

CHAPTER 89**(HB 343)**

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) 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.
- (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.
- (10) ***Kentucky Communications Network Authority.***

➔Section 2. KRS 12.023 is amended to read as follows:

The following organizational units and administrative bodies shall be attached to the Office of the Governor:

- (1) Council on Postsecondary Education;
 - (a) Foundation for Adult Education;
- (2) Department of Military Affairs;
- (3) Department for Local Government;
- (4) Early Childhood Advisory Council;
- (5) Kentucky Commission on Human Rights;
- (6) Kentucky Commission on Women;
- (7) Kentucky Commission on Military Affairs;
- (8) Agricultural Development Board;
- (9) Kentucky Agricultural Finance Corporation;
- (10) Office of Minority Empowerment;
 - (a) The Martin Luther King Commission;~~and~~
- (11) Office of Homeland Security; ***and***
- (12) ***Kentucky Communications Network Authority.***

➔SECTION 3. SUBCHAPTER 15 OF KRS CHAPTER 154 IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

As used in Sections 3 to 5 of this Act:

- (1) *"Authority" means the Kentucky Communications Network Authority;*
- (2) *"Board" means the Board of the Kentucky Communications Network Authority;*
- (3) *"Executive director" means the executive director of the Kentucky Communications Network Authority;*
- (4) *"Network" or "KentuckyWired" means the Commonwealth's open-access broadband network; and*
- (5) *"Partnership" means the public-private partnership entered into between the Commonwealth and a private entity or entities for the purpose of creating, running, and maintaining the network.*

➔SECTION 4. A NEW SECTION OF SUBCHAPTER 15 OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

- (1) *The Kentucky Communications Network Authority is established and shall be attached to the Office of the Governor. The authority shall be headed by an executive director who shall be hired by the board and approved by the Governor.*
- (2) *Notwithstanding KRS 42.726, the duties of the authority shall be to:*
 - (a) *Oversee and maintain KentuckyWired, the Commonwealth's open-access broadband network;*
 - (b) *Manage the master agreement establishing the public-private partnership between the Commonwealth and its private industry partner or partners. The purpose of the agreement is to design, engineer, build, operate, maintain, and upgrade the network;*
 - (c) *Provide network connectivity to public agencies;*
 - (d) *Offer access to entities eligible to utilize excess capacity on the network;*
 - (e) *Manage other aspects of the network and its utilization through the executive director and with oversight and input from the board established in Section 5 of this Act and the advisory group established in this section;*
 - (f) *Promulgate administrative regulations pursuant to KRS Chapter 13A necessary to implement the purposes of sections 3 to 5 of this Act;*
 - (g) *Enter into contracts with public and private entities to carry out its duties and responsibilities. A contract or other agreement involving the acquisition or disposition of a property interest by the Commonwealth shall be signed by the secretary of the Finance and Administration Cabinet. KRS Chapters 45A and 56 may require the secretary's signature on other contracts or agreements;*
 - (h) *Provide program management services ensuring the financial viability of the master agreement and related contracts and agreements, including grant administration, contract compliance and oversight, community planning support, and constituent services;*
 - (i) *Seek out, secure, and manage funding sources for the network; and*
 - (j) *Create an advisory group, including major stakeholders, to provide input and feedback on issues important to the user community and to the long-term sustainability of the project and the network. The advisory group shall be administratively attached to and managed by the authority. The advisory group shall include but not be limited to representatives of:*
 - 1. *The Department of Education;*
 - 2. *The Council on Postsecondary Education;*
 - 3. *The Cabinet for Economic Development;*
 - 4. *The Cabinet for Health and Family Services;*
 - 5. *The Transportation Cabinet;*
 - 6. *The Justice and Public Safety Cabinet;*
 - 7. *The Finance and Administration Cabinet;*
 - 8. *The Administrative Office of the Courts;*
 - 9. *The Legislative Research Commission;*

10. *Institutions of higher education;*
 11. *Local government entities;*
 12. *Libraries;*
 13. *Public health care institutions or agencies;*
 14. *Kentucky Educational Television; and*
 15. *Others whose input will benefit the network.*
- (2) *With the approval of the board, the executive director may hire additional officers and other personnel necessary for the proper functioning of the authority, fix their salaries, and prescribe their duties. The executive director and persons employed by the authority shall not be subject to the provisions of KRS Chapter 18A.*

➔SECTION 5. A NEW SECTION OF SUBCHAPTER 15 OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

- (1) *The Board of the Kentucky Communications Network Authority is established. The board shall be attached administratively to the Office of the Governor.*
- (2) *The board shall consist of:*
 - (a) *The secretary of the Governor's Executive Cabinet or designee, who shall serve as chair of the board;*
 - (b) *The state budget director or designee;*
 - (c) *The secretary of the Transportation Cabinet or designee;*
 - (d) *The secretary of the Cabinet for Economic Development or designee;*
 - (e) *The secretary of the Justice and Public Safety Cabinet or designee;*
 - (f) *The commissioner of the Department for Local Government or designee; and*
 - (g) *A representative designated by the Center for Rural Development.*
- (3) *The duties of the board shall be to:*
 - (a) *Develop and implement a strategic plan for and provide policy direction to the authority;*
 - (b) *Review performance reports from the partners named in the master agreement regarding deployment, operations, and administration of the network and its compliance with service level agreements with the Commonwealth;*
 - (c) *Monitor the results achieved through the partnership's strategy to develop new revenue streams and expand network usage through marketing and awareness programs;*
 - (d) *Approve fiscal planning for the authority including budget development, state appropriations management, cost-recovery schedules, grant administration, and billing services;*
 - (e) *Establish rates for services offered through the network and establish methods for customer account management; and*
 - (f) *Direct upgrades to technology as necessary.*
- (4) *The board shall meet at least semiannually and at other times upon the call of the chair.*
- (5) *The board may form committees or other subgroups as necessary to accomplish its duties and functions.*

➔Section 6. KRS 42.732 is amended to read as follows:

- (1) There is hereby created the Kentucky Information Technology Advisory Council to:
 - (a) Advise the executive director of the Commonwealth Office of Technology on approaches to coordinating information technology solutions among libraries, public schools, local governments, universities, and other public entities;
 - (b) Advise the executive director of the Commonwealth Office of Technology on coordination among and across the organizational units of the executive branch of state government to prepare for, respond to, and prevent attacks; and

- (c) Provide a forum for the discussion of emerging technologies that enhance electronic accessibility to various publicly funded sources of information and services.
- (2) The Kentucky Information Technology Advisory Council shall consist of:
- (a) The state budget director or a designee;
 - (b) The state librarian or a designee;
 - (c) One (1) representative from the public universities to be appointed by the Governor from a list of three (3) persons submitted by the Council on Postsecondary Education;
 - (d) Three (3) citizen members from the private sector with information technology knowledge and experience appointed by the Governor;
 - (e) Two (2) representatives of local government appointed by the Governor;
 - (f) One (1) representative from the area development districts appointed by the Governor from a list of names submitted by the executive directors of the area development districts;
 - (g) One (1) member of the media appointed by the Governor;
 - (h) The executive director of the Kentucky Authority for Educational Television;
 - (i) The chair of the Public Service Commission or a designee;
 - (j) Two (2) members of the Kentucky General Assembly, one (1) from each chamber, selected by the Legislative Research Commission;
 - (k) One (1) representative of the Administrative Office of the Courts;
 - (l) One (1) representative from the public schools system appointed by the Governor;
 - (m) One (1) representative of the Kentucky Chamber of Commerce;~~and~~
 - (n) The executive director of the Commonwealth Office of Technology; *and*
 - (o) *The executive director of the Kentucky Communications Network Authority or designee.*
- (3) Appointed members of the council shall serve for a term of two (2) years. Members who serve by virtue of an office shall serve on the council while they hold the office.
- (4) Vacancies on the council shall be filled in the same manner as the original appointments. If a nominating organization changes its name, its successor organization having the same responsibilities and purposes shall be the nominating organization.
- (5) Members shall receive no compensation but shall receive reimbursement for actual and necessary expenses in accordance with travel and subsistence requirements established by the Finance and Administration Cabinet.

➔Section 7. The General Assembly hereby confirms Executive Order 2016-513, dated July 12, 2016, to the extent that it is not otherwise confirmed or superseded by this Act.

Signed by Governor March 21, 2017.