



INTERIM RECORD

A SUMMARY OF INTERIM ACTIVITIES

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Committee discusses temporarily removing firearms from individuals in crisis

by Jordan Hensley - LRC Public Information

FRANKFORT — Legislation to temporarily remove firearms from individuals experiencing a mental health crisis may be filed during the 2024 legislative session.

Sen. Whitney Westerfield, R-Fruit Hill, said he's been working on the bill for "a while." It would focus on crisis aversion and rights retention, or CARR, for those individuals, he said.

Westerfield presented his ideas alongside other supporters to the Interim Joint Committee on Judiciary on Dec. 15. He said he does not have a draft of the legislation complete yet, but he was hoping to create a dialogue with his colleagues on their concerns and ideas for the bill.

"As a Second Amendment supporter, as a gun owner, a former NRA member – I wanted to make sure that it was constitutionally sound," Westerfield said. "I set out to try to do that and come up with a version of this bill that didn't present some of the same problems that prior attempts at this – not only in Kentucky, but in other states – has done."

Kentucky already has a statute where individuals in crisis can be held in a temporary, 72-hour



Sen. Whitney Westerfield, R-Fruit Hill, shares his plans to file legislation in 2024 to temporarily remove firearms from individuals in crisis. He spoke during the Interim Joint Committee on Judiciary meeting on Dec. 15.

psychiatric hold if that person meets certain criteria. During that time, that person does not have access to firearms.

Westerfield's proposal would aim to create a new type of court order to give law enforcement the power to temporarily remove firearms from other individuals in crisis who are not placed under a

psychiatric hold, but still need care. That person would have an opportunity to appeal the decision in a timely manner.

Temporarily removing firearms from individuals in crisis would hopefully prevent more suicides and other acts of violence, such as mass shootings, Westerfield said.

Whitney/Strong executive director and cofounder Whitney Austin shared her mass shooting survival story with the committee. Austin was shot 12 times at Fifth Third Bank headquarters in Cincinnati in 2018. She asked the committee to think about their loved ones and the trauma gun violence causes.

"I am telling you, there is nothing you wouldn't do to prevent them from experiencing this," Austin said. "The collective, or our shared humanity, I believe calls on us to prevent this violence."

During discussion, Rep. Savannah Maddox, R-Dry Ridge, said she knows everyone has a sincere desire to keep Kentuckians safe, but she is opposed to this legislation.

"You're still talking about a proposal that at a bare minimum has the potential to violate at least

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Temporarily removing firearms, from page 1

three constitutional rights in addition to due process and the presumption of innocence,” she said.

House Majority Whip Jason Nemes, R-Middletown, said he also has constitutional rights concerns.

“Fundamentally this bill takes away a constitutional right from a citizen based on the prediction that they might commit a crime in the future,” he said.

Westerfield responded that the current legal system already has limits to individual rights based on probable cause. In addition, he said his bill would not change anyone’s right to presumption of innocence and would not involve any criminal penalties.

Rep. Pamela Stevenson, D-Louisville, expressed support for Westerfield’s legislation, by stating the general assembly has to “be brave enough not to let people die.”

“I agree with the Second Amendment, but with every right, there’s a responsibility,” she added. “... There are a lot of dead citizens that were law abiding citizens because we’re not taking action.”

Rep. Keturah Herron, D-Louisville, asked Westerfield to explain why CARR isn’t a typical “red-flag” law.

Westerfield said his bill would make the burden of proof higher than other states.

“There’s not just anybody who can just go and ask the judge for this,” he said. “You’ve got to convince a law enforcement officer that this is warranted and then they’ve got to convince a judge.”

The Kentucky General Assembly cannot take action on legislation until the 2024 legislative session begins on Jan. 2.

For more information, visit legislature.ky.gov.

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Committee Meetings

INTERIM JOINT COMMITTEE ON AGRICULTURE

Minutes of the 6th Meeting of the 2023 Interim
November 3, 2023

Call to Order and Roll Call

The 6th meeting of the Interim Joint Committee on Agriculture was held on November 3, 2023, at 9:00 AM in Room 154 of the Capitol Annex. Senator Jason Howell, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Jason Howell Co-Chair; Representative Richard Heath Co-Chair; Senators Gary Boswell, Matthew Deneen, Robin L. Webb, Stephen West, Whitney Westerfield, and Mike Wilson; Representatives Chad Aull, Mike Clines, Daniel Fister, Derrick Graham, David Hale, Kim King, Matthew Koch, Shawn McPherson, Amy Neighbors, Brandon Reed, Sarah Stalker, Cherlynn Stevenson, Walker Thomas, and James Tipton.

Guests: Mark Haney, President, Kentucky Farm Bureau; Drew Graham, Executive Vice President, Kentucky Farm Bureau; Dave Maples, Executive Vice President, Kentucky Cattlemen's Association; Nikki Whitaker, Director of Operations and Policy, Kentucky Cattlemen's Association; Representative Richard Heath; Representative Shawn McPherson; Allan Bryant, President, Kentucky Association of Conservation Districts; Mike Parke, Chairman, Madison County Conservation District Board; John Ard, Executive Director for Office of Fleet Management, Finance and Administration Cabinet; Krista Jackson, Staff Assistant, Office of Fleet Management, Finance and Administration Cabinet; Dr. Brian Parr, Dean of the Hutson School of Agriculture, Murray State University; Dr. Shea Porr, Associate Dean and Department Chair, Animal Equine Science Program, Murray State University; Jordan Smith, Executive Director of Government and Institutional Relations, Murray State University

LRC Staff: Stefan Kasacavage, Hillary Abbott, Kelly Ludwig, and Susan Spoonamore.

Approval of October 19, 2023, Minutes

The October 19, 2023 minutes were approved by voice vote, without objection, upon motion made by Representative Fister and seconded by Representative McPherson.

Potential Legislative Issues for the 2024 Regular Session

Mark Haney, President, Kentucky Farm Bureau (KFB), expressed his appreciation for the General Assembly's efforts to expand broadband and its contributions to the Tobacco Master Settlement Agreement Fund and the Agricultural Development Board. KFB and the Kentucky Cattlemen's Association would like to see continued appropriations for the

Kentucky Soil Erosion and Water Quality Cost Share Program and Department of Agriculture (KDA). Continued support for priority programs include Farms to Food Banks, Local Agricultural Fair State Aid Program, Kentucky Rural Mental Health and Suicide Prevention Pilot Program, Veterinary Contract Spaces Program, animal diagnostic laboratories, Kentucky Mesonet, and agriculture education. Priorities also include a livestock innovation center.

Mr. Haney stated that there is concern surrounding the large and food animal veterinarian shortage, as it is an increasing problem for KFB members. It is important to maintain prime farmland in the Commonwealth, and the Agricultural District and Conservation Act accomplishes that goal. KFB would like to lower the 250 contiguous acres requirement to create an agricultural district. Riverport infrastructure is vital to agricultural product transport and KFB will continue to support investments made in this area.

Senator Boswell stated the importance of protecting farm owners' rights to utilize their property.

In response to Representative Tipton, Mr. Haney stated that KFB's strategic plan, Vision 100, created a group called Generation Bridge. This program fosters young farmers and farm families. KFB is seeing increased interest in agriculture advocacy among this group.

Nikki Whitaker, Director of Operations and Policy, Kentucky Cattlemen's Association (KCA), stated that KCA recently celebrated its 50th anniversary, as it was established in 1973. KCA's main purpose and goal is to protect and enhance the beef industry. There are 32,000 beef farm families in Kentucky and many are independent. Even though farm and cattle numbers may have decreased by one percent from 2012 to 2017, the beef industry's cash value and market value has increased by 13 percent. Seventy five percent of young farmers have a primary occupation off the farm.

KCA has over 11,000 members and provides services to two breed associations and one private industry. KCA oversees Kentucky's Beef Council, which assists in increasing demand through promotion and marketing of beef. One of KCA's limited liability companies (LLC), Beef Solutions, has provided for \$6 million in farm gate sales by creating a pathway for Kentucky's cattle farmers to enter the market for locally produced and marketed ground beef. KCA also utilizes Kentucky Agricultural Development Funds through the Kentucky Beef Network. These dollars are utilized to help Kentucky farmers increase revenue on their farms through new management practices and concepts.

Ms. Whitaker stated that KCA has a long-range strategic plan which aims to create value back to producers. Dave Maples, Executive Vice President, Kentucky Cattlemen's Association, stated that production efficiency is affecting the beef industry. In 1975, the U.S. cattle herd peaked at 132 million and produced 24 billion pounds of beef. Today, the U.S.

cattle herd is one-third smaller, and will produce 27 billion pounds, or 15 percent more than 48 years ago. Mr. Maples stated that KCA's legislative priorities include a livestock innovation center, supporting large animal veterinarians, food safety, and research.

Senator Webb stated that a livestock innovation center is a once in a lifetime project that the General Assembly's potential allocations would support different industries.

In response to Representative Tipton, Mr. Maples stated that legislative proposals that may negatively impact the beef industry are proactively addressed.

Potential Legislation Relating to Watershed Dams

Representative McPherson stated that 200 watershed dams were built in the late 1960s and early 1970s. Thirty-eight watershed conservancy districts were developed with taxing authority to maintain the new dams. To his knowledge, there are about 12 watershed dams that have not been properly maintained. Proposed legislation would repeal KRS 262.791 and create a framework for inactive watershed conservancy districts. In the case of an inactive district, there would be a process to place it under the authority of a soil and water conservation district or fiscal court.

Allan Bryant, President, Kentucky Association of Conservation Districts, stated that a conservation district is a subdivision of state government and its primary purpose is to help land owners conserve natural resources. Watershed conservancy districts are subdivisions of conservation districts and its primary goal is flood prevention and flood control.

Mr. Bryant stated that the legislative proposal for the discontinuance of inactive watershed conservancy district boards would allow for any soil and water conservation district board or fiscal court where the watershed conservancy district lies to initiate the discontinuance and take authority of the inactive watershed conservancy district. The initiation of discontinuance would require either one year or more of board inactivity or the failure of a board to adopt and fund a budget. The legislation would also permit soil and water conservation districts and watershed conservancy districts to use funds appropriated from the Department for Local Government's Local Match Participation Program and Natural Resources Conservation Service (NRCS). Board members of a soil and water conservation and watershed conservancy board would be provided immunity from personal liability for official acts taken reasonably and in good faith.

Representative McPherson stated that the cost to maintain existing dams totals approximately

\$100 million. There is an opportunity for a 65 percent federal match, which would require a 35 percent local match. The proposed legislation would help lower the total amount of maintenance required and subsequently lower the total local match needed.

In response to Senator West, Mr. Bryant stated that soil and water conservation district boards and fiscal courts are not required to initiate a discontinuance process.

Chair Heath stated that watershed conservancy district boards are volunteer-based. That is why there is a provision within the bill to provide immunity

from personal liability.

In response to Representative Clines, Mr. Bryant stated that the entity which takes over a watershed conservancy district will have the authority to tax for purposes of maintaining the watershed dam.

In response to Chair Howell, Mike Parke, Chairman, Madison County Conservation District Board, stated that independent taxing authority for the watershed conservancy districts already exist.

Authority to tax would be transferred to the entity which initiates discontinuance of an inactive watershed conservancy district.

In response to Representative Hale, Mr. Parke stated that if there is a watershed conservancy district that spans two counties, one of the fiscal courts or soil and water conservation districts within the watershed conservancy district would be able to take responsibility of the watershed conservancy district. In the case of both counties being taxed for the watershed conservancy district, all funds raised would be placed into one account, which would then be administered by the newly responsible fiscal court or soil and water conservation district.

In response to Representative Tipton, Mr. Bryant stated that soil and water conservation districts, water conservancy districts, and county judges have been consulted about the potential legislation. It has not yet been discussed with the Kentucky Association of Counties (KACo).

Representative Heath stated that the issue of inactive watershed dams arose during the 2023 Regular Session. There are active watershed conservancy districts across the state that are performing well.

Update on the Implementation of 2023 Regular Session Senate Bill 281

John Ard, Executive Director for the Office of Fleet Management, Finance and Administration Cabinet, stated that the Office of Fleet Management (OFM) manages most of the passenger motor vehicles for the state. During the 2022 fiscal year, fleet vehicles traveled over 41 million miles and burned almost 2.5 million gallons of fuel, including gasoline, diesel, and E85. The motor pool staff manages rentals for almost 5,000 rental vehicles, and its help desk staff generated more than 13,000 help tickets from customers and vendors. Orders for 237 new vehicles were placed and 198 vehicles were retired.

Senate Bill 281 requires the OFM to implement a strategy to replace at least half of its passenger vehicles with alternative fuel vehicles. Based on current inventory, the fleet is compliant with the requirement. The legislation also requires that the OFM increase the use of alternative fuels to levels that are commensurate with the increase in alternative fuel compatible vehicles managed by the OFM. The office is now required to report annually on December 1st starting in 2024.

As of October 2023, the OFM manages 3,380 passenger motor vehicles and 1,970 (51 percent) of those are alternative fuel vehicles. The fleet relies heavily on E85 vehicles to meet the state's alternative fuel vehicle requirements. Most employees fuel these vehicles with gasoline, but the OFM encourages them to utilize E85 fuel when possible. The office is pursuing diversification of the state's alternative fuel vehicle

profile by increasing the number of hybrid electric vehicles.

In response to Chair Howell, Mr. Ard stated that there has not been enough education about E85 fuels for state drivers. It would be difficult to require drivers to use E85 fuel because the option is sometimes not accessible. There are gasoline and E85 pumps in the Frankfort motor pool. Mr.

Ard is not aware of E85 pumps at the Kentucky Transportation Cabinet locations across the state. The OFM has not submitted any requests for proposal (RFP) to provide E85 pumps at state-owned motor pools.

In response to Representative Aull, Mr. Ard stated that the OFM has an app for state vehicle drivers to locate diesel, gasoline, or E85 fuel. There are only 65 locations across Kentucky which provide E85 fuel, many of which are located in Lexington and Louisville.

In response to Chair Howell, Mr. Ard stated that the state could allocate funds to put E85 pumps at state motor pool locations.

Representative Graham stated that he hopes the General Assembly can work with the OFM to support the requirements of Senate Bill 281.

In response to Representative Aull, Mr. Ard stated that there is currently no cost estimate of implementation of E85 pumps at motor pools across the state.

Overview of the Murray State University Hutson School of Agriculture

Dr. Brian Parr, Dean of the Hutson School of Agriculture, Murray State University (MSU), stated that the MSU Hutson School of Agriculture is in its 98th year of educating students. Dr. Shea Porr, Associate Dean and Department Chair of the Animal Equine Science Program, MSU, highlighted the school's recruitment efforts with youth, including Future Farmers of America (FFA) conventions, high school visits, hosting about 2,000 high school students per year on campus, and coordinating with the Institute for Future Agricultural Leaders (IFAL) program hosted by Kentucky Farm Bureau. More students are coming into the school's agriculture programs with less experience with hands-on farming. The Hutson School of Agriculture is the only department at MSU that has grown in enrollment. The school recently expanded its masters program to support online students.

The agriculture science program partners within the agriculture industry for research and education with entities such as Bayer, BASF group, and Stine. The Hutson School of Agriculture has over 1,200 acres for agricultural research. The school provides an opportunity for education in unmanned aerial systems which includes flight practice, drone maintenance, safety, and federal policies. This program was recently selected for the Federal Aviation Administration's (FAA) Unmanned Aircraft Systems-Collegiate Training initiative. The animal and equine science programs have created a new focus on poultry and meat science and equine chiropractic. MSU will be hosting the 2024 American Collegiate Horseman's Association National Convention.

There are over 400 students in the pre-vet and vet tech programs.

The Hutson School of Agriculture is in the process of achieving a college status, working on renovations, optimizing its Eagle Rest property, and proposing a veterinary (vet) school. Dr. Parr stated that the Southern Regional Education Board (SREB) contract with Auburn University is not contingent on the absence of a vet school in Kentucky. The proposed MSU vet school could be a piece of the large animal vet shortage solution.

In response to Chair Howell, Dr. Parr stated that the SREB contract allows for the absence or presence of a vet school in Kentucky. The state's payment to Auburn University exceeds the difference between in-state and out-of-state rates for Kentucky students.

Chair Heath stated that the goal is to run parallel programs with Auburn University and Murray State.

In response to Chair Howell, Dr. Parr stated that MSU is working with the Kentucky Poultry Federation, Tosh Farms, Purdue, and Tyson to bolster the school's swine and poultry offerings to meet industry demands.

Report Received - No Action Required

Chair Howell acknowledged the report from the Kentucky Department of Fish and Wildlife Resources Status of Chronic Wasting Diseases and Wildlife Diseases. No action was required.

Adjournment

There being no further business, the meeting was adjourned.

INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE **Minutes of the 6th Meeting of the 2023 Interim** November 2, 2023

Call to Order and Roll Call

The 6th meeting of the Interim Joint Committee on Appropriations and Revenue was held on November 2, 2023, at 1:00 p.m. in Room 149 of the Capitol Annex. Representative Jason Petrie, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Jason Petrie, Co-Chair; Senators Gary Boswell, Matthew Deneen, Donald Douglas, Shelley Funke Frommeyer, David P. Givens, Gerald A. Neal, Michael J. Nemes, and Robin L. Webb; Representatives Kim Banta, Danny Bentley, Adam Bowling, Josh Bray, George Brown Jr., Myron Dossett, Patrick Flannery, Ken Fleming, Deanna Frazier Gordon, Chris Freeland, Al Gentry, Mark Hart, DJ Johnson, Shawn McPherson, Ruth Ann Palumbo, Josie Raymond, Brandon Reed, Steve Riley, Cherlynn Stevenson, and Ken Upchurch.

Guests: From the October 18 Meeting; Richard Dobson, Executive Director, Office of Sales & Excise Taxes, Department of Revenue; Kimberly Hensley, Director, Division of Miscellaneous Taxes, Department of Revenue; Javier Correoso, Director, Public Affairs, Uber Technologies; Sean Vinck,

Associate General Counsel & Senior Director, Turo Inc.; Jennifer Breiwa Smith, Executive Director, Government & External Relations, Western Kentucky University; Bryan Russell, Chief Facilities Officer, Western Kentucky University; Eric Gentry, Vice President, University Advancement & Executive Director, Northern Kentucky University Foundation, Northern Kentucky University; Dr. Cady Short-Thompson, President, Northern Kentucky University; Jordan Smith, Executive Director, Governmental & Institutional Relations, Murray State University; Mary Vosevich, Vice President for Facilities Management & Chief Facilities Officer, University of Kentucky; Angie Martin, Vice President for Financial Planning & Chief Budget Officer, University of Kentucky; Dr. Jay Morgan, President, Morehead State University; Dr. Kim Schatzel, President, University of Louisville; Dr. Mary DeLetter, Interim Dean, University of Louisville School of Nursing; Dr. Jeff Bumpous, Vice President, Academic Medical Affairs, Interim Dean, University of Louisville School of Medicine; Shannon Rickett, Associate Vice President of Government Relations, University of Louisville; Dr. Gerry Bradley, Interim Provost, University of Louisville; Dan Durbin, Executive Vice President, Finance & Administration, University of Louisville; Dr. David McFaddin, President, Eastern Kentucky University; Barry Poynter, Senior Vice President, Finance & Administration, Eastern Kentucky University; Buddy Combs, Acting Vice President, Administrative Services, Kentucky Community & Technical College System; Sandy Adkins, Director, Capital Budgets, Kentucky Community & Technical College System; Andy Casebier, Assistant Vice President, Facilities Support Services, Kentucky Community & Technical College System; Chairwoman Tammi Dukes, Board of Regents, Kentucky State University; Jennifer Linton, Interim Director of Facilities Management & Capital Projects, Kentucky State University; Dr. Koffi C. Akakpo, President, Kentucky State University.

LRC Staff: Jennifer Hays, Cynthia Brown, Katy Jenkins, Adam Johnson, Sarah Watts, and Fantasia Tackett.

Approval of Minutes

Representative Reed made a motion, seconded by Representative Johnson, to approve the minutes from the October 18, 2023, meeting.

Centralized Tax Reporting & Distribution System for State & Local Transient Room Taxes November 1 Report

Mr. Dobson and Ms. Hensley presented a report on the centralized tax reporting and distribution system for state and local transient room taxes. The report, mandated by House Bill 360, was summarized in a PowerPoint presentation.

Mr. Dobson testified that, under House Bill 8, online facilitators assisting Kentucky hosts are legally required to collect and report to local jurisdictions. The idea of centralizing administration, while feasible, was noted to involve significant time, expense, and personnel considerations.

In response to a question from Representative Petrie, Mr. Dobson testified integrating a centralized tax reporting program into the Department of Revenue's

(DOR) ongoing project, DORIS, would be a complex and time-consuming process. The current statewide transient room tax is part of DORIS's first release, set for implementation in late 2024. Introducing a new process would require careful consideration, and the estimated timeline for programming and implementation would be at least another 12 months, with a projected cost of \$2.4 million.

Tax structures in several border states including Virginia, Indiana, and Tennessee were reviewed. In these states, there is a mix of centralized and local administration for various taxes. For example, Virginia has a local option sales tax centrally administered by the state, but transient room taxes are locally administered. Indiana has a history of local and central administration for different taxes, and Tennessee primarily relies on local administration for transient room taxes. None of these states has a fully mandated centralized administration for transient room taxes.

Ms. Hensley testified about conversations with the Kentucky League of Cities and the Louisville Metro Revenue Commission. Both entities expressed concerns about the state's collection of local revenue, citing long-standing opposition to breaching local autonomy in tax administration. The Kentucky League of Cities emphasized that, despite the state's passage of House Bill 8, there are no compelling reasons to reverse their position. Louisville Metro, which levies an 8.5 percent transient room tax, has been collecting taxes from online travel companies in compliance with House Bill 8. They invested significantly in software for tax collection, and they believe a centralized system is unnecessary and could impede timely and accurate revenue distribution.

Mr. Dobson testified with 108 local jurisdictions and eight potential rate combinations in Kentucky, the DOR does not currently advise taking on additional duties for local transient room tax administration. Instead, Mr. Dobson suggested allowing House Bill 8 to take effect, enforcing compliance by short-term vacation rental platforms with local jurisdictions. The equalization of the base under House Bill 8 was underscored and the challenges of centralization given the ongoing integrated tax system project was emphasized.

In response to a series of questions from Representative Petrie, Mr. Dobson testified the existing decentralized collection system does not pose any conflicts with the Streamline Sales and Use Tax Agreement (SSUTA), as the issue falls outside the purview of the sales tax system.

In response to a series of questions from Representative Flannery, Mr. Dobson testified the number of local jurisdictions required for facilitator reporting is estimated to be a minimum of 108 tourism districts. Regarding Wayfair, it was emphasized that it pertains to companies with no physical presence, whereas online facilitators are engaged in activities performed within the state. In response to inquiries about objections to a streamlined collection process, the DOR's current lack of capacity and resources for such a system was highlighted, along with the acknowledgment that facilitators already possess the technological capacity to comply.

Openness to simplifying processes through

collaboration with local jurisdictions was expressed.

Senator Boswell commented that the proposed solution seems unnecessary, characterizing it as a solution seeking a problem. He stressed the idea that if local governments institute taxes, they should handle the tax collection process.

Motor Vehicle Rental/Ride Share Business & Associated Fees

Richard Dobson, Executive Director, Office of Sales & Excise Taxes, Department of Revenue; Kimberly Hensley, Director, Division of Miscellaneous Taxes, Department of Revenue; Javier Correoso, Director, Public Affairs, Uber Technologies; Sean Vinck, Associate General Counsel & Senior Director, Turo Inc.

Mr. Dobson and Ms. Hensley provided an overview of the current implementation of legislation effective from the beginning of the year. The presentation covered key provisions of KRS 138.472, outlining the businesses subject to the motor vehicle rental/ride share excise tax, which includes various transportation services.

Mr. Dobson testified the 6 percent excise tax is imposed for the privilege of providing motor vehicles for sharing or rent within the commonwealth. Receipts from the tax are deposited into the general fund. Changes made in House Bill 360, enacted in 2023, retroactively excluded certain Human Services Transportation delivery receipts from the tax, specifically those related to non-emergency medical transportation services funded by Medicaid. The exclusion was intended to prevent inadvertent impacts.

Representative Petrie commented on the thorough discussion that took place during a previous meeting, expressing gratitude for the information provided by Mr. Dobson and others on the topic.

Ms. Hensley testified about the motor vehicle rental/ride-share excise tax registration process which commenced on December 15, 2022. Currently, there are 130 approved registrants, all opting for online filing. Tax filing began in February 2023, with the initial return and payment due on February 21. Electronic filing is mandatory by the 20th of each month, and late submissions are subject to penalties and interest. The total collection since February amounts to \$25.1 million.

Mr. Dobson expressed satisfaction with the program's performance and addressed frequently asked questions. The testimony covered topics such as businesses subject to the tax, the definition of gross receipts, tax implications for services in the commonwealth, and specific scenarios related to ride origins and terminations. The due date for tax payments, the electronic filing portal, and distinctions between the new excise tax, the loaner rental program, and the "you drive it" tax were also discussed. The absence of exemptions for service providers was emphasized and information was provided on certifications and motor carrier classifications subject to tax.

Ms. Hensley presented an example of the DOR's website for the motor vehicle rental/ride-share excise tax. The user-friendly interface, electronic registration links, and filing guides available for taxpayers

were highlighted. The website also offered general information about the tax, including contact details for further inquiries.

Mr. Correoso testified about Uber's role in connecting riders and drivers in Kentucky since 2015. The flexibility and responsibility provided to drivers as independent contractors were emphasized, particularly regarding the impact of inflation on their costs. The introduction of an additional 6 percent tax for all Transportation Network Company trips through House Bill 8 was highlighted, along with the unique challenges and costs faced by the industry. The collaborative efforts between Uber and the legislature to ensure compliance with Kentucky law were outlined, affirming the company's commitment to being a crucial transportation option.

Mr. Vinck testified Turo operates as a peer-to-peer car-sharing platform in Kentucky, allowing vehicle owners to share their cars for alternative transportation. Unlike ride-sharing, Turo serves as an alternative to traditional car rental services. The regulatory framework for peer-to-peer car sharing in Kentucky includes measures for consumer protections and insurance requirements. Readiness to address any committee questions was expressed, particularly those related to taxes under House Bill 8, and the opportunity to discuss various aspects of Turo's business was welcomed.

In response to a question from Senator Boswell, Mr. Correoso testified that while Uber has paid millions in excise taxes since January, unique regulatory requirements, particularly concerning insurance, may have negatively impacted consumer prices in the ride-sharing industry. He suggested exploring regulatory changes, specifically addressing auto insurance costs, could potentially benefit consumers.

University Capital Project Requests

Several universities testified about their capital project requests.

Ms. Smith and Mr. Russell from Western Kentucky University presented their top five capital projects to the committee.

Ms. Smith testified the first project is the replacement of the academic complex which houses the College of Health and Human Services. The second project focuses on renovating and expanding the Innovation Campus, serving as an economic hub for South Central Kentucky and accommodating a small business accelerator and national headquarters. The campus, situated in an old mall in Bowling Green, requires significant upgrades.

Mr. Russell testified the third project focused on the renovation of Henry Harden Cherry. Currently using asset preservation funds for initial renovations, the university plans to allocate

\$30 million to address the construction needs identified by architects and engineers.

Ms. Smith testified about the next project titled "Renovate Potter College Arts and Letters Facilities," focusing on the Fine Arts Center built in the 1970s. Home to various programs related to arts and letters, including recital halls, communication programs, foreign languages, theater, and dance, the building requires a much-needed renovation. The final project in the university's top five priorities is to

renovate Raymond Craven's Library, built in 1969, which requires a comprehensive overhaul. Ongoing needs were mentioned, including the request for the reauthorization of agency bond authorization for the Gordon Ford College of Business project funded in the 2022 budget, reauthorization for athletics projects, and continued appreciation for asset preservation funds from the 2022 budget.

Dr. Short-Thompson and Mr. Gentry testified about three project request priorities for Northern Kentucky University. Dr. Short-Thompson testified the first priority involves replacing the enterprise resource planning system, with a request for \$15 million in state bonds. The second priority is seeking support for the state asset preservation from 2024 to 2026, expressing gratitude for the previous investment from 2022 to 2024. The proposed amount for the next cycle is \$48,458,000, aimed at addressing the significant capital renewal backlog of approximately \$350 million. The university faces challenges in matching funds for this preservation cycle. The final priority is the renewal and renovation of Steely Library, built in 1974. A request for \$69 million in state bonds aims to transform the 49-year-old building into an academic hub, housing an Academic Commons to support student success initiatives.

Mr. Smith testified about Murray State University's (MSU) project requests, beginning with the top priority of a \$60 million asset preservation pool, MSU's portion of the CPE-requested \$700 million asset preservation pool. The university seeks a waiver of the match requirement but is willing to match from existing bond proceeds and restricted agency funds if necessary. The second project is a Learning Commons with a housing component, a \$38 million request, driven by a record enrollment and the need to address a housing shortage on campus. The third request is for the School of Nursing and Health Professions building, phase two. Although the General Assembly funded \$45.5 million for a new building in the last budget cycle, MSU is seeking an additional \$122.2 million in total for phase two to fully complete the project as originally planned, including laboratory and clinical spaces. The list of projects also includes requests for residence hall HVAC systems, an asset preservation pool for residence halls, a new auxiliary services building, replacement of College Courts Apartments, and the construction of additional residential housing.

Representative Petrie commented on the common theme of bonds and reauthorization across different institutions. He expressed the need to analyze and differentiate between ongoing and new requests, highlighting that this would be an area of focus moving forward.

Ms. Martin and Ms. Vosevich testified about the University of Kentucky's (UK) project requests.

Ms. Martin testified the size and scope of the institution, including the academic Medical Center and UK Healthcare, might make the requested projects and funding appear significant. However, she emphasized the top four priorities involve a combination of university funding, state partnership, and a share in the Council on Postsecondary Education's asset preservation pool request.

Ms. Vosevich testified the first project involves

constructing and enhancing the medical administrative facility, specifically expanding the UK Healthcare hospital with the construction of a new bed tower that would add approximately 700 beds. The initial phase is projected to be completed by mid-2029. The second project focuses on asset preservation, addressing the need for improvements in building systems, utility infrastructure, and potential major renovations to existing facilities, emphasizing the importance of maintaining and upgrading aging infrastructure on campus. The third project pertains to the construction of an agricultural research facility, replacing an existing vintage research facility and including teaching labs for the College of Agriculture, Food, and Environment. The completion date for this project is set for 2026. Lastly, the university seeks to construct a new research facility similar to a previous multidisciplinary research facility, aiming for completion in 2026.

Dr. Morgan testified about Morehead State University's project requests. Expressing gratitude for the current biennial budget and asset preservation dollars, he advocated for an expansion of funding language. Funding for a new multidisciplinary classroom building to replace and consolidate older structures was requested. The second priority involved phase two of the science and engineering building project, aiming to eliminate older buildings. Additionally, a renovation project for a classroom building was presented. Agency bond reauthorization for a new residence hall was sought and gratitude was expressed for support in expanding The Craft Academy. Continued assistance for constructing a third satellite for the campus's space science program was requested.

Dr. Schatzel and Ms. Rickett testified about the University of Louisville's (UofL) project requests. Dr. Schatzel expressed gratitude for the support received in the last budget cycle. The proposed Health Sciences Simulation Center and collaboration Hub were deemed critical to addressing the shortage of nurses in Kentucky. The facility aims to increase nursing program capacity by over 50 percent and provide state-of-the-art simulation spaces. The collaboration with Jefferson Community and Technical College (JCTC) and support from Norton, UofL Health, JCTC, and the city of Louisville was emphasized. The second priority focused on a new academic building in STEM fields to prepare students for high-demand areas like computer science and neuroscience, addressing the predicted shortage of STEM workers.

Dr. McFaddin and Mr. Poynter of Eastern Kentucky University testified, focusing on projects that build on previous General Assembly support. Dr. McFaddin highlighted the first project, the Aviation program's growth, welcoming 400 students, and the need for a dedicated classroom building at the Central Kentucky Regional Airport. The second project emphasized the ongoing work on phase two for the laboratory school, a unique educational environment serving over 1,000 P-12th graders. The third project discussed was the Alumni Coliseum renovation, funded in the last legislative session, crucial as a central gathering point for the campus. Dr. McFaddin expressed gratitude for past investments in facilities, addressing essential aspects like steam lines, electrical

systems, plumbing, and HVAC.

Mr. Combs and Mr. Casebier testified about Kentucky Community & Technical College System's (KCTCS) project requests.

Mr. Combs testified KCTCS has 63 capital projects.

Mr. Casebier thanked the committee for past asset preservation funding and outlined an estimated \$360 million in asset preservation needs for the next biennium. Several continuation projects were presented, including the expansion and renovation of the Elizabethtown Community and Technical College's Occupational Training building, the replacement of a 12-story tower at Jefferson Community College for science programs, and the replacement of an aging building at Somerset Community College to accommodate program growth. Strategic projects related to the economic growth along the I-65 Corridor were discussed, including the relocation of nursing and technology programs in Bowling Green, the establishment of a new campus to support the technology sector, and the addition of a second building at the South Central campus for local manufacturers and businesses. The statewide impact of KCTCS facilities was underscored, highlighting that the investment in their projects reaches every part of the state, benefiting the broader Kentucky community.

Dr. Koffi C. Akakpo testified about Kentucky State University's project requests. The first request is a \$50 million allocation for a new Health Sciences building to accommodate the rapidly growing nursing program, currently housed in inadequate facilities. The second request is for

\$25 million in asset preservation to address urgent issues, including a dorm with asbestos concerns. The need for IT upgrades to revitalize the neglected institution was highlighted.

Correspondence Received

Representative Petrie encouraged committee members to review the follow-up information and correspondence received. The follow-up information consisted of information from the Kentucky Department of Education and the Kentucky Infrastructure Authority. Correspondence received included the Council on Postsecondary Education's 2024-2026 Capital Investment Recommendation; Interim Emergency Appropriation Increases for FY 2024 and Interim Allotment Adjustments for FY 2024 from Jenny Bannister; and Reports Received Since October 18, 2023, from Jennifer Hays.

Adjournment

With there being no further business, the meeting was adjourned at 2:26 p.m.

BUDGET REVIEW SUBCOMMITTEE ON GENERAL GOVERNMENT, FINANCE, PERSONNEL, AND PUBLIC RETIREMENT

**Minutes of the 6th Meeting of the 2023 Interim
November 2, 2023**

Call to Order and Roll Call

The sixth meeting of the Budget Review Subcommittee on General Government, Finance, Personnel, and Public Retirement of the Interim Joint Committee on Appropriations and Revenue was held on November 2, 2023, at 9:00 AM in Room 131 of the Capitol Annex. Senator Michael J. Nemes, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Ken Fleming Co-Chair; Senator Michael J. Nemes Co-Chair; Senator Reginald Thomas; Representatives Kevin D. Bratcher, David Hale, Jason Petrie, George Brown Jr., Al Gentry, Mary Beth Imes, DJ Johnson, and Ruth Ann Palumbo.

Guests: Representative Thomas Huff, 49th District; Colleen Younger, Jefferson County PVA; Whitney Allen, Commissioner, KY Department of Veterans Affairs (KDVA), General Government Cabinet; Executive Director Mark Bowman, Executive Director, Office of Kentucky Veterans Centers, KDVA; Sam Ruth, Commissioner, Department for Facilities and Support Services, Finance and Administration Cabinet (FAC); Scott Baker, Executive Director, Office of Facility Development, Department for Facilities and Support Services, FAC; Stacy Tapke, Kenton County Attorney; Courtney Baxter, Commonwealth's Attorney, 12th Judicial Circuit; Joe Ross, Logan County Attorney; Mary Elizabeth Bailey, Secretary, Personnel Cabinet; Robert Long, Deputy Secretary, Personnel Cabinet; and, Jamie Caldwell, Commissioner, Department for Human Resources Administration, Personnel Cabinet.

LRC Staff: Emma Mills, Ethan Williams, and Spring Emerson.

Approval of Minutes

Representative Hale moved to approve the minutes of the October 18, 2023 meeting. The motion was seconded by Representative Johnson, and the minutes were approved without objection.

Homestead/Disability Property Assessment

Representative Huff and Ms. Younger provided information on the Homestead/Disability Property Assessment for homeowners.

In response to a question from Representative Gentry regarding eligibility, Ms. Younger said the Homestead Exemption is for homeowners age 65 or those under full disability.

KY Department of Veterans Affairs

Commissioner Allen and Director Bowman provided information on the Veterans Centers.

In response to a question from Chair Nemes

regarding the census numbers in the Veterans Centers, Mr. Bowman said the Eastern KY Veterans Center in Hazard currently has 80 of 120 beds occupied, which represents a 67 percent census. As a comparison to 2022, the bed occupation was 66, representing a 55 percent census. In 2022, the Western KY Veterans Center was at 53, which is a 34 percent census. Today, that facility has 66 beds occupied at a 42 percent census. The Radcliffe facility was at 37 residents, a 31 percent census in 2022 and today it is at 58 residents for a 48 percent census. At the Thompson-Hood facility, 2022 had 99 residents at 35 percent, and today is at 125 residents at 44 percent census.

In response to questions from Representative Petrie regarding the effect of the COVID pandemic in comparison to adjoining states, Mr. Bowman said there is a wide variety of numbers in adjoining states due to use of different structures and other factors involved. Representative Petrie expressed his concern in relation to pre-COVID numbers as compared to post-COVID numbers.

In response to a question from Representative Johnson regarding low pay rates, Mr. Bowman said some regulations were changed to allow the use of personal service contracts for nurses and nursing assistants, to allow for a higher wage for those uninterested in employee benefits. There is no single solution to this. There are two main issues to consider; quality care for current residents and providing access for future residents.

In response to questions from Representative Bratcher regarding the HVAC system being broken down for three years at the Radcliffe facility, Mr. Bowman said repairs were being done while the system was under warranty. An assessment was performed to determine that the product was removed from the market, parts were no longer available, and other issues resulted. No veterans were in danger, as they were housed in areas with a controlled climate.

Chair Nemes requested that an estimate for the cost of replacement of the system and more information be provided to the subcommittee.

Unified Prosecutorial System

Ms. Tapke, Ms. Baxter, and Mr. Ross provided information on the Unified Prosecutorial System, Commonwealth's Attorneys, and County Attorneys.

In response to questions from Representative Bratcher, Ms. Tapke said most prosecutors with ten years of service qualify for a federal loan repayment program. Ms. Baxter said there had been an increase in violent crimes, in addition to the backlog due to the COVID pandemic, during which time no cases were tried for two years.

Representative Palumbo commented that she supports an increase in the Victims' Witness Protection Program.

In response to a question from Co-Chair Fleming, Ms. Tapke said the only opportunity for pay increases would be when an employee moves up in the classification system due to a vacancy in a position in a higher classification.

In response to questions from Chair Nemes, Mr. Ross said the last two budget years is the only time there were any additional funds provided for pay increases.

Personnel Cabinet

Secretary Bailey provided information on the Personnel Classification Report which was submitted on November 1, 2023.

Chair Nemes requested that more information be provided on the pension spiking issue.

Representative Palumbo commented that there is an issue with long-term employees in the same job class making less than someone coming in new.

In response to questions from Chair Nemes regarding levels of classes and merit increases, Secretary Bailey said pay ranges for each grade of class must be considered on a case-by-case basis. Chair Nemes requested more information on this subject.

In response to a question from Senator Thomas regarding issues with recruiting and retaining quality employees, Secretary Bailey said a compensation study is undertaken every five years.

In response to a question from Co-Chair Fleming regarding why the balance of \$72 million was not spent, Secretary Bailey said the remaining funds had not been appropriated by the General Assembly to be spent.

In response to a question from Chair Nemes, Secretary Bailey said the process of reviewing job vacancies is always in progress.

Adjournment

There being no further business before the subcommittee, the meeting was adjourned at 10:19 AM.

BUDGET REVIEW SUBCOMMITTEE ON TRANSPORTATION

Minutes of the 6th Meeting of the 2023 Interim November 2, 2023

Call to Order and Roll Call

The sixth meeting of the Budget Review Subcommittee on Transportation of the Interim Joint Committee on Appropriations and Revenue was held on November 2, 2023, at 10:30 AM in Room 131 of the Capitol Annex. Senator Jimmy Higdon, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Ken Upchurch Co-Chair; Senator Jimmy Higdon Co-Chair; Senators Johnnie Turner and David Yates; Representatives John Blanton, Thomas Huff, Shawn McPherson, Ruth Ann Palumbo, Tom Smith, and Ashley Tackett Laferty.

Guests: Mike Hancock, Deputy Secretary, KY Transportation Cabinet (KYTC); James Ballinger, State Highway Engineer, KYTC; Robin Brewer, Executive Director, Office of Budget and Fiscal Management, KYTC; and, Amanda Spencer, Assistant State Highway Engineer, KYTC.

LRC Staff: Justin Perry, Savannah Wiley, and Spring Emerson.

Approval of Minutes

Representative McPherson moved to approve the minutes of the October 18, 2023 meeting. The motion was seconded by Co-Chair Upchurch, and the minutes

were approved without objection.

Department of Highways and Mega Projects Bonding

Mr. Hancock and Mr. Ballinger provided information on the Department of Highways and Mega Projects Bonding.

In response to a question from Representative Blanton regarding the \$50 million request for bridges, Mr. Hancock said the it is for current needs as well as a contingency for future needs, targeted specifically for counties and cities, through the Department for Rural and Municipal Aid.

In response to a question from Chair Higdon, Mr. Hancock said this funding is in addition to all the bridge programs.

In response to questions from Representative Smith, Mr. Hancock said the \$95 million federal grant slated for infrastructure can be used without appropriation by committee.

In response to questions from Senator Yates, Mr. Ballinger said guard rails and bridges are subject to regular periodic inspections. More information is available on the KYTC website.

In response to questions from Representative Tackett Laferty, Mr. Hancock said the focus of the moneys in the Road Fund is to move bridges forward.

Representative Palumbo expressed her gratitude for the work on the interstate at exit 113 in Lexington going so smoothly.

In response to questions from Chair Higdon regarding rural and secondary roads, Mr. Ballinger said the percentage of efficiency will be provided later. He agreed that there are numerous roads that are twenty years old and said the cabinet is working to extend the life of those as much as possible, as well as extending the life of bridges.

In response to questions from Representative Blanton, Mr. Ballinger said the possibility of acquiring the necessary equipment to address surface repairs and improvements is being explored. Special effort is being taken to focus on the small drainage inventory as well.

Representative Smith commented that the information requested last month regarding taxing electric vehicles will be needed before January.

In response to a question from Representative Tackett Laferty, Mr. Ballinger said the responsibility for keeping creek beds, river sides, and other drainage issues cleaned out lies in different camps depending on location.

In response to questions from Chair Higdon regarding the possibility of not receiving federal grants that have been requested, Mr. Hancock said projects can be scaled back if necessary. Estimates for cost increases have not yet been rolled into a percentage, but will be provided when ready.

Louisville Bridges Tolling

Ms. Spencer provided information regarding the Louisville Bridges tolling.

In response to a question from Chair Higdon, Ms. Spencer said the tolling project has performed well. A calculation is made annually to determine how much of the revenue needs to go into each of the reserve accounts. Revenue is necessary for operations as well.

Senator Turner commented that a breakdown of the data is needed.

Adjournment

There being no further business before the subcommittee, the meeting was adjourned at 11:50 AM.

INTERIM JOINT COMMITTEE ON BANKING AND INSURANCE

Minutes of the third Meeting of the 2023 Interim

November 1, 2023

Call to Order and Roll Call

The third meeting of the Interim Joint Committee on Banking and Insurance was held on November 1, 2023, at 9:30 AM in Room 149 of the Capitol Annex. Representative Michael Meredith, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Michael Meredith Co-Chair; Senators Julie Raque Adams, Donald Douglas, Rick Girdler, Jason Howell, Gerald A. Neal, Brandon J. Storm, Johnnie Turner, and David Yates; Representatives Chad Aull, Danny Bentley, Josh Bray, Robert Duvall, Deanna Frazier Gordon, Jim Gooch Jr., Derek Lewis, Matt Lockett, Shawn McPherson, Rachel Roarx, Rachel Roberts, Tom Smith, and Cherylynn Stevenson.

Guests: John Sparrow, Executive Vice President and CEO, Kentucky Farm Bureau Mutual Insurance; Paula Smith, Vice President of Legal Services, Kentucky Farm Bureau Mutual Insurance; Anne Marie Franklin, Governmental Affairs Manager, Kentucky Farm Bureau Mutual Insurance; Kimberly Halbauer, President, Kentucky Region, Fifth Third Bank; Nick Podsiadly, National Director, Government Affairs, Fifth Third Bank; Marni Gibson, Acting Commissioner, Department of Financial Institutions; Representative Michael Meredith, District 19; Ballard Cassady Jr., President and CEO, Kentucky Bankers Association; John Cooper, Governmental Affairs Consultant, Kentucky Bankers Association; Tim Schenk, General Counsel, Kentucky Bankers Association; and Gary Broady, Bluegrass Community Bankers Association.

LRC Staff: Jessica Sharpe, Breanna Patterson, and Elizabeth Hardy.

Approval of October 17, 2023, Minutes

Representative McPherson moved to approve the October 17, 2023, minutes. Senator Douglas seconded the motion, and the minutes were approved by unanimous voice vote.

Industry update from Kentucky Farm Bureau Mutual Insurance

Mr. Sparrow provided an update on Kentucky Farm Bureau Mutual Insurance and the insurance industry. He discussed issues impacting the industry, including labor supply chain and inflation, severe weather events, the cost of reinsurance, and market conditions. The rising cost of reinsurance for property and casualty insurance is impacting the pricing of

insurance and the ability of insurers to make a profit.

In response to Representative Gooch, Mr. Sparrow explained that through renewals, Kentucky Farm Bureau is transitioning to actual cash value (ACV) on storm losses instead of replacement cost. They are going to have full replacement expense on labor but the materials will be depreciated. In other states where organizations have moved to ACV, both members and insurance companies have been positively served. In response to Representative Gooch's question regarding whether the transition to ACV would apply to sidings, gutters, or other things, Mr. Sparrow explained that it would only apply to roofs because of their deteriorating nature.

Senator Girdler recalled previous severe weather events, noting that these significant events happen all the time. He is glad that Kentucky Farm Bureau is transitioning to ACV and stated other insurance companies will follow suit if they wish to stay competitive. In response to Senator Girdler's questions, Mr. Sparrow explained that although depreciation starts happening the day someone gets a new roof, they are not going to start applying it until year seven based on roofing industry standards. He also said that there are actuarial indications that would suggest a large rate increase but as a mutually owned and financially secure organization, they will strive to be modest with rate increases.

In response to Representative Aull, Mr. Sparrow stated that he is not aware of any major insurance carriers considering leaving Kentucky as they have in coastal states due to catastrophic weather. In the reinsurance market, Kentucky is being considered the new "coastal state" because of loss experience as a result of severe convective storms. He believes these events are cyclical and that severe events happen consecutively every several years.

The role of regional banks in Kentucky's economy

Mr. Podsiadly discussed how Fifth Third Bank is different from those involved in the recent regional bank failures. He stated that federal regulatory changes are going to change how banks will operate. Fifth Third Bank continues to manage their balance sheet for long-term outperformance and believes this will be seen across the industry. The biggest challenge going forward will be workforce development as many of the industries they bank are struggling with recruitment and retainment. Ms. Halbauer commented on the importance of a diverse banking ecosystem in Kentucky from community banks to money center organizations.

In response to Representative Smith, Mr. Podsiadly stated that Fifth Third Bank does not have any position in cryptocurrency. Federal regulators are not supportive of banks being involved in it. They continue to look at it from the innovative side of the blockchain and the ledger.

In response to Representative Smith's question regarding banks using cryptocurrency as collateral, Ms. Halbauer explained that while they do have customers ask if they are able to invest part of their portfolio into cryptocurrency, that is beyond Fifth Third Bank's risk profile from an investment perspective.

In response to Representative Smith's question

regarding JP Morgan and other large banks utilizing cryptocurrency, Ms. Halbauer stated that this is not a concern to them as large money center financial institutions have a different risk appetite and profile than most regional or community banks.

Representative Smith recommended that they look into community colleges for workforce development. Ms. Halbauer stated that they have many college students employed in their retail spaces, they hire part-time employees, and welcome the opportunity to partner with organizations at the college level to address workforce issues.

Representative Meredith commented that there is a concern about the unregulated nature of cryptocurrency ATMs and that cryptocurrency is a level of risk that most community and regional banks are not comfortable with. There is a big difference in the risk-profile of globally significant banks versus regional and community banks. He questioned whether Basel III and Basel IV should apply to regional and community banks. In response to Representative Meredith, Mr. Podsiadly commented that the biggest thing to watch is how the proposed capital rules change how banks operate.

Department of Financial Institutions update

Acting Commissioner Gibson provided an update on the Department of Financial Institutions' (DFI) depository, nondepository, and securities divisions.

In the depository division, there has been a decrease in the number of state-chartered banks. Despite this, assets are increasing and being retained in state-chartered banks. The number of credit unions in the state has remained relatively consistent, with an increase in assets for credit unions so far this year. DFI performs various types of examinations on depository institutions and has been enhancing examinations relating to information technology.

Acting Commissioner Gibson discussed the securities division. This division oversees many licenses and registrations and DFI is the sole regulatory body for investment advisers. The licensing and registration numbers in the securities division reflect the healthiness of Kentucky's economy, as many types of investments and opportunities for investments are occurring in the state. During COVID, there was a heavy focus on investment adviser examinations. DFI did perform several multi-state examinations with other regulators resulting in a large amount of restitution ordered.

In the nondepository division, the number of deferred deposit lenders has decreased due to the moratorium on licenses. DFI is slowly increasing the number of mortgage company and broker examinations. Since COVID, DFI has been operating in a more hybrid approach for examinations but believes being on-site remains important for many reasons. For money transmitters, the number of examinations has decreased but the examinations have increased in complexity. DFI received a number of complaints on regulated industries, which generally correlate with the economic cycle.

Representative Meredith commented that it is good to see that Kentucky banks still hold the number one position in capital compared to banks in

surrounding states and is in the middle of the pack for other metrics.

In response to Representative Bentley, Acting Commissioner Gibson explained that DFI takes complaints against persons with central registration depository numbers and persons who are both licensed and unlicensed, as well as from constituents or citizens.

Banking code modernization and unlawful financial trade practices

Representative Meredith commented that the committee has discussed the financial institution marketplace because of recent bank failures in other states as well as the continued decrease in Kentucky-chartered financial institutions.

BR 159 is a legislative proposal that seeks to address concerns from bankers and consumers about solicitations from groups that appear to be associated with banks, but in fact are not. He discussed the provisions of BR 159, including requirements for disclaimers, enforcement and penalties, and provisions addressing persons trying to appear as a bank without being chartered or authorized. He noted several changes that may be made to the proposal.

Representative Meredith discussed a legislative proposal to modernize Kentucky's banking and trust statutes. Much of the proposal are technical updates to account for changes in federal law, segments of the industry that are no longer active, representation of new regulated entities on the financial institutions board, and outdated banking code provisions, like required banking holidays. They are working with both the industry and regulators to ensure there are no unintended consequences.

Mr. Schenk discussed provisions that would enable Kentucky trust companies to operate in other states as well as to allow other states' companies to operate here. Mr. Broady expressed support of the modernization proposal.

Mr. Cassady discussed concerns about the discrepancies between the salaries of bank examiners at the state versus federal level. There is not enough funding going into DFI in a manner that allows them to properly function. DFI is short on both the number of examiners and examiners with experience. Examiners leave DFI to work for federal regulators where there are higher salaries. There is money in DFI's reserve account that could be used to increase salaries. Representative Meredith commented on the importance of bank examiners having real world experience. Mr. Broady added that it is important to be competitive in both salary and benefits.

Representative Aull commented that he is happy that this legislation is being discussed. In response to Representative Aull's question, Representative Meredith responded that he believes the civil penalties in BR 159 are in line with what is already in statute. Representative Aull commented that the number should be indexed for inflation. Representative Meredith responded that they will take that into account.

In response to Representative Bentley, Representative Meredith explained that there is a big difference between a bank and credit union, the biggest difference being that banks pay federal and

state income taxes while credit unions do not.

In response to Senator Howell, Representative Meredith explained that bank examiners are important to the banking ecosystem. If examinations are not properly done at the state level, there could be an increase in federal oversight. It is important to have experienced examiners so that decisions can be based on the specific circumstances of individual banks and communities. Mr. Cassady commented that banks want proper examinations because bad bank decisions affect the entire industry. Representative Meredith explained that cybersecurity has made regulation more complex and is being reviewed at both the state and federal level. It costs more to retain individuals with expertise in cybersecurity.

Representative McPherson commented that it is important for examiners to have experience with economic cycles so that they are not overreactive. In response to Representative McPherson, Representative Meredith commented that there have been significant market changes which affects bank liquidity as well as consumer costs.

Adjournment

There being no further business before the committee, the meeting adjourned at 11:21 a.m.

CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

Minutes

December 14, 2023

Call to Order and Roll Call

The December meeting of the Capital Projects and Bond Oversight Committee was held on December 14, 2023, at 3:00 PM in Room 131 of the Capitol Annex. Representative Deanna Frazier Gordon, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Deanna Frazier Gordon Co-Chair; Senator Rick Girdler Co-Chair;

Senators Shelley Funke Frommeyer, Jason Howell, and Robin L. Webb; Representatives Keturah Herron, Jason Petrie, and Walker Thomas.

Guests: Elizabeth Baker, Senior Director, Strategic Capital Planning and Legislative Analysis, University Budget Office, University of Kentucky; Janice Tomes, Deputy State Budget Director, Office of State Budget Director; Natalie Brawner, Director, Division of Real Properties, Department for Facilities and Support Services; Sandy Williams, Executive Director, Kentucky Infrastructure Authority; Katie Smith, Deputy Secretary and Commissioner, Department for Financial Services, Cabinet for Economic Development; Kylee Palmer, Director of Program Administration, Department for Financial Services; and, Ryan Barrow, Executive Director, Office of Financial Management.

LRC Staff: Katherine Halloran, Savannah Wiley, and Spring Emerson.

Approval of Minutes

Co-Chair Girdler moved to approve the minutes of the November 15, 2023 meeting. The motion was seconded by Representative Thomas, and the

minutes were approved without objection.

Information Items

Ms. Halloran provided a summary of the information items. Pursuant to KRS 45.760(5), the

University of Kentucky reported a \$363,700 National Science Foundation federally funded purchase of research equipment for the Chemistry-Physics Building. Pursuant to KRS 45.812(1), through its fiscal agent, the Bourbon County school district, which did not need an additional tax levy to pay debt service, reported an upcoming debt issue. Pursuant to House Bill 1, Eastern Kentucky University and Northern Kentucky University reported cost revisions to some of their asset preservation projects.

Lease Report from the Postsecondary Institutions - University of Kentucky

Ms. Baker provided information on three new leases, which included the UK HealthCare Markey Cancer Center at Lexington Clinic, Madison County, PR-8538; UK HealthCare Frankfort Primary Care and Clinical Services, Franklin County, PR-8560; and, UK Philanthropy and Alumni Engagement Office, Fayette County, PR-8557. She also presented the Lease Modification of at Least \$50,000 (Square Footage Increase) - UK HealthCare Barnstable Brown Diabetes Center, Fayette County, PR-8465.

In response to a question from Senator Funke Frommeyer, Ms. Baker said rental rates, particularly for clinical space, are not dropping for leased space in Fayette County. Senator Funke Frommeyer noted the decreased demand for office space.

Senator Howell moved to approve the four UK lease transactions. The motion was seconded by Senator Webb, and they were approved without objection by unanimous roll call vote.

Project Report from the Finance and Administration Cabinet

Ms. Tomes provided information for the Action Item - Appropriation Increase - Postsecondary Education, Kentucky Community and Technical College System, Upgrade Welding Shop - Big Sandy CTC - Mayo Campus. Senator Webb moved to approve the appropriation increase. The motion was seconded by Senator Howell, and the increase was approved without objection by unanimous roll call vote. Ms. Tomes also presented information for two projects requiring no action, which were Pool Allocation - Tourism, Arts and Heritage Cabinet, Department of Fish and Wildlife Resources, Fees-in-Lieu of Stream Mitigation Pool, FILO - Harrison Fork and Emergency Repair, Maintenance, or Replacement Project - General Government Cabinet, Kentucky Department of Veterans' Affairs, Radcliff Veterans Center - Emergency Nurse Call System Replacement. There were no questions and no action was required.

Lease Report from the Finance and Administration Cabinet

Ms. Brawner provided information on the Action Item - Lease Modification of at Least \$50,000 - Square Footage Increase - Transportation Cabinet, Department of Highways, Jefferson County, PR-3974, which required action. There were no questions,

and Co-Chair Girdler moved to approve the lease modification. The motion was seconded by Senator Howell, and the lease modification was approved by unanimous roll call vote.

Ms. Brawner also provided information on Lease Modifications Under \$50,000 (Amortization of Improvements) - Justice and Public Safety Cabinet, which required no action. They included Department of Corrections, Franklin County, PR-3583, and Department of Public Advocacy, Hopkins County, PR-5792. There were no questions and no action was required.

Report from the Office of Financial Management

Ms. Williams provided information for two loans and thirteen Cleaner Water Program grants. Senator Funke Frommeyer moved to roll them into one roll call vote. The motion was seconded by Senator Howell, and the votes were rolled into one. The loans included Clean Water State Revolving Fund (Fund A) Program Loan - Louisville and Jefferson County Metropolitan Sewer District (Jefferson County), A23-007 and Water Management Assistance Fund Program Loan - Martin County Water District, B324-001.

The Cleaner Water Program Grants included Round One (Senate Bill 36) - Sewer (Two - County Pool Reallocations; Round One (Senate Bill 36) - Water (Two - County Pool Reallocations); Round Two (House Bill 1) - Sewer (Three - Supplemental Pool and One - County Pool Reallocations); Round Two (House Bill 1) - Water (Three - Supplemental Pool and Two - County Pool Reallocations).

Senator Webb expressed her appreciation for what the Kentucky Infrastructure Authority has been able to accomplish in Martin County. In response to a question from Senator Funke Frommeyer, Ms. Williams referenced the Environmental Protection Agency's Lead and Copper Revised Rule implementation and said that additional federal funding was appropriated through the Drinking Water State Revolving Fund for lead service line replacement loans which required no state match.

Senator Howell moved to approve the fifteen Kentucky Infrastructure Authority (KIA) loans and grants. Senator Webb seconded the motion, and the KIA projects were approved without objection by unanimous roll call vote.

Ms. Smith and Ms. Palmer provided information on eight Economic Development Fund (EDF) grants. Senator Howell moved to roll the eight grants into one roll call vote. The motion was seconded by Co-Chair Girdler, and the votes were rolled into one.

The EDF grants included the City of Bowling Green on behalf of the Inter-Modal Transportation Authority; the City of Hopkinsville on behalf of Toyota Boshoku America; the City of Morgantown on behalf of the City of Morgantown Industrial Holding Corporation; the Boone County Fiscal Court on behalf of the Kenton County Airport Board; the Fulton County Fiscal Court on behalf of the Fulton County Industrial Development Authority; the Louisville-Jefferson County Metro Government on behalf of Stellar Snacks; the Owen County Fiscal Court on behalf of the Owen County Industrial Development Corporation; and, the Powell County Fiscal Court on behalf of the Powell County Industrial Development

Authority.

Representative Herron commented that Stellar Snacks coming to Louisville is an exciting venture and will be a big help to the community that she represents. There being no questions, Senator Howell moved to approve the EDF grants. The motion was seconded by Co-Chair Girdler, and the grants were approved without objection by unanimous roll call vote.

Mr. Barrow provided information for three new debt issues as well as two school district debt issues with SFCC participation requiring action, and a prior debt issue requiring no action.

Senator Howell moved to roll the three new debt issues into one roll call vote. The motion was seconded by Senator Funke Frommeyer, and the votes were rolled into one.

The three new debt issues included University of Kentucky General Receipts Bonds, Series 2024 B and Taxable 2024 C; Kentucky Housing Corporation Single Family Mortgage Revenue Bonds, 2024 Series A and Taxable 2024 Series B; and, State Property and Buildings Commission Agency Fund Revenue Refunding Bonds, Project No 129. There being no questions, Senator Howell moved to approve the three new debt issues. The motion was seconded by Senator Webb, and the debt issues were approved without objection by unanimous roll call vote.

Mr. Barrow provided information on Previous Debt Issue - State Property and Buildings Commission Revenue Bonds, Project No. 128 Series A, for which no action was required.

Mr. Barrow also provided information on Action Item - School District Debt Issues with School Facilities Construction Commission Debt Service participation - New Projects, which included Campbell County and Green County. There being no questions, Co-Chair Girdler moved to approve the two new debt issues. The motion was seconded by Senator Funke Frommeyer, and the two debt issues were approved without objection by unanimous roll call vote.

Adjournment

There being no further business, the meeting was adjourned at 3:47 PM.

CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

Minutes

December 14, 2023

Call to Order and Roll Call

The December meeting of the Capital Projects and Bond Oversight Committee was held on December 14, 2023, at 3:00 PM in Room 131 of the Capitol Annex. Representative Deanna Frazier Gordon, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Deanna Frazier Gordon Co-Chair; Senator Rick Girdler Co-Chair; Senators Shelley Funke Frommeyer, Jason Howell, and Robin L. Webb; Representatives Keturah Herron, Jason Petrie, and Walker Thomas.

Guests: Elizabeth Baker, Senior Director, Strategic Capital Planning and Legislative Analysis, University Budget Office, University of Kentucky; Janice Tomes, Deputy State Budget Director, Office of State Budget Director; Natalie Brawner, Director, Division of Real Properties, Department for Facilities and Support Services; Sandy Williams, Executive Director, Kentucky Infrastructure Authority; Katie Smith, Deputy Secretary and Commissioner, Department for Financial Services, Cabinet for Economic Development; Kylee Palmer, Director of Program Administration, Department for Financial Services; and, Ryan Barrow, Executive Director, Office of Financial Management.

LRC Staff: Katherine Halloran, Savannah Wiley, and Spring Emerson.

Approval of Minutes

Co-Chair Girdler moved to approve the minutes of the November 15, 2023 meeting. The motion was seconded by Representative Thomas, and the minutes were approved without objection.

Information Items

Ms. Halloran provided a summary of the information items. Pursuant to KRS 45.760(5), the University of Kentucky reported a \$363,700 National Science Foundation federally funded purchase of research equipment for the Chemistry-Physics Building. Pursuant to KRS 45.812(1), through its fiscal agent, the Bourbon County school district, which did not need an additional tax levy to pay debt service, reported an upcoming debt issue. Pursuant to House Bill 1, Eastern Kentucky University and Northern Kentucky University reported cost revisions to some of their asset preservation projects.

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In response to a question from Senator Funke Frommeyer, Ms. Baker said rental rates, particularly for clinical space, are not dropping for leased space in Fayette County. Senator Funke Frommeyer noted the decreased demand for office space.

Senator Howell moved to approve the four UK lease transactions. The motion was seconded by Senator Webb, and they were approved without objection by unanimous roll call vote.

Project Report from the Finance and Administration Cabinet

Ms. Tomes provided information for the Action Item - Appropriation Increase - Postsecondary Education, Kentucky Community and Technical College System, Upgrade Welding Shop - Big Sandy CTC - Mayo Campus.

Senator Webb moved to approve the appropriation increase. The motion was seconded by Senator Howell, and the increase was approved without objection by unanimous roll call vote.

Ms. Tomes also presented information for two projects requiring no action, which were Pool Allocation - Tourism, Arts and Heritage Cabinet, Department of Fish and Wildlife Resources, Fees-in-Lieu of Stream Mitigation Pool, FILO – Harrison Fork and Emergency Repair, Maintenance, or Replacement Project - General Government Cabinet, Kentucky Department of Veterans' Affairs, Radcliff Veterans Center – Emergency Nurse Call System Replacement. There were no questions and no action was required.

Lease Report from the Finance and Administration Cabinet

Ms. Brawner provided information on the Action Item - Lease Modification of at Least \$50,000 -

Square Footage Increase - Transportation Cabinet, Department of Highways, Jefferson County, PR-3974, which required action. There were no questions, and Co-Chair Girdler moved to approve the lease modification. The motion was seconded by Senator Howell, and the lease modification was approved by unanimous roll call vote.

Ms. Brawner also provided information on Lease Modifications Under \$50,000 (Amortization of Improvements) - Justice and Public Safety Cabinet, which required no action. They included Department of Corrections, Franklin County, PR-3583, and Department of Public Advocacy, Hopkins County, PR-5792. There were no questions and no action was required.

Report from the Office of Financial Management

Ms. Williams provided information for two loans and thirteen Cleaner Water Program grants.

Senator Funke Frommeyer moved to roll them into one roll call vote. The motion was seconded by Senator Howell, and the votes were rolled into one.

The loans included Clean Water State Revolving Fund (Fund A) Program Loan - Louisville and Jefferson County Metropolitan Sewer District (Jefferson County), A23-007 and Water Management Assistance Fund Program Loan - Martin County Water District, B324-001.

The Cleaner Water Program Grants included Round One (Senate Bill 36) - Sewer (Two - County Pool Reallocations; Round One (Senate Bill 36) - Water (Two - County Pool Reallocations); Round Two (House Bill 1) - Sewer (Three - Supplemental Pool and One - County Pool Reallocations); Round Two (House Bill 1) - Water (Three - Supplemental Pool and Two - County Pool Reallocations).

Senator Webb expressed her appreciation for what the Kentucky Infrastructure Authority has been able to accomplish in Martin County.

In response to a question from Senator Funke Frommeyer, Ms. Williams referenced the Environmental Protection Agency's Lead and Copper Revised Rule implementation and said that additional federal funding was appropriated through the Drinking Water State Revolving Fund for lead service line replacement loans which required no state match.

Senator Howell moved to approve the fifteen Kentucky Infrastructure Authority (KIA) loans and

grants. Senator Webb seconded the motion, and the KIA projects were approved without objection by unanimous roll call vote.

Ms. Smith and Ms. Palmer provided information on eight Economic Development Fund (EDF) grants. Senator Howell moved to roll the eight grants into one roll call vote. The motion was seconded by Co-Chair Girdler, and the votes were rolled into one.

The EDF grants included the City of Bowling Green on behalf of the Inter-Modal Transportation Authority; the City of Hopkinsville on behalf of Toyota Boshoku America; the City of Morgantown on behalf of the City of Morgantown Industrial Holding Corporation; the Boone County Fiscal Court on behalf of the Kenton County Airport Board; the Fulton County Fiscal Court on behalf of the Fulton County Industrial Development Authority; the Louisville-Jefferson County Metro Government on behalf of Stellar Snacks; the Owen County Fiscal Court on behalf of the Owen County Industrial Development Corporation; and, the Powell County Fiscal Court on behalf of the Powell County Industrial Development Authority.

Representative Herron commented that Stellar Snacks coming to Louisville is an exciting venture and will be a big help to the community that she represents.

There being no questions, Senator Howell moved to approve the EDF grants. The motion was seconded by Co-Chair Girdler, and the grants were approved without objection by unanimous roll call vote.

Mr. Barrow provided information for three new debt issues as well as two school district debt issues with SFCC participation requiring action, and a prior debt issue requiring no action.

Senator Howell moved to roll the three new debt issues into one roll call vote. The motion was seconded by Senator Funke Frommeyer, and the votes were rolled into one.

The three new debt issues included University of Kentucky General Receipts Bonds, Series 2024 B and Taxable 2024 C; Kentucky Housing Corporation Single Family Mortgage Revenue Bonds, 2024 Series A and Taxable 2024 Series B; and, State Property and Buildings Commission Agency Fund Revenue Refunding Bonds, Project No 129. There being no questions, Senator

Howell moved to approve the three new debt issues. The motion was seconded by Senator Webb, and the debt issues were approved without objection by unanimous roll call vote.

Mr. Barrow provided information on Previous Debt Issue - State Property and Buildings

Commission Revenue Bonds, Project No. 128 Series A, for which no action was required.

Mr. Barrow also provided information on Action Item - School District Debt Issues with School Facilities Construction Commission Debt Service participation - New Projects, which included Campbell County and Green County. There being no questions, Co-Chair Girdler moved to approve the two new debt issues. The motion was seconded by Senator Funke Frommeyer, and the two debt issues were approved without objection by unanimous roll call vote.

Adjournment

There being no further business, the meeting was adjourned at 3:47 PM.

CERTIFICATE OF NEED TASK FORCE Minutes of the 6th Meeting of the 2023 Interim November 20, 2023

Call to Order and Roll Call

The sixth meeting of the Certificate of Need Task Force was held on November 20, 2023, at 10:30 AM in Room 171 of the Capitol Annex. Representative Russell Webber, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Donald Douglas Co-Chair; Representative Russell Webber Co-Chair; Senators Karen Berg, David P. Givens, Stephen Meredith, and John Schickel; Representatives Lindsey Burke, Daniel Elliott, Marianne Proctor, and Susan Witten.

Guests: Senator Gex Williams; Jeffrey A. Singer, MD, FACS, Senior Fellow, Cato Institute; Laura D'Agostino, Attorney, Pacific Legal Foundation; Deborah Hayes, President, Chief Executive Officer, The Christ Hospital Health Network; and Matt Shuler, Vice President, Chief Legal Officer, Christ Hospital Health Network.

LRC Staff: DeeAnn Wenk, Logan Bush, and Becky Lancaster.

Approval of Minutes

A motion to approve the minutes of the October 19, 2023, meeting was made by

Senator Douglas, seconded by Senator Meredith, and approved by voice vote.

Certificate of Need Laws

Jeffrey A. Singer, MD, FACS, Senior Fellow, Cato Institute, discussed his view on the reasons certificate of need laws should be repealed, including the monopoly privileges for existing facilities, greater spending per patient on Medicare and Medicaid in rural areas, limitations on establishing birthing centers, and reduced rapid response ability the health care system to sudden changes.

In response to questions and comments from Senator Meredith, Dr. Singer stated that Arizona has many areas that are ambulance deserts. It should be up to the facility and market conditions to determine whether or not to open a facility not the government. Alternatives to hospitals may provide services at lower costs.

In response to questions and comments from Representative Proctor, Dr. Singer stated that Arizona repealed certificate of need laws 33 years ago and has not had problems with new hospitals developing or expanding.

In response to questions and comments from Representative Burke, Dr. Singer stated that one of the reasons for a shortage of healthcare services are because the healthcare system needs major reform and repealing the certificate of need law is one part of that reform process.

In response to questions and comments from

Senator Douglas, Dr. Singer stated that Kentucky should move healthcare to a free-market space and that markets serve the consumer.

Laura D'Agostino, Attorney, Pacific Legal Foundation discussed her experience with the health system in Italy. She stated that research that shows there are fewer service providers and services offered in certificate of need states than in non-certificate of need states. She made suggestions for a partial repeal of the certificate of need laws.

Hospitals: Certificate of Need Discussion

Deborah Hayes, President, Chief Executive Officer, The Christ Hospital Health Network discussed the Christ Hospital Health Network's performance awards, service area, the Kentucky residents it employs, and the number of Kentucky patients it serves. She discussed the hospital's experiences and costs with trying to obtain a certificate of need in Kentucky and the potential services needed that require a certificate of need.

In response to questions and comments from Senator Berg, Ms. Hayes stated that Christ Hospital Health Network physicians are not required to use their MRI facilities but prefer to use the Christ Hospital Health Network facilities because it is more convenient and they are familiar with who will be reading the MRI.

In response to questions and comments from Senator Meredith, Ms. Hayes stated that she is asking for a repeal of the certificate of need law based on the testimony given and she does not believe repealing the certificate of need will have a negative effect on rural hospitals if healthcare systems can partner with the existing rural hospital systems.

In response to questions and comments from Representative Proctor, Ms. Hayes stated that since the hospital is required to list routine services on its website, they can analyze prices with hospitals in surrounding areas and other states. They found that in March of 2023, the cost of four common health procedures were higher in Northern Kentucky than in Cincinnati.

In response to questions and comments from Representative Burke, Ms. Hayes stated that as a nonprofit healthcare provider they have every intention to continue providing uncompensated care to patients and the community.

In response to questions and comments from Senator Williams, Ms. Hayes stated that the hospital works well with Cincinnati Children's Hospital but they do not provide care for children beyond stabilizing them in the emergency room.

In response to questions and comments from Representative Elliott, Ms. Hayes stated that St. Elizabeth Healthcare opposed the Christ Hospital Health Network's certificate of need requests.

Adjournment

There being no further business, the meeting was adjourned at 11:46 AM.

CERTIFICATE OF NEED TASK FORCE Minutes of the 7th Meeting of the 2023 Interim December 14, 2023

Call to Order and Roll Call

The seventh meeting of the Certificate of Need Task Force was held on December 14, 2023, at 10:00 AM in Room 171 of the Capitol Annex. Senator Donald Douglas, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Russell Webber Co-Chair; Senator Donald Douglas Co-Chair; Senators Karen Berg, David P. Givens, Stephen Meredith, and John Schickel; Representatives Lindsey Burke, Daniel Elliott, Marianne Proctor, and Susan Witten.

LRC Staff: DeeAnn Wenk, CSA, Logan Bush, and Becky Lancaster.

Approval of Minutes

A motion to approve the minutes of the November 20, 2023, meeting was made by Senator Meredith, seconded by Representative Elliott, and approved by voice vote.

Final Certificate of Need Task Force Findings and Recommendations Summary

Senator Douglas discussed the charge, the two findings, and the recommendation of the task force.

Senator Schickel discussed how the task force has highlighted the differences in urban and rural healthcare, the need for various solutions for each area, and his support for certificate of need reform.

Approval of the Findings and Recommendations Memo

A motion to approve the Certificate of Need Task Force findings and recommendation memo was made by Senator Meredith, seconded by Representative Witten. After a roll call vote of 10 yes votes and 0 no votes the final memo was approved.

Senator Givens discussed the need to balance the interests of rural and urban areas found in the memo.

Adjournment

There being no further business, the meeting was adjourned at 10:20 AM.

INTERIM JOINT COMMITTEE ON ECONOMIC DEVELOPMENT AND WORKFORCE INVESTMENT Minutes of the 6th Meeting of the 2023 Interim November 9, 2023

Call to Order and Roll Call

The sixth meeting of the Interim Joint Committee on Economic Development and Workforce Investment was held on November 9, 2023, at 9:00 AM in Room 149 of the Capitol Annex. Representative Russell Webber, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Max Wise Co-Chair;

Representative Russell Webber Co-Chair; Senators Shelley Funke Frommeyer, Rick Girdler, Denise Harper Angel, Robby Mills, Brandon J. Storm, and Phillip Wheeler; Representatives Shane Baker, Jared Bauman, Josh Branscum, Steve Bratcher, Al Gentry, Mark Hart, Thomas Huff, Kevin Jackson, Kim King, Matt Lockett, Phillip Pratt, Rachel Roarx, Scott Sharp, and Timmy Truett.

Guests: Jeff Gregory, Mayor, Elizabethtown; Carl Swope, Chairman, Elizabethtown Airport Board; Rick Games, President and Chief Operating Officer, Elizabethtown-Hardin County Industrial Foundation; Luke Schmidt, President, L.B. Schmidt & Associates, LLC; Erik Hubbard, Executive Director, Backroads of Appalachia; and Patrick Bowen, President, Bowen National Research.

LRC Staff: Janine Coy, Helen Hacker, Eric Rodenberg, Crystal Thompson, and Sasche Allen.

Approval of Minutes

A motion to approve the minutes of the October 26, 2023, meeting was made by Senator Wise, seconded by Representative Bratcher, and approved by voice vote.

Elizabethtown Regional Airport Expansion

Jeff Gregory, Mayor of Elizabethtown; Carl Swope, Chairman of the Elizabethtown Airport Board; and Luke Schmidt, President of L.B. Schmidt & Associates, LLC, presented a plan for expansion of the Elizabethtown Regional Airport. Testimony was offered detailing major economic and infrastructure growth in the metro area to support this expansion, including BlueOval SK Battery Park and Fort Knox Army Base.

Answering questions from Senator Wheeler, Mr. Schmidt stated the airport expansion project in Elizabethtown is drastically different from a failed project in Pike County funded by the federal Civil Aviation Grant. In response to a follow up question, he said although there are other options for passenger services in other areas of the state, this expansion will open opportunities for Central Kentucky unique to that region.

Responding to Representative Sharp, Mr. Gregory confirmed that the military has requested for the new airport to have the capability to accommodate a C17 aircraft and believe the location is advantageous.

Addressing questions from Representative Roarx, Mr. Gregory said the property that is being considered for the project has several homes located parallel to the acreage but none that would be in the direct path of the new runway. He did point out there are several homes that would be located uncomfortably close to the airport. Negotiations with the landowner of the property are ongoing. In response to a follow up regarding sound mitigation programs, Mr. Swope stated he believes that it should not be an issue due to the small amount of existing residential development.

Replying to Senator Funke Frommeyer, Mr. Swope verified that projects of this magnitude usually require federal, state, and local funding. The airport expansion funding will be comprised of funds mostly from the Federal Aviation Administration, but there is a partnership being negotiated with Fort Knox that would bring Department of Defense funding. There

would still be a need for a local match from the City of Elizabethtown, and there is a plan to request funding from the General Assembly.

Answering a question from Senator Wise, Rick Games, President and Chief Operating Officer for the Elizabethtown-Hardin County Industrial Foundation, stated the area's current energy infrastructure is adequate to support the project, and Kentucky Utilities and Louisville Gas and Electric concur.

Responding to Representative Bratcher, Mr. Gregory reiterated that the Federal Aviation Administration typically funds 90 percent of airport runway development.

Representative Webber commented that there was an attempt to schedule representatives from BlueOval SK to speak, but the representatives declined at this time. He confirmed representatives will brief the committee during the upcoming legislative session.

Moving Forward in Eastern Kentucky

Erik Hubbard, Executive Director of Backroads of Appalachia, presented an overview of the program, events offered, and the positive community and economic impact those events have in Eastern Kentucky. This motorsports program utilizes 53 trails and serves 44 Kentucky counties that connect with Ohio, Tennessee, West Virginia, and Virginia. The organization brings jobs to the counties it serves, helps to revitalize former coal towns, and supports small businesses. Backroads Appalachia has 90 planned events for 2024 and estimates a \$30 million economic impact for 2024 to 2025 with an estimate of 40,000 visitors in 2024. The organization plans to request \$500,000 from the General Assembly during the upcoming session.

Senator Wheeler attested he had participated in a Backroads Appalachia event and encouraged the members' support of organization.

Responding to Representative King, Mr. Hubbard said he does communicate with members of the General Assembly and spoke about the opportunity Backroads Appalachia can provide to individuals in transition.

Representative Jackson made remarks about Mr. Hubbard's demeanor and dedication, saying his attitude and enthusiasm are infectious.

Answering a question from Senator Wise, Mr. Hubbard said his organization has routine communication with Kentucky State Parks and utilizes some state parks for Backroads Appalachia events.

Representative Truett commented on his personal connection with Mr. Hubbard and commended him for his work with the organization.

Senator Funke Frommeyer made remarks about the opportunities the organization can bring to the state.

Representative Sharp echoed comments made by Representatives Truett and Jackson and said Eastern Kentucky is in dire need of new economic development opportunities after the shift in the coal industry.

Senator Storm thanked the co-chairs for allowing Mr. Hubbard to present to the committee and thanked him for his work.

Housing's Impact on Employers and Employees

Patrick Bowen, President of Bowen National Research, presented an overview of a county housing needs assessment in Kentucky. Market analysis was conducted in Daviess, Fayette, Kenton, Rowan, and Warren Counties. Studies revealed that over one-half of the employers who participated in the surveys stated that housing issues, including availability and affordability, adversely impacts their ability to attract and retain workers, as a large percentage of workers must travel more than 50 miles each day to their job.

Representative King reminded the committee of the General Assembly's Affordable Housing Caucus.

Answering a question, Mr. Bowen explained the definition of affordable housing used in his research which included the entire spectrum of affordable housing options.

In response to Senator Funke Frommeyer, he stated his research does not factor in certificate of need but expounded on senior care facilities.

Adjournment

There being no further business before the committee, the meeting adjourned at 10:42 a.m.

INTERIM JOINT COMMITTEE ON EDUCATION

Minutes of the Sixth Meeting of the 2023 Interim

November 1, 2023

Call to Order and Roll Call

The sixth meeting of the Interim Joint Committee on Education was held on November 1, 2023, at 11:00 a.m. in Room 154 of the Capitol Annex. Senator Stephen West, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative James Tipton Co-Chair; Senator Stephen West Co-Chair; Senators Danny Carroll, Shelley Funke Frommeyer, David P. Givens, Jimmy Higdon, Stephen Meredith, Gerald A. Neal, Reginald Thomas, Lindsey Tichenor, Gex Williams, and Mike Wilson; Representatives Shane Baker, Jared Bauman, Tina Bojanowski, George Brown Jr., Emily Callaway, Jennifer Decker, Scott Lewis, Candy Massaroni, Bobby McCool, Felicia Rabourn, Steve Rawlings, Josie Raymond, Killian Timoney, Timmy Truett, Russell Webber, and Lisa Willner.

Guests: Senator Schickel, Senate District 11; Representative Steve Rawlings, House District 66; Laura Edwards, Homeschool Mother and Certified Teacher in KY/OH; Mark Messingschlager, Director of Financial Aid, Thomas More University; Noah Tyler, CFO, Classic Learning Test; Jenny Oldham, Hardin County Attorney, President, Kentucky County Attorneys Association; Steve Dasenbrock, Assistant Campbell County Attorney; Ashley Clark, Executive Officer, Department of Family and Juvenile Justice Services, Administrative Office of the Courts; Dr. Jim Flynn, Executive Director, Kentucky Association of School Superintendents; Dr. Brian Creasman, Superintendent, Fleming County Schools; Dr. Carrie Ballinger, Superintendent, Rockcastle

County Schools; Thom Cochran, Superintendent, Johnson County Schools; Alicia Sells, Director of Innovation, Ohio Valley Educational Cooperative; Robin Kinney, Interim Commissioner, Kentucky Department of Education (KDE); and Rhonda Simms, Associate Commissioner, Office of Assessment and Accountability, KDE.

LRC Staff: Yvette Perry, Joshua Collins, Peter Wright, and Maurya Allen.

Senator Wilson, Senator Higdon, and Senator Givens welcomed Shawn Krise and son Eli, junior at Bowling Green High School. Chair West directed members attention to a follow-up from last month's meeting, a one-page document regarding absenteeism and truancy, in member packets.

Approval of Minutes - October 17, 2023

Representative Timoney made a motion, seconded by Senator Givens, to approve the minutes of the October 17, 2023, meeting. The motion passed by voice vote.

Homeschoolers' KEES Scholarships

Senator Schickel, Senate District 11; Representative Steve Rawlings, House District 66; Laura Edwards, Homeschool Mother and Certified Teacher in KY/OH; and Mark Messingschlager, Director of Financial Aid, Thomas More University, were present to discuss proposed legislation to allow homeschool students to receive KEES scholarships.

Representative Rawlings spoke to his experience as a homeschooling parent and the success of his children in postsecondary academics. They were not eligible for full KEES award amounts due to their not participating in state certified schools. Senator Schickel said the proposed legislation has been vetted thoroughly by the committee, passed the Senate with bipartisan support last legislative session, but has not made it through the process. Mr. Messingschlager spoke in support of the proposed legislation saying homeschool students who apply for higher education scholarships are routinely some of the highest achieving students academically, but receive the lowest amount of KEES as they are not eligible for the GPA portion of the scholarship. Ms. Edwards spoke as a homeschooling parent and highlighted the amount of KEES award received by certified high school graduates versus homeschool graduates. She proposed a model for usage of the Classic Learning Test (CLT) scores to substitute for GPA in awarding KEES scholarship to homeschooling students.

In response to a question from Representative Tipton, Noah Tyler, CFO, Classic Learning Test, said the CLT is a newer exam provided to homeschool students and charter school students. Florida has adopted the exam and there are colleges throughout the country that accept the CLT, including Thomas More University. He said there are many similarities between the CLT and the ACT, including content areas covered. However, there is more room for intellectual creativity on the CLT instead of rote recitation of facts.

In response to questions from Representative Timoney, Ms. Edwards estimated there are approximately 20,000 homeschoolers in Kentucky. Mr. Messingschlager said KHEAA would be the better

agency to ask about the fiscal impact of expanding KEES, but a rough estimate of cost per year to expand KEES to homeschool students would be multiplying \$2,000 by the approximate number of homeschooling seniors. Representative Timoney spoke in favor of giving KEES money to homeschoolers but stressed the need to reevaluate the entire scholarship program.

Truancy Issues

Chair West directed members attention to the one-page fact sheet regarding absenteeism provided by KDE.

Ashley Clark, Executive Officer, Department of Family and Juvenile Services, spoke about the structure of the Court Designated Worker (CDW) program and how it affects juveniles charged with misdemeanors. Processing complaints begins with the Director of Pupil Personnel (DPP) or their designee signing a truancy complaint and referring it to the courts. The number of complaints being reported significantly decreased during the pandemic, but have returned to pre-pandemic levels.

Diversion is used to prevent delinquency among Kentucky's youth by providing education, treatment, and accountability. The use of diversion to improve outcomes was illustrated graphically. In 2014, Family Accountability, Intervention and Response Teams (FAIR Teams) were implemented to create multidisciplinary teams of individuals to meet students where they are and address barriers to successful completion of diversion programs. The FAIR Team has different options for referral of students.

In response to a question from Representative Bojanowski, Ms. Clark said she did not have data on the number of students who are pulled from public schools for homeschooling at the time of filing with the CDW. Chair West said KDE would likely have that data.

In response to questions from Representative Tipton, Ms. Clark said she could not speak to what prevents DPPs from making complaints earlier in the truancy process. Parents are involved in FAIR Teams and other diversion programs, and if the CDW determines that the parent is not cooperating in the process, they can make filings against the parent for lack of cooperation.

Ms. Oldham shared the perspective of county attorneys who are elected to enforce laws, as part of the executive branch. Truancy is one of the strongest predictors for adult criminality, and addressing it is a unique opportunity to impact students' lives and success as adults. She encouraged members to reach out to their county attorneys and local DPPs to ask why truancy filings are not occurring or getting before judges, because each county is unique and faces different truancy situations.

When Senate Bill 200 of the 2014 Regular Session went into effect, there were unintended consequences. It expanded the CDW program but in doing so, it also reduced the available penalties and lengthened the process. Also, court orders were limited to 6 months and it overburdened the Child Protective Services department. Mr. Dasenbrock said the number of reports appears to be down, because there was a split between the number of complaints made by DPPs and filings by CDWs. He said there are

two areas to address truancy, one through the courts, and one through the dependency and neglect docket. In the case of dependency and neglect, parents either do not know their older student leaves school or the parent is responsible for not bringing their young child to school. There is very little accountability for parents who are committing educational neglect.

Ms. Oldham said FAIR teams can negotiate and create agreements between students and school districts to address truancy, but FAIR teams do not have much enforcement authority. Taking a truancy issue to the court system is a useful tool to force parents to become involved. Mr. Dasenbrock further explained that some DPPs feel that the CDW and FAIR Team process takes too long, so they have simply stopped filing truancy complaints. There is more immediate attention from the educational neglect route. This route, though, compounds the overburdening of the child protective services staff who have to investigate.

Responding to a question from Representative Willner, Mr. Dasenbrock said the FAIR Team was meant to be a collaborative group to look at all the facets of student life that contribute to truancy, however, it does not have any enforcement authority. There needs to be some group investigating the needs of students in the home and if the FAIR Team had investigative and enforcement ability it would be more helpful.

In response to a question from Senator Givens, Mr. Dasenbrock said that attendance at school does not mean quality education. There may be financial motivators that can force DPPs to pursue more truancy complaints, however, there are many drivers for students not attending school. Students may be losing their interest in school for many reasons including the climate at home and school.

Responding to a question from Representative Truett, Ms. Oldham said the biggest impact would come from compressing the timeline for intervention and giving more meaningful interventions. FAIR Teams have their place, but more resources need to be implemented sooner in the process. Mr. Dasenbrock said that charging parents with an offense for truancy would be a tremendous tool.

Innovations in Education

Presenting innovative approaches to student assessment were Dr. Jim Flynn, Executive Director, Kentucky Association of School Superintendents; Dr. Brian Creasman, Superintendent, Fleming County Schools; Dr. Carrie Ballinger, Superintendent, Rockcastle County Schools; and Thom Cochran, Superintendent, Johnson County Schools. Mr. Flynn said one-size-fits all solutions are not adequate for any school, so he wanted to share innovations individual schools are implementing to improve outcomes for students. Common policy barriers identified by Kentucky superintendents include state assessments, accountability requirements, graduation requirements, and antiquated data reporting systems that do not align with a vision for personalized learning or adequately reflect the learning going on in schools. He advocated for a policy environment that inspires innovation to design and implement personalized education programs.

Mr. Creasman spoke to innovations in

accountability. Accountability holds great significance and he would never advocate for a lessening of standards. The pause in testing during the pandemic was a useful time to evaluate assessments, including the use of instructionally-embedded tests and performance tasks. Replacing traditional graduation requirements with capstones or learning defenses is an innovation being adopted across the country. Kentucky is leading the way with Portrait of a Learner and Next Generation Assessments, rather than using a singular assessment at the end of the year. This allows for schools to adapt throughout the year to meet students where they are and affect real change.

Local Laboratories of Learning (L3) are part of a pilot program tasked with designing new assessment and accountability systems and share their culture of change with other districts. Next Generation accountability models are ultra-simplistic; inherently local; driven by students; aligned to community expectations; and meet workforce needs and trends. The assessments also have a built-in requirement for real-time transparency. There are two districts, Kenton County Public Schools and Fleming County Public Schools, with fully operational community-based accountability systems. KDE provides technical assistance but the bulk of the data collection happens at the local level. Barriers to innovation include many misunderstandings, including the assumption that local accountability is anti-testing or a driver for lower expectations. It is neither of those, and there are statutes already existing to accommodate L3s as Districts of Innovation.

Mr. Cochran said there is a need to provide accountability. Johnson County Public Schools is an L3 district, and spent a lot of time determining what the community wanted, including surveying students. The Success-Opportunity-Accomplishment-Relationships (SOAR) program showcases an individual student's growth, as well as career exploration, pathway completions, and/or certification attainment. Johnson County Public Schools' portrait of a learner includes attributes that students identified as what they aspire to attain by graduation. He provided examples of what students have produced as part of their portrait of a learner project.

Ms. Ballinger spoke to the ways that Rockcastle County Schools, which is not a L3 participant, has implemented community-based accountability. Schools need to be responsive to student needs. After a few experiences of helping troubled students, she advocated for an expansion and improvement of alternative education options including therapeutic settings for students that include wrap-around services and a focus on skill development for career success. She asked the members to create a task force to study innovation opportunities such as community-based accountability models, competency based/performance-based models, and alternative education models.

In response to a question from Representative Massaroni, Dr. Flynn said the scores are important, but there is a lot more to the education picture that should also be included in accountability. Representative Massaroni said that until the foundational reading and mathematics skills are where they need to be, it is not time to expand our focus to anything else.

Responding to a question from Representative Bojanowski, Dr. Creasman said they expanded from utilizing strictly the summative assessment to formative assessments that showcase individualized learning in a more transparent way than the state results. He illustrated that there are students who may do poorly on a state reading assessment, while simultaneously doing well on welding exams where they mastered a welding manual written at a Lexile level of 1300.

WeLeadCS Statewide Computer Science Academy

Alicia Sells, Director of Innovation, Ohio Valley Educational Cooperative, spoke to workforce participation and development brought about by the innovations piloted at iLead 10 years ago. iLead is a different kind of high school, operating as part of an interlocal agreement, where 75 percent of the graduates have attained an industry certification upon graduation. Community business leaders want graduates with data literacy and iLead has expanded their course offerings to include computer science education, becoming one of the top five schools in the country for teaching computer science. She spoke to the desire to expand this success statewide and invited members to a kickoff event highlighting WeLeadCS. She said Kentucky has an opportunity to be a national leader in this area.

Representative Rabourn thanked iLead for their continued innovation as a representative of several of the school districts participating in the interlocal agreement.

Assessment Results

Robin Kinney, Interim Commissioner, Kentucky Department of Education (KDE); Rhonda Simms, Associate Commissioner, Office of Assessment and Accountability, KDE; and Jennifer Stafford, Director, Division of Assessment and Accountability Support, KDE, were present to share the statewide assessment and accountability data that was released the night before the meeting. School staff have had student assessment results since August, and some items were released to districts in September. Year to year accountability is not comparable because of significant changes implemented in recent years, however, comparisons can be made in assessment performance within a year for individual grade levels.

Ms. Sims said accountability legislation passed in February 2020 has now been fully implemented. Federal law imposes requirements that must be met in the accountability systems. There are additional requirements in state law for reporting of school accountability and performance rating indicators. Ms. Stafford spoke to the annual requirement to identify student groups that are performing at the same level as the lowest five percent of schools. Previously, the accountability system reported the status of schools, but a new report of change has been incorporated into the overall report as well. This is reflected in the color indicator illustrated on a school's assessment dashboard.

Assessment results were briefly highlighted by Ms. Sims. She discussed locations where the standards changed. Elementary schools show an increase in reading and mathematics scores in the past two years,

middle schools increased or remained the same, and high schools either maintained or declined slightly.

In response to a question from Representative Tipton, Ms. Sims said there are significant gaps for students of color, but it is not covered in the current information. She will go deeper into the data and come back with more detail on those gaps.

Additionally, in science scores, elementary and middle schools are showing improvement but the high school scores show a decline. Beyond federal requirements, Kentucky assesses social studies and writing, showing improvements across the board among all schools, with less improvement in high schools. ACT composite scores were also shared. This is the best longitudinal data for high school, and illustrates an overall upward trend since the pandemic. Individual content area scores show slight declines in math and reading.

Commissioner Kinney presented areas where improvement efforts need to be made, including content area support, addressing the teacher shortages, and addressing absenteeism and truancy. All of these are areas the membership has heard about this interim and all stakeholders are dedicated to addressing.

In response to a question from Representative Truett, Ms. Sims said that one of the challenges with getting quicker results is the need for consistency. Assessment results come from the vendor, and there are many areas that require hand scoring. Accountability requires a lot of approval among stakeholders to determine the cutoff scores within the data.

Responding to a question from Senator Funke Frommeyer, Ms. Sims said she did not have the data on hand to address the workforce participation concerns from members.

In response to a question from Representative Rabourn, Commissioner Kinney said she had not considered the impact that school accountability reports have on the recruitment of businesses or families into local communities. However, this is only a snapshot and many businesses will look at more than just a single metric within a community when deciding where to locate. Other metrics, such as economic incentives, are likely to have a greater impact on their decision-making.

In response to a question from Senator Carroll, Ms. Sims said there was not incorporation of the Brigance kindergarten screener into the accountability data, but the department could look at the relationship between participation in the screener and assessment results in early elementary and middle school behavior issues.

Responding to a question from Senator West, Ms. Sims said that the data is difficult to compare because of the interruption caused by changing the assessment and the pandemic. There is also data on achievement gaps, all available online. Additionally, KDE would welcome the opportunity to discuss any of the data in more detail with members in the future.

Senator Givens asked the presenters and the committee chairs to be prepared to discuss assessment and accountability results for a significant portion of the November meeting next year so that neither the KDE nor the committee members feel rushed and can better understand the information and form adequate

legislative responses.

Adjournment

With no further business to come before the committee, the meeting adjourned at 1:30 p.m.

INTERIM JOINT COMMITTEE ON FAMILIES AND CHILDREN **Minutes of the 6th Meeting of the 2023 Interim** **November 8, 2023**

Call to Order and Roll Call

The 6th meeting of the Interim Joint Committee on Families and Children was held on November 8, 2023, at 1:00 PM in Room 149 of the Capitol Annex. Senator Danny Carroll, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Samara Heavrin Co-Chair; Senator Danny Carroll Co-Chair; Senators Greg Elkins, Denise Harper Angel, Amanda Mays Bledsoe, Stephen Meredith, Lindsey Tichenor, and Max Wise; Representatives Shane Baker, Kim Banta, Mike Clines, Jennifer Decker, Ken Fleming, Marianne Proctor, Josie Raymond, Steve Riley, Rachel Roarx, and Nick Wilson.

Guests: Steve Shannon, Executive Director, Kentucky Association of Regional Programs Inc.; Elisha Mahoney, Executive Director, External Child Fatality and Near Fatality Review Panel, Justice and Public Safety Cabinet; Eric Friedlander, Secretary, Cabinet for Health & Family Services; Lesa Dennis, Commissioner, Department for Community Based Services, Cabinet for Health & Family Services; Kerry Harvey, Secretary, Justice & Public Safety Cabinet; Aundrea Lewis, Chief Executive Officer, Peace Hospital, University of Louisville Health; Jason Staats, Chief Executive Officer, SUN Kentucky; Mark Birdwhistell, Senior Vice President & Chief Administrative Officer, University of Kentucky Healthcare; Ken Marshall, Chief Operations Officer, University of Louisville Health; Abbreial Drane, President & Chief Executive Officer, Bellewood & Brooklawn; Michelle Sanborn, President, Children's Alliance; Denise Lester, Executive Director & Chief Executive Officer, Purchase Youth Villages & Heart Youth Villages; Paula Garner, Executive Director & Chief Executive Officer, Maryhurst, Inc.; Rick Wurth, Chief Executive Officer, Children's Home of Northern Kentucky Behavioral Health; Julie Raia, Chief Strategy Officer, Children's Home of Northern Kentucky Behavioral Health; Crystal Leugers, Chief Programming Officer, Children's Home of Northern Kentucky Behavioral Health; and Meghan Ackerman, Chief Innovations Officer, Holly Hill Child and Family Solutions.

LRC Staff: Ben Payne, Logan Bush, Samir Nasir, and DJ Burns.

Approval of Minutes

A motion to approve the October 25, 2023, minutes was made by Senator Wise, seconded by Senator Elkins, and approved by a voice vote.

Kentucky External Child Fatality and Near Fatality Review Panel Annual Report

Steve Shannon, Executive Director, Kentucky Association of Regional Programs Inc., Board Member, Kentucky External Child Fatality and Near Fatality Review Panel, gave an overview of the annual Child Fatality and Near Fatality Report including recommendations to help mitigate some of the causes of fatality and near fatalities.

In response to questions and comments from Senator Meredith, Mr. Shannon stated that the Department for Community Based Services (DCBS) history of co-occurring issues from the presentation is in reference to cases that either have a prior closed DCBS case or current case within the past 5 years. He stated that he would get the statistics on rural vs. urban and provide those to members after the meeting.

In response to questions and comments from Representative Roarx, Mr. Shannon stated that the cases included in the report are only cases presented to the review panel and not all cases in the state. Elisha Mahoney, Executive Director, External Child Fatality and Near Fatality Review Panel, Justice and Public Safety Cabinet, stated that only cases suspected of abuse or neglect are referred to the panel.

Children in State Custody Placement Challenges and Solutions

Eric Friedlander, Secretary, Cabinet for Health & Family Services (CHFS), discussed the types of children in non-traditional placement within CHFS, including high acuity youth. Lesa Dennis, Commissioner, DCBS, CHFS, discussed department employees providing care to these children while in non-traditional placement.

In response to questions and comments from Senator Carroll, Kerry Harvey, Secretary, Justice & Public Safety Cabinet, stated that children in Department of Juvenile Justice detention centers are placed there as a last resort. These children are considered to be hyper violent due to mental health issues and cannot be housed around other children.

Aundrea Lewis, Chief Executive Officer, Peace Hospital, University of Louisville Health, discussed current challenges and future solutions to those challenges at Peace Hospital in reference to CHFS cases.

Jason Staats, Chief Executive Officer, SUN Kentucky, discussed the services SUN Kentucky currently provides to CHFS cases and future services SUN Kentucky would like to.

Mark Birdwhistell, Senior Vice President & Chief Administrative Officer, University of Kentucky Healthcare, discussed resources UK can provide to facilities to help with the challenges CHFS has had with placement in particular cases.

Abbreial Drane, President & Chief Executive Officer, Bellewood & Brooklawn, gave an overview of Brooklawn's Psychiatric Residential Treatment Facility (PRTF), their PRTF license status, and Bellewood & Brooklawn's current status.

Michelle Sanborn, President, Children's Alliance, discussed areas that need to be developed or redeveloped including therapeutic foster care, PRTF I & II, and high acuity youth inpatient psychiatric

services.

Denise Lester, Executive Director & Chief Executive Officer, Purchase Youth Villages & Heart Youth Villages, discussed staff composition at Purchase Youth Village and challenges of the facility.

Paula Garner, Executive Director & Chief Executive Officer, Maryhurst, Inc., discussed the different programs Maryhurst provides including PRTF 1 and 5 specialized (5S), challenges and proposed solutions.

Rick Wurth, Chief Executive Officer, Children's Home of Northern Kentucky Behavioral Health, gave background information Children's Home of Northern Kentucky Behavioral Health (CHNK). Julie Raia, Chief Strategy Officer, CHNK discussed the organization's partnership with CHFS and the services provided to children. Crystal Leugers, Chief Programming Officer, CHNK Behavioral Health, discussed placement challenges for children in state custody and solutions to those challenges.

Meghan Ackerman, Chief Innovations Officer, Holly Hill Child and Family Solutions, discussed background information on the organization, challenges had with placement from CHFS, and solutions to these challenges for the future.

In response to questions and comments from Representative Fleming, Ms. Drane stated that they have not received a response from DCBS concerning the license suspension since filing the appeal in January 2023.

In response to questions and comments from Representative Decker, Ms. Leugers stated that the acuity of the youth referred to CHNK has gotten more severe in her tenure. She stated that she has seen a reduction in family involvement with the children at CHNK.

In response to questions and comments from Senator Meredith, Secretary Friedlander stated that years ago a child had been placed out of state for 8 months, she was brought back to the state, and suffered due to the placement within the state not being able to provide the services that the out of state placement provided. He stated many states are experiencing this same problem due to a crisis of the system.

In response to questions and comments from Senator Carroll, Secretary Friedlander stated that the system needs to be overhauled and the primary challenge pertaining to children at the highest acuity level, is having placement available for them.

In response to questions and comments from Representative Heavrin, Secretary Friedlander stated that when a child ages out of the system multiple things can happen. Some of which include becoming homeless and/or obtaining charges and ending up in jail. Commissioner Dennis stated that each child that is in a non-traditional placement are tracked within the system and each worker keeps a log documenting their time with the youth. Secretary Friedlander stated that the system was created to log all this information when non-traditional placement become a necessity. Commissioner Dennis stated that most cases are only in non-traditional custody for one to four days and DCBS is working to ensure services that children need are being provided.

In response to questions and comments from Representative Raymond, Commissioner Dennis

stated that children which are noted to have sexualized behavior are housed separately due to the fear of that child acting out on other children, if they are housed together.

Adjournment

There being no further business, the meeting was adjourned at 3:11 PM.

INTERIM JOINT COMMITTEE ON HEALTH SERVICES

Minutes of the 6th Meeting of the 2023 Interim
November 6, 2023

Call to Order and Roll Call

The sixth meeting of the Interim Joint Committee on Health Services was held on November 6, 2023, at 1:00 PM in Room 149 of the Capitol Annex. Representative Kimberly Poore Moser, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Stephen Meredith Co-Chair; Representative Kimberly Poore Moser Co-Chair; Senators Julie Raque Adams, Cassie Chambers Armstrong, Karen Berg, Donald Douglas, Greg Elkins, Shelley Funke Frommeyer, Michael J. Nemes, Lindsey Tichenor, and Max Wise; Representatives Steve Bratcher, Lindsey Burke, Emily Callaway, Ryan Dotson, Robert Duvall, Amy Neighbors, Ruth Ann Palumbo, Rebecca Raymer, Steve Riley, Rachel Roarx, Scott Sharp, Russell Webber, Lisa Willner, and Susan Witten.

Guests: Senator Whitney Westerfield; Tom Pietkiewicz, Director of Business Development, MST Services; Jenny Mullins, Vice President, Community Based Services, Home of the Innocents; Megan Moore, Senior Director, Innovation and Impact, KVC Kentucky; Julie Raia, Chief Strategy Officer, Children's Home of Northern Kentucky Behavioral Health; Dawn Forbes, MD, MS, FAAP, Chief Executive Office, Founder, NASCEND; Katherine North, Vice President, External Affairs, Kentucky Association of Health Plans; Debra Hembree Lambert, Deputy Chief Justice, Kentucky Supreme Court; Shawna Mitchell, Project Director, Kentucky Judicial Commission on Mental Health; Bart Baldwin, Owner, Bart Baldwin Consulting; and Michelle Dean, Director of Team Support, MST Services.

LRC Staff: DeeAnn Wenk, CSA, Chris Joffrion, Logan Bush, and Becky Lancaster.

Approval of Minutes

A motion to approve the minutes of the October 25, 2023, meeting was made by Senator Meredith, seconded by Senator Douglas, and approved by voice vote.

AN ACT Relating to Maternal Health.

Chairwoman Poore Moser discussed aspects of her maternal mortality bill draft for 2024 Regular Session (RS) Bill Request (BR) 442 including prenatal, delivery, and post-partum support; substance use disorder treatment assistance; the need for health insurance; and the need for mental health treatment,

education, and referrals for services. She discussed specific sections of the bill that include establishing the Kentucky Maternal Psychiatric Access Program, strengthening the Kentucky Maternal and Infant Health Collaborative panel membership, the Health Access Nurturing Development Services (HANDS) program, codifying new regulatory language relating to the home visitation program, adding a special enrollment period for pregnant women, the addition of lactation coverage and services, and research into doula certification programs.

Senator Westerfield discussed the need to invest in the health of mothers and children prior to and after birth, 2024 RS BR 8, and the need to invest more into preventing maternal mortality.

In response to questions and comments from Senator Meredith, Chairwoman Moser stated that Medicaid covers new mothers under the Affordable Care Act and that this coverage is included in her bill draft to codify it. The Kentucky Perinatal Quality and Maternal Mortality Review Panel has information comparing rural areas to urban areas.

In response to questions and comments from Senator Funke Frommeyer, Chairwoman Moser stated that HANDS employees may be healthcare workers, community workers, social workers, and the employee makes referrals for higher levels of care. She stated that free-standing birthing centers and Medicaid coverage for midwives are separate issues and not included in BR 442.

In response to questions and comments from Senator Chambers Armstrong, Chairwoman Moser stated that there are many issues that lead to high maternal mortality rates and that if more prenatal needs can be met there would be better outcomes for mothers and babies.

In response to questions and comments from Representative Burke, Chairwoman Moser stated that BR 442 is a more comprehensive view of the maternal mortality issue with a focus on specific priorities.

In response to questions and comments from Representative Dotson, Chairwoman Moser stated that the HANDS program would be able to identify someone who is having post-partum depression and refer them to a specific provider and mothers would have access to the Lifeline for Moms program.

In response to questions and comments from Senator Douglas, Chairwoman Moser stated that there is a large, growing population accessing Medicaid and that a positive impact on healthcare leads to healthier citizens.

Multisystemic Therapy Update

Tom Pietkiewicz, Director of Business Development, Multisystemic Therapy (MST) Services, provided a brief overview of multisystemic therapy and the delivery of the MST program with partner agencies.

Julie Raia, Chief Strategy Officer, Children's Home of Northern Kentucky Behavioral Health, discussed the MST pilot program providers and partners, the Children's Home of Northern Kentucky Behavioral Health program's coverage areas, strengths, needs, and support from MST Services.

Jenny Mullins, Vice President, Community Based Services, Home of the Innocents, discussed the

Home of the Innocents' two MST teams serving the Salt River Trail area, the programs' referral sources, strengths, and needs.

Megan Moore, Senior Director, Innovation and Impact, KVC Kentucky, discussed its MST team serving the Southern Bluegrass area, the program's referral sources, service capabilities, strengths, and needs.

In response to questions and comments from Chairwoman Moser, Ms. Moore stated that most referrals come from the Department for Community Based Services (DCBS). DCBS workers review cases for children in out-of-home care for eligibility into the MST program. She stated that the MST Services supervisor then recommends an MST clinician to follow up with the child's family to assess and create an action plan for the issues causing the child's behaviors. Ms. Raia stated that the pilot program was set to run for three years, and this is the third year of the program. DCBS and the Department for Medicaid Services (DMS) have engaged a firm for specific program tracking.

Ms. Raia stated that this is the third year of the pilot program. Mr. Pietkiewicz stated that all the teams are funded from two sources. DCBS contracts allow them to pay for non-direct service-related expenses. Michelle Dean, Director of Team Support, MST Services, stated that each provider's MST team does an implementation review report every six months. Ms. Mullins stated that Myers and Stauffer monitor the data from all three programs into an additional report.

Treatment for Neonatal Abstinence Syndrome

Dawn Forbes, MD, MS, FAAP, Chief Executive Office, Founder, NASCEND, discussed the founding of NASCEND to address the significant clinical gaps for Maternal Opioid Use Disorder (MOUD) and Neonatal Abstinence Syndrome (NAS). She described NASCEND's continuum of standardized care, its increased technological accessibility, increased resources for rural areas, NAS certification program and outcomes, and strategic partnerships and grants.

Katherine North, Vice President, External Affairs, Kentucky Association of Health Plans (KAHP), discussed the partnership with NASCEND for a three-year grant to prioritize opioid exposed infants in rural areas and Kentucky's high rate of maternal opioid use and opioid exposed infants. Dr. Forbes discussed the opportunity for better outcomes and the implied healthcare cost savings.

In response to questions and comments from Senator Berg, Dr. Forbes stated that NASCEND includes a proprietary program based on data and algorithms, training, education, certification, and tech support. She stated that NASCEND work was previously done by private practicing neonatologists in six Kentucky hospital systems and the full hospital certification by NASCEND has been implemented by two hospital systems in Indiana.

In response to questions and comments from Chairwoman Moser, Ms. North stated that KAHP has invested \$750,000 as three-year grant to NASCEND. The grants are used as matching funds for obtaining training and resource models to match others that are contributing.

In response to questions and comments from Senator Meredith, Dr. Forbes stated that NASCEND plans to certify 10-12 hospitals in three years with the KAHP grant and the quality improvement work prior to founding NASCEND was completed in six Kentucky healthcare systems.

In response to questions and comments from Representative Raymer, Dr. Forbes stated that NASCEND trains healthcare systems but does not provide the services. The training prepares providers with pathways to delivering better healthcare and outcomes for NAS and MOUD prenatal patients.

Kentucky Judicial Commission on Mental Health

Debra Hembree Lambert, Deputy Chief Justice, Kentucky Supreme Court, discussed the percentage of inmates with serious mental illness and the Kentucky Judicial Commission on Mental Health's establishment, membership, and structure of committees and workgroups. She discussed the commission's Mental Health Summit, the town hall meeting impacts, legislative recommendations, and future goals.

In response to questions and comments from Representative Roarx, Justice Lambert stated that the town hall meetings are open to all community members to state their issues to the commission members for data collection purposes. Shawna Mitchell, Project Director, Kentucky Judicial Commission on Mental Health, stated that the Kentucky Correctional Psychiatric Center (KCPC) is not a treatment facility but is there to determine if a person is or is not competent to stand trial. However, people often receive some services at KCPC then return to their original location. The pre-arrest diversion workgroup is researching whether the treatments and services received could be implemented during incarceration prior to coming into KCPC.

Adjournment

There being no further business, the meeting was adjourned at 3:02 PM.

INTERIM JOINT COMMITTEE ON HEALTH SERVICES

Minutes of the 7th Meeting of the 2023 Interim
December 13, 2023

Call to Order and Roll Call

The seventh meeting of the Interim Joint Committee on Health Services was held on December 13, 2023, at 1:00 PM in Room 154 of the Capitol Annex. Senator Stephen Meredith, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Kimberly Poore Moser Co-Chair; Senator Stephen Meredith Co-Chair; Senators Julie Raque Adams, Karen Berg, Donald Douglas, Greg Elkins, Shelley Funke Frommeyer, Michael J. Nemes, Lindsey Tichenor, and Max Wise; Representatives Danny Bentley, Steve Bratcher, Josh Bray, Lindsey Burke, Emily Callaway, Robert Duvall, Amy Neighbors, Ruth Ann Palumbo, Rebecca

Raymer, Steve Riley, Rachel Roarx, Scott Sharp, Russell Webber, and Susan Witten.

Guests: Lisa Lee, Commissioner, Department for Medicaid Services, Cabinet for Health and Family Services; Laura Begin, Staff Assistant, Department for Community Based Services, Cabinet for Health and Family Services; Paul Houchens, Principal, Consulting Actuary, Milliman; Katherine Wentworth, Senior Healthcare Management Consultant, Milliman; Steve Bechtel, Chief Financial Officer, Department for Medicaid Services, Cabinet for Health and Family Services; Veronica Judy Cecil, Deputy Commissioner, Department for Medicaid Services, Cabinet for Health and Family Services; Andrea Day, Director, Division of Child Care, Department for Community Based Services, Cabinet for Health and Family Services; and Todd Trapp, Division of Family Support, Department for Community Based Services, Cabinet for Health and Family Services.

LRC Staff: DeeAnn Wenk, Chris Joffrion, Logan Bush, and Becky Lancaster.

Approval of Minutes

A motion to approve the minutes of the November 6, 2023, meeting was made by Representative Moser, seconded by Senator Douglas, and approved by voice vote.

Consideration of Referred Administrative Regulations

Katelyn Meckes, Director of Operations, United States Hemp Roundtable, testified regarding 902 KAR 045:190 Emergency administrative regulation about the labeling and packaging of hemp products.

The following referred administrative regulations were placed on the agenda for consideration:

201 KAR 002:020 Proposed - Examination.

201 KAR 002:040 Proposed - Registration of pharmacist interns.

201 KAR 002:050 Proposed - Licenses and permits; fees.

201 KAR 002:105 Proposed - Requirements for wholesalers, medical gas wholesalers, wholesale distributors, and virtual wholesale distributors.

201 KAR 002:205 Proposed - Pharmacist-in-charge.

201 KAR 002:225 Proposed - Special limited pharmacy permit – Medical gas.

201 KAR 002:240 Proposed - Special limited pharmacy permit – Charitable.

201 KAR 002:320 Proposed - Requirements for manufacturers and virtual manufacturers.

201 KAR 002:340 Proposed - Special limited pharmacy permit - clinical practice.

201 KAR 002:390 Proposed - Requirements for third-party logistics providers.

201 KAR 020:620 Proposed - Licensing requirements for licensed certified professional midwives.

201 KAR 022:170 Proposed - Physical Therapy Compact Commission.

202 KAR 007:550 Proposed - Required equipment and vehicle standards.

900 KAR 006:080 Proposed - Certificate of Need emergency circumstances.

902 KAR 020:300 Proposed - Operation and services; nursing facilities.

902 KAR 045:190 Emergency - Hemp-derived cannabinoid products; packaging and labeling requirements.

902 KAR 100:019 Proposed - Standards for protection against radiation.

902 KAR 100:050 Proposed - General licenses.

902 KAR 100:058 Proposed - Specific licenses to manufacture, assemble, repair, or distribute products.

902 KAR 100:065 Proposed - Reciprocal recognition.

902 KAR 100:165 Proposed - Notices, reports, and instructions to employees.

902 KAR 100:185 Proposed - Standards for protection against radiation from radioactive materials.

902 KAR 100:195 Proposed - Licensing of special nuclear material.

902 KAR 100:200 Proposed - Licenses and radiation safety requirements for irradiators.

908 KAR 002:300 Emergency - Kentucky problem gambling assistance account.

The administrative regulations above have been reviewed by the committee.

The following referred administrative regulation was placed on the agenda for consideration: 902 KAR 045:190 Emergency - Hemp-derived cannabinoid products; packaging and labeling requirements. There was an agency amendment offered by the Department for Public Health with the Cabinet for Health and Family Services. A motion to accept the agency amendment was made by Representative Moser and seconded by Senator Douglas, and approved by voice vote.

Legislative Hearing on the Temporary Assistance for Needy Families (TANF) Block Grant

Laura Begin, Staff Assistant, Department for Community Based Services, Cabinet for Health and Family Services (CHFS), gave an overview of the TANF Block Grant preliminary state plan. A motion to approve the TANF Title IV-A State Plan was made by Representative Moser, seconded by Representative Bray, and approved by voice vote.

Presentation of Reports Submitted Pursuant to 2023 Regular Session House Joint Resolution 39 Related to Efforts to Address the Benefits Cliff in Kentucky

Laura Begin, Staff Assistant, Department for Community Based Services, CHFS, discussed the background of 2023 Regular Session House Joint Resolution 39 to address the benefits cliff.

Andrea Day, Director, Division of Child Care, Department for Community Based Services, CHFS, discussed the Child Care Assistance Program (CCAP), the average cost of child care per child, and the CCAP eligibility and reimbursement rate changes. Ms. Begin discussed the educational campaign regarding earned income tax credit and free tax filing services, the review of all public assistance programs administered by CHFS, specific details on the Supplemental Nutrition Assistance Program and Kentucky Transitional Assistance Program.

Lisa Lee, Commissioner, Department for

Medicaid Services, CHFS, discussed the Medicaid program recipients, additional ways Medicaid is addressing the benefits cliff, expanded coverage for postpartum women, and Medicaid income eligibility standards. Ms. Begin discussed the integration of a benefits cliff calculator two-phase plan.

In response to questions and comments from Senator Meredith, Commissioner Lee stated that CHFS can review the number of the individuals who enroll in the advance payment tax credit and that the outreach program's progress is measured by the number of uninsured individuals in the state. Ms. Begin stated that CHFS is planning to sustain the CCAP funding at all levels. Todd Trapp, Division of Family Support, Department for Community Based Services, CHFS, stated that DCBS implemented an elderly simplified application program with a mass household conversion on October 1, 2023.

In response to questions and comments from Representative Moser, Ms. Begin stated that she would follow up with information regarding outreach and participation goals reached from use of the benefits cliff calculator.

In response to questions and comments from Senator Douglas, Mr. Trapp stated that DCBS tracks monthly participation numbers in the Supplemental Nutrition Assistance Program (SNAP) program.

Presentation of Report Submitted Pursuant to 2023 Regular Session Senate Joint Resolution 54 Related to Medicaid Reimbursement Rates and Area Deprivation Index Scores

Lisa Lee, Commissioner, Department for Medicaid Services, CHFS, discussed the requirements of 2023 Regular Session Senate Joint Resolution 54, what is and is not included in the Milliman report.

Paul Houchens, Principal, Consulting Actuary, Milliman, discussed the Area Deprivation Index (ADI) background, methodology, and values assigned by zip codes, the key aspects of the ADI analysis for different healthcare utilizations, and the analysis of the policy options of four states.

Katherine Wentworth, Senior Healthcare Management Consultant, Milliman, discussed the evaluation of policy options related to the ADI scores, healthcare payment models to address health related social needs, strategies to increase utilization of preventative care, and gave a summary of multiple strategies that align with potential state goals.

In response to questions and comments from Senator Meredith, Commissioner Lee stated that addressing health related social needs is a very complex topic with a variety of factors to consider, the cost of healthcare continues to increase, and with a focus on various quality measures Medicaid will better serve its members.

In response to questions and comments from Senator Douglas, Mr. Houchens stated that there is additional room for additional follow up studies based on details from the initial analysis.

In response to questions and comments from Senator Berg, Mr. Houchens stated that there are disadvantaged block groups with higher ADI values in the northern Kentucky area and there is data that suggests higher income populations have longer life spans.

Anticipated Medicaid Reimbursement Rates Increases and Presentation of 2023 Regular Session Senate Joint Resolution 54 Report on Rates for Pediatric Audiology, Behavioral Health Services, Occupational Therapy, Physical Therapy, and Speech Therapy

Lisa Lee, Commissioner, Department for Medicaid Services, CHFS, discussed the 2023 Regular Session Senate Joint Resolution 54 section 3 report with data regarding pediatric claims versus adult claims, fee-for-service versus managed care organizations (MCOs) paid claims, various reimbursement rates, charges, provider types, fee schedules, and the number of codes for specific fee schedules. She discussed reimbursement rates of various therapies in separate multi-state comparisons, relevant information regarding the data gathered, and key considerations while reviewing the state amendment to be approved by Centers for Medicare and Medicaid Services (CMS).

In response to questions and comments from Senator Meredith, Commissioner Lee stated that MCOs are not contractually obligated to pay according to the Medicare fee schedule, MCOs contract with providers, and the CHFS contracts with MCOs do not specify a reimbursement methodology. She stated that Medicaid reimbursement for psychiatric services does not rise to the level of great concern because the comparison of all states includes all psychiatric services and various provider types.

In response to questions and comments from Representative Bentley, Commissioner Lee stated that early periodic screening diagnosis and treatment services (EPSDT) increase in payments depend on the provider type and that some providers may not have had an increase in at least 20 years. She agrees with a rate increase for any Medicaid provider as long there is a state-match amount such as the hospital improvement program.

In response to questions and comments from Senator Douglas, Commissioner Lee stated that there is one fee schedule for non-facility, independent providers and another fee schedule for facilities. Veronica Judy Cecil, Deputy Commissioner, Department for Medicaid Services, CHFS, stated that Medicare also has two separate fee schedules based on the costs from a facility to a non-facility to deliver the services.

In response to questions and comments from Representative Moser, Commissioner Lee stated that CHFS is reviewing a report regarding behavioral health patient outcomes, including an increase for peer support specialists and services, and prior authorizations are in place for inpatient and residential services. She stated that there is preliminary information related to costs with no significant difference in costs when the prior authorization request was lifted during the pandemic.

Update on Post-Pandemic Medicaid Unwinding Efforts and Medicaid Enrollment Trends

Veronica Judy Cecil, Deputy Commissioner, Department for Medicaid Services, CHFS, discussed the public health emergency unwinding overall trends in Medicaid enrollment, renewals, qualified health plan enrollment, and the continuing Appendix

K flexibilities including all six 1915(c) Home and Community Based waivers with rate increases.

In response to questions and comments from Senator Meredith, Ms. Judy Cecil stated that CHFS has a team that will call a member at least three times prior to their termination or renewal date. She stated that the team also tries to contact the member by text and email if the contact information is available. She stated that CHFS is tracking reinstatements and terminations for possible reinstatement within 90 days if eligible.

In response to questions and comments from Senator Berg, Ms. Judy Cecil stated that if Medicaid members move to a qualified health plan up to a set percentage of the federal poverty level they can access the advance premium tax credit, to possibly make the premium free.

In response to questions and comments from Representative Duvall, Commissioner Lee stated that Kentucky has a six percent uninsured rate and that prior to 2014 the uninsured rate was high with adults.

In response to questions and comments from Representative Witten, Commissioner Lee stated that she would research the food limitations of SNAP and report it to the committee.

Update on Cost Savings Achieved by the Single Medicaid State Pharmacy Benefit Manager

Veronica Judy Cecil, Deputy Commissioner, Department for Medicaid Services, CHFS, discussed the combined federal and state funds for 2021 and 2022, changing and emerging drug lists, the creation of a single preferred drug list for MCOs leading to significant increases in rebates to offset costs, that using one pharmacy benefit manager (PBM) creates less administrative duties, and more transparency with the implementation of 2020 Regular Session Senate Bill 50.

In response to questions and comments from Senator Meredith, Ms. Judy Cecil stated that the medical loss ratio (MLR) is set at 90 percent, MCOs are required to spend at least 90 percent of the capitation payments received from the state on healthcare services, if they do not then claw-backs are possible. She stated that the MLR is based on CMS federal regulations and over the entire MCO contract not for a specific are such as pharmacy.

In response to questions and comments from Representative Callaway, Ms. Judy Cecil stated that at the federal level it is required for rebates to go to state Medicaid agencies to offset expenditures. Representative Moser discussed the 340B program in relation to rebates.

Medicaid Budget Request for the 2024-2026 Fiscal Biennium

Steve Bechtel, Chief Financial Officer, Department for Medicaid Services, CHFS, discussed the total Medicaid budget spend for state fiscal year (SFY) 2020, SFY 2021, SFY 2022, and SFY 2023, for each payment type made and collected, the breakdown of federal, state general, and state restricted funds, He discussed the forth coming SFY 2026 \$395 million general fund request for continuation of services.

In response to questions and comments from Senator Meredith, Commissioner Lee stated that more

information will be coming from DMS regarding the move to sepsis-3 coding and reimbursement, the most current standard being used in the medical community in 2025. Ms. Judy Cecil stated that there would be a work group with the hospitals to understand the impact of the move to sepsis-3.

Adjournment

There being no further business, the meeting was adjourned at 3:07 PM.

KENTUCKY HEALTH & HUMAN SERVICES DELIVERY SYSTEM TASK FORCE

Minutes of the 6th Meeting of the 2023 Interim November 6, 2023

Call to Order and Roll Call

The 6th meeting of the Kentucky Health & Human Services Delivery System Task Force was held on November 6, 2023, at 3:00 PM in Room 171 of the Capitol Annex. Senator Stephen Meredith, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative David Meade Co-Chair; Senator Stephen Meredith Co-Chair; Senators Julie Raque Adams, Shelley Funke Frommeyer, and Denise Harper Angel; Representatives Samara Heavrin, Kimberly Poore Moser, Amy Neighbors, and Sarah Stalker.

Guests:

LRC Staff: Samir Nasir and D. J. Burns.

Approval of Minutes

A motion to approve the October 16, 2023, minutes was made by Senator Funke Frommeyer, seconded by Representative Heavrin, and approved by a voice vote.

Approval of Findings and Recommendations Memo

In response to questions and comments from Representative Stalker, Senator Meredith stated that legislation pertaining to child care will come from the committee on Families & Children through Representative Heavrin or Senator Carroll.

A motion to approve the findings was made by Representative Meade, seconded by Representative Neighbors, and approved by a voice vote.

In response to questions and comments from Representative Stalker, Senator Meredith stated that funding for Guardian ad Litems will depend on legislation that is drafted based on these recommendations. Representative Meade stated that in the past private contractors have been used to help get caught up on workloads and using these contractors is beneficial. Senator Meredith stated that private partnerships are used throughout other departments within the state including managed care organizations. Representative Heavrin stated that using private partnerships help boost morale.

In response to questions and comments from Senator Funke Frommeyer, Senator Meredith stated

that the lack of personnel is the reason for the lack of providers with the Cabinet for Health & Family Services not because of the limit of patients per therapists.

A motion to approve the recommendations was made by Representative Meade, seconded by Senator Raque Adams, and approved by a voice vote.

Adjournment

There being no further business, the meeting was adjourned at 3:20 PM.

INVESTMENTS IN INFORMATION TECHNOLOGY IMPROVEMENT & MODERNIZATION PROJECTS OVERSIGHT BOARD

Minutes

December 11, 2023

Call to Order and Roll Call

The third meeting of the Investments in Information Technology Improvement & Modernization Projects Oversight Board was held on December 11, 2023, at 11:00 AM in Room 131 of the Capitol Annex. Senator Gex Williams, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Gex Williams Co-Chair; Representative Phillip Pratt Co-Chair; Senators Cassie Chambers Armstrong, and Max Wise; Representatives Chad Aull and John Hodgson.

Guests: Doug Robinson, National Association of State Chief Information Officers (NASCIO); Dustin Billings, Executive Director, Kentucky PVA Association; David O'Neill, PVA, Fayette County; Blake Robertson, PVA, Owen County; Joe Pat Covington, Judge/Executive, Scott County; T J Scott, Bowling Group; Luke Ervin, Ervin Cable Construction Company; Ellen Call, Senior Director of Government Affairs; Dalton Workman, Director of State Government Affairs; Tracey Gifford, Senior Director of Construction; Peter Waldrab, VP of Electric Distribution; Jason Jones, Manager Distribution System Compliance & Emergency Preparation; Caroline Clarke, Director, External Affairs; Sean Knowles, Chief Executive Officer, McLean Engineering Company; Chase Crigler, Director of Government Affairs, Kentucky Electric Cooperatives; Kent Chandler, Commissioner; J. E. B. Pinney, Executive Advisor Attorney; Karen Sellers, Executive Director, State Board of Elections; Richard House, Assistant Executive Director, State Board of Elections; Carlos Luna, General Manager of State Enterprise, and Tyler Technologies/Kentucky Interactive.

LRC Staff: Jennifer Hays, Adam Johnson, Sarah Watts, and Jennifer Smith.

Approval of Meeting Minutes from October 10, 2023

Upon motion by Senator Wise and second by Senator Chambers Armstrong, the minutes from the October meeting were approved without objection.

Information Technology Governance

Doug Robinson, Executive Director, National Association of State Chief Information Officers (NASCIO), began with an overview of the association represents and the work done. He shared that one of the main roles of the association is to provide surveys, studies, and research each year. In doing that for each of the 53 states and territories they assist, they capture information on the overall structure of government.

The top 10 priorities for state chief information officers (CIOs) in 2023 were: cybersecurity and risk management, digital government/digital services, workforce, legacy modernization, identity and access management, cloud services, consolidation/optimization, data and information management, broadband/wireless connectivity, and customer relationship management.

A generalization of a states CIO responsibilities are: enterprise project and portfolio management, security and risk management, customer service, legislation, policy, and directives, as well as other roles. All states approach IT with different strategies, business drivers and models. There are variations of these themes depending on state finances, political will, and the ability to absorb change. Some general trends are more states are moving to cloud-based services rather than using their own mainframe storage, and more centralized planning and policy.

Mr. Robinson continued by saying that according to a survey conducted that 80 percent of CIO's have a voice in state agency strategy and strategic initiatives, 71 percent develop, acquire, and deliver infrastructure services to state agencies, 69 percent ensure IT systems comply with security and regulatory requirements, and lastly 55 percent drive innovation or modernization programs. He added that most of the funding for CIO offices, 90 percent according to the survey, are from chargebacks (billing to agencies), and 63 percent are funded by the general funds.

In conclusion, Mr. Robinson said that the main trends going forward are focus on digital services and transformation with improved citizen experience, and changing IT workforce to an even more hybrid and remote environment, skills transformation, and eliminating degree requirement.

Discussion with Property Valuation Administrators (PVA)

David O'Neill, Fayette County PVAs, began by saying that PVA get funding from three sources; state general funds to cover salaries and benefits, fiscal court operating budget, and the sale of data and subscriptions to their website.

Fayette County is the second largest county in Kentucky and receives about \$420,000 in annual appropriations. Mr. O'Neill added that about 70 percent of that is used for IT. The majority of that is for maintaining the software.

Blake Roberts, Owen County PVA, stated that what Mr. O'Neill had said applies to Owen County, but on a much smaller scale. The PVA office receives about \$24,000 of appropriations from the county fiscal court, and from the city they receive about \$2,500. All funds are used to run the office.

Dustin Billings, Executive Director, KY PVA Association, responded to Senator Williams question.

Up until 2012, they had a centralized IT department that was on the fourth floor of the Revenue Cabinet. That IT department serviced all the PVA offices in Kentucky. That was change to be serviced by COT, just as other state agencies. The problem with that, is the PVA consists of 120 Kentucky counties. What has been found is that a lot of the smaller counties could not afford the COT hourly wage cost. Some counties have less than a \$5,000 operating budget. In July, the Department of Revenue reinstated their previous IT department, and that has been one of the greatest helps for the PVA especially for the smaller counties. The money received from the previous state budget helped in getting new computers for PVA offices.

Mr. Roberts added that any budget cuts that the legislature makes is 100 percent salary and benefits.

Broadband Deployment - Scott County Example

Joe Pat Covington, Scott County Judge Executive, said his goal was to help other county leaders. In 2020, a survey was conducted in rural Scott County to see what areas did not have broadband. The survey found that over 5,500 homes did not have broadband. In 2022, the county partnered with Charter Communications to assist with their broadband deployment. To accommodate the homes without broadband, 7,862 poles are needed. As of July, 35 percent of those poles had been approved.

Mr. Covington holds weekly calls with Charter Communications, KU, Bluegrass Energy, and Owen Electric. At present, there are about 500 poles awaiting approval for attachments. The pole approval process consists of pole placement, attachments, load of the pole, and reporting. Mr. Covington continued by saying, safety is the main priority, but if there was a way to accelerate the process it would be greatly beneficial to counties. The pole replacement is what drastically holds up the process of moving forward.

Representative Pratt responded by saying, kudos to Mr. Covington for getting things moving on his own for broadband in Scott County. The federal government is giving Kentucky \$1.1 billion to expand the broadband network. He has spoken to broadband providers and utilities, and if they can't get their act together then the General Assembly will be getting involved in the process. This is one time money so we must get it right the first time.

Broadband Deployment Stakeholders Infrastructure Construction

Luke Ervin, Ervin Cable Construction Company and T.J. Scott, Bowling Group, provided summaries of their respective companies and how each company operates to assist with expanding broadband.

Luke Ervin, responded to Senator Williams question, saying in comparison to other states, more work is being done to expand broadband than in Kentucky.

Senator Williams responded to questions from Representative Aull, by saying that in order to do a state wide pole assessment, prior to implementation of the federal government funds, Kentucky needs to allocate money for the assessment.

Mr. Ervin responded to a question from Senator Williams, stating that other states started earlier with broadband deployment. In order to have the process

move faster, accountability measures and management are crucial.

Charter Communication

Ellen Call, Senior Director of Government Affairs, stated that Charter Communication is collaborating with over 100,000 homes and small businesses in 50 counties. The process to expand broadband has created an unprecedented volume of permit requests of pole owners. The pole owners are experiencing a back log for approval of over 50,000 poles. From that number, more than 12,000 poles have waited over a year for approval.

Significant changes are needed to the pole permitting process. Without change, the pole approval process will dramatically and continually delay broadband expansion. Charter Communication contractors send work crews to other states because there is a low volume of work available in Kentucky.

Dalton Workman, Director of State Government Affairs, stated that pole permits have led to project islands that are seen throughout the state which means there are active fiber lines installed, but the company can't move further due to permitting delays. There needs to be some brainstorming on how to expedite pole permit approvals and give pole owners more resources to assist them in the process.

LG&E/KU

Peter Waldrab, VP of Electric Distribution, stated that LG&E/KU has the capability to keep up with the demands of broadband communication companies. The broadband deployment attachment to poles starts with an application, field survey, engineering design, make ready construction, communications on construction, and post construction inspection. During that time, they are generating an estimate of cost. After the attachments are made, they do a follow up inspection of that attachment on the pole. LG&E/KU routinely inspects poles.

Jason Jones, Manager Distribution System Compliance and Emergency Preparation, responded to Representative Pratt's statement stating, the high-volume plan is designed to meet the needs of the attachment. We can scale up as appropriate to the needs being requested.

Rural Electric Cooperatives

Chase Crigler, Director of Government Affairs, Kentucky Electric Cooperatives, provided a brief summary of the cooperatives business. Kentucky Electric Cooperatives serve almost 1.8 million customers in all counties.

Sean Knowles, Chief Executive Officer, McLean Engineering, stated that his company has worked with nine cooperatives including Charter and Spectrum to approve permits of 35,000 poles. A process needs to be in place to meet the timeline for cooperatives, but also one that creates a safe infrastructure. The key takeaways are all parties must collaborate, the process needs to be actively administered, contract awareness, post construction inspection, and all of this requires significant resources including systems and personnel.

Public Service Commission

Kent Chandler, Public Service Commissioner,

began by saying he was unaware of any issues going on in Scott County. Commissioner Chandler wishes they had been contacted earlier about these issues. They do regulate 19 cooperatives and the pole attachments for telephone companies. The regulations are wide ranging. His office would like to have stakeholders' meetings to address these issues. No issues had been brought to his office concerning the back logs on pole permits. There are thousands of poles in Kentucky that are not owned by an entity.

Representative Pratt asked that Commissioner Chandler begin arranging stakeholder meetings to determine where the back logs occur.

Availability of Website - ELECT.KY.GOV

Senator Williams asked Karen Sellers, Executive Director of State Board of Elections, Richard House, Assistant Director of State Board of Elections, and Carlos Luna, General Manager of State Enterprise Tyler Technologies/Kentucky Interactive to meet with him after the meeting adjourned.

Adjournment

With no further business to come before the board, the meeting was adjourned at 1:15 p.m.

INTERIM JOINT COMMITTEE ON JUDICIARY

Minutes of the 6th Meeting of the 2023 Interim November 3, 2023

Call to Order and Roll Call

The 6th meeting of the Interim Joint Committee on Judiciary was held on November 3, 2023, at 11:00 AM in Room 149 of the Capitol Annex. Senator Whitney Westerfield, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Whitney Westerfield, Co-Chair; Representative Daniel Elliott, Co-Chair; Senators Karen Berg, Matthew Deneen, Gerald A. Neal, John Schickel, Johnnie Turner, and Phillip Wheeler; Representatives Kim Banta, John Blanton, Kevin D. Bratcher, Lindsey Burke, Jennifer Decker, Stephanie Dietz, Patrick Flannery, Keturah Herron, Derek Lewis, Kimberly Poore Moser, Jason Nemes, Jason Petrie, Steve Rawlings, Scott Sharp, and Nick Wilson.

Guests: Chief Justice Laurance B. VanMeter, Kentucky Supreme Court; Deputy Chief Justice Debra Hembree Lambert, Kentucky Supreme Court; Shawna Mitchell, Project Director, Kentucky Judicial Commission on Mental Health; Katie C. Comstock, Director, Administrative Office of the Courts; Angie Darcy, Executive Officer, Department of Pretrial Services, Administrative Office of the Courts; and Jason Dufek, Services Manager, Department of Pretrial Services, Administrative Office of the Courts.

LRC Staff: Roberta Kiser, Matt Trebelhorn, Randall Roof, Stacy Byrns Taulbee, Joshua Shelepak, Stephanie Larkin, and Robert Wright.

Approval of Minutes of the October 13, 2023 Meeting

A motion was made by Representative Elliot and seconded by Representative Petrie to approve the minutes of the October 13, 2023, meeting. Minutes were approved by voice vote without objection.

State of the Judiciary

Chief Justice Laurance B. VanMeter, Kentucky Supreme Court, discussed the state of the judicial branch and matters of significant relevance to the judicial branch. He specifically addressed pay parity within the judicial branch and stated that while substantial progress has been made regarding retention and recruitment, the judicial branch is lagging in compensation compared to the other branches of government. He reported that the judicial branch received an unblemished audit from an impartial third-party auditor for the third year in a row.

Chief Justice VanMeter discussed court facilities and the need for a new construction project in Owsley County and in Franklin County for the Kentucky Court of Appeals. He stated the Court of Appeals project is needed due to water leaks creating a hazardous mold problem in the court's previous location. He also discussed technological matters concerning the judicial branch, including e-filing and e-orders, the replacement of the judicial branch's case management system through American Rescue Plan Act funds, and the impact of artificial intelligence on the judicial branch and the operation of the law.

In response to questions from Senator Westerfield, Katie Comstock agreed to provide information regarding the number of state courthouses that are not ADA compliant. Ms. Comstock also provided an update on the VINE victim notification system. Danny Rhoades provided an update on the Graves County courthouse, which was irreparably damaged in the 2021 tornadoes.

In response to a question from Representative Nemes, Chief Justice VanMeter stated that trial commissioners in Jefferson County are paid out of restricted agency funds.

In response to questions from Senator Schickel, Chief Justice VanMeter stated that administrative release arises from an order that the court re-entered recently that does not include violent crimes, felonies, or violent misdemeanors. Chief Justice VanMeter stated it was the decision of the entire court to enter an administrative release order.

In response to a question from Senator Westerfield, Ms. Comstock agreed to provide information regarding the failure to appear (FTA) rate for individuals released by an administrative release order.

Kentucky Judicial Commission on Mental Health (KJCMH)

Deputy Chief Justice Debra Hembree Lambert, Kentucky Supreme Court, and Shawna Mitchell, Project Director, Kentucky Judicial Commission on Mental Health, presented on the KJCMH. Justice Lambert discussed how serious mental illness (SMI) is higher in jail populations than in the general public and presented related statistics. Justice Lambert

detailed the commission's goals, membership, and structure and detailed the Sequential Intercept Model (SIM) which maps out the points of contact an individual might encounter while in the criminal justice system. She also stated that SIM allows communities to identify gaps in resources.

Justice Lambert outlined five recommendations that were given by the National Center for State Courts as a result of the statewide SIM mapping event. She discussed the KJCMH's interaction with and the involvement of organizations and individuals throughout the state regarding criminal justice and behavioral health. Justice Lambert outlined the commission's upcoming legislative recommendations and future goals of the commission.

In response to a question from Senator Westerfield, Ms. Mitchell stated that evaluations at the Kentucky Correctional Psychiatric Center (KCPC) are administered by the Cabinet for Health and Family Services.

In response to questions from Representative Bratcher, Justice Lambert stated that it requires all seven Supreme Court Justices to issue a Supreme Court order. Justice Lambert stated that KJCMH is funded by the judicial branch budget. Ms. Mitchell stated that the activities of the commission are part of the role of a judge due to a national charge by the State Justice Institute and the National Center for State Courts.

In response to a question from Representative Moser, Ms. Mitchell agreed to provide information regarding the cost of housing individuals with substance use disorders and mental health issues.

In response to a question from Senator Wheeler, Justice Lambert stated competency evaluations are covered within the KCPC budget.

In response to a question from Representative Burke, Justice Lambert stated better trained judges and court staff can help alleviate problems when dealing with individuals afflicted with substance use disorders and mental health issues.

Update on 22 RS SB 90

Katie C. Comstock, Director, Administrative Office of the Courts; Angie Darcy, Executive Officer, Department of Pretrial Services, Administrative Office of the Courts; and Jason Dufek, Services Manager, Department of Pretrial Services, Administrative Office of the Courts, provided an update on 22 RS SB 90.

Ms. Darcy provided an overview of the Behavioral Health Conditional Dismissal Program (BHCDP) and the services BHCDP can provide if a prosecutor can enter into an agreement with a defendant to participate. Ms. Darcy detailed how BHCDP is funded, and what a defendant's journey through BHCDP looks like. Seven counties have active SB 90 pilot sites and there are four other counties with sites that hope to be active by the end of 2023. Ms. Darcy discussed community forums held in pilot site counties, and outlined data collection efforts and implementation efforts, which include the SB 90 Implementation Council.

Jason Dufek provided information from counties where BHCDP is active. He outlined BHCDP eligibility, eligibility factors, and clinical assessment completion statistics. Ms. Darcy discussed barriers

encountered in implementing SB 90, including hesitation from stakeholders and eligibility criteria.

In response to questions from Senator Westerfield, Mr. Dufek agreed to provide information regarding what percentages of eligibility responses are first-time DUI offenses.

In response to questions from Senator Turner, Senator Westerfield clarified that prosecutors have carte blanche to deny a defendant's entry into an alternative to incarceration program. Ms. Darcy stated that if a defendant is found not guilty of a DUI charge, they are eligible for the BHCDP.

Adjournment

There being no further business, the meeting adjourned at 1:04 p.m.

INTERIM JOINT COMMITTEE ON JUDICIARY

Minutes of the 7th Meeting of the 2023 Interim December 15, 2023

Call to Order and Roll Call

The seventh meeting of the Interim Joint Committee on Judiciary was held on December 15, 2023, at 10:00 a.m. in Room 154 of the Capitol Annex. Senator Whitney Westerfield, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Daniel Elliott, Co-Chair; Senator Whitney Westerfield, Co-Chair; Senators Karen Berg, Danny Carroll, Matthew Deneen, Gerald A. Neal, John Schickel, Brandon J. Storm, Johnnie Turner, and Phillip Wheeler; Representatives John Blanton, Kevin D. Bratcher, Josh Bray, Lindsey Burke, Jennifer Decker, Stephanie Dietz, Patrick Flannery, Keturah Herron, Nima Kulkarni, Savannah Maddox, Kimberly Poore Moser, Jason Nemes, Steve Rawlings, Scott Sharp, Pamela Stevenson, and Nick Wilson.

Guests: Whitney Austin, Executive Director and Co-Founder, Whitney/Strong Foundation; Richard Sanders, Chief of Police, Jeffersontown, Kentucky; Steve Shannon, Executive Director, Kentucky Association of Regional MH/MR Programs, Inc. (KARP, Inc.); Senator Denise Harper Angel, Senate District 35; U.S. Senator Rand Paul, R-Kentucky; Rob Sanders, Commonwealth's Attorney, 16th Judicial Circuit; Antoinette Miller; Morgan Miller; and Representative Jared Bauman, House District 28.

LRC Staff: Roberta Kiser, Stephanie Larkin, Randall Roof, Joshua Shelepak, Matt Trebelhorn, and Robert Wright.

Approval of Minutes of the November 3, 2023, Meeting

A motion was made by Representative Elliot and seconded by Representative Flannery to approve the minutes of the November 3, 2023, meeting. Minutes were approved by voice vote without objection.

Crisis Aversion and Rights Retention Orders

Senator Whitney Westerfield, Senate District 3; Whitney Austin, Executive Director and Co-Founder,

Whitney/Strong Foundation; Richard Sanders, Chief of Police, Jeffersontown, Kentucky; and Steve Shannon, Executive Director, Kentucky Association of Regional MH/MR Programs, Inc. (KARP, Inc.) presented on forthcoming legislation regarding crisis aversion and rights retention orders.

Senator Westerfield explained his reasoning for drafting legislation regarding crisis aversion and rights retention orders (CARR), citing the elementary school shooting in Nashville and previous shootings in Kentucky. Senator Westerfield discussed specific details of two versions of this bill. Senator Westerfield stated that one version does not include ex parte hearings and instead relies on convincing a law enforcement officer that an individual poses a threat. The second does include ex parte hearings, following the KRS Chapter 202A schedule and protocol, but has the law enforcement step of the first version.

Whitney Austin, Executive Director and Co-Founder, Whitney/Strong Foundation, shared her experience with gun violence, as she was critically injured during the September 6, 2018, mass shooting at the Fifth Third Center in Cincinnati, Ohio. Ms. Austin outlined the purpose of her organization and discussed Kentucky gun death statistics up to 2021, citing data from the Centers for Disease Control and Prevention.

Richard Sanders, Chief of Police, Jeffersontown, spoke about why this legislation should be enacted. Chief Sanders stated what was being discussed is a mental health issue, not a gun issue, and stressed it must be addressed. Chief Sanders cited two cases of gun violence he had encountered during his career in law enforcement, including the 2018 Marshall County High School shooting, as support for this type of legislation.

Steve Shannon, Executive Director, Kentucky Association of Regional MH/MR Programs, Inc. (KARP, Inc.) stated that this legislation is meant to be a prevention tool, not a treatment tool, meant to temporarily deny access to weapons to individuals who are experiencing severe mental health crises and could pose a danger to themselves or others.

In response to a question from Representative Elliot, Senator Westerfield stated this legislation has been drafted as a reaction to the inadequacy of 202A related to relinquishing an individual's access to firearms during a mental health crisis. Senator Westerfield stated involuntary committal is not always necessary and the legislation addresses this.

Representative Maddox voiced opposition to this legislation and provided her reasons for her position on the issue.

In response to a question from Representative Nemes, Senator Westerfield stated that the system currently in place already limits an individual's constitutional rights based on probable cause.

Representative Rawlings voiced concerns regarding this legislation citing the potential unlawful targeting of specific groups of people and individuals filing bogus or untruthful petitions.

In response to a question from Representative Burke, Senator Westerfield stated he would consider merging this legislation with legislation that Representative Burke has been working on.

In response to a question from Representative

Flannery, Senator Westerfield stated that this legislation is proposed to stop an individual from hurting themselves or others in real time by using the ex parte hearing. Senator Westerfield stated this option eliminates the opportunity for a respondent to purchase additional firearms before a hearing or lie about how many firearms they own.

In response to a question from Representative Herron, Senator Westerfield detailed how CARR differs in comparison to red flag laws from other states.

Crime Victims Compensation

Senator Denise Harper Angel, Senate District 35, presented on proposed legislation. Senator Harper Angel outlined changes that her bill would require related to crime victims' compensation, including increasing the statutory caps on emergency awards, and increasing the overall cap of reimbursement.

In response to questions from Senator Westerfield, Senator Harper Angel confirmed coverage for tattoo removal under her proposal is for tattoos forced on victims by human traffickers. Senator Harper Angel confirmed the increase in compensation the proposal would award crime victims. Senator Harper Angel confirmed that the Crime Victims Compensation Board has been involved with the drafting of the proposal.

Laura Sudkamp

Senator Westerfield recognized the retirement of Laura Sudkamp, who served the Kentucky State Police for 35 years. Senator Westerfield acknowledged Director Sudkamp's contribution to KSP's crime lab, and her service to the people of the Commonwealth and the state police.

Discussion of Kentucky's Violent Offender Statute

U.S. Senator Rand Paul, R-Kentucky (via pre-recorded video testimony); Representative Jennifer Decker, House District 58; Rob Sanders, Commonwealth's Attorney, 16th Judicial Circuit; Antoinette Miller; and Morgan Miller presented on proposed legislation to revise Kentucky's violent offender statute. Representative Decker outlined the proposed revisions.

Via a pre-recorded video, Senator Paul stated he learned that Kentucky law treats attempted violent crimes differently than completed crimes in the aftermath of the attempted assassination of then-candidate for Louisville mayor, Craig Greenberg. Senator Paul also cited a Kenton County case where an assailant unsuccessfully tried to rape a woman, and was ultimately convicted of sexual abuse and attempted rape and would be eligible for parole after serving 20 percent of his sentence, since it was only attempted rape. Senator Paul stated current statutes do not adequately punish incomplete crimes and commended Representative Decker for her efforts related to this proposed legislation.

Rob Sanders, Commonwealth's Attorney, 16th Judicial Circuit introduced Antoinette Miller and Morgan Miller whose family member, Jordan Miller, was killed in a motor vehicle crash caused by an intoxicated individual in April 2021. Mr. Sanders explained this individual was convicted of second-

degree manslaughter and sentenced to five years in prison in January 2023. Mr. Sanders stated that under the law as it stands, Jordan Miller's death is classified as a non-violent offense and that this individual will be eligible for parole in February 2024. Morgan Miller and Antoinette Miller provided testimony regarding the death of their sister and daughter, respectively.

Mr. Sanders reiterated that the purpose of amending the violent offender statute is to treat any offense that involves the death or serious physical injury to a victim as a violent offense, and to make the penalties for an attempted violent offense the same as a violent offense.

In response to a question from Representative Wilson, Mr. Sanders stated that, under Kentucky law, there is no harsher parole based on who a victim is unless the victim has been murdered.

In response to questions from Representative Flannery, Mr. Sanders stated that only Class A or Class B felonies are 85 percent parole eligibility offenses. Mr. Sanders stated that the purpose of the legislation is to make everything categorized as a violent offense have an 85 percent parole eligibility.

Safer Kentucky Act

Representative Jared Bauman, House District 28; Representative Jason Nemes, House District 33; and Representative Kevin Bratcher, House District 29, presented the Safer Kentucky Act. Representative Bauman discussed the impact of crime in Kentucky, including the financial impact that retail crime has on businesses in the Commonwealth. Representative Bauman outlined multiple sections of the Safer Kentucky Act including sections requiring life without probation or parole for those convicted of their third violent felony, increasing charges and penalties for fentanyl delivery causing an overdose, and requiring the Transportation Cabinet to provide a driver's license or ID card to incarcerated people who committed felonies upon release.

In response to questions from Representative Blanton, Representative Bauman agreed to consider striking language to remove the possibility of early release for criminals using guns in crime. Representative Bauman discussed the death of Madelynn Troutt who passed away in 2021.

In response to a question from Senator Wheeler, Representative Bauman stated that they do have data that confirms when legislative approaches like the Safer KY Act are enacted, crime statistics do go down. Representative Bauman agreed to provide this data.

In response to comments from Representative Kulkarni, Representative Bauman stated he was open to having conversations about the concerns she raised about the bill.

In response to comments from Representative Burke, Representative Bauman confirmed that changes were made to the Safer KY Act as a result of a meeting with the Coalition for the Homeless.

Representative Nemes clarified that the three strikes portion of the Safer Kentucky Act pertains only to violent offenses.

Adjournment

There being no further business, the meeting adjourned at 12:22 p.m.

INTERIM JOINT COMMITTEE ON LICENSING, OCCUPATIONS, AND ADMINISTRATIVE REGULATIONS

Minutes of the 6th Meeting of the 2023 Interim November 9, 2023

Call to Order and Roll Call

The 6th meeting of the Interim Joint Committee on Licensing, Occupations, and Administrative Regulations was held on November 9, 2023, at 11:00 AM in Room 154 of the Capitol Annex.

Representative Matthew Koch, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Matthew Koch Co-Chair; Senator John Schickel Co-Chair; Senators Julie Raque Adams, Donald Douglas, Denise Harper Angel, Jimmy Higdon, Jason Howell, Amanda Mays Bledsoe, Christian McDaniel, Michael J. Nemes, and Damon Thayer; Representatives Kim Banta, Kevin D. Bratcher, Emily Callaway, Mike Clines, Jonathan Dixon, Daniel Fister, Patrick Flannery, Al Gentry, Samara Heavrin, Keturah Herron, Thomas Huff, Kevin Jackson, Michael Meredith, Ruth Ann Palumbo, Phillip Pratt, Tom Smith, and Killian Timoney.

Guests: State Senator Stephen Meredith; Dr. Thomas Childress, DPM, Podiatrist, Louisville Foot & Ankle Specialists; Teresa Villaran, Chair, Kentucky Nurses Association Government Affairs Cabinet; State Representative Ken Fleming; State Representative Lisa Willner; State Representative Mark Hart; State Representative DJ Johnson; Andrew Rutherford, PA-C, Government Affairs Chair, Kentucky Academy of Physician Assistants, Critical Care Employee at VA Medical Center - Lexington, Kentucky; Kevin Payton, Partner, Top Shelf Lobby; State Representative Steve Bratcher; Josh Brooks, Franchise Owner, Mr. Electric of Elizabethtown; Matthew Marshall, Fire Marshal, Frankfort Fire & EMS; Brian Meurer, Assistant Chief, Fire Marshal, Louisville Fire Department; State Representative Emily Callaway; David Morgan, Government Affairs Associate, Reason Foundation; Ambrose Wilson IV, Commissioner and Doug Hardin, General Counsel, Department of Charitable Gaming; Dustin Miller, Partner, Government Strategies, LLC; and Matt Byrd, Executive Director, Kentucky Boxing and Wrestling Commission.

LRC Staff: Bryce Amburgey, Wendy Craig, Carabell Preece, and Lisa W. Moore.

Approval of October 16, 2023, Minutes

Co-Chair Schickel motioned to approve the minutes and Representative Timoney seconded the motion. Motion carried and the minutes were approved by voice vote.

Podiatrists

State Senator Stephen Meredith said minimal qualifications are needed to be a licensed podiatrist in Kentucky. Most medical professionals require a residency program, but Kentucky law exempts podiatrists from this requirement. The proposed legislation will allow a podiatric assistant who is

issued a podiatric assistant license by the board to assist board-licensed podiatrists with specific duties and tasks related to the practice of podiatry. He feels a residency program needs to be established before podiatrists are given a fully, unrestricted license. Dr.

Thomas Childress, DPM, Podiatrist, Louisville Foot & Ankle Specialists, testified in support of the bill and said Kentucky law allows a podiatrist license to be obtained with no training required after completion of the medical education. It is not in the best interest of the public to give people migrating to Kentucky a podiatrist license after leaving a residency for various reasons. He feels stricter requirements will improve the profession and quality of services provided to citizens.

Kentucky Nurses Association

Teresa Villaran, Chair, Kentucky Nurses Association (KNA) Government Affairs Cabinet, said nurses comprise over 53 percent of Kentucky's healthcare workforce. KNA wants to address the nursing shortage through proposed legislation that establishes safe staffing committees in healthcare facilities. The legislation is a result of months of studying other states' efforts to recruit and retain nurses. Engaging nurses in important staffing decisions can increase retention and negate burn out, while increasing patient satisfaction. Specifically, if nurses are involved in decisions concerning patient care, workloads, and work methods, it has an impact on nurse satisfaction, retention, avoidance of adverse events, and reduction of infections. Many Kentucky healthcare facilities do not give direct care nurses a voice in staffing levels in their areas, and 78 percent of hospital nurses lack confidence in hospital management to resolve clinical problems.

Responding to a question from Senator McDaniel, Ms. Villaran said the bill would require healthcare facilities to have staffing committees. Establishing the staffing committees would not be a recommendation, or a choice, for hospitals.

Responding to a question from Chairman Koch regarding a bill sponsor, Ms. Villaran said the KNA does not have a bill sponsor at this time, but several legislators have expressed interest in sponsoring the legislation.

Licensure Compacts

State Representatives Mark Hart and DJ Johnson explained several interstate compacts.

Representative Johnson said the Department of Defense (DoD) supports the Emergency Medical Services (EMS), Massage Therapy, Social Work, and Dentistry/Dental Hygiene Compacts. These are part of a group of interstate compacts which address licensing concerns affecting service members and their families. On average, military families move every three years. These compacts help military spouses relocate and begin work without delay by reducing the amount of time and effort needed to gain authorization to practice in a new state. They are even more efficient than expedited licensing laws which have been established for military spouses.

Representative Hart is sponsoring a bill in the 2024 Regular Session to support the EMS Compact and allow paramedics and emergency medical

technicians (EMTs) flexibility to work across state lines. He is working with the Kentucky Board of Medical Services to address one issue before the legislative session begins in January.

Representative Johnson is sponsoring a bill supporting a Massage Therapist Compact. The Kentucky Board of Licensure for Massage Therapy is neutral on the proposed legislation. He also stated the Kentucky Board of Dentistry is neutral on the proposed Dentistry/Dental Hygiene Compact that will be introduced by Representative Candy Massaroni in the 2024 Regular Session.

Co-Chair Schickel said it is very important to keep a balance between Kentucky remaining a sovereign state and setting its own standards, while balancing efficiency and convenience of working with surrounding states. Representative Johnson believes in states' rights and said professions are carefully vetted with various boards and agencies before a compact is adopted.

State Representatives Ken Fleming and Lisa Willner explained the Social Work Licensure Compact. Representative Fleming said there is a void in the workforce in providing mental health services to citizens. The compact is a result of 17 states coming together and offering a consolidated approach and pipeline to recruiting more people to provide mental health services. Representative Willner testified in support of the proposed legislation and said Kentucky would be an early adopter and could establish and set the terms of the compact. She said the National Association of Social Workers (NASW) is in attendance and supports the proposed bill.

Chairman Koch recommended that all compact bill sponsors emphasize keeping Kentucky's high standards and remaining a sovereign state.

Psychologists

State Representatives Ken Fleming and Lisa Willner discussed the proposed psychologist's bill. Representative Fleming said the intent is to increase the pipeline and get psychologists into the workforce faster without sacrificing any licensing requirements. Representative Willner said there are no objections to the bill, and it will benefit the public by increasing mental health services.

Physician Assistants

State Representative Mike Clines; Andrew Rutherford, PA-C, Government Affairs Chair, Kentucky Academy of Physician Assistants (PA), Critical Care Employee at VA Medical Center - Lexington; and Kevin Payton, Partner, Top Shelf Lobby, discussed potential legislation that the Kentucky Academy of PA's believe will make a series of important updates to PA practice statutes to align Kentucky with the tenets of a healthcare team. Mr. Rutherford said the PA profession is a natural fit for team-oriented care models, as the profession is founded on the concept of collaborative practice. It is believed the most successful teams are those that fully utilize the skills and abilities of each team member. The Kentucky Board of Medical Licensure (KBML) should be modernized and increased to 17 members, including two spots for PAs. He also discussed the importance of updating the PA Advisory Committee,

and allowing graduating PA students to apply course curriculum to pediatric head trauma requirements for licensure. Kentucky will continue losing more than half of its PA students who train in Kentucky to jobs in other states if PA practices and licensure are not modernized.

Responding to a question from Senator Adams, Representative Clines responded that he had a productive conversation with staff on the KBML. He feels the best practice would include reviewing the statutes that have not been revised since 2016.

Right To Repair High-Tech Farm Equipment

State Representative Jonathan Dixon discussed giving an owner the statutory right to repair high-tech farm equipment. A few states have enacted similar legislation, which would be hurtful to Kentucky dealers, and not achieve the outcome Kentucky constituents are seeking. He has had discussions with dealers, manufacturers, and farm bureaus about the issue and will keep all parties informed of new developments. There seems to be a small disconnect between the manufacturers and the end user. He believes the Memorandums of Understanding on the national level lay the groundwork between manufacturers and farm bureaus and provide the correct path for legislatively moving forward.

Chairman Koch said this is a hot button issue nationally concerning technology and operating high-tech agriculture equipment.

Electrician Licensing

State Representative Steve Bratcher presented a bill to reduce the amount of time to receive an electrical master's license from eight to six years. Josh Brooks, franchise owner, Mr. Electric of Elizabethtown, said four neighboring states do not require a state license, and two states issue licenses that are less restrictive. Kentucky's licensing requirements seem too stringent and excessive considering the technology improvements that have made the job safer. The average age of a master electrician in Kentucky is over 50 years old, and recruiting younger people to the field is becoming more difficult. Steps should be taken now to make these positions more attainable to young people. He said six years in training and experience is sufficient along with the associate's degree program in electrical technology obtained through the Kentucky Community and Technical College System.

Chairman Koch cautioned to never substitute quality for quantity.

Responding to a question from Senator McDaniel, Mr. Brooks said two years of work experience under a master electrician as a basic electrician are needed to be eligible to take the test to become a master electrician. A master electrician can become an electrical contractor and has advanced knowledge and experience. Representative Bratcher noted there is a test for an electrical license and a separate test for the master's license. Both exams must be passed, in addition to the years of experience, in order to become a master electrician.

Responding to a question from Co-Chair Schickel, Representative Bratcher said there is no opposition to the bill.

Representative Jackson said the average age of

electricians in his Bowling Green district tends to be about 65 years old. They communicated needing to recruit younger people to the profession and said it is a big problem for the future.

Smoke Alarms

State Representative Phillip Pratt; Matthew Marshall, Fire Marshal, Frankfort Fire & EMS; and Brian Meurer, Assistant Chief, Fire Marshal, Louisville Fire Department, explained the proposed legislation related to smoke alarms. Mr. Marshall said there is no legislation that requires smoke alarms be installed in residential properties when a home inspection or a transfer of property is made. The proposed bill will require all existing and new one and two-family dwellings, multifamily residential units, and lodging dormitories to have a working smoke alarm in place per dwelling, or have installed a hardwired or ten year lithium smoke alarm, at the time of sale or lease, change of ownership, or change in tenancy. He stated it is the responsibility of the property owner or seller to test and provide working smoke alarms in these dwellings. Several other states, including Florida, have already implemented this law. Mr. Meurer noted three of every five fire fatalities do not have a working smoke alarm on the property. The fire department will provide a smoke alarm and the Red Cross will install for free.

Responding to a question from Representative Gentry, Mr. Marshall said exact fines have not been determined and the main goal of the bill is to keep more people safe. He said the implementation of paperwork by the realtors is a start, but specific fines and punishments have not been identified. If the owner sells the house without a realtor, there is an affidavit the owner would sign and file with the county clerk's office.

Responding to questions from Senator Higdon, Mr. Marshall said the fire department does not cover the cost of the smoke alarms in every county, however, the Red Cross will cover the cost for the entire state. If there is a county agreement between the fire department and the Red Cross, the fire department will install the smoke detector free of charge.

Responding to a question from Co-Chair Schickel, Mr. Marshall testified that the Red Cross will install a smoke detector in every house across Kentucky.

Alcohol Tasting Rooms

State Representative Michael Meredith said satellite tasting rooms were first allowed two to three years ago in distilleries in Kentucky. He said several communities in Kentucky with no distilleries would like a facility for public tasting rooms similar to satellite tasting rooms. The legislation is not complete and there were no questions from committee members.

Impact of Criminal Convictions on Employment

State Representative Emily Callaway said the proposed bill is intended to reduce barriers with licensing boards and public employment to get convicted felons back to work. She said since 2015, 29 states have been working on occupational licensing laws. The goal is to improve the application process for public employment and occupational

licensing by requiring boards and hiring authorities to expeditiously process applications and disclose requirements up front to prospective applicants. She said the legislation provides intentional transparency by enabling applicants to make informed decisions. The bill requires licensing boards to publish applicant-centric information about which convictions may be disqualifying, how those convictions are considered, and how any possible disqualifications can be overcome. David Morgan, Government Affairs Associate, Reason Foundation, said 95 percent of incarcerated individuals will leave prison and need opportunities to work. He noted steady employment and secure housing reduce repeat offenders.

Representative Herron supports the legislation and said this is one tool that can assist convicted felons back into the workforce after leaving prison. She is available to work with them on implementing other ideas as well.

Responding to a question from Senator Adams, Representative Callaway said additional funding should not be needed as streamlining the application process should reduce costs and save money by replacing antiquated processes and systems. It also reduces appeals, which can be costly. Senator Adams supports the legislation and believes in second chances.

Senator Mays Bledsoe said she is on a panel in Lexington discussing licensure and barriers for reentry into employment for convicted felons. She appreciates the legislation and believes in providing choices and a clear path for people leaving prison to employment.

Charitable Gaming

State Representative Kevin Bratcher said the charitable gaming legislation will be the same bill that was introduced in the 2023 Regular Session. Ambrose Wilson IV, Commissioner,

Department of Charitable Gaming said there are two exceptions in the new bill. The proposed legislation will remove the limit on the enforcement division to allow them full police powers, similar to the ABC Board and the Department of Insurance. He said all staff completed the Peace Officer Professional Standards Act (POPS) certification in 2022. The other change implements a sliding scale to allow organizations to be suspended for less than a year if they do not maintain a certain percentage of the adjusted gross receipts. The organizations and the industry are in favor of this shorter suspension as many of the problems can be corrected in less than a year.

Responding to a question from Co-Chair Schickel, Mr. Wilson said five staff are POPS certified.

Responding to a question from Representative Dixon regarding regulation, Mr. Wilson said all organizations are required to file a quarterly report that is monitored to ensure they are meeting the financial requirements in the retention statute.

Responding to questions from Senator Higdon, Mr. Wilson said police enforcement security is needed at charitable gaming locations to avoid unwanted behaviors and ensure public safety. The five POPS charitable gaming inspectors are not currently paid hazardous duty pay, but this bill would implement it

and change their pay rate. A budget impact study was conducted and there was no impact, and even showed a negative impact.

Adjournment

Other Business: Matt Byrd, Executive Director, Kentucky Boxing and Wrestling Commission, said the statutes do not allow amateur boxing promoters to charge admission to their shows. They are requesting a change to the definition of "exhibition" to facilitate amateur exhibition shows.

Doug Hardin, General Counsel, Kentucky Boxing and Wrestling Commission, said this bill was filed in the 2023 Regular Session as well.

With no further business before the committee, the meeting adjourned at 12:05 PM.

INTERIM JOINT COMMITTEE ON LOCAL GOVERNMENT

Minutes of the Sixth Meeting of the 2023 Interim November 6, 2023

Call to Order and Roll Call

The sixth meeting of the Interim Joint Committee on Local Government was held on November 6, 2023, at 9:00 AM in Room 154 of the Capitol Annex. Representative Randy Bridges, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Randy Bridges Co-Chair; Senators Cassie Chambers Armstrong, Greg Elkins, Denise Harper Angel, Amanda Mays Bledsoe, Michael J. Nemes, Damon Thayer, and Gex Williams; Representatives Adam Bowling, Josh Bray, George Brown Jr., Beverly Chester-Burton, Jonathan Dixon, Steven Doan, Deanna Frazier Gordon, Chris Freeland, Mary Beth Imes, Jacob Justice, Matt Lockett, Michael Meredith, Marianne Proctor, Rebecca Raymer, Brandon Reed, Sarah Stalker, and Walker Thomas.

Guests: J.D. Chaney, Kentucky League of Cities; City of Auburn Mayor Michael Hughes; City of Benton Mayor Rita Dotson; Jim Henderson, Kentucky Association of Counties; Scott County Magistrate David Livingston; Harlan County Judge/Executive Dan Mosley; and Representative Jason Nemes, Earl Jones, Paul Coomes, and Senator Julie Raque Adams, Louisville Metro Comprehensive Commission.

LRC Staff: Mark Mitchell, Christopher Jacovitch, and Cheryl Walters.

Approval of Minutes

Upon the motion of Representative Lockett, seconded by Representative Imes, the minutes from the October 24, 2023, meeting were approved.

Kentucky League of Cities' (KLC) Legislative Platform for the Upcoming 2024 Session of the General Assembly

Mayor Michael Hughes, President, Mayor Rita Dotson, First Vice President, and J.D. Chaney, Executive Director and CEO, characterized the population, economic activity, land mass, and functions of cities; outlined the process for agenda selection; and presented KLC's 2024 legislative

agenda. The priorities include:

Annexation. Cities must grow and develop. Consensual annexation outweighs non-consensual.

Revenue Diversification. The constitution strictly controls available revenue measures.

Road Funding Formula. City road costs are increasing as they collectively spend around \$335 million to maintain 10,000 miles of existing streets and build new streets.

Substance Abuse. Kentucky must continue to address the criminal aspects of drug trafficking and substance abuse, as well as the prioritization for treatment, rehabilitation, training, and workforce reentry.

County Employees Retirement System (CERS) Administration. CERS was given an independent board. This independence should be maintained as it is succeeding at making good investments and representing local retirees.

Alcohol Regulatory License Fee Equity. All cities should have the ability to levy the alcohol regulatory license fee.

Property Tax Notification. Property Valuation Administrators should send updated property ownership information to cities in addition to the property owners so that cities may ensure accurate tax bills.

Utility Franchise Agreements. Utilities that fail to enter into a franchise agreement with cities should be penalized. The time limit for rebidding franchises should be reduced.

Paramedic and EMT Training. Training has become more academic rather than vocational making certification more difficult. Cities will work with state agencies to ease the difficulties.

Environmental Violations. Cities will work with state agencies to ensure that when private entities are served with violations, that the cities are notified as well.

Occupational License Taxes. Remote work has changed the character of work locations. Avenues to modernize the collection of the tax must be explored to accommodate the restoration of city revenues in light of remote work.

Planning and Zoning Training. The amount of training for planning officials and staff should be reduced as it is more extensive than the training required for other commissions and boards.

Web-Based Lodging Platforms. Cities oppose the centralization of local transient room tax revenue while supporting mandatory compliance of these web-based platforms with state law.

Aquatic Health Code. Recent changes to the model aquatic health code had the unintended consequences of pool closures. Cities wish to rectify the code.

Homeowner Associations. Provisions should be made for the maintenance of communal areas when homeowners associations stop operating, or the covenants of the homeowners association do not adequately account for them.

Elected Officials Training. Cities wish more flexibility when offering this training to local elected officials.

Road Work Notices. The Transportation Cabinet and utilities should notify cities of planned roadwork.

Municipal Utilities. The statutes should be amended to allow greater pay for municipal board members and increase the contract amount that may be let by a utility supervisor without seeking approval from the utility board.

Publications. All cities should be granted the ability to publish notices on their websites rather than paying to print the entire notice in newspapers.

Disaster Response Funds. Cities want more accountability regarding emergency management programs and the ability to apply for emergency funds, rather than going through the county.

Tax Increment Financing (TIF). TIFs were impacted as Kentucky moves away from income taxes. KLC wishes to have a permanent solution to restore the funding expected from those agreements in light of the changes to income taxes.

Kentucky Association of Counties' (KACo) Legislative Platform for the Upcoming 2024 Session of the General Assembly

Jim Henderson, Executive Director; David Livingston, President-Elect; and Dan Mosley, First Vice President, discussed KACo's principles for advocacy, highlighted county and elected official functions, and presented the Association's 2024 legislative agenda. The priorities include:

Annexation. At the conclusion of the Local Government Annexation Task Force, counties hope that discussions with city leadership will produce changes in annexation law that will relieve the tensions created by annexation between cities and counties.

State Budget. Counties depend on state budget allocations to continue their services as a subdivision of the state.

Transportation. Counties need appropriate fiscal resources to maintain half the road miles in Kentucky and a third of the bridges. Construction costs have substantially increased in recent years. The motor fuels tax needs to be amended in consideration of these needs and in consideration of the increasing adoption of electric vehicles.

Jails. Social factors have caused the criminal justice system to not work optimally, which has placed pressure on local correctional facilities and, consequentially, local leaders. Jails cost counties \$330 million each year (not including Fayette and Jefferson Counties). Jails house individuals for long terms, and these individuals need programs that will help inmates become productive citizens.

Opioid Solutions. Channeling settlement moneys toward diverting individuals from jails to treatment will assist both counties and persons with substance abuse disorders.

Government Resources Accelerating Needed Transformation (GRANT) Program. This program assists local governments in tapping into federal grant programs. KACo requests more allocations into this program to assist even more counties.

Constitutional Amendment. KACo supports amending the constitution to allow for a local sales tax.

In response to a question from Representative Frazier-Gordon, Mr. Henderson said that the office of the county coroner was difficult to fund. Mr. Mosely

said that deaths, and the resultant coroner expenses related thereto, were impacted by the overdose epidemic and the indigent population. Mr. Livingston noted that the county has a responsibility to bury people under its purview with dignity, but it also has many demands on its resources.

In response to a question from Representative Brown, Mr. Mosely said that in attempting to address recidivism, he and other officials from his county attended an opioid solutions conference to seek ideas. He noted North Carolina's medical efforts at treating addiction and noted treatment's successes.

In response to a question from Senator Chambers Armstrong, Mr. Mosely said that counties all have individual experiences, but in his county successful programming includes a substance abuse program. He would like to host a GED program as well as working with the technical school in his area. Mr. Livingston said that they are pondering the construction of a new jail, but have many considerations for the best path forward which would affect any programming they would have.

In response to a question from Representative Chester-Burton, Mr. Mosely said that his county partners with many non-governmental entities to assist people with treatment. Mr. Livingston said that improvements with the judicial system's speed would assist with getting people started in treatment.

Louisville Metro Comprehensive Review Commission's Findings

Representative Jason Nemes, Co-Chair; Earl Jones, Co-Chair; and Paul Coomes, Data Analyst, provided background regarding the consolidated local government's origin, and the origin of the commission. Representative Nemes discussed several recommendations of the commission including the following:

Recommendation 4, relating to affordable housing;

Recommendation 6, relating to urban service district service provision;

Recommendation 10, relating to the diversity of boards and commissions;

Recommendation 11, relating to planning and zoning;

Recommendation 12, relating to making the Metro Council non-partisan;

Recommendation 13, relating to adjusting the composition of the Metro Council; and

Recommendation 16, relating to property valuation assessment equity.

Mr. Jones noted that most of the recommendations approved by the commission were approved by 80 percent or more of the commission. The process of coming up with issues that were to be reviewed may not have been as comprehensive as it could have been in part to a later start of the process. Notwithstanding that, the work product of the commission is one that is recommendable. The urban service district service provision was one recommendation that was not without controversy amongst the committee members. There were some data lapses that could affect policy decisions. Additionally, property taxes may increase for residents inside the urban services district who may be able to least afford it in order to

sustain their present level of service. The committee was united on the need for constitutional tax reform and economic development incentives, as well as affordable housing.

Senator Nemes noted that the urban service district comprised the area of the former City of Louisville inside the Watterson Expressway.

In response to a question from Representative Bridges, Representative Nemes said that the changes to Louisville EMS would not cure the problems in the remainder of the state. There are inequities in EMS service in Louisville Metro. The committee did not address police or tax stacking. Mr. Jones urged policy solutions that benefit the entire community and to try and avoid grievance-based solutions that may promote parochial solutions at the expense of the entire community.

In response to questions from Senator Chambers-Armstrong, Representative Nemes said that the committee voted for each recommendation individually, and that the document itself was not voted upon collectively. Representative Nemes clarified that there would be no tax decrease for the suburban residents outside of the urban service district, for the EMS recommendation, but that taxes would be increased for the residents in the urban service district. Mr. Jones added that the downtown area serves as the festival center of the county, and it may be misleading to say that the services provided inside the urban services district do not affect residents outside the district.

In response to a question from Senator Mays Bledsoe, Representative Nemes said that the proposed changes would be statutory and not referendum-based.

Senator Thayer noted recommendation twelve, relating to nonpartisan races, and asked, rhetorically, why there is a problem in giving people information at the polls. He noted his and Representative Lockett's bills relating to partisan elections.

Representative Lockett noted that the bill may be reintroduced.

Representative Nemes expressed that moving to nonpartisan elections in Louisville may promote a geographically wider approach to policy issues, and that if all other cities were electing officials on a nonpartisan bases, then Louisville Metro should also, or all local races should be partisan, instead. Nonpartisan would be a better way forward for Louisville Metro.

There being no further business, the meeting was adjourned at 10:52 a.m.

LOTTERY TRUST FUND TASK FORCE

Minutes of the 6th Meeting of the 2023 Interim November 2, 2023

Call to Order and Roll Call

The 6th meeting of the Lottery Trust Fund Task Force was held on November 2, 2023, at 3:00 PM in Room 171 of the Capitol Annex. Senator Matthew Deneen, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Bobby McCool Co-

Chair; Senator Matthew Deneen Co-Chair; Senators Gary Boswell, Gerald A. Neal, Lindsey Tichenor, and Mike Wilson; Representatives Daniel Grossberg, Steve Rawlings, Steve Riley, and Killian Timoney.

Guests: Dr. Matt Berry, Executive Director, Kentucky Center for Statistics; Dr. Beth Kelly, Research Director, Kentucky Center for Statistics; and Becky Gilpatrick, Director of Student Aid, Kentucky Higher Education Assistance Authority

LRC Staff: Cynthia Brown, Joshua Collins, Katy Jenkins, Haley Webb, Justin Smith, and Mariah Derringer-Lackey.

Minutes Approval for the October 19, 2023 meeting

On a motion from Representative Timoney, second from Senator Boswell, the minutes from the October 19, 2023, meeting were approved.

Work Ready Dual Credit Scholarship

Dr. Matt Berry, Executive Director, Kentucky Center for Statistics; Dr. Beth Kelly, Research Director, Kentucky Center for Statistics (KYSTATS); and Becky Gilpatrick, Director of Student Aid Services, Kentucky Higher Education Assistance Authority, provided a presentation on the Work Ready Dual Credit scholarship (WKDC). Background information on the scholarship was given which provided demographics of recipients and enrollment. Graphs were presented that showed the WKDC recipients against all high school graduates and recipients of the dual credit scholarship. Information was given on high school success, college-going behavior, and employment outcomes.

In response to Senator Deneen, Ms. Gilpatrick explained the dual credit scholarship was not available for career and technical education courses due to budget language.

In response to Representative McCool, Ms. Kelly explained the dual credit scholarship started in 2019. Currently, there is not enough data to answer whether the scholarship is affecting postsecondary rates.

In response to Senator Neal, Dr. Kelly explained that the breakdown of demographics was a snapshot. Data on minorities is not in the presentation but is available. Dr. Berry confirmed that all relevant demographic data would be shown in future presentations.

In response to Senator Tichenor, Ms. Gilpatrick explained who paid for the courses before the dual credit scholarship. Sometimes the districts covered the fees, or the student paid the fees.

In response to Senator Tichenor, Ms. Gilpatrick confirmed the dual credit partnerships were with public universities, Kentucky Community and Technical College campuses, and numerous private institutions.

In response to Senator Boswell, Dr. Kelly clarified KYSTATS has the eligibility status of students for free or reduced lunch.

In response to Senator Boswell, Senator Deneen clarified how high schools have different schedules and sometimes, students can get an associate's degree with the schedule. Ms. Gilpatrick discussed how state funding has affected the scholarship program.

Senator Deneen thanked the panel for their presentations throughout the interim.

Consideration of Lottery Trust Fund Task Force Recommendations

On a motion from Representative McCool, and a second from Representative Timoney, the proposed recommendations memorandum was approved.

Adjournment

The meeting adjourned at 3:37 p.m.

MULTIMODAL FREIGHT TRANSPORTATION SYSTEM IMPROVEMENT TASK FORCE

Minutes of the Fourth Meeting of the 2023 Interim November 1, 2023

Call to Order and Roll Call

The fourth meeting of the Multimodal Freight Transportation System Improvement Task Force was held on November 1, 2023, at 3:00 PM in Room 149 of the Capitol Annex. Senator Jason Howell, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Suzanne Miles Co-Chair; Senator Jason Howell Co-Chair; Senators Brandon J. Storm, and Johnnie Turner; Representatives John Blanton, Tom Smith, and Ashley Tackett Laferty.

Guests: Frank Jemley III, Executive Director, Kentucky Association of Manufacturers (KAM); Todd Hammerstone, Supply Chain Manager, Logan Aluminum; Todd Erbe, Director of Transportation, T. Marzetti Company; Todd Mitchell, Vice President of Administration and Procurement, North American Stainless; Kim Menke, Regional Director of Government Affairs, Toyota; Rick Taylor, President/CEO, Kentucky Trucking Association; and Eric Thomas, Executive Director, Central Ohio River Business Association (CORBA).

LRC Staff: John Snyder, Ashley Nash, and Christina Williams.

Approval of October 17, 2023 minutes

The minutes from the October 17, 2023, meeting were approved.

Manufacturers' Needs and Perspectives on Multimodal Transportation

Frank Jemley III, Executive Director, Kentucky Association of Manufacturers (KAM), stated that manufacturers have announced over 900 facility location or expansion projects. These projects anticipate reporting a capital investment of over \$28 billion and nearly 39,000 new jobs. Mr. Jemley stated the multimodal needs of manufacturers are an integrated transportation system, adequate infrastructure, accessibility, and safety in order to maximize competitiveness in the global economy.

Todd Hammerstone, Supply Chain Manager, Logan Aluminum stated that its facility, located in Russellville, began manufacturing in 1983, and currently produces approximately 2.6 billion pounds of aluminum canned sheet annually, supplying approximately 45 percent of the North American beverage can market. Logan Aluminum relies heavily on two primary modes of transportation, truck and

rail. The company is experiencing a significant growth in rail shipment, and are working with RJ Corman Railroad to submit a Consolidated Rail Infrastructure and Safety Improvement (CRISI) Grant application in 2024.

In response to a question asked by Chairman Howell, Mr. Hammerstone spoke on the beneficial proximity of the Logan Aluminum plant to Interstate 65 and Interstate 24.

Todd Mitchell, Vice President of Administration and Procurement, North American Stainless, stated the company is the largest stainless-steel manufacturer in the United States, and utilizes all major modes of transportation for inbound and outbound shipments. The company primarily utilizes barge shipments for inbound products. They have submitted an application for the Port Infrastructure Development Project (PIDP) Grant (federal grant). If received, the funds will be used to expand the barge dock to increase inbound raw materials that ship via barge. Mr. Mitchell discussed heavy congestion on Interstate 71 and suggested improvements be made to alleviate challenges associated with that. He mentioned interest in the use of autonomous driverless trucks.

In response to a question asked by Representative Smith, Mr. Mitchell stated North American Stainless uses their own dock for transportation, which is leased to them by Carroll County.

In response to a question asked by Representative Smith, Mr. Mitchell stated, if received, the funds from the PIDP Grant will be used to expand the size of the dock, access to and from the dock, and the acquisition of additional equipment to handle different outbound products. He added scrap suppliers have expressed interest in shipping more barge freight to North American Stainless, but due to limitations, those materials must be delivered via truck. Representative Smith requested a summary of the PIDP Grant application be given to the task force.

Chairman Howell requested Mr. Mitchell provide to the task force anything that could have been done statutorily to ease the process of the grant application.

In response to a question asked by Chairman Howell, Mr. Mitchell stated North American Stainless and nearby companies work well together and try to help provide and accommodate each facility's needs.

In response to a question asked by Chairman Howell concerning ideas in expanding the usage of barges for output traffic, Mr. Mitchell stated they were one of the first companies to load ocean-going containers at their facilities outside Kentucky and it was not a positive experience. He added he does think it is possible, but requires a lot of coordination.

Todd Erbe, Director of Transportation, T. Marzetti Company, stated last year approximately 15,000 shipments were trucked in and out of the facility. Due to the company's proximity to I-65, it utilizes truck transportation. Mr. Erbe referenced an article from the American Transportation Research Institute showing that since 2016, congestion increased 27 percent in Kentucky overall, and 36 percent in the Louisville-Metro area.

Kim Menke, Regional Director of Government Affairs, Toyota, stated Toyota Motor Manufacturing Kentucky (TMMK) is Toyota's largest and most complete vehicle manufacturing plant in the world.

The plant in Georgetown has the capacity to build 550,000 vehicles per year, and over 600,000 engines. The engines are exported to other facilities. Since the start of production in 1988, TMMK has built more than 13 million vehicles in Kentucky. There are approximately 9,500 employees and three vehicle production lines at TMMK. In 2024, the company has plans to start the assembly of hydrogen fuel cell modules, that will be the power plants for class eight semi-tractor trailers.

TMMK uses several modes of transportation to operate their just-in-time part systems, primarily using roadways, rail, and air. They have over 425 suppliers across North America and 120 of those are located in Kentucky. TMMK averages approximately 965 inbound trucks per day, and just over 40 outbound trucks per day of finished engines and service parts. TMMK ships approximately 1,400 vehicles a day by rail to regional distribution centers, and then to seaports for export overseas. They also ship 350 to 400 vehicles per day via car carrier to dealerships within the Midwest multistate region.

Mr. Menke shared his appreciation to Mike Hancock, Deputy Secretary of KYTC, for bringing the Kentucky Freight Advisory Committee members together for discussion on issues and provide insights on freight management plans, improvement strategies, external grant opportunities, and the investigation and implementation of countermeasures to problems in Kentucky.

In response to a question asked by Chairman Howell, Mr. Menke stated in order for TMMK to successfully expand, several things were implemented such as the acquisition of additional trucks and team members, and the addition of another exit on Interstate 75. Those changes allowed for TMMK to produce the Lexus model vehicles.

Mr. Jemley stated KAM supports fully funding infrastructure needs to remain competitive, looking to transportation needs of the future, and utilizing long-term sustainable funding mechanisms.

Trucking Industry's Role in the Multimodal Transportation System

Rick Taylor, President/CEO, Kentucky Trucking Association and William Hill, Owner, Hill Transportation and HT Logistics, discussed the trucking role in the multimodal transportation system and the Kentucky Trucking Association (KTA).

Mr. Hill stated Hill Transportation has just over 225 employees and services several manufacturers in the heavy haul market including Logan Aluminum. The KTA was established in 1962 and has approximately 300 members. There are about 113,000 Kentuckians that work in the trucking industry, including approximately 27,000 drivers. In Kentucky, trucks transport 86.5 percent of manufactured tonnage, and 89.2 percent of Kentucky communities depend solely on trucks to move their goods.

Mr. Taylor stated KTA supports the manufacturing industry and gave a summary of where the trucking industry is in comparison to surrounding states. There are 5,200 interstate trucking companies based in Kentucky that register 24,000 vehicles. These numbers lag far behind those in surrounding states. KTA's goal is to have companies locate in Kentucky

and more vehicles registered here as well. One major reason companies are choosing not to register their trucks in Kentucky is due to the annual county clerk registration fee for vehicles 44,001 pounds or greater, which renders moot the state online commercial registration system by requiring in person trips to clerk's offices where each transaction is handled individually.

In response to a question asked by Chairman Howell, Mr. Hill reiterated the benefits of Kentucky's central location and the demands for transportation and truck needs, stating there are small road blocks that could be alleviated to help push the trucking industry in Kentucky forward.

Mr. Taylor stated the highway system is vital to trucking operations and expressed congestion concerns citing a study showing congestion costs the trucking industry in Kentucky about \$2.4 billion every year. Mr. Taylor expressed that KTA is in favor of expanding and maintaining the highway system and they are willing to pay their fair share to accomplish this goal. However, they want to ensure the money needed is collected efficiently and fairly, and that there is an equal playing field on the collection front, which is not always happening with the collection of the weight distance tax. Mr. Taylor advocated for the elimination of the weight distance tax and to collect the funding through the diesel fuel tax rate.

Mr. Taylor discussed the shortage of truck parking in Kentucky. On an average night, 9,000 trucks compete for 7,196 marked, designated trucking spots in Kentucky. Truckers are faced with parking illegally on the on or exit ramps or side of the road or violating federal hours of service. Either option is unsafe for the motoring public and the truck driver. Law enforcement also faces a difficult decision to make a fatigued driver move, violating their hours of service, or to remain parked illegally.

Representative Blanton advocated for evaluating the process of truck registration and making that process less cumbersome. He also spoke about the necessity of fixing the truck parking issue as well.

Co-Chair Miles expressed her appreciation and support for the trucking industry, and requested suggestions to be given to the task force to remedy these trucking issues.

Private Sector Business Interests in Multimodal Transportation

Eric Thomas, Executive Director, Central Ohio River Business Association (CORBA), discussed private sector business interests in multimodal transportation. CORBA is a 501 (c) (3) non-for-profit trade association, an alliance of business and industry engaged in river commerce on and along the Ohio River and its tributaries from Greenup, Kentucky to Carrollton, Kentucky. The mission of CORBA is to unite the river businesses and industry into a common voice in order to promote commerce, safety and security, environmental stewardship, and public relations concerning the Ohio River and its tributaries throughout the central Ohio River region. A founding objective was to re-designate the USACE Port statistical boundary and redefine the port as a regional port, which was achieved in 2015. CORBA currently represents more than 60 members of the maritime

industry and supports companies throughout the ports of Cincinnati and Northern Kentucky.

In 2021, there were 35.9 million tons of cargo that came through the port which equates to 1.5 million truck loads. Mr. Thomas stated CORBA is rich in port assets as it is near the CVG airport, two class I railroads, and multiple short line railroads. CORBA is located near intersections of Interstates 71, 75, and 74, and is within a day's drive of 55 percent of manufacturing in the United States.

Mr. Thomas stated Kentucky is the seventh busiest tonnage state in the United States for maritime freight, with 79 million in waterborne tonnage moved. A chart was shown to illustrate that about 71 percent of Kentucky's waterborne tonnage is not moved at public ports. He highlighted challenges and opportunities and questioned if port development is a transportation issue or economic development issue or both, adding that in his opinion it is both, but it tends to fall towards transportation.

Mr. Thomas stated public port tenants are generally private companies that are leasing space within that public port, however, private ports lack the public capabilities such as soliciting public funds. He also added that state investments can and do support private ports as well through road and highway connectivity, utility and equipment investments, and through state benefits from private investments by jobs and tax generations. Mr. Thomas stated private ports should not have to compete with public financing and investment.

Adjournment

With no further business to come before the task force, Chairman Howell adjourned the committee at 4:45 P.M.

MULTIMODAL FREIGHT TRANSPORTATION SYSTEM IMPROVEMENT TASK FORCE

**Minutes of the Fifth Meeting of the 2023 Interim
December 14, 2023**

Call to Order and Roll Call

The fifth meeting of the Multimodal Freight Transportation System Improvement Task Force was held on December 14, 2023, at 4:00 PM in Room 169 of the Capitol Annex. Senator Jason Howell, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Suzanne Miles Co-Chair; Senator Jason Howell Co-Chair; Senators Jimmy Higdun, Brandon J. Storm, and Johnnie Turner; Representatives John Blanton, Chris Freeland, Tom Smith, and Ashley Tackett Laferty.

LRC Staff: John Snyder, Ashley Nash, and Christina Williams.

Approval of the November 1, 2023 Meeting Minutes

The minutes for the November 1, 2023, meeting were approved.

Presentation of the Task Force Final Report and Recommendations

Chairman Jason Howell and Co-Chair Suzanne Miles thanked members for their input in compiling the recommendations and opened the floor for conversation. After brief discussion, the Task Force adopted the final report and recommendations by voice vote. This document may be found on the Task Force's website at <https://apps.legislature.ky.gov/CommitteeDocuments/377/>.

Adjournment

With no further business to come before the Task Force, Chairman Howell adjourned the meeting at 4:07 P.M.

INTERIM JOINT COMMITTEE ON NATURAL RESOURCES AND ENERGY

**Minutes of the 6th Meeting of the 2023 Interim
November 16, 2023**

Call to Order and Roll Call

The 6th meeting of the Interim Joint Committee on Natural Resources and Energy was held on November 16, 2023, at 3:00 PM in Room 154 of the Capitol Annex. Senator Brandon Smith, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Jim Gooch Jr. Co-Chair; Senator Brandon Smith Co-Chair; Senators Cassie Chambers Armstrong, Robby Mills, John Schickel, Adrienne Southworth, Johnnie Turner, Robin L. Webb, and Gex Williams; Representatives Jared Bauman, John Blanton, Adam Bowling, Randy Bridges, Lindsey Burke, Beverly Chester-Burton, Myron Dossett, Ryan Dotson, Patrick Flannery, Chris Fugate, Daniel Grossberg, DJ Johnson, Bobby McCool, Suzanne Miles, Tom Smith, and Bill Wesley.

Guests: Dr. Brian Houillion, Assistant Professor, Hutton School of Business, University of the Cumberland; David Carter, Chief Information Security Officer, Commonwealth Office of Technology; Kenya Stump, Executive Director, Office of Energy Policy, Energy and Environment Cabinet; and Evan Vaughan, Executive Director, Mid-Atlantic Renewables Energy Coalition.

LRC Staff: Stefan Kasacavage, Kayla Carroway, Tanya Monsanto, Rachel Hartley, and Emily Wiley.

Approval of minutes for the meeting of October 19, 2023

A motion to approve the minutes was made by Senator Mills and seconded by Representative Dotson. The minutes were approved by voice vote.

Report from the Blockchain Working Group

David Carter stated that the Kentucky Blockchain Technology Working Group has 16 statutory and advisory members and holds open meetings bi-monthly on a virtual platform. The working group is mandated by KRS 42.747 to submit an annual report on December 1. The mission of the Kentucky Blockchain Technology Working Group is to evaluate

the feasibility and efficacy of using blockchain technology to enhance the Commonwealth by identifying opportunities for the adoption, utilization, and regulation of blockchain technology. Blockchain technology is different from traditional transaction systems because it has a distributive ledger, records are immutable, and it allows for smart contracts. These features contribute to a transaction system with high integrity. The working group is exploring opportunities in public utilities, logistics and supply chain management, healthcare, finance, and records management.

Chair Smith stated that blockchain could enhance infrastructure security.

Dr. Brian Houillion stated that blockchain can tokenize and fractionalize municipal bonds, providing access to these investment tools to those who may not have had financial resources to do so previously. Blockchain also allows for these fractionalized tokens to be geographically restricted, which would promote local investment. The Uniform Law Commission released emerging technology amendments in 2022, which would provide the legal framework for commercial transactions utilizing blockchain-based digital assets. Senate Bill 64 introduced during the 2023 Regular Session proposed enacting those recommendations into state law, but it did not pass.

In response to Representative Smith, Dr. Houillion stated that a limitation at the federal level is that government officials are still attempting to decide which agency has authority to oversee blockchain. Kentucky can set standards for blockchain used strictly in intrastate commerce. Banks need to become comfortable with providing qualified custody in commercial blockchain transactions.

In response to Senator Williams, Dr. Houillion stated that there are no laws regarding blockchain-based financial instruments in automated transactions, because it has not been recognized by the Uniform Commercial Code (UCC). A smart contract is an automated transaction that would be subject to basic contract law.

Chair Smith stated that blockchain adds a layer of integrity to different forms of transactions.

Representative Grossberg stated that some blockchain proponents favor its use because there is a lack of government involvement in its transactions.

Chair Smith stated that blockchain discussions will continue and commended the work of Mr. Carter and Dr. Houillion.

In response to Chair Smith, Mr. Carter stated that a consortium for states to discuss blockchain has been briefly discussed, and the working group could revisit that conversation in the beginning of 2024.

Update on the Solar Power Industry in Kentucky

Kenya Stump stated that the Office of Energy Policy (OEP) is a non-regulatory agency which funds projects throughout the state focused on energy education, affordability, grid resilience, data modeling, and power sector modernization. OEP produces the Kentucky Energy Profile and co-leads energy emergency response activities at the Emergency Operation Center (EOC).

Kentucky's utility owned solar generation accounts for 0.07 percent of Kentucky's net utility

electricity generation and roughly 30 megawatts (MW) of solar capacity is operational. Merchant or independent solar power projects total about 4.0 gigawatts (GW) of capacity and are the single largest category of solar projects in the state.

The interconnection queues at each utility or regional grid operator provide a picture of potential projects. Kentucky has four queues: Pennsylvania-New Jersey-Maryland Interconnection (PJM), Midcontinent Independent System Operator (MISO), Louisville Gas and Electric Company and Kentucky Utilities Company (LGE/KU) and Tennessee Valley Authority (TVA). There are 213 Kentucky projects in progress within the four queues.

In response to Representative Dotson, Ms. Stump stated that the Department for Environmental Protection's existing regulatory structure oversees hazardous waste for decommissioned power plants. Many solar projects have not yet been decommissioned, so there is no good measurement of waste created from solar. The best estimate could be found from anticipating when solar plants would retire, and what components would be considered hazardous.

In response to Representative Blanton, Ms. Stump stated that utility-owned solar accounts for 0.07 percent of Kentucky's net utility electricity generation. Due to the interconnection system, Kentucky imports and exports power at varying levels depending on need. Utilities are required to have resource adequacy, meaning that utilities must have enough resources to meet peak demand with an additional margin of error. Some utilities own power generation plants located outside of the state.

In response to Representative Miles, Ms. Stump stated that KRS 278.700 to 278.718 require that merchant electric generating facilities must go before Kentucky's Electric Generation and Transmission Siting Board before its facilities can move into construction. Utilities are regulated by the Kentucky Public Service Commission.

In response to Representative Smith, Ms. Stump stated that given the frequency of natural disasters, she cannot confirm that there will not be power disruptions in the future. Economic development has increased electric power demand and utilities are preparing to maintain reliability. It is important to consider the characteristics of the grid, rather than the type of fuel utilized to maintain reliability. Coal generation and natural gas have proven to be reliable base load power sources. The OEP is now seeing increased reliability for solar when combined with long duration battery storage. Nuclear power is one of the most secure, reliable, and clean sources of base load generation in the United States, though it is not part of Kentucky's energy fleet. Hydroelectric power is the state's leading source of renewable energy. Utilities' integrated resource plans are the best resource to track Kentucky's energy transition over the next four to ten years. It is important to carefully evaluate any retirement impacts that could affect the reliability of the grid.

In response to Representative Fugate, Ms. Stump stated that operational costs for solar are low. There are no utility-owned solar projects in eastern Kentucky. Kentucky Power has no solar projects and

East Kentucky Power Cooperative has one. She is unaware of any Kentucky Power solar resource. Other fuel sources can be as reliable as coal as a base load resource.

Chair Smith stated that Ms. Stump is not a regulatory agent.

In response to Chair Gooch, Ms. Stump stated that one problem with solar is that it is land intensive compared to other power generating technologies.

Evan Vaughan stated that the Mid-Atlantic Renewable Energy Coalition (MAREC Action) represents utility-scale developers of solar storage and wind across nine eastern states and Washington D.C. More than 4,300 MW of solar capacity have been approved or are under consideration by the Kentucky's Electric Generation and Transmission Siting Board.

In response to Chair Smith, Mr. Vaughan stated that large manufacturers are buying solar because it offers low and stable prices. Solar can help moderate prices for consumers.

PJM has the least renewable energy as a portion of the grid compared to other regional transmission organizations. Solar is not the only answer to reliability, but adding solar to an energy portfolio would increase reliability by increasing the diversity of generation source types.

In response to Senator Mills, Mr. Vaughan stated that maintaining reliability attributes of a grid is desirable. The type of energy produced by different fuel sources is the same. Subsidies for solar from the federal government helps support manufacturing in the United States.

Referred Administrative Regulations - No Action Required

Chair Smith provided a brief overview of the administrative regulations on the agenda.

301 KAR 051:010 Proposed- Attainment status designations.

301 KAR 001:122 Proposed- Importation, possession, and prohibited aquatic species.

Reports Received - No Action Required

Chair Smith provided a brief overview of the reports received on the agenda.

Kentucky Department of Fish and Wildlife Resources Status of Chronic Wasting Disease and Wildlife Diseases

Energy and Environment Cabinet House Joint Resolution (HJR) 37 Reformulated Gasoline (RFG) Report

Finance and Administration Cabinet Report on Use of Energy-Efficiency Measures in State Government

Adjournment

There being no further business, the meeting was adjourned.

COMMISSION ON RACE & ACCESS TO OPPORTUNITY

Minutes

November 6, 2023

Call to Order and Roll Call

An informational meeting of the Commission on Race & Access to Opportunity was held on November 6, 2023, at 1:00 PM in Room 129 of the Capitol Annex. Representative Killian Timoney, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator David P. Givens Co-Chair; Representative Killian Timoney Co-Chair; Senator Gerald A. Neal, and Representatives George Brown Jr. and Samara Heavrin.

Guests: David Childs, D.D., Ph.D., Director, Black Studies Program, Northern Kentucky University; Cynthia B. Fox, Executive Director, KY Commission on Human Rights; Raymond Sexton, Executive Director, Lexington-Fayette Urban County Human Rights Commission; Brewer Conley, Youth Member, South Elkhorn Christian Church; Kennedy Fuqua, Youth Member, South Elkhorn Christian Church; and Cora Breitigan, Youth Member, South Elkhorn Christian Church.

LRC Staff: Brandon White and Brett Gillispie.

A Discussion on Amending Section 25 of the Kentucky Constitution

David Childs, D.D., Ph.D., Director, Black Studies Program, Northern Kentucky University; Cynthia

B. Fox, Executive Director, KY Commission on Human Rights; Raymond Sexton, Executive Director, Lexington-Fayette Urban County Human Rights Commission; Brewer Conley, Youth Member, South Elkhorn Christian Church; Kennedy Fuqua, Youth Member, South Elkhorn Christian Church; and Cora Breitigan, Youth Member, South Elkhorn Christian Church presented to the commission regarding a proposed amendment to Section 25 of the Kentucky Constitution.

Dr. Childs discussed the history of Reconstruction, the abolition of slavery, and Section 25 the Kentucky Constitution. The text was ratified in 1891 and bans slavery and involuntary servitude in the Commonwealth except as a sentence for a crime. This exception allowed for the widespread implementation and use of convict leasing laws, in which states leased primarily Black prisoners to private companies and plantations to exploit as unpaid and involuntary labor for their business ventures as a substitute for slave labor. The 13th Amendment to the United States Constitution contains similar language. Convict leasing occurred primarily during the Nadir of American Race Relations, a period lasting from the end of Reconstruction in 1877 to the early 1900s that marked the peak of racial violence and oppression of the Black community by white Americans as a backlash to the ending of slavery and post-Civil War gains in rights for Black Americans. In order to replenish their labor force lost due to the ending of slavery and maintain white supremacy in the former slave-holding states, southern legislatures passed

Black Codes in order to impose harsh employment and criminal regimes on former slaves, forcing them into a state of indentured servitude through a variety of methods including convict leasing.

Dr. Childs has done extensive writing on Black Codes, the Civil War, and the legacy of enslavement of Africans in the American South.

In response to a question from Chairman Timoney, Dr. Childs said that a form of convict leasing is still occurring today through the private prison system despite officially being made illegal due to the fact that companies are unfairly compensating prison labor. However, programs that fairly compensate or educate inmates and prepare them for their future are positive and should not be considered convict leasing or forced labor. In response to a follow-up question, Dr. Childs said that he is concerned about the exploitation of Black prisoners in for-profit prisons and views it as slavery by another name. Mr. Sexton added that Vermont specifically addressed the issue of voluntary employment and education programs when similar language in the Vermont Constitution was amended.

Mr. Sexton said that exception clauses in the U.S. and various state constitutions allowed for the implementation of Black Codes and the proliferation of forced labor in the second half of the 19th century. Black Codes were the predecessor to the Jim Crow regime abolished in 1964 by the Civil Rights Act. However, the exception clauses in the U.S. Constitution and the constitutions of a dozen states remain. Mr. Sexton commended the youth group of South Elkhorn Christian Church for their work in bringing the exception clause in Section 25 of the Kentucky Constitution to the attention of the Lexington-Fayette Urban County Human Rights Commission and other key policy makers.

Mr. Sexton read a statement on behalf of South Elkhorn Christian Church Senior Minister Michael Swartzentruber calling for the elimination of the exception clause in Section 25.

Ms. Fox said that slavery was a part of Kentucky before the Commonwealth was founded and that slavery was enshrined in the original 1792 Constitution of Kentucky. The Kentucky General Assembly rejected the 13th Amendment to the United States Constitution, only ratifying it in 1976, over one hundred years after the amendment was formally adopted. Kentucky was one of many states to adopt Punishment Clauses that targeted the formerly enslaved Black population alongside Black Codes in order to strip them of their rights and continue to exploit their forced labor long after the official demise of slavery. The harsh criminalization of common behaviors and situations such as unemployment and profanity filled jails with primarily Black laborers. She called for the removal of the exception clause from Section 25 of the Kentucky Constitution in light of this history.

In response to a question from Senator Neal, Dr. Childs said that the goal of the prison system should be reform and that employment and education programs should have that goal in mind.

Senator Neal thanked the presenters and said that he would be working to amend the language.

In response to a question from Representative Brown, Dr. Childs said that his books are likely

banned in Kentucky or would be banned after gaining publicity.

Representative Brown said that the prison system is not helping former convicts become productive members of society, and that he intends to help amend the language, as well. He praised the youth of South Elkhorn Christian Church for their dedication and leadership.

Senator Givens proposed possible language to amend Section 25 of the Kentucky Constitution eliminating the exception clause and suggested the need for the electorate to be able to understand the language that the General Assembly may adopt. Senator Neal and Senator Givens discussed the proposed language.

Ms. Conley, Ms. Fuqua, and Ms. Breitegan said that they were influenced to speak in favor of changing Section 25 by their trip to the Legacy Museum in Alabama which ignited a desire to make a positive change in Kentucky.

In response to a question from Chairman Timoney, Ms. Conley said that once the youth members became aware of the language of Section 25, they met with church leaders and community leaders including the Lexington-Fayette Urban County Human Rights Commission to discuss the issue and what their action plan should be. In response to a follow-up question, Ms. Conley, Ms. Fuqua, and Ms. Breitegan said that they brought up this issue with their educators and family.

Chairman Timoney praised the youth of South Elkhorn Christian Church for their activism and civic engagement and encouraged them to continue to get involved.

Representative Brown thanked the youth of South Elkhorn Christian Church for highlighting injustice and fighting to make a positive change.

Senator Neal thanked the youth of South Elkhorn Christian Church for their presentation and said that they reaffirmed his confidence in the next generation of Kentuckians.

Representative Heavrin said that she was proud to see young women taking leadership and speaking on hard topics and encouraged them to continue their work.

Ms. Conley said that she and her fellow members of the youth group of South Elkhorn Christian Church went on an antiracism mission trip to Birmingham, Alabama to view sites honoring Black History and the Civil Rights Movement including the Legacy Museum and the Lynching Museum. After the youth learned about the existence of the exception clause in Section 25, they were motivated by their experiences in Alabama to take action against the exception clause.

Ms. Fuqua said that Section 25 of the Kentucky Constitution permits enslavement as a punishment for a crime despite its abolition. She pointed out that this clause was ratified in 1891, 26 years after the abolition of slavery. She added that it is important to amend this section due to the painful history of slavery and the potential for further abuse. She hoped that others would be inspired by their actions to make positive changes in their own communities. She asked that the General Assembly eliminate the exception clause.

Ms. Breitegan reiterated the connection between the exception clause, slavery, and convict leasing. She

said that this clause should never have been included in Kentucky's Constitution and should not still be there today. She said that there is no justifiable reason for the clause to remain in the constitution, and that removing it may set an example to other states. She added that the South Elkhorn Christian Church youth group is committed to doing whatever work is needed to eliminate this language.

Senator Neal said that he hopes that the commission will continue into the future, but that it needs to be able to provide formal policy recommendations to the General Assembly. He added that he has drafted legislation to reexamine past actions by the General Assembly for their unintended negative consequences in criminal justice and health issues.

Senator Givens said that he sees the commission continuing forward in its work and believes that it is important to continue to provide a forum where speakers are able to come and have frank conversations with policymakers about issues involving racism and equity across the Commonwealth. He commended the speakers who have come before the commission for their hard work and dedication. He announced that he will not be returning as Co-Chairman of the commission in the 2024 interim and expressed disappointment in the record of attendance for members of the commission and expressed desire for accountability on attendance. He went on to say that it has been a joy for him to serve alongside the commission's members and staff in his three years as Co-Chairman.

Adjournment

There being no further business, Chairman Timoney adjourned the meeting at 2:20 p.m.

TASK FORCE ON SCHOOL AND CAMPUS SECURITY

Minutes of the Fifth Meeting of the 2023 Interim
November 1, 2023

Call to Order and Roll Call

The fifth meeting of the Task Force on School and Campus Security was held on November 1, 2023, at 2:00 p.m. in Room 131 of the Capitol Annex. Senator Max Wise, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Scott Lewis Co-Chair; Senator Max Wise Co-Chair; Senators Matthew Deneen, Michael J. Nemes, Reginald Thomas, and Stephen West; Representatives Savannah Maddox, Scott Sharp, James Tipton, and Lisa Willner.

Guests: Tim Hays, Executive Director, Office of Safe Schools, Florida Department of Education; and Steve Miracle, Superintendent, Marshall County School District.

LRC Staff: Yvette Perry, Peter Wright, and Maurya Allen.

Chair Wise thanked members, staff, and KET for being present and part of the preparation of the meetings. He also thanked the audience, especially those representing Moms Demand Action.

Approval of Minutes - October 19, 2023

Senator Deneen made a motion to approve the minutes of the October 19, 2023, meeting of the task force. Representative Sharp seconded the motion and it passed by voice vote.

Chris Hixon, Coach Aaron Feis, & Coach Scott Beigel Guardian Program

Tim Hay, Executive Director, Office of Safe Schools, Florida Department of Education, and Daniel Ellinger, Deputy Legislative Affairs Director, Florida Department of Education, were present to share about the Chris Hixon, Coach Aaron Feis, and Coach Scott Beigel Guardian Program. The Guardian Program was created following the shooting at Marjorie Stoneman Douglass school and is named for teachers who lost their lives protecting students during that tragic event.

Florida's guardian program allows individuals to serve as armed guardians to deter and stop active assailant incidents on school premises. These can be employees who volunteer to serve as school guardians or those hired specifically for that purpose. The 144 hours of training for guardians is provided through local sheriff's offices. Program participants must achieve an 85 percent pass rate on the firearms training and pass a psychological evaluation, drug screening, and background check. Since its inception, the program has been appropriated \$25 million in state funds. The majority of the funding goes to sheriff's offices to cover applicant training costs. The program is very flexible and allows local school districts to adapt over time.

In response to a question from Chair Wise, Mr. Hay said some guardians are employed by the district and get a salary based on their service as a guardian. Other guardians are currently employed by the school district and take on the guardian role as an additional responsibility. The guardians serve on school campuses, which may encompass school events held on school grounds. Armed security guards do serve in this role, in full uniform, and are hired by the school districts. However, guardians do not have arresting authority. That authority still remains with school resource officers (SRO).

Responding to a question from Senator West, Mr. Hay said teachers who are willing to go through the program can serve as guardians. The program initially garnered a lot of attention and the flexibility was really key in getting schools to adopt it. In the last three years, schools in Florida have adopted a layered approach to school security. Some districts utilize armed security in uniform, with additional teachers and administrators trained as guardians serving at the same school.

Responding to questions from Representative Tipton, Mr. Hay said there is a requirement for ongoing in-service training through the sheriff's offices, and this includes training on a firing range. He added that the only authority and function for a guardian is to respond to an active shooter event. Based on his experience, Mr. Hay said that school boards vote on participation in the program and typically adopt it as a measure to increase safety and security in their schools.

In response to questions from Representative Sharp, Mr. Hay said he is not aware of any instance where a guardian needed to be removed. However,

the local sheriff's offices administer the program and ensure that there are no issues. Since implementing the program, there have not been any instances when a guardian was needed to intervene in an active shooter incident. Guardians are not openly identified to the school community, except in instances where guardians are those in uniform similar to SROs.

Responding to questions from Senator Deneen, Mr. Hay said there is no centralized data collection on guardians by the Florida Department of Education. Local sheriff's offices collect the data on a local level and he can reach out to them for that data to provide to the committee. Senator Deneen said that information would be useful to know how effective the guardian program is and if there are any concerns.

In response to a question from Representative Willner, Mr. Hay said the state would receive any information on a gun being fired by guardians or other school security officers. He said he did not have the data at hand, but the number is very small and would include the number of shots fired by school security officers.

Responding to questions from Chair Wise, Mr. Hay said the guardian program is named for individuals who were put into a position that no one could imagine or understand. School professionals and teachers are heroes and giving those that desired it a way to expand their role was a key driver for creating the program. The 144-hour training is the minimum level of training and many sheriff's offices incorporate additional training addressing mental health. Many states have reached out to Florida to understand how the program works and are looking to create similar programs. Florida does provide a \$500 stipend for guardians, funded by the state.

Safety Management

Steve Miracle, Superintendent, Marshall County Public Schools, shared about a program Marshall County uses to filter electronic activity from students either in classroom submissions or through school communications. The program is called Gaggle and uses an algorithm to search for language that indicates mental health disturbances, profanity, pornography, or violence. In his experience, moving to digital environments for learning, there is more opportunity for students to engage in risky behavior and language. Prior to having a tool such as Gaggle, the district used a less responsive tool and there were a high number of false positives and a lack of ability to be proactive.

Gaggle utilizes an algorithm which identifies a potential communication and creates report, upon receipt of report, a person employed by Gaggle does a primary evaluation on whether it is an innocuous communication or needs further investigation. A second review is performed by another Gaggle employee who has the ability to further investigate and identify the individual student who sent the communication. Gaggle contacts school personnel, sometimes including SROs, for further follow-up. Mr. Miracle briefly shared responses from school level personnel regarding their experience with Gaggle. They still have false positives, but they are more efficiently vetted, and any time intervention can be made early, it is worth it.

One elementary principal said that there were

several incidents where situations of self-harm were prevented and students were diverted to mental health supports early. Mr. Miracle also shared insights from Mr. Cope, who lost a child in the Marshall County school shooting, who said there is no price too high to protect children and save a life. He also shared a very personal instance of Gaggle identifying a 5th grade student considering suicide who received support and now is flourishing. He said that response alone was worth the cost of the program.

Responding to questions from Chair Wise, Mr. Miracle said the annual cost for the program is approximately \$25,000 and the school board had to approve purchase of the program because of the expense. Marshall County school board initially used ESSR funding, and he hopes to be able to appropriate general funds for the cost when the ESSR funding expires. The tool is not an opt-out system, because the district owns all their IT infrastructure and communications made through that system. None of the Gaggle reports are made available to anyone outside the home school, it is not even distributed throughout the district. Resource officers within a school may be included, as are some local law enforcement agencies, but it is not shared between schools or to the Center for School Safety.

Responding to questions from Representative Tipton, Mr. Miracle said the cost does breakdown to approximately \$5-6 per student. He added that he has not had anyone reach out to him about the program, and he does not want to advertise for Gaggle specifically, because different districts have different budgets and there may be other tools that function just as well. However, he feels that safety of students is foundational to their success and one of the most important tasks of the school to provide. Students are aware that their information is being monitored, but that has not appeared to change their behavior in such a way to make the monitoring obsolete.

Senator Nemes thanked the presenter for his foresight in this matter and said not publicly advertising the program is probably allowing students to reach out by way of the tool when they would not feel comfortable reaching out directly.

Discussion of Task Force Recommendation Possibilities

Senator Thomas spoke to the discussion of school nurses from last meeting and gave his full support to funding the \$4.4 million necessary to provide every school with a school nurse.

Chair Wise said the task force had reached out to interested parties such as Dr. Sheila Schuster, Dr. Joe Bargione, Jon Akers with the Center for School Safety, and Marshal Wilcox for recommendations. He said there is no formal adoption of recommendations by the working group, but the recommendations will be taken back to leadership and members for further consideration.

Representative Willner said that she wished to endorse the recommendations from Dr. Schuster, Dr. Bargione, and others to strengthen existing law around preventative strategies for school safety.

Chair Wise reiterated that the recommendations are not an exhaustive list, and members are welcome to continue to bring suggestions to him, Co-Chair

Lewis, or staff.

Adjournment

With no further business to come before the task force, the meeting adjourned at 3:09 p.m.

INTERIM JOINT COMMITTEE ON STATE GOVERNMENT

Minutes of the Fifth Meeting of the 2023 Interim November 6, 2023

Call to Order and Roll Call

The fifth meeting of the Interim Joint Committee on State Government was held on November 6, 2023, at 11:00 AM in Room 149 of the Capitol Annex. Representative Kevin D. Bratcher, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representatives David Hale Co-Chair; Kevin D. Bratcher Co-Chair; Senators Cassie Chambers Armstrong, Greg Elkins, Denise Harper Angel, Amanda Mays Bledsoe, Michael J. Nemes, Damon Thayer, and Gex Williams; Representatives Chad Aull, Adam Bowling, Josh Calloway, Beverly Chester-Burton, Jennifer Decker, Robert Duvall, Derrick Graham, Richard Heath, Samara Heavrin, John Hodgson, Thomas Huff, Mary Beth Imes, DJ Johnson, Scott Lewis, Savannah Maddox, Kimberly Poore Moser, Steve Rawlings, Josie Raymond, James Tipton, Russell Webber, and Susan Witten.

Guests: Jeffrey Sparks, Jr., Administrative Section Supervisor, Department for Public Health, Cabinet for Health and Family Services; Christina Stewart, State Registrar of Vital Statistics, Cabinet for Health and Family Services; and John Steffen, Executive Director, Registry of Election Finance.

LRC Staff: Alisha Miller, Daniel Carter, Michael Clancy, Christina Gordley, Brad Gross, Jennifer Hans, Alaina Spence, Shannon Tubbs, Angela Rhodes, and Peggy Sciantarelli.

Approval of Minutes -September 26 meeting

A motion to approve the minutes of the September 26 meeting was seconded and passed without objection by voice vote.

Office of Vital Statistics – Overview

Jeffrey Sparks, Jr. Administrative Section Supervisor, Office of Vital Statistics, Cabinet for Health and Family Services and Christina Stewart, State Registrar, Office of Vital Statistics, Cabinet for Health and Family Services, provided an overview of the office's core functions, including the sharing of death data with the State Board of Elections.

Under the guidance of the State Registrar, the Office of Vital Statistics performs duties as required by KRS 213.031. The office collects certificates for all births, including foreign and established births, deaths, marriages, divorces, and stillbirths. Currently, submission and registration of all new birth and death records is completely electronic. Marriage and divorce records are a hybrid process, in which information is collected from each record and entered by staff into the vital statistics database. The vital statistics program maintains and operates the only official system for

vital statistics in the Commonwealth.

The Office of Vital Statistics performs four distinct core functions—vital records, public requests, protection, and collaboration.

KRS 213.076 provides the requirements for filing a certificate of death with the State Registrar. Each year the Office of Vital Statistics registers an average of 150,000 vital records of births, deaths, marriages and divorces and an average of 48,000 death records. During 2022, the office registered approximately 4,775 death records each month. On average, death records are registered within 12 calendar days of the date of death. Effective January 1, 2015, administrative regulation 901 KAR 5:025 requires all certificates of death in Kentucky to be filed electronically through the Kentucky Electronic Death Registration System (KY-EDRS).

KRS 213.141 requires the Office of Vital Statistics to notify the State Board of Elections monthly of deaths that occurred the previous month. The death data provided shall include name, address, birth date, sex, race, and social security number of residents over the age of 18. This process is completed by transferring data electronically.

Mr. Sparks stated that death data collected from KY-EDRS is stored in secure servers maintained by the Office of Application Technology Services, on behalf of the Office of Vital Statistics. The death data is then transferred to a secure FTP site called MOVEit—a secure application that encrypts file transfers. Access to the site requires approval from the Commonwealth Office of Technology.

In response to questions from Representative Tipton, Mr. Sparks stated that when a Kentucky resident dies out of state, the certificate would be filed in that state, and the Office of Vital Statistics would receive that information. The office shares data nationally with 57 jurisdictions.

Representative Hodgson commented on a constituent who died in 1994, but had not been released from the voter rolls. He asked whether there is a cumulative death file dating back to 1900 that would be available to the State Board of Elections. Mr. Sparks stated that type of information could be provided upon request but that the data being provided to the board currently is for new deaths that happen each week. When asked by Representative Hodgson, Mr. Sparks and Ms. Stewart responded that they do not have a master file listing all Kentucky citizens.

Responding to Representative Witten, Mr. Sparks stated that his opinion that failure to file a death certificate could potentially impact the decedent's benefits. If the office receives information of a death that was not recorded, it would be reported and filed as a delayed death, but with a current registration date.

Representative Hodgson asked that Mr. Sparks and Ms. Stewart provide information about the length of time their office has been transferring death records to the State Board of Elections, as required by KRS 213.141, and whether there has been an effort to track deaths that occurred prior to enactment of the statutory requirement.

Representative Bratcher spoke about the importance of election security and thanked the speakers for their testimony.

Update on Kentucky Registry of Election Finance computer system

John Steffen, Executive Director, Kentucky Registry of Election Finance, testified that a lot of progress has been made on the Registry's computer system. Fewer bugs are occurring, it is more user friendly, and there are a lot less problems than in the past. There is still work to be done. Much of the work has been "behind the scenes" and would not affect candidates as much as it helps the Registry do its job. A cell phone app is yet to be developed. All aspects of the project are estimated to be completed by the fourth quarter of 2024.

Since the system went live in 2020, about 3,500 statements of spending intent have been processed for those who are going to spend over \$3,000, and more than 13,000 statements of intent have been processed for the under-\$3,000 filers. More than 29,000 financial statements have been processed through the system. When the system went live, old reports that were in the previous system were incorporated into the new, resulting in nearly 200,000 reports in the searchable database. Within the next month or so—in time for the next election cycle—users will have the ability to download and upload records.

Mr. Steffen stated that a survey was conducted last October by Kentucky Interactive. Of the 10,000+ people who use the system, about 10 percent responded. Approximately half were positive about the filing system, and even more felt positive regarding the public search aspect. He feels that the system is making good progress and will continue to make improvements.

Representative Aull asked whether the registry is having a problem recruiting and retaining staff. Mr. Steffen responded that they were shorthanded for a while when four or five staff members left. Those working from home during COVID were directed to return to the office last September, and some found jobs elsewhere that allowed for a telework option or were offered better pay. The office had only one candidate administrator for a while, but the staffing situation is being addressed. He has tried to get pay raises for staff and increased pay rates for entry level candidate administrator positions. Representative Bratcher suggested that Mr. Steffen discuss the salary situation with members of the State Government Committee or the Appropriations and Revenue Committee.

Senator Thayer inquired why there are still "bugs" in the system. Mr. Steffen stated there are a lot of reasons—some relating to the software and the fact that Kentucky Interactive had to migrate old data into the new system. Senator Thayer stated his concern, as sponsor of the mandatory electronic filing legislation, that the system continues to have problems. It is also frustrating for the candidates, their treasurers, and the end users—the media and the public. He commended Mr. Steffen and thanked him for his work.

Representative Tipton encouraged Mr. Steffen to submit an additional budget request to the Appropriations and Revenue Committee staff. Mr. Steffen stated that his staff sometimes has to prioritize their work and requests they make to the vendor. One system requirement that still has not been met is the download feature. Independent expenditure reports

are supposed to be filed electronically, and that aspect is not yet complete. The registry is still taking paper copies of the independent expenditure reports and not making them available online for the public.

In response to questions from Representative Tipton, Mr. Steffen discussed cost and other specifics relating to the contract with Kentucky Interactive.

Representative Graham expressed appreciation to Mr. Steffen and encouraged him to address the salary situation on behalf of the registry's current employees.

Representative Hodgson asked a question about what happens when candidates fail to meet the reporting deadline for registration. Mr. Steffen responded that the registry's legal department handles delinquencies and follows up with candidates who are delinquent. The registry hired an investigator to reach out to candidates who are delinquent, but that staff person is leaving. He hopes to continue boosting the agency's enforcement aspect.

In response to Representative Bratcher, Mr. Steffen discussed the background and procedures relating to the statement of spending intent requirement.

Representative Hodgson, referring to initial testimony in the meeting, stated his intention to request that the Office of Vital Statistics send the Board of Elections a list of every death recorded from 1911 until KRS 213.141 began requiring monthly reporting to the board.

Adjournment

Representative Bratcher announced that this was the committee's last meeting of the 2023 Interim. There was no further business, and the meeting was adjourned at 11:53 a.m.

INTERIM JOINT COMMITTEE ON TOURISM, SMALL BUSINESS, AND INFORMATION TECHNOLOGY

Minutes of the 6th Meeting of the 2023 Interim
November 9, 2023

Call to Order and Roll Call

The sixth meeting of the Interim Joint Committee on Tourism, Small Business, and Information Technology was held on November 9, 2023, at 1:00 PM in Room 149 of the Capitol Annex. Representative Kim King, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Max Wise Co-Chair; Representatives Phillip Pratt Co-Chair; Kim King Co-Chair; Senators Shelley Funke Frommeyer, Jason Howell, Robby Mills, Phillip Wheeler, and Mike Wilson; Representatives Chad Aull, Shane Baker, Daniel Fister, Deanna Frazier Gordon, Chris Freeland, Chris Fugate, Daniel Grossberg, Richard Heath, Candy Massaroni, Shawn McPherson, Michael Sarge Pollock, Rachel Roberts, Sarah Stalker, Ashley Tackett Laferty, Nancy Tate, Killian Timoney, Timmy Truett, Bill Wesley, Richard White, and Nick Wilson.

Guests: David S. Beck, President and CEO, Kentucky Venues; Russ Meyer, Commissioner, Department of Parks; Ron Vanover, Deputy

Commissioner, Department of Parks; and Charles Higginbotham, Executive Director of Information Technology, Department of Parks.

LRC Staff: Janine Coy, Helen Hacker, Eric Rodenberg, Crystal Thompson, and Sasche Allen.

Approval of Minutes

A motion to approve the minutes of the October 26, 2023, meeting was made by Representative Fister, seconded by Representative Timoney, and approved by voice vote.

Kentucky Venues Update

David Beck, President and Chief Executive Officer for Kentucky Venues, presented an update on the organization, which manages the Kentucky International Convention Center and the Kentucky Exposition Center. These venues host approximately 340 events per year, and in the current year, approximately 6.5 million people have attended. The venue events throughout the year are responsible for an estimated 70 percent of hotel occupancies in Louisville and neighboring counties. The venues' business has recovered from losses suffered from the COVID-19 pandemic, and now exceeds 106 percent pre-pandemic numbers. The financial commitment by the General Assembly to improve facilities has had a positive impact on the Commonwealth.

Responding to Representative King, Mr. Beck described ways Kentucky Venues markets its facilities and events.

Representative Grossberg commented on Kentucky Venues events he has attended and described the economic and cultural impact these events have on the Commonwealth. Mr. Beck went on to discuss future events of the organization and the importance of maintaining beneficial partnerships.

Answering a question from Representative Heath, Mr. Beck remarked on the attendance of members of the General Assembly at the National Farm Machinery Show that takes place annually at the Kentucky Exposition Center and accounts for 20 percent of Kentucky Venues' operating income. He would welcome suggestions to increase legislator participation.

Replying to Representative McPherson, he confirmed the organization has submitted its budgetary proposal to the Tourism, Arts, and Heritage Cabinet for the coming year. Mr. Beck went on to detail workforce challenges of the organization including staffing and the increased cost of products needed to maintain facilities.

Kentucky Department of Parks Update

Russ Meyer, Commissioner of the Department of Parks and Ron Vanover, Deputy Commissioner of the Department of Parks, gave an update on the Department's ongoing upgrades and improvements. Testimony was given that of the \$150 million appropriated for the State Park Improvement Project approximately \$79 million has been dedicated to campground upgrades, utility improvements, broadband upgrades, and Lake Barkley and Jenny Wiley State Parks structural repairs. A proposal for \$71 million in unallocated funds from the project was presented. This proposal includes building system

improvements, accommodation hospitality upgrades, and recreational amenities upgrades.

Addressing comments made by Representative King, Commissioner Meyer spoke about increasing and enhancing the Department.

Responding to Representative Pratt, Commissioner Meyer discussed planned updates to golf courses and utilizing Ultradwarf Bermudagrass.

Answering questions from Representative Fugate, Commissioner Meyer stated the Department received its \$79 million allocation from the last budget session in August of 2023. Responding to follow up questions, Director Higginbotham said 16 of 17 state park resorts are equipped with high-speed internet but progress is being made to update the last park without the service, and 16 campgrounds are equipped with broadband with five more in progress. All recreational parks across the state have been updated to offer the service. Funds for these broadband updates have already been allocated.

Representative Tackett Laferty made remarks about repairs needed to the state park in her district. Commissioner Meyer added that despite the repairs and improvements that have already been made or are in progress, there is much more to improve. Addressing a follow up question about recreational vehicle tourism in the eastern portion of the state, Deputy Commissioner Vanover said Seth Wheat, Director of Interpretation and Engagement with the Department, would be the appropriate person to contact for additional information.

Replying to Senator Wise, Commissioner Meyer discussed the utilization of public private partnerships and said the Department would be willing to discuss the matter further with the General Assembly.

Representative Pollock made remarks about the low cost of maintaining Ultradwarf Bermudagrass and the General Assembly being notified about the progress of planned projects throughout the state park system. Commissioner Meyer responded by detailing the Department's regular communication with local officials across the state.

Addressing Senator Funke Frommeyer, Commissioner Meyer said he would follow up with her about occupancy rates of state parks and state park resorts.

Answering a question from Senator Howell, Commissioner Meyer discussed the marketing strategy of the Department. In response to a follow up question, he confirmed that the Department has obtained alcoholic beverage licenses in all areas where it is permitted.

Responding to questions from Representative Roberts, the Commissioner agreed that delayed funding may have increased the cost of some projects, but the Department is moving forward.

Replying to Representative McPherson, the Commissioner reiterated that the General Assembly initially allocated \$71 million state park improvement projects but added funding for Lake Barkley and Jenny Wiley State Parks just before the bill was passed which brought the total allocation to \$79 million.

Adjournment

There being no further business before the committee, the meeting adjourned at 2:38 p.m.

INTERIM JOINT COMMITTEE ON TRANSPORTATION

Minutes of the Sixth Meeting of the 2023 Interim
November 1, 2023

Call to Order and Roll Call

The sixth meeting of the Interim Joint Committee on Transportation was held on November 1, 2023, at 1:00 PM in Room 149 of the Capitol Annex. Representative John Blanton, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Jimmy Higdon Co-Chair; Representative John Blanton Co-Chair; Senators Karen Berg, Brandon Smith, Brandon J. Storm, Johnnie Turner, Phillip Wheeler, Gex Williams, and David Yates; Representatives Randy Bridges, Jonathan Dixon, Ken Fleming, David Hale, Samara Heavrin, Keturah Herron, John Hodgson, Thomas Huff, Mary Beth Imes, Bobby McCool, Amy Neighbors, Ruth Ann Palumbo, Rachel Roberts, Tom Smith, Ashley Tackett Laferty, Walker Thomas, Ken Upchurch, and Wade Williams.

Guests: Senator Phillip Wheeler, State Senator, District 31; Representative Chris Fugate, State Representative, District 84; Jerry Adkins, Director, Pike County Hillbilly Trail System; Jason Siwula, Deputy State Highway Engineer, Kentucky Transportation Cabinet (KYTC); John Moore, Deputy State Highway Engineer, KYTC; Tracy Nowaczyk, Assistant State Highway Engineer, KYTC; Ronald A. Sines, P.E., Vice President of Sustainability, CRH Americas; Brian Wood, Executive Director, Plantmix Asphalt Industry of Kentucky; Rick Cook, Co-Owner, EV Solutions of Kentucky, LLC

LRC Staff: John Snyder, Dana Fugazzi, Ashley Nash, and Christina Williams.

Approval of October 17, 2023 Minutes

The minutes of the October 17, 2023 meeting were approved.

Update on the Off Highway Vehicle (OHV) Pilot Program

Senator Phillip Wheeler, State Senator, District 31; and Representative Chris Fugate, State Representative, District 84; gave an update on the Off Highway Vehicle (OHV) Pilot Program. The program provides a framework for OHVs to operate on designated state roads in order to advance the development of a recreational trail system throughout Kentucky. Because the program, which is scheduled to end June 30, 2024, is just now starting in earnest, Senator Wheeler stated it is his and Representative Fugate's wish to extend the pilot program for another three years to continue to adopt roads in the program, and judge the program's performance.

Jerry Adkins, Director, Pike County Hillbilly Trail System, gave a brief presentation concerning the Pike County Hillbilly Trail System and their plans for expansion and utilization of the OHV legislation. The trail system opened on September 30, 2023 and permit sales have been promising, with approximately 97 percent of permits being sold locally. Mr. Adkins spoke about upcoming requests to have nearby roads

adopted into the trail system in order to stimulate local economies in communities that would benefit from additional funding.

In response to a question asked by Chairman John Blanton, Senator Wheeler stated he does not believe any state roads have yet been adopted to be part of the trail system. Representative Fugate stated another trail system, First Frontier, is not yet selling any permits, however, there are still people that are leaving one trail and travelling on the highway to reach other one.

Jason Siwula, Deputy State Highway Engineer, KYTC, stated KRS 189.281 authorized the OHV pilot program and required KYTC to promulgate administrative regulations related to the pilot project. The administrative regulation, 603 KAR 5:350, has been promulgated and is entitled Off Highway Vehicle Safety and Routes. That regulation is set to expire in July 2024 pursuant to KRS 189.281. Mr. Siwula stated as Kentuckians continue to learn about the program, KYTC is available for discussions to assist throughout the process.

In response to a question asked by Co-Chair Jimmy Higdon, Representative Fugate stated Kentucky has followed, and should continue to follow the steps West Virginia has taken to make their OHV program successful. Senator Wheeler added conversation has occurred with KYTC concerning the difficulties in putting OHVs into the Kentucky Automated Vehicle Information System (KAVIS), therefore the use of permits rather than regular registration has been deemed more appropriate, and the possibility of monetizing the decals is also significant. West Virginia uses a decal system as well.

Representative Bobby McCool voiced his safety concerns regarding noise and lighting coming from OHVs. Mr. Adkins stated the statute in place states the OHVs shall not operate between one hour after sunset and one hour before sunrise unless the person can demonstrate a cause for driving.

In response to a question asked by Representative Tom Smith, Representative Fugate stated the safety regulations for the OHVs are federally regulated. Senator Wheeler stated safety "kill switches" may not be something that could be regulated on a state level. Representative Smith advocated for the safe use of OHVs without overregulation.

In response to a question asked by Representative Ashley Tackett Laferty about a transit system to transport interested parties to a trail system, Representative Fugate stated conversations are being had between the state parks and the trail systems in his area in order to have a transit system in place.

Potential Use of Reclaimed Asphalt

Chairman Blanton stated the discussion of the potential use of reclaimed asphalt is a result of a resolution that he filed and was passed in the 2023 Regular Session of the Kentucky General Assembly. The resolution requests KYTC to study the benefits of increased use of recycled asphalt, develop a plan to increase the use of reclaimed asphalt on all future road projects where appropriate, and appear before the Interim Joint Committee on Transportation during the 2023 interim to discuss the potential for the increased use of reclaimed asphalt.

John Moore, Deputy State Highway Engineer, KYTC; and Tracy Nowaczyk, Assistant State Highway Engineer, discussed reclaimed asphalt pavement (RAP). The Federal Highway Administration (FHWA) is a strong advocate for the use of RAP, as studies have shown that RAP mixtures can equal or exceed the use of mixtures without RAP, which in turn saves money and natural resources. The KYTC's pavement professionals continue to support and review national pavement research related to RAP, making sure that the use of RAP is a sound financial decision, performs well, and lasts through the expected service life. The KYTC has been working with the industry in a Kentucky Asphalt Industry Forum to ensure those responsibilities are met.

Chairman Blanton stated the miles of state highway resurfaced in Kentucky per year have decreased from 800 five years ago to 500 currently. The use of RAP has a proven record with being able to withstand the traffic and safety standards, and is also an environmental friendly and cost effective way to increase those numbers.

In response to a question asked by Senator Wheeler concerning how the asphalt is recycled, Ms. Nowaczyk stated the millings are counted as an aggregate that contributes asphalt to the mixture, and when combined with virgin asphalt, it becomes the solution that is used in resurfacing the road. In response to a follow-up question asked by Senator Wheeler, Ms. Nowaczyk stated the use of recycled asphalt can be a cost-saving measure, however, recent inflation and material shortages have caused an increase in the cost of materials, therefore significant savings has not yet been realized.

Ronald A. Sines, P.E., Vice President of Sustainability, CRH Americas, spoke about the asphalt industries use of reclaimed asphalt. Mr. Sines stated CRH Americas is the number one asphalt paver and producer in North America, and the number one recycler of pavement materials as well. Mr. Sines highlighted the benefits of increased RAP usage such as sustainability, cost savings, and performance. In 2021, more than 94.6 million tons of RAP were recycled in new asphalt pavements. He stated overlays with mixes containing 30 percent RAP perform just as well as virgin asphalt mixes. A map was provided showing Kentucky and surrounding states' 2021 RAP utilization. Kentucky's utilization was 15.5 percent, lower than all surrounding states. Mr. Sines stated the goal is to maximize the use of RAP in Kentucky in a responsible and effective manner to ensure quality and long-term pavement performance, and to allow the market to determine where RAP can best be utilized.

Brian Wood, Executive Director, Plantmix Asphalt Industry of Kentucky, also advocated for the use of RAP. He stated RAP is processed and separated into piles and tested for asphalt content, gradation, and moisture. Processing allows for precise introduction of recycled materials alongside the virgin material in the mixture. Mr. Wood highlighted technology advancements in the asphalt industry such as more access to milling, improved plant technology, and processing and fractionation. Kentucky utilizes performance tests to determine the crack susceptibility of an asphalt mixture. Plantmix Asphalt Industry of Kentucky and KYTC recently formed the Asphalt Pavement Collaboration Committee and a

task force on recycling and sustainability to explore opportunities to expand the use of RAP by utilizing performance tests and best practices to control mix quality and improve pavement durability.

In response to a question asked by Chairman Blanton, Mr. Wood clarified that the 15.5 percent utilization figure means that of all the asphalt on state projects, 15.5 percent is RAP. The maximum amount of RAP that can be used on any KYTC project is 30 percent.

In response to a question asked by Chairman Blanton, Mr. Sines stated the use of reclaimed asphalt can be a cost saving measure dependent upon particular markets. He added across CRH, they generally see a cost reduction when RAP is utilized in raw materials and possibly in the production costs as well. As the use of recycled asphalt increases, generally their cost decreases. He also suggested looking into a report South Carolina has produced that quantifies what their cost savings have been, which could show what is likely in the future.

Chairman Higdon suggested milling is important in rural areas as well, voicing concern on surfaces with a large drop off. Mr. Wood stated there is a device that can be used on the edge of the paver that provides a taper instead of having a significant drop-off, adding that project specific conditions are evaluated by the department and put into a proposal for the contractor to build.

In response to a question asked by Representative Ken Upchurch, Mr. Sines stated the recommendation on what to increase Kentucky's RAP usage to is a difficult question to answer due to many factors, however, he recommended targeting a RAP usage of 30 percent.

In response to a question asked by Representative Upchurch, Mr. Wood stated that while an ultimate goal of 40 percent RAP is possible in urban areas where milling is common and more material is available, 30 percent statewide utilization is probably more realistic.

In response to a question asked by Representative Samara Heavrin, Mr. Sines stated of 38 states, Kentucky is sixth from the bottom on RAP usage. The remaining 12 states have an unknown RAP usage percentage because the National Asphalt Pavement Association (NAPA) does not publish information unless they have a certain quantity of it. In response to a follow-up question by Representative Heavrin, Mr. Wood stated the industry was in favor of increasing the percentages of RAP utilization.

In response to a question asked by Representative John Hodgson, Mr. Sines stated there has not been a limit found as to how many times liquid asphalt can be remelted before it starts to lose its adhesive properties. He added that when the material comes in, there should always been an understanding of the quality of the liquid asphalt that is on those aggregate particles so that the appropriate virgin binder and any additional additives can be used to ensure the maximum performance quality.

John Moore, Deputy State Highway Engineer, KYTC, stated in Kentucky, there is a recycled asphalt allowance of 30 percent in base materials and 20 percent in surface materials. He added several northern

states have a higher utilization of RAP percentages as they are more urban, and have more natural millings than Kentucky. He cautioned to keep in mind life cycle costs of RAP, as every year of performance of pavement that is lost, equates to approximately \$60 million in treatment costs that are not recovered.

In response to a question about the brittleness of recycled asphalt, Mr. Moore stated the reason behind mixing RAP with virgin material, and rarely using 100 percent recycled asphalt, is because it is prone to cracking, but mixing it with the right proportions of virgin asphalt and rejuvenators helps decrease the likelihood of cracking. The cracking test is an avenue that is used to ensure that the asphalt has the appropriate performance. He added he is unsure if the tendency to become more brittle increases the more times it is recycled. Mr. Sines stated a RAP product is stiffer than virgin material, however, that is why the asphalt is analyzed so the correct grade of virgin binder is selected to offset the additional stiffness.

In response to a question asked by Chairman Blanton, Mr. Moore stated the number four mixes and thin lays are some types of asphalts under the guidelines set by KYTC that cannot use RAP.

Chairman Blanton stated the goal is to provide good roadways in the most cost-effective manner possible. He requested for the industry and KYTC to work together to utilize as much RAP as possible, adding what he would like to see in 2024 is Kentucky using at least the average of what surrounding states are utilizing in RAP, with the goal of moving towards 40% usage if possible.

Portable Electric Vehicle (EV) Chargers

Rick Cook, Co-Owner, EV Solutions of Kentucky, LLC spoke about his business EV Solutions of Kentucky which provides on-the-go charging for electric vehicles utilizing a portable charging unit. EV Solutions not only sells portable chargers, but also provides roadside assistance in charging, and are equipped to extinguish car fires as well. Hertz rental car has a contract with EV Solutions of Kentucky, LLC to service their vehicles nationwide due to power grid issues, which have been known to damage car batteries. Mr. Cook stated the software in their portable units protect the battery, and EV Solutions portable units will not in any way damage EV batteries. Their charging units have a 48-amp system, and can fully charge a car in less than 45 minutes.

In response to a question asked by Senator Johnnie Turner, Mr. Cook stated the portable chargers are powered by gasoline.

In response to a question asked by Representative David Hale, Mr. Cook stated EV Solutions of Kentucky carries garage insurance, as the charging units are standard units with the same software as a home charging unit. He stated garage insurance is what tow companies carry to protect themselves and their client.

In response to a question asked by Senator Berg, Mr. Cook stated their cost for a service call to charge an EV is \$159.

Adjournment

With no further business to come before the

Committee, Chairman Blanton adjourned the meeting at 2:42 P.M.

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

Minutes of the 6th Meeting of the 2023 Interim November 8, 2023

Call to Order and Roll Call

The sixth meeting of the Interim Joint Committee on Veterans, Military Affairs, and Public Protection was held on November 8, 2023, at 11:00 AM in Room 154 of the Capitol Annex. Senator Rick Girdler, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Rick Girdler, Co-Chair; Representative Walker Thomas, Co-Chair; Senators Karen Berg, Gary Boswell, Matthew Deneen, Denise Harper Angel, Stephen Meredith, Brandon Smith, Gex Williams, and Mike Wilson; Representatives John Blanton, Steve Bratcher, Stephanie Dietz, Myron Dossett, Chris Fugate, Jim Gooch Jr., Mark Hart, DJ Johnson, Savannah Maddox, Candy Massaroni, Marianne Proctor, Rebecca Raymer, Scott Sharp, Sarah Stalker, Ashley Tackett Laferty, and Bill Wesley.

Guests: Molly Bode, Executive Director, Kentucky Veterans Accelerated Licensure Occupational Recruitment (VALOR); Terry Samuel, President, Kentucky Science and Technology Corporation; Kyle Hoylman, Chair, Board of Radon Safety; Julie Schmidt, Senior Director of External Affairs, Kentucky Educational Television (KET); Tim Bischoff, Chief Technology Officer, KET; Stacy Brantley; Kyle Brundage; Lieutenant Colonel (Ret.) Whitney Allen, Commissioner, Kentucky Department of Veterans Affairs (KDVA); Juan Renaud, Deputy Commissioner, KDVA; and Mark Bowman, Executive Director, Office of Kentucky Veterans Centers, KDVA.

LRC Staff: Jessica Zeh, Mark Mitchell, and Logan Schaaf.

Approval of October Minutes

On a motion by Senator Boswell, seconded by Senator Deneen, the October 25, 2023, meeting minutes were approved.

Kentucky Veterans Accelerated Licensure Occupational Recruitment (VALOR) Program

Molly Bode, Executive Director for Kentucky Veterans Accelerated Licensure Occupational Recruitment (VALOR), and Terry Samuel, President of the Kentucky Science and Technology Corporation, delivered a presentation on the VALOR program.

They discussed the goals and challenges of the program, their workforce partnerships, visits to military bases, results to date, future plans, and their 2024 budget request.

Representative Johnson praised the VALOR program and spoke about occupational licensure compact initiatives. Responding to a question from Representative Johnson, Ms. Bode said that VALOR

will assist any veteran looking for employment, regardless of their separation date.

Senator Boswell praised VALOR's efforts to translate skills and training, that veterans receive in the military to the workforce. Mr. Samuel praised the quality and consistency of military training.

Responding to a question from Representative Sharp, Ms. Bode and Mr. Samuel discussed third party entities, which programs like VALOR often are required to pay in order to visit military bases.

Responding to a question from Senator Harper Angel, Mr. Samuel covered the details of KY VALOR's 2024 budget request. Ms. Bode covered the cost per job estimates for VALOR.

Responding to a question from Representative Stalker, Ms. Bode said that VALOR is eager to partner with nonprofit organizations.

Responding to a question from Senator Williams, Ms. Bode said that exempting veterans' retirement income from taxation would help convince veterans to stay in Kentucky.

Responding to a question from Representative Dossett, Ms. Bode and Mr. Samuel compared veteran retirement in Tennessee to Kentucky.

Board of Radon Safety

Kyle Hoylman, Chair of the Board of Radon Safety, provided an update on radon and lung cancer, and discussed the history and current activities of the Board of Radon Safety.

Responding to a question from Senator Berg, Mr. Hoylman said that the Board of Radon Safety plans to work on both regulation and education.

Responding to questions from Senator Boswell, Mr. Hoylman discussed studies that calculated the risk of developing lung cancer after long term radon exposure, and discussed the effects of radon mitigation on real estate values.

Responding to a question from Representative Bratcher, Mr. Hoylman said that Environmental Protection Agency (EPA) funds have not been directed to the Board of Radon Safety.

Responding to a question from Representative Sharp, Mr. Hoylman said that he has not been provided with a target date for the direction of EPA funds to the Board of Radon Safety.

Kentucky Educational Television Public Alert System

Julie Schmidt, Senior Director of External Affairs for Kentucky Educational Television (KET), and Tim Bischoff, Chief Technology Officer for KET, provided an overview of the activities of KET and its local emergency alert system.

Responding to a question from Senator Williams, Mr. Bischoff discussed the application of Internet Protocol technology to broadcasting.

Responding to a question from Representative Maddox, Mr. Bischoff discussed the use of geolocation technology for KET programs on streaming platforms.

Responding to a question from Senator Berg, Mr. Bischoff and Ms. Schmidt discussed backup plans for KET broadcasting during emergencies.

Responding to a question from Representative Sharp, Mr. Bischoff discussed KET's microwave distribution network of transmission.

Responding to a question from Senator Williams, Mr. Bischoff said that KET does not have immediate plans to use low orbit satellites for transmission.

Veterans Affairs Benefits

Stacy Brantley and Kyle Brundage, the daughter and grandson of Sergeant Major (Ret.) Frank Brantley, spoke about the challenges they faced in trying to get Sgt. Maj. Brantley into a Kentucky Veterans Center before his death in October. Representative Steve Bratcher, House District 25, discussed his and Senator Deneen's investigation into vacancies at Veterans Centers.

Responding to questions from Representative Hart, Representative Bratcher discussed the staffing issues at Veterans Centers and efforts to address the shortages.

Kentucky Department of Veterans Affairs

Lieutenant Colonel (Ret.) Whitney Allen, Commissioner of the Kentucky Department of Veterans Affairs (KDVA), Juan Renaud, Deputy Commissioner of KDVA, and Mark Bowman, Executive Director of the Office of Kentucky Veterans Centers within KDVA, discussed staffing and labor issues at veterans centers.

Responding to a question from Representative Hart, Mr. Bowman said that he would provide the members of the committee with data on staffing.

Senator Deneen expressed disappointment at the staffing shortages, vacancies, and communication between the KDVA and the legislature. He asked if Commissioner Allen had ever instructed staff members not to communicate with legislators. Commissioner Allen said that he had not. Senator Deneen said that he hopes for better communication between KDVA and the Veterans, Military Affairs, and Public Protection Committee, and for expanded access to care for veterans.

Representative Bratcher also expressed disappointment at the staffing issues and vacancies at veterans centers, and said that the legislature is ready to support KDVA in solving these problems.

Responding to a question from Representative Johnson, Mr. Bowman explained the waiting list procedures for admission to veterans centers.

Responding to a question from Representative Tackett Laferty, Mr. Bowman discussed recruitment and retention of nurses at veterans centers.

Responding to a question from Senator Berg, Mr. Bowman said that KDVA would provide a target number for a budget that would help them increase staff and reach 100 percent occupancy.

Responding to a question from Representative Bratcher, Mr. Bowman said that KDVA Veterans Centers have not received funding to reach 100 percent occupancy.

Responding to a question from Representative Stalker, Mr. Bowman said that he would provide the members of the committee with data on nursing staff pay increases.

Representative Raymer discussed challenges that nurses face.

Adjournment

With no further business before the committee,

the meeting was adjourned at 1:20 PM.

CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

Minutes

November 15, 2023

Call to Order and Roll Call

The November meeting of the Capital Projects and Bond Oversight Committee was held on November 15, 2023, at 3:00 PM in Room 131 of the Capitol Annex. Senator Rick Girdler, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Deanna Frazier Gordon Co-Chair; Senator Rick Girdler Co-Chair; Representatives Keturah Herron, Jason Petrie, and Walker Thomas.

Guests: Janice Tomes, Deputy State Budget Director, Office of State Budget Director; Alan Watt, Special Assistant for Capital Construction, Department of Corrections; Sandy Williams, Executive Director, Kentucky Infrastructure Authority; Katie Smith, Deputy Secretary and Commissioner, Department for Financial Services, Cabinet for Economic Development; Kylee Palmer, Director for Program Administration, Department for Financial Services, Cabinet for Economic Development; and, Ryan Barrow, Executive Director, Office of Financial Management.

LRC Staff: Savannah Wiley and Spring Emerson.

Approval of Minutes (October 25, 2023)

Representative Petrie moved to approve the minutes of the October 25, 2023 meeting. The motion was seconded by Co-Chair Frazier Gordon, and the minutes were approved without objection.

Information Items

Ms. Wiley provided an overview of the information items. Pursuant to KRS 45.760(5), the University of Kentucky (UK) and the University of Louisville (UofL) reported Medical, Scientific, and Research Equipment Purchases. UK reported six equipment purchases totaling a little over \$3.5 million. UofL reported eight equipment purchases totaling \$3.4 million.

Pursuant to KRS 45.812(1), one school district, which did not need an additional tax levy to pay debt service, reported upcoming school district debt issues to finance a new project for \$1.6 million in Robertson County to pay for an HVAC replacement.

Project Report from the Finance Administration Cabinet

Ms. Tomes presented information on the Scientific Equipment Purchase – Energy and Environment Cabinet, Department for Environmental Protection. Representative Thomas moved to approve the purchase; the motion was seconded by Co-Chair Frazier Gordon, and the purchase was approved without objection by roll call vote.

Also included were Pool Allocations for the Justice and Public Safety Cabinet, Department

of Corrections, Adult Correctional Institutions (Maintenance Pool 2022-2024), Department of Corrections Mechanical Electrical and Plumbing Design – West Project, as well as Tourism, Arts, and Heritage Cabinet, Department of Fish and Wildlife Resources (Fees-in-Lieu-Of Stream Mitigation Projects Pool) for Gabbard Branch (Butler County), Ivy Creek (Warren County), and Ross Creek AMP (Lee County). No action was required on the Pool Allocations.

In response to a question from Representative Herron regarding HVAC system needs in the women's prison, Ms. Tomes said it is included in the study. Mr. Watt said the project is being done with funds that were previously approved.

Report from the Office of Financial Management

Ms. Smith and Ms. Palmer presented eight Economic Development Fund (EDF) Grants. Representative Petrie moved to roll them into one roll call vote. The motion was seconded by Co-Chair Frazier Gordon, and the votes were rolled into one.

The EDF Grants included City of Danville on behalf of the Danville Boyle County Economic Development Authority; Ohio County Fiscal Court on behalf of the Green River Regional Development Authority, Inc.; Lincoln County Fiscal Court on behalf of the Stanford-Lincoln County Industrial Development Authority; Marion County Fiscal Court on behalf of the Marion County Industrial Foundation; McCracken County Fiscal Court on behalf of the Paducah McCracken County Industrial Development Authority; Muhlenberg County Fiscal Court on behalf of the Paradise Park Regional Industrial Development Authority, Inc.; Rockcastle County Fiscal Court on behalf of the Rockcastle County Industrial Development Authority; and, Ballard County Fiscal Court on behalf of the West Kentucky Regional Riverport Authority, Inc.

Representative Petrie moved to approve the eight EDF Grants. Representative Thomas seconded the motion, and the grants were approved without objection by roll call vote.

Mr. Barrow presented information on New Debt Issue – Kentucky Higher Education Student Loan Corporation (KHESLC) Student Loan Revenue Bonds. The remaining items were Previous Debt Issues, including Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Davis Park State Project), Series 2023, and Kentucky Housing Corporation Single Family Mortgage Revenue Bonds, 2023 Series A.

In response to a question from Representative Petrie regarding the bond issue, Mr. Barrow said the Federal Family Educational Loans are no longer a regional issuance; however, they can be bought on the secondary market and serviced.

In response to a question from Co-Chair Frazier Gordon, Mr. Barrow said gross proceeds equal approximately \$226 million.

Representative Thomas moved to approve the New Debt Issue. The motion was seconded by Representative Petrie, and the issue was approved without objection by roll call vote.

Mr. Barrow then presented Action Item - School District Debt Issues with School Facilities

Construction Commission (SFCC) participation. Co-Chair Frazier Gordon moved to roll the six SFCC debt issues into one roll call vote. The motion was seconded by Representative Herron, and the issues were rolled into one.

The SFCC debt issues were Fleming County, Letcher County, Monroe County, Pendleton County, Washington County, and a Wolfe County resubmission. In response to a question from Representative Petrie regarding the amount that would be too small for this type of financing, Mr. Barrow said the decisions are made at the local school boards.

Representative Thomas moved to approve the six debt issues; the motion was seconded by Representative Petrie, and they were approved without objection by roll call vote.

Ms. Williams presented information on one Fund B loan and twelve Cleaner Water Program Grants for the Kentucky Infrastructure Authority. Representative Petrie moved to roll the loan and twelve grants into one roll call vote. The motion was seconded by Co-Chair Frazier Gordon, and the items were rolled into one vote.

The loan was for Infrastructure Revolving Fund (Fund B) Program Loan – Allen County Water District, B24-005 and the Cleaner Water Program Grants included Round One (Senate Bill 36) – Water (Two – Supplemental Pool, Four – County Pool Reallocations); Round Two (House Bill 1) – Sewer (One – County Pool Reallocation); and, Round Two (House Bill 1) – Water (Five – County Pool Reallocations).

Representative Petrie moved to approve the loan and twelve grants. The motion was seconded by Representative Thomas, and the items were approved without objection by roll call vote.

Remaining Calendar Year 2023 Meeting Dates

The next meeting will be held on Thursday, December 14, 2023 at 3:00 PM in Room 131 of the Capitol Annex, with Representative Frazier Gordon presiding.

Adjournment

There being no further business before the committee, the meeting was adjourned at 3:37 PM.

ADMINISTRATIVE REGULATION REVIEW SUBCOMMITTEE

Minutes

November 9, 2023

Call to Order and Roll Call

The November meeting of the Administrative Regulation Review Subcommittee was held on Thursday, November 9, 2023 at 2:00 p.m. in Room 154 of the Capitol Annex. Senator West, Co-Chair, called the meeting to order, the roll call was taken.

Present were:

Members: Representative Derek Lewis, Co-Chair; Senators Julie Raque Adams, Damon Thayer, and Steve West; Representatives Randy Bridges, Deanna Frazier Gordon, and Daniel Grossberg.

LRC Staff: Sarah Amburgey, Stacy Auterson, Emily Caudill, Ange Darnell, Emily Harkenrider,

Karen Howard, Anna Latek, and Carrie Nichols.

Guests: Cassie Trueblood, Education Professional Standards Board; Taylor Brown, Board of Elections, Eden Davis, Christopher Harlow, Board of Pharmacy; Eddie Sloan, John Wood, Board of Emergency Medical Services; Dave Dreves, Steven Fields, Jenny Gilbert, Gabe Jenkins, Department of Fish and Wildlife Resources; Clint Quarles, Department of Agriculture; Nathan Goens, Scott Jordan, Russ Williams, Department of Justice; Jonathan Gifford, Law Enforcement Council; Amy Barker, Leah Boggs, Allison Brown, William Codell, Department of Juvenile Justice; Todd Allen, Department of Education; Jamie Eads, Jennifer Wolsing, Travers Manley, Horse Racing Commission; Daniel Bell, Julie Brooks, Wes Duke, Troy Wilkerson, Department of Public Health; Phyllis Milspaugh, Rachael Ratliff, Department for Developmental Health, Developmental and Intellectual Disabilities; Joe Barnett, Kelli Blair, Department for Community Based Services; David Barron, Sam Potter, Department of Public Advocacy; Jim Higdon, Cornbread Hemp, and Katelyn Wiard, U.S. Hemp Roundtable.

ADMINISTRATIVE REGULATIONS REVIEWED BY THIS SUBCOMMITTEE:

EDUCATION AND LABOR CABINET: Education Professional Standards Board: Educator Preparation 016 KAR 005:060. Literacy program requirements for middle school, high school, grades 5-12, and grades P-12. Cassie Trueblood, counsel, represented the board.

STATE BOARD OF ELECTIONS: FORMS AND PROCEDURES

031 KAR 004:196E. Consolidation of precincts and precinct election officers. Taylor Brown, general counsel, represented the board.

In response to a question by Senator Thayer, Mr. Brown stated that the board was available to meet with legislators to consider concerns of constituents regarding access to consolidated polling locations and vote centers. Because this model was relatively new, centralized polling location provisions would require adjustments. The board itself had suggestions to improve the process for all parties and offered to provide additional data.

In response to a question by Co-Chair West, Mr. Brown stated that the amendment revised the precinct form to add a field for stating parking sufficiency.

031 KAR 004:196. Consolidation of precincts and precinct election officers.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 and 2 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

BOARDS AND COMMISSIONS: BOARD OF PHARMACY

201 KAR 002:040. Registration of pharmacist interns. Eden Davis, general counsel, represented the board.

**INDEPENDENT ADMINISTRATIVE BODIES:
BOARD OF EMERGENCY MEDICAL
SERVICES**

202 KAR 007:550. Required equipment and vehicle standards. Eddie Sloan, executive director, and John Wood, counsel, represented the board.

A motion was made and seconded to approve the following amendments: to amend Sections 1, 2, and 10 comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

TOURISM, ARTS AND HERITAGE CABINET:

Department of Fish and Wildlife Resources: Fish 301 KAR 001:115. Propagation of aquatic organisms. Dave Dreves, fisheries director; David Jenkins, deputy commissioner; and Jenny Gilbert, legislative liaison, represented the department.

A motion was made and seconded to approve the following amendments: to amend Section 3 to specify the procedure for obtaining the cabinet's approval for additional paddlefish stocking events beyond the authorized one stocking event per approved water supply lake; and to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 through 5 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

301 KAR 001:125. Transportation of fish.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 2, 3, and 5 through 7 to comply with the drafting and formatting requirements of KRS Chapter 13A; and to amend Section 2 to delete language stating that a Fish Transportation Permit is to be renewed annually by calendar year. Without objection, and with agreement of the agency, the amendments were approved.

GAME

301 KAR 002:083. Holding and intrastate transportation of captive cervids.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 2 and 4 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

301 KAR 002:172. Deer hunting seasons, zone, and requirements.

A motion was made and seconded to approve the following amendments: to amend Section 1 to add a definition for the term, "KDSS"; and to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 and 2 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

**DEPARTMENT OF AGRICULTURE:
LIVESTOCK, POULTRY, AND FISH**

302 KAR 022:150. Cervids. Clint Quarles, counsel, represented the department. Jenny Gilbert, legislative liaison, and David Jenkins, deputy commissioner, Department of Fish and Wildlife Resources, appeared in opposition to this administrative regulation.

In response to questions by Co-Chair West, Mr. Quarles stated that the Department of Agriculture had proposed changes to this administrative regulation based on suggestions from both the previous and current state veterinarians, but did not have statutory authority to make the changes requested by the Department of Fish and Wildlife Resources. Mr. Jenkins stated that it was important that monitoring for Chronic Wasting Disease (CWD) be continuous.

In response to a question by Co-Chair Lewis, Ms. Gilbert stated that, in order to protect Kentucky from CWD, changes were necessary pertaining to cervids that seemed to be left unregulated if a cervid farm certification was no longer valid. Mr. Quarles stated that the Department of Agriculture preferred statutory authority be given to the Department for Fish and Wildlife Resources to destroy these unregulated cervids that were no longer classified as farmed or wild.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO paragraph and Sections 1, 4, 5, 20, and 22 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

**JUSTICE AND PUBLIC SAFETY CABINET:
DEPARTMENT OF JUSTICE: CAPITAL
PUNISHMENT**

501 KAR 016:310. Pre-execution medical actions. Allison Brown, counsel; Nathan Goens, attorney; Scott Jordan, acting deputy commissioner; and Russ Williams, licensed psychologist, represented the department. Sam Potter, on behalf of David Barron, Department of Public Advocacy, appeared in opposition to this administrative regulation.

In response to questions by Co-Chair West, Mr. Goens stated that the amendments made to this administrative regulation were sufficient to address legal concerns. Mr. Potter stated that the Department of Public Advocacy had concerns similar to those expressed in the determination by the Franklin County Circuit Court that this administrative regulation did not contain mechanisms to suspend an execution if there was an intellectual disability or impairment. As amended, this administrative regulation still did not comply.

In response to questions by Senator Thayer, Mr. Goens stated that this administrative regulation neither made it easier, nor more difficult, to perform an execution. This amendment was to comply with federal standards expressed by Franklin County Circuit Court. An inmate with a death penalty sentence could be competent at the time of the crime and become impaired during the incarceration period. Pursuant to U.S. and Kentucky Supreme Court precedents, that hypothetical scenario would prevent a legal execution.

In response to questions by Representative Grossberg, Mr. Williams stated that age-related decline and mental health status were reviewed weekly. Those review records would be used to comply with mental health provisions.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO paragraph and Section 1 to comply with the drafting requirements of KRS Chapter 13A; and to amend Section 4 to insert existing language that was inadvertently omitted. Without objection, and with agreement of the agency, the amendments were approved.

KENTUCKY LAW ENFORCEMENT COUNCIL

503 KAR 001:140. Peace officer, telecommunicator, and court security officer professional standards. Jonathan Gifford, staff attorney, represented the council.

A motion was made and seconded to approve the following amendments: to amend Sections 4 and 10 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

**DEPARTMENT OF JUVENILE JUSTICE:
CHILD WELFARE**

505 KAR 001:010. Definitions. Amy Barker, assistant general counsel, and Leah Boggs, general counsel, represented the department.

In response to a question by Co-Chair West, Ms. Boggs stated that this package of administrative regulations was for compliance with Senate Bill 162 and House Bill 3 from the 2023 Regular Session of the General Assembly. The amendments were in accordance with the plan to implement a regional model once feasible.

505 KAR 001:100. Admissions.

505 KAR 001:110. Intake and orientation.

505 KAR 001:180. Day treatment admissions.

505 KAR 001:185. Day treatment programs.

505 KAR 001:210. Restraints and control methods.

505 KAR 001:220. Transportation of juveniles.

505 KAR 001:240. Dietary services.

505 KAR 001:250. Drug screening and testing.

505 KAR 001:260. Education.

505 KAR 001:270. Grievances.

505 KAR 001:280. Hair and grooming.

505 KAR 001:290. Juvenile allowance and work detail.

505 KAR 001:300. Juvenile records and information.

505 KAR 001:310. Leave, releases, and furloughs.

505 KAR 001:320. Library services.

505 KAR 001:330. Personal property, dress, and clothing and bedding supply.

505 KAR 001:340. Recreation.

505 KAR 001:350. Religious practice.

505 KAR 001:360. Searches.

505 KAR 001:370. Treatment.

505 KAR 001:380. Mail, visiting, and telephone use.

505 KAR 001:390. Juvenile Accounts and Youth Activity Fund Account.

505 KAR 001:400. Behavior management and progressive discipline.

505 KAR 001:410. Isolation and protective custody.

505 KAR 001:420. Youthful offenders.

EDUCATION AND LABOR CABINET: DEPARTMENT OF EDUCATION: OFFICE OF CHIEF STATE SCHOOL OFFICER

701 KAR 005:110. Use of local monies to reduce unmet technology need. Todd Allen, deputy commissioner and general counsel, represented the department.

A motion was made and seconded to approve the following amendments: to amend Sections 3 and 5 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

SCHOOL ADMINISTRATION AND FINANCE

702 KAR 003:340. Approval of school district lease agreements.

In response to questions by Co-Chair West, Mr. Allen stated that the amendments to lease approval agreements would implement preexisting statutes and streamline processes so that school districts could verify records, materials, and information in order to receive approval or denial of lease agreements from the department in a timely manner.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO paragraph and Local Board Attorney Certification form to delete the citation to KRS 45.570; and to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Section 3 to comply with the drafting requirements KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

SCHOOL TERMS, ATTENDANCE AND OPERATION

702 KAR 007:125. Pupil attendance.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO paragraph and Sections 9, 10, and 12 to comply with the drafting requirements of

KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

PUBLIC PROTECTION CABINET: KENTUCKY HORSE RACING COMMISSION: HORSE RACING: GENERAL

810 KAR 002:020. Thoroughbred and flat racing officials. Jamie Eads, executive director; Travers Manley, deputy general counsel; and Jennifer Wolsing, general counsel, represented the commission.

In response to questions by Senator Thayer, Ms. Eads stated that these administrative regulations addressed salient issues prior to the start of quarter horse racing at a new track currently under construction near Ashland.

810 KAR 002:070. Thoroughbred and other flat racing associations.

HORSE RACING: FLAT AND STEEPLECHASE RACING

810 KAR 004:001. Definitions for 810 Chapter 4.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Section 1 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

810 KAR 004:010. Horses.

A motion was made and seconded to approve the following amendments: to amend the STATUTORY AUTHORITY and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and

Sections 11 and 15 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

810 KAR 004:030. Entries, subscriptions, and declarations.

A motion was made and seconded to approve the following amendments: to amend the STATUTORY AUTHORITY and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and

Sections 3, 11, 12, and 17 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

810 KAR 004:040. Running of the race.

A motion was made and seconded to approve the following amendments: to amend the STATUTORY AUTHORITY and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and

Sections 10 and 12 to comply with the drafting requirements of KRS Chapter 13A. Without objection,

and with agreement of the agency, the amendments were approved.

CABINET FOR HEALTH AND FAMILY SERVICES: DEPARTMENT FOR PUBLIC HEALTH: FOOD AND COSMETICS

902 KAR 045:190E. Hemp-derived cannabinoid products; packaging and labeling requirements. Julie Brooks, policy specialist, and Wes Duke, general counsel, represented the department. Jim Higdon, co-founder, Cornbread Hemp, and Katelyn Wiard, director of operations, U.S. Hemp Roundtable, appeared in opposition to this administrative regulation.

In response to a question by Co-Chair West, Ms. Brooks stated that the amendments to this emergency administrative regulation were in response to House Bill 544 from the 2023 Regular Session of the General Assembly.

In response to a question by Co-Chair West, Ms. Wiard stated that the U.S. Hemp Roundtable had concerns regarding cannabinoid product ratio requirements and fees. Kentucky was establishing a 25:1 ratio of CBD to THC. Colorado and Maryland required a ratio of 15:1. There was a \$200 fee for every hemp product, which was burdensome and should be lowered or changed to a product classification fee, rather than a fee for individual products.

In response to a question by Co-Chair West, Mr. Higdon stated that Cornbread Hemp opposed Kentucky's overuse of "adult" labeling for non-intoxicating products.

In response to a question by Representative Frazier Gordon, Mr. Duke stated that the intent was to create a robust regulatory scheme for public safety and business integrity. The department was open to further dialog with legislators and stakeholders about this new program.

Senator Thayer stated that the department should continue to address these stakeholder concerns and should involve brewers and alcohol-related industries in these discussions.

Representative Grossberg stated that there were concerns about safety and youth access. The 25:1 ratio might be confusing. A minimum standard of index per unit would be less confusing and thus safer for avoiding over consumption.

Co-Chair West asked that the department continue to work with stakeholders before the ordinary version of this administrative regulation came to the subcommittee for consideration.

RADIOLOGY

902 KAR 100:019. Standards for protection against radiation.

902 KAR 100:050. General licenses.

902 KAR 100:058. Specific licenses to manufacture, assemble, repair, or distribute products.

902 KAR 100:065. Reciprocal recognition.

902 KAR 100:165. Notices, reports, and instructions to employees.

902 KAR 100:185. Standards for protection

against radiation from radioactive materials.

902 KAR 100:195. Licensing of special nuclear material.

902 KAR 100:200. Licenses and radiation safety requirements for irradiators.

DEPARTMENT FOR BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES: DIVISION OF BEHAVIORAL HEALTH: MENTAL HEALTH

908 KAR 002:300E. Kentucky problem gambling assistance account. Phyllis Milspaugh, assistant division director, and Rachael Ratliff, regulation coordinator, represented the division.

DEPARTMENT FOR COMMUNITY BASED SERVICES: CHILD SUPPORT

921 KAR 001:420. Child support distribution. Kelli Blair, regulation coordinator, represented the department.

In response to a question by Co-Chair West, Ms. Blair stated that changes to this administration regulation relieved recipients from reporting escrow as income. The escrow information was still accessible by the department.

THE FOLLOWING ADMINISTRATIVE REGULATIONS WERE DEFERRED OR REMOVED FROM THE NOVEMBER 9, 2023, SUBCOMMITTEE AGENDA:

PERSONNEL CABINET: Classified

101 KAR 002:210E. 2023 and 2024 Plan Year Handbooks for the Public Employee Health Insurance Program.

KENTUCKY COMMISSION ON HUMAN RIGHTS: HUMAN RIGHTS

104 KAR 001:010. Posting, distribution and availability of notices and pamphlets. 104 KAR 001:040. Guidelines for advertising employment or licensing opportunities.

104 KAR 001:050. Standards and procedures for providing equal employment opportunities.

104 KAR 001:080. Guidelines on fair housing.

104 KAR 001:100. Nondiscrimination on the basis of disability by a place of public accommodations, licensing agencies and trade organizations.

BOARD OF VETERINARY EXAMINERS

201 KAR 016:510. Fees for veterinarians.

201 KAR 016:512. Fees for veterinary technicians.

201 KAR 016:514. Fees for animal control agencies and animal euthanasia specialists.

201 KAR 016:516. Fees – other fees.

201 KAR 016:550. Authorization for animal

control agencies to apply for a restricted controlled substances certificate from DEA.

201 KAR 016:552. Responsibilities for certified animal control agencies; limitations on drugs.

201 KAR 016:560. Certification as an animal euthanasia specialist.

201 KAR 016:701. Standards for medical records.

201 KAR 016:702. Standards for veterinary surgery.

201 KAR 016:750. Licensed veterinary technicians (LVTs)– Scope of practice and supervisory requirements.

BOARD OF NURSING

201 KAR 020:700. Medication aide training programs and credentialing of medication aides.

BOARD OF SOCIAL WORK

201 KAR 023:055. Inactive status of license.

201 KAR 023:160. Temporary permission to practice.

201 KAR 023:170. Telehealth and social work practice.

ENERGY AND ENVIRONMENT CABINET: DEPARTMENT FOR ENVIRONMENTAL PROTECTION: UNDERGROUND STORAGE TANKS

401 KAR 042:250. Petroleum Storage Tank Environmental Assurance Fund reimbursement.

PUBLIC PROTECTION CABINET: KENTUCKY HORSE RACING COMMISSION: SPORTS WAGERING

809 KAR 001:002. Service provider licensing.

809 KAR 001:003. Occupational licenses.

SPORTS WAGERING: TECHNICAL CRITERIA

809 KAR 010:001. General provisions.

809 KAR 010:002. Standards for sports wagering.

809 KAR 010:003. Technical requirements and oversight.

809 KAR 010:004. Sports wagering accounts.

809 KAR 010:005. Licensed premises.

809 KAR 010:006. Audit and internal control standards.

809 KAR 010:007. Responsible gaming and advertising.

809 KAR 010:008. Disciplinary actions and hearings.

GENERAL

810 KAR 002:100. Self-exclusion.

HORSE RACING: LICENSING

810 KAR 003:010. Licensing of racing associations.

CABINET FOR HEALTH AND FAMILY SERVICES: OFFICE OF INSPECTOR GENERAL: STATE HEALTH PLAN

900 KAR 005:020. State Health Plan for facilities and services.

CERTIFICATE OF NEED

900 KAR 006:075. Certificate of need non-substantive review.

DEPARTMENT OF MEDICAID SERVICES: PAYMENT AND SERVICES

907 KAR 003:310. Community health worker services and reimbursement.

DEPARTMENT FOR BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES: DIVISION OF BEHAVIORAL HEALTH

908 KAR 002:300. Kentucky problem gambling assistance account.

The subcommittee adjourned at 3:25 p.m. The next meeting of this subcommittee was tentatively scheduled for December 11, at 1 p.m. in Room 149 of the Annex.

ADMINISTRATIVE REGULATION REVIEW SUBCOMMITTEE

Minutes

December 11, 2023

Call to Order and Roll Call

The December meeting of the Administrative Regulation Review Subcommittee was held on Monday, December 11, 2023 at 1:00 p.m. in Room 149 of the Capitol Annex. Representative Lewis, Co-Chair, called the meeting to order, and roll call was taken.

Present were:

Members: Senator Stephen West, Co-Chair; Representative Derek Lewis, Co-Chair; Senators Julie Raque Adams and Damon Thayer; Representatives Randy Bridges, Deanna Frazier Gordon, and Daniel Grossberg.

LRC Staff: Stacy Auterson, Emily Caudill, Ange Darnell, Emily Harkenrider, Karen Howard, Anna Latek, and Carrie Nichols.

Guests: Rebecca Gilpatrick and Miles Justice, Kentucky Higher Education Assistance Authority; Will Adams and Chris Chamness, Personnel Cabinet; Joe Ellis and Christi LeMay, Board of Optometric Examiners; Dr. John Park and Michelle Shane, Board of Veterinary Examiners; Kelly Jenkins and Jeffery Prather, Board of Nursing; Stephen Curley, Board of Physical Therapy; Hank Cecil and Marc Kelly, Board of Social Work; Louanna Aldridge and Tony Hatton, Department for Environmental Protection;

Abigail Gall and Shaun Orme, Department of Insurance; Jamie Eads, Travers Manley, Hans Stokke, and Jennifer Wolsing, Horse Racing Commission; Julie Brooks, Jennifer Burt, Leslie Cobb, and Holly Lafavers, Department for Public Health; Jonathan Scott, Department for Medicaid Services; Katie Marks, Phyllis Millsbaugh, and Rachael Ratliff, Department for Behavioral Health, and Michelle Sanborn; Children's Alliance.

Administrative Regulations Reviewed by this Subcommittee:

KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY: Division of Student and Administrative Services: Teacher Scholarship Loan Program

011 KAR 008:030. Teacher scholarships. Rebecca Gilpatrick, director of student aid, and Miles Justice, general counsel, represented the division.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1, 2, 4 through 6, 13, and 14 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

PERSONNEL CABINET: Office of the Secretary: Personnel Cabinet, Classified

101 KAR 002:210E. 2023 and 2024 Plan Year Handbooks for the Public Employee Health Insurance Program. Will Adams, staff attorney, and Chris Chamness, deputy commissioner, represented the cabinet.

101 KAR 002:210. 2024 Plan Year Handbook for the Public Employee Health Insurance Program.

BOARDS AND COMMISSIONS: Board of Optometric Examiners

201 KAR 005:005. Fees, fines, and forms. Dr. Joe Ellis, vice president, and Christi LeMay, executive director, represented the board.

In response to questions by Co-Chair West, Dr. Ellis stated that the fee increases were the first by the agency in three to four years. The fee increases were currently being used by the agency, but had not been codified.

A motion was made and seconded to approve the following amendments: to amend the TITLE and the RELATES TO, STATUTORY AUTHORITY, and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1, 2, 4, 5, 9 through 11, and 14 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Board of Veterinary Examiners

201 KAR 016:510. Fees for veterinarians. Dr. John Park, chair, and Michelle Shane, executive director, represented the board.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 5 through 7 and 9 to comply with the drafting

requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 016:512. Fees for veterinary technicians.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 4 through 6 and 8 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 016:514. Fees for animal control agencies and animal euthanasia specialists.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 3 through 5 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 016:516. Fees – other fees.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 2, 5, and 6 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 016:550. Authorization for animal control agencies to apply for a restricted controlled substances certificate from DEA.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 through 3 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 016:552. Responsibilities for certified animal control agencies; limitations on drugs.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 5 and 7 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 016:560. Certification as an animal euthanasia specialist.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 3, 5, and 7 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 016:701. Standards for medical records.

A motion was made and seconded to approve the

following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 5 and 7 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 016:702. Standards for veterinary surgery.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 5 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 016:750. Licensed veterinary technicians (LVTs) – Scope of practice and supervisory requirements.

A motion was made and seconded to approve the following amendments: to amend the TITLE; the NECESSITY, FUNCTION, AND CONFORMITY paragraph; and Sections 2 through 6 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Board of Nursing

201 KAR 020:056. Advanced practice registered nurse licensure and certification requirements. Jeffrey Prather, general counsel, represented the board.

201 KAR 020:220. Nursing continuing education provider approval.

A motion was made and seconded to approve the following amendment: to amend Section 5 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendment was approved.

Board of Physical Therapy

201 KAR 022:053. Code of ethical standards and standards of practice for physical therapists and physical therapist assistants. Stephen Curley, executive director, represented the board.

Board of Social Work

201 KAR 023:055. Inactive status of license. Hank Cecil, chair, and Marc Kelly, executive director, represented the board.

A motion was made and seconded to approve the following amendments: to amend Sections 3 and 4 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

ENERGY AND ENVIRONMENT CABINET: Department for Environmental Protection: Underground Storage Tanks

401 KAR 042:250. Petroleum Storage Tank Environmental Assurance Fund reimbursement. Louanna Aldridge, environmental science consultant, and Tony Hatton, commissioner, represented the department.

A motion was made and seconded to approve the

following amendments: to amend Sections 4, 8, 9, 12, 15, and 21 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

PUBLIC PROTECTION CABINET: Department of Insurance: Health Insurance Contracts

806 KAR 017:590. Annual report on providers prescribing medication for addiction treatment. Abigail Gall, executive advisor, and Shaun Orme, executive advisor, represented the department.

A motion was made and seconded to approve the following amendments: to amend the STATUTORY AUTHORITY and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 2 and 3 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Kentucky Horse Racing Commission: Sports Wagering

809 KAR 001:002. Service provider licensing. Jamie Eads, executive director; Travers Manley, deputy general counsel; and Hans Stokke, sports wagering director, represented the commission.

Senator Thayer stated that the commission deserved credit for the implementation of sports wagering, which was in line with legislative intent.

In response to a question by Co-Chair West, Ms. Eads stated that these administrative regulations would be reviewed by the commission as needs arose, but that no other sports wagering administrative regulations were anticipated from the commission at this time.

Representative Grossberg stated that the implementation and continued growth of sports wagering was a bipartisan issue for the current administration and legislature.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1, 2, and 4 through 8 to comply with the drafting and formatting requirements of KRS Chapter 13A; to amend Section 5 to list the commission's criteria for approving temporary licensure; and to amend Section 8 and incorporated material to correct a form number. Without objection, and with agreement of the agency, the amendments were approved.

809 KAR 001:003. Occupational licenses.

A motion was made and seconded to approve the following amendments: to amend the STATUTORY AUTHORITY paragraph and Sections 1 through 7, 9, and 11 to comply with the drafting requirements of KRS Chapter 13A; to amend Section 5 to list the commission's criteria for approving transfer of a temporary license; and to amend Section 6 to include the submission information for an applicant for an employee race and sportsbook license, an information services provider license, and a key employee license. Without objection, and with agreement of the agency, the amendments were approved.

Sports Wagering: Technical Criteria

809 KAR 010:001. General provisions.

A motion was made and seconded to approve the following amendments: to amend the TITLE; the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs; and Section 1 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

809 KAR 010:002. Standards for sports wagering.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 9 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

809 KAR 010:003. Technical requirements and oversight.

A motion was made and seconded to approve the following amendments: to amend Sections 1 through 9 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

809 KAR 010:004. Sports wagering accounts.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 6 and 8 through 13 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

809 KAR 010:005. Licensed premises.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 4, 6, 7, 9, and 10 to comply with the drafting and formatting requirements of KRS Chapter 13A; to amend Section 1 to: (a) include the commission's criteria to approve moving kiosks; and (b) require a Certificate of Occupancy for an operator's license; to amend Section 6 to include the commission's criteria for kiosk location; and to amend Section 10 to clarify that surveillance system inspections shall be at least quarterly. Without objection, and with agreement of the agency, the amendments were approved.

809 KAR 010:006. Audit and internal control standards.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 19 to comply with the drafting requirements of KRS Chapter 13A; to amend Section 5 to include the commission's criteria for prohibiting records destruction; and to amend Section 16 to clarify that layoff wagers shall be reported to the commission daily. Without objection, and with agreement of the agency, the amendments were approved.

809 KAR 010:007. Responsible gaming and advertising.

A motion was made and seconded to approve the following amendments: to amend Sections 1 through 3 to comply with the drafting and formatting requirements of KRS Chapter 13A; and to amend Section 2 to list the commission's criteria to approve a third party to review a responsible gaming program. Without objection, and with agreement of the agency, the amendments were approved.

809 KAR 010:008. Disciplinary actions and hearings.

A motion was made and seconded to approve the following amendments: to amend the STATUTORY AUTHORITY and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 through 4 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Horse Racing: General

810 KAR 002:100. Self-exclusion.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 through 3, 5, and 6 to comply with the drafting requirements of KRS Chapter 13A; to amend Section 2 to state that public notice approval shall be based on the notices "content, visibility, and readability"; and to amend Section 3 to state that self-exclusion information shall be submitted to the commission based on completeness and ease of dissemination by the commission to the associations. Without objection, and with agreement of the agency, the amendments were approved.

Horse Racing: Licensing

810 KAR 003:010. Licensing of racing associations.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 through 7, 10, 11, 13 through 15, and 17 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

CABINET FOR HEALTH AND FAMILY SERVICES: Department for Public Health: Maternal and Child Health

902 KAR 004:120. Health Access Nurturing Development Services (HANDS) Program. Julie Brooks, regulation coordinator; Leslie Cobb, program administrator; and Holly LaFavers, HANDS supervisor, represented the department.

A motion was made and seconded to approve the following amendments: to amend Section 1 to revise the definition for "local implementing agency" to align with the provider qualifications established in Section 3; to amend Section 2 to comply with the drafting requirements of KRS Chapter 13A; and to amend Section 3 to remove provisions that are no

longer needed. Without objection, and with agreement of the agency, the amendments were approved.

Food and Cosmetics

902 KAR 045:065. Tattooing.

A motion was made and seconded to approve the following amendments: to amend Sections 1 through 3, 5, 6, 9, 12, 14, 16, and 17 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

902 KAR 045:070. Body piercing and ear piercing.

A motion was made and seconded to approve the following amendments: to amend Section 18 to add a link to material incorporated by reference on the agency's Web site; and to amend Sections 1 through 3, 5, 8, 9, and 13 through 15 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Department for Medicaid Services: Payment and Services

907 KAR 003:310. Community health worker services and reimbursement. Jonathan Scott, regulation coordinator, represented the department.

In response to questions by Co-Chair West, Mr. Scott stated that the proposed increase in per diem rates for Level I and Level II PRTF services in this amendment would be comparable to those in surrounding states.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 through 3, 7, and 10 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Psychiatric Residential Treatment Facility Services and Reimbursement

907 KAR 009:010E. Reimbursement for non-outpatient Level I and II psychiatric residential treatment facility services.

Department for Behavioral Health, Developmental and Intellectual Disabilities: Mental Health

908 KAR 002:300. Kentucky problem gambling assistance account. Phyllis Millspaugh, assistant director, and Rachael Ratliff, regulation coordinator, represented the department.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 through 7 to comply with the drafting and formatting requirements of KRS Chapter 13A; and to add treatment of addictions to the list of purposes for which funding may be requested, as established in KRS 230.826. Without objection, and with agreement of the agency, the amendments were approved.

The following administrative regulations were

deferred or removed from the December 11, 2023, subcommittee agenda:

OFFICE OF THE GOVERNOR: Department of Veterans' Affairs: Veterans' Programs

017 KAR 006:020. Kentucky Women Veterans Program and coordinating committee, administrative procedures.

017 KAR 006:030. Kentucky Wounded or Disabled Veterans Program, administrative procedures.

KENTUCKY COMMISSION ON HUMAN RIGHTS

104 KAR 001:010. Posting, distribution and availability of notices and pamphlets.

104 KAR 001:040. Guidelines for advertising employment or licensing opportunities.

104 KAR 001:050. Standards and procedures for providing equal employment opportunities.

104 KAR 001:080. Guidelines on fair housing.

104 KAR 001:100. Nondiscrimination on the basis of disability by a place of public accommodations, licensing agencies and trade organizations.

FINANCE AND ADMINISTRATION CABINET: Kentucky Public Pensions Authority: General Rules

105 KAR 001:148E. Merged, split, new, separate, or separated employers or entities.

BOARDS AND COMMISSIONS: Board of Nursing

201 KAR 020:057. Scope and standards of practice of advanced practice registered nurses.

201 KAR 020:065. Professional standards for prescribing Buprenorphine-MonoProduct or Buprenorphine-Combined-with-Naloxone by ARNPs for medication assisted treatment for opioid disorder.

201 KAR 020:067. Professional standards for medicinal cannabis.

201 KAR 020:215. Continuing competency requirements.

201 KAR 020:700. Medication aide training programs and credentialing of medication aides.

Board of Social Work

201 KAR 023:160. Temporary permission to practice. Hank Cecil, chair, and Marc Kelly, executive director, represented the board. Michelle Sanborn, president, Children's Alliance, appeared in opposition to these administrative regulations.

In response to a question by Co-Chair Lewis, Ms. Sanborn stated that the Children's Alliance was concerned that the overbroad definition for electronic social work service could create barriers for potential practitioners to join the social work field. In the board's Statement of Consideration, the board did not

provide comprehensive responses to comments from the Children's Alliance submitted during the public comment period.

In response to a question by Co-Chair Lewis, Mr. Kelly stated that the board's intent was to increase flexibility to licensed social workers regarding telehealth access for their clients. The Children's Alliance's requested amendments would make 201 KAR 023:170 overly restrictive.

In response to questions by Senator Raque Adams, Mr. Kelly stated that the board's Statement of Consideration response, which indicated that the board would not be adopting amendments requested by the Children's Alliance, was sufficient. New social workers would not be prohibited from receiving licensure.

In response to a question by Senator Thayer, Ms. Sanborn requested deferral of these administrative regulations to allow more time for stakeholder discussion.

In response to questions by Co-Chair West, Mr. Kelly stated that there were no other administrative regulations regarding social work telehealth services, and the current administrative regulation had been in place since 2000. The amendment to 201 KAR 023:170 would establish parameters for electronic social work services.

In response to a question by Co-Chair West, Ms. Sanborn agreed that a basic framework was needed, but the Children's Alliance was concerned about the expansion of telehealth therapies to potentially include facsimile or artificial intelligence.

In response to a question by Co-Chair West, Mr. Cecil stated that the board was addressing concerns from their members and had consulted legal counsel in the development of these administrative regulations. The board needed flexibility regarding the use of expanding technology.

In response to questions by Representative Frazier Gordon, Mr. Kelly stated that legislation that passed during the coronavirus (COVID-19) state of emergency had been sufficient at the time, but the board now needed to provide more guidance for social workers regarding evolving technology. Mr. Cecil stated that while initial contact could be made between a potential client and a social worker via email or text, any other technology would fall outside of the board's provisions without these administrative regulations.

In response to a question by Co-Chair Lewis, Mr. Kelly agreed to defer consideration of 201 KAR 023:160 and 023:170. A motion was made by Senator Thayer and seconded by Representative Frazier Gordon to defer consideration of these administrative regulations to the January 2024 subcommittee meeting. Without objection, and with agreement of the agency these administrative regulations were deferred.

A motion was made and seconded to approve the following amendments: to amend Sections 1 through 4 to comply with the formatting and drafting requirements of KRS Chapter 13A; and to amend Section 5 to add incorporated material. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 023:170. Telehealth and social work practice.

A motion was made and seconded to approve the following amendments: to amend the STATUTORY AUTHORITY and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 through 5 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Board of Licensed Professional Counselors

201 KAR 036:005. Definitions for 201 KAR Chapter 036.

201 KAR 036:030. Continuing education requirements.

201 KAR 036:040. Code of ethics.

201 KAR 036:045. Distance counseling.

201 KAR 036:050. Complaint management process.

201 KAR 036:060. Qualifying experience under supervision.

201 KAR 036:065. Licensed professional clinical counselor supervisor.

201 KAR 036:070. Application, education, and examination requirements.

201 KAR 036:072. Reciprocity requirements for applicants licensed or certified in another state.

201 KAR 036:075. Renewal, late renewal, and reinstatement of license.

201 KAR 036:090. Administrative hearings for denials and revocation of probated sanction.

ENERGY AND ENVIRONMENT CABINET: Department for Environmental Protection: Special Waste

401 KAR 045:010. Definitions for 401 KAR Chapter 045.

401 KAR 045:020. Types of special waste permits.

401 KAR 045:025. Permit review and determination timetables.

401 KAR 045:030. Obtaining a special waste site or facility permit.

401 KAR 045:040. Modification, transfer or revocation of special waste permits.

401 KAR 045:050. Public information procedures for special waste site or facility permits.

401 KAR 045:080. Financial requirements and bonds for special waste facilities.

401 KAR 045:100. Landfarming and composting of special waste.

401 KAR 045:105. Land application of biosolids.

401 KAR 045:140. Conditions applicable to all special waste permits.

401 KAR 045:160. Surface and groundwater monitoring and corrective action for special waste sites or facilities.

401 KAR 042:250. Special waste permit fees.

PUBLIC PROTECTION CABINET: Department of Financial Institutions: Securities

808 KAR 010:501. Required forms, fees, filing procedures, and recordkeeping requirements for persons operating pursuant to KRS 292.411 and KRS 292.412, the Kentucky Intrastate Crowdfunding Exemption; and notice filing requirements for federal crowdfunding offerings.

CABINET FOR HEALTH AND FAMILY SERVICES: Office of Inspector General: State Health Plan

900 KAR 005:020. State Health Plan for facilities and services.

Certificate of Need

900 KAR 006:075. Certificate of need non-substantive review.

Office of Inspector General

906 KAR 1:190. Kentucky National Background Check Program (NBCP).

Department for Community Based Services: Child Welfare

922 KAR 1:520. Supplements to per diem rates.

Daycare

922 KAR 2:280. Background checks for child care staff members, reporting requirements, and appeals.

The subcommittee adjourned at 1:55 p.m. The next meeting of this subcommittee was tentatively scheduled for January 8, 2024, at 1 p.m. in Room 149 of the Annex.

EDUCATION ASSESSMENT AND ACCOUNTABILITY REVIEW SUBCOMMITTEE

Minutes

November 1, 2023

Call to Order and Roll Call

The November meeting of the Education Assessment and Accountability Review Subcommittee was held on November 1, 2023, at 9:00 a.m. in Room 131 of the Capitol Annex. Senator Stephen West, Chair, called the meeting to order and the secretary called the roll.

Present were:

Members: Representative Scott Lewis Co-Chair; Senator Stephen West Co-Chair; Senators Matthew Deneen, Gerald A. Neal, and Mike Wilson; Representatives Kim Banta, and Tina Bojanowski.

Guests: Sabrina Cummins, Education Accountability Research Analyst, Office of Education Accountability; Allison Stevens, Education Accountability Research Analyst, Office of Education Accountability; Dr. Bart Liguori, OEA Research Division Manager, Office of Education Accountability; Marcia Seiler, Deputy Director OEA, Office of Education Accountability

LRC Staff: Lauren Busch, Joshua Collins, Peter Wright, and Maurya Allen.

Office of Education Accountability: 2024 Study Agenda

Following discussion of the proposed research agenda topics, Representative Riley made a motion, seconded by Representative Banta, to adopt the study agenda. The motion was approved by voice vote.

Approval of Minutes: October 18, 2023

Representative Lewis made a motion to approve the minutes of the October 18, 2023 meeting. Representative Riley seconded the motion. The motion passed by voice vote.

Office of Education Accountability Report: Kentucky Public School Employee Staffing Shortages

Sabrina Cummins, Education Accountability Research Analyst, Office of Education Accountability (OEA); Allison Stevens, Education Accountability Research Analyst, OEA; and Dr. Bart Liguori, OEA Research Division Manager, OEA, were present to share the results of their study of public school employee staffing shortages. Ms. Cummins began the presentation with a brief overview of the aim of the study as well as data sources for the report.

Major conclusions of the report included there being few, if any applicants for open positions, exacerbated by fewer teacher preparation program completers. In Kentucky, if a district cannot hire a qualified teacher, they have an option to hire someone with a bachelors’ degree and an emergency certification. Use of the emergency certification option to fill positions has significantly increased in recent years. Additionally, staff have been leaving in such large numbers that some districts are retaining sub-par staff or contracting for outside help which may lower the quality of teachers in the classroom in an effort to have enough staff.

Ms. Stevens said there are some options for financial assistance for teachers, including the KHEAA Teacher Scholarship Program, the KHEAA Early Childhood Development Scholarship, and some federal programs. These are valuable ways to encourage individuals to enter teacher preparation programs. OEA found that 4.6 percent of Kentucky teacher preparation graduates from 2009 to 2015 returned to work in Kentucky schools between 2013 and 2022. The Nelson County teacher apprenticeship program and the Option 9 route to alternative certification have been developed to address teacher

shortages, but data is limited on the success of these programs as they are still very new.

Nearly all subject areas have seen decreases in the number of teacher preparation completers since 2017. Additionally, the pass rate of the PRAXIS II teacher preparation exam has also declined. Teaching certification through alternative and emergency certification pathways has increased significantly since 2020. There has also been a significant increase in the number of open teaching positions. Teacher turnover has remained relatively steady with an average of 7 percent of teachers leaving the classroom for at least one year. New teachers leave most frequently, but also tend to return at higher rates. Teachers who retire tend not to return to teaching. Teachers at low turnover schools were most likely to positively view the teaching profession, their work environment, student behaviors, and support from school administration.

Ms. Cummins presented additional information regarding shortages of classified personnel including food service personnel and instructional aids. Superintendents again reported the lack of qualified candidates, retaining sub-par staff, and contracting for positions in custodial and maintenance departments. Most superintendents reported that salaries for classified staff are significantly less than individuals would make in the private sector.

All districts will need to spend remaining ESSER funding next year, and many schools used that funding to pay staff. When that funding is exhausted, the new positions funded by those federal monies will be in jeopardy. OEA staff concluded their presentation by drawing members attention to the many recommendations listed in the report.

In response to a question from Chair West, Ms. Stevens clarified that the percentages of teachers leaving in each year cannot be added, however, on average 7 percent of teachers leave in each of the first three years. Also, the maximum percentage in each year is 15 percent, which is still quite high. In answer to additional questions, Ms. Cummins said that the study did not look at the number of teaching students leaving during their unpaid student teacher year.

Senator Deneen commented that the legislature needs to look into supporting more teacher mentorship programs as well as reevaluating transportation funding in the SEEK formula.

Responding to a question from Representative Bojanowski, Ms. Cummins said paid maternity leave was not part of the study, but it would be something OEA could look at in a future study.

In response to a question from Senator Wilson, Ms. Cummins said the grow-your-own program in Nelson County is still too new for there to be data regarding its impact on addressing teacher shortages. The first class of participants has not completed the program yet.

Responding to a question from Representative Banta, Ms. Cummins said they did not look at memoranda of agreement (MOAs) in this study. There was a study approximately 10 years ago that looked at that topic but the data would need to be updated to be useful.

Chair West made a motion to accept the report, seconded by Representative Lewis. The motion passed by voice vote.

Adjournment

Chair West said that he would like to have OEA present this information to Senate Education in January to assist with decisions being made during the legislative session. With no further business to come before the committee, the meeting adjourned at 9:48 a.m.

GOVERNMENT CONTRACT REVIEW COMMITTEE

Minutes

November 9, 2023

Call to Order and Roll Call

The Government Contract Review Committee met on Thursday, November 9, 2023, at 10:00 AM, in Room 131 of the Capitol Annex. Representative Mark Hart, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Stephen Meredith, Co-Chair; Representative Mark Hart, Co-Chair; Senators Gary Boswell, and Donald Douglas; Representatives Beverly Chester-Burton, and Michael Sarge Pollock.

Guests: Elizabeth Goode, Andrew Yunt, Lisa Cox, Melissa Trent, Charity Roberts, Jennifer Thornhill, Dr. Kirk Pomper, Mike DeCourcy, Karen Wirth, Thomas Woods Tucker, Amy Burke, and Stacy Woodrum.

LRC Staff: Kim Eisner, Jarrod Schmidt, and Kim Smith.

A motion was made by Senator Meredith to approve minutes of the October 2023, meeting of the committee. Representative Pollock seconded the motion, which passed without objection.

A motion was made by Senator Meredith to consider as reviewed the Personal Service Contract List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the motion, which passed without objection.

A motion was made by Senator Meredith to consider as reviewed the Personal Service Contract Amendment List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the motion, which passed without objection.

A motion was made by Senator Meredith to consider as reviewed the Memoranda of Agreement List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the motion, which passed without objection.

A motion was made by Senator Meredith to consider as reviewed the Memoranda of Agreement Amendment List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the motion, which passed without objection.

A motion was made by Senator Meredith to consider as reviewed the Kentucky Entertainment Incentive Program Agreements List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the motion, which passed without objection.

THE FOLLOWING PERSONAL SERVICE CONTRACTS WERE REVIEWED WITHOUT OBJECTION:

COUNCIL ON POSTSECONDARY EDUCATION
Student Success Academy, LLC, 2400000793.

DEPARTMENT OF EDUCATION
Blue Blood Consulting, LLC, 2400000759.

DEPARTMENT OF FINANCIAL INSTITUTIONS
Davis Family Ventures, LLC, 2400000875.

DEPARTMENT OF HIGHWAYS
Burgess and Niple, Inc., 2400000924; HMB Engineers, Inc., 2400000925; Michael Baker International, Inc., 2400000964.

EASTERN KENTUCKY UNIVERSITY
Multi, 2058-2023; Hurst Review Services, Inc., 2415-2024.

FACILITIES & SUPPORT SERVICES
White Pollard Architects, PLLC, 2400000847; Kesler Simpson Architects, LLC, 2400000883; Ross Tarrant Architects, Inc., 2400000902; Kesler Simpson Architects, LLC, 2400000950.

KENTUCKY EMPLOYERS MUTUAL INSURANCE
Schrader Commercial Properties, LLC, 24-SCP-001.

KENTUCKY FISH AND WILDLIFE RESOURCES
Kentucky Hunters for the Hungry, Inc., 2400000729; Blade Ag, LLC, 2400000879.

KENTUCKY STATE UNIVERSITY
Gray Associates Inc., 24-16; Blue Icon Advisors, LLC, 24-20; 720 Consulting, LLC, 24-22.

KY PUBLIC SERVICE COMMISSION
Elliot Engineering, Inc., 2300003180-1.

MOREHEAD STATE UNIVERSITY
GRW Engineers Inc., 24-016.

MURRAY STATE UNIVERSITY
Partners for Insightful Evaluation Inc., 025-24.

UNIVERSITY OF KENTUCKY
GBBN Architects, Inc., A241050; Prime AE Group, Inc., A241080; BHDP Architecture, A241100; HDR Architecture, Inc., A241110; Beacon Systems, Inc., subsidiary of Radiant Digital, K24-133.

UNIVERSITY OF LOUISVILLE
John R. Wright, Jr., 24-022.

WESTERN KENTUCKY UNIVERSITY
3 Enrollment Marketing, Inc., 232432; Mercer Health & Benefits LLC, 232433.

THE FOLLOWING PERSONAL SERVICE

AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:

BEHAVIORAL HEALTH, DEVELOPMENTAL & INTELLECTUAL DISABILITIES

Margaret Smedley, 2200001349.

DEPARTMENT FOR LOCAL GOVERNMENT

ICF, Inc., 2200004488.

DEPARTMENT FOR NATURAL RESOURCES

Cornerstone Diagnostics, Inc. f/k/a Premiortox 2.0, Inc., 2200002383-1; Tichenor and Associates, 2200003072.

DEPARTMENT OF EDUCATION

Sign Language Network, Inc., 2200003391; Martha Kay Kennedy, 2200003802.

DEPARTMENT OF HIGHWAYS

GRW Engineers, Inc., 0800007043; QK4, 1000000927; GRW Engineers, Inc., 1100001198; Palmer Engineering Company, 1100001520; Palmer Engineering Company, 1200000457; GRW Engineers, Inc., 1400000072; Burgess and Niple, Inc., 1400001672; Integrated Engineering, PLLC, 1500001416; Johnson, Mirmiran & Thompson, Inc., 1600000216-1; EA Partners, PLC, 1700000806; QK4, Inc., 1800000321; Aecom Technical Services, Inc., 1800000898; American Engineers, Inc., 1900004731; American Engineers, Inc., 1900004732; Johnson, Mirmiran & Thompson, Inc., 1900005014-1; Johnson, Mirmiran & Thompson, Inc., 1900005015-1; Aecom Technical Services, Inc., 2000000830; Palmer Engineering Company, 2000001237; QK4, Inc., 2100003346; QK4, Inc., 2200000408; GRW Engineers, Inc., 2200000620; American Engineers, Inc., 2200000968; Aecom Technical Services, Inc., 2200001033; Bacon Farmer Workman Engineering & Testing, Inc., 2200001037; Stantec Consulting Services, Inc., 2200001284; Garver, LLC, 2200001285; Aecom Technical Services, Inc., 2200002246; DLZ Kentucky, Inc., C-99005073; Gresham Smith and Partners, C-99005237.

EASTERN KENTUCKY UNIVERSITY

ALT32, PSC, 1706-2023; Multi, 2047-2023; Multi, 2050-2023.

FACILITIES & SUPPORT SERVICES

Patrick D. Murphy Company, Inc., 2000000175; GRW Engineers, Inc., 2000000343; EOP Architects, PSC, 2200003831; Paladin, Inc., 2300001751; Morris Workshop Architects, PLLC, 2300003108.

KENTUCKY FISH AND WILDLIFE RESOURCES

Stantec Consulting Services, Inc., 19FW004505; Sustainable Streams, LLC, 20FW000076; Sustainable Streams. LLC, 22FW000471; Vaughn Petitt Legal Group, PLLC, 2400000574.

KENTUCKY LEGISLATIVE ETHICS COMMISSION

Casey Baily & Maines, PLLC, 2023-02.

KY PUBLIC SERVICE COMMISSION

Harvey Economics Company, 2300003179; Browne Bortz & Coddington, Inc., 2300003181.

MURRAY STATE UNIVERSITY

Multi, 001-24; Multi, 006-24; Multi, 010-24; Multi, 021-24.

NORTHERN KENTUCKY UNIVERSITY

SJN Data Center, LLC, 2023-108; Academic Partnership, LLC, 2024-101; Witt Kieffer, Inc., 2024-130.

OFFICE OF INSPECTOR GENERAL

Certisurv, LLC, 2200004588.

TRANSPORTATION - OFFICE OF THE SECRETARY

Primary Care Center of Eastern Kentucky, 2200001989; Kentucky Training, LLC, 2200002113.

UNIVERSITY OF KENTUCKY

K. Norman Berry Associates, PLLC, A201070; Omni Architects, A211220; Cannon Design, Inc., A221110; JRA Architects, A231250; Stoll Kennon & Ogden, PLLC, K23-176; BerkleyOliver, PLLC, K24-103.

THE FOLLOWING MEMORANDA OF AGREEMENTS WERE REVIEWED WITHOUT OBJECTION:

COUNCIL ON POSTSECONDARY EDUCATION

Kentucky Communications Network Authority, 2400000832.

DEPARTMENT FOR COMMUNITY BASED SERVICES

Education & Workforce Development Cabinet, 2400000850.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

Lexington Fayette Urban County Government, 2400000129; Kentucky Waterways Alliance, 2400000678.

DEPARTMENT FOR LOCAL GOVERNMENT

Pendleton County Fiscal Court, 2300003494; Lawrence County Fiscal Court, 2400000095; Boyd County Fiscal Court, 2400000518; Webster County Fiscal Court, 2400000587; City of Providence, 2400000660; The Haven Ministries, 2400000661; Federation of Appalachian Housing Enterprises, Inc., 2400000665; Kenton County Fiscal Court, 2400000717; Spencer County, 2400000720; Clay County, 2400000721; City of Campbellsville, 2400000761; Magoffin County, 2400000762; Lawrence County Fiscal Court, 2400000779; Webster County Fiscal Court, 2400000781; Union County Fiscal Court, 2400000790; Union County Fiscal Court, 2400000791; Union County Fiscal Court, 2400000795; Union County Fiscal Court, 2400000796; Union County Fiscal Court, 2400000798; Union County Fiscal Court, 2400000799; Union County Fiscal Court, 2400000800; Union

County Fiscal Court, 2400000801; Union County Fiscal Court, 2400000802; Union County Fiscal Court, 2400000803; Union County Fiscal Court, 2400000804; Perry County Fiscal Court, 2400000806; City of Liberty, 2400000812; City of Princeton, 2400000813; City of Bardstown, 2400000822; Elliott County Fiscal Court, 2400000824; Elliott County Fiscal Court, 2400000825; Johnson County Fiscal Court, 2400000828; Rockcastle County Fiscal Court, 2400000830; McLean County Fiscal Court, 2400000834; City of Paducah, 2400000835; McLean County Fiscal Court, 2400000836; McLean County Fiscal Court, 2400000837; McCreary County Fiscal Court, 2400000838; Warren County Fiscal Court, 2400000844; Menifee County Fiscal Court, 2400000848; Anderson County, 2400000861; City of Morganfield, 2400000862; Carlisle County, 2400000863; Perry County Fiscal Court, 2400000871; Gateway Juvenile Diversion Project, Inc., 2400000900; Hickman County Industrial Development Authority, 2400000933; Harlan County Fiscal Court, 2400000940; Harlan County Fiscal Court, 2400000941; Harlan County Fiscal Court, 2400000943; Harlan County Fiscal Court, 2400000944.

DEPARTMENT FOR MEDICAID SERVICES

University of Louisville Research Foundation, 2400000562.

DEPARTMENT FOR PUBLIC HEALTH

Shaping Our Appalachian Region, Inc., 2400000159; University of Pikeville, 2400000382; Northern Kentucky University Research Foundation, 2400000611; Thompson Scholars Foundation, 2400000643.

DEPARTMENT OF EDUCATION

Bell County Board of Education, 2300003134; Danville Independent School District, 2300003184; Estill County Board of Education, 2300003258; Knox County Board of Education, 2300003319; Lyon County Board of Education, 2300003330; McLean County Board of Education, 2300003352; Nelson County Board of Education, 2300003364; Oldham County Board of Education, 2300003368; Paducah Independent School District, 2300003373; Shelby County Board of Education, 2300003394; Wayne County Board of Education, 2300003407; Eastern Kentucky University, 2400000276; Fayette County Board of Education, 2400000642; Simpson County Board of Education, 2400000666; Breckinridge County Board of Education, 2400000669; Corbin Independent School District, 2400000670; Floyd County Board of Education, 2400000671; Wayne County Board of Education, 2400000672; Montgomery County Board of Education, 2400000699; University of Kentucky Research Foundation, 2400000754; University of Kentucky Research Foundation, 2400000867; Clark County Board of Education, 2400000912.

DEPARTMENT OF TRAVEL

Glasgow-Barren County Tourist & Convention Commission, 2400000777.

DEPARTMENT OF WORKPLACE STANDARDS

University of Kentucky, 2400000713.

EDUCATION AND LABOR CABINET

University of Kentucky Research Foundation, 2200003960-1.

EMPLOYMENT SERVICES

University of Kentucky Research Foundation, 2200003617-1.

FINANCE - OFFICE OF THE SECRETARY

Kentucky Housing Corporation, 2400000905.

JUSTICE - OFFICE OF THE SECRETARY

Baptist Health Foundation Hardin, Inc., 2400000428; Barren River Area Child Advocacy Center, 2400000429; Barren River Safe Space, Inc., 2400000430; Bluegrass Rape Crisis Center, 2400000431; Buffalo Trace Childrens Advocacy Center, 2400000434; Casa of Lexington, Inc., 2400000437; Casa of Madison and Counties, Inc., 2400000438; Casa for Kids Serving Kenton, Campbell & Pendleton Counties, 2400000442; Casa, Inc., 2400000443; Child Watch Counseling and Advocacy Center, Inc., 2400000444; Childrens Advocacy Center, 2400000445; Northern Kentucky Children's Law Center, Inc., 2400000446; Cumberland River Behavioral Health, Inc., 2400000447; Cumberland Trace Legal Services, 2400000448; Cumberland Valley Children's Advocacy, 2400000449; Domestic Violence Emergency Services of Gateway, Inc., 2400000450; Family and Children's Place, Inc., 2400000451; Family Nurturing Center of Kentucky, 2400000452; Fayette County Sheriff, 2400000453; Prosecutors Advisory Council, 2400000455; Green River Regional Rape Victim Services, Inc., 2400000456; Home of the Innocents, 2400000457; Hope Harbor, Inc., 2400000458; Hopes Place, Inc., 2400000459; The Ion Center for Violence Prevention, Inc., 2400000460; Jefferson County Attorney, 2400000461; Judi's Place for Kids, 2400000462; Legal Aid of the Bluegrass, 2400000465; LKLP Community Action Council, 2400000466; Maryhurst, Inc., 2400000467; Women Aware, Inc., 2400000469; Mountain Comprehensive Care Center, 2400000470; Northern Kentucky Children's Advocacy Center, 2400000471; Owensboro Area Shelter and Information Services, Inc., 2400000473; Pennyryle Child Advocacy, 2400000474; Rape Victims Services, Inc., 2400000475; Safe Harbor, 2400000476; St. Elizabeth Medical Center, 2400000477; Silverleaf Sexual Trauma Recovery Services, 2400000478; Center for Women Families, 2400000479; Center for Women Children and Families, Inc., 2400000480.

PUB PROTECTION - OFFICE OF THE SECRETARY

Partnership Housing, Inc., 2400000845; Frontier Housing, Inc., 2400000865; Appalachia Service Project, Inc., 2400000916; Kentucky Habitat for Humanity, 2400000918.

TRANSPORTATION - OFFICE OF THE SECRETARY

Kentucky Natural Lands Trust Inc., 2400000730.

THE FOLLOWING MEMORANDA OF AGREEMENT AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:**BEHAVIORAL HEALTH, DEVELOPMENTAL & INTELLECTUAL DISABILITIES**

Pennyroyal Regional Mental Health Mental Retardation Board, 2200001499; Mental Health Association of Kentucky, Inc., 2200002172; University of Louisville Physicians, Inc., 23000000041; Multi, 23000000082; Revive Ministries, Inc., 23000000753; University of Louisville Research Foundation, 2300001458; University of Kentucky Research Foundation, 2300001503.

DEPARTMENT FOR COMMUNITY BASED SERVICES

KVC Behavioral Health Care/Croney & Clark, 2200002885; Comm Action Lexington/Fayette, 2300001800; Community Action of Southern Kentucky, Inc., 2300001801; Central Kentucky CAC, Inc., 2300001865; Multi Purpose Community Action Agency, Inc., 2300001885; Northeast Kentucky Community Action Agency, 2300001893.

DEPARTMENT FOR LIBRARIES & ARCHIVES

The Dollywood Foundation, 2300001584.

DEPARTMENT FOR LOCAL GOVERNMENT

Hopkins County, 2000001479; Hancock County Fiscal Court, 2100001794.

DEPARTMENT FOR PUBLIC HEALTH

National Jewish Health, 2200001542; University of Kentucky Research Foundation, 2200002816; University of Kentucky Healthcare / Kentucky Medical Services, 2200002871; Kentuckiana Health Collaborative, 2200002999; Ashland Hospital Corporation, 2200003151; University of Kentucky Research Foundation, 2200003170; Center for Human Entrepreneurship Solutions Group, 2200003704; University of Kentucky Research Foundation, 2200003768; Appalshop, Inc., 2200003821; University of Kentucky Research Foundation, 2200004469; Kentucky Health Department's Association, Inc., 2300001129; Saint Joseph Hospital Foundation, Inc., 2300001203.

DEPARTMENT OF AGRICULTURE

Multi, 2300000118; Feeding Kentucky, Inc., 2300001166.

DEPARTMENT OF EDUCATION

Barren County Board of Education, 2300003048; Pulaski County Board of Education, 2300003637; Floyd County Board of Education, 2400000122.

EDUCATION AND LABOR CABINET

Johnson County Public Library, 2200003878-1.

KENTUCKY HORSE PARK

Georgetown Scott County Parks and Recreation, 2200003351; Blackburn Correctional Complex, 2300001443.

OFFICE OF ENERGY POLICY

University of Kentucky Research Foundation, 2300002136.

PUB PROTECTION - OFFICE OF THE SECRETARY

Housing Development Alliance, Inc., 2300001485; Housing Oriented Ministries Established for Services, Inc., 2300001633.

TRANSPORTATION - OFFICE OF THE SECRETARY

Kentucky Community and Technical College System, 2200002112; Western Kentucky University, 2200002514.

THE FOLLOWING KENTUCKY ENTERTAINMENT INCENTIVE PROGRAM AGREEMENTS WERE REVIEWED WITHOUT OBJECTION:**ECON DEV - OFFICE OF THE SECRETARY**

Web Design, LLC, 2400000932; Sassy Maids, LLC, 2400000942; Sassy Maids 2, LLC, 2400000946; A Mothers Love Production, LLC, 2400000948.

THE FOLLOWING PERSONAL SERVICE CONTRACTS WERE SELECTED FOR FURTHER REVIEW:**DEPARTMENT FOR PUBLIC HEALTH**

ICF Macro, Inc., 2400000771. Elizabeth Goode and Andrew Yunt discussed the contract with the committee. A motion was made by Representative Chester-Burton to consider the contract as reviewed. The motion failed due to the lack of a second. A motion was made by Senator Boswell to disapprove the contract. The motion failed due to the lack of a second. Contract moves forward.

KENTUCKY FISH AND WILDLIFE RESOURCES

Boone and Crockett Club, 2400000866. Lisa Cox and Melissa Trent discussed the contract with the committee. A motion was made by Senator Boswell to consider the contract as reviewed. Senator Meredith seconded the motion, which passed.

THE FOLLOWING PERSONAL SERVICE AMENDMENTS WERE SELECTED FOR FURTHER REVIEW:**DEPARTMENT FOR COMMUNITY BASED SERVICES**

KVC Behavioral Health Care/Croney & Clark, 2200002255; KVC Behavioral Health Care/Croney & Clark, 2200002257; KVC Behavioral Health Care/Croney & Clark, 2200002261; KVC Behavioral Health Care/Croney & Clark, 2200002263; KVC Behavioral Health Care/Croney & Clark, 2200002265; Presbyterian Child Welfare, 2200002274; KVC Behavioral Health Care/Croney & Clark, 2200002278; Audubon Area Community Services, 2200002279. Charity Roberts and Jennifer Thornhill discussed the contracts with the committee. A motion was made by Senator Meredith to consider

the contracts as reviewed. Representative Pollock seconded the motion, which passed.

THE FOLLOWING MEMORANDA OF AGREEMENTS WERE SELECTED FOR FURTHER REVIEW:

KENTUCKY STATE UNIVERSITY

University of Delaware Ammon-Pinizzotto BioPharmaceutical Innovation Center, 24-01. Michael DeCourcy and Dr. Kirk Pomper discussed the contract with the committee. A motion was made by Representative Pollock to consider the contract as reviewed. Senator Boswell seconded the motion, which passed.

THE FOLLOWING MEMORANDA OF AGREEMENT AMENDMENTS WERE SELECTED FOR FURTHER REVIEW:

DEPARTMENT OF EDUCATION

Jefferson County Board of Education, 2300003128. Karen Wirth and Thomas Woods Tucker discussed the contract with the committee. A motion was made by Representative Chester-Burton to consider the contract as reviewed. Senator Meredith seconded the motion with Senator Boswell, Senator Douglas, Senator Meredith, and Representative Hart voting no. A motion was made by Senator Boswell to disapprove the contract. Senator Douglas seconded the motion with Representative Chester-Burton and Representative Pollock voting no. Motion failed. Contract moves forward.

THE FOLLOWING MEMORANDA OF AGREEMENTS FOR \$50K AND UNDER WERE SELECTED FOR FURTHER REVIEW:

ATTORNEY GENERAL

Alliance for Hope International, 2400000917. Amy Burke and Stacy Woodrum discussed the contract with the committee. A motion was made by Senator Boswell to consider the contract as reviewed. Senator Douglas seconded the motion, which passed with Senator Meredith voting no.

EXEMPTION REQUESTS:

KENTUCKY DEPARTMENT OF AGRICULTURE:

The Kentucky Department of Agriculture on behalf of the Kentucky Agricultural Development Board (KADB) requested an exemption from Committee Policy Statement #99-4 which prohibits contracts and agreements from extending beyond the biennium for the purpose of executing an agreement with K. Karp Consulting Co., Inc. to perform work necessary to deliver a report which will assist the KADB in developing a strategic plan for its future investments. A motion was made by Senator Meredith to grant the request to December 1, 2025. Representative Pollock seconded the motion, which passed without objection.

ENERGY & ENVIRONMENT CABINET:

The Energy & Environment Cabinet, Division of

Conservation requested an exemption from Committee Policy Statement #99-4, which prohibits contracts and agreements from extending beyond the biennium for the Nutrient Reduction Education Program. A motion was made by Senator Meredith to grant the request to September 30, 2025. Representative Pollock seconded the motion, which passed without objection.

There being no further business, the meeting adjourned at 10:49 AM.

GOVERNMENT CONTRACT REVIEW COMMITTEE

Committee Minutes
December 14, 2023

Call to Order and Roll Call

The Government Contract Review Committee met on Thursday, December 14, 2023, at 8:30 AM, in Room 131 of the Capitol Annex. Senator Stephen Meredith, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Stephen Meredith, Co-Chair; Representative Mark Hart, Co-Chair; Senators Gary Boswell, Donald Douglas, and Reginald Thomas; Representatives Beverly Chester-Burton, Bobby McCool, and Michael Sarge Pollock.

Guests: Marcus Bernard, Michael DeCourcy, Avinash Tope, Andrew Yunt, Bob James, Dr. Amy Herrington, and Lona Brewer.

LRC Staff: Kim Eisner, Jarrod Schmidt, and Kim Smith.

A motion was made by Representative Chester-Burton to approve Minutes of the November 2023, meeting of the committee. Senator Douglas seconded the motion, which passed without objection.

A motion was made by Representative Hart to consider as reviewed the Personal Service Contract List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the motion, which passed without objection.

A motion was made by Representative Hart to consider as reviewed the Personal Service Contract Amendment List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the motion, which passed without objection.

A motion was made by Representative Hart to consider as reviewed the Memoranda of Agreement List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the motion, which passed without objection.

A motion was made by Representative Hart to consider as reviewed the Memoranda of Agreement Amendment List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the motion, which passed without objection.

A motion was made by Representative Hart to consider as reviewed the Kentucky Entertainment Incentive Program Agreements List, with exception of those items selected for further review by members of the committee. Senator Douglas seconded the

motion, which passed without objection.

A motion was made by Representative Hart to consider as reviewed the Correction List. Senator Douglas seconded the motion, which passed without objection.

THE FOLLOWING PERSONAL SERVICE CONTRACTS WERE REVIEWED WITHOUT OBJECTION:

ATTORNEY GENERAL

Cooper & Kirk, PLLC, 2400001132.

DEPARTMENT FOR INCOME SUPPORT

DNA Diagnostics Center, 2400000693.

DEPARTMENT OF CORRECTIONS

John Marcus Jones, 2400000961.

DEPARTMENT OF EDUCATION

McPherson & Jacobson, L.L.C., 2400001180.

DEPARTMENT OF HIGHWAYS

WSP USA, Inc., 2400000631; Aecom Technical Services, Inc., 2400000632; HDR Engineering, Inc., 2400001006; QK4, Inc., 2400001007; H.W. Lochner, Inc., 2400001008; Johnson, Mirmiran & Thompson, Inc., 2400001009; HDR Engineering, Inc., 2400001017; QK4, Inc., 2400001019; Palmer Engineering County, 2400001021; Aecom Technical Services, Inc., 2400001022; Bacon Farmer Workman Engineering & Testing, Inc., 2400001023; GRW Engineers, Inc., 2400001031; WSP USA, Inc., 2400001109; KCI Technologies, Inc., 2400001111; HMB Engineers, Inc., 2400001122; QK4, Inc., 2400001124.

EASTERN KENTUCKY UNIVERSITY

Brandstetter Carrol, Inc., 2057-2024; Morris Workshop Architects, PLLC, 24572024; CMTA Consulting, Engineers, 2471-2024.

FACILITIES & SUPPORT SERVICES

Ross Tarrant Architects, Inc., 2400000904; Clotfelter/Samokar PSC, 2400001018.

KENTUCKY COMMUNICATIONS NETWORK AUTHORITY

Blue & Company, LLC, 2400001024.

KENTUCKY EMPLOYERS MUTUAL INSURANCE

Standard Insurance Company, 24-SIC-001.

KENTUCKY FISH AND WILDLIFE RESOURCES

University of Kentucky Research Foundation, 2400000876; ICFJones & Stokes, Inc., 2400000973.

KENTUCKY STATE POLICE

Jim T. Whitaker III, 2400001032.

KY COMMUNITY TECHNICAL COLLEGE SYSTEM

Horizon Group International, 913.

MOREHEAD STATE UNIVERSITY
JRA Architects, 24-017.

UNIVERSITY OF KENTUCKY
RPI Consultants, 7034097.

UNIVERSITY OF LOUISVILLE
Blue Icon Advisors, LLC, 24-019; Denise Fitzpatrick, 24-023.

WESTERN KENTUCKY UNIVERSITY
Hafer, 232434; Commonwealth Alliances, 232435; Michael Reece, Ph.D., 232436.

THE FOLLOWING PERSONAL SERVICE AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS
Dentons Bingham Greenebaum, LLP, 2200004704; Dentons Bingham Greenebaum, LLP, 2400000403.

BOARD OF MEDICAL LICENSURE
Multi, 2200000053.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Schnabel Engineering, LLC, 2200002944.

DEPARTMENT FOR PUBLIC HEALTH
Multi, 2300000073.

DEPARTMENT OF HIGHWAYS
GRW Engineers, Inc., 0700006362; Stantec Consulting Services, Inc., 1200001639; HDR Engineering, Inc., 1400000344; Vaughn & Melton Consulting Engineers Kentucky, Incorporated, 1400000764; Integrated Engineering, 1600000938; DLZ Kentucky, Inc., 1800000300; Integrated Engineering, 1800000901; Strand Associates, Inc., 1800001355; Stantec Consulting Services, Inc., 1800002069; Garver, LLC, 2000000841; Strand Associates, Inc., 2000000850; Bold Pursuits, LLC, 2100001439; Stantec Consulting Services, Inc., 2200001015; HDR Engineering, Inc., 2200001027; QK4, Inc., 2200001032; Palmer Engineering Company, 2200001038; Palmer Engineering Company, 2200001262; HMB Engineers, Inc., 2200001263; Baumgardner and Associates, PSC, 2200001375; Bluegrass Valuation Group, LLC, 2200001377; Matthew L. Chapman, 2200001378; J. Michael Jones, 2200001382; Bold Pursuits, LLC, 2200001385; The Raleigh Company, 2200001386; Kentucky Field Service Realty, 2200001387; WSP USA, Inc., 2200004569; Palmer Engineering Company, 2300001039; HDR Engineering, Inc., 2300001040; Aecom Technical Services, Inc., 2300001932.

DEPARTMENT OF INSURANCE
Taylor & Mulder, Inc., 2200003403.

EASTERN KENTUCKY UNIVERSITY
K. Norman Berry Associates Architects, PLLC, 2065-2023; Central Kentucky Interpreter Referral,

Inc., 2104-2023.

FACILITIES & SUPPORT SERVICES
S&Me, Inc., 1900002340; Paladin, Inc., 2200000262; Patrick D. Murphy Company, Inc., 2200001132; EOP Architects PSC, 2300001271; GRW Engineers, Inc., 2300001529; Biagi Chance Cummins London Titzer, Inc., 2300001530; Patrick D. Murphy Company, Inc., 2300001753; Tate Hill Jacobs Architect, Inc., 2300003449.

KENTUCKY STATE UNIVERSITY
Earth Tools Inc. d/b/a Apogee Climate and Energy Transitions, 24-11.

MURRAY STATE UNIVERSITY
Ross-Tarrant Architects, 025-23.

OFFICE OF THE CONTROLLER
Maxim Healthcare Services, Inc., 2200000187; Sedgwick Claims Management Services, Inc., 2200003896.

TRANSPORTATION - OFFICE OF THE SECRETARY
Baptist Health Medical Group, Inc., 2200001931; Baptist Health Medical Group, Inc., 2200002011; Family Medicine Associates of Flemingsburg, 2200002466.

UNIVERSITY OF LOUISVILLE
Luckett & Farley Architects, 23-048.

WESTERN KENTUCKY UNIVERSITY
Multi, 232409.

THE FOLLOWING MEMORANDA OF AGREEMENTS WERE REVIEWED WITHOUT OBJECTION:

ATTORNEY GENERAL
Recovery Cafe Lexington, Inc., 2400001176.

BEHAVIORAL HEALTH, DEVELOPMENTAL & INTELLECTUAL DISABILITIES
University of Kentucky Research Foundation, 2400000982.

DEPARTMENT FOR COMMUNITY BASED SERVICES
Foothills Academy, Inc., 2400000980; Foothills Academy, Inc., 2400000981; St. Joseph Peace Mission for Children, Inc., 2400000999.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION
Murray Main Street, 2400001005.

DEPARTMENT FOR LOCAL GOVERNMENT
Bell County, 2300003847; Mason County Fiscal Court, 2400000846; Lexington Fayette Urban County Government, 2400000956; City of Somerset, 2400001026; Whitley County Fiscal Court, 2400001028.

DEPARTMENT FOR NATURAL RESOURCES

University of Kentucky Research Foundation, 2400000424; Boyle County Conservation District, 2400000710.

DEPARTMENT FOR PUBLIC HEALTH
University of Louisville Research Foundation, 2400000884.

DEPARTMENT OF EDUCATION
Bath County Board of Education, 2300003132; Cumberland County Board of Education, 2300003183; Dayton Independent School District, 2300003189; Gallatin County Board of Education, 2300003288; Hazard Independent School District, 2300003303; Laurel County Board of Education, 2300003321; Magoffin County Board of Education, 2300003344; Raceland Independent School District, 2300003384; Madison County Board of Education, 2400001030; Ohio Valley Educational Cooperative, 2400001106.

DEPARTMENT OF JUVENILE JUSTICE
The Methodist Home of Kentucky, Inc., 2400000153.

DEPARTMENT OF MILITARY AFFAIRS
Western Kentucky University, 2400000079; City of Burgin, 2400000951.

OFFICE OF ENERGY POLICY
Smart Electric Power Alliance Co., 2400000764.

THE FOLLOWING MEMORANDA OF AGREEMENT AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS
Western Kentucky Regional Mental Health & Retardation Advisory Board, 2300003755.

BEHAVIORAL HEALTH, DEVELOPMENTAL & INTELLECTUAL DISABILITIES
Seven Counties Services, Inc., 2200001488; Alcoholic Beverage Control Department, 2200001740; Kentucky Partnership for Families and Children, Inc., 2200002163; Shatterproof A Nonprofit Corporation, 2200002731; University of Kentucky Research Foundation, 2200002825; University of Kentucky Research Foundation, 2200002912; Multi, 2300000080; Freedom Bridge To Recovery II, Inc., 2300001120; Shepherd's House, Inc., 2300001192.

BOARD OF HAIRDRESSERS AND COSMETOLOGISTS
Office of the Attorney General, 2200004528.

CHFS - DEPARTMENT FOR AGING AND INDEPENDENT LIVING
Northern Kentucky Cooperative for Educational Services, Inc., 2200002839.

DEPARTMENT FOR COMMUNITY BASED SERVICES
Goodwill Industries of Kentucky, Inc., 2200001717; Kentucky Association of Sexual Assault Programs, 2200002195; Gods Pantry Food

Bank, Inc., 2300000390; Brighton Center, Inc., 2300000565; Kentucky Housing Corporation, 2300001688; Community Action Kentucky, Inc., 2300001736; Catholic Charities of Louisville, Inc., 2300001786; KCEOC Community Action Partnership, 2300001819; Louisville Jefferson County Metro Government, 2300001843; Eastern Kentucky University, 2300002932.

DEPARTMENT FOR LOCAL GOVERNMENT

City of Horse Cave, 2100003247; City of Newport, 2100003464; Bullitt County Fiscal Court, 2200001006.

DEPARTMENT FOR PUBLIC HEALTH

Kentucky Pharmacy Education and Research Foundation, Inc., 2200002829; Family and Children's Place, Inc., 2200002830; Homeless and Housing Coalition of Kentucky, 2200002881; Volunteers of America Mid-States, Inc., 2200002882; Norton Healthcare, 2200003034; University of Kentucky Research Foundation, 2200003056; Kentucky Mountain Health Alliance, Inc., 2200003171; University of Louisville Research Foundation, 2200003218; Shawnee Christian Healthcare Center, Inc., 2200003219; Shaping Our Appalachian Region, Inc., 2200003637; Pathways, Inc., 2200003639; Dayspring Health, Inc., 2200003659; Healthfirst Bluegrass, Inc., 2200003784; Community Health Centers of Western Kentucky, Inc., 2200003787; University of Louisville Research Foundation, 2200003809; Healthcare Equipment and Resource Tools, Inc., 2200003837; Norton Healthcare Foundation, 2200004211; Christian County Health Department, 2300001505.

DEPARTMENT FOR WORKFORCE INVESTMENT

Kentucky Community and Technical College System, 2300002913; Kentucky Chamber Foundation, Inc., 2300003465.

DEPARTMENT OF EDUCATION

National Center for Families Learning, 2200004064; Lincoln County Board of Education, 2300002994; Ballard County Board of Education, 2300003524; Bourbon County Board of Education, 2300003526; Boyd County Board of Education, 2300003527; Casey County Board of Education, 2300003530; Hart County Board of Education, 2300003544; Livingston County Board of Education, 2300003550; Ludlow Independent School District, 2300003552; Martin County Board of Education, 2300003554; Mayfield Independent School District, 2300003557; Washington County Board of Education, 2300003570.

DEPARTMENT OF JUVENILE JUSTICE

Ramey Estep Homes, Inc., 2300002008.

OFFICE OF INSPECTOR GENERAL

University of Kentucky Research Foundation, 2300001212.

THE FOLLOWING PERSONAL SERVICE CONTRACT FOR \$10K AND UNDER WERE

SELECTED FOR FURTHER REVIEW:

KENTUCKY STATE UNIVERSITY

GB Facilitation & Training Works, 24-19. Marcus Bernard, Michael DeCourcy, and Avinash Tope discussed the contract with the committee. A motion was made by Representative Chester-Burton to consider the contract as reviewed. Senator Boswell seconded the motion, which passed.

THE FOLLOWING MEMORANDA OF AGREEMENTS WERE SELECTED FOR FURTHER REVIEW:

DEPARTMENT FOR PUBLIC HEALTH

Kentucky Foundation for Medical Care, 2400000797; North Star Seventh-Day Adventist Church, 2400000853; Youth for Christ/Greater Louisville, 2400000890. Andrew Yunt, Bob James, and Dr. Amy Herrington discussed the contracts with the committee. A motion was made by Representative Chester-Burton to consider the contracts as reviewed. Senator Thomas seconded the motion, which passed.

OFFICE OF ENERGY POLICY

National Energy Foundation, Inc., 2400000868. Lona Brewer discussed the contract with the committee. A motion was made by Senator Boswell to defer the contract to the January 2024 meeting of the committee. Senator Douglas seconded the motion, which passed.

EXEMPTION REQUESTS:

ENERGY & ENVIRONMENT CABINET:

The Energy & Environment Cabinet, Division of Oil and Gas requested an exemption from Committee Policy Statement #99-4, which prohibits contracts and agreements from extending beyond the biennium for the University of Kentucky/Kentucky Geological Survey for Methane Emission Measurements. A motion was made by Representative Hart to grant the request to September 30, 2027. Senator Boswell seconded the motion, a voice vote was taken and passed without objection.

ENERGY & ENVIRONMENT CABINET:

The Energy & Environment Cabinet, Division of Water requested an exemption from Committee Policy Statement #99-4, which prohibits contracts and agreements from extending beyond the biennium for the Bipartisan Infrastructure Bill Drinking Water State Revolving Fund. A motion was made by Representative Hart to grant the request to September 30, 2025. Senator Boswell seconded the motion, a voice vote was taken and passed without objection.

ENERGY & ENVIRONMENT CABINET:

The Energy & Environment Cabinet, Division of Water requested an exemption from Committee Policy Statement #99-4, which prohibits contracts and agreements from extending beyond the biennium for the Water Quality Management Assistance Program. A motion was made by Representative Hart to grant the request to September 30, 2025. Senator Boswell seconded the motion, a voice vote was taken and

passed without objection.

DEPARTMENT OF MILITARY AFFAIRS:

The Department of Military Affairs, Division of Emergency Management requested an exemption from Committee Policy Statement #99-4 which prohibits contracts and agreements from extending beyond the biennium for the federally funded Emergency Management Performance Grant (EMPG) agreements. A motion was made by Representative Hart to grant the request to December 31, 2024. Senator Boswell seconded the motion, a voice vote was taken and passed without objection.

DEPARTMENT OF MILITARY AFFAIRS:

The Department of Military Affairs, Division of Emergency Management requested an exemption from Committee Policy Statement #99-4 which prohibits contracts and agreements from extending beyond the biennium for the federally funded Chemical Stockpile Emergency Program. A motion was made by Representative Hart to grant the request to December 31, 2024. Senator Boswell seconded the motion, a voice vote was taken and passed without objection.

There being no further business, the meeting adjourned at 9:16 AM.

LEGISLATIVE OVERSIGHT & INVESTIGATIONS COMMITTEE Minutes

November 16, 2023

Call to Order and Roll Call

The 6th meeting of the Legislative Oversight & Investigations Committee was held on November 16, 2023, at 1:00 PM in Room 131 of the Capitol Annex. Representative Adam Bowling, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Adam Bowling, Co-Chair; Senator Brandon J. Storm, Co-Chair; Senator Jason Howell, Vice Chair; Senators Julie Raque Adams, Donald Douglas, and Michael J. Nemes; Representatives John Blanton, Lindsey Burke, Ken Fleming, Matt Lockett, Steve Riley, and Scott Sharp.

Guests: Micki L. Ray, Chief Academic Officer, Office of Teaching and Learning, Kentucky Department of Education; Matt Ross, Interim Associate Commissioner, Office of Finance and Operations, Kentucky Department of Education.

LRC Staff: William Spears, Committee Staff Administrator; Committee Analysts Jacob Blevins, Joel Thomas, Jeremy Skinner, Shane Stevens, Chris Hall, Ryan Brown, Taylor Johnston, McKenzie Ballard, Austin Sprinkles; and Ashley Taylor, Committee Assistant.

Approve Minutes from October 12, 2023

Upon motion by Senator Douglas and second by Representative Lockett the minutes for the October 12, 2023, meeting were approved without objection.

Representative Bowling introduced Austin Sprinkles as the new Committee Analyst for the Legislative Oversight and Investigations Committee.

Staff Report: K-12 Curriculum Development And Instructional Materials Selection

Committee analysts Shane Stevens, McKenzie Ballard, and Joel Thomas presented the staff report “K-12 Curriculum Development And Instructional Materials Selection,” which included the report’s findings and recommendations regarding the State Textbook Commission, parental objection processes, and a suggested list of district adopted instructional materials. Staff’s full presentation is available on the Legislative Oversight and Investigations Committee webpage.

Upon conclusion of the presentation, Representative Bowling asked if there is a common process for parents to submit a formal complaint about materials or if this process varies district to district. Mr. Stevens explained that the Kentucky School Board Association promulgates model policies and procedures for adoption by school districts. These include forms for parental complaints that are available in principal’s offices across the state.

Representative Lockett asked how parents know that a formal complaint process exists. Mr. Stevens said that the Kentucky Department of Education (KDE) representatives may be able to provide more insight, but his understanding was that parents should be made aware of the formal process and given access to a complaint form when they contact school staff.

Representative Lockett referenced the low number of formal complaints found by the Legislative Oversight and Investigations Committee (LOIC) survey and asked staff whether more parents would be aware of the complaint process if schools were required to notify parents of the formal process at the beginning of the school year. Mr. Stevens replied that staff did not look at that specifically, however most teachers and administrators that staff spoke to or surveyed said that such complaints are often addressed informally by developing a solution upon initial notification. Representative Lockett asked for the names of the five schools with the greatest number of formal parental objections to instructional materials over the last three years, based on the results of LOIC’s survey of superintendents. Mr. Stevens stated that staff would provide that information after the meeting.

In response to a question from Representative Sharp about the composition, terms, and appointing authority of the State Textbook Commission, Mr. Stevens said that the Commission has not been in operation since 2015. However, there were originally ten members appointed by the Kentucky Board of Education serving four-year terms and that staff would be able to provide a more complete answer after the meeting.

Senator Douglas referenced recommendation 3.3 and asked staff if it is their opinion that KDE would be the appropriate entity to consider revisions to the State Textbook Commission, given that the department failed to maintain the commission despite statutory requirements. Mr.

Stevens responded that KDE is the only entity that could change the commission under current statute, however matter for legislative consideration 3.1 leaves it to the General Assembly to decide whether

there should be a State Textbook Commission and, if so, how it should be structured.

Representative Fleming asked if staff conducted a cost analysis of potential policy changes to the State Textbook Commission and how changes may affect school districts or the state financially. Mr. Stevens said that staff did not conduct cost analyses but the report recommendations ask KDE to provide an estimate of the commission’s operating costs when it was last active and what it would cost to operate today.

Upon a motion by Representative Lockett and a second by Representative Fleming, the committee report was adopted without objection.

Response from the Kentucky Department of Education

Micki L. Ray and Matt Ross from Kentucky’s Department of Education introduced themselves. Ms. Ray described nine areas where KDE would like to work with the General Assembly regarding statutory amendments to KRS 156.405, which can be found on the Legislative Oversight and Investigations Committee webpage.

In response to a question from Representative Bowling, Ms. Ray stated that within the Model Curriculum Framework and in accordance with KRS 158.6451, there is a clear process for curriculum development. The Division of Program Standards within the Office of Teaching and Learning provides training to leaders across the state on that process. This process includes tools and resources for local implementation and consumer guides for vetting and winnowing down resources for local review. Representative Bowling asked if state oversight is being replaced by oversight from an outside organization. Ms. Ray replied that, while EdReports provides recommended lists of materials, the consumer guides published by KDE provide recommendations for how districts can externally validate resources, such as EdReports. The guides are required by statute and are created within KDE.

In response to a question from Senator Douglas, Ms. Ray stated that her intention is not to say the system as a whole is not working. The cost to have the commission in place is in statute and funding would need to be ensured not only for the commission and its textbook reviewers, but also for districts to purchase instructional materials approved by the commission. Ms. Ray noted the efforts made to provide instructional material evaluation in the absence of the State Textbook Commission, such as the Quality Curriculum Taskforce. She emphasized that Kentucky teachers participate in the taskforce and are involved in the curriculum development process, EdReports evaluation, and in the creation of consumer guides.

Representative Lockett cited a recent report stating that Kentucky’s ACT scores are at a 30-year low and asked what role education cooperatives serve in supplying content and materials for the classroom. Ms. Ray responded by stating that the educational cooperatives’ members serve on the Quality Curriculum Taskforce and that training is also provided to the eight regional cooperatives on the curriculum development process to better equip them to serve their districts in curriculum development

and selection. Representative Lockett asked about oversight of these cooperatives, to which Ms. Ray replied that each cooperative has an executive director and their boards are composed of local superintendents.

In reference to the number of parental complaints, Representative Lockett asked Ms. Ray whether she believes there would be more complaints than those identified by the LOIC survey if parents had better knowledge of the formal process to file a complaint about education materials. Ms. Ray stated that, in her experience, parents are informed of this process in handbooks and syllabus language at the beginning of the year. Representative Lockett stated that parent involvement is important and he suspects that the survey’s complaint statistics are artificially low because parents are not aware of the processes.

Representative Burke stated that changing the State Textbook Commission’s name would be appropriate, and asked whether this can be done internally or if legislation is necessary. Ms. Ray stated that statute would not allow for this change without legislative action. Representative Burke asked if Kentucky has a formal partnership with EdReports like other states, and if not, is that something KDE is considering. Ms. Ray responded that KDE does work with EdReports in terms of the consumer guide process and that Kentucky is involved with the Instructional Materials Professional Development Network with 13 other states, which provides access to this work on a national level. Representative Burke finished by stating that the survey results suggest that parents are being heard.

Senator Howell acknowledged that the State Textbook Commission’s name is a misnomer in a changing landscape where textbooks are no longer the only learning materials employed, and asked if there is anything in place to know which materials are employed by teachers to supplement the primary curriculum framework and whether it would unnecessarily impede teachers to monitor minor materials. Ms. Ray responded that the Commission and the consumer guides focus on primary tier 1 resources for all students, however clearing houses such as EdReports also give ratings for supplemental resources that teachers can use along with local curriculum guides.

In response to a question from Senator Raque Adams about past legislative action to address poor reading comprehension levels, Ms. Ray stated that publishers in the past were promoting traditional reading practices despite research from the National Reading Panel suggesting that these were not best practices. Ms. Ray added that the passage of SB 156 during the 2023 Regular Session amended language to require adoption of high quality resources, which was a step toward ensuring that evidence-based practices are selected over traditional methods that may no longer be supported by authorities in educational research.

Senator Raque Adams asked Ms. Ray about the actions taken by KDE when Kentucky was going in a different direction than experts’ suggestions on reading comprehension strategies. Ms. Ray responded that she can only speak for the time in which she has been at KDE; requirements in the Read to Achieve

grant were changed to eliminate the interventions that were considered concerning. Ms. Ray said that, in the past, teachers resisted new evidence-based practices because they were accustomed to traditional methods. Ongoing efforts are being made to educate and align teachers with modern best-practices.

Representative Riley cited a statistic stating that 48 percent of Kentucky students receive additional education after the 12th grade, while states such as Tennessee (upper 60 percent) and Alabama (above 70 percent) have significantly higher rates. He stated that the General Assembly needs to improve these educational outcomes for Kentucky's economic future by improving areas such as parental involvement and reading comprehension levels in kindergarten through third grade.

Representative Sharp spoke about his experience with having two daughters in public school and how some parents feel they are not heard when they make suggestions to educators about what is best for their child.

Kentucky Department of Juvenile Justice Written Response to Member Requests from the September 12, 2023 Meeting

Representative Bowling announced that the Department of Juvenile Justice's written response to committee member requests has been provided to members in their folders.

Adjournment

Representative Bowling announced the next Legislative Oversight and Investigations Committee meeting is scheduled for December 14, 2023.

Upon motion by Senator Storm and second by Representative Lockett, the meeting was adjourned.

PUBLIC PENSION OVERSIGHT BOARD

Minutes
November 20, 2023

Call to Order and Roll Call

The 9th meeting of the Public Pension Oversight Board was held on November 20, 2023, at 3:00 PM in Room 154 of the Capitol Annex. Senator Jimmy Higdon, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative DJ Johnson Co-Chair; Senator Jimmy Higdon Co-Chair; Senators Christian McDaniel, Robby Mills, Michael J. Nemes, and Mike Wilson; Representatives David Hale, Ken Fleming, Derrick Graham, Jason Petrie, Phillip Pratt, James Tipton, and Russell Webber; Mike Harmon, Victor Maddox, and Sharon Mattingly.

Guests: Bo Cracraft, Executive Director, Judicial Form Retirement System; David Eager,

Executive Director, and Erin Surratt, Executive Director, Office of Benefits, Kentucky Public Pensions Authority; Danny White, FSA, EA, MAAA, GRS; Beau Barnes, Deputy Executive Secretary and General Counsel, Teachers' Retirement System; Representative Daniel Grossberg, and Adele Singer, retired teacher.

LRC Staff: Brad Gross, Michael Clancy, Jennifer Hans, and Angela Rhodes.

Approval of Minutes

Senator Wilson moved that the minutes of the October 24, 2023, meeting be approved. Senator Mills seconded the motion, and the minutes were approved without objection.

Actuarial Valuation Update – Judicial Form Retirement System

Bo Cracraft, Executive Director, Judicial Form Retirement System (JFRS), discussed the actuarial valuation updates for the Judicial Retirement Plan (JRP) and Legislators Retirement Plan (LRP) for both pension and health funds. He noted that both the pension and health funds are fully funded for both plans with a slight contribution request for JRP pension for the current budget.

Mr. Cracraft discussed the actuarial summary and actuarial trends for both JRP and LRP. He noted that the funding level improved on the pension fund with a slight deterioration for the health fund.

In response to a question from Senator Higdon, Mr. Cracraft stated that JFRS' funding driver for the pension funds are their investment returns. The health fund, specifically the cash balance plan, is overfunded due to the benefit being accrued in the form of normal cost matching contributions received and positive experience with premiums.

Actuarial Valuation Update – Kentucky Public Pensions Authority

David Eager, Executive Director, Kentucky Public Pensions Authority (KPPA), discussed the actuarial valuation updates. All five pension funds had their funded statuses improve with four of the five insurance funds fully funded. The additional \$695 million in appropriations over FY 2022-2024 had a very positive impact. Its investments outperformed market benchmarks, median public fund peer returns, and assumed rates of return. KPPA's cash flow was positive.

Mr. Eager discussed the actuarial valuation results for the Kentucky Retirement Systems (KRS), which included changes in active membership and payroll, passed legislation, fiscal year end 2023 investment experience, retirement fund liability, and insurance fund liability.

Mr. Eager discussed the actuarial valuation results for the County Employees Retirement System, which included funding results, actuarial information, and employer contribution rates and cost.

Mr. Eager discussed sensitivity analysis and stated it is a projection of future costs and funded statuses if the future experience is different than the current assumptions.

In response to questions from Senator Higdon, Mr. Eager agreed that when raising the assumed rate of return the contribution rate decreases. When the assumed rate of return is lowered, the contribution rate increases. In response to a question regarding House Bill 8, Mr. Eager stated that KPPA did not have the data on quasi-governmental agency participation, but would conduct an analysis to try and determine the percentages.

In response to a question from Senator Higdon regarding the differences in contribution rates for the Kentucky Employers Retirement System's (KERS) non-hazardous and hazardous plans, Mr. Eager stated the actuary makes the calculated determination to progress to a fully funded status in 2049. In response to a follow-up question, Danny White, GRS, stated that he is not aware if statute permits the KRS board of trustees to maintain a prior year rate if it is higher. Senator Higdon and Representative Petrie requested a written opinion on whether the KRS board of trustees has the authority to hold rates steady as opposed to lowering them without either a statutory change or budget language.

In response to a question from Representative Johnson, Mr. Eager stated that he is unsure if the increase in membership will continue.

Representative Tipton commented for clarification that the valuations are a determination of the contribution rate in future years.

In response to a question from Senator Higdon, Mr. Eager agreed that \$994 million is the current amount being paid from the 2021 valuations for KERS non-hazardous.

In response to a question from Representative Tipton, Erin Surratt, Executive Director, Office of Benefits, KPPA, stated that it is at the discretion of the employer to petition the board for hazardous coverage for an employee position. Also, there are statutory requirements that must be met for a position to be considered hazardous.

In response to a question from Representative Graham regarding a cost-of-living adjustment (COLA), Mr. Eager stated that KPPA responds to requests and determines the cost of the purposed COLAs, but the determination on whether to move forward on a benefit increase is in the hands of the legislature. In response to a follow-up question, Senator Higdon responded that he himself has requested information from KPPA regarding different scenarios relating to the proposal of a 13th payment, but nothing is concrete. He cautioned that there will be no COLAs unless the systems are 100 percent funded.

In response to a question from Senator Higdon, regarding employer costs being exempted for certain hazardous duty retirees, Mr. Eager stated that he would consult with staff and seek clarification on what exactly needs to be produced for a response.

Actuarial Valuation Update – Teachers' Retirement System

Beau Barnes, Deputy Executive Secretary and General Counsel, Teachers' Retirement System (TRS), discussed the actuarial valuation updates, which included the actuarial valuations summary, actuarial findings, five-year history, 30-year projections, FY 2024-2026 budget requests, and state costs. He noted key findings that: both the retirement annuity and health insurance trusts received full funding; the retirement annuity trust funded ratio was flat at just under 60 percent, which was anticipated by the actuary in the 30-year projections over the next several years; TRS 4 continues to be fully funded; the health insurance trust's funded ratio topped 70 percent (71.3 percent); and both trusts are on track for full funding within amortization periods.

In response to a question from Representative Johnson, Mr. Barnes stated that the additional funding was used to pay off other unfunded liabilities for past benefit improvements for retired teacher sick leave and old COLAs, therefore the funding did help but it did not have a noticeable effect on the rate. In response to a follow-up Mr. Barnes stated that if additional funding was provided it would be a big positive, because getting funding earlier rather than later helps a lot.

In response to questions from Senator Higdon, Mr. Barnes stated the health insurance fund is projected to be fully funded in five years, although this depends on federal subsidies and prescription drug rebates. In response to an additional question, Mr. Barnes agreed that the 4.4 percent negative cash flow totals about \$900 million. Senator Higdon commented that he is concerned a \$900 million negative cash flow is unhealthy. Mr. Barnes stated that it is normal to have a negative cash flow with pension plans and, according to TRS' actuary, as long as the plan is within the 3 to 4 percent range that is manageable. In response to an additional question, Mr. Barnes stated that the gain/(loss) analysis "other" source is the shortfall of money coming in versus the interest growing on the unfunded liability. Mr. Barnes stated that he does not believe the sick leave liability is included within the gain/(loss) analysis. In response to an additional question, Mr. Barnes agreed that TRS' budget request will expand to a little over \$2 billion in the future.

In response to a question from Senator Mills, Mr. Barnes stated the increased budget request from FY 2025 to FY 2026 is driven by the unfunded liability.

In response to questions from Senator Higdon, Mr. Barnes stated he would provide the information at a later time on whether the differences in contribution rates had to do with TRS' decision to phase in losses as opposed to smoothing them in. In response to an additional question, Mr. Barnes stated the sick day liability for current teachers is \$563 million based on the 2023 valuation, which is determined by a group-based projection for the entire membership population.

Discussion of Proposed Legislation

Representative Daniel Grossberg along with Adele Singer, retired teacher, discussed proposed legislation to allow members of the TRS to make up a maximum of ten unpaid days to count for service credit toward retirement. Currently, if a teacher takes off for a religious holiday that is not fixed into the school calendar, the absence goes against their retirement time.

Mrs. Singer commented that she has worked for the public school system since 1990. When the Jewish holidays approached, she would ask for time off to observe. Since she only had three personal days a year, she was told to call in sick. Several years later, she was told she could take off religious holidays with unpaid days once her personal days were exhausted. The years of sick days and/or unpaid days used cost her an entire year of service towards her retirement.

In response to a question from Representative Graham, Representative Grossberg stated with the passage of the bill, it would be possible to make up some of the missed days, for example during summer

school. However, currently in Jefferson County those make up days are used for paid days, but they do not count as service credit towards retirement. Representative Graham suggested that there should be discussion with TRS. Representative Grossberg stated that discussions had taken place and that a written report was produced that suggested there would be minimal impact on the retirement system.

Representative Tipton commented that the Kentucky Association of School Administrators and Kentucky Association of School Superintendents are on board with the bill. The issue is what qualifies as a full year service credit in relation to the contract between teacher and school system.

In response to a question from Mike Harmon, Representative Grossberg stated that the current bill is not for those who are already drawing benefits from the retirement system, but could be addressed in the future.

In response to a question from Senator Higdon, Representative Grossberg stated that converting current sick days to personal days is a more complex outcome.

Adjournment

There being no further business, the meeting was adjourned.

JAIL & CORRECTIONS REFORM TASK FORCE

Minutes of the 6th Meeting of the 2023 Interim November 8, 2023

Call to Order and Roll Call

The sixth meeting of the Jail & Corrections Reform Task Force was held on November 8, 2023, at 10:00 AM in Room 129 of the Capitol Annex. Senator John Schickel, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator John Schickel Co-Chair; Representative Josh Bray Co-Chair; Senators Brandon J. Storm, and Phillip Wheeler; Representatives David Hale, Keturah Herron, Jason Petrie, and Wade Williams.

Guests: Kenton County Circuit Court Judge Patricia Summe, Kentucky Circuit Judge's Association; Campbell County Circuit Court Judge Julie Ward, Kentucky Circuit Judge's Association; and Melanie Rowe, General Counsel and Sam Cox, Trial Division Attorney, Kentucky Department of Public Advocacy.

LRC Staff: Roberta Kiser, Randall Roof, Joshua Shelepak, and Jennifer Smith.

Approval of the Minutes for the September 26, 2023, Meeting

Representative Williams motioned to approve the September 26, 2023, minutes. The motion was seconded by Senator Wheeler and passed by voice vote.

Approval of the Minutes for the October 23, 2023, Meeting

Representative Hale motioned to approve

the October 23, 2023, minutes, seconded by Representative Williams. The motion passed by voice vote.

Felony Sentencing in the Commonwealth

Patricia Summe, Kenton County Circuit Court Judge, provided an overview of the use of a presentence investigation (PSI) report in felony sentencing. A defendant has the right to waive presentation of the PSI; however, the judge must approve of the waiver.

The Kentucky Circuit Judges Association surveyed its members to see how many judges allow defendants to waive presentation of the PSI. Results of the survey showed that PSIs are required by many judges, as well as, waived by several judges.

A report provided by the Department of Corrections (DOC) to the Kentucky Circuit Judges Association showed that in August, 126 judgements were filed within seven days of sentencing, 57 were filed in 14 days, 41 were filed within 30 days, 16 filed in 60 days, and 32 were filed in 90 days. When these numbers were investigated by members of the association, it was discovered that delays were often caused by staff illnesses and busy court dockets. The association is working with other jurisdictions facing similar concerns from the DOC.

In response to questions from various legislators, Judge Summe said it takes up to six weeks for probation and parole, to complete a PSI. The defendant is then sentenced and it may take two weeks to produce a sentencing judgement depending on the court's schedule. Judge Summe stated that 14-30 days is an appropriate amount of time to submit a sentencing judgment.

Julie Ward, Campbell County Circuit Court Judge, reiterated that she was unsure when the DOC time clock starts with regards to any delays in obtaining sentencing judgments. When reviewing case dockets sent to her from the Administrative Office of the Courts (AOC), the longest delay was four weeks. Counties such as Campbell, Kenton, and Boone share probation officers so it often takes four to six weeks to receive a PSI. If DOC is using the timeframe between plea and sentencing, then the delay is solely waiting for a PSI. If DOC uses the time of arrest as a starting point for probation violations, delay could include the wait time for a revocation hearing.

In response to a question from Senator Schickel, Judge Ward said a defendant can request to waive PSI, but as a judge it is obviously important to know all the factors and circumstances involving the defendant. There are not a lot of PSI waivers in Campbell County.

In response to a question from Representative Petrie, Judge Ward said the delay could be decreased with hiring additional staff. However, she did not know if there was anything that could be done legislatively considering the many variables in criminal cases. Anything the courts can do to help establish efficiencies on their side, they are more than happy to look at.

Waiver of Presentence Investigation Reports

Sam Cox, Department of Public Advocacy, explained the four primary reasons a defendant may waive presentation of their PSI. The four primary reasons are to have a defendant get out of custody,

ability for an inmate to move faster within the system, plea agreements, and potential receipt of shock probation. There are also many personal reasons for waiving PSIs, which can also fall outside these four areas.

Melanie Rowe, General Counsel, Department of Public Advocacy stated that waiving of PSIs is not something she encounters routinely. The PSI is a timely process and involves the defendant to complete a packet of handwriting information. Ms. Rowe stated that most of the delays are caused by understaffing. Also, most clients are ready to be sentenced and have that part of the process behind them.

In response to a question from Representative Petrie, Ms. Rowe agreed that it is important for the information contained in a PSI to be accurate and that is the main reason she does not encourage clients to waive the PSI. If a defendant waives a PSI and is sentenced, there is no way for an attorney or the court to review the information after the fact.

Adjournment

With no further business to come before the task force, the meeting adjourned at 11:55 A.M.

**TOBACCO SETTLEMENT
AGREEMENT FUND OVERSIGHT
COMMITTEE**

Minutes
December 14, 2023

Call to Order and Roll Call

The 7th meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on December 14, 2023, at 10:30 AM in Room 129 of the Capitol Annex. Representative Myron Dossett, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Amanda Mays Bledsoe Co-Chair; Representative Myron Dossett Co-Chair; Senators Gary Boswell, Matthew Deneen, Denise Harper Angel, and Robin L. Webb; Representatives George Brown Jr., Kim King, Phillip Pratt, Brandon Reed, and Rachel Roarx.

Guests: Brian Lacefield, Executive Director, Kentucky Office of Agricultural Policy (KOAP); and Bill McCloskey, Deputy Executive Director, KOAP.

LRC Staff: Stefan Kasacavage, Hillary Abbott, Kelly Ludwig, and Rachel Hartley.

Approval of the October 12, 2023, Meeting Minutes

A motion to approve the minutes was made by Representative Reed and seconded by Senator Boswell. The minutes were approved by voice vote.

Report on the Projects Considered for Funding by the Agricultural Development Board

Brian Lacefield gave a brief overview of KOAP's Annual Report, various events, and site visits. Mr. Lacefield provided a loan update for the Kentucky Agricultural Finance Corporation.

Bill McCloskey described the Agricultural Development Board's projects under the program for

August 2023. Mr. McCloskey highlighted programs including the County Agricultural Investment Program (CAIP), Deceased Farm Animal Removal, Next Generation Farmer, and the Youth Agriculture Incentives Program (YAIP).

The following were approved for funds through the On-Farm Energy Program:

Wolf Gap Gardens in Madison County was approved for \$10,150.

Bells Broilers in Wayne County was approved for \$5,564.

Hagman Farms, Inc. in Hancock County was approved for \$10,150.

Mark Allen Farms in Hancock County was approved for \$10,150.

Gilbert Farms in Wayne County was approved for \$10,150.

Philip Unruh in Monroe County was approved for \$3,280.

Merit Farms of Kansas, Inc. in Monroe County was approved for \$10,150.

Windy Oaks Chicken House in Wayne County was approved for \$3,015.

Grand View Acres, Inc. in Monroe County was approved for \$10,150.

The requested program amendments discussed included:

Harrison County Beef Cattle Association, Inc. requested an additional \$1,900 in Harrison County funds for YAIP. The board recommended approval, which would bring the program total to \$7,150.

Adair County Cattlemen's Association, Inc. requested an additional \$7,500 in Adair County funds for CAIP. The board recommended approval, which would bring the program total to \$213,500.

Hancock County Conservation District requested an increase in the maximum producer limit from \$2,500 to \$3,000. The board denied the request due to the application not meeting the 2023 CAIP standard guidelines.

Nicholas County Conservation District requested an additional \$38,469 in Nicholas County funds for CAIP. The board recommended approval, which would bring the program total to \$299,254.

The projects discussed included:

Cornett Enterprises, LLC was approved for \$3,750 in state funds for consultation fees for a Food Safety Good Agricultural Practices (GAP) Audit.

Gate Keeper Cattle Company was approved for \$8,000 in Union County funds to aid in the purchase of equipment for their mobile meat retail business.

Creek Veterinary Services was approved for \$60,545 in Allen County funds and \$97,600 in Bracken County funds to purchase a new light-duty regular cab truck with a mobile vet clinic insert.

Raymer Veterinary Services was approved for \$60,545 in Allen County funds and \$97,600 in Bracken County funds to purchase a truck, a custom truck vault, and to help construct a mobile office area.

Kentucky State University was approved for \$1,359,000 in state funds to aid in continuing its Mini-Grant Program to help producers across the Commonwealth.

The Kentucky Center for Agriculture and Rural Development was approved for \$900,000 in state funds to deliver technical assistance and provide educational opportunities to agricultural and rural businesses.

Berea College, Grow Appalachia was approved for \$322,260 in state funds to run the Eastern Kentucky Direct Integrated Grower Support Program.

Reid's Orchard was approved for \$10,700 in Daviess County funds to purchase a five-ton compressor, evaporator, and cooling system.

Adair County Board of Education was approved for \$50,000 in Adair County funds to support the construction of a greenhouse at the Adair County Agricultural Facility.

Logan Premium Meats and Processing, LLC was approved for \$3,000 in state funds to support the expenses of pursuing Halal Certification.

David Andrew Langley was approved for \$250,000 in matching state and county funds to support the construction of a 150,000-bushel grain bin as storage for local farmers to use to fill their distillery contracts.

Thomas Veterinary Services, PLLC was approved for \$100,000 in Todd County funds and \$99,000 in Warren County funds to aid in updating animal handling facilities and service vehicles.

Wilderness Trail Area Beef Marketing Alliance was approved for \$344,653 in matching state and county funds to expand their existing livestock facility.

Frontier Veterinary Services, LLC was approved for \$100,000 in Todd County funds and \$99,000 in Warren County funds to upgrade the mobile veterinarian unit, truck, and large animal handling facility.

In response to Representative King, Mr. Lacefield stated that he does not know how comparable the student loan debt is between veterinary school and medical school.

In response to Senator Boswell, Mr. Lacefield stated there continues to be 14 employees at the Kentucky Center for Agriculture and Rural Development, and that number had not changed since the last time they were awarded funding.

In response to Senator Webb, Mr. McCloskey stated that farm operations in eastern Kentucky are small-scale and can be financed by the Farm Service Agency. The Kentucky Highlands Investment Corporation's micro-loan program should be expanded.

In response to Representative King, Mr. Lacefield stated the federal government launched an emergency grain storage program. If a producer was within a certain radius of the tornadoes in Mayfield in December 2022, they would qualify for assistance.

Adjournment

There being no further business, the meeting was adjourned.

2023 Interim

**LEGISLATIVE
RECORD**

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