

# **INTERIM JOINT COMMITTEE ON VETERANS, MILITARY AFFAIRS, AND PUBLIC PROTECTION**

## **Minutes of the 2nd Meeting of the 2018 Interim**

**September 13, 2018**

### **Call to Order and Roll Call**

The 2nd meeting of the Interim Joint Committee on Veterans, Military Affairs, and Public Protection was held on Thursday, September 13, 2018, at 1:00 PM, in Room 154 of the Capitol Annex. Senator Albert Robinson, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Albert Robinson, Co-Chair; Representative Tim Moore, Co-Chair; Senators Julian M. Carroll, Denise Harper Angel, Jimmy Higdon, Dennis Parrett, Wil Schroder, Mike Wilson, and Max Wise; Representatives Linda Belcher, John Blanton, Tom Burch, Jeffery Donohue, Myron Dossett, Jim DuPlessis, Chris Fugate, Jeff Greer, Mark Hart, Regina Huff, DJ Johnson, Ruth Ann Palumbo, Rob Rothenburger, and Walker Thomas.

Guests: Susan Ryan-Bisig, Distinguished Veteran; Dean Stoops, Chief of Staff, Kentucky Department of Veterans Affairs; Colonel Blaine Hedges, Executive Director, Kentucky Commission on Military Affairs; Stewart Ditto II, Executive Director, Kentucky Aerospace Industry Consortium; Corey Ann Howard Jackson, Policy and Constituent Services Liaison, Office of the Secretary of State; Lindsay Hughes Thurston, Senior Advisor, Office of the Secretary of State; Joe Slaughter, Co-Founder of KNS Community Development; Isaac VanHoose, Commissioner of Department of Professional Licensing and Public Protection Cabinet; Tony Cado, Executive Advisor, Office of Legal Services for Public Protection Cabinet.

LRC Staff: Erica Warren, Jessica Zeh, Jonathan Philpot, and Elizabeth Hardy.

Representative Donohue moved to adopt the August 13, 2018 minutes. The motion was seconded by Senator Parrett. The minutes were adopted.

### **Pledge of Allegiance**

Co-Chair Moore introduced the distinguished veteran, Susan Ryan-Bisig, before she led the committee in the pledge.

### **Distinguished Veteran**

Susan Ryan-Bisig was rewarded the Distinguished Veteran coin for her 9.5 years in the military. She had a degree in hospital administration before being stationed on Edwards Air Force base in the early 1980s. She went to graduate from pilot training in 1987. Her primary role in the military was as a KC135 air refueling pilot. She encouraged others to pursue a career in the military.

### **Other Business**

Co-Chair Moore went introduced Dean Stoops, the new chief of staff for the Kentucky Department of Veterans Affairs. Co-Chair Moore reminded members that next month's meeting will be in Hopkinsville and there will be a tour of Fort Campbell, a dinner reception the night before, and a luncheon on the day of the meeting.

Senator Higdon recognized Brigadier General Benjamin Adams III, upon his retirement from the military. General Adams is the Commissioner of the Kentucky Department of Veterans Affairs. A citation was read and presented to General Adams, thanking him for his years of service.

### **Kentucky Aerospace and Defense Industry**

Colonel Blaine Hedges, Executive Director, Kentucky Commission on Military Affairs gave members an overview of the Aerospace Industry Study that took place from 2015 until 2017. The study started with the Office of Economic Adjustment grant in which Kentucky received \$1.2 million for phase one. Phase two received \$1.7 million in grant money. The industry is implementing the recommendations that came from phase one. Colonel Hedges introduced his colleague, Stewart Ditto II, Executive Director of Kentucky Aerospace Industry Consortium (KAIC).

Kentucky makes 11.7 billion dollars in aerospace exports. Stewart Ditto said there are over 600 companies, of which about 100 are manufacturers, with over 17,000 employees in the industry. The goal is to unify the Kentucky Aerospace and Defense Industry under one voice and hope to build more relationships.

Promoting the industry not only within the state but outside state borders is important to the consortium. They want to inform Kentucky citizens about KAIC and the potential opportunities it has to offer. Lieutenant Ditto has attended events throughout the country and Canada to promote and showcase the growth of the industry in Kentucky.

Lieutenant Ditto stated it is important that the Kentucky Aerospace companies have the same opportunities as other companies which is being achieved in part by creating a workshop to educate and calculate the cost of the AS9100 Quality Management Certification that is needed for companies in the industry. Stewart Ditto explained that Kentucky companies also need to be educated on cyber security standards and the International Traffic in Arms Regulations (ITAR).

Much of the aerospace industry has migrated to the south and midwest. Some states include Alabama, North Carolina, South Carolina, and Georgia. Reasons why companies are attracted to these areas are tax incentives, low energy costs, low rates of unionization, and having a military presence. KAIC sees this as a window of opportunity and wants to make Kentucky the main focus of the Aerospace growth in the midwest and south.

Education in Kentucky is very important to KAIC. The University of Kentucky developed Next-Generation Entry Thermal Protection. Morehead State is a leader in CubeSat and small satellite technologies and they are also part of the NASA Deep Space Network (DSN). The University of Louisville has done research in micro and nanotechnologies and has a large rocketry program. Murray State has developed an Aerospace Engineering track to support an aerospace career.

KAIC has been putting together a new initiative called Elevate Kentucky, an initiative which focuses on taking Kentucky to the next level in the aerospace industry. The goal is to bring autonomous technologies to Kentucky. However, because of cultural issues, restrictive regulatory systems, and need for new infrastructure, autonomous technology has not gained popularity. Kentucky is taking steps to becoming the leader in developing this technology, and Lexington and Louisville are trying to find ways to bring autonomous technologies to their cities.

In response to Senator Carroll's question, Lieutenant Ditto explained that the Aerospace Industry is number one in Kentucky's exports.

Responding to Representative Donohue's question, Stewart Ditto stated that because of strict federal laws and restrictive regulations, many companies wanting to work with drones and other vehicles will look to other countries, such as Canada for their businesses.

Representative Rothenburger questioned if the study broke down those tax incentives mentioned in the presentation. Lieutenant Ditto explained that the study was just in the state of Kentucky and did not look into other states.

Representative DuPlessis wanted to know what regulations the state of Kentucky can do about autonomous vehicles. Lieutenant Ditto explained that regarding the autonomous technologies, no new restrictive regulations or legislation should be put in place. There are already laws about invading privacy. Companies that see states with more regulations and laws in place will be more likely to take their business elsewhere.

### **Boots to Business Initiative**

Corey Ann Howard Jackson, Policy and Constituent Services Liaison, Lindsay Hughes Thurston, Senior Advisor, and Joe Slaughter, Co-Founder of KNS Community Development gave a presentation and update on the Boots to Business initiative.

HB 319 passed, and Boots to Business is now Kentucky law. They explained the initiative helps veterans transition from their time in the military to building a business. Veterans who create new business are exempt from paying initial filing fees to the Secretary of State's office, as well as waived annual report filing fees for the next four years if businesses qualify. This initiative is for veterans of the U.S. Armed Forces and Reserves, as well as National Guard service members.

Boots to Business is used to notice and distinguish veteran-owned businesses as a way to say thank you to the veterans who have sacrificed for our country. Since the program started a month and a half ago, over 100 veterans are now participants, according to the Secretary of State's office. Joe Slaughter testified that Boots to Business helped economic efficiency of his company overall.

Corey Ann Howard Jackson informed members that four state veterans' centers will be used as polling locations in upcoming elections. The Secretary of State's office partnered with the Kentucky Department of Veterans Affairs, and the Hopkins, Hardin, Jessamine and Perry county clerks to bring these locations to the state.

Corey Ann Howard Jackson also talked about the Military Heroes Voting Initiative which allows military and overseas citizens to register to vote, update voting registration online, as well as request absentee ballots. The Secretary of State's office has received 1,033 military or overseas voting ballots.

Representative Greer wanted to know what is being done to get the word out on the Boots to Business Initiative. Lindsay Hughes Thurston said her office speaks with interest groups across the Commonwealth and goes to events to educate others. Social media is another great way of informing the public. The Secretary of State's office offered to promote this in committee members' communities.

### **Consideration of Referred Administrative Regulations**

The committee considered the referred administrative regulation 830 KAR 001:010 relating to application, certification of registration, and fees. Isaac VanHoose and Tony Cado from the Public Protection Cabinet talked briefly about the regulation. This is updating a regulation for secondary metal recyclers in Kentucky and lowering the registration fee from \$100 to \$75. The committee took no action on the referred regulation.

There being no further business, the meeting was adjourned at 2:10 PM.