

CHAPTER 83

(HB 299)

AN ACT relating to the reorganization of the Workers' Compensation Nominating Commission.

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

➔Section 1. KRS 342.213 is amended to read as follows:

- (1) The Governor shall make all appointments to the board, and appoint the administrative law judges and the commissioner of the Department of Workers' Claims, subject to the consent of the Senate in accordance with KRS 11.160, and in accordance with this section, KRS 342.215, 342.228, and 342.230 by choosing from names presented to him or her by the Workers' Compensation Nominating *Committee*~~{Commission}~~.
- (2) The Workers' Compensation Nominating *Committee*~~{Commission}~~ shall consist of *five* (5)~~{seven (7)}~~ members appointed by the Governor as follows:
 - (a) ~~{Two (2) members shall be attorneys experienced in the practice of workers' compensation, one (1) of whom customarily represents claimants, and one (1) of whom customarily represents employers. Both shall serve terms of two (2) years, but their successors shall be appointed to terms of four (4) years;}~~
 - ~~(b) —~~1. One (1) member of the political party having the largest number of registered voters and one (1) member of the political party having the second largest number of registered voters shall serve a term of *two* (2)~~{three (3)}~~ years;~~{and}~~
 2. *One (1) member of the political party having the largest number of registered voters shall serve a term of three (3) years; and*~~{Two (2) members of the political party having the largest number of registered voters and one (1) member of the political party having the second largest number of registered voters shall serve a term of four (4) years.}~~
 3. Thereafter, *upon the expiration of a term,*~~{as each term expires}~~, the vacancy ~~{so}~~ created shall be filled by an appointee from the same political party for a term of four (4) years; *and*
 - (b) 1. *Two (2) members who shall be attorneys with experience in the practice of workers' compensation, one (1) who customarily represents claimants and one (1) who customarily represents employers, each of whom shall serve a term of four (4) years; and*
 2. *Thereafter, upon expiration of a term, the vacancy shall be filled by an appointee who meets the same required qualifications or criteria who shall serve a term of four (4) years;*
 - (c) Appointments to fill the unexpired term of a member *due to the resignation of a member, removal of a member pursuant to KRS 63.080, or any other reason* shall be for the remainder of the term, *and the new appointee shall meet the same required qualifications or criteria as stated in this section;* and
 - (d) *At the first meeting of each calendar year,* the members shall~~{annually}~~ select a chairman of the nominating *committee who shall serve as chairman for the duration of that calendar year*~~{commission}~~.
- (3) Notwithstanding the provisions of subsection (2) of this section, at least *two* (2)~~{three (3)}~~ members of the Workers' Compensation Nominating *Committee*~~{Commission}~~ shall be individuals who directly derive no earned income from the workers' compensation program. In order to satisfy the requirement of this subsection, the Governor ~~shall~~~~{may}~~ remove any existing member of the Workers' Compensation Nominating *Committee who directly derives earned income from the workers' compensation program*~~{Commission}~~ and replace that member with an individual who does not derive earned income from the workers' compensation program.~~{On or before March 1, 1997, the Governor shall submit to the Senate a list of the members of the commission identifying the positions they fill and the terms they shall serve in accordance with the provisions of this section.}~~
- (4) The commissioner shall monitor the workload of the administrative law judges and, whenever a vacancy occurs, determine whether filling the position is necessary to expeditious resolution of claims brought under this chapter. One hundred twenty (120) days prior to the expiration of the terms of the administrative law judges, and when a vacancy occurs under other circumstances, the commissioner shall certify to the Workers'

Compensation Nominating ~~Committee~~~~Commission~~ that filling the position is necessary and the Workers' Compensation Nominating ~~Committee~~~~Commission~~ shall act to fill only such positions as have been certified as necessary by the commissioner.

- (5) (a) The Workers' Compensation Nominating ~~Committee~~~~Commission~~ shall consult with the commissioner, chief administrative law judge, and a member of the Workers' Compensation Board as to the performance in office of the administrative law judges. The Workers' Compensation Nominating ~~Committee~~~~Commission~~ may recommend retention of any sitting administrative law judge, or present to the Governor the names of three (3) qualified individuals nominated for the position. The Workers' Compensation Nominating ~~Committee~~~~Commission~~ shall report its recommendation for retention to the Governor no later than thirty (30) days after receipt from the commissioner of certification of the necessity to fill the position and shall render to the Governor its list of nominees to fill vacancies within sixty (60) days of receipt of the commissioner's certification. The name of an individual who has been rejected by the Governor when recommended for retention shall not be presented thereafter as a nominee for the same position. No sitting administrative law judge shall be nominated to fill more than one (1) vacancy except for separate vacancies as an administrative law judge.
- (b) Within thirty (30) days of receipt of the recommendation, the Governor may reject recommendations of retention, in which event the Workers' Compensation Nominating ~~Committee~~~~Commission~~ shall, within thirty (30) days, reconvene and present a list of the names of three (3) nominees for each position for which a recommendation for retention has been rejected by the Governor.
- (6) The Governor shall appoint the commissioner of the Department of Workers' Claims from a list of three (3) names submitted by the nominating ~~committee~~~~commissioner~~. The list submitted to the Governor shall contain names of individuals who meet the qualifications and requirements contained in KRS 342.228. The commissioner shall be subject to Senate confirmation in accordance with KRS 11.160.
- (7) (a) The Governor shall appoint the members of the Workers' Compensation Board. The nominating ~~committee~~~~commissioner~~ shall present to the Governor a list of three (3) candidates for appointment to the board no later than thirty (30) days prior to the expiration of a board member's term. For the purpose of filling vacancies on the board which occur for reasons other than an expiration of term, the nominating ~~committee~~~~commissioner~~ shall present a list of three (3) names to the Governor no later than sixty (60) days after a vacancy occurs.
- (b) If the Governor fails to appoint a member of the board within thirty (30) days following receipt of a list of names from the nominating ~~committee~~~~commissioner~~, the previous appointee may remain in the position until the ninetieth day following the date the nominating ~~committee~~~~commissioner~~ provided the Governor with its list of names, at which time he or she shall vacate the position.
- (8) (a) The nominating ~~committee~~~~commissioner~~ shall meet as often as necessary to perform its *statutory* responsibilities, ***including but not limited to the mandates enumerated in this section, and a majority of the members shall constitute a quorum for the transaction of business;*** and
- (b) The members shall be reimbursed from funds collected pursuant to KRS 342.122 for necessary expenses in the manner and amounts prescribed for state employees by KRS 45.101 and the administrative regulations promulgated under the authority of that statute. ~~Members; In addition, each member~~ of the nominating ~~committee~~~~commissioner~~ shall ***not be paid for their attendance at any meeting*** ~~[at a rate of one hundred dollars (\$100) per day for each meeting attended, and these expenses shall be financed from funds collected pursuant to KRS 342.122].~~

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

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

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

- (1) The Governor.
 - (2) Lieutenant Governor.
 - (3) Department of State.
 - (a) Secretary of State.
 - (b) Board of Elections.
 - (c) Registry of Election Finance.
 - (4) Department of Law.
 - (a) Attorney General.
 - (5) Department of the Treasury.
 - (a) Treasurer.
 - (6) Department of Agriculture.
 - (a) Commissioner of Agriculture.
 - (b) 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) Department for Public Advocacy.
 - (2) Education and Workforce Development Cabinet:
 - (a) Office of the Secretary.
 1. Governor's Scholars Program.
 2. Governor's School for Entrepreneurs Program.
 - (b) Office of Legal and Legislative Services.
 1. Client Assistance Program.
 - (c) Office of Communication.
 - (d) Office of Budget and Administration.
 1. Division of Human Resources.

2. Division of Administrative Services.
- (e) Office of Technology Services.
- (f) Office of Educational Programs.
- (g) Office for Education and Workforce Statistics.
- (h) Board of the Kentucky Center for Education and Workforce Statistics.
- (i) Board of Directors for the Center for School Safety.
- (j) Department of Education.
 1. Kentucky Board of Education.
 2. Kentucky Technical Education Personnel Board.
- (k) Department for Libraries and Archives.
- (l) Department of Workforce Investment.
 1. Office for the Blind.
 2. Office of Vocational Rehabilitation.
 3. Office of Employment and Training.
 - a. Division of Grant Management and Support.
 - b. Division of Workforce and Employment Services.
 - c. Division of Unemployment Insurance.
- (m) Foundation for Workforce Development.
- (n) Kentucky Office for the Blind State Rehabilitation Council.
- (o) Kentucky Workforce Investment Board.
- (p) Statewide Council for Vocational Rehabilitation.
- (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) Energy and Environment Cabinet:
 - (a) Office of the Secretary.
 1. Office of Legislative and Intergovernmental Affairs.
 2. Office of General Counsel.
 3. Office of Administrative Hearings.
 4. Mine Safety Review Commission.
 5. Kentucky State Nature Preserves Commission.
 6. Kentucky Environmental Quality Commission.
 7. Kentucky Public Service Commission.

- (b) Department for Environmental Protection.
 - 1. Office of the Commissioner.
 - 2. Division for Air Quality.
 - 3. Division of Water.
 - 4. Division of Environmental Program Support.
 - 5. Division of Waste Management.
 - 6. Division of Enforcement.
 - 7. Division of Compliance Assistance.
- (c) Department for Natural Resources.
 - 1. Office of the Commissioner.
 - 2. Division of 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.
 - 7. Division of Mine Safety.
 - 8. Division of Forestry.
 - 9. Division of Conservation.
 - 10. Office of the Reclamation Guaranty Fund.
 - 11. Kentucky Mining Board.
- (d) Department for Energy Development and Independence.
 - 1. Division of Efficiency and Conservation.
 - 2. Division of Renewable Energy.
 - 3. Division of Biofuels.
 - 4. Division of Energy Generation Transmission and Distribution.
 - 5. Division of Carbon Management.
 - 6. Division of Fossil Energy Development.
- (4) Public Protection Cabinet.
 - (a) Office of the Secretary.
 - 1. Office of Communications and Public Outreach.
 - 2. Office of Legal Services.
 - a. Insurance Legal Division.
 - b. Charitable Gaming Legal Division.
 - c. Alcoholic Beverage Control Legal Division.
 - d. Housing, Buildings and Construction Legal Division.
 - e. Financial Institutions Legal Division.
 - (b) Crime Victims Compensation Board.
 - (c) Board of Claims.

- (d) Kentucky Board of Tax Appeals.
- (e) Kentucky Boxing and Wrestling Authority.
- (f) Kentucky Horse Racing Commission.
 - 1. Division of Licensing.
 - 2. Division of Incentives and Development.
 - 3. Division of Veterinary Services.
 - 4. Division of Security and Enforcement.
- (g) Department of Alcoholic Beverage Control.
 - 1. Division of Distilled Spirits.
 - 2. Division of Malt Beverages.
 - 3. Division of Enforcement.
- (h) Department of Charitable Gaming.
 - 1. Division of Licensing and Compliance.
 - 2. Division of Enforcement.
- (i) Department of Financial Institutions.
 - 1. Division of Depository Institutions.
 - 2. Division of Non-Depository Institutions.
 - 3. Division of Securities.
- (j) Department of Housing, Buildings and Construction.
 - 1. Division of Fire Prevention.
 - 2. Division of Plumbing.
 - 3. Division of Heating, Ventilation, and Air Conditioning.
 - 4. Division of Building Code Enforcement.
- (k) Department of Insurance.
 - 1. Property and Casualty Division.
 - 2. Health and Life Division.
 - 3. Division of Financial Standards and Examination.
 - 4. Division of Agent Licensing.
 - 5. Division of Insurance Fraud Investigation.
 - 6. Consumer Protection Division.
 - 7. Division of Kentucky Access.
- (l) Office of Occupations and Professions.
- (5) Labor Cabinet.
 - (a) Office of the Secretary.
 - 1. Division of Management Services.
 - 2. Office of General Counsel.
 - (b) Office of General Administration and Program Support for Shared Services.
 - 1. Division of Human Resource Management.
 - 2. Division of Fiscal Management.

3. Division of Budgets.
4. Division of Information Services.
- (c) Office of Inspector General for Shared Services.
- (d) Department of Workplace Standards.
 1. Division of Employment Standards, Apprenticeship, and Mediation.
 2. Division of Occupational Safety and Health Compliance.
 3. Division of Occupational Safety and Health Education and Training.
 4. Division of Workers' Compensation Funds.
- (e) Department of Workers' Claims.
 1. Office of General Counsel for Workers' Claims.
 2. Office of Administrative Law Judges.
 3. Division of Claims Processing.
 4. Division of Security and Compliance.
 5. Division of Information and Research.
 6. Division of Ombudsman and Workers' Compensation Specialist Services.
 7. Workers' Compensation Board.
 8. Workers' Compensation Advisory Council.†
 - ~~9. Workers' Compensation Nominating Commission.‡~~
- (f) Workers' Compensation Funding Commission.
- (g) Kentucky Labor-Management Advisory Council.
- (h) Occupational Safety and Health Standards Board.
- (i) Prevailing Wage Review Board.
- (j) Apprenticeship and Training Council.
- (k) State Labor Relations Board.
- (l) Employers' Mutual Insurance Authority.
- (m) Kentucky Occupational Safety and Health Review Commission.
- (n) ***Workers' Compensation Nominating Committee.***
- (6) Transportation Cabinet:
 - (a) Department of Highways.
 1. Office of Project Development.
 2. Office of Project Delivery and Preservation.
 3. Office of Highway Safety.
 4. Highway District Offices One through Twelve.
 - (b) Department of Vehicle Regulation.
 - (c) Department of Aviation.
 - (d) Department of Rural and Municipal Aid.
 1. Office of Local Programs.
 2. Office of Rural and Secondary Roads.

- (e) Office of the Secretary.
 - 1. Office of Public Affairs.
 - 2. Office for Civil Rights and Small Business Development.
 - 3. Office of Budget and Fiscal Management.
 - 4. Office of Inspector General.
 - (f) Office of Support Services.
 - (g) Office of Transportation Delivery.
 - (h) Office of Audits.
 - (i) Office of Human Resource Management.
 - (j) Office of Information Technology.
 - (k) Office of Legal Services.
- (7) Cabinet for Economic Development:
- (a) Office of the Secretary.
 - 1. Office of Legal Services.
 - 2. Department for Business Development.
 - a. Office of Entrepreneurship.
 - i. Commission on Small Business Advocacy.
 - b. Office of Research and Public Affairs.
 - c. Bluegrass State Skills Corporation.
 - 3. Office of Financial Services.
 - a. Kentucky Economic Development Finance Authority.
 - b. Division of Finance and Personnel.
 - c. Division of Network Administration.
 - d. Compliance Division.
 - e. Incentive Assistance Division.
- (8) Cabinet for Health and Family Services:
- (a) Office of the Secretary.
 - (b) Office of Health Policy.
 - (c) Office of Legal Services.
 - (d) Office of Inspector General.
 - (e) Office of Communications and Administrative Review.
 - (f) Office of the Ombudsman.
 - (g) Office of Policy and Budget.
 - (h) Office of Human Resource Management.
 - (i) Office of Administrative and Technology Services.
 - (j) Department for Public Health.
 - (k) Department for Medicaid Services.
 - (l) Department for Behavioral Health, Developmental and Intellectual Disabilities.
 - (m) Department for Aging and Independent Living.

- (n) Department for Community Based Services.
 - (o) Department for Income Support.
 - (p) Department for Family Resource Centers and Volunteer Services.
 - (q) Kentucky Commission on Community Volunteerism and Service.
 - (r) Kentucky Commission for Children with Special Health Care Needs.
 - (s) Governor's Office of Electronic Health Information.
- (9) 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) Office of Policy and Audit.
 - (f) Department for Facilities and Support Services.
 - (g) Department of Revenue.
 - (h) Commonwealth Office of Technology.
 - (i) State Property and Buildings Commission.
 - (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) Kentucky Higher Education Assistance Authority.
 - (t) Kentucky River Authority.
 - (u) Kentucky Teachers' Retirement System Board of Trustees.
 - (v) Executive Branch Ethics Commission.
- (10) Tourism, Arts and Heritage Cabinet:
- (a) Kentucky Department of Travel and Tourism.
 - 1. Division of Tourism Services.
 - 2. Division of Marketing and Administration.
 - 3. Division of Communications and Promotions.
 - (b) Kentucky Department of Parks.
 - 1. Division of Information Technology.
 - 2. Division of Human Resources.
 - 3. Division of Financial Operations.

4. Division of Facilities Management.
 5. Division of Facilities Maintenance.
 6. Division of Customer Services.
 7. Division of Recreation.
 8. Division of Golf Courses.
 9. Division of Food Services.
 10. Division of Rangers.
 11. Division of Resort Parks.
 12. Division of Recreational Parks and Historic Sites.
- (c) Department of Fish and Wildlife Resources.
1. Division of Law Enforcement.
 2. Division of Administrative Services.
 3. Division of Engineering.
 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. Office of Administrative and Information Technology Services.
 2. Office of Human Resources and Access Control.
 3. Division of Expositions.
 4. Division of Kentucky Exposition Center Operations.
 5. Division of Kentucky International Convention Center.
 6. Division of Public Relations and Media.
 7. Division of Venue Services.
 8. Division of Personnel Management and Staff Development.
 9. Division of Sales.
 10. Division of Security and Traffic Control.
 11. Division of Information Technology.
 12. Division of the Louisville Arena.
 13. Division of Fiscal and Contract Management.
 14. Division of Access Control.
- (f) Office of the Secretary.
1. Office of Finance.
 2. Office of Research and Administration.

3. Office of Governmental Relations and Tourism Development.
 4. Office of the Sports Authority.
 5. Kentucky Sports Authority.
- (g) Office of Legal Affairs.
 - (h) Office of Human Resources.
 - (i) Office of Public Affairs and Constituent Services.
 - (j) Office of Creative Services.
 - (k) Office of Capital Plaza Operations.
 - (l) Office of Arts and Cultural Heritage.
 - (m) Kentucky African-American Heritage Commission.
 - (n) Kentucky Foundation for the Arts.
 - (o) Kentucky Humanities Council.
 - (p) Kentucky Heritage Council.
 - (q) Kentucky Arts Council.
 - (r) 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.
 - (s) Kentucky Center for the Arts.
 1. Division of Governor's School for the Arts.
 - (t) Kentucky Artisans Center at Berea.
 - (u) Northern Kentucky Convention Center.
 - (v) Eastern Kentucky Exposition Center.
- (11) Personnel Cabinet:
- (a) Office of the Secretary.
 - (b) Department of Human Resources Administration.
 - (c) Office of Employee Relations.
 - (d) Kentucky Public Employees Deferred Compensation Authority.
 - (e) Office of Administrative Services.
 - (f) Office of Legal Services.
 - (g) Governmental Services Center.
 - (h) Department of Employee Insurance.
 - (i) Office of Diversity and Equality.
 - (j) Center of Strategic Innovation.
- III. Other departments headed by appointed officers:
- (1) Council on Postsecondary Education.
 - (2) Department of Military Affairs.

- (3) Department for Local Government.
- (4) Kentucky Commission on Human Rights.
- (5) Kentucky Commission on Women.
- (6) Department of Veterans' Affairs.
- (7) Kentucky Commission on Military Affairs.
- (8) Office of Minority Empowerment.
- (9) Governor's Council on Wellness and Physical Activity.

➔Section 3. KRS 336.015 is amended to read as follows:

- (1) The secretary of the Labor Cabinet shall have the duties, responsibilities, power, and authority relating to labor, wages and hours, occupational safety and health of employees, child labor, apprenticeship, workers' compensation, and all other matters previously under the jurisdiction of the Department of Labor.
- (2) The Labor Cabinet shall consist of the Office of the Secretary, the Department of Workers' Claims, and the Department of Workplace Standards.
- (3) The following agencies are attached to the cabinet for administrative purposes only:
 - (a) Kentucky Labor-Management Advisory Council;
 - (b) Kentucky Occupational Safety and Health Review Commission;
 - (c) State Labor Relations Board;
 - (d) Workers' Compensation Funding Commission;
 - (e) Occupational Safety and Health Standards Board;
 - (f) Prevailing Wage Review Board;
 - (g) Apprenticeship and Training Council;
 - (h) Employers' Mutual Insurance Authority;
 - (i) Office of General Administration and Program Support for Shared Services, which shall be headed by an executive director appointed by the Governor in accordance with KRS 12.040 upon recommendation from the secretaries of the Energy and Environment Cabinet, the Labor Cabinet, and the Public Protection Cabinet. The office is composed of the following divisions:
 - 1. Division of Human Resource Management;
 - 2. Division of Fiscal Management;
 - 3. Division of Budgets; and
 - 4. Division of Information Services; and
 - (j) Office of Inspector General for Shared Services, which shall be headed by an executive director appointed by the Governor in accordance with KRS 12.040 upon recommendation from the secretaries of the Energy and Environment Cabinet, the Labor Cabinet, and the Public Protection Cabinet.
 - (k) ***Workers' Compensation Nominating Committee.***

➔Section 4. KRS 336.020 is amended to read as follows:

- (1) The Department of Workplace Standards shall be headed by a commissioner appointed by the Governor in accordance with KRS 12.040 and shall be divided for administrative purposes into the Division of Employment Standards, Apprenticeship and Mediation, the Division of Occupational Safety and Health Compliance, the Division of Occupational Safety and Health Education and Training, and the Division of Workers' Compensation Funds. Each of these divisions shall be headed by a director appointed by the secretary and approved by the Governor in accordance with KRS 12.050.
- (2) The Department of Workers' Claims shall be headed by a commissioner who is nominated by the Workers' Compensation Nominating ~~Committee~~**Committee**, appointed by the Governor, and confirmed by the Senate in accordance with KRS 342.213 and 342.228. The department shall be divided for administrative purposes into the Office of Administrative Law Judges, the Office of General Counsel for Workers' Claims, the

Division of Claims Processing, the Division of Information and Research, the Division of Security and Compliance, and the Division of Ombudsman and Workers' Compensation Specialist Services. The Office of Administrative Law Judges shall be headed by a chief administrative law judge appointed in accordance with KRS 342.230. Each division in the department shall be headed by a director appointed by the commissioner and approved by the Governor in accordance with KRS 12.050 and 342.230. The following agencies are attached to the Department of Workers' Claims for administrative purposes only:

- (a) Workers' Compensation Board; *and*
- (b) Workers' Compensation Advisory Council; ~~and~~
- (c) ~~Workers' Compensation Nominating Commission~~.

- (3) The Office of General Counsel for the Labor Cabinet and the Division of Management Services are attached to the Office of the Secretary of the Labor Cabinet.

➔Section 5. KRS 342.228 is amended to read as follows:

- (1) The Department of Workers' Claims shall be responsible for administering claims and ensuring compliance with the insurance, self-insurance, and rehabilitation provisions in this chapter. The department shall be administered by a commissioner appointed by the Governor. The Governor shall select the commissioner from a list of three (3) names submitted by the Workers' Compensation Nominating ~~Commission~~ **Committee** created pursuant to KRS 342.213. The commissioner appointed by the Governor shall be subject to the consent of the Senate in accordance with KRS 11.160.
- (2) The commissioner shall have demonstrated knowledge and experience in the area of workers' compensation, public administration, and administrative law.

➔Section 6. Notwithstanding subsection (8)(b) of Section 1 of this Act, any member of the Workers' Compensation Nominating Committee who previously served on the Workers' Compensation Nominating Commission prior to May 9, 2016, and who was appointed to the committee pursuant Executive Order 2016-319 shall be paid at a rate of \$100 per day for each meeting attended for the duration of his or her term. These expenses shall be financed from funds collected pursuant to KRS 342.122.

➔Section 7. The General Assembly confirms Executive Order 2016-319, dated June 13, 2016, to the extent it is not otherwise confirmed or superseded by this Act.

Signed by Governor March 21, 2017.