

45A.705 Government Contract Review Committee -- Membership -- Terms -- Vacancies -- Duties -- Meeting -- Vote required to act. (Effective January 1, 2027)

- (1) There is hereby created a permanent committee of the Legislative Research Commission to be known as the Government Contract Review Committee. The committee shall be composed of eight (8) members appointed as follows: three (3) members of the Senate appointed by the President of the Senate; one (1) member of the minority party in the Senate appointed by the Minority Floor Leader in the Senate; three (3) members of the House of Representatives appointed by the Speaker of the House of Representatives; and one (1) member of the minority party in the House of Representatives appointed by the Minority Floor Leader in the House of Representatives. Members shall be appointed in January of each odd-numbered year and serve for terms of two (2) years. The President of the Senate and the Speaker of the House of Representatives shall elect one (1) member of the committee from their chamber to serve as co-chair. Any vacancy that may occur in the membership of the committee shall be filled within thirty (30) days of the occurrence, in the same manner as the original appointment, and for the balance of the vacated member's term.
- (2) On an alternating basis, each co-chair shall have the first option to set the monthly meeting date. A monthly meeting may be canceled by agreement of both co-chairs. The co-chairs shall have joint responsibilities for committee meeting agendas and presiding at committee meetings. A majority of the entire membership of the Government Contract Review Committee shall constitute a quorum, and all actions of the committee shall be by vote of a majority of its entire membership. The members of the committee shall be compensated for attending meetings, as provided in KRS 7.090(3).
- (3) Any professional, clerical, or other employees required by the committee shall be provided in accordance with the provisions of KRS 7.090(4) and (5).
- (4) All proposed personal service contracts, tax incentive agreements, and memoranda of agreement received by the Legislative Research Commission shall be submitted to the committee to:
 - (a) Examine the stated need for the service or benefit to the Commonwealth of the motion picture or entertainment production;
 - (b) Examine whether the service could or should be performed by state personnel, for personal service contracts and memoranda of agreement;
 - (c) Examine the amount and duration of the contract or agreement; and
 - (d) Examine the appropriateness of any exchange of resources or responsibilities.
- (5) The committee shall review a personal service contract, tax incentive agreement, or memorandum of agreement submitted to the Legislative Research Commission within forty-five (45) days of the date received.
- (6) If the committee determines that the contract service or agreement, other than:
 - (a) A contract necessary in the exercise of the enumerated powers specifically granted to the Governor pursuant to Sections 75, 76, 77, 78, 79, and 80 of the Constitution of Kentucky or any subsequent amendments to the Constitution

of Kentucky which specifically designate enumerated powers to the Governor; or

- (b) An emergency contract approved by the secretary of the Finance and Administration Cabinet or his or her designee;

is not needed or inappropriate, the motion picture or entertainment production is not beneficial or is inappropriate, the service could or should be performed by state personnel, the amount or duration is excessive, or the exchange of resources or responsibilities are inappropriate, the committee shall attach a written notation of its nonbinding recommendations regarding the personal service contract, tax incentive agreement, or memorandum of agreement and shall forward the personal service contract, tax incentive agreement, or memorandum of agreement to the State Treasurer or his or her designee.

- (7) Upon receipt of the committee's nonbinding recommendations regarding a personal service contract, tax incentive agreement, or memorandum of agreement, the State Treasurer or his or her designee shall determine whether the personal service contract, tax incentive agreement, or memorandum of agreement shall:
 - (a)
 - 1. Be revised by the Treasurer and returned to the secretary of the Finance and Administration Cabinet or his or her designee; and
 - 2. The Finance and Administration Cabinet or designee shall either:
 - a. Issue the contract with the Treasurer's revisions; or
 - b. Cancel the contract;
 - (b) Be canceled and, if applicable, payment allowed for services rendered under the contract or amendment; or
 - (c) Remain effective as originally submitted.
- (8) If the committee determines that the contract executed pursuant to subsection (6)(a) or (b) of this section is not needed or inappropriate, the motion picture or entertainment production is not beneficial or is inappropriate, the service could or should be performed by state personnel, the amount or duration is excessive, or the exchange of resources or responsibilities are inappropriate, the committee shall attach a written notation of its nonbinding recommendations regarding the personal service contract, tax incentive agreement, or memorandum of agreement and shall return the personal service contract, tax incentive agreement, or memorandum of agreement to the secretary of the Finance and Administration Cabinet or his or her designee.
- (9) Upon receipt of the committee's nonbinding recommendations regarding a personal service contract, tax incentive agreement, or memorandum of agreement executed pursuant to subsection (6)(a) or (b) of this section, the secretary of the Finance and Administration Cabinet or his or her designee shall determine whether the personal service contract, tax incentive agreement, or memorandum of agreement shall:
 - (a) Be revised to comply with the objections of the committee;
 - (b) Be canceled and, if applicable, payment allowed for services rendered under the contract or amendment; or
 - (c) Remain effective as originally submitted.

- (10) Contracting bodies shall make annual reports to the committee not later than December 1 of each year. The committee shall establish reporting procedures for contracting bodies related to personal service contracts, tax incentive agreements, and memoranda of agreement submitted by the secretary of the Finance and Administration Cabinet or his or her designee.

Effective: January 1, 2027

History: Amended 2025 Ky. Acts ch. 35, sec. 9, effective January 1, 2027. -- Amended 2023 Ky. Acts ch. 141, sec. 1, effective March 30, 2023. -- Repealed, reenacted, and amended 2022 Ky. Acts ch. 205, sec. 1, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 151, sec. 3, effective June 29, 2021. -- Amended 2009 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 50, effective June 26, 2009. -- Amended 2003 Ky. Acts ch. 185, sec. 5, effective March 31, 2003. -- Amended 1998 Ky. Acts ch. 120, sec. 17, effective July 15, 1998; and ch. 486, sec. 5, effective July 15, 1998. -- Created 1990 Ky. Acts ch. 496, sec. 17, effective July 13, 1990.