

CHAPTER 13**(SB 182)**

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. Auditor of Public Accounts.

II. Program cabinets headed by appointed officers:

1. Justice and Public Safety Cabinet:
 - (a) Department of Kentucky State Police.
 - (b) Department of Criminal Justice Training.
 - (c) Department of Corrections.
 - (d) Department of Juvenile Justice.
 - (e) Office of the Secretary.
 - (f) Office of Drug Control Policy.
 - (g) Office of Legal Services.
 - (h) Office of the Kentucky State Medical Examiner.
 - (i) Parole Board.

- (j) Kentucky State Corrections Commission.
 - (k) Office of Legislative and Intergovernmental Services.
 - (l) Office of Management and Administrative Services.
 - (m) Office of Public Safety Training.
 - (n) Office of Investigations.
 - (o) Department of Kentucky Vehicle Enforcement.
 - (p) Department for Public Advocacy.
2. Education Cabinet:
- (a) Office of the Secretary.
 - (b) Office of Legal Services.
 - 1. Client Assistance Program.
 - (c) Office of Communication.
 - (d) Office of Legislative and Intergovernmental Affairs.
 - (e) Office of Budget and Administration.
 - 1. Division of Human Resources.
 - 2. Division of Administrative Services.
 - 3. Division of Technology Services.
 - (f) Board of Directors for the Center for School Safety.
 - (g) Council on Postsecondary Education.
 - 1. Foundation for Adult Education.
 - (h) Department of Education.
 - 1. Kentucky Board of Education.
 - (i) Department for Libraries and Archives.
 - (j) Department of Workforce Investment.
 - 1. Office for the Blind.
 - 2. Office of Vocational Rehabilitation.
 - 3. Office of Career and Technical Education.
 - 4. Office of Employment and Training.
 - (k) Foundation for Workforce Development.
 - (l) Kentucky Office for the Blind State Rehabilitation Council.
 - (m) Kentucky Technical Education Personnel Board.
 - (n) Kentucky Workforce Investment Board.
 - (o) Statewide Council for Vocational Rehabilitation.
 - (p) Statewide Independent Living Council.
 - (q) Unemployment Insurance Commission.
 - (r) Education Professional Standards Board.
 - 1. Division of Educator Preparation.
 - 2. Division of Certification.

3. Division of Professional Learning and Assessment.
4. Division of Legal Services.
- (s) Kentucky Commission on the Deaf and Hard of Hearing.
- (t) Kentucky Educational Television.
- (u) Kentucky Environmental Education Council.
3. Environmental and Public Protection Cabinet:
 - (a) Office of the Secretary.
 1. Office of Legislative and Intergovernmental Affairs.
 2. Office of Communications and Public Outreach.
 3. Office of Regulatory Affairs.
 4. Office of Legal Services.
 5. Office of Administrative and Information Services.
 6. Office of Administrative Hearings.
 7. Office of Inspector General.
 8. Mine Safety Review Commission.
 9. Workers' Compensation Board.
 10. Kentucky State Nature Preserves Commission.
 11. Kentucky Environmental Quality Commission.
 12. Kentucky Occupational Safety and Health Review Commission.
 - (b) Department for Environmental Protection.
 1. Office of the Commissioner.
 2. Division of Air Quality.
 3. Division of Water.
 4. Division of Environmental Services.
 5. Division of Waste Management.
 6. Division of Enforcement.
 7. Division of Compliance Assistance.
 - (c) Department for Natural Resources.
 1. Office of the Commissioner.
 2. Office of Technical and Administrative Support.
 3. Division of Mine Permits.
 4. Division of Mine Reclamation and Enforcement.
 5. Division of Abandoned Mine Lands.
 6. Division of Oil and Gas Conservation.
 7. Office of Mine Safety and Licensing.
 8. Division of Forestry.
 9. Division of Conservation.
 - (d) Department of Public Protection.

1. Office of the Commissioner.
 2. Division of Administrative Services.
 3. Crime Victims Compensation Board.
 4. Board of Claims.
 5. Board of Tax Appeals.
 6. Kentucky Boxing and Wrestling Authority.
 7. Kentucky Horse Racing Authority.
 8. Kentucky Public Service Commission.
 9. Office of Alcoholic Beverage Control.
 10. Office of Charitable Gaming.
 11. Office of Financial Institutions.
 12. Office of Housing, Buildings and Construction.
 13. Office of Insurance.
- (e) Department of Labor.
1. Office of the Commissioner.
 2. Office of Occupational Safety and Health.
 3. Office of Labor Management Relations and Mediation.
 4. Office of Workplace Standards.
 5. Office of Workers' Claims.
 6. Workers' Compensation Funding Commission.
 7. Kentucky Labor Management Advisory Council.
 8. Occupational Safety and Health Standards Board.
 9. Prevailing Wage Review Board.
 10. Kentucky Employees Insurance Association.
 11. Apprenticeship and Training Council.
 12. State Labor Relations Board.
 13. Workers' Compensation Advisory Council.
 14. Workers' Compensation Nominating Commission.
 15. Employers' Mutual Insurance Authority.
 16. Division of Administrative Services.
4. Transportation Cabinet:
- (a) Department of Highways.
1. ~~Office of Program Planning and Management.~~
 2. ~~Office of Project Development.~~
 - 2.~~3.~~ Office of ***Project Delivery and Preservation*** ~~[Construction and Operations].~~
 - 3.~~4.~~ Office of ***Highway Safety*** ~~[Intermodal Programs].~~
 - 4.~~5.~~ Highway District Offices One through Twelve.
- (b) Department of Vehicle Regulation.

- (c) ~~Department of Administrative Services.~~
 - ~~(d)~~ Department of Aviation.
 - (d) ~~(e)~~ Department of ***Rural and Municipal Aid*** ~~[Intergovernmental Programs]~~.
 - 1. Office of ***Local*** ~~[Transportation Enhancement]~~ Programs.
 - 2. Office of Rural and Secondary Roads.
 - (e) ~~(f)~~ Office of the Secretary.
 - 1. ~~Office of Legislative and Intergovernmental Affairs.~~
 - 2. Office of Public Affairs.
 - 2. ~~3.~~ ~~Office of Transportation Delivery.~~
 - 4. Office for ***Civil Rights and Small Business*** ~~[and Occupational]~~ Development.
 - 3. ~~5.~~ Office of Budget and Fiscal Management.
 - ~~6.~~ ~~Office of Legal Services.~~
 - 4. ~~7.~~ Office of Inspector General.
 - ~~8.~~ ~~Office of the Transportation Operations Center.~~
 - 9. ~~Office of Personnel Management.~~
 - (f) ***Office of Support Services.***
 - (g) ***Office of Transportation Delivery.***
 - (h) ***Office of Audits.***
 - (i) ***Office of Human Resource Management.***
 - (j) ***Office of Information Technology.***
 - (k) ***Office of Legal Services.***
5. Cabinet for Economic Development:
- (a) Office of Administration and Support.
 - (b) Department for New Business Development.
 - (c) Department of Financial Incentives.
 - (d) Department for Existing Business Development.
 - (e) Tobacco Research Board.
 - (f) Kentucky Economic Development Finance Authority.
 - (g) Office of Research and Information Technology.
 - (h) Department of Commercialization and Innovation.
 - (i) Office of Legal Services.
 - (j) Commission on Small Business Advocacy.
6. Cabinet for Health and Family Services:
- (a) Department for Public Health.
 - (b) Department for Medicaid Services.
 - (c) Department for Mental Health and Mental Retardation Services.
 - (d) Kentucky Commission for Children with Special Health Care Needs.
 - (e) Office of Health Policy.

- (f) Office of the Secretary.
 - (g) Office of Legal Services.
 - (h) Office of Inspector General.
 - (i) Office of Legislative and Public Affairs.
 - (j) Department for Community Based Services.
 - (k) Department for Disability Determination Services.
 - (l) Office of the Ombudsman.
 - (m) Department for Human Support Services.
 - (n) Kentucky Commission on Community Volunteerism and Service.
 - (o) Office of Fiscal Services.
 - (p) Office of Human Resource Management.
 - (q) Office of Technology.
 - (r) Office of Contract Oversight.
 - (s) Governor's Office of Wellness and Physical Activity.
 - (t) Department for Aging and Independent Living.
7. Finance and Administration Cabinet:
- (a) Office of General Counsel.
 - (b) Office of the Controller.
 - (c) Office of Administrative Services.
 - (d) Office of Public Information.
 - (e) Department for Facilities and Support Services.
 - (f) Department of Revenue.
 - (g) Commonwealth Office of Technology.
 - (h) State Property and Buildings Commission.
 - (i) Kentucky Savings Bond Authority.
 - (j) Office of Equal Employment Opportunity and Contract Compliance.
 - (k) Kentucky Employees Retirement Systems.
 - (l) Commonwealth Credit Union.
 - (m) State Investment Commission.
 - (n) Kentucky Housing Corporation.
 - (o) Kentucky Local Correctional Facilities Construction Authority.
 - (p) Kentucky Turnpike Authority.
 - (q) Historic Properties Advisory Commission.
 - (r) Kentucky Tobacco Settlement Trust Corporation.
 - (s) State Board for Proprietary Education.
 - (t) Kentucky Higher Education Assistance Authority.
 - (u) Kentucky River Authority.
 - (v) Kentucky Teachers' Retirement System Board of Trustees.

8. Commerce Cabinet:
- (a) Department of Tourism.
 - (1) Division of Tourism Services.
 - (2) Division of Marketing and Advertising.
 - (3) Division of Parks Marketing.
 - (b) Kentucky Department of Parks.
 - (1) Division of Information Technology.
 - (2) Division of Personnel and Payroll.
 - (3) Division of Financial Operations.
 - (4) Division of Facilities Management.
 - (5) Division of Facilities Maintenance.
 - (6) Division of Customer Services.
 - (7) Division of Recreation.
 - (8) Division of Golf Courses.
 - (9) Division of Food Services.
 - (10) Division of Rangers.
 - (11) Division of Eastern Parks.
 - (12) Division of Southern Parks.
 - (13) Division of Western Parks.
 - (c) Department of Fish and Wildlife Resources.
 - (1) Division of Law Enforcement.
 - (2) Division of Administrative Services.
 - (3) Division of Engineering.
 - (4) Division of Fisheries.
 - (5) Division of Information and Education.
 - (6) Division of Wildlife.
 - (7) Division of Public Affairs.
 - (d) Kentucky Horse Park.
 - (1) Division of Support Services.
 - (2) Division of Buildings and Grounds.
 - (3) Division of Operational Services.
 - (e) Kentucky State Fair Board.
 - (1) Division of Expositions and Admission.
 - (2) Division of Kentucky Fair and Exposition Center Operations.
 - (3) Division of Commonwealth Convention Center.
 - (4) Division of Public Relations and Media.
 - (5) Division of Administrative Services.
 - (6) Division of Personnel Management and Staff Development.

- (7) Division of Sales.
 - (8) Division of Security and Traffic Control.
 - (f) Office of the Secretary.
 - (g) Office of Finance and Administration.
 - (h) Office of Legal Affairs.
 - (i) Office of Intergovernmental Affairs.
 - (j) Office of Human Resources.
 - (k) Office of Public Affairs and Constituent Services.
 - (l) Office of Information Technology.
 - (m) Office of the Kentucky Sports Authority.
 - (1) Kentucky Sports Authority Board.
 - (n) Office of Creative Services.
 - (o) Office of Capital Plaza Operations.
 - (p) Office of Arts and Cultural Heritage.
 - (q) Kentucky African-American Heritage Commission.
 - (r) Kentucky Foundation for the Arts.
 - (s) Kentucky Humanities Council.
 - (t) Kentucky Heritage Council.
 - (u) Kentucky Arts Council.
 - (v) Kentucky Historical Society.
 - (1) Division of Museums.
 - (2) Division of Oral History and Educational Outreach.
 - (3) Division of Research and Publications.
 - (4) Division of Administration.
 - (w) Kentucky Center for the Arts.
 - (1) Division of Governor's School for the Arts.
 - (x) Kentucky Artisans Center at Berea.
 - (y) Martin Luther King Commission.
 - (z) Northern Kentucky Convention Center.
 - (aa) Eastern Kentucky Exposition Center.
9. Personnel Cabinet:
- (a) Office of the Secretary.
 - (b) Department for Personnel Administration.
 - (c) Office for Employee Relations.
 - (d) Kentucky Public Employees Deferred Compensation Authority.
 - (e) Office of Administrative Services.
 - (f) Office of Legal Services.
 - (g) Office of Government Training.

(h) Department for Employee Insurance.

III. Other departments headed by appointed officers:

1. Department of Military Affairs.
2. Governor's Office for Local Development.
3. Kentucky Commission on Human Rights.
4. Kentucky Commission on Women.
5. Department of Veterans' Affairs.
6. Kentucky Commission on Military Affairs.
7. Office of Minority Empowerment.
8. Governor's Council on Wellness and Physical Activity.

➔Section 2. KRS 12.040 is amended to read as follows:

- (1) The heads of departments shall have direction and control of their respective departments, and through their departments shall exercise the powers and perform the duties vested in the departments under their direction and control. Except as otherwise expressly provided by law, the heads of departments shall be appointed by the Governor for terms not exceeding four (4) years on the basis of their merit and fitness to perform the duties of their respective offices.
- (2) Each department head shall maintain a pattern of organization capable of receiving the attachment of administrative bodies that have functions related to the general function of his department.
- (3) Within the resources of his department, each department head shall provide administrative bodies in his department with such facilities and services as will enable those bodies to carry out the functions with which they are charged.
- (4) The heads of all departments shall exercise supervision over the personnel and financial records of their respective departments.
- (5) In case of a vacancy or in the absence or disability of the head of a department, the Governor may authorize the head of a division or other administrative officer to act as head of the department.
- (6) ***When required by statute to appoint the head of an office, the Governor shall appoint an executive director for a term not exceeding four (4) years on the basis of merit and fitness to perform the duties of the office.***

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

- (1) The Transportation Cabinet shall consist of the following major organizational units:
 - (a) The Office of the Secretary, which shall include, but not be limited to:
 1. The secretary to be appointed by the Governor under KRS 12.255; and
 2. The deputy secretary appointed under KRS 12.040;
 - (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. ***The Motor Vehicle Commission established in KRS 190.058 shall be attached to the Department of Vehicle Regulation for administrative purposes;***
 - (d) The Department of ***Rural and Municipal Aid***~~[Intergovernmental Programs]~~, headed by a commissioner appointed by the Governor under KRS 12.040. ***The Motor Vehicle Commission established in KRS 190.058 shall be attached to the Department of Vehicle Regulation for administrative purposes.***~~]~~
 - (e) The Department of Aviation, headed by a commissioner appointed by the Governor under KRS 12.040. The Kentucky Airport Zoning Commission established by KRS 183.861 shall be attached to the Department of Aviation for administrative purposes;

- (f) *The Office of Support Services, headed by an executive director appointed under KRS 12.040;*
- (g) *The Office of Transportation Delivery, headed by an executive director appointed under KRS 12.040;*
- (h) *The Office of Audits, headed by an executive director appointed under KRS 12.040;*
- (i) *The Office of Human Resource Management, headed by an executive director appointed under KRS 12.040;*
- (j) *The Office of Information Technology, headed by an executive director appointed under KRS 12.040;*
- (k) *The Office of Legal Services, headed by an executive director appointed under KRS 12.040*~~[The Department of Administrative Services, headed by a commissioner appointed by the Governor under KRS 12.040];~~

~~(l)(g)~~ 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 Budget and Fiscal Management, headed by an executive director appointed under KRS 12.040;
- 3.~~1~~ ~~The Office of Transportation Delivery, headed by an executive director appointed under KRS 12.040;~~
- 4.~~2~~ ~~The Office of Legislative and Intergovernmental Affairs, headed by an executive director appointed under KRS 12.040;~~
- 5.~~3~~ The Office for *Civil Rights and Small Business* ~~and Occupational~~ Development, headed by an executive director appointed under KRS 12.040; *and*
- 4.~~4~~ ~~The Office of Legal Services, headed by an executive director appointed under KRS 12.040;~~
- 7.~~5~~ The Office of Inspector General, headed by an executive director appointed under KRS 12.040;
- 8.~~6~~ ~~The Office of Transportation Operations Center, headed by an executive director appointed under KRS 12.040; and~~
- 9.~~7~~ ~~The Office of Personnel Management, headed by an executive director appointed under KRS 12.040;~~

~~(m)(h)~~ The following offices, which shall be attached to the Department of Highways:

- 1.~~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.~~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;
- 2.~~3~~ The Office of *Project Delivery and Preservation*~~[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 *project delivery and preservation*~~[construction and operations]~~;
- 3.~~4~~ The Office of *Highway Safety*~~[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]~~; and
- 4.~~5~~ Highway District Offices One through Twelve, each district office to be headed by *an executive director, also known as the*~~[a] chief~~~~[highway] district engineer~~, appointed *under KRS 12.040, who shall be a registered professional engineer under KRS Chapter 322*~~[by the secretary upon the recommendation of the commissioner and the state highway engineer, with the approval of the Governor]~~; and

(n)(i) The following offices, which shall be attached to the Department of *Rural and Municipal Aid*~~[Intergovernmental Programs]~~:

1. Office of *Local*~~[Transportation Enhancement]~~ Programs, headed by an executive director appointed under KRS 12.040; and
2. Office of Rural and Secondary Roads, headed by an executive director appointed under KRS 12.040.

(2) The *position*~~[positions]~~ of director in the~~[Division of Fleet Management, Division of Professional Services, and]~~ Division of Environmental Analysis *is*~~[are]~~ a~~[are]~~ policy-making *position*~~[positions]~~ under KRS 18A.175.

➔Section 4. KRS 174.016 is amended to read as follows:

- (1) The Office of Rural and Secondary Roads within the Department of *Rural and Municipal Aid*~~[Intergovernmental Programs]~~ 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) The Department of *Rural and Municipal Aid*~~[Intergovernmental Programs]~~ 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 5. KRS 174.040 is amended to read as follows:

The secretary shall have any and all necessary power and authority, subject to appropriate provisions of the statutes, to create such positions and to employ the necessary personnel in such positions to enable the secretary to perform the functions of the cabinet. The commissioner of the Department of Highways,~~[shall serve as chief deputy secretary of the cabinet.]~~ the commissioner of the Department of *Rural and Municipal Aid*~~[Intergovernmental Programs]~~ and the commissioner of the Department of Vehicle Regulation may be designated as deputy secretaries for operational purposes.

➔Section 6. KRS 174.057 is amended to read as follows:

The Transportation Cabinet shall have the responsibility of regulating railroads within the Commonwealth. The cabinet shall delegate *to the Division of Planning within the Department of Highways' Office of Project Development the powers necessary*~~[Intermodal Programs]~~ to carry out the provisions of this section. The secretary may employ such personnel as necessary to perform the duties, functions, and responsibilities associated with the regulation of railroads. The *division*~~[office]~~ shall have all the powers previously vested in the Kentucky Railroad Commission. The cabinet shall promulgate administrative regulations under KRS Chapter 13A to carry out the provisions of this section.

➔Section 7. KRS 174.135 is amended to read as follows:

The~~[executive]~~ director of the *Division of Incident Management within the Department of Highways' Office of Highway Safety*~~[the Transportation Operations Center]~~ shall be responsible for statewide transportation emergency and critical incident information and systems control. The~~[executive]~~ director:

- (1) Shall be directly responsible and report to the *executive director of the Office of Highway Safety*~~[secretary]~~; and
- (2) May, with the approval of the *executive director*~~[secretary]~~, employ the staff necessary to perform the duties, functions, and responsibilities of the *division*~~[office]~~.

➔Section 8. KRS 176.506 is amended to read as follows:

- (1) The Motorcycle Advisory Commission for Highway Safety shall be composed of seven (7) members, appointed as follows:
 - (a) One (1) representative of the Office of *Project Delivery and Preservation*~~[Construction and Operations]~~ within the Kentucky Transportation Cabinet's Department of Highways, appointed by the Governor;
 - (b) One (1) representative of the Office of Project Development within the Kentucky Transportation Cabinet's Department of Highways, appointed by the Governor;

- (c) One (1) representative of the Department of Kentucky State Police, appointed by the Governor;
 - (d) Two (2) representatives of the Kentucky Motorcycle Association, to be appointed by the Governor from a list of five (5) nominees selected by the association;
 - (e) One (1) member of the Kentucky Motorcycle Safety Education Advisory Commission, appointed by the Governor; and
 - (f) One (1) representative of the Kentucky Association of Highway Contractors, to be appointed by the Governor from a list of five (5) nominees selected by the association.
- (2) ~~Except for initial appointments as provided for in 2003 Ky. Acts ch. 122, sec. 3,]~~Members of the Motorcycle Advisory Commission for Highway Safety shall serve a term of four (4) years. Sitting members shall be eligible to succeed themselves.
- (3) Commission members shall receive no compensation for their services and shall not be compensated for expenses incurred from travel or in connection with the performance of their duties as commission members.
- (4) The commission shall elect its chair and vice chair from its membership.
- (5) The commission shall meet quarterly or upon the call of the chair or the request of the secretary of the Transportation Cabinet.
- (6) A majority of the members of the commission constitutes a quorum and the commission may make recommendations only at meetings where a quorum is present.
- (7) The commission shall keep a record of its meetings and recommendations.
- (8) For administrative purposes, the commission shall be attached to the ~~{Transportation Cabinet's}~~ Office of **Highway Safety within the Department of Highways**~~{the Secretary}~~.

➔Section 9. KRS 177.020 is amended to read as follows:

- (1) The state primary road system shall consist of such public roads and city streets within the state as the Department of Highways determines shall be established, constructed, or maintained by the Department of Highways.
- (2) The department shall, in its discretion, determine which public roads, or city streets, shall be established, constructed, or maintained by it, and shall determine the type of construction or maintenance for that road or city street.
- (3) In the establishment of the state primary road system, the Department of Highways is authorized to select new routes, deviate from an existing route whenever it deems such deviation proper, eliminate from the state primary system roads or city streets which have been replaced as proper part of the system by the construction of a new facility or the selection of a new route. No permanent ingress or egress ramp of the state primary road system on fully controlled access facilities shall be closed, except for repairs, unless a public hearing is first held in the area to be affected by the closing. The Department of Highways shall, at least twenty (20) days before the hearing, advertise in a newspaper of general circulation in the area to be affected by the closing, the date, time, and place of the hearing.
- (4) Prior to the advertisement for bids on any highway construction project, the Department of Highways shall meet with the fiscal court in the jurisdiction of the construction project for the purpose of advising the fiscal court of any state road or road segment which the department may seek to eliminate from the state primary road system upon completion of that highway construction project. The requirement of this subsection shall be in addition to the requirements of subsection (5) of this section.
- (5) The department shall notify the fiscal court of the county at least four (4) months before it eliminates a road, road segment, bridge, or street in that county from the state primary road system. Upon receiving notice, the fiscal court may reject title and notify the department that the road shall not become part of the county road system. If the fiscal court declines, the department shall give notice to all private persons entitled to a necessary access over this road of their rights under this chapter; and, by petition of any private party entitled to such access, the road shall be deemed a discontinued state road and shall be closed to public use but remain open in accordance with its condition and use for the access of the private parties involved. In the absence of such petition, title shall be transferred to the owner or owners of the tract or tracts of land to which the road originally belonged.

- (6) As used in this section, the term "rural secondary roads" shall mean ~~the~~^{such} system of roads in this state which are usually considered farm-to-market roads and that ~~are~~^{were} classified as part of the rural secondary road system by the Department of Highways ~~on January 1, 1986. By January 1, 1987, the Department of Intergovernmental Programs shall meet with the fiscal courts in each of the counties to receive recommendations regarding the transfer of roads, included as part of the county road system on January 1, 1986, to the rural secondary system. Prior to such meeting with the Department of Intergovernmental Programs, the fiscal court shall consult with the legislative bodies of municipalities within the county regarding their recommendations for the transfer of county roads located within the jurisdiction of the municipality. On July 1, 1987, the Transportation Cabinet shall by official order accept at least two thousand (2,000) miles of roads in the county road system into the rural secondary system. In accepting such roads into the rural secondary system, the Transportation Cabinet shall accept in each county at least seventy five percent (75%) of the total number of miles in each county determined by multiplying the total number of county road miles accepted in the rural secondary system by the percentage of county road aid funds received in each county in fiscal year 1984 85 compared to the total amount of county road aid funds generated in fiscal year 1984 85. The determination of the total funds received by each county from the county road aid program in fiscal year 1984 85 and the total amount of county road aid funds generated in fiscal year 1984 85 shall be made by the Department of Intergovernmental Programs].~~ The roads *in the rural secondary system* ~~so transferred~~ shall be maintained with the proceeds of the provisions of KRS 177.320(1) and in no case shall the rural secondary system, as defined in this subsection, be less than eleven thousand eight hundred (11,800) miles.
- (7) The establishment, construction, or maintenance of the state primary road system shall be under the direction and control of the Department of Highways. The commissioner of highways is authorized to adopt regulations necessary to the administration of this authority.

➔Section 10. KRS 177.330 is amended to read as follows:

- (1) At least once in each calendar year, the Department of *Rural and Municipal Aid* ~~Intergovernmental Programs~~, through a duly-authorized representative, shall consult with the fiscal courts of the various counties for the purpose of receiving recommendations from the fiscal courts for the selection of rural and secondary roads lying within the counties for construction, reconstruction, or maintenance under the Rural and Secondary Road Program as set forth in KRS 177.320(1). The Department of *Rural and Municipal Aid* ~~Intergovernmental Programs~~ may receive recommendations from any citizen on the selection of rural and secondary roads for construction, reconstruction, or maintenance under the Rural and Secondary Road Program. The Department of Highways shall notify each county fiscal court of the county roads that the department intends to construct, reconstruct, or maintain in accordance with the provisions of KRS Chapters 177 and 179.
- (2) Where the construction of a secondary or rural road through an incorporated town of the fifth or sixth class is necessary, as determined by the Department of *Rural and Municipal Aid* ~~Intergovernmental Programs~~, the road may be constructed, reconstructed, or maintained at the discretion of the Department of *Rural and Municipal Aid* ~~Intergovernmental Programs~~.

➔Section 11. KRS 177.340 is amended to read as follows:

If, within thirty (30) days after consulting with a fiscal court, the Department of *Rural and Municipal Aid* ~~Intergovernmental Programs~~ and the fiscal court ~~shall~~ fail to agree on the selection of any rural and secondary roads for construction, reconstruction, or maintenance under the Rural and Secondary Road Program, the department may proceed toward the construction, reconstruction, or maintenance of any road, which, in its discretion, is essential to a system of secondary highways. Rural and secondary roads ~~are~~ constructed, reconstructed, or maintained in accordance with *an* agreement between the affected county and the Department of *Rural and Municipal Aid* ~~Intergovernmental Programs~~, or selected for construction, reconstruction, or maintenance by the Department of *Rural and Municipal Aid* ~~Intergovernmental Programs~~, at its discretion, without agreement with the affected county, may become a part of the highway system of the Commonwealth of Kentucky at the discretion of the Department of Highways.

➔Section 12. KRS 177.350 is amended to read as follows:

The Department of *Rural and Municipal Aid* ~~Intergovernmental Programs~~ may promulgate administrative regulations pursuant to KRS Chapter 13A to establish standards for the construction, reconstruction, maintenance, and improvement of rural and secondary roads in the Commonwealth of Kentucky. The department shall conduct studies,

make surveys, prepare maps, employ personnel, and obtain equipment as may be necessary for the establishment and maintenance of an integrated system of secondary and rural roads in the Commonwealth of Kentucky.

➔Section 13. KRS 177.360 is amended to read as follows:

- (1) Except as provided in subsection (5) of this section, the Department of ***Rural and Municipal Aid***~~[Intergovernmental Programs]~~ shall allocate the funds set apart under KRS 177.320(1) for construction, reconstruction, and maintenance of state-maintained secondary and rural highways as follows:
 - (a) One-fifth (1/5) shall be apportioned equally among the one hundred twenty (120) counties.
 - (b) One-fifth (1/5) shall be apportioned among the one hundred twenty (120) counties on the basis of the ratio which the rural population of each county bears to the total rural population of the state. "Rural population" as used here means the population in a county outside cities, towns, and urban areas having a population of twenty-five hundred (2,500) or more as shown by the most recent decennial census of the United States Bureau of the Census, and county population shall be determined by the most recent decennial census of the United States Bureau of the Census.
 - (c) One-fifth (1/5) shall be apportioned among the one hundred twenty (120) counties on the basis of the ratio that the public road mileage outside of cities, towns, and urban areas having a population of twenty-five hundred (2,500) or more bears to the total mileage of such roads for the entire state.
 - (d) Two-fifths (2/5) shall be apportioned among the one hundred twenty (120) counties on the basis of the ratio which the square-mile rural area of the county bears to the total square-mile rural area of the state. "Rural area" as used here means that area of the county outside of cities, towns, and urban areas having a population of twenty-five hundred (2,500) or more and shown by the most recent decennial census of the United States Bureau of the Census.
- (2) A sum not exceeding six percent (6%) of the allocation provided by KRS 177.320(1) to each county shall be deducted at the beginning of each fiscal year and adjusted quarterly to cover the maintenance, administrative, engineering, and other costs of the program.
- (3) Of the total amount apportioned by the provisions of this section, a sum not exceeding six percent (6%) may be deducted and placed by the Department of ***Rural and Municipal Aid***~~[Intergovernmental Programs]~~ in a special emergency account to be expended at the direction of the commissioner to meet unforeseen emergencies on rural and secondary roads and bridges.
- (4) Apportionments as required by the provisions of this section shall be made on the basis of revenue estimates supplied by the Finance and Administration Cabinet and adjusted quarterly in accordance with the most recent revision of the estimates by the Finance and Administration Cabinet.
- (5) Any county eligible to receive county road aid moneys in accordance with KRS 177.320 and this section shall be required to submit a uniform financial information report to the Governor's Office for Local Development in accordance with KRS 65.905 before any payment of county road aid funds shall be made. The Governor's Office for Local Development shall notify the Department of ***Rural and Municipal Aid***~~[Intergovernmental Programs]~~ no later than March 1 annually of any county that has not submitted a uniform financial information report. The Department of ***Rural and Municipal Aid***~~[Intergovernmental Programs]~~ shall, upon notification by the Governor's Office for Local Development, immediately suspend all county road aid moneys to the county until the county complies with the provisions of KRS 65.900 to 65.925 and submits the uniform financial information report to the Governor's Office for Local Development. The Governor's Office for Local Development shall immediately notify the Department of ***Rural and Municipal Aid***~~[Intergovernmental Programs]~~ to reinstate county road aid moneys to any county affected by this subsection as soon as the county submits the uniform financial information report.

➔Section 14. KRS 179.400 is amended to read as follows:

- (1) The fiscal court of any county receiving state aid shall appropriate sufficient money to keep all county roads in the county in good repair and free from obstructions. The cost of all repairs and removals of obstruction shall be paid by the treasurer of the county upon the order of the fiscal court, and all bills for repairs or for removal of obstructions shall be verified by affidavit, and shall be certified to be correct by the county engineer.
- (2) The fiscal court of any county receiving state aid may, if it deems proper, enter into contract or cooperative agreement with the Department of ***Rural and Municipal Aid***~~[Intergovernmental Programs]~~ for the

construction, reconstruction and maintenance of county roads and bridges selected by the fiscal court. Any contract or cooperative agreement shall designate those roads which the department shall be required to construct, reconstruct or maintain and shall not be in excess of the projected county allotment for any one (1) fiscal year. The county shall not be responsible for payment to the department of any costs not specified with the contract or cooperative agreement.

➔Section 15. KRS 36.010 is amended to read as follows:

The Department of Military Affairs shall be attached to the Office of the Governor, have charge of and be responsible to the Governor for the proper functioning of the Kentucky National Guard, militia, and all other military or naval matters of the state, and shall consist of the following offices and divisions:

- (1) Office of Management and Administration, containing the:
 - (a) Division of Administrative Services;
 - (b) Division of Facilities;
 - (c) Bluegrass Station Division; *and*
 - (d) ~~Division of Air Transport; and~~
 - (e) Logistics Operations Division;
- (2) Division of Emergency Management;
- (3) Office of the Chief of Staff for Federal Army Guard;
- (4) Office of the Chief of Staff for Federal Air Guard;
- (5) Kentucky Guard Youth Challenge Division; and
- (6) Kentucky Civil Air Patrol.

In order to promote greater efficiency, economy, and improved administration, the divisional structure of the Department of Military Affairs may be changed, redesignated, or reorganized in accordance with KRS Chapter 12. Notwithstanding KRS Chapter 12, the department's attachment to the Office of Governor as a separate organizational unit not attached to any cabinet shall not be changed except by action of the General Assembly.

➔Section 16. KRS 36.400 is repealed, reenacted as a new section of KRS Chapter 174, and amended to read as follows:

As used in *Sections 16 to 21 of this Act* ~~[KRS 36.400 to 36.425]~~, unless the context otherwise requires:

- (1) "**Department**" means the **Department of Aviation** ~~[Division of Air Transport" includes the Capital City Airport];~~
- (2) "State aircraft" means aircraft owned by the Commonwealth, leased by the Commonwealth, or otherwise under the control of the Commonwealth and administratively assigned to the **department** ~~[Division of Air Transport].~~ It shall also include air charters by the **department** ~~[division].~~ However, this shall not include or apply to any and all aircraft assigned to, owned, leased, operated, or controlled by the Department of Kentucky State Police, or otherwise under the control or direction of the Department of Kentucky State Police. The operation, maintenance, scheduling, and care of Department of Kentucky State Police aircraft shall not be included under or affected by *Sections 16 to 21 of this Act* ~~[KRS 36.400 to 36.425];~~ and
- (3) "Official business" means any activity involving travel in a state aircraft if the activity is reasonably required, expected, or appropriate, considering the nature of the using public official's job responsibilities. The activities shall include but not be limited to attendance by officials at nonpartisan ceremonial functions and events where their appearance is normally expected by virtue of their office or where official representation of the Commonwealth is otherwise appropriate, and to nonpolitical flights by the Governor and members of his immediate family when accompanying or representing him.

➔Section 17. KRS 36.405 is repealed, reenacted as a new section of KRS Chapter 174, and amended to read as follows:

- (1) The **commissioner of the department**~~[Adjutant General of Kentucky, as executive head of the Department of Military Affairs,]~~ shall be responsible for overall policy development and supervision of the ~~[Division of Air Transport and]~~ Capital City Airport **Division**.
- (2) A division director shall head the **Capital City Airport** Division~~[of Air Transport]~~ within the Department of **Aviation**~~[Military Affairs]~~.
- ~~{(3) The division director shall be responsible for the management and administration of the Division of Air Transport and the Capital City Airport.}~~

➔Section 18. KRS 36.410 is repealed, reenacted as a new section of KRS Chapter 174, and amended to read as follows:

- (1) The functions of the **Capital City Airport** Division~~[of Air Transport]~~ shall be to:
 - (a) Manage and operate the Capital City Airport;
 - (b) Oversee the maintenance and care of all state aircraft;
 - (c) Control the scheduling and operational use of state aircraft, including air charters; and
 - (d) Collect from using agencies and officers the costs of operating state aircraft, including air charters.
- (2) Subject to the approval of the **department**~~[Adjutant General]~~ and in accordance with applicable state and federal statutes and regulations, the **Capital City Airport** Division shall promulgate administrative regulations under KRS Chapter 13A to:
 - (a) Establish user fees to be paid by users of the services and facilities of the Capital City Airport for charges including, but not limited to, hangar fees, tie-down fees, fuel, and aircraft supplies; and
 - (b) Establish fees for the usage of state aircraft.

➔Section 19. KRS 36.415 is repealed, reenacted as a new section of KRS Chapter 174, and amended to read as follows:

- (1) Except as provided in subsection (2) of this section, state aircraft, including air charters, shall be used only for official business.
- (2) State aircraft shall not be used for personal business, except when the Governor or Lieutenant Governor, for reasons of security, protocol, ceremonial functions, or overall demands of time, require travel considerations not accorded to other officials. In recognition of these realities, flights that may be solely for personal business, or partly for official business or partly for personal business, may be scheduled for the Governor or the Lieutenant Governor and their immediate families.
 - (a) The cost of flights scheduled solely for personal business of the Governor or Lieutenant Governor shall be charged to that officer in accordance with the rate schedule set forth in the administrative regulations authorized by **Section 18 of this Act**~~[KRS 36.410]~~.
 - (b) If a particular flight is in part official business and part personal business, the Governor or the Lieutenant Governor shall make a reasonable allocation of the flight time between official and personal business and be responsible for paying with nonstate funds to the **Capital City Airport** Division~~[of Air Transport]~~ the charge for the part of the flight that is allocable to personal business. The rate charged shall be calculated using costs that would be considered in a rate developed by a commercial air charter company. In these cases, the allocation made and the basis for the allocation shall be indicated on the aircraft request form.
- (3) Constitutional officers, other elected state officials, members of the General Assembly, officers and employees of the cabinets, departments, and agencies of state government, officers and employees of other governmental units, and other persons traveling under the auspices of a state agency or in connection with state business deemed desirable by an agency head, including dependents of state officials, and news media representatives and other persons having an interest in the official purpose of the trip may be authorized to use state aircraft. Charges for travel in state aircraft shall be paid by the requesting state agency in accordance with the rate schedule established in administrative regulations authorized by **Section 18 of this Act**~~[KRS 36.410]~~.

➔Section 20. KRS 36.420 is repealed, reenacted as a new section of KRS Chapter 174, and amended to read as follows:

- (1) All requests for use of state aircraft shall be approved in advance by the:
 - (a) Constitutional officer;
 - (b) Program cabinet secretary or his designee in writing;
 - (c) For the judicial branch, the Chief Justice of the Supreme Court or the director of the Administrative Office of the Courts; or
 - (d) For the legislative branch, the co-chairs of the Legislative Research Commission or the director of the Legislative Research Commission.
- (2) Verbal requests for state aircraft transportation may be honored. However, all requests for state aircraft shall be provided in writing to the *Capital City Airport* Division within five (5) working days of the date of the flight.
- (3) Approving officials shall be responsible for determining that a trip is for official business, that use of state aircraft is the most appropriate means of transportation, and that the proposed passenger complement conforms to the requirements of *subsection (3) of Section 19 of this Act* ~~[KRS 36.415(3)]~~. In determining the passenger complement, requesting agencies shall weigh the benefit to the agency of the inclusion of additional passengers against the increased costs that might be incurred if a larger aircraft is required to accommodate additional passengers on a trip.
- (4) All requests for use of state aircraft shall be submitted on a form prescribed by the *Capital City Airport* Division ~~[of Air Transport]~~ and shall contain at a minimum the following information:
 - (a) Cabinet or agency name;
 - (b) Department name with appropriate billing account number;
 - (c) Purpose of the trip;
 - (d) Destination, including any planned stopovers and the reason for them;
 - (e) Names of all passengers on the flight; and
 - (f) Identification of any percentage of the flight that is for personal business in cases of the Governor or Lieutenant Governor as allowed under *Section 19 of this Act* ~~[KRS 36.415]~~.

➔Section 21. KRS 36.425 is repealed, reenacted as a new section of KRS Chapter 174, and amended to read as follows:

- (1) The *Capital City Airport* Division ~~[of Air Transport]~~ shall arrange for all trips and maintain flight cards, passenger manifests, payment documents, and interaccount bills pertaining to each flight.
- (2) Pilots for all state agencies shall maintain a flight manifest for all flights which shall include the passengers' names, information pertaining to points of origin and destination, and any side trips or stopovers for each flight.
- (3) The *Capital City Airport* Division ~~[of Air Transport]~~ shall maintain original manifests for all trips using state aircraft.
- (4) Originals of requests for the use of state aircraft shall be kept by the *Capital City Airport* Division ~~[of Air Transport]~~, with the following exceptions:
 - (a) The Governor and Lieutenant Governor shall maintain originals of all requests for the use of state aircraft made by their respective offices; and
 - (b) In cases where the secretary of the Cabinet for Economic Development has certified in an aircraft request that disclosure of the identities of passengers or the purpose of a trip will violate needs for confidentiality required for economic development efforts, the secretary of the Cabinet for Economic Development shall maintain complete original records of the request in his office.

➔SECTION 22. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO READ AS FOLLOWS:

As used in this chapter, "cabinet" means the Transportation Cabinet.

➔Section 23. In order to reflect the reorganization effectuated by this Act, the reviser of statutes shall replace references in the Kentucky Revised Statutes to the agencies, subagencies, and officers affected by this Act with references to the appropriate successor agencies, subagencies, and officers established by this Act. The reviser of statutes shall base these actions on the functions assigned to the new entities by this Act and may consult with officers of the affected agencies, or their designees, to receive suggestions.

➔Section 24. Notwithstanding the provisions of KRS 12.028, the General Assembly confirms Executive Order 2008-529, dated June 16, 2008 and Executive Order 2008-510, dated June 9, 2008, to the extent that they are not otherwise confirmed or superseded by this Act.

➔Section 25. (1) It is the intent of the General Assembly that the repeal and reenactment of statutes in the Act shall not serve to void amendments made to these sections by other bills enacted during the 2009 Regular Session of the Kentucky General Assembly, regardless of whether this Act is enacted before or after those other Acts.

(2) Notwithstanding KRS 446.100 or 446.260 or any other statute to the contrary, the reviser of statutes shall give force and effect to other 2009 Acts that amend one or more sections contained in this Act, and shall codify those amendments in accordance with KRS 446.250 and other applicable rules of codification.

Signed by the Governor March 17, 2009.