



COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

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VETO MESSAGE FROM THE
GOVERNOR OF THE COMMONWEALTH OF KENTUCKY
REGARDING SENATE BILL 217 OF THE
2022 REGULAR SESSION



3:55 PM
4/4/22

I, Andy Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under section 88 of the Kentucky Constitution, do hereby veto the following:

Senate Bill 217 of the 2022 Regular Session of the General Assembly in its entirety.

I am vetoing Senate Bill 217 because it gives sole power over procurement and all personnel appointments in the Department of Fish and Wildlife Resources to one person – the commissioner. The current commissioner was a member of the commission when it received the worst audit ever seen in state government, and he remained a member of the commission and participated in the search until he selected himself to be the commissioner. Fish and wildlife resources are important to Kentuckians, who have a constitutional right to hunt, fish, and harvest wildlife. The Kentucky Department of Fish and Wildlife Resources, which serves Kentucky Sportsmen and Sportswomen, is a significant part of state government. The sportsmen and sportswomen, whose licensing fees support much of the Department's work, have expressed an understandable lack of confidence in this commissioner and the Department. They deserve better than Senate Bill 217.

A brief review of the Department's recent procurement abuses explains why oversight is necessary, and why sportsmen and sportswomen have objected to giving sole authority to this commissioner.

In December of 2018, the Kentucky Auditor of Public Accounts called for "a change in culture" at the Department of Fish and Wildlife Resources after releasing a report that found the department had not complied with state and federal law in how it used public funds, including deliberately circumventing procurement laws. In his report, the auditor noted that all department funds are public funds that require the highest level of accountability and transparency, despite the Commissioner's and the department's claims that the department does not receive general fund tax dollars. The Auditor found that the department circumvented procurement policy by splitting purchases to remain under their delegated authority and avoid additional procurement conditions. For example, the department bought four used shipping containers between July and September of 2017, but did so as four separate purchases that kept each one below the department's fiscal year delegated authority. The Auditor found the identical purchases should

have occurred through the Finance and Administration Cabinet as one combined purchase, and that the evidence showed the department was intentionally splitting purchases in order to circumvent procurement requirements. As another example, the department entered into two separate contracts with identical descriptions for work at a wildlife management area performed by the same vendor a few months apart. The Auditor found that it appeared the department intentionally split the contracts to circumvent procurement requirements, which in turn limited competition by requiring only one quote. In addition, the department contracted with a vendor to repair flooring at a wildlife management area in an amount exceeding its small purchase authority without the approval of the Finance and Administration Cabinet, which the Auditor concluded violated the Kentucky Model Procurement Code and procurement policies and procedures. The report also noted that department contract descriptions did not always match the services provided.

The Auditor also found that the department had violated state and federal laws multiple times when spending taxpayer dollars, and that the department failed to properly monitor contracts to determine if public funds were spent efficiently and effectively. As an example, according to the report, from 2008 to 2017 the department paid a conservation group a total of \$550,000 to study a breeding ground for ducks in Canada, but data from the conservation group found only 10 percent of the ducks that migrate to Kentucky come from Canada. The Auditor found that the department used public funds to cater an annual awards banquet with no apparent benefit to the Commonwealth. In addition, the report found that the department used the Kentucky Fish and Wildlife Foundation, a charitable organization that promotes wildlife education and wetlands preservation, to bypass state laws. The report noted that the agency previously violated state law by transferring \$1 million from the state wetland and stream mitigation fund to the fish and game fund. The Auditor questioned funds spent on alcohol, meals, pre-paid debit cards, and outside contracts that were poorly monitored.


Before the Auditor's report, the former commissioner admitted to multiple ethics violations. Those violations included receiving free passes to the Kentucky Derby, having department employees do chores and run errands for him on state time, and employing department resources for his personal use. As examples, the former commissioner admitted to having department employees pump out the flooded basement or crawl space of his home, pick up building materials from Lexington and store them at the department's woodshop until delivering them to his home, repair holes in his personal canoe, and inspect a home he planned to buy. The former commissioner also admitted to using his position to acquire, for free, 15 pieces of artwork that were created by a department employee to be sold for fundraising purposes; to buy a gallon of the controlled chemical rotenone that the department originally bought through a department contract; and to use the department's FedEx account to have personal items shipped, like the skin of an alligator he had killed in Florida that he had delivered to a taxidermist in Georgia.

The month after the Auditor's report, following a nationwide search for a new commissioner from outside of the department, the then-Chair of the Commission, Rich Storm, who had led the search, recommended that the Commission hire him as commissioner. Despite Kentucky Sportspersons objecting to the hiring of an insider, the Commission hired Mr. Storm.

Now, notwithstanding the Department's recent history of abusing public funds, the General Assembly is providing the commissioner with unfettered procurement authority. The people of Kentucky, and especially the sportsmen and women who the Department is supposed to serve, should be able to trust their government to exercise care in the use of public funds. Senate Bill 217 undermines that trust.

For these reasons, I am vetoing Senate Bill 217.

This, the 6th day of April, 2022.


Andy Beshear
Governor