Section 5. The General Assembly confirms Executive Order 98-1596, dated December 3, 1998, relating to the reorganization of the Transportation Cabinet to the extent not otherwise confirmed by this Act.

Section 6. The following KRS section is repealed:

174.015 Departments within the cabinet.

Approved March 6, 2000