

CHAPTER 81
(HB 421)

AN ACT relating to reorganization.

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

➔Section 1. KRS 42.0147 is amended to read as follows:

~~{(1)—}The Office of the Inspector General is established within the Office of the Secretary of the Finance and Administration Cabinet and shall be responsible for conducting various investigations within the executive branch in accordance with KRS 45.131.~~

~~{(2)—The Division of Special Investigations is established within the Office of the Inspector General and shall be headed by a director appointed by the secretary pursuant to KRS 12.050, who shall report to the executive director of the office. The division shall investigate alleged violations of the tax laws and recommend criminal prosecution of the laws when warranted.}~~

➔Section 2. KRS 42.0171 is amended to read as follows:

- (1) The Office of Administrative Services established in KRS 42.0145 shall be generally responsible for all internal administrative and human resource functions of the cabinet, including but not limited to providing administrative assistance; managing and preparing the cabinet's budget; performing general accounting; managing fiscal, personnel, and payroll functions of the cabinet; providing statewide postal and printing services; providing administrative support to boards and commissions; and performing any additional administrative functions and duties the secretary may assign.
- (2) There shall be established in the Office of Administrative Services:
 - (a) *The Office of Budget and Fiscal Management, headed by an executive director who shall report directly to the executive director of the Office of Administrative Services, and consisting of the:*
 1. *Division of Budget; and*
 2. *Division of Fiscal Management; and*~~{Division of Budget and Planning, the Division of Human Resources, the Division of Administrative Support Services, the Division of Postal Services, and the Division of Fleet Management, each of which shall be headed by a division director appointed by the secretary of the Finance and Administration Cabinet, subject to the approval of the Governor, and who shall be responsible to the executive director of the Office of Administrative Services. There may be, if needed, sections assigned to specific areas of work, responsible directly to the executive director of the Office of Administrative Services.}~~
 - (b) *The following divisions which shall be headed by a division director who shall report to the executive director of the Office of Administrative Services:*
 1. *Division of Human Resources;*
 2. *Division of Postal Services; and*
 3. *Division of Fleet Management.*
- (3) *Executive directors and division directors appointed under this section shall be appointed by the secretary with the approval of the Governor under KRS 12.050. Each division shall be headed by a division director appointed by the secretary of the Finance and Administration Cabinet. There may be, if needed, sections assigned to specific areas of work, responsible directly to the executive director of the Office of Administrative Services.*

➔Section 3. KRS 42.724 is amended to read as follows:

- (1) There is hereby created within the Finance and Administration Cabinet an agency of state government known as the Commonwealth Office of Technology.
- (2) The Commonwealth Office of Technology shall be headed by an executive director, also known as the chief information officer, appointed by the secretary of the Finance and Administration Cabinet and approved by the

Governor. Duties and functions of the executive director shall include serving on the Governor's Executive Cabinet and those established in KRS 42.730.

- (3) The Commonwealth Office of Technology shall consist of the following ~~five (5)~~ offices, each headed by an executive director and organized into divisions headed by a division director:
- (a) ~~Office of Project Management;~~
 - (b) Office of **Infrastructure Services**~~[IT Services and Delivery]~~, consisting of the:
 1. Division of Network Services; *and*
 2. Division of Platform Services;~~and~~
 - ~~3. Division of Field Services;~~
 - (b)(c) Office of ~~IT~~ Architecture and Governance, consisting of the:
 1. Division of Enterprise **Solutions**~~[Portfolios]~~;
 2. Division of **Mainframe Services**~~[Applications]~~;
 3. Division of **Geographic Information Systems**~~[Support Services]~~; and
 4. Division of **Governance and Strategy**~~[Enterprise Governance]~~;
 - (c)(d) Office of the Chief Information Security Officer. The office shall ensure the efficiency and effectiveness of information technology security functions and responsibilities; and
 - (d)(e) **Office of Client Support Services, consisting of the:**
 1. **Division of Field Services; and**
 2. **Division of Support Services**~~[Office of KY Business One Stop]~~.

- (4) Executive directors and division directors appointed under this section shall be appointed by the secretary with the approval of the Governor.

➔Section 4. KRS 42.650 is amended to read as follows:

- (1) The Division of **Geographic Information Systems**~~[Enterprise Portfolios]~~ is hereby established in the Office of ~~IT~~ Architecture and Governance within the Commonwealth Office of Technology in the Finance and Administration Cabinet.
- (2) The Division of **Geographic Information Systems**~~[Enterprise Portfolios]~~ shall be headed by a division director, whose appointment is subject to KRS 12.050. The division director may employ personnel, pursuant to the provisions of KRS Chapter 18A, as required to perform the functions of the office.
- (3) The division may solicit, receive, and consider proposals for funding from any state agency, federal agency, local government, university, nonprofit organization, or private person or corporation. The division may also solicit and accept money by grant, gift, donation, bequest, legislative appropriation, or other conveyance.
- (4) The division shall:
 - (a) Establish a central statewide geographic information clearinghouse to maintain map inventories, information on current and planned geographic information systems applications, information on grants available for the acquisition or enhancement of geographic information resources, and a directory of geographic information resources available within the state or from the federal government;
 - (b) Coordinate multiagency geographic information system projects, including overseeing the development and maintenance of statewide base maps and geographic information systems;
 - (c) Provide access to both consulting and technical assistance, and education and training, on the application and use of geographic information technologies to state and local agencies;
 - (d) Maintain, update, and interpret geographic information and geographic information systems standards, under the direction of the council;
 - (e) Provide geographic information system services, as requested, to agencies wishing to augment their geographic information system capabilities;

- (f) In cooperation with other agencies, evaluate, participate in pilot studies, and make recommendations on geographic information systems hardware and software;
 - (g) Assist the council with review of agency information resource plans and participate in special studies as requested by the council;
 - (h) Provide staff support and technical assistance to the Geographic Information Advisory Council; and
 - (i) Prepare proposed legislation and funding proposals for the General Assembly which will further solidify coordination and expedite implementation of geographic information systems.
- (5) The division may promulgate necessary administrative regulations for the furtherance of this section.

➔Section 5. KRS 42.738 is amended to read as follows:

- (1) The executive director shall establish and implement a statewide public safety interoperability plan. This plan shall include the development of required architecture and standards that will insure that new or upgraded Commonwealth public safety communications systems will interoperate. The Kentucky Wireless Interoperability Executive Committee shall be responsible for the evaluation and recommendation of all wireless communications architecture, standards, and strategies. The executive director shall provide direction, stewardship, leadership, and general oversight of information technology and information resources. The executive director shall report by September 15 annually to the Interim Joint Committee on Seniors, Veterans, Military Affairs, and Public Protection and the Interim Joint Committee on State Government on progress and activity by agencies of the Commonwealth to comply with standards to achieve public safety communications interoperability.
- (2) The Kentucky Wireless Interoperability Executive Committee shall serve as the advisory body for all wireless communications strategies presented by agencies of the Commonwealth and local governments. All state agencies in the Commonwealth shall present all project plans for primary wireless public safety voice or data communications systems for review and recommendation by the committee, and the committee shall forward the plans to the executive director for final approval. Local government entities shall present project plans for primary wireless public safety voice or data communications systems for review and recommendation by the Kentucky Wireless Interoperability Executive Committee.
- (3) The committee shall develop funding and support plans that provide for the maintenance of and technological upgrades to the public safety shared infrastructure, and shall make recommendations to the executive director, the Governor's Office for Policy and Management, and the General Assembly.
- (4) The executive director shall examine the project plans for primary wireless public safety voice or data communications systems of state agencies as required by subsection (2) of this section, and shall determine whether they meet the required architecture and standards for primary wireless public safety voice or data communications systems.
- (5) The Kentucky Wireless Interoperability Executive Committee shall consist of twenty (20) members as follows:
 - (a) A person knowledgeable in the field of wireless communications appointed by the executive director who shall serve as chair;
 - (b) The executive director of the Office of *Infrastructure Services*~~{IT Services and Delivery}~~, Commonwealth Office of Technology;
 - (c) The executive director of Kentucky Educational Television, or the executive director's designee;
 - (d) The information technology lead of the Transportation Cabinet;
 - (e) The information technology lead of the Justice and Public Safety Cabinet;
 - (f) The information technology lead of the Department of Kentucky State Police;
 - (g) The commissioner of the Department of Fish and Wildlife Resources, or the commissioner's designee;
 - (h) The information technology lead of the Energy and Environment Cabinet;
 - (i) The director of the Division of Emergency Management, Department of Military Affairs;
 - (j) The executive director of the Kentucky Office of Homeland Security;

- (k) The information technology lead of the Department for Public Health, Cabinet for Health and Family Services;
 - (l) A representative from an institution of postsecondary education appointed by the Governor from a list of three (3) names submitted by the president of the Council on Postsecondary Education;
 - (m) The executive director of the Center for Rural Development, or the executive director's designee;
 - (n) A representative from a municipal government to be appointed by the Governor from a list of three (3) names submitted by the Kentucky League of Cities;
 - (o) A representative from a county government to be appointed by the Governor from a list of three (3) names submitted by the Kentucky Association of Counties;
 - (p) A representative from a municipal police department to be appointed by the Governor from a list of three (3) names submitted by the Kentucky Association of Chiefs of Police;
 - (q) A representative from a local fire department to be appointed by the Governor from a list of three (3) names submitted by the Kentucky Association of Fire Chiefs;
 - (r) A representative from a county sheriff's department to be appointed by the Governor from a list of three (3) names submitted by the Kentucky Sheriffs' Association;
 - (s) A representative from a local Emergency Medical Services agency to be appointed by the Governor from a list of three (3) names submitted by the Kentucky Board of Emergency Medical Services; and
 - (t) A representative from a local 911 dispatch center to be appointed by the Governor from a list of three (3) names submitted by the Kentucky Chapter of the National Emergency Number Association/Association of Public Safety Communications Officials.
- (6) Appointed members of the committee shall serve for a two (2) year term. Members who serve by virtue of an office shall serve on the committee while they hold that office.
- (7) The committee shall meet quarterly, or as often as necessary for the conduct of its business. A majority of the members shall constitute a quorum for the transaction of business. Members' designees shall have voting privileges at committee meetings.
- (8) The committee shall be attached to the Commonwealth Office of Technology for administrative purposes only. Members shall not be paid and shall not be reimbursed for travel expenses.
- (9) The Public Safety Working Group is hereby created for the primary purpose of fostering cooperation, planning, and development of the public safety frequency spectrum as regulated by the Federal Communications Commission, including the 700 MHz public safety band. The group shall endeavor to bring about a seamless, coordinated, and integrated public safety communications network for the safe, effective, and efficient protection of life and property. The Public Safety Working Group membership and other working group memberships deemed necessary shall be appointed by the chair of the Kentucky Wireless Interoperability Executive Committee.
- (10) The committee may establish additional working groups as determined by the committee.
- ➔Section 6. KRS 42.742 is amended to read as follows:
- (1) The Geographic Information Advisory Council's duties shall include the following:
 - (a) Recommending the development and adoption of policies and procedures related to geographic information and geographic information systems;
 - (b) Providing input and recommendations for the development of a strategy for the maintenance and funding of a statewide base map and geographic information system;
 - (c) Recommending standards on geographic information and geographic information systems for inclusion in the statewide architecture;
 - (d) Contributing to the development and delivery of a statewide geographic information plan;
 - (e) Overseeing the development of operating policies and procedures for the management of the council and any standing or ad hoc committees and associated advisory groups; and
 - (f) Promoting collaboration and the sharing of data and data development, as well as other aspects of geographic information systems.

- (2) The Division of ***Geographic Information Systems***~~[Enterprise Portfolios]~~ shall provide necessary staff support services to the council. All cabinets, departments, divisions, agencies, and officers of the Commonwealth shall furnish the council necessary assistance, resources, information, records, or advice as it may require to fulfill its duties.

➔Section 7. KRS 42.744 is amended to read as follows:

- (1) All entities in Kentucky that create or purchase digital ortho-rectified aerial imagery, remotely sensed imagery, LiDAR, digital elevation models, or any other form of nonlicensed raster-based datasets of locations in Kentucky using public funds, in whole or in part, shall provide a copy of the information to the Commonwealth Office of Technology, Division of ***Geographic Information Systems***~~[Enterprise Portfolios]~~, without cost, in order to allow the Commonwealth Office of Technology to effectively discharge its statutory responsibility to maintain an accurate and complete central statewide geographic information clearinghouse for official state use. The imagery provided to the Commonwealth Office of Technology shall be added to Kentucky's secure Geospatial Data Warehouse for official government use only.
- (2) Subsection (1) of this section shall not apply to roads, land parcels, structure locations, or other vector-based datasets acquired with public funding.
- (3) The Commonwealth Office of Technology shall not disclose to the general public or make available for distribution, download, or purchase any data that an entity providing data under subsection (1) of this section has requested remain confidential.

➔Section 8. KRS 116.200 is amended to read as follows:

- (1) (a) On or before January 1, 2011, each city clerk, except in consolidated local governments and urban-county governments, shall provide the clerk of the county or counties in which the city is located with a list of all properties within the city and a map of the city boundaries for the county clerk to maintain a roster of voters who are eligible to vote in city elections. A county clerk may accept the list of city properties in an electronic format and the city clerk may provide a copy of the city's boundary map maintained by the Kentucky Commonwealth Office of Technology, Division of ***Geographic Information Systems***~~[Enterprise Portfolios]~~; and
- (b) Documentation of any change to the boundaries of a city shall be reported to the county clerk in accordance with KRS 81A.470 and 81A.475.
- (2) (a) On or before January 1, 2011, each school district board shall provide the clerk of the county in which the school district is located with maps and written descriptions of the boundaries of each school board district located in the county for the county clerk to maintain a roster of voters who are eligible to vote in school board elections.
- (b) Documentation of any change to a school district's boundaries shall be reported to the county clerk within sixty (60) days of the change, or immediately if the change is within sixty (60) days of the August 1 deadline established in KRS 160.210(4)(d).
- (3) Each county clerk shall code all registered voters in that county in such a manner that precinct election officers may determine the voter's eligibility to vote in city and school board elections prior to each primary and regular election for city officers in that county, each regular election for school board members in that county, and each special election in which a ballot question is presented to the residents of a city or a school board district.
- (4) Notwithstanding KRS 64.012, the county clerk shall not charge a fee to a city or school district providing any information required by subsections (1)(a) and (2)(a) of this section.
- (5) Nothing in this section shall prohibit a county clerk from requesting additional information from the city, school district board, or any other reliable source to ascertain whether a registered voter resides within a city or a school district boundary.

➔Section 9. KRS 131.020 is amended to read as follows:

- (1) The Department of Revenue, headed by a commissioner appointed by the secretary with the approval of the Governor, shall be organized into the following functional units:
- (a) Office of the Commissioner, which shall consist of:

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1. The Division of Protest Resolution, headed by a division director who shall report directly to the commissioner. The division shall administer the protest functions for the department from office resolution through court action;~~and~~
 2. The Division of Taxpayer Ombudsman, headed by a division director who shall report to the commissioner. The division shall perform those duties set out in KRS 131.083;
 3. *The Special Investigations Division, headed by a division director who shall report directly to the commissioner. The division shall investigate alleged violations of the tax laws and recommend criminal prosecution of the laws when warranted; and*
 4. *The Division of Information Management, headed by a division director who shall report directly to the commissioner. The division shall provide project management, planning, analysis, application development, implementation, security, support, and maintenance for new and existing legacy systems of the department;*
- (b) Office of Tax Policy and Regulation, headed by an executive director who shall report directly to the commissioner. The office shall be responsible for:
1. Providing oral and written technical advice on Kentucky tax law;
 2. Drafting proposed tax legislation and regulations;
 3. Testifying before legislative committees on tax matters;
 4. Analyzing tax publications;
 5. Providing expert witness testimony in tax litigation cases;
 6. Providing consultation and assistance in protested tax cases; and
 7. Conducting training and education programs;
- (c) Office of **Registration and Operations**~~[Processing and Enforcement]~~, headed by an executive director who shall report directly to the commissioner. The office shall be responsible for processing documents, depositing funds, collecting debt payments, and coordinating, planning, and implementing a data integrity strategy. The office shall consist of the:
1. Division of Operations, which shall be responsible for opening all tax returns, preparing the returns for data capture, coordinating the data capture process, depositing receipts, maintaining tax data, and assisting other state agencies with similar operational aspects as negotiated between the department and the other agency; **and**
 2. ~~[Division of Collections, which shall be responsible for initiating all collection enforcement activity related to due and owing tax assessments, including protest resolution, and for assisting other state agencies with similar collection aspects as negotiated between the department and the other state agency;~~
 3. ~~]Division of Registration[and Data Integrity],~~ which shall be responsible for registering businesses for tax purposes, ensuring that the data entered into the department's tax systems is accurate and complete, and assisting the taxing areas in proper procedures to ensure the accuracy of the data over time;~~and~~
 4. ~~Division of Application Development and Support, which shall be responsible for providing project management, planning, analysis, application development, implementation, security, support and maintenance for new and legacy systems of the Department of Revenue;~~
- (d) Office of Property Valuation, headed by an executive director who shall report directly to the commissioner. The office shall consist of the:
1. Division of Local Support, which shall be responsible for providing supervision, assistance, and training to the property valuation administrators and sheriffs within the Commonwealth;
 2. Division of State Valuation, which shall be responsible for providing assessments of public service companies and motor vehicles, and providing assistance to property valuation administrators and sheriffs with the administration of tangible and omitted property taxes within the Commonwealth; and

3. Division of Minerals Taxation and Geographical Information System Services, which shall be responsible for providing geographical information system mapping support, ensuring proper filing of severance tax returns, ensuring consistency of unmined coal assessments, and gathering and providing data to properly assess minerals to the property valuation administrators within the Commonwealth;
- (e) Office of Sales and Excise Taxes, headed by an executive director who shall report directly to the commissioner. The office shall administer all matters relating to sales and use taxes and miscellaneous excise taxes, including but not limited to technical tax research, compliance, taxpayer assistance, tax-specific training, and publications. The office shall consist of the:
 1. Division of Sales and Use Tax, which shall administer the sales and use tax; and
 2. Division of Miscellaneous Taxes, which shall administer various other taxes, including but not limited to alcoholic beverage taxes; cigarette enforcement fees, stamps, meters, and taxes; gasoline tax; bank franchise tax; inheritance and estate tax; insurance premiums and insurance surcharge taxes; motor vehicle tire fees and usage taxes; and special fuels taxes;
- (f) Office of Income Taxation, headed by an executive director who shall report directly to the commissioner. The office shall administer all matters related to income and corporation license taxes, including technical tax research, compliance, taxpayer assistance, tax-specific training, and publications. The office shall consist of the:
 1. Division of Individual Tax, which shall administer the following taxes or returns: individual income, fiduciary, and employer withholding; and
 2. Division of Corporation Tax, which shall administer the corporation income tax, corporation license tax, pass-through entity withholding, and pass-through entity reporting requirements;{
~~and~~}
- (g) Office of Field Operations, headed by an executive director who shall report directly to the commissioner. The office shall manage the regional taxpayer service centers and the field audit program; *and*
- (h) *Office of Enforcement, headed by an executive director who shall report directly to the commissioner. The office shall initiate all collection enforcement activity related to due and owing tax assessments, including protest resolution, and shall assist other state agencies with similar collection aspects as negotiated between the department and other state agencies. The office shall consist of the Division of Collections.*
- (2) The functions and duties of the department shall include conducting conferences, administering taxpayer protests, and settling tax controversies on a fair and equitable basis, taking into consideration the hazards of litigation to the Commonwealth of Kentucky and the taxpayer. The mission of the department shall be to afford an opportunity for taxpayers to have an independent informal review of the determinations of the audit functions of the department, and to attempt to fairly and equitably resolve tax controversies at the administrative level.
- (3) The department shall maintain an accounting structure for the one hundred twenty (120) property valuation administrators' offices across the Commonwealth in order to facilitate use of the state payroll system and the budgeting process.
- (4) Except as provided in KRS 131.190(4), the department shall fully cooperate with and make tax information available as prescribed under KRS 131.190(3) to the Governor's Office for Economic Analysis as necessary for the office to perform the tax administration function established in KRS 42.410.
- (5) Executive directors and division directors established under this section shall be appointed by the secretary with the approval of the Governor *under KRS 12.050*.

➔Section 10. The General Assembly confirms Executive Order No. 2020-0994, dated November 25, 2020, to the extent it is not otherwise confirmed or superseded by this Act.

Signed by Governor March 23, 2021.