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New state laws take effect

by Jim Hannah
LRC Public Information

FRANKFORT – Most new laws approved during this year's regular session of the Kentucky General Assembly went into effect on July 15. The new laws address topics including verifying voters' identities, reporting animal abuse and selecting potential jurors.

While COVID-19 concerns caused lawmakers to gavel into session for only 53 of the 60 days allowed under the Kentucky Constitution, 285 Senate bills and 647 House bills were introduced for a total of 932. Of those, 49 Senate bills and 75 House bills became law for a total of 124. That's in addition to 462 resolutions that were introduced in both chambers, four of which carry the weight of law. That means 13.3 percent of all bills introduced became law.

The Kentucky Constitution specifies that new laws take effect 90 days after the adjournment of the legislature, which was April 15, unless they have special effective dates, are general appropriation measures, or include emergency clauses that make them effective immediately upon becoming law.

While some major measures took effect earlier this year – such as the state budget and COVID-19 relief – the majority of bills didn't go on the books until July. They included measures on these additional topics:

Alcohol: House Bill 415 allows distillers, wineries and breweries to ship directly to consumers – once certain regulations are in place. The bill imposes shipping limits of 10 liters of distilled spirits, 10 cases of wine and 10 cases of malt



During this year's session of the General Assembly, 285 Senate bills and 647 House bills were introduced for a total of 932. Of those, 49 Senate bills and 75 House bills became law for a total of 124.

Beverages: HB 415 prohibits shipping to people under 21 and dry territories, communities where local laws prohibit alcohol sales.

Animal abuse: Senate Bill 21 allows veterinarians to make a report to authorities if they find that an animal under their care has been abused. Previous statutes prevented veterinarians from reporting abuse of animals under their care unless they had the permission of the animal's owner or were under a court order.

Eating disorders: Senate Bill 82 allows the creation of the Kentucky Eating Disorder Council. The group will oversee the development and implementation of eating disorder awareness, education, prevention and research programs.

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Elections: Senate Bill 2, dubbed the voter photo ID bill, requires voters to present photographic identification, starting in November. If a voter does not have a photo ID, they will be able to show another form of ID and affirm, under the penalty of perjury, that they are qualified to vote. The bill also allows poll workers to vouch for a voter they know. People who request mail-in absentee ballots must also provide a copy of a photo ID or complete an affirmation that they are qualified to vote.

Expungement: House Bill 327 allows for automatic expungement of some acquittals and dismissals in addition to expungements of felony charges held to the grand jury that have not resulted in an indictment after 12 months.

Human rights: House Bill 2 requires a national anti-human trafficking hotline number to be advertised in airports, truck stops, train stations and bus stations. Posters with the hotline number had previously been required in only at rest areas. The bill also closes a loophole in the state sex offender registry by adding specific human trafficking offenses to the definition of a sex crime.

Infrastructure protection: House Bill 44 strengthens security for critical infrastructure across Kentucky by specifying that above-ground natural gas and petroleum pipelines in addition to certain cable television facilities aren't suitable areas for drone flights. The legislation also defines tampering with the assets as felony criminal mischief.

Jurors: Senate Bill 132 adds people with state-issued personal identification cards to the pool of potential jurors in the county where they live. The prior practice was to draw only from driver's license lists, tax rolls and voter registration lists.

Lt. Governor: House Bill 336 allows gubernatorial candidates to select their running mate for lieutenant governor before the second Tuesday in August instead of during the spring primary campaign.

Mental health: House Bill 153 allows the establishment of the Kentucky Mental Health First Aid Training Program. The aim is to train professionals and members of the public to identify and assist people with mental health or substance abuse problems. The program will also promote access to trainers certified in mental health first aid training.

Senate Bill 122 made a change to Tim's Law of 2017, a much-heralded law that has rarely been used by the courts. The original law allowed judges to order assisted outpatient treatment for people who had been involuntarily hospitalized at least twice in the past 12 months. SB 122 extended the period to 24 months.

Schools: Senate Bill 158 changes high school graduation requirements, how the state grades public schools and identifies academic achievement gaps. The omnibus bill also eliminated training for school board members related to charter schools unless the school district has received a charter school application.

Sex offenders: House Bill 204 prohibits sex offenders from living within 1,000 feet of a publicly leased playground. Sex offenders already had to follow these standards for publicly owned parks.

Students' wellbeing: Senate Bill 42 states that, starting on Aug. 1, student IDs for middle school, high school and college students must list contacts for national crisis hotlines specializing in domestic violence, sexual assault and suicide prevention.

Legislative panel focuses on police body cameras

by Jim Hannah
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FRANKFORT – A committee of state House and Senate members took testimony during a July 9 meeting on the pros and cons of legislation mandating police body cameras in Kentucky.

“If we are going to put a mandatory program for body cams in this state, we have to look at the funding,” said University of Kentucky Police Chief Joe Monroe while testifying before the Interim Joint Committee on Judiciary. “There would be small agencies in this state who would not be able to afford these types of programs.”

South Carolina and Nevada are the only states currently requiring body cameras for police officers, said Monroe, who is also the first vice president of the Kentucky Association of Chiefs of Police. He said at least 24 states have laws governing required policy, storage or specific procedures regarding the public release of body camera footage.

Committee Co-chair Rep. Jason Petrie, R-Elkton, asked what the annual cost would be to equip an officer with a body camera. Monroe estimated between \$1,500 and \$1,800 per officer for a “low-cost camera.” He said newer, more advanced body camera technology could run up to \$5,000 per officer.

Daviess County Sheriff Keith Cain testified it would cost an estimated \$50,000 to equip 30 deputies with body cameras in his department. He added the major expense is the hidden reoccurring costs related to storage, maintenance and the additional staff to manage it all. Cain said that was estimated to be \$40,000 annually.

Petrie then asked if body cameras were worth the cost to taxpayers. Monroe said he strongly encouraged the use of body cameras. “I believe in them,” he said. “I believe the investment in them is worth it.”

Cain, who also spoke on behalf of the state sheriff’s association, said the vast majority of Kentucky sheriffs would love to have the transparency that body cameras provide. He added that budgetary issues keep many small- and medium-size departments, including his own, from acquiring those cameras.

“If this is something the General Assembly thinks should happen, and I personally agree that it should, I would hope that this body would start by looking at where that money would come from because most of the communities in Kentucky will not be able to afford them,” Cain said.

Kentucky League of Cities CEO J.D. Chaney testified that his organization has historically been against unfunded mandates but that the organization generally supports the use of police body cameras. He added that body cameras could also reduce insurance premiums for municipalities, many of which are insured through the league.

Sen. Phillip Wheeler, R-Pikeville, asked how long camera footage should be saved and whether costs to departments could be reduced if the state provided storage. Monroe said his department kept footage for a minimum of 30 days. He added that cost to local departments would likely be reduced if the state provided data storage.

Sen. Robin L. Webb, D-Grayson, asked what departments could do to ensure officers equipped with body cameras used them. Monroe said that is done through policy and training.

Sen. John Schickel, R-Union, said requiring every police officer to wear a body camera isn’t going to be the cure-all when it comes to building trust between police departments and the communities they serve.

“A lot of people think politicians are corrupt, but do we want a camera in the Senate president’s office, or the governor’s office, or my office, to make sure we do everything right every day?” said Schickel, a former law enforcement officer. “Where does this all stop?”

In addition to the costs, Monroe said the negatives associated with body cameras include the fact that the footage does not capture the officer’s mindset based on what he or she perceived was occurring.

Sen. Gerald A. Neal, D-Louisville, asked about the benefits of body cameras. Monroe said they include better transparency, improved trust, reduced citizen complaints and the phenomenon of the “civilizing effect.” It’s a term referring to individuals engaging in more civil behavior toward each other when they know they are being recorded.

Sen. Danny Carroll, R-Paducah, said he supports body cameras. The former internal affairs investigator and assistant police chief said Paducah police successfully pioneered the use of body cameras in Kentucky years ago.

“They use the opportunity with the video that is taken from those body cameras to support their officers and to put positive stories out,” Carroll said. “They have been a value to them in that way.”

He asked where the technology of body cameras was heading. Monroe said his department was exploring the possibility of cameras providing live, real-time video to dispatchers.



Sen. Gerald A. Neal, D-Louisville, asks University of Kentucky Police Chief Joe Monroe a question about police body cameras during a July 9 meeting.



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Joint Committee on Natural Resources and Energy

Minutes of the 1st Meeting of the 2020 Interim

June 4, 2020

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Natural Resources and Energy was held on Thursday, June 4, 2020, at 1:00 PM, in Room 171 of the Capitol Annex. Senator Brandon Smith, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Brandon Smith, Co-Chair; Representative Jim Gooch Jr., Co-Chair; Senators Matt Castlen, Robby Mills, John Schickel, Reginald Thomas, Johnny Ray Turner, Robin L. Webb, and Phillip Wheeler; Representatives John Blanton, Adam Bowling, Terri Branham Clark, R. Travis Brenda, Randy Bridges, Myron Dossett, Jim DuPlessis, Daniel Elliott, Chris Fugate, Cluster Howard, Derek Lewis, Suzanne Miles, Melinda Gibbons Prunty, Josie Raymond, Cherlynn Stevenson, Jim Stewart III, Richard White, and Rob Wiederstein.

Guests: Rebecca Goodman, Secretary, Energy and Environment Cabinet; John Lyons, Deputy Commissioner, Department for Environmental Protection; and Gordon Slone, Commissioner, Department for Natural Resources.

LRC Staff: Stefan Kasacavage, Janine Coy, Tanya Monsanto, and Rachel Hartley.

Changes to Regulatory Enforcement Policy in Response to COVID-19

Secretary Rebecca Goodman stated the Energy and Environment Cabinet (EEC) has had success with the Healthy at Home Initiative and has been able to accomplish approximately 80 percent of the Cabinet's functions. These functions include: inspections, investigations, responding to complaints, and responding to environmental disruptions. The EEC is now transitioning to the Healthy at Work Initiative.

Deputy Commissioner John Lyons stated the EEC has implemented a program called Regulatory Flexibility. The program is modeled from a March 26, 2020, memorandum from the United States Environmental Protection Agency. The memorandum is retroactive to March 13, 2020, and it is a temporary policy regarding enforcement flexibility due to COVID-19 that will allow Kentucky to take a more specific approach.

On May 15, 2020, Secretary Goodman issued a memorandum outlining the policy for regulated entities impacted by COVID-19 to request enforcement flexibility for environmental obligations. The policy has been extended to June 30, 2020. The conditions of the policy include the following steps: regulated entities are obligated to ensure compliance with requirements; if compliance is not possible then the EEC should be notified; and documentation of non-

compliance and actions to ensure compliance must be submitted to the EEC. There have been 61 requests for regulatory flexibility.

Commissioner Gordon Slone stated COVID-19 has contributed to a slight decrease in permitting actions in Kentucky's coal mining industry. The mining and mineral extraction industry was deemed a life-sustaining business.

In response to a question from Senator Thomas, Secretary Goodman stated when a request to waive noncompliance is received, it is reviewed by a regulatory flexibility committee. If a regulated entity can demonstrate that COVID-19 is the impediment to achieving compliance then the request can be approved. All requests received have been approved.

In response to a question from Senator Webb, Commissioner Slone stated the Department for Natural Resources (DNR) has received three complaints regarding mine practices due to COVID-19. The complaints are that protocols for social distancing were not being followed, and personal protective equipment was not being provided. The DNR has investigated, and two of the complaints received from Pike County were unfounded.

In response to a question from Senator Wheeler, Commissioner Slone stated there is an existing statute, KRS 337:200, which requires mining and construction companies to furnish a performance bond to assure payment of all wages to employees. The Labor Cabinet is enforcing the statute.

In response to a question from Representative Gooch, Secretary Goodman assured the committee that EEC staff is working with regulated entities to keep them in business.

In response to a question from Senator Smith, Commissioner Slone stated there are approximately 70 mines operating in Kentucky.

Representative Gibbons-Prunty advocated to the Tennessee Valley Authority Board on May 7, 2020, to consider increasing clean coal technology in Paradise, Kentucky.

There being no further business, the meeting was adjourned.

Interim Joint Committee on Education

Minutes of the 1st Meeting of the 2020 Interim

June 2, 2020

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Education was held on Tuesday, June 2, 2020, at 10:30 a.m., in Room 171 of the Capitol Annex. Representative Regina Huff, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Max Wise, Co-Chair; Representative Regina Huff, Co-Chair; Senators Alice For-

gy Kerr, Stephen Meredith, Gerald A. Neal, Michael J. Nemes, Robert Stivers II, Reginald Thomas, Johnny Ray Turner, Stephen West, and Mike Wilson; Representatives Kim Banta, Tina Bojanowski, R. Travis Brenda, Randy Bridges, Jeffery Donohue, Jim Glenn, Mark Hart, Scott Lewis, Mary Lou Marzian, C. Ed Massey, Bobby McCool, Kimberly Poore Moser, Melinda Gibbons Prunty, Steve Riley, Attica Scott, John Sims Jr, James Tipton, Russell Webber, Richard White, and Lisa Willner.

LRC Staff: Jo Carole Ellis, Yvette Perry, and Maurya Allen.

Chair Huff welcomed everyone to the meeting, both in person and those attending via videoconference. She also thanked staff for their efforts to make the meeting as normal as possible under these new circumstances.

Superintendent Concerns Related to COVID-19

Mr. Greg Schultz, Superintendent, Oldham County Schools, spoke briefly regarding the concerns that many superintendents have about reopening schools during the ongoing COVID-19 pandemic. Health and safety is critical when students return to the classroom, but the education loss and increase in achievement gaps due to inequity is a major concern. Guidance from the Kentucky Department of Education (KDE) and health officials has created a very high ceiling that is going to be difficult to reach for any school. Realistic application of safety measures will likely not look like the ideal recommendations. For example, regarding transportation, it is not feasible to have one student every other seat on a school bus and accomplish timely and cost-effective busing of all students. It will also be very difficult to have elementary school students wear masks all day.

Proposals for accommodating students doing remote learning while others are in the classroom are also highly problematic as there is not sufficient staffing or time for teachers to both instruct in-class and via remote learning technology. Concerns for alternate schedules do not address the funding mechanisms of SEEK and other performance based measures which only take into account in-classroom attendance.

On behalf of superintendents, he asked that KDE, the Governor, and members of the General Assembly continue to be agile in response to the relief needs of schools. He thanked them for their swift attention to the non-traditional instruction (NTI) procedures and changes to required instructional days. Further changes may be necessary to address the pandemic going forward, especially in order to function during outbreaks. Flexibility is going to be key for all parties.

Additionally, he spoke of the increased workload on teachers as they take on not only the task of planning for a return to NTI and remote learning but also being health coordinators for their students. The teacher shortage is real and is only made worse as they fear for the safety of their students and themselves. Classified staff, such as bus drivers, are also highly vulnerable because they are predominantly over age 60 and have existing health concerns making them more at-risk from COVID-19.

He urged that policy makers take rationality into account for future outbreaks and closures. An outbreak in Lexington may not warrant a shutdown for his school system in Oldham County, because they are

not close to one another. Everyone may need to stay in contact to track transmission and work toward containment and keeping as many schools open as possible. While schools are not strictly childcare, parents do not go to work when they have to stay home with their school-aged children. This has a ripple effect for businesses and communities. Schools are a critical part of the economy and want to stay open. Regulations must be practical, and there needs to be consistent and timely support for schools, both financially and practically.

Chair Huff agreed with Mr. Schultz's concerns and echoed the need to look at existing procedures to make the changes needed to address the times we are living in today.

Responding to questions from Senate President Stivers, Mr. Schultz said the last day of school for Oldham County was March 12, 2020. Their use of NTI was largely successful thanks to individual check-ins with students performed by teachers. However, the teachers expressed significant concerns about equity. Mr. Schultz believes that summative assessments performed in the fall will likely illustrate those gaps very starkly. Right now, it is too early to know how much academic progress has been lost. The start of the school year will be a critical period.

In response to questions from Representative Riley, Mr. Schultz admitted there were significant differences among different age groups in their success with NTI. Preschool and other very young children simply do not learn well virtually and even older children require significant amounts of parental support to accomplish virtual learning. He acknowledged that students' mental health was also deteriorating quickly with the loss of socialization with friends and school personnel. However, there does not seem to be a ready solution to these concerns.

Responding to questions about possible 'catch-up' interventions, Mr. Schultz said his district was looking to implement some things over the summer but were waiting to see what happened following the re-opening of childcare on June 15th and maintenance of Healthy at Work guidelines throughout the community.

Senator Wise commented that there were some relief measures already available to schools wishing to use instructional hours versus days from Senate Bill 50 of the 2017 Regular Session. That bill allowed schools to waive the 170-day requirement if the school calendar begins after August 26th. Mr. Schultz acknowledged that option but said currently his school was considering an August 12th start date, making them ineligible for that exemption option.

Representative Bojanowski said, in her experiences as a teacher, there had been significant discrepancies in parental involvement during NTI. Also, she discussed that many students thrived with project-based learning remotely. However, while students are learning during this time, it may simply not be measurable with standards-based tools.

Update on COVID-19 Issues Pertaining to K-12 Schools

Interim Commissioner Kevin Brown, KDE, was present with Associate Commissioners Amanda Ellis, Kelly Foster, and Robin Kinney, to update the committee on responses to COVID-19 made by KDE in

March and the department's work toward a successful reopening of schools in the fall. He thanked legislators for their timely attention to these concerns with the passage of Senate Bill 177 during the 2020 Regular Session. The legislation provided relief by allowing KDE to assist districts with getting through the end of the school year, especially with emergency provisions for NTI. A goal of 1,062 instructional hours was explicitly requested, and all districts achieved that target by June 1st with the use of NTI. While other states simply cancelled their school years, including NTI, because it was too hard, Kentucky stayed the course and achieved a great deal. Interim Commissioner Brown acknowledged that NTI is not a perfect delivery method and was not designed to substitute for in-classroom instruction for extended periods, but it ensured students were given the best instruction possible given the circumstances.

Changes have been made to the KDE website to streamline access to COVID-19 resources for districts and families, and there will be continuing improvements going forward. Work by KDE has been guided by three principles - educate, feed, and support. Acknowledging that feeding students is a major role performed by schools, the summer feeding program was started at the same time that NTI was implemented in March. Utilizing waivers provided by the United States Department of Agriculture, Kentucky schools were able to continue to serve meals even where NTI was being carried out using remote instruction. In March, over 4 million meals and snacks were served to an average daily population of 238,981 students. In April, efforts expanded and over 11 million meals and snacks were provided for an average daily population of 303,936 students. Interim Commissioner Brown said this truly illustrates the dedication of school communities to caring and providing even the most basic necessities to children of the Commonwealth.

Reopening guidance has just begun, and Interim Commissioner Brown wholeheartedly agreed with Mr. Schultz that there are needed refinements, which should be coming soon. Ms. Kelly Foster, Associate Commissioner, Office of Continuous Improvement and Support, spoke to the challenges of NTI. In mid-March, all districts voluntarily closed to in-person classes at the recommendation of the Governor and the Department of Public Health (DPH), but it took slightly longer for large districts to begin NTI because of the necessary planning and roll-out work. NTI was originally begun in 2011 as a pilot program, which went statewide in the 2014-15 school year. Through the 2018-19 school year, more than 1,500 instructional days were saved for Kentucky school districts, including a record 510 instructional days in the 2017-18 school year and 399 days in the 2018-19 school year. Provisions of Senate Bill 177 include an unlimited number of NTI days, which may include virtual or distance learning. A blanket waiver was granted regarding NTI regulation by the Kentucky Board of Education in March so districts not currently participating in the NTI program could go through an abbreviated application to implement quality, non-traditional instruction for the remainder of the 2019-20 school year.

Instruction was delivered in various ways including handouts, virtual instruction via live meet-

ings, and recorded lessons. However, NTI was never designed to be a long-term substitute for in-classroom instruction, and much has been learned about the most effective methods and strategies. These lessons will inform improvements made for the upcoming school year, and all districts are assessing the possibility of having to return to NTI at some point if a spike in COVID-19 cases occurs this fall or next year causing closures.

Ms. Robin Kinney, Associate Commissioner, Office of Finance and Operations, spoke to the school feeding program. Access to food is critical to support learning goals during NTI. She reiterated that waivers had been provided by the federal government to receive and distribute food as if schools were not closed, largely based on the concurrent utilization of NTI. Different schools used different models for food delivery based on their own needs and staffing availability. The waivers were created with this need for flexibility in mind, sometimes even providing for multiple meals to be distributed at once to make the process as practical as possible. This support has been vital to families also struggling under the weight of unemployment during the pandemic shutdown. School districts have gone above and beyond, especially the non-certified personnel working in lunch rooms, driving buses, and staffing pick-up locations, who have worked tirelessly to distribute meals. They are now transitioning into the traditional summer feeding program. Supplemental monetary assistance is also available to families through SNAP to help during this summer reflecting the impact of COVID-19. Families can visit their district's website or social media to learn more about meal availability in their area.

Interim Commissioner Brown said waivers releasing schools from participation in the statewide assessment were very popular but acknowledged that these tests are a critical part of the accountability system. However, this was obviously the time to take advantage of relief from testing during a pandemic disease outbreak. The ACT was still administered, not as part of the accountability system, but to assist students pursuing a postsecondary program. Some ACT make-up days are being rescheduled, but a majority of sites were able to proceed through use of social distancing measures. Discussion continues at the federal level regarding assessments next year, and at this time it is unclear what that will look like and if there will be another exemption waiver. At this time, all federal ratings and supports will remain the same, as will the list of schools qualifying for Comprehensive Support and Improvement (CSI) and Additional Targeted Support and Improvement (ATSI).

Regarding end-of-year procedures, many schools have already coordinated pick-up programs for students to collect their personal belongings, return items, and participate in virtual or modified graduation ceremonies. Each school was granted significant flexibility to accomplish this by taking into account their own populations and school layouts while meeting safety standards. There were also some changes made to the ways students could meet graduation requirements. Ms. Amanda Ellis, Associate Commissioner, Office of Teaching and Learning, said one of these was the suspension of the requirement for graduates to pass a civics test as this test is only

available online so there were connectivity concerns for some students. This waiver was made based on the authority granted under Executive Order 2020-243 to cabinet secretaries and agency heads to suspend or waive statutes related to the current state of emergency. Early graduation was also allowed previously using end-of-course exams; however, some students had not had opportunity to take them before schools were closed. These students were allowed to substitute ACT benchmark scores in order to continue on track for early graduation. The requirements will remain in effect for high school freshmen and sophomores who have elected or will elect to participate in the early graduation program.

There were also a variety of ways that districts created alternative graduation ceremonies to celebrate their senior classes. Working with students and families, the best solution was reached for students and included virtual ceremonies and drive-in ceremonies. Safety guidelines were provided by KDE, and Interim Commissioner Brown said the ceremonies have all been moving and, while certainly not perfect or how these students envisioned them, have been an excellent way to recognize the achievements of the class of 2020. A statewide tribute to the class of 2020 was also created by KDE and is available online. It includes photographs from every district in the state, video messages from the Education Committee co-chairs Representative Huff and Senator Wise, work from artists, and special music from the Kentucky State University Choir. He encouraged everyone to view it because it truly is a touching testament to these students and what they have overcome and will go on to accomplish.

Going forward, the KDE has sought input from a variety of stakeholders and has formed the Education Continuation Taskforce to serve as a guiding coalition for delivery of services during the current period of school closures. This task force meets at least once a week to discuss issues facing school districts at this time. It includes representatives of Kentucky's educational cooperatives, educational partner organizations, Kentucky Educational Television (KET), the Southern Regional Education Board (SREB), and other relevant partners. The primary goal of the task force at this time is providing timely information, research, and instructional resources to schools and districts. Interim Commissioner Brown has also been having regular meetings with the Local Superintendent Advisory Committee to create guidance documents for back-to-school and social distancing. He has also continued weekly webcasts for district staff personnel. Attendance at these webcast meetings has risen dramatically to over 500 attendees on a regular basis. While these webcasts were useful before COVID-19, they are an absolutely critical line of communication right now.

Regarding federal financial assistance, Ms. Kinney said there were significant funds provided to schools through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Kentucky will receive approximately \$223 million for K-12 education, roughly 4 percent of Kentucky's annual education budget. \$193.2 million will be provided to local education agencies for emergency relief addressing the impact of COVID-19 on elementary and secondary schools. An

additional \$30 million of the \$43.8 million provided to Kentucky through the Governor's Emergency Education Relief Fund (GEERF) will also be applied to K-12 and higher education needs. The CARES funds have a very broad application by design, allowing for flexibility to cover ESSA expenditures, IDEA, needs for dealing with coronavirus prevention (such as purchase of personal protective equipment for school personnel), cleaning, and mental health supports. Money from the GEERF will largely be used for supporting feeding programs and enhancing remote learning supports. While this is a more targeted allocation, there is still significant flexibility for KDE and districts to use these funds as needed. District-by-district distribution of relief monies is available to view online. Also, KDE has expanded their Teachers Helping Teachers resource from the Office of Education Licensure and Effectiveness to directly connect experienced educators with other teachers to provide virtual coaching and support to help with the stresses of the COVID-19 crisis, not only in regards to remote instruction concerns but also for help dealing with students returning to the classroom with mental health and trauma impacts.

Summer learning support has been added to the website to assist districts and parents and will continue to be used to inform the reopening process. It is important for students to remain engaged with learning through summer reading and mathematics to prevent significant academic loss and best prepare them for the fall. While much is still unknown about reopening, Ms. Foster said KDE is encouraging districts to develop three contingency plans for the start of the school year: an early opening, a traditional opening, and a late opening plan. Reopening will be based on information from the DPH. KDE's guidance currently exists as a checklist focusing on how to ensure the health and safety of everyone, how to maintain quality teaching and learning, how to support exceptional learners, and how to continue school and district operations. KDE is also encouraging school districts to remain in contact and partnership with their local health departments to stay alert to changes in COVID-19 spread.

In closing, Interim Commissioner Brown said social, emotional, and mental health has been a focus throughout all the reopening discussions. KDE will be releasing more guidance as available regarding assessing students both academically and emotionally when they return to the classrooms. These recommendations are being informed by many partners in education and healthcare from within the state and from around the nation. Other subject matter guidance documents to be released in the next six weeks include those for exceptional learners, alternative learning models, transportation, career and tech, emergency drills and social distancing, performance based instruction, and teaching and learning - stages one and two.

Responding to questions from Senator Wise, Interim Commissioner Brown said there were no directives in the initial guidance documents as they were intended only to start the conversation. Depending on data, there may be significant changes about what schools will be required to do to safely reopen. Currently, KDE is encouraging school districts to create a 'playbook' with multiple different strategies for different scenarios. There is a plan to give more direction

in the guidance documents following discussions with DPH this week. It appears there are two camps of superintendents — those that want the greatest amount of flexibility and those that want strict rules that they can just implement.

In response to a question from Senator West, Interim Commissioner Brown said he was unsure if it would be required to follow CDC guidelines in order to receive federal funds, but he would certainly make sure all efforts were made to maintain funding. Senator West stressed a desire for ultimate flexibility rather than a one-size-fits-all approach.

Representative Willner said it was a great presentation and wanted to pass her thanks on to the Interim Commissioner and KDE staff. Representative Sims asked on behalf of his superintendents for flexibility in SEEK funding formulas regarding daily attendance counts.

Interim Commissioner Brown acknowledged these concerns, as well as those of Mr. Schultz, and said they are looking at creating hybrid options for students who are immune compromised or live with someone who is. They may be attending virtually and that will impact attendance counts for the SEEK formula. It may be necessary to implement a waiver for those situations, perhaps mirroring existing statutes regarding home and hospital instruction.

Responding to comments from Senate President Stivers, Interim Commissioner Brown said there was a 92-94 percent participation rate for NTI, which is in line with NTI participation from previous years. However, NTI participation is not the same as traditional daily attendance. Written packets are not adequate for long-term NTI use, and assessments will also need to be reconsidered. There may be a way to use MAP testing in the fall to fulfill some federal requirements, but the attendance issue remains unclear.

Responding to questions about achievement gaps from Senator Thomas, Interim Commissioner Brown said there will unfortunately be a widening of achievement gaps as a result of COVID-19 related closures. Even though teachers are doing tremendous work, NTI is not a substitute for in-person instruction. All the supports a school provides are not available at home, and there are differences that cannot be accounted for. Things will be missed, but there are stories of exceptional connections being made between students and teachers. Only time will tell what kind of gaps will exist when MAP testing and other assessments can be performed.

A final comment was submitted by remote attendee Representative Brenda. He said he had a pre-engineering student who only had a tablet capable of word processing. His courses rely heavily on technology, and Representative Brenda hopes that it will be possible to get students back into the classroom as soon as possible. He appreciated the information given in the presentation and looks forward to more guidance.

With no further business to come before the committee, the meeting adjourned at 12:00 p.m. The next meeting of the committee will be July 7, 2020, at 10:30 a.m.

Interim Joint Committee on Education

Minutes of the 6th Meeting of the 2019 Interim

November 20, 2019

Call to Order and Roll Call

The 6th meeting of the Interim Joint Committee on Education was held on Wednesday, November 20, 2019, at 1:00 p.m., in Room 149 of the Capitol Annex. Senator Max Wise, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Max Wise, Co-Chair; Senators David P. Givens, Jimmy Higdon, Alice Forgy Kerr, Stephen Meredith, Gerald A. Neal, Robert Stivers II, Johnny Ray Turner, Stephen West, and Mike Wilson; Representatives Tina Bojanowski, R. Travis Brenda, Randy Bridges, John Bam Carney, Mark Hart, Scott Lewis, Mary Lou Marzian, Bobby McCool, Reginald Meeks, Charles Miller, Melinda Gibbons Prunty, Steve Riley, Attica Scott, John Sims Jr, Russell Webber, and Lisa Willner.

Guests: Richard Innes, Education Analyst, Bluegrass Institute for Public Policy; Kelland Garland, Kentucky Association of School Councils; Gay Adelman, Dear JCPS; Lucy Waterbury, Save Our Schools KY.

LRC Staff: Jo Carole Ellis, Yvette Perry, Joshua Collins, and Maurya Allen.

Approval of Minutes – October 2, 2019

Following recognition of Kentucky School Boards Association members, Senator Wilson made a motion to accept the minutes of the October 2, 2019 meeting. The motion was seconded by Representative Lewis and passed by voice vote.

Kentucky Department of Education

Assessment Blueprint Revision and Development Process for Reading and Writing, Mathematics, and Social Studies

Chairman Wise explained that there was a requirement for Kentucky Department of Education (KDE) to present several reports on the Kentucky Assessment and Accountability system. Commissioner Wayne Lewis was present with Michael Hackworth, Policy Advisor, Office of Standards, Assessment and Accountability; and Dr. Jennifer Stafford, Division Director, Office of Standards, Assessment, and Accountability. Commissioner Lewis reiterated it was a statutory requirement for the department to convene a committee to review the assessment system and align it with standards. Dr. Stafford said beginning in fiscal year 2017-18 and every six years thereafter, KDE shall implement a process for reviewing Kentucky's academic standards and the alignment of corresponding assessments for possible revision or replacement. This is to ensure students are getting the best education and assessments are covering the material in standards. The review committee consisted of public school teachers, representatives of Kentucky higher education institutions, and business/industry representatives. There were additionally three advisory panels with the same mix of representation.

Alignment of standards is achieved through the creation of assessment blueprints. The purpose of

a blueprint is to outline the percentage of items that will be assessed within the domains of the Kentucky Academic Standards (KAS) in each subject area. Blueprints were created to guide the development of individual test items, serve as targets for assessment development, define how results from the assessment are reported, and provide information to teachers as they make instructional decisions.

Mr. Hackworth then illustrated the process for members through the use of a flow chart. This indicated that the alignment process is approximately two-thirds completed and the next step is for the Commissioner to report to the Standards/Assessment Process Review Committee. If they determine the process is sufficient, the assessments will go before the Kentucky Board of Education (KBE) for final approval and new assessments will be implemented in all schools no later than the second academic year following the review and alignment process. The process began in April 2019 and has currently been completed for reading and writing, and mathematics standards and assessments. The process is ongoing for social studies standards and will start soon for science standards.

The public feedback and comment period allows for open participation for Kentuckians by use of an independent third party, the Appalachia Regional Comprehensive Center, to collect and transmit comments to the department and to the panels. Blueprints were posted for 30 days during each public comment period. Dr. Stafford said that there were multiple group types responding during comment periods including teachers, administrators, retired teachers, parents, students, community members, and representatives of higher education institutions. There was an overwhelmingly positive response to the domain levels for reading and writing and its blueprint as well as for the domain levels and readability of the mathematics blueprint. Dr. Stafford briefly illustrated the domains by giving an overview of the blueprints for reading, on-demand writing, and open ended essays. For social studies, there were similar results regarding public feedback and support. Over 72 percent agreed that the domains were acceptable "as is" and over 90 percent of respondents felt the blueprint was easy to read and understand. She indicated that the social studies and the mathematics blueprints were available in member packets. Dr. Stafford said that more in-depth information was available to members in a binder as well as online in an electronic version.

In response to a question from Representative Willner, Dr. Stafford said that there was a public release and information was sent straight to administrators and faculty regarding the public comment period. It was dependent on the local schools to disseminate that to students. Mr. Hackworth said they encouraged administrators during web seminars to include students.

Responding to questions from Representative Carney, Dr. Stafford said it would be possible to get rough regional information regarding those who applied to participate in the committees and panels. Representative Carney echoed Representative Willner's concern about lack of student feedback, and said there was also a troublingly low amount of parent feedback.

Responding to a question from Representative Scott, Mr. Hackworth said the links to the online ver-

sion were available in the electronically disseminated version of member packets.

In response to questions from Representative Bojanowski, Dr. Stafford said the survey was strictly confined to questions about the blueprint and did not include questions about general feelings regarding assessments. Commissioner Lewis reassured the members that the amount of testing performed in Kentucky is the bare minimum required by federal law. Representative Bojanowski said she would like to see assessments inform classroom instruction instead of just accountability measures.

Responding to questions from Representative Prunty, Mr. Hackworth said there were postsecondary and business partners included in the committees and advisory panels. And the press releases requesting public comment were posted on the KDE website and published in the regular areas. Responding to questions about the social studies standards, Commissioner Lewis said that they made the decision to honor the work of the committees and uphold the standards as they were presented.

In response to questions from Senator Givens, Dr. Stafford said the current blueprints are presented here and combined with the new standards, will be used to create assessments. Senator Givens said it would have been nice to see what the specific changes were from the previous standards and assessment alignment.

Responding to a question from Senator Wilson, Commissioner Lewis said it is true that by law criterion based assessment should be used to assess Kentucky standards. KDE has temporarily been using the ACT® to fill in a gap, but it is not compliant with Kentucky law as it is a norm-referenced test. In the upcoming year, assessments will be used that will be compliant and criterion based to align with Kentucky standards. He further explained there is not funding to administer the 10th Grade assessment at this time. While there has been savings from eliminating some assessments, other requirements of Senate Bill 1 of the 2017 Regular Session have been using those funds. Largely the administration of industry certification testing has been prioritized as those are credentials students can immediately put to work and they count toward school accountability scores.

KDE - Discussion of Graduation Requirements

Commissioner Lewis spoke to the requirements of statute for him to conduct town hall meetings to get feedback regarding changes to the state graduation requirements. Four meetings were held in Shelbyville, Bowling Green, Hopkinsville, and Hazard. Three of the four meetings were hosted by local education co-op organizations. While there were not large numbers of participants, there was rich dialogue. However, there was little feedback regarding the reading and math competency element. There was additionally an online forum for feedback on reading and math competency. There was widespread miscommunication about how the requirement for reading and math competency would be met. Largely, it was believed that students would only be able to demonstrate competency through an assessment. While there are two assessments used to assess competency, there is also the ability to demonstrate competency through the use of a portfolio of work submitted to the local superin-

tendent.

There were also concerns about students with disabilities and their ability to demonstrate competency. Students would have the opportunity, through their ARC teams and IEPs, to make necessary accommodations and alterations to demonstrate the necessary competencies for graduation. Commissioner Lewis said it was very rewarding to participate in these meetings and it creates richer guidance for the department, especially as it relates to the use of portfolios.

In response to a question from Senator Wise, Commissioner Lewis said there is cost to retesting that will be borne by the department. However, there was intense discussion about ways to improve preparation, especially at the early ages, to provide supports that would reduce the amount of retesting required. This would also incur some additional expense, but as these are foundational skills for students, it is important to ensure students have these skills. Commissioner Lewis said before the requirements changed, it was required for students to pass Algebra II. That was a far more rigorous requirement than demonstration of math and reading competency. If districts were graduating students before the change, this should not pose a difficulty now. He does not believe that basic competency should be a high bar, in fact, it sets the bar very low.

Responding to comments from Senator Givens, Commissioner Lewis agreed that the listening tour was very rewarding and he again thanked the General Assembly for requiring it in statute. He also agreed that the diplomas should matter, and there will be some discomfort for students who will not graduate in the spring because of the new guidelines. This year because of the changes to assessment in 10th Grade, there is less data to know how many students will not receive a diploma in spring 2020. Approximately 20 percent will need to submit a collection of evidence to prove competence in reading and math. Next year, using the data from the new assessment, there will be a better, and hopefully lower, estimate on the number at risk of not graduating.

In response to a question from Senator Meredith, Commissioner Lewis said in terms of equity of access in meeting the requirements for reading and math company, all districts have what they need. However, there are some districts who are better equipped and will not have as many struggles to meet these standards. Additionally, there was misunderstanding about the qualifiers, but many districts were impressed with the flexibility and variety of ways for students to meet those elements of the standards once it was explained. These qualifiers replace the 'transition readiness' portion and helped meet the needs of districts with less access to industry certification assessments.

KDE - Analysis of State School Accountability System

Commissioner Lewis said the analysis of assessment and accountability was required by statute and incorporated statewide stakeholders to review the system. Dr. Stafford explained that the review committee was very diverse, with members from all the regions of the state as well as from different stakeholder groups, including teachers, administrators, parents, assessment coordinators, special education instructors, community members, and representatives of higher

education. They were charged reviewing assessment results and consider impacts and potential for all schools to reach the highest rating in our statewide accountability system.

Prior to the meeting, a survey was distributed to invited members which included questions about their roles, the most positive aspects of the accountability system, which components might benefit from revision, and any potential unintended consequences. While not all invitees participated, there were robust responses from those who did participate and several topics were identified for further discussion at the in person meeting. Those topics were overall accountability, equity of reporting, how equity would be measured, English language learners, student growth in reading and mathematics, and transition readiness. During the meeting the committee prioritized potential changes and made recommendations to KDE.

Dr. Stafford then briefly gave an overview of the system, including indicators in elementary and middle schools. There are indicators for proficiency in reading and mathematics, separate academic indicators in science, social studies, and writing tests, and growth in reading and mathematics as well as English language attainment for English-language learners. For high schools, there are four indicators. Proficiency in reading and mathematics (which for this year utilized ACT® scores), separate academic scores in science and writing tests, transition readiness, and graduation metrics.

She next covered the overall accountability weights, which this year do not yet include quality of school climate and safety. Those will be included in next years' report as the survey tool for assessing them is still being created. During the 2018-19 school year, schools, districts, and state all received a Star Rating (1 to 5 stars), an overall accountability score, and an indicator label, which was made public on October 1st. There was a distribution of ratings among all the star ratings, whose boundaries had been set by stakeholders. Different combinations of school performance were used to establish what qualified as a 1 star, 2 star, 3 star, etc. The committee further established a standard using a criterion based approach, as opposed to a normative approach. Commissioner Lewis said it is a requirement of federal law to provide meaningful differentiation among rankings in the system. Secondly, the committee did use the criterion approach even though the resulting distribution resembles a normative curve. The stakeholders desired a criterion based system so that they could have a definitive goal, not a target that would change based on the performance of other schools.

Further, the definition of Comprehensive Support and Improvement (CSI) and Additional Targeted Support and Improvement (ATSI) schools was created with assistance from the U.S. Department of Education. There were also exit criteria established for each of these categories. It is required that the bottom five percent of schools be considered CSI schools, and if they do not exit that category they become ATSI schools in order to receive more support from KDE.

After the public release of accountability data, there was a 10-day period for districts to request individual student changes. Based on individual change requests and allegations, there can be changes. For the

2018-19 school year, two schools increased a star rating, two districts increased a star rating, one school decreased a star rating, and one school was removed from ATSI. In negotiation with the US Department of Education, there had previously been two tiers of TSI school, which have informed the CSI and ATSI definitions for the upcoming school year. Also, Senate Bill 175 of the 2019 Regular Session introduced the change in terminology to better align with the federal Every Student Succeeds Act (ESSA). All 418 schools identified as TSI are now reported as ATSI, however, this was merely a change in terminology, not a substantive change. Further, changes were submitted to the US Department of Education but without a change to the definition of TSI, the state plan would not be accepted. Kentucky's plan was approved on September 23rd which allowed for the public reporting of scores on October 1st and further discussion with the review committee on October 22nd.

The review committee said the assessment and accountability systems were reported as expected, and were completed well without any major incidents. School performance on multiple measures were reported, and overall performance reported in a simple 5-star rating making the school report cards easy to read. There were a range of scores, with most schools in the middle (3-star) category. Schools and districts received much more detailed data on individual students than can be presented publicly. Low performing schools were identified, and there were also schools that performed well even with challenging circumstances. However, achievement is still lower than desired and achievement gaps do still exist in some at-risk demographics.

Some unintended consequences discussed were the over simplification and misuse of the star rating. Parents and community members may look simply for higher star schools, without fully understanding what their school was doing well because of the complexity of the system and the reporting measures. There is also less nuance regarding special needs or special interests which may be present in a 3-star school but go overlooked by a desire for students to attend a 4- or 5- star schools which may not have the same services. There was also scrutiny of the calculation of 12th Grade non-graduates in the transition readiness measure. At the request of the US Department of Education, transition readiness will now be calculated by dividing the number of high school graduates plus non-graduates who have met measures of transition readiness plus the number of English language learners who have achieved English proficiency by the total number of graduates plus non-graduates plus the number of graduates who have received English language services during high school.

There was a significant amount of debate regarding the inclusion of English language learners into state accountability. Currently, these students are included twice both in the growth and transition readiness indicators. This is a requirement of the ESSA and very few modifications can be made without risking access to federal Title IX funding. There is an option to remove English language learners progress from transition readiness and include a separate indicator for English language proficiency, but the committee was not receptive to a separate indicator so no changes will

be made at this time.

The committee agreed the system was designed logically and there was potential for all schools to achieve a 5-star rating. One question raised by the committee, though, was whether schools with a high percentage of students achieving proficient and growth in separate academic scores could achieve a 5-star rating. This was demonstrated to be true with several examples of schools achieving high ratings with growth. Achievement gap identification was also discussed at length with some committee members stating more schools should be identified as having a gap and others stating the opposite. Achievement gaps, however, were identified using statistical and practical differences. Using these measures, over 75 percent of schools at the 4- or 5-star rating did not have a statistically significant achievement gap. Further analysis showed that the schools received these ratings while being accountable for groups of students with IEPs, English language learners, students with economic disadvantages, and students in racial/ethnic minorities. KDE does plan to enhance reporting of achievement gaps in the future to further closing the gaps.

In response to a question from Representative McCool, Commissioner Lewis said there should be no public schools without a population of students with special needs. There are some schools with higher percentages, but there is a diversity of ways that schools are meeting the needs of their special needs populations. Some are doing very well and can serve as examples to others.

Responding to a question from Senator Meredith, Commissioner Lewis said growth is only an indicator for elementary and middle schools where it is 35 percent of the weight of the accountability system. It is not an indicator that is required by federal law, but it helps provide some equity for schools that are economically disadvantaged. Schools with low proficiency can help their accountability score improve by working with those students and seeing growth among those groups. It rewards their efforts to improve over time.

In response to a question from Representative Willner, Commissioner Lewis said SBDM groups lose their authority when schools are designated CSI as a result of statute not department policy. However, there are ways that those groups can maintain a voice as is illustrated in parts of Jefferson County.

In response to a question from Representative Meeks, Commissioner Lewis said this is the first accountability system to flag achievement gaps at such a degree and the first time that those gaps have an impact on accountability. While there was some debate among committee member regarding the number of schools with achievement gaps, this is only the first application of the system and it may be refined over time.

Responding to a question from Representative Bojanowski, Commissioner Lewis said the accountability system is very sensitive to the dynamics of large populations of English-language learners, high poverty, and high trauma. This system rewards schools who make any gains among students even when they are not reaching levels of proficiency that would be desired.

In response to a question from Representative Scott, Commissioner Lewis said enhanced reporting will include more information on how the system arrives at a specific designation of an achievement gap. These are highly technical statistical models, but in the interests of transparency, they will be provided online with the scores in the future. Commissioner Lewis confirmed his dedication to identifying achievement gaps and to work towards reducing them.

2019 Senate Bill 3 – School Councils

Senator John Schickel was present with Dr. Randy Poe, Superintendent, Boone County Schools; Davonna Page, member, Russellville Independent Board of Education; and Eric Kennedy, Director of Advocacy, Kentucky School Boards Association, were present to discuss the issue of school governance and Senate Bill 3 of the 2019 Regular Session. Senator Schickel said currently school councils are dysfunctional, especially in terms of hiring of principals, superintendents, and accountability. Mr. Poe said parent involvement is very important in schools and it exists regardless of how SBDMs are formed. Boone County has been doomed to lack of success because of lack of cohesion among the feeder schools in terms of curriculum and reporting. Correcting for problems and seeing any growth measures for the accountability system is difficult for middle schools that only have students for three years, and no control over the feeder schools. He advocated that KDE needs to step in to help create more aligned curriculum.

Ms. Page said she is a member of a school board as well as a former parent representative to a site based decision making body. Public schools are incredibly important to her and her passion for improving them motivated her to seek a seat on the board of education. Effective teamwork requires a common goal and purpose, and this applies to superintendents in building their team of principals. While superintendents are part of the process, SBDMs are the last voice in principal hiring, making it difficult for superintendents to form their best teams. Changes to the principal hiring process will not remove parent voice, but will streamline the chain of command and accountability among principals, superintendents, and parents.

Senator Schickel said the proposed legislation had passed the Senate in the past, and a version specific to Jefferson County was passed during the 2019 Regular Session. He has high hopes that it will complete the process this year. Mr. Kennedy said he also included a brochure to define the difference between school boards and school councils to help members better understand what these bodies do. The primary purpose of the bill is to refine accountability and make sure that schools are doing their best to educate students.

Also present to speak was Richard Ennis, Education Analyst, Bluegrass Institute for Public Policy. He spoke in favor of the bill but expressed specific concerns about SBDMs in the state. He gave additional information about the 2019 National Assessment of Educational Progress (NAEP) review where both white and black students in Mississippi outscore their Kentucky peers in math and reading assessments by a statistically significant amount. Mississippi accomplished this while paying teachers less than in Kentucky, generating less education revenue, and with a

higher rate of poverty in the state. Policies enacted in 2013 formed the turning point for Mississippi. But as it stands right now, he believes that Kentucky's SBDM laws would interfere with any attempt to implement similar policies.

Kelland Garland, middle school principal and representative of the Kentucky Association of School Councils spoke against the bill. He said the principal selection process has been in place for a couple of decades and starts with input from teachers and parents. Shifting it from the SBDM body to a single person could be problematic because it limits that input avenue. It is necessary to examine the effectiveness of the change in Jefferson County, specifically the change allowing the superintendents to chair meetings or send a designee. How many send a designee? If they want input, why do they not participate directly? Principals and superintendents are on the same team, and there is a chain of accountability that ends with the superintendent, who still reserves authority to fire a principal. School board members are elected but are not required to have any children in the school system while site based members do and are elected in the same way as school board members.

Gaye Adleman, Dear JCPS advocate, spoke against the bill. She said principal selection at the district level with a culturally competent superintendent may work fine, however, a non-culturally competent superintendent could be unhelpful as was her experience. Removing SBDM groups from struggling schools has made things worse, not better, as illustrated by a spreadsheet from publically gathered data. She also showed correlation between poverty, loss of parent voice, and lower ranked (CSI) schools. She admitted that this data was compiled prior to the publication of the new star ratings, but demonstrates advisory only SBDM schools are segregated into a single region.

Rep Marzian asked for copies of Ms. Adleman's statistics for further review.

Lucy Waterberry, Save Our Schools, spoke against the bill and said involvement of stakeholders is necessary for schools to improve. Fayette County has 66 schools and there are superintendents who may not spend sufficient amount of time in any school to understand the cultures there, especially as there has been high turnover of superintendents in the district. If superintendents engaged they would get the principals and support they want but in the larger districts, putting sole principal hiring authority with a single individual is too much. She urged the legislature to stop sending middle managers and taking away power from parents. She also commented that it does not appear that rural districts have any trouble with the system as it is because they engage.

Report from Career and Technical Education Task Force

Senator Wilson and Representative McCool were present to cover the findings of the task force over the 2019 interim. Senator Wilson said they looked specifically at inequity among the split system in terms of funding, in terms of teacher salaries, and in terms of access. There is no overarching solution to these inequities at this time, but some recommendations for things to work toward improving.

Representative McCool said there are significant differences between the Local Area Vocational Edu-

cation Centers (LAVECs) and Area Technical Centers (ATCs). Clearly, it would be preferable to raise the funding for the group that gets significantly less, the LAVECs. Costs over four years to bring equity were presented as rough numbers to the committee. In some rural areas there is more need for greater access, while other regions have easy access and many opportunities. Career and technical education is a feeder into the Kentucky Community and Technical College System (KCTCS) and there is a need to ensure alignment among the centers, KCTCS, and local industry. There also needs to be greater accountability, including use of performance-based funding. Job placement at the end of high school as well as the end of associate degree attainment would be valuable data to know.

Senator Wilson said KYStats has the ability to illustrate this data and see what the employment realities are. The data was compiled by KDE and analysts at LRC which indicates state funds necessary to bring LAVECs to the level of ATCs over a four year period. KDE also presented during the interim and proposed reducing ATC funding in order to raise LAVECs up. Lack of alignment for industry certification also exists between local needs and state accountability. Some courses offered in certain regions do not rise to the level of high need at a state level, so they are not counted in the accountability system. And courses that are offered because they meet a state need go unfilled because there is no local demand. There is a high need for skilled workers throughout the state and the education system needs to be designed to help these students graduate, attain employment, start families, and live a good life.

In response to a question from Representative Carney, Senator Wilson said the proposal scenario represents new money. Chuck Truesdell, analyst, LRC Office of Budget Review said the first column in the handout represents current dollars spent and that money does not go directly to school districts but is distributed through the state ATC.

School Counselors in Kentucky

Dr. Bart Liguori, Research Division Manager, Office of Education Accountability; and Sabrina Cummins, Research Analyst, Office of Education Accountability presented an overview of school counselors in Kentucky as required by Senate Bill 1 of the 2019 Regular Session. Ms. Cummins explained the bill had two goals for school counselors, the first is for them to spend at least 60 percent of their time on direct services to students and the second is for there to be a ratio of one counselor per 250 students. The report showed that 57 percent of schools did not meet the target for amount of time spent with students and the number of school counselors would need to increase by 80 percent to meet the target for student/counselor ratios. Additionally, staff pointed out there were some definitions in the statute that need refinement for clarity.

First, there is no definition of what qualifies as "direct services to students" and which types of schools are subject, whether this applies to only A1 schools or are career and technical schools and alternative schools also subject to these requirements. There was also no effective date to require one counselor per school. While July 1, 2021 was listed in the bill, language also said "or when funds become

available" meaning there was significant flexibility in when schools should be in compliance. Ms. Cummins briefly gave an overview of the data sources for the report and also presented some data regarding costs to schools for increasing school counselors to meet statutory requirements.

Direct services and indirect services are defined by the American School Counselor Association but need to be incorporated more specifically in statute or regulation. Direct services are defined as "in person interactions with students" and this was the benchmark used for the survey used in this report. For comparison, West Virginia is the only surrounding state that requires a minimum amount of time for school counselors to spend on direct services, requiring 75 percent of time. For this analysis, only A1 schools were surveyed. On average 53 percent of time spent with students, with elementary school counselors spending the least amount of time on direct services and high school counselors spending the most time. High school counselors further spent more direct services time on academic counseling. Elementary schools struggle to meet the benchmark as they do not have assistant principals, therefore school counselors spend more time in special need consultations and other indirect services. Mental health counseling is least at the high school level. However, elementary schools spend almost double the amount of time as high schools on personal and social development. Regarding indirect services, on average 19 percent of time was spent on these services. In elementary school this was significantly higher due to the above mentioned time spent on special needs and other consultations. The report also showed counselors spend time up to 28 percent of their time on duties that are not direct or indirect such as test monitoring, bus duties, and event planning.

It is an ambitious goal for the state to achieve a 250 to 1 ratio compared to surrounding states. The requirement in Missouri is a ratio of 500 to 1, but has a recommendation of 300 to 1. Tennessee and Virginia both have ratio requirements, however, these are less for higher grade levels, while Kentucky has proposed this ratio across all grade levels. Currently, the average ratio is slightly over 400 to 1, with higher ratios at the lower grades. Ms. Cummins stated the report contains a further breakdown by school size and poverty level, but she reminded the members that all calculations were based on A1 schools. While some career and technical schools and alternative schools have counselors, they were not included in this survey. Neither were other service providers such as psychologists, therapists, and college/career coaches. In order for Kentucky to meet the target ratio across just A1 schools, an additional 1,156 counselors are needed state wide to meet the goal ratio. Estimated annual cost to employ this number of school counselors would be approximately \$93 million. Currently, 96 percent of school counselor salaries are paid from district general funds. Recruitment and retention are expected to present major challenges, as a greater percent of school counselors are eligible for retirement with full benefits than classroom teachers. While over 260 school counselors graduate annually, which would cover the annual number who retire, superintendents report significant recruitment and retention problems. School counselors are also classified as instructional

leaders and required to get 21 hours of professional development annually related to their duties as school counselors. There are also two regulations mentioned in the current professional development regulation that are outdated and need to be amended. Noted in the report, almost half of counselors are not getting their required professional development hours because of this lack of clarity. It was recommended that KDE revise the regulation and that school districts ensure compliance on professional development for school counselors. Superintendents must report number and placements of school counselors annually and KDE performs a survey. However, the survey does not meet the requirements of the statute for reporting. Dr. Liguori said KDE implemented their survey in order to assist districts with reporting proactively, however, there are improvements that can be made. Ms. Cummins gave a brief overview of the findings and asked if members had any questions.

Chairman Wise said there will likely be revisions to the statute in the upcoming session to address some of these recommendations.

Representative Willner expressed concerns about districts releasing certified mental health professionals in order to meet the ratios of school counselors but was gratified to hear that that may not need to occur with changes to the statute.

With no further business to come before the committee, the meeting adjourned at 3:30 p.m.

Interim Joint Committee on Appropriations and Revenue Budget Review Subcommittee on Education

Minutes of the 1st Meeting of the 2020 Interim

June 3, 2020

Call to Order and Roll Call

The 1st meeting of the Budget Review Subcommittee on Education of the Interim Joint Committee on Appropriations and Revenue was held on Wednesday, June 3, 2020, at 10:30 AM, in Room 154 of the Capitol Annex. Representative Steve Riley, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representatives James Tipton, Co-Chair, and Steve Riley, Co-Chair; Senators C.B. Embry Jr., Gerald A. Neal, Johnny Ray Turner, and Mike Wilson; Representatives Kim Banta, Tina Bojanowski, Randy Bridges, Kelly Flood, Cluster Howard, Regina Huff, C. Ed Massey, Bobby McCool, and Rob Rothenburger.

Guests: Charles Harman, Director, Division of Budget and Financial Management, Kentucky Department of Education; Robin Kinney, Associate Commissioner, Office of Finance and Operations, Kentucky Department of Education.

LRC Staff: Chuck Truesdell, Seth Dawson, and Amie Elam

Kentucky Department of Education (KDE)

Charles Harman and Robin Kinney gave a presentation to the committee regarding FY 2020 budget reductions and FY 2021 budget implementation. The impact of COVID-19 on school districts and

the Coronavirus Aid, Relief and Economic Security (CARES) Act were also addressed.

In response to a question from Senator Embry, Ms. Kinney said using available state and federal funds for eligible purposes could free up money from other sources to address budget shortfalls in local districts.

In response to a question from Representative Tipton, Ms. Kinney said the process for requesting Elementary and Secondary School Emergency Relief (ESSER) funds has started. School districts need to make a federal cash request to be able to receive ESSER funds. Staff will send tax rates for each school district to members of the committee.

In response to a question from Representative Bojanowski, Ms. Kinney said that, under the CARES Act, there is a model that informs districts regarding equitable services. She added that this does not mean that money will go to private schools, but rather, focuses on the value of services provided to the students enrolled in private schools.

In response to a question from Representative Howard, Ms. Kinney said the Kentucky High School Athletic Association (KHSAA) had waived the dead period date for athletics. She added that school districts play a vital role in many aspects of the community and the importance of considering each aspect when providing guidance on how to proceed for the summer and the upcoming school year.

In response to a question from Representative Banta, Mr. Harman said there are 51 federally identified Comprehensive Support and Improvement (CSI) schools in Kentucky. There is little to no flexibility with state and federal guidelines regarding CSI schools.

In response to a question from Representative Flood, Ms. Kinney said the Governor's Emergency Education Relief (GEER) Fund dollars will be allocated under the Title I formula.

Chair Riley announced the next meeting of the Budget Review Subcommittee on Education will be held on July 8, 2020, at 10:30 a.m.

There being no further business to come before the subcommittee, the meeting adjourned at 11:40 a.m.

Interim Joint Committee on State Government

Minutes of the 1st Meeting of the 2020 Interim

June 24, 2020

Call to Order and Roll Call

The first meeting of the Interim Joint Committee on State Government was held on Wednesday, June 24, 2020, at 10:30 AM, in Room 171 of the Capitol Annex. Representative Jerry T. Miller, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Wil Schroder, Co-Chair; Representatives Jerry T. Miller, Co-Chair, and Kevin D. Bratcher, Co-Chair; Senators Ralph Alvarado, Denise Harper Angel, Stan Humphries, Christian McDaniel, Robby Mills, Michael J. Nemes, Damon Thayer, and Johnny Ray Turner; Representatives John Blanton, Tom Burch, McKenzie Cantrell, Jeffery Donohue, Jim DuPlessis, Larry Elkins, Joseph M. Fischer, Kelly Flood, Jim Glenn, Derrick Graham, Joe Graviss, Richard Heath, Samara Heavrin, Joni L. Jenkins, Matthew

Koch, Derek Lewis, Scott Lewis, Mary Lou Marzian, Patti Minter, Jason Nemes, Jason Petrie, Rick Rand, Steve Sheldon, James Tipton, Ken Upchurch, Russell Webber, and Lisa Willner.

Guests: Jay Hartz, Legislative Research Commission; Tricia Okeson and Mark Carter, Department of Public Health, Cabinet for Health and Family Services; and Gerina Whethers and Jenny Goins, Personnel Cabinet.

LRC Staff: Alisha Miller, Daniel Carter, Roberta Kiser, and Peggy Sciantarelli

Contact Tracing Activities and CARES Spending, Contracting, and Oversight

Guest speakers from the Department of Public Health, Cabinet for Health and Family Services, were Tricia Okeson, Deputy Commissioner, and Mark Carter, Executive Advisor. They appeared via videoconference. Their testimony included a PowerPoint presentation entitled "Contact Tracing" and a brief YouTube video relating to Kentucky's contact tracing program.

Mr. Carter said that public education and participation presents a significant challenge for contact tracing. As part of an educational effort to promote understanding of contact tracing, the Department has been communicating with county judge/executives, mayors, the League of Cities, chambers of commerce, school superintendents, independent college and university presidents, and others. The Department's work is consistent with the guidelines from the White House and the Centers for Disease Control and Prevention (CDC). The contracting tracing and tracking system—referred to as CTT—is the tool used by disease investigators and contact tracers in conjunction with the COVID-19 containment and mitigation strategy. Privacy protections have been built into the system. The current focus on the pandemic should also provide long-term value to the Department of Public Health, local health departments, epidemiologists, health professionals, scientists, and the Commonwealth in general.

Mr. Carter reviewed the slide presentation, which explains that contact tracing combines public participation and the power of technology to help public health officials and health care providers contain the spread of COVID-19. It allows public health workers to record individual information of Kentuckians who have been exposed and to conduct outreach and monitor wellness. Disease investigators call individuals who have contracted the virus, confirm their lab results, verify their isolation needs, and ask about potential contacts. Contact tracers are then responsible for calling the individuals who have been exposed, providing information to them, and assessing the individuals' health on a daily basis. In some areas, the disease investigator and the contact tracer may be the same person. The system may also employ individuals—social support connectors—who identify daily needs of patients or contacts who are isolating and quarantining. The CTT system shares information through social media and shares communication materials with public establishments, government buildings, local health departments, medical offices, healthcare facilities, and testing sites.

The contact tracing effort requires a partnership between the state, local departments of health, and the public. The purpose of contact tracing is to help

people protect their families and friends. It is also a tool to help ensure an open and strong economy in the state and to educate citizens regarding COVID-19. To ensure the best effort, Kentuckians need to be united and to spread awareness and understanding of contact tracing. Informational materials are available on the “[kycovid19.ky.gov](https://www.ky.gov/covid19)” website.

Representative Miller asked about the qualifications of disease investigators and whether contact tracers are local or state public health workers. Mr. Carter said that disease investigators typically are clinicians such as registered nurses or someone in an allied health profession who understands the disease and how to manage it. Tracers do not have to be clinicians, but it is important that they have excellent communication skills. Kentucky’s 61 local health departments have been doing contact tracing on communicable diseases for decades and already had 431 disease investigators and contact tracers on staff prior to COVID-19. Since the advent of COVID-19, the Department of Public Health has used staffing agencies to hire temporary positions for regional teams of disease investigators and contact tracers. Staff in those positions may be physically located in a local health department or, if working remotely, live in the local health department’s community. As of June 19, 2020, an additional 206 have been employed, for a total of 637. CARES Act funding permits hiring up to 700 people as the need arises.

Senator Thayer said he wants to go on record that he is dubious and skeptical about contact tracing. He believes it infringes on people’s freedoms and liberty, and he thinks the legislature should be more involved in making decisions when there is a state of emergency. He asked about the Governor’s promise to reimburse local health department costs related to COVID-19 and whether any funds have been disbursed. Ms. Okeson said the Governor has allocated \$10 million to reimburse local health departments, and the Department of Public Health is tracking local health department costs relating to COVID-19 activity. She believes a little over \$6 million has been sent to the local health departments, based on their costs to date. Senator Thayer said he would like to have verification from the local health departments that they have received the funds. He also expressed concern that people are being hired through staffing agencies when the health departments have employees on staff who are already trained. Mr. Carter said the additional staff were hired in order to provide flexibility to move resources to areas that might experience outbreaks. The Department of Public Health recognizes the competency and expertise of the local health departments, and they have final say regarding the hiring of additional staff. There is emphasis on hiring staff from the local communities where they will be working. Mr. Carter said he understands Senator Thayer’s concerns but believes there is a good balance between central control for deployment of staff and ensuring that they are properly supervised on a daily basis.

Responding to questions from Senator Nemes, Mr. Carter said that the CTT system for COVID-19 is being funded by the CARES Act through the end of the current calendar year and will also be applicable to other communicable diseases. Without reauthorization of CARES funding, no state funds are available

to continue paying the additional hires. Local health departments have jurisdiction to require a person to quarantine, and most will likely comply when they understand that the program is designed to help protect them and their loved ones from the virus. Contact tracing for large group events is a matter of practicality. It is recognized that an identified contact would probably not know everyone in attendance at the event.

Representative Graviss asked about the potential for using current staff or “ramping up” staffing if there should be a future need, once the current pandemic subsides. Mr. Carter said that many of the current staff are competent at contact tracing, and he believes there would be a good pool from which to choose. At least one Kentucky institution of higher education is trying to develop a certification program for contact tracers, and that bodes well for the future. Lack of the necessary technology has been one of the biggest challenges during the pandemic. From an overall staffing perspective, though, the Commonwealth would be able to respond effectively in the future if needed. The department has also had a crisis response function in place for years, and much has been learned from dealing with COVID-19.

Representative Bratcher asked whether someone who has been in contact with an infected person will be required by law to quarantine and whether law enforcement would be notified. Mr. Carter said the Department of Public Health would not report it to law enforcement as a matter of routine, and there are privacy policies in place to protect a patient’s identity. The local health department and county officials would be responsible for dealing with the rare exception of someone who refuses to cooperate or participate in the program.

Representative Minter said that Warren County has been a hotspot and that contact tracing has been a big part of the heroic work of the Barren River District Health Department, which covers eight counties. Matt Hunt, director of the Barren River District Health Department, has indicated that they are hiring 35-40 people as contact tracers so that other health department staff can resume their normal duties. Representative Minter said contact tracing has a long history in United States public health. She expressed thanks for public health officials’ work and for bringing in new technology and methodology.

Representative Tipton asked about the employment status and compensation of contact tracers. Mr. Carter said that 431 are already employed by local health departments as disease investigators and contact tracers. The new people being hired through staffing agencies were selected through the procurement process and are being located either physically or virtually within the local health departments. The state pays the staffing agencies an hourly amount, and those agencies recruit and pay according to the competitive labor market. He said he would be happy to obtain additional information about the compensation.

Representative Marzian said she is in favor of contact tracing—that it is a life issue and should not be coupled with politics. She was notified that she had been exposed and was grateful for the effort, since it allowed her to take steps to protect her elderly mother-in-law. She also asked whether there would be enough

funds to pay for all the contact tracers. Ms. Okeson said she believes the CARES funding will be sufficient through December 31, 2020. After that date, the Department might also be able to access funds through federal grants.

Representative Blanton asked whether the people hired through the staffing agencies are being paid more than the local health department employees who are doing the same work. Mr. Carter said \$50/hour—the highest rate being paid through a staffing agency—would be for professionals such as disease investigators, and that rate is a function of the labor market. Local health department employees have full-time, permanent positions that include health insurance and pension benefits, whereas someone working for a staffing agency is just receiving hourly pay, with no benefits or job guarantee after December 31. The compensation issue has arisen in discussions with local health department directors, and the Department of Public Health is trying to help them understand the discrepancies in pay. He said he believes it was a good decision to have new positions and centralized control and flexibility to move them from region to region. Representative Blanton said he understands the temporary nature of the staffing agency hires, but he wants to make sure that local health department employees are treated fairly.

Responding to Representative Heavrin, Mr. Carter explained that the information gathered by contact tracers would be exempt from open records requests.

Representative Flood requested a breakdown, by gender, of the contact tracers and disease investigators, especially the 206 hired through the staffing agencies. She also expressed support for protecting and enhancing the salaries of health care workers. Mr. Carter agreed to provide the gender information.

Representative Sheldon asked whether the contract with Deloitte Consulting to provide a software system for contact tracing was done through a bid or a no-bid contract, and whether the software system was already in use outside Kentucky. Mr. Carter said the Cabinet already had a contract in place with Deloitte, and it was amended and expanded to include development of a contact tracing and tracking system. Other states use the system, but he does not know their timeline. Representative Miller asked Mr. Carter to provide the requested information to LRC staff.

Representative Sheldon agreed on the need for contact tracing but expressed concern about the need for privacy and keeping the information secure. Mr. Carter said that the processes and policies in place include an emphasis on privacy. Disease investigations and contact tracing have always been reported through a secure system to the Department of Public Health and to the CDC. The information is not physically kept locally. The new people hired through the staffing agencies undergo a 2½ day training curriculum developed by the Department’s epidemiologists and, when assigned to local health departments, they are expected to fulfill the same Health Insurance Portability and Accountability Act (HIPAA) training given to local health department staff.

Senator Thayer stated, “We, as an elected body, would do well to remember that freedom and liberty do not die during a pandemic. If we are not careful, there are certainly big government do-gooders, both

elected and unelected, who will try to limit both. We need to be wary of that throughout this state of emergency as long as it lasts.” He also expressed sympathy for school superintendents who are trying to get schools reopened. He posed the question of how school districts and superintendents will be able to respond if contact tracing finds that a teacher, student, or school bus driver has been exposed to the virus. Mr. Carter said he would have to defer on the school question. The Department of Education is engaged in discussions with school superintendents, and he is not privy to those sessions. In the event of infection in a school, the Department of Public Health would communicate with the school system. The goal of contact tracing would be to isolate and contain the infection and avoid a situation where an entire school or school system would have to be shut down.

Senator Mills asked how it would be handled if contact tracing detects exposure at abortion clinics, which have been allowed to stay open throughout the pandemic. Mr. Carter said, to his knowledge, no exposure has occurred at an abortion clinic, but it would be handled the same as any other disease investigation or tracing effort. If an entire facility was impacted, it could possibly be closed.

Representative Miller thanked the speakers for their presentation and asked that they provide LRC staff with the information that has been requested.

LRC Response to the COVID-19 Pandemic

LRC Director Jay Hartz addressed the committee. Mr. Hartz said that about March 16, LRC moved to a minimal staffing plan, in response to COVID-19. That staffing plan continued through March and April. Beginning May 1, LRC began moving additional staff into the office—below the 50-percent level recommended by the Governor. This has been possible by allowing staff to telework. All LRC systems continue to function, though some possibly to a lesser degree. He commended LRC staff for the great work that they do.

Mr. Hartz said the Senate President and the Speaker authorized him to make LRC staff available to the state unemployment insurance office to help reduce the backlog of applications. Approximately 100 LRC staff volunteered for that activity. As it turned out, unpredicted administrative hurdles prevented that participation. However, LRC’s Constituent Services staff have done an amazing amount of work to help expedite the unemployment insurance process. They generally receive 2,500-3,000 yearly requests for help or information, but since March 16 they have answered 2,148 legislative referrals. Currently 3,472 additional requests await processing, for a total of 5,620. The vast majority of those relate to unemployment insurance. Those numbers are all generated by constituents of legislators, who then forward the requests to Constituent Services. Legislative assistants and leadership staff have also been assisting with unemployment insurance inquiries.

In response to the COVID-19 public health emergency the Legislative Research Commission has incurred, and will continue to incur, necessary unbudgeted expenditures to comply with protocols established at both the federal and state levels. The unbudgeted expenses are vital to protect LRC employees, legislators, state and county elected officials, employees of state agencies and local governments, and,

most importantly, the general public as they seek to effectively communicate with members of the General Assembly. Currently room 171 is the only committee room equipped for videoconferencing. LRC is negotiating with vendors to similarly retrofit all the committee rooms prior to the next regular session, including room 327 in the Capitol. LRC is also in the process of moving to a new phone system, using voice-over-internet protocol. This will benefit staff who are working from home and help members of the General Assembly to more effectively communicate with their legislative assistants and other LRC staff. The Legislative Research Commission will be seeking reimbursement through CARES Act funding for these necessary expenses to upgrade and improve ability to assist the public and keep them informed.

Mr. Hartz also announced that on June 25 all committee meetings will be held remotely, and all LRC staff will be working remotely. A large crowd is expected for an event at the Capitol, and for safety reasons the State Police have advised limiting the number of people working at the Capitol campus. He understands that a similar request was made to the executive branch. In response to Representative Graham, he later explained that the June 25 event relates to the Breonna Taylor situation in Jefferson County.

Representative Miller said he had received 50 or 60 requests from constituents regarding the unemployment issue, and he thanked Constituent Services staff for doing a wonderful job.

Representative Graviss asked about the possibility of training LRC staff to assist in reducing the unemployment insurance backlog. Mr. Hartz said that executive branch unemployment insurance staff are working seven days a week in an attempt to deal with the situation, and it is his understanding that they have been unable to resolve the administrative hurdles that prevented LRC staff from participating.

Senator Nemes expressed gratitude to Mr. Hartz and to LRC staff for trying to help with the unemployment insurance backlog, but he stated that it is not LRC’s responsibility. He said the people of Kentucky need to be aware that, although LRC is offering to help, unemployment insurance work is the responsibility of the executive branch administration.

Representative Graham asked whether there is a timeline for transitioning back to a normal staffing model. Mr. Hartz said it depends on what happens. In consultation with his senior management team, he decided not to establish an arbitrary date for returning to full capacity, and he does not know when that might be. He is wholly focused on making sure that the General Assembly is able to convene for the regular session in January and that legislators are able to function and work effectively for their communities and constituents.

Senator Thayer thanked Mr. Hartz for his excellent testimony and noted that the LRC recently decided to renew his contract. Representative Miller also thanked Mr. Hartz on behalf of the committee.

Personnel Cabinet’s Response to the COVID-19 Pandemic

Guest speaker Gerina Whethers, Personnel Cabinet Secretary, appeared via videoconference. Her testimony included a PowerPoint presentation entitled “COVID-19 Response.” She recognized members of

her staff who were available during the videoconference: Deputy Secretary Lindy Casebier; Jenny Goins, Commissioner, Department of Employee Insurance; Mary Elizabeth Bailey, Commissioner, Department of Human Resources; and Robbie Perkins, Director of Technology Services.

Secretary Whethers said that part of the cabinet’s mission is to provide leadership and guidance to attract, develop, motivate, and retain a talented, diverse workforce. It also has the responsibility to ensure continued communication during the pandemic. There are an estimated 29,237 executive branch employees located in 850 state offices/facilities; that number includes 159 employees in the Personnel Cabinet.

Secretary Whethers reviewed the COVID-19 response timeline. The Governor declared a state of emergency on March 6. At that time, KEHP began expanding coverage to protect employees teleworking from home. Personnel Memo 20-02 was disseminated in mid-March, relating to HR protocols for COVID-19. To promote the health and well-being of state employees and reduce spread of the disease, agencies were directed to reduce on-site staffing by up to 50 percent. Telecommuting increased to 75 percent later that month. A Business Continuity Plan (BCP) was initiated around March 30. To keep employees safe, personnel restrictions, policies and guidelines were implemented during May as employees began the transition from “healthy at home” to “healthy at work.” The BCP provides processes for alternative work sites, including procedures and technology for all staff who are working remotely. It is updated annually, tested periodically, and audited by the Auditor of Public Accounts.

“Healthy at Home” action steps included implementation of a telecommuting policy (Personnel Memo 20-02), increased workplace cleaning, agency communications, suspension of work-related travel, and suspension of in-person government services to the public. Directives were communicated to employees across the Commonwealth to ensure that they knew what was happening and that the Personnel Cabinet was open to their questions and concerns. Essential services were maintained. Telecommuting has varied among state agencies, based on the mission of the organization. The cabinet also offered virtual training courses for those working from home. The cabinet has been facilitating meetings, virtual trainings, and programs throughout the process. The Kentucky Employee Assistance Program also produced and hosted a live webinar. In addition, a 10-day state-of-emergency paid sick leave was authorized for employees who tested positive for COVID-19.

Much of the KEHP expanded coverage that started in early March was provided at no cost to members. It covers COVID-related inpatient and outpatient services received January 1-December 31, 2020; screening and testing for COVID-19; and expanded pharmacy benefits. The suspension of elective procedures helped cover KEHP’s cost for the free services. For the benefit of members, adjustments were made to flexible spending and health reimbursement accounts. KEHP expanded telehealth services for medical and behavioral health through September 30. LiveHealth Online Medical experienced a 34 percent increase in usage from January-May 2020, compared to the same

time period in 2019. Usage of LiveHealth Online Behavioral Health increased by 55 percent. KEHP now is working to minimize the impact of COVID-19 for high-risk populations and to promote the importance of preventive services.

The Kentucky Workers' Compensation Insurance Program provides coverage for more than 63,000 employees and volunteers. To date, the program has received 170 injury reports related to COVID-19. As of April 30, 2020, Kentucky Deferred Compensation is assisting 76,845 participants in the plan, with no interruption of services. The Office of Legal Services team has been instrumental in helping to rapidly develop policies in relation to the Emergency FMLA Expansion Act and the Emergency Paid Sick Leave Act, designed to ensure that employees have expanded leave options during the COVID-19 crisis. The Department of Employee Insurance is working with individual agencies to assist members who are having difficulty paying premiums due to COVID-19 constraints.

As part of the transition to "Healthy at Work," a Healthy At Work Task Force was created. Telecommuting has been encouraged, and free COVID-19 testing for state employees is being offered in partnership with First Care and local health departments.

Senator Mills said he received an email from a county judge (Crittenden County) who expressed frustration because he has not received an answer to email inquiries he has been sending to state agencies for several months. The recipients of his emails appeared to be working from home. Agencies he attempted to contact included the Finance and Administration Cabinet, the Department of Revenue, the Transportation Cabinet, and the Education and Workforce Development Cabinet. Senator Mills said it is important for state government to serve local elected officials and citizens of Kentucky when they seek information or assistance. Secretary Whethers said it is important to respond to citizens and to answer their questions as quickly as possible. She wants to make sure that every effort is made to do so—and as quickly and safely as possible. She said she would be happy to reach out to the official if Senator Mills would forward the inquiry to her.

Representative Willner said she is encouraged that so many people are taking advantage of the telehealth benefit. She asked whether its continuance should be affirmed through legislation or administrative regulation. Ms. Goins, Commissioner of the Department of Employee Insurance, agreed on the importance of telehealth services and said it is coming more into focus on the national level, as well as in Kentucky. She said more conversations are needed regarding the telehealth environment and that it would be helpful to have policy, or possibly legislation, in place related to telehealth services.

Representative Graham asked what action should be taken, or protocol followed, regarding the email issue raised by Senator Mills. Secretary Whethers said she would reach out to the cabinet secretaries involved to ensure that the county official is contacted. She said there is protocol and policy in place within state agencies, but she feels it is still her responsibility to make sure that questions are answered.

Representative Miller thanked Secretary Wheth-

ers and staff. He announced that the next meeting of the committee would be on July 28. Business concluded, and the meeting was adjourned at 12:35 p.m.

Interim Joint Committee on Local Government

Minutes of the 1st Meeting of the 2020 Interim

June 24, 2020

Call to Order and Roll Call

The first meeting of the Interim Joint Committee on Local Government was held on Wednesday, June 24, 2020, at 9:00 AM, in Room 171 of the Capitol Annex. Representative Michael Meredith, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Wil Schroder, Co-Chair; Representative Michael Meredith, Co-Chair; Senators Ralph Alvarado, Denise Harper Angel, Christian McDaniel, Robby Mills, Michael J. Nemes, Damon Thayer, and Johnny Ray Turner; Representatives Danny Bentley, Randy Bridges, George Brown Jr, Jeffery Donohue, Larry Elkins, Deanna Frazier, Joe Graviss, Cluster Howard, Regina Huff, Kim King, Adam Koenig, Jerry T. Miller, Brandon Reed, Rob Rothenburger, John Sims Jr, and Ashley Tackett Laferty.

Guests: Dennis Keene, Billie Johnson, and Jennifer Peters, Department for Local Government; Paul Coomes, Pegasus Institute; J.D. Chaney, Kentucky League of Cities; and Shellie Hampton, Kentucky Association of Counties.

LRC Staff: Mark Mitchell, John Ryan, Joe Pinczewski-Lee, and Cheryl Walters.

Issues relating to COVID-19 Relief Programs

Commissioner Dennis Keene, Department for Local Government (DLG), told the Committee that DLG is administering Coronavirus Relief Funds and Community Development Block Grant Covid Funds. Governor Beshear announced a \$300 million award to city and county governments as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act. The Act established the Coronavirus Relief Fund (CRF) to reimburse local governments for expenses incurred in response to the public health emergency caused by COVID-19.

The funding will be allocated to city and county governments based on approximate population size as recorded in the most recent census data. Guidelines include expenses that: are necessary expenditures incurred due to the public health emergency with respect to COVID-19; were not accounted for in the budget most recently approved as of March 27, 2020; and were incurred during the period that began on March 1, 2020 and ends on December 30, 2020.

Eligible reimbursements may include but are not limited to: the purchase of personal protective equipment (PPE) for health and safety employees; expenses for communication and enforcement by governments for COVID-19-related public health orders; expenses for food delivery to nursing homes and vulnerable populations; improvements necessary for public employees to telework to comply with public health precautions; expenses for disinfection of public spaces and facilities; and payroll expenses for public safety, public health, health care, human services and similar

employees who dedicated substantial time to mitigating or responding to the public health emergency.

In addition to the CRF, DLG has been informed that the Office of Federal Grants within DLG will receive Community Development Block Grant COVID Funds. The first round of \$2 billion was distributed using the already established 2020 CDBG formulation and Kentucky's State and Small Cities Program received \$15.5 million to be used in non-entitlement areas. In the second round, Kentucky received \$16.9 million to use statewide, focusing on the following: assistance to low-income individuals, elderly persons, and need children; families and entities impacted by economic and housing market disruptions; and efforts to reduce risks of transmission and number of COVID-19 cases. The third round of funds will be released at a later date.

In order to help DLG assess communities' needs, a survey was distributed to 520 communities with 185 responses received. The two areas of greatest need for assistance included assistance with unpaid utility bills and the need for public services (i.e. Meals on Wheels, recovery centers, community action agencies, and workforce development). While those areas were identified as the areas of greatest need, to ensure the reduction of the risk of duplication of benefits from other federal and state resources, DLG is ensuring the program will allow as much flexibility to best assist those communities in need. DLG will follow its currently established application submission process in best deploying the resources throughout the Commonwealth.

In response to a question from Senator Thayer, Ms. Billie Johnson, Acting Executive Director of the Office of Federal Grants, replied that local health departments are not covered under the CARES Act. Health departments are receiving other funding.

In response to another question from Senator Thayer, Ms. Johnson said DLG would not administer funds to local health departments, and she did not know who would.

Senator Thayer stated that he is interested in finding out who will administer funds to the local health departments and when local health departments would receive those funds. Commissioner Keene replied that if his staff finds out that information, Senator Thayer will be made aware.

Representative Graviss told Commissioner Keene that he wanted to let him know how helpful his staff were in assisting the people of his district.

In response to a question from Representative King, Ms. Johnson said she was not aware of any parameters in place to protect tax payers in terms of tax increases once the program ceases.

In response to a question from Representative Rothenburger, Ms. Johnson answered that DLG is in the process of contracting with the federal government for funds to start to go out July 1st.

In response to another question from Representative Rothenburger, Ms. Johnson stated that it takes two and a half weeks to get checks to local governments.

In response to a question from Representative Koenig, Ms. Johnson said contracts are given to cities and counties who then set up contracts with businesses for small business loans.

In response to a question from Representative Frazier, Ms. Johnson replied that the CDBG COVID funds were distributed using the same process and formulation that was already in place.

In response to a question from Representative Miller, Ms. Johnson stated that the Department strictly allocated CDBG funds and no others.

In response to a question from Representative Elkins, Ms. Johnson replied that a rating system is not used for the distribution of funds. It is a reimbursement program and does not use a scoring system.

In response to another question from Representative Elkins, Ms. Johnson said reimbursement is not done on a first come, first served basis. Each county has their own allocation of the CARES Act funds; however, CDBG funds are allocated using a scoring system, but they are two different funding streams.

In response to a question from Senator Mills, Ms. Johnson explained that the total amount of COVID funds include \$300 million for cities and counties in the CARES Act and \$2 billion total CDBG funds with \$15.5 million in the first phase and \$16.9 million being available in the second round.

In response to a question from Representative Bentley, Ms. Johnson agreed that relating to the reimbursement, rural areas apply for the application, have the letter, see the benefits, get the memorandum, then receive the money.

In response to a question from Representative Meredith, Ms. Johnson stated that decisions are made by merit employees to approve the applications for receiving funds.

In response to another question from Representative Meredith, Commissioner Keene said the cities not exhausting their allotted funds can transfer those remaining funds to the county.

Representative Meredith told Commissioner Keene that once the COVID funds have been exhausted, the Committee might have DLG come back and report on how the funds were spent.

Fiscal Impacts on Local Governments relating to Economic Impact of COVID-19

Dr. Paul Coomes, Senior Fellow with the Pegasus Institute, told the Committee that he was invited to discuss the local government tax structures in light of the effects of COVID-19. The economic data looks awful with Kentucky having had the highest number of unemployment insurance claims per capita for a couple of weeks. Kentucky was down 287,000 jobs through May, about 15 percent of the total number of jobs in Kentucky. However, the fiscal data coming in has been better than the economic data. The tax structure at the local level has held up reasonably well given the economic damage occurring around the state. Revenue from property taxes and insurance premium taxes continue to grow. Many local governments have used the last several years to build up reserves for their rainy day funds, and some have utilized the rainy day funds. The CARES Act also benefitted Kentucky. Louisville received about \$130 million from it directly.

In reviewing the budgets of selected cities, most of these cities have been able to come up with the funds to get through the end of this fiscal year.

Fiscal Year 2021 is forecasting some stability. The CARES Act has contributed around \$1.4 billion to Kentucky in total. The unemployment insurance pay-

ments and the IRS payments to households and the Paycheck Protection Act, have contributed over \$10 billion of federal money that has come into Kentucky beginning in April and has really help offset the negatives.

Some of the economic downturn has been damped by very good employment numbers prior to the onset of COVID-19 for the first part of the fiscal year. There is also a lag in tax receipts that has payments still coming in from earlier in the fiscal year. The industries hit the hardest have exhibited lower pay, part-time occupations, such as restaurants, retail, hotel, and some of the travel industries. The average pay in those industries is \$20,000 to \$25,000 a year compared to the average for all jobs which is around \$45,000 a year. Because of this, the job losses look much worse than the income losses which affect occupational tax revenues. So, for example in Louisville's case, most of the office workers kept their jobs and kept paying occupational taxes. So, for instance, if you had 10-15 percent job losses, this translates to only about 5 percent in revenue losses.

There have been a lot of economic offsets on the fiscal level that may explain why the effects have not been as pronounced as the economic data would predict. For instance when restaurants were closed, people began cooking at home. Grocery store revenues were up 30 percent. Some people who were out of work sought and gained other employment in growing industries. People bought appliances, clothes, and televisions from the businesses that were allowed to be open during this time, making purchases from them rather than the shops that were closed. While travel has been down, people have deferred vacations and such, and have used that money to, for instance, remodel their houses.

Local governments have gotten through FY 20 fairly well. Fiscal Year 21 is yet to be determined. There are positive signs out there for a quick economic recovery, but we have never been through anything exactly like this before.

In response to a question from Representative Meredith, Dr. Coomes said he believed that a recently released Brookings Institute study exaggerated the importance of income based taxes for local governments in Kentucky—that Kentucky cities and counties are more reliant on income based taxes than other places in the country and as such the COVID-19 induced recession would affect these local government more so than other places. Our local governments are more diversified than the study recognized—Kentucky local governments have sales taxes per se, property taxes, and occupational taxes, yet could be even more diversified. Again, the job losses being those with lower pay helped buffer the fiscal impact.

The \$1,200 payment was not taxable as wages for local governments. The unemployment insurance payments are not locally taxable either, but state government does receive tax revenue from that. State income revenue taxes were actually up 12 percent last month because of those payments.

In response to a question from Representative Graviss, Dr. Coomes said he had not studied the area of landlord rent collection but that it could get ugly. Some of the CARES Act money can be used for rent payment if the situation has arisen out of the

COVID-19 virus.

In response to a question from Representative King, Dr. Coomes said he has no data regarding the leftover inventory from small mom and pop businesses having to be closed. A lot of money flowed to big box retail chains that would have gone to mom and pop businesses and there could be many bankruptcies resulting.

Representative Howard commented that continuing to throw federal money at a problem does not make any sense. Dr. Coomes agreed.

Representative Meredith told Dr. Coomes that the Committee might invite him back at a future date.

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

Interim Joint Committee on Licensing, Occupations, and Administrative Regulations

Minutes of the 1st Meeting of the 2020 Interim

June 26, 2020

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Licensing, Occupations, and Administrative Regulations was held on Friday, June 26, 2020, at 11:00 AM, in Room 171 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 Adam Koenig, Co-Chair; Senators Julie Raque Adams, Tom Buford, Denise Harper Angel, Jimmy Higdon, Paul Hornback, Christian McDaniel, Michael J. Nemes, Damon Thayer, and Reginald Thomas; Representatives Kim Banta, Tom Burch, Al Gentry, Thomas Huff, Matthew Koch, Nima Kulkarni, C. Ed Massey, Michael Meredith, Jerry T. Miller, Kimberly Poore Moser, Ruth Ann Palumbo, Phillip Pratt, Rachel Roberts, Sal Santoro, John Sims Jr, Susan Westrom, and Buddy Wheatley.

Guests: Terri Bradshaw, President/CEO, Kentucky Capital Development Corporation; Keith Parker, Frankfort City Manager; Ted Mitzlaff, Goodwood Brewing; Taylor Marshall, Bourbon on Main & Holy Man Saloon; Representative Bobby McCool; Virgil Holland, Welding Technology Program Coordinator, Western Kentucky Community & Technical College; Bill Woodward, Vice President, Iron Workers Union; Jerald Adkins, Legislative Agent, Iron Workers Union; Shad Sletto, Building Industry Association of Northern Kentucky; and Philip Stupp, Executive Vice President, Stupp Brothers, Incorporated; Shelby Williams, Director of Governmental Affairs, Kentucky Society of CPAs; and Joe Donahue, Acting Executive Director, State Board of Accountancy.

LRC Staff: Tom Hewlett, Jasmine Williams, Melissa McQueen, Bryce Amburgey, and Lisa W. Moore

Retail Package Sales of Alcoholic Beverages

Senator Paul Hornback explained draft legislation for the retail package sales of alcoholic beverages. As a corn grower, he said this proposed legislation is a vehicle to enhance economic development for Kentucky's bourbon industry. Similar legislation passed the House of Representatives last session. Ms. Brad-

shaw said the Covid-19 pandemic has affected the bourbon industry negatively, and retailers need all the assistance they can get. She emphasized that local business leaders have plans to generate growth and new business and avoid increased taxes to fix budget problems.

Mr. Parker said there is interest from new investors and existing businesses to offer a more unique bourbon experience. The increasing popularity of small batch and vintage bourbons, along with craft beers and breweries, has resulted in an increased demand for small volume, high quality sales of packaged spirits. The demand has exceeded the supply of quota retail package licenses, and threatens the ability to attract and retain businesses that want to supplement sales with low-volume offerings. Mr. Parker is committed to working with the Kentucky Retail Federation, and any other interested parties, to obtain support for increased retail sales.

Mr. Marshall testified on behalf of Bourbon on Main located in Frankfort, Kentucky. Retailers have been hit especially hard during the pandemic due to restaurants being shut down for months. New businesses can generate the revenue required to open up in Frankfort if they have access to the bourbon package market. It also helps existing businesses that are struggling with finances as the tourism industry is strong in Frankfort, and provides the tourist with a better experience. It provides another tool in the toolbox for businesses to survive during these pandemic times. Current regulations for alcohol sales limit the ability to grow and create new jobs, which ultimately decreases new revenue for local communities.

Mr. Mitzlaff, owner of Goodwood Brewery in Louisville and Frankfort, testified that he would like to sell his own craft bourbon by the bottle in his Frankfort restaurant location. The primary function is a brewery, but they also produce bourbon through various collaborations with different distilleries. Tourism is thriving at the Frankfort facility, but tourists can only buy the bourbon by the glass, and not the bottle. He believes this should be changed.

Mr. Parker said two years ago language was added into the law that allowed distillery gift shops to sell craft beers. He would like that language reciprocated this year to allow microbreweries to sell craft bourbons. They are happy to work the Kentucky League of Cities, the Kentucky Retail Federation, the Kentucky Distilleries Association, and the Brewers Organization, in order to ensure that all entities are comfortable with the new language, and any changes to quota retail package licenses. Frankfort wants to promote business, growth, and development instead of taxing its way out of the pandemic financial situation. Frankfort is 60 percent reliant on occupational based revenues, and they are anticipating huge budget shortfalls.

Chairman Schickel said the committee has been working diligently since 2011 to remove barriers for small businesses, and he looks forward to bringing this legislation to a vote on the Senate floor. He expressed disappointment that representatives from the ABC Board were not in attendance at the meeting to testify.

Senator Thayer said he is always pleased to facilitate removing artificial barriers to free enterprise. He said this is a good bill, and deserves strong consid-

eration in the next upcoming legislative session, but feels that distilleries should be included in the legislation. It can help small businesses increase cash flow and opportunities for profit, and help distillery tourism that has been shut down for months.

Responding to a question from Senator Thayer, Senator Hornback said, as the bill's primary sponsor, he is more than happy to include the distilleries. Small sales help our small retail associations, and he would like to take care of it in one piece of legislation that will not need any amendments. The Kentucky League of Cities is in favor of this proposed legislation and understand the growth it can bring to the cities and communities throughout the state.

Chairman Koenig said the ABC Board will be at the Licensing, Occupations, and Administrative Regulations meeting in July. He asked Senator Hornback to check with the Kentucky Guild of Brewers to ensure they are in support of the new language, and also discussed the need for eliminating quota licenses to reach some of these goals. Mr. Parker said quota licenses need to be raised or eliminated.

Senator Higdon said he does not think eliminating quota licenses is the answer to the issue. All communities are not alike and this could be the opening of Pandora's Box for some places outside Franklin County. He said census reporting could provide a way to increase quota licenses.

Senator Hornback said he is not interested in eliminating quota licenses statewide, as he is interested in increasing the number for the small retail associations and small volume sales under 2,000 bottles per year. All entities, including the Kentucky Guild of Brewers, are in support of the proposed legislation and increasing tourism.

Certification of Welders (similar to 2020 RS HB 306)

Representative Bobby McCool testified regarding a safety bill. This bill ensures welding is performed in a proper manner, and requires that operators have the credentials to ensure that buildings and bridges are assembled properly. It does not apply to all welding instances, but focuses on buildings and bridges when the design engineer requires it. The legislation is bi-partisan, and has passed the House of Representatives twice in a 95-0 vote, but stalled in a senate committee. Concerns have been addressed.

Mr. Holland said the Western Kentucky Community & Technical College is one of two certified, accredited test facilities that would be mandated in the legislation for people to use for accreditation. Many other states have similar laws and processes for welding certification. This bill would keep welding standards systematic across the board and increase safety.

Mr. Woodward testified in favor of the legislation. This is good, solid public safety legislation that has been discussed in depth for several years now. It saves taxpayers money by ensuring that projects are completed responsibly and efficiently. Mr. Woodward indicated that JD Chaney, Kentucky League of Cities, does not have any problems with the bill. They have worked with many interested entities in order to find common ground and language that is acceptable to all.

Responding to a question from Representative Pratt, Mr. Woodward said there are four certified testing facilities for welders. The primary locations are

in Northeast Kentucky in Flemingsburg, a private contractor in Louisville, Elizabethtown Community and Technical College, and West Kentucky Community and Technical College. There is a letter in the meeting materials from Dr. Jay Box, President, Kentucky Community and Technical College System (KCTCS). KCTCS is in support of the Welding Certification bill, formerly House Bill 306.

Responding to Representative Burch, Mr. Woodward said the welding certification certificate requires that you perform the welding, and not just pass a written test. The American Welding Society (AWS) has a code book that outlines all the guidelines and specifications. It is a performance test.

Responding to Senator Nemes, Mr. Woodward said he wanted some teeth in this legislation, and felt a bill draft was more appropriate than being enforced by regulation through the Public Protection Cabinet.

Mr. Shad Sletto and Mr. Philp Stupp testified remotely in opposition to the legislation. Mr. Sletto is opposed to the bill as it stands, although he is not against certifications. Mr. Stupp feels that existing building codes already cover these safety issues, and there are more than enough safeguards. It was also noted that employees would miss more days with fewer testing sites and longer drives to be certified.

Senator Schickel thanked everyone for testifying and said dialogue would continue between all entities until a bill language is agreed upon that can move forward successfully in the General Assembly.

CPA Licensure Issues (similar to 2020 RS HB 383)

Representative Kim Banta explained proposed legislation on CPA Licensure. She said the State Board of Accountancy, along with the Kentucky Society of CPAs, is requesting to enact two changes to KRS 325.240 and one change to 325.280. First, the language would authorize their board to adopt regulations so they can issue scholarships using their own money. The purpose is to boost enrollment in accounting programs, because the number of CPAs retiring is outpacing those coming into the profession.

Secondly, they want to grant immunity to state board members, employees and agents from lawsuits while acting in good faith in performing their normal duties. A number of other Kentucky professional licensing boards have similar language including the Medical Licensure Board, Board of Pharmacy, Board of Dentistry, Board of Psychology, and the Board of Physical Therapy.

Representative Banta said although the board already has a layer of protection in case law, they believe this statute should be updated to bring the board in line with other licensing boards in the state. They have discussed and agreed upon the appropriate language with all stakeholders. If adopted, the current authority to purchase insurance would be deleted.

Representative Banta said thirdly, the statute would authorize the board to grant licensure to CPAs for out of state licensed CPAs who relocate to Kentucky without retaking the CPA exam. The requirement that CPAs seeking a license via reciprocity must have obtained a CPA license within five years after passing the CPA exam in their home state would be eliminated. This requirement is currently in the licensing statute for Kentucky based CPAs, but was not intended to af-

fect those seeking a license via reciprocity.

Representative Banta said they believe if a CPA has a current and valid license in their current state, they should be able to get a Kentucky license via reciprocity. The way it is written now puts an unintended burden on CPAs trying to relocate to Kentucky. During the 2020 session, the legislation passed out of the House of Representatives with an 85-1 vote. Due to the unique circumstances during session, the bill stalled as time ran out to get it through the Senate.

Responding to a question from Co-Chair Koenig, Mr. Joe Donahue, newly appointed Executive Director, State Board of Accountancy, said they are in full support of this legislation. Senator Schickel said he is not aware of any entity opposed to the bill.

Responding to concerns raised by Co-Chair Koenig regarding the use of licensure fees for scholarships, Ms. Williams said the Kentucky Society of CPAs does have a scholarship fund. People can voluntarily contribute to the educational fund and the scholarships are awarded for students on the accountant track in Kentucky colleges or universities.

Ms. Williams said the proposed legislation would generate funds for scholarships that are derived from fees generated from people taking the CPA exam, and not licensure fees. They are hoping this starts the dialogue for a scholarship, but they are open for ideas on how to alter or improve the language.

Chairman Koenig discussed the differences in reciprocity and recognition. Mr. Donahue said Kentucky is utilizing reciprocity.

Responding to a question from Representative Moser concerning CPA exams and knowledge of Kentucky tax laws and reciprocity issues, Mr. Donahue said a uniform CPA exam is given nationwide and all CPAs from every state are required to take that test. He said it is not implicated in any new language to change the exam.

Responding to a question from Representative Meredith, Mr. Donahue said specific Kentucky tax law training would be administered through continuing education credits on a bi-annual basis. This knowledge would not be required during the initial CPA exam taken upon licensure.

Senator Schickel discussed the meetings and times for the remainder of the interim. He noted the August 25th meeting that he chairs will be solely dedicated to conversion therapy.

The meeting adjourned at 12:00 p.m.

Child Welfare Oversight and Advisory Committee Minutes

November 20, 2019

Call to Order and Roll Call

The Child Welfare Oversight and Advisory Committee meeting was held on Wednesday, November 20, 2019, at 1:00 PM, in Room 131 of the Capitol Annex. Senator Tom Buford, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Tom Buford, Co-Chair; Representative David Meade, Co-Chair; Senators Denise Harper Angel and Whitney Westerfield.

Guests: Michelle M. Sanborn, President, Children's Alliance; Dr. Terry Brooks, Executive Director, Shannon Moody, Policy Director, Kentucky Youth Advocates; Norma Hatfield, grandmother, kinship family member; Judy Lambeth, Chief Executive Officer, Paula Garner, Chief Operating Officer, Maryhurst; and Chris Peck, Chief Executive Officer, Hope Hill Youth Services.

LRC Staff: Ben Payne, Lead Staff and Becky Lancaster.

Children's Alliance 2020 Legislative Priorities for Kentucky's Child Welfare System

Michelle M. Sanborn, MSW, President, Children's Alliance, stated that the Children's Alliance is a non-profit association of child and family services agencies throughout Kentucky, who serve at-risk, abused, neglected, and abandoned children and their families. The Children's Alliance and other private agencies care for 46 percent of the 9,845 children in care who are wards of the state. The Children's Alliance provides statutorily mandated services to families and children. In 1998, a rate methodology was created in response to a lawsuit filed by the Children's Alliance and 12 other agencies. She described the steps of rate methodology that include a cost report, a time study, and the calculation of the level of care (LOC) rates to determine payment rates. She reviewed the comparison of the current rates and the annual audited cost report and time study (AACRTS) rates. The AACRTS rates show the true cost and underpayment for residential care. In 2018 there was \$13.5 million or a 19 percent operating shortfall in funding for 35 residential providers. There was approximately \$543,089 or 25 percent operating shortfall in funding for three shelter providers. There is a \$14 million annual budget request to meet the requirements of KRS 199.641.

Ms. Sanborn stated that the strengths of this rate methodology include a more equitable payment system, a rational process to determine the rate of payment, and utilization of already required tools such as the time study and cost report. The weaknesses of the rate methodology include that the median level of care is no longer Level III, there is not an even distribution of levels for residential care, the highest level of payment usually dictates service delivery within agencies, and it drives the quality of care to mediocrity. This rate methodology reduces the reimbursement when a child's behavior improves, not considering the services needed to achieve and maintain this outcome. The rate methodology does not reimburse the actual cost of care. The recommendation for action is to support the funding for the creation of a reimbursement method and to reimburse providers to cover the cost of care that includes room, board, watchful oversight, treatment, and school expenses. She gave an overview of the different levels of services involved in the child welfare continuum.

Ms. Sanborn shared a chart that shows the comparison of rates in Kentucky and other surrounding states, for typical services provided to children placed at agencies owned by the Children's Alliance. In communities such as Louisville, Northern Kentucky, and Southern Kentucky, therapists that have a master's degree and a license are going to work across the border of Kentucky. Providers are having trouble finding therapists that will provide services in Kentucky be-

cause the rates are low. Family preservation services is defined in KRS 200.575 as services provided to children at imminent risk of out of home care placement. Based on a 2008 Cabinet for Health and Family Services (CHFS) report, each dollar spent on family preservation services saves \$2.85. The Family First Prevention and Services Act allows for federal reimbursement for children and their families who are at-risk of out of home care. There has been a 22 percent increase in the Department for Community Based Services (DCBS) budget amount from 2009 to 2019, but there has been a 59 percent increase in the number of investigations. There has been a six percent loss in number of DCBS workers from 2009 to 2019. She recommended that DCBS increase the number of children and families served through Family Preservation Services and to increase the overall DCBS budget to ensure reasonable caseloads for DCBS investigators and workers.

Blueprint for Kentucky's Children 2020 Policy Priorities

Dr. Terry Brooks, Executive Director, Kentucky Youth Advocates (KYA), stated that the 2020 Blueprint for Kentucky's Children along with its partners will take a collective look at child welfare in the coming year. Kentucky has the highest rate in the nation for child abuse and neglect, the highest amount of children living with kinship families, and the highest number of children with parents that are incarcerated. A child welfare priority should be to look at how the core problems connect with judiciary issues, economic well-being, and the opioid epidemic. KYA hopes the policies regarding the continuum of care for child welfare will be considered during the 2020 Regular Session. The police departments, schools, and non-profit organizations must work to close the gap in the chain of reporting abuse procedures. KYA suggests putting policy recommendations and reasonable standards into place to protect children from abuse and neglect. The core issues will not be resolved until workforce issues within CHFS are addressed. The coroner system in Kentucky also needs reform.

Norma Hatfield, a kinship family caregiver, shared in a video the beginning of her and her granddaughter's foster care experience. Shannon Moody, MSSW, CSW, Policy Director, Kentucky Youth Advocates, stated that more than 300 grandparents and other relatives have called, emailed, or messaged KYA every day since 2013, when the moratorium on Kinship Care went into effect. From 2018 to 2019, KYA had 798 grandparents contact KYA to ask about kinship care supports. Relatives and close family friends can be considered fictive kin. Placement with a relative or fictive kin is used as an alternative to foster care when the agency determines that a child can no longer remain safely in their home. During calendar year 2018, there were more than 18,000 children placed in out-of-home care. Research estimates that for every six children that go into foster care there are ten children that go into kinship care. The number of children in out-of-home care include more than the current number of in foster care. The Blueprint for Kentucky's Children recommends that the budget priorities include an increase in the amount and availability of the Relative Placement Support Benefit, for items such as clothing, bedding, formula, and school supplies. It is

also recommended that respite care be offered to kinship caregivers. The basic rate for foster care respite services is \$21.90 per day. The Blueprint for Kentucky's Children recommends the standardization of kinship care practices across the Commonwealth, prioritizing quality and accessibility for caregivers.

Other Business

In response to a question from Senator Buford, Eric T. Clark, Commissioner, Department for Community Based Services, Cabinet for Health and Family Services, stated that the topics discussed demonstrate the challenges that are before Kentucky. The advocates, such as KYA, the Children's Alliance, and DCBS, are in agreement that there are issues that need to be addressed and solutions that need to be created. He stated that DCBS and the services that are offered to the children and families of Kentucky are dramatically underfunded. A big investment is needed to fund the workforce and services provided by DCBS. DCBS is proud of its work in regards to creating a culture of safety within the work environment and believes this will contribute to rebuilding the workforce.

Adjournment

There being no further business, the meeting was adjourned at 2:02 PM.

Interim Joint Committee on Economic Development and Workforce Investment Minutes of the 1st Meeting of the 2020 Interim

June 26, 2020

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Economic Development and Workforce Investment was held on Friday, June 26, 2020, at 9:00 AM, in Room 171 of the Capitol Annex. Senator Danny Carroll, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Danny Carroll, Co-Chair; Representative Russell Webber, Co-Chair; Senators Rick Girdler, Denise Harper Angel, Jimmy Higdon, Wil Schroder, Reginald Thomas, and Max Wise; Representatives Kim Banta, Lynn Bechler, John Blanton, Charles Booker, Adam Bowling, R. Travis Brenda, McKenzie Cantrell, Daniel Elliott, Chris Freeland, Al Gentry, Kathy Hinkle, Thomas Huff, Nima Kulkarni, Savannah Maddox, Jason Petrie, Bart Rowland, Ashley Tackett Laferty, and Buddy Wheatley.

Guests: Deputy Secretary Josh Benton, Education and Workforce Development Cabinet; Heather Dearing, Director of Legislative Affairs, Education and Workforce Development Cabinet; and Secretary Larry Roberts, Labor Cabinet.

LRC Staff: Andrew Manno, Chip Smith, and Sasche Allen.

Unemployment Insurance Update

An update was given on the Office of Unemployment Insurance (OUI) in wake of the COVID-19 pandemic. Deputy Secretary Josh Benton explained that unemployment insurance is a partnership between the federal government and the states. Therefore, states typically set the parameters of their unemployment programs but within federal guidelines includ-

ing payroll tax rates and wage bases for covered employees. In addition, OUI is operationally funded in its entirety by the federal government through the U.S. Department of Labor and in recent years had been on a hiring freeze due to budget cuts. The OUI budget went from \$41 million in 2010 to \$25 million in 2018. This resulted in an 18 percent decrease in field personnel across the state and a 25 percent decrease in office personnel. In 2017 there was a loss of 29 unemployment offices and 95 employees. There were no staff members dedicated to in-person unemployment services at the career centers across the state and only 23 staff members in the Adjudications Branch who could adjudicate claims. When COVID-19 hit Kentucky, the OUI was in the process of changing the way it delivered UI customer service through a balanced approach that included making overdue technology upgrades to a 20 year old system and increasing phone and in-person services.

The Deputy Secretary specifically discussed the days after the COVID-19 state of emergency from March 8, 2020 to June 6, 2020. There were a total of 931,807 new claims, some of which were duplicate claims, with 91.6 percent of eligible claims paid totaling \$2,405,804,385. The balance of the state's UI Trust Fund as of June 6, 2020 was \$150,716,318, and the federal UI balance as of the same date was \$1,304,342,415. In addition to the traditional UI, three new programs have been added through the federal CARES Act, some of which a person could be simultaneously eligible. These programs include pandemic unemployment assistance, pandemic emergency unemployment compensation, and pandemic unemployment compensation. Pandemic unemployment assistance expands eligibility to non-traditional workers such as those that are self-employed or independent contractors. Pandemic emergency unemployment compensation expands the duration of benefits an additional 13 weeks, and pandemic unemployment compensation allots claimants an additional \$600 a week.

Heather Dearing gave an overview of the timeline of the OUI and the number of claims filed starting with the week ending in March 7, 2020. There were 2,463 initial claims filed. During the week ending in March 21, 2020, Governor Beshear waived the waiting week and work search requirements for unemployment, and initial claims filed had risen to 49,023. The following week the Governor announced changes in mass layoff parameters and the expansion of unemployment eligibility. Initial claims filed increased to 113,149 which was partially due to unemployment eligibility being expanded to non-traditional workers. The week ending in March 28 was also the week that the General Assembly passed SB 150 and Congress passed the CARES Act. By the end of the week ending in April 4, 2020, federal UI payments had begun for pandemic unemployment compensation and initial claims filed totaled 117,575. The Department of Labor published guidelines for pandemic emergency unemployment compensation and pandemic unemployment compensation during the week ending in April 11, 2020. This was also the first week there was a slight decrease in initial claims filed. The Cabinet made adjustments to the OUI website, continued to further train staff, and started circulating materials to the public that offered more guidance on the expand-

ed programs. Ms. Dearing explained there were delays in benefit payments due to the 13 to 15 day processing window, the filing of duplicate claims, identity verification issues, or claim investigations. From the weeks ending in May 9, 2020 to June 6, 2020, the Department of Labor published guidance in response to specific state requests seeking assistance to administer changes to the UI programs and guidance related to fraud prevention. Initial claims filed for the week ending in May 9, 2020 were 69,372 and decreased to 40,733 at the week ending in June 6, 2020. During this time the OUI had also increased the number of individuals who could process claims to approximately 40 to 50.

The federal CARES Act, enacted on March 27, 2020, established the creation of the Federal Pandemic Unemployment Compensation Fund. This houses pandemic unemployment assistance, federal pandemic unemployment compensation, and pandemic extended unemployment compensation. Kentucky's federally funded UI Trust Fund was established on April 7, 2020. To provide security for states' unemployment insurance trust funds, the CARES Act allows access to zero interest loans and Kentucky was approved for \$865 million in June. Despite some obstacles, adjustments have been made by expanding eligibility, utilizing experienced adjudicators, overhauling the Kentucky Career Center website, launching communications campaigns, stabilizing the UI Trust Fund, using Amazon Connect, and making security upgrades. Moving forward, the OUI will be transitioning to the Labor Cabinet and individuals still needing assistance with their claims will be able to request an in person appointment.

Responding to Co-Chair Danny Carroll, Deputy Secretary Benton stated that March 16, 2020 was the date that he and his staff were notified that there would be wide spread closures across the state due to COVID-19. The Cabinet began preparing for what policy, operational, and personnel changes would be necessary, but the Families First Coronavirus Response Act being passed at the end of March gave more flexibility by allowing the addition of outside contractors and the hiring of personnel outside of the state merit system.

Addressing a question from Co-Chair Russell Webber, Deputy Secretary Benton estimated that the \$865 million federal loan was applied for and secured the first week of June 2020. Answering a follow up, he explained that the UI Trust Fund is funded through employer contributions and the schedule of rates was determined in the late 2000's by the Unemployment Insurance Task Force based on the funding level of the trust fund. The rate schedule can be reviewed and modified by the Cabinet and the General Assembly. It has been voiced to the federal delegation that a rate increase would hinder economic growth. Addressing another question, the Deputy Secretary said that some of the UI information for the public had been modified online to reflect new federal guidelines. Secretary Larry Roberts added that the guidelines are published and posted on the Healthy at Work website.

Replying to Co-Chair Danny Carroll, Deputy Secretary Benton said that the claims from the month of March have been given priority in the claims review and adjudication processes. Addressing a follow up, Ms. Dearing explained that the idea of using LRC

staff to assist with processing claims had been presented, however, for an individual to process claims they would have to pass a federal background check to access any claims information. The Cabinet then began to work with the LRC's Constituent Services Office to assist with communication with claimants and some in-person events.

Representative Adam Bowling read a letter from Ron Mosley, Harlan County Judge Executive, that was addressed to Governor Beshear and others regarding various issues community members had with unemployment claims. Secretary Roberts said that in person services had been set up in Frankfort to assist those still having issues with their claims, and staff would also be providing in person services in Ashland and Owensboro. There are approximately 101 claims facilitators that are able to process claims and determine appropriate action. Governor Beshear has directed the Cabinet to negotiate with an outside vendor to facilitate and process current and backlogged claims.

Answering questions from Co-Chair Carroll, Secretary Roberts said transitioning the OUI from the Education and Workforce Development Cabinet to the Labor Cabinet would allow for a new perspective during this time, but the Labor Cabinet would continue to work closely with the current staff. Deputy Secretary Benton added that an outside vendor was not contracted sooner, because suitable vendors were not available.

Responding to Representative Charles Booker, Deputy Secretary Benton explained that the Education and Workforce Development Cabinet, Labor Cabinet, and the General Assembly should work together to find ways to leverage state resources to provide stability and avoid being so dependent on federal funding.

Addressing Co-Chair Carroll, Secretary Roberts said in person services in Ashland and Owensboro would be available June 29, 2020 and June 30, 2020. Somerset and Hopkinsville are two other cities that may have in person services available in the coming weeks, as well as a central location in Northern Kentucky. Replying to a follow up question, Deputy Secretary Benton said he was involved in discussions with the Governor's Office regarding waiving the waiting week but was not consulted about the schedule of closings throughout the state.

Replying to Representative Buddy Wheatley, Deputy Secretary Benton said that an individual should generally apply for unemployment benefits in the state in which they work, but there are certain situations when people receive benefits from more than one state. Answering a follow up question, Secretary Roberts said that the in person services will be by appointment to avoid long wait times that were experienced previously.

Responding to Representative Savannah Maddox, Deputy Secretary Benton explained the number of eligible claims was around 560,000. Ninety-one percent of those claims have been paid. There still are claims that have not yet been adjudicated. Answering a follow up question, Deputy Secretary Benton said that tier one call center contracts were not renewed at the end of May, because most of those individuals were just the initial point of contact and were not able to process or adjudicate claims. This is what led to the

Labor Cabinet seeking to utilize more specialized vendors that can assist with more detailed and complicated issues.

In response to an inquiry from Co-Chair Danny Carroll, Dorsey Ridley, the Director of the Governor's Office of Legislative Services, said he would discuss the communication that took place between the Governor's Office and the Cabinet in regard to business closings across the state at a later time.

Addressing Co-Chair Carroll, Deputy Secretary Benton said that the General Assembly can assist by reviewing the rate schedule, especially on small businesses. He also said that how the public workforce system works in relation to assistance from the federal government should also be reconsidered. Secretary Roberts added that the Labor Cabinet will make an even greater effort to offer more in person appointments, get information out to the public more efficiently, and reach out to local officials throughout the state for help.

Answering questions from Representative Nima Kulkarni, Deputy Secretary Benton said it would take a person four to six months of training to gain the operational knowledge to process and adjudicate claims due partially to the age of the system. Secretary Roberts added that there are similarities between states due to unemployment insurance being a federal program, but the individuals with the outside vendor will need to be trained on various things that are unique to Kentucky. In response to a follow up question, Secretary Roberts said that Jefferson County may have an in person site available in future but not at this time.

Replying to Senator Jimmy Higdon, the Deputy Secretary stated that about one third of the claims are from those not typically covered by UI. The payment of those claims comes from money received by the federal government and not from the state trust fund.

Co-Chair Danny Carroll indicated the committee will pick back up with this issue at the July meeting.

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

Interim Joint Committee on Veterans, Military Affairs, and Public Protection

Minutes of the 1st Meeting of the 2020 Interim

June 30, 2020

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Veterans, Military Affairs, and Public Protection was held on Tuesday, June 30, 2020, at 1:00 PM, in Room 171 of the Capitol Annex. Representative Walker Thomas, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Walker Thomas, Co-Chair; Senators C.B. Embry Jr., Denise Harper Angel, Jimmy Higdon, Stan Humphries, Dennis Parrett, Wil Schroder, Brandon Smith, Whitney Westerfield, Mike Wilson, and Max Wise; Representatives John Blanton, Myron Dossett, Jim DuPlessis, Chris Fugate, Al Gentry, Mark Hart, Samara Heavrin, Kathy Hinkle, Matthew Koch, Scott Lewis, C. Ed Massey, Patti Minter, Rob Rothenburger, Dean Schamore, Attica Scott,

Buddy Wheatley, and Lisa Willner.

Guests: Bobby Rogers, Bath County Judge Executive, Jason York, Bath County Emergency Management Director; Richard Nelson, Executive Director, Commonwealth Policy Center, Dr. Hershael York, Pastor, Buck Run Baptist Church; Scott Bauries, Law Professor, UK Rosenburg College of Law; Rodney Brewer, Commissioner, Kentucky State Police

LRC Staff: Jessica Zeh and Elizabeth Hardy
Distinguished Guests

Bath County Judge Executive Bobby Rogers and Emergency Management Director Jason York, spoke about a tragedy that occurred in Bath County on April 29, 2020. They detailed a search and rescue operation of an Amish family whose horse and carriage were swept off a bridge during a rainstorm and five children were missing. After an exhaustive search spanning several days, each of the five children were recovered deceased. Jason York went on to discuss how important emergency response teams are and how grateful he was that his first responders, the Kentucky National Guard, and members of the community that came together to search for the children.

Commonwealth Policy Center

Richard Nelson, Executive Director of the Commonwealth Policy Center, described how the policies put in place because of COVID-19 affected churches in Kentucky. Early on, churches were directed to listen to government policy and as a result most closed in-person services. Throughout the quarantine period, he felt that churches were disregarded as they were not deemed an essential service while businesses like grocery stores, liquor stores, and abortion clinics were considered essential services.

Director Nelson noted that in the United States Constitution and the Constitution of the Commonwealth of Kentucky, religious freedom is guaranteed. For many, attending in-person services is a vital part of their Christian faith. Examples of government overreach include April 9, 2020, the mayor of Louisville, Greg Fischer, announced that churches were not allowed to have drive-in services while at the same time drive thrus at restaurants and liquor stores remained open. On April 10, 2020 Governor Beshear directed Kentucky State Police take down license plates of citizens who attended an in-person service at a Bullitt County church, who were then given notices to self-quarantine by the Health Department.* According to a Pew Forum, Kentucky was one of 10 states that banned in-person church services. Many Christians believe that the church provides spiritual care in a time need, which deems them essential. In 2013, Kentucky passed the Religious Freedom Restoration Act stating that the government shall not burden a person's freedom of religion, and Director Nelson feels that this Act was violated amidst the pandemic.

Dr. Hershael York, Pastor of Buck Run Baptist Church, testified that most churches have been compliant and go the extra step to protect church members. Churches were not included in the discussion when policies were put into place. Dr. York also stated that they would like to see the same rules apply to everyone including churches, grocery stores, and restaurants.

Representative Blanton commented on the subject stating that church goers were more afraid of being

ostracized and criticized by the media and Governor Beshear than COVID-19. He went on to say that the media has inconsistent reporting of COVID-19 cases when it comes to church members versus protesters.

In response to Representative Wheatley's question, Richard Nelson stated that he did not have a hard copy of the notice that was left on cars. He repeated that the court reported that "attendance is criminal."

Senator Westerfield agreed with Pastor York in that there are many inconsistencies in policies placed during the COVID-19 pandemic. He went on to say that whether it was on purpose or not, religious freedom was being targeted.

In response to Representative Dossett's question, Pastor York commented that the vast majority of churches are communicating guidelines with their congregations, having online seminars, and putting social distancing in place during church services.

Representative Hart commented that he was sympathetic with the Kentucky State Police because Governor Beshear had put them in the middle of enforcing social distancing guidelines. He stated that troopers should not have been put in the position to violate constitutional rights.

Senator Wilson stated that he spoke to several medical professionals that said there is a primary cause of death, and then there are contributing factors that are listed on a death certificate. He went on to say that he would like to know how many people have died from COVID-19 as the primary cause of death versus the amount of people died with COVID-19 listed as a contributing factor.

*A copy of the notice placed on vehicles by Kentucky State Police and a letter of response from Governor Beshear's office can be found in the meeting materials online.

UK Rosenberg College of Law

Scott Bauries, Law Professor at UK Rosenberg College of Law, stated that the first amendment is broken into two sections: the establishment clause which forbids government from passing a law that has the purpose of favoring or disfavoring a religion and the free exercise clause which allows individuals and churches to worship as they please. The Kentucky Freedom Restoration Act was passed in 2013 which also prohibits the government from interfering with religious practices. Some claims, such as notices on vehicles of people that attended in-person and police cars parked at church entrances could be seen as a conflict with the Freedom Restoration Act. Professor Bauries went on to say that there are conditions under the Kentucky Freedom Restoration Act that allows government interference if there was a substantial interest in placing restrictions, but they must prove that the restriction put in place is the least restrictive as possible.

Professor Bauries described a Supreme Court case, *Employment Division vs. Smith*, in which two Native Americans were fired from a job and could not receive unemployment benefits, because they ingested peyote as part of a religious ceremony, an illegal substance in the US. The court rejected the claim stating that as long as a religion is not being targeted specifically, there can be no claim exemption from the neutral law. However in another Supreme Court case, *Church of the Lukumi Babalu Aye vs City of Haileah*,

the court ruled in favor of the church sacrificing animals, because the law was determined to be directly interfering with that religion by prohibiting ritualistic animal sacrifices. Animals were still allowed to be euthanized in animal shelters or hunted for sport. Many of the religious interference cases that have been heard in the Kentucky courts so far have determined that some of the restrictions in place directly interfere with religious freedoms. For example while churches are not allowed to congregate, gathering in places like home improvement stores and grocery stores were still allowed.

In response to Representative Gentry, Professor Bauries stated that in an application for injunctive relief in the *South Bay United Pentecostal Church vs Governor Gavin Newsom* case was denied because Chief Justice Roberts stated that the Governor's orders were not specifically targeted at churches but other places of business also had to limit the amount of people or close entirely.

Representative Minter commented on Chief Justice Roberts decision in the *South Bay United Pentecostal Church vs Governor Gavin Newsom* injunction and stated that it seems that his opinion is that the free exercise clause would not apply in this particular situation because many places are being restricted, not just places of worship. Professor Bauries responded by saying that while Chief Justice Robert's comment should not be ignored, there is a possibility that not all facts are present since it is not a fully developed case.

In response to Senator Higdon, Professor Bauries said that he was not exactly sure if there was a pattern when it comes to states declaring churches essential or nonessential but said that most states in the northeast determined that churches were a nonessential service.

Kentucky State Police

Commissioner Rodney Brewer of the Kentucky State Police (KSP) wanted to explain misconceptions about KSP and churches during the pandemic. No churches were closed at any time and there was no enforcement action taken at any church. Handouts were only given out at two churches that he was aware of, and the notice included the dangers of COVID-19 and why social distancing is important. The only mention of criminal violation on the handouts states that a violation of Chapter 39 could be considered as a class A misdemeanor. Commissioner Brewer also explained that along with churches, over 800 retail sites were visited by KSP for not following health guidelines. From the beginning of the pandemic, troopers were not there in an enforcement capacity but in an informational capacity.

Representative Fugate commented that he felt that churches were under attack by Governor Beshear and his leadership, because they were not considered essential. He went on to say that churches continue to uphold guidelines put in place and should not be discriminated against.

In response to Representative Gentry, Commissioner Brewer stated that as far as he is aware the phrase "Attendance is criminal" was not on handouts that were placed on vehicles.

In response to Senator Westerfield's question, Commissioner Brewer stated there were other non-religious gatherings that KSP were called to investigate for not following social distancing guidelines. In re-

sponse to another question, he stated that during demonstrations there is no sniper on top of the capitol or annex building, but a trooper is placed at higher elevations during such events to ensure the safety of protesters and others.

In response to Senator Harper Angel's question, Commissioner Brewer explained that Kentucky State Police Crime Lab does not handle COVID-19 testing and has had no effect on how rape kits are processed. KSP did stop intake of rape kits from local police for several weeks but did accept mail-in kits.

In response to Representative Hart, the Commissioner explained that all counties should be open for driver's license testing, but there are limited hours depending on the clerk's office.

In response to Senator Higdon's question, he explained that trooper numbers are still low by about 240 people.

The meeting was adjourned.

Interim Joint Committee on Appropriations and Revenue Budget Review Subcommittee on General Government, Finance, Personnel, and Public Retirement

Minutes of the 1st Meeting of the 2020 Interim

July 8, 2020

Call to Order and Roll Call

The first 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 Wednesday, July 8, 2020, at 9:00 AM, in Room 171 of the Capitol Annex. Senator Robby Mills, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Robby Mills, Co-Chair and Representative Jim Stewart III, Co-Chair; Senators Julie Raque Adams, Christian McDaniel, Dennis Parrett, Reginald Thomas, and Phillip Wheeler; Representatives Kevin D. Bratcher, Jim Gooch Jr., Joe Graviss, Mark Hart, Adam Koenig, Michael Meredith, Suzanne Miles, Jerry T. Miller, Patti Minter, Phillip Pratt, and Nancy Tate.

Guests: Rodney Brewer, Commissioner, Kentucky State Police (KSP), Justice and Public Safety Cabinet; Major Jamie Heller, KSP; Lt. Jason Palmer, KSP; and, Sam Ruth, Commissioner, Department of Facilities and Support Services, Finance and Administration Cabinet.

LRC Staff: Emma Mills, Liz Columbia, and Spring Emerson.

Capitol Campus Security

Commissioner Brewer provided an overview and update on Capitol Campus security.

In response to a question from Representative Bratcher regarding the role of the KSP in the recent riot activity in Louisville and Jefferson County, Commissioner Brewer said the KSP was in the vicinity of the central downtown area for eight days, with an average of 100 troopers involved per night, from approximately 4:00 PM to 3:00 AM. The presence of KSP troopers was welcomed as a supplement to the Louis-

ville Police Department. The KSP also responded to disruptive crowd issues in Jefferson County, but for the most part, the presence of KSP was located in the downtown area.

In response to a question from Representative Tate regarding security assessments for property damage during protests, Commissioner Brewer said Secret Service overall assessments of Campus security vulnerabilities and their protocols are performed on a regular basis every several years; however, the last time it was done was over ten years ago. KSP can make security suggestions and provide assessments to the Finance and Administration Cabinet (FAC), but the FAC has the final say whether they are approved or if funding is required. An assessment of the Capitol Building performed recently by the Office of State Fire Marshal indicated that there should not be more than 1,500 visitors inside at any given time. With social distancing guidelines in place due to the COVID-19 pandemic, the maximum number is approximately 800.

In response to a question from Senator McDaniel regarding the timely entry of guests to the Capitol Annex building and the plan to improve for the next General Assembly, Lt. Palmer said there were some delays last year due to the new electronic system, and opening additional entries as well as other methods to scan in visitors in a timely manner helped to alleviate that issue.

In response to a comment from Senator McDaniel regarding the use of pre-printed badges through online registrations, Commissioner Brewer said that option would be considered.

In response to a question from Representative Graviss regarding the response time of KSP to a recent protest incident in which the likeness of the Governor was displayed in a hanging effigy, Commissioner Brewer said he was not satisfied with their response time; however, the incident is being used as a learning experience and will not happen again.

In response to a question from Representative Miller regarding drivers testing in Jefferson County, Commissioner Brewer said that is now active again and they are working with the county clerks to speed up the process by giving first consideration to applicants who had appointments delayed due to the pandemic.

In response to a question from Representative Miles regarding the guidelines for social distancing during peaceful protests versus limited gatherings, Commissioner Brewer said it depends on the group involved, whether masks are being worn and social distancing is being practiced. There is no limit to the number of participants of protests, but there is a limit of 50 for private gatherings. Social distancing and the use of personal protective equipment are firmly encouraged; however, that is not always successful, and there is no formal guidance on the current rules.

Senator Thomas expressed his appreciation for the outstanding professionalism of KSP personnel. In response to a question from Senator Thomas regarding the use of strict crowd control measures in the presence of high-powered weaponry on the Capitol Campus, Commissioner Brewer said that under the current statute relating to open-carry, there are certain restrictions and safeguards in place.

In response to a question from Chair Mills re-

garding the schedule for the Capitol Building to be open to the public, Commissioner Brewer said the hours are currently limited due to the pandemic. Lt. Palmer added that the FAC Facilities Security Branch operates the doors and the normal hours are 8:00 AM to 5:00 PM, by appointment only; however, the Capitol is currently closed to the public due to COVID-19.

In response to a question from Chair Mills regarding the order to block the street leading to and from the Capitol Campus, as well as the Campus shutdown on June 25, 2020 for a large protest group, Commissioner Brewer said street closure was based on the size of groups, the possibility of vehicles driving into crowds, provision for access for emergency medical personnel, and other public safety issues. The KSP did not make the call to close the Campus on June 25, 2020. That decision was made by the agencies occupying the Campus, due to the sizeable crowd that was expected.

In response to a question from Chair Mills concerning the possibility of damage to the Campus during large group protests and subsequent law enforcement, Commissioner Brewer said KSP is prepared to enforce the law and arrest violators if necessary.

Capitol Campus Upgrades and Maintenance

Commissioner Ruth provided an overview and update on Capitol Campus upgrades and maintenance.

In response to a question from Chair Mills regarding parking garage repairs and maintenance, Commissioner Ruth said the garage was built in 1975, and improvements are necessary. The final phase of the current improvement project should be complete by August 2020.

In response to a question from Representative Hart regarding the removal of the Jefferson Davis statue, Commissioner Ruth said the deadline to remove the statue resulted in an expedient movement to find a contractor with a specific skillset who could meet the schedule, and it was not related to any campaign contributions that he is aware of.

In response to a question from Representative Pratt regarding the deadline for the removal of the Jefferson Davis statue, Commissioner Ruth said the decision came from the Governor's office.

In response to a question from Senator Thomas regarding the vote by the Commission on Historical Properties to remove the Jefferson Davis statue, Commissioner Ruth said although he was not present at the meeting, the vote was eleven to one in favor of removal, and the statue was removed over the weekend in order to eliminate disruption of the work week.

Representative Graviss thanked Commissioner Ruth and his staff for the work they perform in and around the Capitol Campus. Commissioner Ruth expressed his appreciation for his staff and their performance of extra duties related to the pandemic.

Representative Hart expressed his concern for the public perception that perhaps the decision to remove the statue was made before the vote was taken.

In response to a question from Chair Mills regarding funding of rehabilitation and modernization of the Governor's mansion, Commissioner Ruth said some of the work had been performed using normal maintenance funds included within the FAC budget,

as well as Kentucky Executive Mansions Foundation, Inc. (KEMFI) funds for certain types of improvements.

In response to a question from Chair Mills regarding the functions of the Capitol Education Center (CEC) building, Commissioner Ruth said the original concept was to use it as a place for school tours to congregate when they are visiting the Capitol, and includes interactive educational displays.

Chair Mills echoed the sentiments of Representative Graviss and expressed his gratitude and appreciation for Commissioner Ruth and his staff for all the work they do.

Adjournment

There being no further business before the subcommittee, the meeting was adjourned at 10:22 AM.

Interim Joint Committee on Appropriations and Revenue Budget Review Subcommittee on Transportation Minutes of the 2nd Meeting of the 2020 Interim

July 8, 2020

Call to Order and Roll Call

The second meeting of the Budget Review Subcommittee on Transportation of the Interim Joint Committee on Appropriations and Revenue was held on Wednesday, July 8, 2020, at 10:30 AM, 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: Senator Jimmy Higdon, Co-Chair; Representative Sal Santoro, Co-Chair; Senators Dennis Parrett, Robin L. Webb, and Max Wise; Representatives Chris Fugate, Chris Harris, Samara Heavrin, Thomas Huff, Bart Rowland, John Sims Jr, and Ken Upchurch.

Guests: Megan McLain, Innovative Finance Manager, Department of Highways, KYTC; Sarah Jackson, Special Assistant, Department of Vehicle Regulation, KYTC; Robin Brewer, Executive Director, Office of Budget and Fiscal Management, KYTC; and, Jon Wilcoxson, Assistant State Highway Engineer for Project Delivery and Preservation, Department of Highways, KYTC.

LRC Staff: David Talley and Spring Emerson.

Approval of Minutes

A motion was made by Co-Chair Santoro to approve the minutes of the June 3, 2020 meeting. The motion was seconded by Representative Fugate, and the minutes were approved without objection.

Louisville Bridges

Megan McLain attempted to provide an update of the Louisville-Southern Indiana Ohio River Bridges (LSIORB) project, but there were technical difficulties with the audio connection. She will instead provide that information at the next subcommittee meeting.

REAL ID

Sarah Jackson and Robin Brewer provided an update of the REAL ID licensing program.

In response to questions from Chair Higdon regarding regional offices and their capabilities, Ms.

Jackson said currently the main focus is issuing drivers licenses and photo identification cards rather than the REAL ID. Barring further closure issues due to the pandemic, the goal is to try to have 18 regional offices operational by next year.

In response to a question from Chair Higdon regarding the cost of the 18 regional offices, Ms. Brewer said the current budget includes around \$15 million for REAL ID, with an additional \$3 million for other necessary and related responsibilities.

In response to a question from Chair Higdon regarding mobile units visiting various counties, Ms. Jackson said legislation requires a certain number of visits per year based on county populations. There are currently eight mobile units, and more can be added if necessary.

In response to a question from Chair Higdon regarding the acquisition of license renewals online, Ms. Jackson said they are currently working with vendors on that issue.

Highway Maintenance

Jon Wilcoxson provided testimony regarding Highway Maintenance and their efforts to reduce expenditures.

In response to a question from Chair Higdon regarding the purchase of salt for winter roads, Mr. Wilcoxson said about \$27 million was spent last winter for salt, which is low due to the mild winter. The average cost would be around \$44 million. Contract costs are incurred regardless if it snows or not, and approximately \$12.7 million was spent in contract costs last year.

Adjournment

There being no further business before the subcommittee, the meeting was adjourned at 11:07 AM.

Government Contract Review Committee

Committee Minutes

June 9, 2020

Call to Order and Roll Call

The Government Contract Review Committee met on Tuesday, June 9, 2020, at 10:00 AM, 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: Senator Stephen Meredith, Co-Chair; Representative Stan Lee, Co-Chair; Senators Julian M. Carroll, and Phillip Wheeler; Representatives Chris Fugate and Mark Hart.

Guests: Tom Stratton, Lisa Lee, Charlie Harmon (Teleconference), Donna Duncan (Teleconference), Thelma Hawkins (Teleconference), Anthony Ellis (Teleconference), Dr. Steven Stack, Astrud Masterson, Tricia Okeson, and Amy Monroe.

LRC Staff: Kim Eisner, Jarrod Schmidt, and Kim Smith.

A motion was made by Representative Lee to approve Minutes of the May 2020, meeting of the committee. Representative Fugate seconded the motion, which passed without objection.

DEFERRED ITEM:

WESTERN KENTUCKY UNIVERSITY
Environment of Care, 202202. A motion was

made by Representative Lee to defer the contract to the July meeting of the committee. Representative Hart seconded the motion, which passed.

MAY DEFERRED ITEM:

MEDICAID SERVICES BENEFITS

Kentucky Transportation Cabinet, 2000001547. Tom Stratton and Lisa Lee discussed the contract with the committee. A motion was by Representative Hart to consider the contract as reviewed. Senator Wheeler seconded the motion, which passed with Representative Lee voting no.

A motion was made by Representative Fugate to consider as reviewed the Personal Service Contract List, with exception of those items selected for further review by members of the committee. Representative Lee seconded the motion, which passed without objection.

A motion was made by Representative Fugate to consider as reviewed the Personal Service Contract Amendment List, with exception of those items selected for further review by members of the committee. Representative Lee seconded the motion, which passed without objection.

A motion was made by Representative Fugate to consider as reviewed the Memoranda of Agreement List, with exception of those items selected for further review by members of the committee. Representative Lee seconded the motion, which passed without objection.

A motion was made by Representative Fugate to consider as reviewed the Memoranda of Agreement Amendment List, with exception of those items selected for further review by members of the committee. Representative Lee seconded the motion, which passed without objection.

A motion was made by Representative Fugate to consider as reviewed the Film Tax Incentive List, with exception of those items selected for further review by members of the committee. Representative Lee seconded the motion, which passed without objection.

A motion was made by Representative Fugate to consider as reviewed the Correction List. Representative Lee seconded the motion, which passed without objection.

A motion was made by Representative Fugate to consider as reviewed the Addition List. Representative Lee seconded the motion, which passed without objection.

THE FOLLOWING PERSONAL SERVICE CONTRACTS WERE REVIEWED WITHOUT OBJECTION:

BEHAVIORAL HEALTH, DEVELOPMENTAL & INTELLECTUAL DISABILITIES

Assisteddiningsolutions, LLC, 1800002128-1; Med Care Pharmacy, LLC, 2000001592; Pennyryle Radiology, 2000002192.

BOARD OF DENTISTRY

Brian Fingerson RPH, Inc., 2000003311.

BOARD OF EXAMINERS OF PSYCHOLOGISTS

Melissa F. Hall, 2000002576.

BOARD OF LICENSING HEARING AID DEALERS & FITTERS

Mary E. Martins the Word Private Investigations, 2000003018.

BOARD OF LICENSURE FOR NURSING HOME ADMINISTRATORS

Marisa Neal, 2000003014.

BOARD OF OPHTHALMIC DISPENSERS

Marisa Neal, 2000003016.

BOARD OF REGISTRATION FOR PROFESSIONAL GEOLOGISTS

Marisa Neal, 2000002320.

BOARD OF SPEECH PATHOLOGY AND AUDIOLOGY

Marisa Neal, 2000002996.

BOARD OF VETERINARY EXAMINERS

Maryjane Wixsom, 2000003007; Coy Ray St. Clair, Jr., 2000003008; C. Loran Wagoner, 2000003134.

CHFS - DEPARTMENT FOR AGING AND INDEPENDENT LIVING

Center for Comprehensive Services, Inc., 2000001456; Neurobehavioral Resources LTD, 2000001589.

CHFS - OFFICE OF THE SECRETARY

Fred DeRosset, 2000002260.

COUNCIL ON POSTSECONDARY EDUCATION

Blue & Company LLC, 2000002938.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

Dr. Ted Pass II, 2000001985; Kentucky Rural Water Association, 2000002671.

DEPARTMENT FOR INCOME SUPPORT

DYF Consulting, Inc., 2000001026; Visions Group 2020, LLC, 2000001068; Kay Barnfield Psy. D., PSC, 2000001118; Bornstein Psychological Services, Inc., 2000001125; Jane F. Brake, 2000001127; Bruening & Associates, 2000001129; Robert Culbertson MD, 2000001130; Laura Cutler, 2000001132; Anna L. Demaree PhD, 2000001134; Paul Anthony Ebben, 2000001136; Larry Freudenberger, 2000001142; Tonya R. Gonzalez, 2000001148; Dr. Timothy Gregg, 2000001154; Alexis M. Guerrero, MD, 2000001156; Ms. Julie B. Jones, 2000001160; Stephen Kavka, 2000001161; Rebecca B. Luking, 2000001163; True North Counseling & Development, 2000001165; Sudhideb Mukherjee MD, 2000001170; Lea J. Perritt Ph D, 2000001182; G. Stephen Perry Edd, 2000001183; John M. Reed, MD, 2000001185; Clarissa Renee Roan-Belle, 2000001187; Parandhamulu Saranga, MD, 2000001188; Ilze A. Sillers PhD, 2000001197; Danelle Stevens-Watkins PhD, PLLC, 2000001203; Vandivier and Associates PSC, 2000001209; Vandivier and Associates PSC (Dan K. Vandivier), 2000001211; Brandee Denise Wimberly, 2000001213; Marina T. Yarbrow, 2000001214; Malissa Mollett, 2000001881.

DEPARTMENT FOR PUBLIC HEALTH

Market Decisions, LLC, 2000002886.

DEPARTMENT FOR WORKFORCE INVESTMENT

Donald L. Chaffin, 2000001752.

DEPARTMENT OF CORRECTIONS

KPMG, LLP, 2000002808.

DEPARTMENT OF CRIMINAL JUSTICE TRAINING

Law Enforcement Services, Inc., 2000001359; Thin Line Counseling and Consulting, LLC, 2000001869; Woosley Counseling, Inc., 2000001870; Jacqueline D. Alexander, 2000001888; Elizabeth Messer, 2000002303; Kimberly Henderson Baird,

2000002304; Allyson Honaker, 2000002305; Barbara Lindsay Lepage, 2000002421; Baptist Health Medical Group, Inc., 2000002949.

DEPARTMENT OF EDUCATION

David B. Wicker, 2000002264; Patrick Law Firm, 2000002269; Dennis L. Pickett, 2000002270; Kimberly S. Price, 2000002271; Mike Wilson, 2000002273; Paul L. Whalen, 2000002274; Susan Gormley Tip-ton, 2000002275; TCB Consulting, LLC, 2000002277; CN Resource, LLC, 2000002278; Jennifer R. Stocker, 2000002279; Joseph Michael Thieman, 2000002280; Mike Wilson, 2000003076; Roland P. Merkel, PSC, 2000003077.

DEPARTMENT OF HIGHWAYS

Michael Baker International, Inc., 2000003339; WSP Usa, Inc., 2000003345; Metro Analytics, LLC, 2000003545.

DEPARTMENT OF INSURANCE

C & L Black Enterprises LLC, 2000001809; Actuarial Resources Corporation, 2000001857; Axams, LLC, 2000001883; Central Analysis Service, LLC, 2000001885; Donald D. Bratcher, LLC, 2000001892; Eldridge Consulting Services LLC, 2000001893; Examination Resources, LLC, 2000001894; Financial Analysis Services, LLC, 2000001895; HBM Consulting Services, LLC, 2000001908; Highland Clark, LLC, 2000001909; Heather Quinn, LLC, 2000001913; Lewis & Ellis, Inc., 2000001942; Lewis & Ellis, Inc., 2000001943; Madison Consulting Group, Inc., 2000001946; Prometric, LLC, 2000001950; PSI Services, LLC, 2000001951; Taylor & Mulder, Inc., 2000001961; Taylor-Walker Consulting, LLC, 2000001963; RSC Insurance Brokerage, Inc., 2000001964; Vjie, LLC, 2000001965; E&S Regulatory Services, LLC, 2000003092.

DEPARTMENT OF JUVENILE JUSTICE

Paul L. Whalen, 2000001813; Brenda Wilburn, 2000002396; Brenda Wilburn, 2000002397; Brenda Kaye Wilburn, 2000002646; Symphony Diagnostics Services No1, LLC, 2000003198.

DEPARTMENT OF MILITARY AFFAIRS

Thomas P. Pendleton, Jr., 2000003091; Eric F. Gray, 2000003111; Philip Kenneth Miller, 2000003152; Mark E. Demuth, 2000003164; Joe Mario Davis, 2000003264.

DEPARTMENT OF REVENUE

Billy Whittaker, 2000001700.

DEPARTMENT OF VETERANS AFFAIRS

Hazard Radiology Associates, 2000001497; Multi, 2000001741; Hargis & Associates, LLC, 2000001923; Multi, 2000001986; Envivo Health, LLC, 2000002144; Envivo Health, LLC, 2000003305.

EASTERN KENTUCKY UNIVERSITY

Mountain View Veterinary Services, PLLC, 22-022; Embanet Compass Knowledge Group, Inc. (Division of NSC Pearson Inc.), 22-028; Employee Network, Inc., 22-031; Cammack Retirement Group, 22-032; Crowe, LLP, 22-042; Element Design, 22-043; CMTA, Inc., 22-044; AssuredPartners NL, LLC, 22-054; Kentucky River Foothills, 22-060; Donna K. McGraw, 22-061; Mary C. Willoughby, 22-062; Cunningham, Barbee and RoBen, LLC, 22-064; Institute for Family Development, Inc., 22-065; Commonwealth Theater Center, 22-066; Seven Counties Services, Inc. (formerly Centerstone of Kentucky), 22-067; Green River Area Development District, 22-068; Sturgill,

Turner, Barker & Maloney, 22-071; CHES Solutions Group, 22-073.

ECON DEV - OFFICE OF THE SECRETARY

Masamichi Takahashi, 2000002882; Anderson Economic Group, LLC, 2000003259; Hunden Strategic Partners, Inc., 2000003260; Blue & Company, LLC, 2000003261; Hurt, Deckard & May, PLLC, 2000003376; Stoll Keenon Ogden, PLLC, 2000003377; Stites & Harbison, PLLC, 2000003378; Eva Garland Consulting, LLC, 2000003546; Shaping Our Appalachian Region, Inc., 2000003604; Tri-County Economic Development Corporation, 2000003605; Awesome Center for Entrepreneurship, Inc., 2000003606; Louisville Entrepreneurship Acceleration Partnership, Inc., 2000003607; Sprocket, Inc., 2000003608.

FACILITIES & SUPPORT SERVICES

Nomi, Inc., 2000002477; Omni Architects, 2000002637; Ross Tarrant Architects, Inc., 2000002652; EOP Architects PSC, 2000003040; Paladin, Inc., 2000003342.

KENTUCKY EMPLOYERS MUTUAL INSURANCE

Ametros, 21-AMT-001; Bluegrass ChemDry, 21-BGC-001; Claims Compensation Bureau, LLC, 21-CCB-001; Multi, 21-CLD-001; Conning, Inc., 21-CON-001; Dean, Dorton, Allen, Ford, PLLC, 21-DDF-001; Direct Express Delivery, 21-DED-001; GENEX Services, LLC, 21-GEN-001; ISO Claims Partners, Inc., 21-ISO-001; Lexington Financial Center, 21-LFC-001; MCM CPA's and Advisors, LLP, 21-MCM-001; Milliman, Inc., 21-MIL-001; McCready & Keene, Inc., A OneAmerica Company, 21-MKI-001; Occupational Managed Care Alliance, Inc., 21-OMC-001; Overland Solutions, Inc., 21-OSI-001; Pharmacy Investigators & Consultants, LLC, 21-PIC-001; TEKSystems, Inc., 21-TEK-001; TowerHunter, Inc., 21-THI-001; Watchpoint, LLC, 21-WCH-001.

KENTUCKY FISH AND WILDLIFE RESOURCES

Blue & Company, LLC, 2000003204.

KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION

Dean Dorton Allen Ford, PLLC, 21-002; McGlinchey Stafford, 21-003; Valenti Hanley, PLLC, 21-004; DealVector, Inc., 21-010.

KENTUCKY LOTTERY CORPORATION

IGT Global Solutions Corporation f/k/a GTECH Corporation, 21-10-001; Waterfield Technologies, 21-10-027; Gaming Laboratories International, LLC, 21-14-035; IGT Global Solutions Corporation f/k/a GTECH Corporation, 21-15-001; Goldberg & Simpson, 21-16-024-1; Bandy Carroll Hellige, 21-16-044-1; The Buntin Group, Inc., 21-16-044-2; Senet International Corporation, 21-18-032; Kizan Technologies, LLC, 21-19-069; Barker & Herbert Analytical Laboratories, 21-20-015.

KENTUCKY RETIREMENT SYSTEMS

Dean Dorton Allen Ford, PLLC, 2000001787.

KENTUCKY STATE FAIR BOARD

Charlotte Mattson Kurtz, 2000002463.

KENTUCKY STATE POLICE

Chris Collins, 2000002447; Kelley Farris, 2000002448; Anthony Gatson, 2000002528; Kevin B. Guier, 2000002529; Billy P. Hall, 2000002571; Michael Hatler, 2000002577; Isaiah Hill, 2000002578; Darrell Hutchison, 2000002580; Dwayne Ison, 2000002588;

Bruce Kelley, 2000002590; Ronald E. Long, 2000002591; Robert Curtis Mouser, 2000002593; Donald L. Perry, 2000002594; Kevin Pickett, 2000002612; Ronnie R. Reynolds, 2000002620; Jack H. Riley, 2000002622; Millard R. Root III, 2000002625; Trevor A. Scott, 2000002675; Samuel O. Shacklette, 2000002677; Todd C. Simon, 2000002679; Harry J. Sowders, 2000002680; Gary Travis, 2000002681; James Don Trosper, 2000002687; Steve Walker, 2000002689; Henry St. George Carmichael IV, 2000002690; Jonathan McChesney, 2000002691; Toney Gene Allen, 2000002693; Robert A. Maxwell, 2000002847; Keith Baker, 2000002851; Luther Vanhoose, 2000002855; Jason McCowan, 2000002864; Bramlett Joe Burton, 2000002959; Virgil Rucker, 2000002960; Christopher Crockett, 2000002966; Robert Morris, 2000002968; Ryan Sizemore, 2000003084; Edwin D. Botkin Jr., 2000003095; Joseph Clayton Lucas, 2000003096; Michael A. Woodrum, 2000003101; Kevin Drew Flick, 2000003103; James Glenn Reed, 2000003104; Seth Collin Payne, 2000003120; Jonathan Blevins, 2000003127; Anthony C. Blakemore, 2000003131; Jeffrey L. Jacobs, 2000003132; Steven L. Oliver, 2000003136; James M. Taylor, 2000003162; Kelly Anderson, 2000003163; Kevin Rogers, 2000003172; John Kearns, 2000003173; Paul Dublin, 2000003174; Janet L. Barnett, 2000003242.

KENTUCKY STATE UNIVERSITY

Dr. Angela Meshack, 21-03; Dr. Marshall C. Grigsby, 21-04.

KENTUCKY TURNPIKE AUTHORITY

Blue & Company, LLC, 2000002994.

KY COMMUNITY TECHNICAL COLLEGE SYSTEM

Center for Occupational Research and Development, 784; Thorn Run Partners, LLC, 786; Sierra-Cedar Inc., 787; eBusiness Advantage, Inc., 788; Summit 7 Systems, 789; Franklin Covey Client Sales, 790; Global Skills Exchange, 792; United States Geospatial Intelligence Foundation, 793; Integra Realty Resources, 800; Bluegrass Valuation Group, LLC, 801; Preston Pulliams, d/b/a Gold Hill Associates, 802; Myers McRae, Inc., 803; Association of Community College Trustees, Inc., 804; Hanna Resource Group, LLC, 805; Centurion Solutions, LLC, 806; Crowe Horwath, LLP, 807; Sign Language Network, Inc., 808; Deaf and Hard of Hearing Interpreter, Referral and Advocacy Services, LLC, 810; Central Kentucky Interpreter Referral, Inc., 811; Interpreting Services of the Commonwealth, LLC, 812; Language in Motion, 813; Affordable Language Services, LLC, 815; Lake Cumberland CDL Training School, Inc., 816; Sturgill, Turner, Barker & Moloney, 817; McBrayer, McGinnis, Leslie & Kirkland, PLLC, 818; Walther, Gay & Mack, PLC, 819; Bingham, Greenebaum, Doll, PLLC, 820; Scoppechio/Ovare Group, 821; AON Consulting, Inc., 822; Commonwealth Economics, 823; Preston Pulliams d/b/a Gold Hill Associates, 824; The Superlative Group, Inc., 825; Johnson Family Chiropractic, 826; Dye Brothers, 827; Star Educational Programming, LLC, 828; Spine-care Chiropractic, 829.

KY HOUSING CORPORATION

Multi, 2021-14-41; 43-48; McBrayer, McGinnis, Leslie & Kirkland, PLLC, 2021-42.

KY INFRASTRUCTURE AUTHORITY

Dean Dorton Allen Ford, PLLC, 2000002461.

LEGISLATIVE RESEARCH COMMISSION

Kristin Putnam, 20/21-03; Ransdell Roach & Royse, PLLC, 20/21-30; Stoll Keenon Ogden, PLLC, 20/21-36; Stoll Keenon Ogden, PLLC, 20/21-40.

MILITARY AFFAIRS COMMISSION

Strategy Ninja Group, LLC, 2000002464; Kratzer Consulting, LLC, 2000002465; Public Private Solutions Group, 2000002933.

MOREHEAD STATE UNIVERSITY

Dean Dorton Allen Ford, PLLC, 21-001.

MURRAY STATE UNIVERSITY

Capitol Solutions, 011-21.

NORTHERN KENTUCKY UNIVERSITY

Commonwealth Economic Partners, 2021-108; The Segal Company, Inc., 2021-109; Academic Partnerships, 2021-110.

OCCUPATIONS AND PROFESSIONS

PSI Services, LLC, 2000001993.

OFFICE OF HOMELAND SECURITY

MCP Acquisition Corporation, 2000003088.

OFFICE OF INSPECTOR GENERAL

Healthcare Management Solutions, LLC, 2000001512.

OFFICE OF THE CONTROLLER

Arbitrage Compliance Specialists, Inc., 2000003003; American Municipal Tax-Exempt Compliance Corporation, 2000003049.

PERSONNEL - OFFICE OF THE SECRETARY

McBrayer PLLC, 2000001804; Cannon Cochran Management Services, Inc., 2000001928.

TRANSPORTATION - OFFICE OF THE SECRETARY

Wyatt Tarrant and Combs, 2000001718; Riverlands Marine Surveyors and Consultants, Inc., 2000002252; PFM Financial Advisors, LLC, 2000002312; Blue & Company LLC, 2000002315; Assured NI Insurance Services, Inc., 2000002362; Kentucky Training, LLC, 2000002368; Appco Appraisal Service, Inc., 2000002532; Baumgardner and Associates, PSC, 2000002533; Bluegrass Valuation Group, LLC, 2000002535; Bluegrass Valuation Group, LLC, 2000002537; Dale Crump, 2000002539; Darin Sizemore, 2000002540; Dixon Nunnery, 2000002543; Gary Endicott, 2000002545; Intequal, Inc., 2000002546; J. Michael Jones and Associates, 2000002548; John Daniel Lyons, 2000002549; John R. Williams, 2000002550; Kentucky Field Service Realty, 2000002551; McPherson Appraisal Service, 2000002553; Matthew L. Chapman, 2000002555; Russell M. Sloan, 2000002557; Stephen G. Raleigh, 2000002558; Tammy L. Barnes, 2000002559; Thoroughbred Real Estate Services, LLC, 2000002560; David Owen, 2000002561; Mary E. Martins the Word Private Investigations, 2000002562; Kevin Shipp, 2000002563; DPJ Consulting, LLC, 2000002564; Thomas Ray Garner, 2000002572; Thurston Freeman, 2000002573; HNTB Corporation, 2000002758; Gateway Community & Technical College, 2000002814; Benson Group, LLC, 2000002815; CEI of America, Inc., 2000002838; Strothman and County PSC, 2000002941; RN Expertise, Inc., 2000003078; Occupational Health Center of Southwest Pa., 2000003193; Primary Care Center of Eastern Kentucky, 2000003234.

UNIVERSITY OF KENTUCKY

APAX Software, K20-150; Achieve Digital, K20-151; Grace Consulting, K21-101; Smith Management

Group, K21-102; Trinity Consultants, K21-103; Oak Ridge Associated Universities, Inc. (ORAU), K21-104; Sign Language Network of KY, K21-105; Fund Evaluation Group, K21-106; Apax Software, K21-107; Strand Associates, Inc., K21-108; NEPCON, LLC, K21-109; Cornerstone Government Affairs, K21-110; Suzanne Oldham Consulting, Inc., K21-111; The Stelter Company, K21-112.

UNIVERSITY OF LOUISVILLE

Ignew LLC d/b/a Slingshot, 21-001; McCarthy Strategic Solutions, 21-002.

WESTERN KENTUCKY UNIVERSITY

Multi, 202003; Multi, 202101; Sodexo Management Inc., 202102; RAPT DEV, 202103; The Scorer's Table, 202104; Multi, 202105.

THE FOLLOWING PERSONAL SERVICE AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS

Tad Thomas, 1600003867; Adams Stepner Woltermann and Dusing, 1600003912; Stoll Keenon Ogden, PLLC, 1700002948; Sturgill, Turner, Barker & Moloney, PLLC, 1900004748; Greenebaum Doll and McDonald, 2000001336; Dentons Bingham Greenebaum, LLP, 2000002202.

BEHAVIORAL HEALTH, DEVELOPMENTAL & INTELLECTUAL DISABILITIES

Dietary Consultants, Inc., 1800002128.

BOARD OF EXAMINERS OF SOCIAL WORK

Johnson Bearse, LLP, 1900003603.

DEPARTMENT FOR NATURAL RESOURCES

Tichenor and Associates, 1900003275.

DEPARTMENT OF CORRECTIONS

McBrayer, PLLC, 2000001255.

DEPARTMENT OF HIGHWAYS

GRW Engineers Inc., 0600002125; H.W. Lochner Consulting, Inc., 0700006607; Palmer Engineering Company, 1100001520; Palmer Engineering Company, 1200000457; Stantec Consulting Services, Inc., 1200002239; URS Corporation, 1200002258; Strand Associates, Inc., 1300000192; Stantec Consulting Services, Inc., 1300001683; HDR Engineering, Inc., 1300001736; GRW Engineers, Inc., 1300002177; EA Partners, PLC, 1300002466; HMB Professional Engineers, Inc., 1300002470; URS Corporation, 1300002471; Palmer Engineering Company, 1500001636; URS Corporation, 1500002149; Palmer Engineering Company, 1500002150; Stantec Consulting Services, Inc., 1600002541; QK4, Inc., 1600003748; Bluegrass Valuation Group, LLC, 1700001182; Tammy L. Barnes, 1700001185; Stantec Consulting Services, Inc., 1700001320; Stantec Consulting Services, Inc., 1700001597; Aecom Technical Services, Inc., 1700002656; Palmer Engineering Company, 1700002663; EA Partners, PLC, 1700002782; DLZ Kentucky, Inc., 1800000372; Stantec Consulting Services, Inc., 1800001566; Stantec Consulting Services, Inc., 1800002163; WSP USA, Inc., 1800002166; Stantec Consulting Services, Inc., 1800002171; QK4, Inc., 1900001905; H.W. Lochner, Inc., 1900001906; HDR Engineering, Inc., 1900001938; Corradino Group, 1900002032; Lee Engineering, LLC, 1900002149; Leslie M. Haney and Albert W. Gross Partners, 1900002866; HDR Engineering, Inc., C-01228504; Presnell Associates, Inc., C-02300472; Quest Engineers, Inc., C-06190563.

DEPARTMENT OF JUVENILE JUSTICE

Shannon Smith-Stephens, 1800002109; Scotty D. Combs, 1900000139; Norman G. Hoffmann, 2000000752.

DEPARTMENT OF VETERANS AFFAIRS

Multi, 1900002168.

FACILITIES & SUPPORT SERVICES

Clotfelter Samokar, PSC, 1500000669; Kohrs Lonnemann Heil Engineers, PSC, 1600000312; Sustainable Streams, LLC, 1800001506; Stantec Consulting Services, Inc., 1800002120; Omni Architects, 1900003527; Synterra Corporation, 1900003709.

KY PUBLIC SERVICE COMMISSION

Browne Bortz & Coddington, Inc., 1800002362; Harvey Economics Company, 1800002363.

MURRAY STATE UNIVERSITY

Deaf and Hard of Hearing Interpreter, Referral & Advocacy Services, LLC, 014-20; Robert W. Baird & Company, Inc., 023-20.

TRANSPORTATION - OFFICE OF THE SECRETARY

Wyatt Tarrant and Combs, 1800001356; Fox Wood and Estill, 1900004021; McMurphy and Livingston, 1900004030.

UNIVERSITY OF KENTUCKY

GBBN, A171200; Murphy Group Architects, A181140; CMTA, Inc., A201090.

WESTERN KENTUCKY UNIVERSITY

Multi, 182014.

THE FOLLOWING MEMORANDA OF AGREEMENTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS

Cumberland River Behavioral Health, Inc., 2000003521; Kentucky River Community Care, Inc., 2000003523; Lifeskills, Inc., 2000003524; Mountain Comprehensive Care Center, 2000003525; Green River Regional MHMR Board, Inc., 2000003530; Transitions, Inc., 2000003531; New Vista of the Bluegrass, Inc., 2000003532.

BEHAVIORAL HEALTH, DEVELOPMENTAL & INTELLECTUAL DISABILITIES

Pennyroyal Regional Mental Health Mental Retardation Board, 2000001493; Kentucky Administrative Office of the Courts, 2000001675; Shepherds House, Inc., 2000001828; Federation of Appalachian Housing Enterprises, Inc., 2000001833; Young People In Recovery, 2000001867; Kentucky Primary Care Association, Inc., 2000001884; Fletcher Group, Inc., 2000001906; Kentucky River Community Care, Inc., 2000001914; Pennyroyal Regional Mental Health Mental Retardation Board, 2000002015; Green River Regional MHMR Board, Inc., 2000002016; Communicare, Inc., 2000002022; Seven Counties Services, Inc., 2000002023; Pathways, Inc., 2000002028; Kentucky River Community Care, Inc., 2000002031; Cumberland River Behavioral Health, Inc., 2000002032; Lake Cumberland Mental Health Mental Retardation Board, 2000002034; New Vista of the Bluegrass, Inc., 2000002035; Seven Counties Services, Inc., 2000002108; Western Kentucky Regional Mental Health & Retardation Advisory Board, 2000002125; Communicare, Inc., 2000002129; Seven Counties Services, Inc., 2000002130; Northern Kentucky Regional Mental Health Mental Retardation Board, 2000002131; Pathways, Inc., 2000002133; Mountain

Comprehensive Care Center, 2000002134; Cumberland River Behavioral Health, Inc., 2000002136; Lake Cumberland Mental Health Mental Retardation Board, 2000002137; Volunteers of America Mid-States, Inc., 2000002227; Manchester Memorial Hospital, 2000002321; University of Kentucky Research Foundation, 2000002568; Transitions, Inc. d/b/a Women's Residential, 2000002705; Kentucky Partnership for Families and Children, Inc., 2000002721; Chrysalis House, Inc., 2000002774; Kentucky River Community Care, Inc., 2000002784.

BOARD OF ALCOHOL AND DRUG ABUSE COUNSELORS

Department of Professional Licensing, 2000001761.

BOARD OF CERTIFICATION FOR MARRIAGE AND FAMILY THERAPISTS

Department of Professional Licensing, 2000001775.

BOARD OF CHIROPRACTIC EXAMINERS

Department of Professional Licensing, 2000001684.

BOARD OF EXAMINERS OF PSYCHOLOGISTS

Department of Professional Licensing, 2000001686.

BOARD OF HAIRDRESSERS AND COSMETOLOGISTS

Kentucky Community and Technical College System, 2000003375.

BOARD OF INTERPRETERS FOR THE DEAF AND HARD OF HEARING

Department of Professional Licensing, 2000001768.

BOARD OF LICENSING HEARING AID DEALERS & FITTERS

Department of Professional Licensing, 2000001708.

BOARD OF OPHTHALMIC DISPENSERS

Department of Professional Licensing, 2000001696.

BOARD OF PODIATRY

Department of Professional Licensing, 2000001776.

BOARD OF PROFESSIONAL COUNSELORS

Department of Professional Licensing, 2000001757.

BOARD OF PROSTHETICS, ORTHOTICS AND PEDOROTHICS

Department of Professional Licensing, 2000001685.

BOARD OF SPEECH PATHOLOGY AND AUDIOLOGY

Department of Professional Licensing, 2000001698.

CHFS - DEPARTMENT FOR AGING AND INDEPENDENT LIVING

Center for Accessible Living, Inc., 2000002605; Nursing Home Ombudsman Agency of the Bluegrass, Inc., 2000002606; Elderserve, Inc., 2000002607; New Vista of the Bluegrass, Inc., 2000002611; Northern Kentucky Cooperative for Educational Services, Inc., 2000002613.

CHFS - OFFICE OF THE SECRETARY

University of Kentucky, 2000002587.

DEPARTMENT FOR COMMUNITY BASED

SERVICES

Seven Counties Services, Inc., 2000001469; Specialized Alternatives for Families & Youth of Kentucky I, 2000001518; Seven Counties Services, Inc., 2000001523; Madison County, 2000001526; Children's Advocacy Centers of Kentucky, 2000001530; Pathways, Inc., 2000001533; Comprehend, Inc., 2000001538; Seven Counties Services, Inc., 2000001549; Northern Kentucky Regional Mental Health Mental Retardation Board, 2000001550; Mountain Comprehensive Care Center, 2000001551; Pathways, Inc., 2000001779; Youth Villages, Inc., 2000002738.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

Kentucky Steam Heritage Corporation, 2000001814; US Department of Agriculture, 2000002200.

DEPARTMENT FOR FAMILY RESOURCE CENTERS & VOLUNTEER SERVICES

Jefferson County Board of Education, 2000001674; Multi, 2000001722; Multi, 2000001725; Multi, 2000001729; Northern Kentucky Cooperative for Educational Services, Inc., 2000001731; Eastern Kentucky University, 2000002443; Kentucky YMCA Youth Associates, 2000002501.

DEPARTMENT FOR INCOME SUPPORT

Legal Aid Society, 2000001972.

DEPARTMENT FOR LOCAL GOVERNMENT

City of Richmond, 2000001571; City of Whitesville, 2000002033; Clay County Fiscal Court, 2000002185; Kenton County Fiscal Court, 2000002248; City of Bradfordsville, 2000002381; City of Hindman, 2000002437; Letcher County Fiscal Court, 2000002688; Ohio County Fiscal Court, 2000003137; Ohio County Fiscal Court, 2000003138; Floyd County Fiscal Court, 2000003196.

DEPARTMENT FOR MEDICAID SERVICES

Kentucky Board of Nursing, 2000001504; Department of Juvenile Justice, 2000001620; Multi, 2000001834.

DEPARTMENT FOR PUBLIC HEALTH

University of Kentucky Research Foundation, 2000001166; Mayo Collaborative Services, LLC, 2000001219; University of Kentucky Research Foundation, 2000001220; University of Kentucky Research Foundation, 2000001569; Wendell Fosters Campus for Developmental Disabilities, 2000001576; Kentucky Department of Education, 2000001616; Norton Hospital, Inc., 2000001622; Heartland Cares, Inc., 2000001640; University of Kentucky Research Foundation, 2000001759; Go-Hire Employment and Development, Inc., 2000001850; Norton Healthcare Foundation, 2000001956; Big Sandy Health Care, Inc., 2000001974; Lewis County Primary Care Center, Inc., 2000002121; Community Health Centers of Western Kentucky, Inc., 2000002122; University of Louisville Research Foundation, 2000002159; University of Kentucky, 2000002162; Family Health Centers, Inc., 2000002272; Matthew 25 Aids Services, Inc., 2000002387; Pathways, Inc., 2000002442; University of Kentucky Research Foundation, 2000002500; University of Kentucky Research Foundation, 2000002521; Kentucky Cancerlink, Inc., 2000002707; University of Louisville Research Foundation, 2000002733; University of Kentucky Research Foundation, 2000002762; University of Louisville Research Foundation,

2000002770; Appalshop, Inc., 2000002826; Center for Human Entrepreneurship, 2000002896.

DEPARTMENT FOR WORKFORCE INVESTMENT

Mental Health America of Northern Kentucky and Southwest Ohio, 2000001891; Center for Accessible Living, Inc., 2000001902; Options Unlimited, Inc., 2000001905; Options Unlimited, Inc., 2000001907; American Institutes for Research, 2000002700; Council On Developmental Disabilities, Inc., 2000002940.

DEPARTMENT OF AGRICULTURE

Feeding America, Kentucky's Heartland, 2000002318; University of Kentucky, 2000003055; Feeding Kentucky, Inc., 2000003110.

DEPARTMENT OF CORRECTIONS

Daviess County, 2000001541; Grayson County Detention Center, 2000001561; Hardin County Fiscal Court, 2000001562; Kenton County Fiscal Court, 2000001566; Boyle County, 2000001583; Lexington Fayette Urban County Government, 2000001585; Harlan County, 2000001641; Pike County, 2000001649; Shelby County Detention Center, 2000001665; Communicare, Inc., 2000002285; Pathways, Inc., 2000002289; Northern Kentucky Regional Mental Health Mental Retardation Board, 2000002290; Mountain Comprehensive Care Center, 2000002291; Kentucky River Community Care, Inc., 2000002294; Western Kentucky Regional Mental Health & Retardation Advisory Board, 2000002295; Cumberland River Behavioral Health, Inc., 2000002296; Comprehend, Inc., 2000002297; New Vista of the Bluegrass, Inc., 2000002299.

DEPARTMENT OF CRIMINAL JUSTICE TRAINING

Eastern Kentucky University, 2000001810.

DEPARTMENT OF EDUCATION

University of Louisville Research Foundation, 2000002307; Murray State University, 2000002324; Utah State University, 2000002366; Kentucky Special Parent Involvement Network, Inc., 2000002393; University of Kentucky Research Foundation, 2000002450; University of Kentucky Research Foundation, 2000002453; University of Kentucky Research Foundation, 2000002495; Henderson County Board of Education, 2000002503; Warren County Board of Education, 2000002506; Cabinet for Health and Family Services - DBHDID, 2000002510; University of Kentucky Research Foundation, 2000002511; University of Kentucky Research Foundation, 2000002520; University of Kentucky Research Foundation, 2000002522; University of Kentucky Research Foundation, 2000002575; Owen County Board of Education, 2000002657; Hopkins County Board of Education, 2000002663; Boyd County Board of Education, 2000002664; Central Kentucky Educational Cooperative, 2000002684; Bourbon County Board of Education, 2000002692; Clark County Board of Education, 2000002696; Woodford County Board of Education, 2000002699; Kentucky Valley Educational, 2000002706; Spencer County Board of Education, 2000002732; Barren County Board of Education, 2000002740; Leslie County Board of Education, 2000002741; Corbin Independent School District, 2000002742; Carter County Board of Education, 2000002747; Leslie County Board of Education, 2000002749; Scott County Board of

Education, 2000002751; Western Kentucky University, 2000002754; Scott County Board of Education, 2000002790; Danville Independent School District, 2000002793; Clay County Board of Education, 2000002804; Western Kentucky University, 2000002806; Campbellsville Independent School District, 2000002819; Campbell County Board of Education, 2000002822; Campbell County Board of Education, 2000002824; Scott County Board of Education, 2000002846; Christian County Board of Education, 2000002848; Wayne County Board of Education, 2000002871; Bath County Board of Education, 2000002883; Martin County Board of Education, 2000002893; Nelson County Board of Education, 2000002909; Nelson County Board of Education, 2000002911; Bourbon County Board of Education, 2000003071; Eastern Kentucky University, 2000003153; Clark County Board of Education, 2000003212; The National Center for the Improvement of Education. Assess, Inc., 2000003217; Eminence Independent Board of Education, 2000003430; Greenup County Board of Education, 2000003434; Pineville Independent School District, 2000003437; Robertson County Board of Education, 2000003438; Rockcastle County Board of Education, 2000003439.

DEPARTMENT OF INSURANCE

Kentucky Community and Technical College System, 2000001925.

DEPARTMENT OF JUVENILE JUSTICE

Volunteers of America Mid-States, Inc., 2000002943.

ECON DEV - OFFICE OF THE SECRETARY

University of Louisville Research Foundation, 2000003145; Kentucky Science and Technology Corporation, 2000003473.

EDUCATION - OFFICE OF THE SECRETARY

CHFS Office of Health Data and Analytics, 2000002196.

KENTUCKY ENVIRONMENTAL EDUCATION COUNCIL

Kentucky Association for Environmental Education, 2000002094.

KY APPLIED BEHAVIOR ANALYSIS LICENSING BOARD

Department of Professional Licensing, 2000001705.

KY BOARD OF LICENSURE FOR MASSAGE THERAPY

Department of Professional Licensing, 2000001769.

KY BOARD OF LICENSURE FOR PRIVATE INVESTIGATORS

Department of Professional Licensing, 2000001707.

KY RIVER AUTHORITY

United States Department of the Interior, 2000001463.

MILITARY AFFAIRS COMMISSION

University of Louisville Research Foundation, 2000002961.

PUB PROTECTION - OFFICE OF THE SECRETARY

Community Action Kentucky, Inc., 2000003318.

TRANSPORTATION - OFFICE OF THE SECRETARY

Colorado State Patrol Family Foundation,

2000002217; Colorado State Patrol Family Foundation, 2000002382; Elizabethtown Community and Technical College, 2000002499; Kentucky Natural Lands Trust, Inc., 2000002505; Kentucky Division of Water, 2000002509; Dry Stone Conservancy, 2000002512; Kentucky Waterways Alliance, 2000002524; Federal Highway Administration National Highway Institute, 2000002530; Western Kentucky University, 2000002609; Treelouisville, Inc., 2000002628; Kentucky Department of Corrections, 2000002630; City of Cadiz, 2000002649; Western Kentucky University, 2000002668; US Army Corps of Engineers, 2000002745; Kentucky Transportation Center, 2000002757; University of Louisville Research Foundation, 2000003206.

THE FOLLOWING MEMORANDA OF AGREEMENT AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS
Transitions, Inc., 1900004713.

BEHAVIORAL HEALTH, DEVELOPMENTAL & INTELLECTUAL DISABILITIES

New Beginnings Bluegrass, Inc., 1800001997.

CHFS - DEPARTMENT FOR AGING AND INDEPENDENT LIVING

Multi, 1900000798; Multi, 1900000816; Multi, 1900000876; Multi, 1900004491; Multi, 2000000094; Multi, 2000000214.

DEPARTMENT FOR COMMUNITY BASED SERVICES

Child Advocacy Centers of Kentucky, 1900001068.

DEPARTMENT FOR FAMILY RESOURCE CENTERS & VOLUNTEER SERVICES

Multi, 1900002434.

DEPARTMENT FOR LIBRARIES & ARCHIVES Amigos Library Services, 1900003426.

DEPARTMENT FOR LOCAL GOVERNMENT

Greenup County Fiscal Court, 1900002411; Knott County Fiscal Court, 1900004753.

DEPARTMENT FOR MEDICAID SERVICES

University of Kentucky Research Foundation, 1800001666; University of Kentucky Research Foundation, 1800001850.

DEPARTMENT FOR PUBLIC HEALTH

University of Kentucky Research Foundation, 1800001733; University of Kentucky Research Foundation, 1800002124; Multi, 1900004002; Multi, 1900004003; Multi, 1900004005; Multi, 1900004358; Norton Healthcare, 2000003064.

DEPARTMENT OF AGRICULTURE

Multi, 1900003210; Tri State Food Bank, Inc., 2000000596.

DEPARTMENT OF EDUCATION

University of Louisville Research Foundation, 1900003782; Murray State University, 1900004199; University of Louisville Research Foundation, 1900004216; Eastern Kentucky University, 1900004228; Kentucky Community and Technical College System, 1900004232; Department of Corrections, 1900004234; Eastern Kentucky University, 1900004238; Morehead State University, 1900004239; University of Louisville Research Foundation, 1900004532; Morehead State University, 1900004837; Murray State University, 1900004838; University of Kentucky Research Foundation, 1900004840; Western

Kentucky University, 1900004985.

DEPARTMENT OF JUVENILE JUSTICE

The Methodist Home of Kentucky, Inc., 2000000659.

KENTUCKY FISH AND WILDLIFE RESOURCES

University of Kentucky Research Foundation, 2000000681.

KY APPLIED BEHAVIOR ANALYSIS LICENSING BOARD

Public Protection Cabinet, 1900001339.

THE FOLLOWING FILM TAX INCENTIVES WERE REVIEWED WITHOUT OBJECTION:

TOURISM - OFFICE OF THE SECRETARY

Stargazer 2019e, LLC, 2000002802; Stargazer 2019f, LLC, 2000003223.

DISCUSSION OF MASTER AGREEMENTS

Dr. Steven Stack, Physician Commissioner, Department for Public Health, Astrud Masterson, Executive Director, Office of Administrative Services, Office of the Secretary, Tricia Okeson, Lisa Lee, and Amy Monroe were present to testify regarding seventeen (17) master agreements; 2000000632 Cognosante, LLC, 2000000633 VIVA USA, Inc., 2000000634 HW Temps, LLC dba HW Staffing Solutions, 2000000635 Maximus Healthcare Services, Inc., 2000000636 Randstad North America, Inc., 2000000637 CKF Enterprises, Inc. dba Executrain, 2000000638 ProLink Healthcare, LLC, 2000000639 Midtown Personnel, Inc. dba The Midtown Group, 2000000640 Atrium Staffing, LLC, 2000000641 Medical Edge Recruitment, LLC, 2000000642 Medix Staffing Solutions, Inc., 2000000643 Kelly Services, Inc., 2000000644 TekSystems, Inc., 2000000645 Conduent State Healthcare, LLC, 2000000646 NTT Data, Inc., 2000000647 Medsource, and 2000000648 Aerotek, Inc. Six (6) modifications to add same services to existing master agreements; 2000000490 Horizon Healthcare Management, LLC, 2000000491 Management Registry, Inc., 2000000492 Crown Services, Inc., 2000000493 Maxin Healthcare Services, Inc., 2000000494 Hudson Gate Partners, LLC, and 2000000497 Judge Technical Services. The contracts would add staff to perform contact tracing, which is the systematic identification and monitoring of all persons who might have been exposed to a person diagnosed with COV-19. A motion was made by Representative Lee to approve the contracts as reviewed. Representative Hart seconded the motion, which passed with Senator Meredith voting no.

THE FOLLOWING PERSONAL SERVICE CONTRACTS WERE SELECTED FOR FURTHER REVIEW:

DEPARTMENT FOR PUBLIC HEALTH

Deloitte Consulting, LLP, 2000003282. Dr. Steven Stack and Astrud Masterson were present to testify regarding the Emergency Purchase Request or Exception and Exemption from contracts and agreements from extending beyond the biennium for the purpose of an emergency COVID-19 related contract with Deloitte Consulting, LLP to assist with an analysis of the current processes employed for capturing and reporting data related to testing and reporting from COVID-19 sites and assist with the development of frameworks and executive plans for COVID-19 response and testing activities. A motion was made by

Representative Hart to disapprove the contract. Representative Lee seconded the motion, which passed with Senator Carroll voting to pass.

DEPARTMENT OF EDUCATION

Ricky Courtwright, 2000002256; Vickie Courtwright, 2000002257; Walter W. Hulett, 2000002636. Charlie Harmon, Donna Duncan, and Thelma Hawkins discussed the contracts with the committee. A motion was made by Representative Lee to disapprove the contracts. Representative Hart seconded the motion, which passed with Senator Carroll voting no.

DEPARTMENT OF EDUCATION

Public Consulting Group, Inc., 2000003161. Charlie Harmon, Donna Duncan, and Thelma Hawkins discussed the contract with the committee. A motion was made by Representative Lee to defer the contract to the July meeting of the committee. Representative Fugate seconded the motion, which passed.

THE FOLLOWING MEMORANDA OF AGREEMENTS WERE SELECTED FOR FURTHER REVIEW:

DEPARTMENT FOR PUBLIC HEALTH

Norton Healthcare, 2000001498; Norton Healthcare, 2000003064. Dr. Steven Stack and Astrud Masterson discussed the contracts with the committee. A motion was made by Representative Lee to consider the contracts as reviewed. Representative Hart seconded the motion, which passed.

ECON DEV - OFFICE OF THE SECRETARY

University of Kentucky Research Foundation, 2000002929; University of Louisville Research Foundation, 2000002930; Kentucky Science and Technology Corporation, 2000002976; University of Kentucky Research Foundation, 2000003144; University of Kentucky Research Foundation, 2000003146. Anthony Ellis discussed the contracts with the committee. A motion was made by Representative Fugate to consider the contracts as reviewed. Representative Hart seconded the motion, which passed.

There being no further business, the meeting adjourned at 12:42 PM.

Tobacco Settlement Agreement Fund Oversight Committee Minutes of the 1st Meeting of the 2020 Interim

June 11, 2020

Call to Order and Roll Call

The 1st meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Thursday, June 11, 2020, at 10:30 AM, in Room 171 of the Capitol Annex. Senator C.B. Embry Jr., Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator C.B. Embry Jr., Co-Chair; Representative Myron Dossett, Co-Chair; Senators Dennis Parrett, Robin L. Webb, and Whitney Westerfield; Representatives Kim King, Phillip Pratt, Rick Rand, Brandon Reed, and Dean Schamore.

Guests: Warren Beeler, Executive Director, Governor's Office of Agricultural Policy (GOAP); and Bill McCloskey, Deputy Executive Director, GOAP.

LRC Staff: Nathan Smith, Kelly Ludwig, and Ra-

chel Hartley.

Governor's Office of Agricultural Policy Report Warren Beeler provided an update on the three hemp projects: Victory Hemp, Atalo, and Sunstrand. Atalo and Sunstrand have filed for bankruptcy and GOAP was able to recover some of the funds.

Bill McCloskey provided an overview of program amendments and projects from January to May 2020.

Requested program amendments included:

Green River Area Beef Improvement Group requested an additional \$142,528 in Daviess County funds for the County Agricultural Investment Program (CAIP). The board recommended approval, which would bring the program total to \$192,528.

Green River Area Beef Improvement Group requested an additional \$35,000 in McLean County funds for CAIP. The board recommended approval, which would bring the program total to \$85,500.

Jessamine County Future Farmers of America Alumni Association requested to increase the maximum producer limit amount from \$3,000 to \$4,000. The board recommended approval.

Logan County Cattlemen's Association requested an additional \$9,083 in Logan County funds for CAIP. The board recommended approval, which would bring the program total to \$69,217.

Simpson County Conservation District requested to increase the maximum producer limit amount from \$1,200 to \$5,000. The board recommended approval.

Buffalo Trace Area Development District requested an additional \$4,000 in Bracken County funds for the Next Generation Farmer Program and requested an increase to the maximum producer limit amount from \$3,000 to \$3,500. The board recommended approval, which would bring the program total to \$34,000.

Buffalo Trace Area Development District requested an additional \$58,282 in Bracken County funds for CAIP and requested an increase to the maximum producer limit amount from \$3,000 to \$3,500. The board recommended approval, which would bring the program total to \$308,282.

Northern Kentucky Cattle Association requested an additional \$7,000 in Boone County funds for CAIP. The board recommended approval, which would bring the program total to \$130,464.

Owen County Farm Bureau requested an additional \$275,000 in Owen County funds for CAIP. The board recommended approval, which would bring the program total to \$300,000.

Casey County Conservation District requested an additional \$247,260 in Casey County funds for CAIP. The board recommended approval, which would bring the program total to \$537,260.

Shelby County Farm Bureau requested an additional \$15,500 in Shelby County

funds for CAIP. The board recommended approval, which would bring the program total to \$290,500.

The projects discussed included:

The city of Berea was approved for up to \$240,000 in state funds and \$10,000 in Madison County funds for the construction of a multi-use farmers market pavilion.

The Kentucky State Fair Board was approved for up to \$6,000,000 in state funds for the demolition and renovation of the main entrance at the Kentucky Exposition Center.

The Jessamine County Young Farmers Association was approved for up to \$5,000 in Jessamine County funds for the 2020 Kentucky Young Farmers Convention.

Pennington Stave and Cooperage was denied \$1,000,000 in state funds and \$225,000 in multiple county funds to produce staves and new barrels for the growing spirits and wine industry. The board denied the request due to limited producer impact.

Michael R. Sloan was denied \$250,000 in state funds on behalf of Southern Appalachian Cherokee Mountain Eagle Express to purchase equipment in order to develop a trucking business. The board denied the request due to limited producer impact.

Grand Stable was denied \$30,000 in Daviess County funds and \$270,000 in state funds for construction of a multi-use event facility. The board denied the request due to limited producer impact.

American Farmland Trust was approved for up to \$275,000 in state funds for the Kentucky Commercial Rye Cover Crop Initiative to improve profitability for farmers, soil health, and environmental quality.

Metcalf County 4-H Council was approved for up to \$1,446 in Metcalf County funds to purchase 18 hams for the 4-H country ham project.

The University of Kentucky Research Foundation was approved for up to \$94,928 in state funds over two years to develop the infrastructure to assess patterns of viral infections among Kentucky honey bee hives.

Daviess County 4-H Council was approved for up to \$2,488 in Daviess County funds to offer an equine safety clinic taught by Landsafe Equestrian Safety Clinic.

On Tapp Dairy was approved for up to \$27,500 in Washington County funds and \$27,500 in state funds to purchase equipment to process and bottle milk to market to retail customers at the farmers market, retail stores, restaurants, and private schools.

The University of Kentucky Research Foundation was approved for up to \$228,800 in state funds for the expansion of water quality monitoring stations in western Kentucky.

The Caldwell County Board of Education was approved for up to \$5,500 in Caldwell County funds to purchase a Computer Numerical Controlled plasma cutting ma-

chine for the Caldwell County High School agriculture department.

The Pennyrile Area Development District was approved for up to \$6,018 in state and \$6,018 in multiple county funds to conduct a broadband feasibility study for the area.

The Kentucky Future Farmers of America Leadership Training Center was approved for up to \$30,000 in multiple county funds to purchase a 20 kilowatt solar panel unit that will offset energy costs and will incorporate into an Emerging Technology curriculum.

Rockcastle County Board of Education was approved for up to \$2,000 in Rockcastle County funds to renovate the school greenhouse at Rockcastle County High School.

Marksbury Farm Foods was approved for up to \$392,700 in state funds, as a participation loan, to purchase equipment and upgrade its processing facility.

Southeast Sheep Producers Association was approved for up to \$12,590 in county funds to conduct a feasibility study to determine if Kentucky has enough sheep producers to aggregate and sell lambs into regional markets.

The Grayson County Board of Education was approved for up to \$1,500 in Grayson County funds for updates to the greenhouse and aquaponics system at Grayson County High School.

JSW Farm Chop Shop was approved for up to \$173,230 in state funds to purchase a carcass washing unit.

Winchester Clark County Farmers Market was approved for up to \$210,000 in state funds and \$25,000 in Clark County funds to construct a permanent farmers market structure.

The University of Kentucky Research Foundation was approved for up to \$256,602 in state funds to launch an online beef assessment tool.

Clark County Fair and Horse Show was approved for up to \$21,332 in Clark County funds to build a new facility to house the 4-H and Future Farmers of America exhibits.

In response to a question from Representative Dossett, Mr. Beeler stated there is a federal investigation started by the United States Department of Justice into price gouging in the meat industry.

In response to a question from Representative King, Mr. Beeler stated the deadline for replacing Agricultural Development Board members has been extended to October 31, 2020.

Senator Webb stated more funds need to be allocated to northeastern Kentucky.

In response to a question from Senator Parrett, Mr. Beeler stated the cost of dead animal removal is too high and the program needs to be reviewed.

There being no further business, the meeting was adjourned.

Capital Projects and Bond Oversight Committee Minutes

June 25, 2020

Call to Order and Roll Call

The Capital Projects and Bond Oversight Committee meeting was held on Thursday, June 25, 2020, at 12:00 PM, via videoconference. Representative Walker Thomas, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Walker Thomas, Co-Chair; Senator Rick Girdler, Co-Chair; Senators Christian McDaniel and Robby Mills; and Representatives Phillip Pratt, Steven Rudy, and Maria Sorolis.

Guests: Janice Tomes, Deputy State Budget Director; Brigadier General (Retired) Benjamin Adams, Executive Director, Office of Management and Administration, Department of Military Affairs; Edith Halbleib, Executive Director, Kentucky Infrastructure Authority; Linda Bridwell, Deputy Executive Director, Kentucky Infrastructure Authority; Katie Smith, Commissioner, Department for Financial Services, Cabinet for Economic Development; and Sandy Williams, Deputy Executive Director, Office of Financial Management.

LRC Staff: Katherine Halloran, Committee Staff Administrator; Julia Wang, Legislative Analyst; and Jenny Wells Lathrem, Committee Assistant.

Approval of Minutes

Representative Rudy moved to approve the May 19, 2020 meeting minutes. Representative Pratt seconded the motion, and the committee approved without objection.

Information Items

Pursuant to KRS 45.760(5), the University of Louisville reported a \$598,400 mass spectrometer purchase from federal National Institute of Health Shared Instrument Grant funds.

Pursuant to KRS 45.812(1), the Covington Independent and Walton-Verona school districts, which did not need an additional tax levy to pay debt service, reported an estimated \$3.75 million, for three elementary school roof replacements, and \$380,000, for high school athletic improvements, respective upcoming debt issuances.

Pursuant to KRS 45A.860(3), the Auditor of Public Accounts provided reports certifying procedural statutory compliance for five selection committees.

Report from the University of Kentucky

Ms. Baker reported three funding source revisions without aggregate appropriation increases. The first two were for projects from the Improve Center for Applied Energy Research restricted funds project authorization. UK opted to utilize a U.S. Department of Defense (DoD) federal grant rather than restricted funds for its \$1.5 million, 2,000 square foot Mineral Process Building Expansion; climate controlled space for raw materials to develop high performing concrete [replacing heavy precast rebar-laden components] for DOD and U.S. Army Corps of Engineers military applications. UK will use a U.S. Department of Energy federal grant rather than restricted funds for its \$2.5 million, 5,000 square foot Carbon Fiber Development Facility; a pilot-scale process plant pro-

ducing high-value carbon products from coal at the largest scale in the United States, in partnership with the Oak Ridge National Laboratory. The high-value carbon products will replace traditional metals used in aerospace and automotive applications. Representative Thomas praised UK for initiating development of the largest scale high-value carbon fiber facility in the United States.

The third funding source revision was from the Acquire Land restricted funds project authorization. UK will use a [USDA National Institute of Food and Agriculture] federal capacity grant available to land-grant institutions rather than restricted funds for its \$2 million purchase of 287.54 acres in Caldwell County adjacent to its Research and Education Center. UK has leased the land, which has the two soil types and is within eighty miles of eighty percent of the acreage for Kentucky grains, since 2016 for agricultural research. Representative Thomas encouraged members to visit the Research and Education Center.

Ms. Baker submitted one lease renewal and one new lease. Representative Pratt moved to roll the leases into one roll call vote, seconded by Representative Sorolis, and approved without objection. The UK HealthCare Information Technology lease renewal, authorized in House Bill 352, was for 25,903 square feet of space at 245 Fountain Court, costing \$595,769 annually. The new lease, 4,907 square feet of space in Edgewood close to the St. Elizabeth Medical Center costing \$112,135 annually, will provide additional space for the UK/Northern Kentucky University/St. Elizabeth Healthcare medical education program.

Representative Rudy moved to approve the leases, seconded by Representative Pratt, and unanimously approved by roll call vote.

Report from the Finance and Administration Cabinet

Ms. Tomes submitted six new Department of Military Affairs projects at four facilities. Representative Rudy moved to roll the projects into one roll call vote, seconded by Representative Pratt, and approved without objection.

The first was the \$1.946 million Barbourville Readiness Center Latrine Upgrade project; using \$1,459,500 in federal funds, \$449,000 in state investment income, and \$37,500 in bond funds. Interior upgrades include new female latrine/shower and lactation room, existing male latrine/shower, boiler system replacement to more energy efficient HVAC system, windows to antiterrorism/force protection standards, and new organizational clothing individual equipment storage.

The second was the \$1.965 million Richmond Readiness Center Interior Modernization project; using \$1,473,750 in federal funds, \$460,000 in state investment income, and \$31,250 in bond funds. Interior upgrades include existing female and male latrines/showers, new lactation room, windows to antiterrorism/force protection standards, kitchen facilities, drill hall, new organizational clothing individual equipment storage, and new HVAC direct digital controls for energy efficiency.

The third was the \$1,745,495 Boone National Guard Center Auditorium project; using \$1,309,121 in federal funds, \$423,100 in state agency restricted funds, and \$13,274 in state investment income.

The 5,500 – 6,000 square foot multi-use auditorium seating style facility, designed for multi-tiered seating with work tables that include data and electric, will accommodate staff briefings, soldier/employee training classes, general presentations/ceremonies, and stage performances by the Kentucky National Guard.

The next three projects were for the Wendell H. Ford Regional Training Center (WHFRTC). The first was the \$1,785,550 WHFRTC 1103rd Law and Order Military Police Readiness Center/Provost/Welcoming Center project; using 75 percent federal funds and 25 percent state agency restricted funds. This facility will have administrative office space, female and male latrines, lactation area, weapons vault, organizational clothing individual equipment storage, and visitor control center space for all military and civilian visitors to check-in and receive room assignments or be directed to training areas. WHFRTC has over 100,000 military and civilian annual visitors and serves as a training site for the Kentucky National Guard, state and local police and fire departments, as well as other states' National Guard and Emergency Services personnel. This facility is critical for the control and vetting of all WHFRTC visitors.

The second was the 6,000 square foot, solely federally funded \$1.650 million WHFRTC Fire Station Addition; multiuse storage, billeting, and office space, necessary due to fleet modernization and increase in WHFRTC firefighters and apparatus.

The last was the solely federally funded \$1.375 million WHFRTC Multipurpose Athletic Field project; providing access and a location for formal ceremonies, athletic events, and collective physical fitness activities, including Army Physical Fitness Test/Army Combat Fitness Test training.

Brigadier General (Retired) Benjamin Adams reintroduced himself, stating it was good to be working with this committee as well as the Veterans, Military Affairs, and Public Protection committee. Representative Thomas said he appreciated his service.

Representative Pratt moved to approve the new projects, seconded by Representative Sorolis, and approved by unanimous roll call vote.

Report from the Office of Financial Management Kentucky Infrastructure Authority

Ms. Bridwell submitted seven Clean Water State Revolving Fund (Fund A) Program loans. Representative Rudy moved to roll the loans into one roll call vote, seconded by Senator Mills, and approved without objection.

The Adair County Water District requested a \$2,104,870 Fund A loan for its Downtown Sewer System Improvements – Phase 1 project; 12,865 linear feet of 8-inch gravity sewer and service laterals. For 4,000 gallons, effective since February 2015, the monthly sewer rate is \$25.80 and the district has a proposed 39 percent sewer rate increase pending Public Service Commission approval. The term is 30 years at a 0.50 interest rate.

The City of Morehead, Rowan County, requested a \$1,363,200 Fund A loan for its \$1,963,200 Derrickson Lift Station Upgrade project; replacement of the lift station and adjacent force sewer main. The Transportation Cabinet is funding the remaining project costs. For 4,000 gallons, effective since August 1, 2018, the monthly inside city sewer rate is \$29.76. The term

is 20 years at a 1.50 percent interest rate.

The City of Kuttawa, Lyon County, requested a \$453,236 Fund A loan increase to its previously approved \$1,264,200 Fund A loan for a \$1,717,436 total Fund A loan amount. The Lift Station and Force Main Replacement project will replace the existing Magnolia and Kuttawa lift stations and adjacent force sewer main. For 4,000 gallons, effective since February 1, 2019, the monthly sewer rate is \$30.00. The term is 20 years at a 1.50 percent interest rate.

The City of Maysville, Mason County, requested an \$850,000 Fund A loan for its Wall Street Combined Sewer Elimination project; separating combined sewer lines to adjacent storm sewer lines. For 4,000 gallons, the monthly sewer rate has been \$31.60 since July 1, 2013; however, the city added an annual CPI clause to its water and sewer ordinance this year, increasing the monthly sewer rate by 2.30 percent to \$32.32 this July. The term is 20 years at a 0.50 percent interest rate.

The City of South Shore, Greenup County, requested a \$1,035,000 Fund A loan, of which KIA will apply \$517,500 in principal forgiveness, for its South Shore: Upgrade Forest Heights Collection Lines project; 4,300 linear feet of sewer lines and laterals. For 4,000 gallons, effective since May of this year, the monthly inside city sewer rate is \$48.00. The term is 30 years at a 0.50 percent interest rate.

The McCreary County Water District requested a \$3,244,500 Fund A loan, of which KIA will apply \$450,000 in principal forgiveness, for its \$3,644,500 MCWD - Sanitary Sewer Collection System Expansion - Phase 1 project; providing sewer service to 305 unserved homes. MCWD obtained a Rural Development loan to finance the remaining project costs. For 4,000 gallons, effective since August 29, 2019, the monthly sewer rate is \$41.07. The term is 30 years at a 0.50 percent interest rate.

The Hart County Industrial Authority requested an \$853,442 Fund A loan for its \$2,353,442 Progress Park Industrial Park Pretreatment Expansion project, pretreatment facility upgrades. An Appalachian Regional Commission grant and a Community Development Block Grant funded the remaining project costs. The term is 20 years at a 0.50 percent interest rate.

Representative Rudy moved to approve the Fund A loans, contingent upon necessary PSC approvals, seconded by Senator Mills, and approved by unanimous roll call vote.

The Crittenden-Livingston County Water District, Livingston County, requested a \$300,000 Governmental Agencies (Fund C) Program loan for its AMR Meter Replacement project; replacement of approximately 1,400 meters with radio read meters. For 4,000 gallons, effective since May 23 of this year, the monthly water rate is \$61.37. The term is 20 years at a 2.75 percent interest rate.

Senator Mills moved to approve the Fund C loan, contingent upon necessary PSC approvals, seconded by Representative Pratt, and approved by unanimous roll call vote.

Ms. Bridwell submitted five Drinking Water State Revolving Fund (Fund F) Program loans. Senator Mills moved to roll the loans into one roll call vote, seconded by Representative Rudy, and approved without objection.

The City of Olive Hill, Carter County, request-

ed a \$122,344 Fund F loan increase to its previously approved \$883,000 Fund F loan for a total \$1,005,344 Fund F loan amount. The \$1,248,344 Olive Hill: Replace Downtown Area Waterline Replacement project replaced 5,900 linear feet of cast iron waterlines. An ARC grant funded the remaining project costs. For 4,000 gallons, effective since January 1, 2019, the inside and outside city monthly water rates are \$27.43 and \$43.14. The term is 30 years at a 0.25 percent interest rate.

The Adair County Water District requested a \$1,342,530 Fund F loan, of which KIA will apply \$671,265 in principal forgiveness, for its CAUD - Water Main Replacement project; 7,400 linear feet of 8-inch water lines (replacing asbestos-cement) plus 5,250 linear feet of 6-inch water lines, renovation of the City Industrial Tank, and demolition of two other tanks. For 4,000 gallons, effective since February 2012, the monthly water rate is \$33.90 and the district has a 21 percent water rate increase pending PSC approval. The term is 30 years at a 0.50 percent interest rate.

The City of Salem, Livingston County, requested a \$585,000 Fund F loan, of which KIA will apply \$292,500 in principal forgiveness, for its Salem - Water Main Replacement project; 5,500 linear feet of water lines on its western supply route connecting to the Crittenden-Livingston County Water District. For 4,000 gallons, effective since March 27 of this year, the monthly water rate is \$36.48. The term is 30 years at 0.50 percent interest rate.

The Cave Run Water Commission, Menifee County, requested a \$1,171,350 Fund F loan for its Cave Run Water Commission Elevated Water Storage Tank Construction project; a 300,000 gallon elevated storage tank serving the Cities of Frenchburg and Jeffersonville as well as the Morgan County Water District. The commission is a wholesale water provider only. The term is 20 years at a 1.50 percent interest rate.

The Northern Kentucky Water District, Kenton County, requested an \$8 million Fund F loan for its \$10.05 million Taylor Mill Treatment Plant Emergency Generator/Fort Thomas Treatment Plant Phase 2 Basin Improvements project. NKWD is funding the remaining project costs. For 4,000 gallons, effective since March 26 of this year, the monthly water rate is \$38.78. The term is 20 years at a 1.50 percent interest rate.

Senator Mills moved to approve the Fund F loans, contingent upon necessary PSC approvals, seconded by Representative Rudy, and approved by unanimous roll call vote.

Cabinet for Economic Development

Ms. Smith submitted two Economic Development Fund (EDF) grants for the Cabinet for Economic Development (CED). Senator Mills moved to roll the grants into one roll call vote, seconded by Representative Pratt, and approved without objection. Both EDF grants were for projects among the eight recommended by an independent site consultant to receive Kentucky Product Development Initiative program funds for industrial site upgrades, administered in conjunction with the Kentucky Association for Economic Development. Disbursements of grant funds will occur on a reimbursement basis to local governments after CED reviews the required supporting documentation.

The first grant was \$175,000 to Henderson County for the benefit of the City of Henderson, to finance the approximately 4,400 foot municipal gas line extension to the property site located along the Highway 425 bypass. The city and Henderson County Economic Development have committed \$75,000 and \$100,000 respectively for the match.

The second grant was \$198,189 to the County of Marion for the benefit of the Marion County Industrial Foundation, to finance an access road to the 250 acre business and industrial park in Lebanon. MCIF has committed funding equal to the grant for the match.

Senator Mills moved to approve the grants, seconded by Senator McDaniel, and approved by unanimous roll call vote.

Previous Debt Issue

Ms. Williams reported the \$66.71 million State Property and Buildings Commission (SPBC) Revenue Refunding Bonds, Project No. 122, Series C, which refunded \$68 million of SPBC Project No. 98 debt for \$1.7 million in net present value savings. The issue priced last October and closed May of this year. The forward delivery structure was used as it generated more savings than a taxable advance refunding.

School District Debt Issue with School Facilities Construction Commission Debt Service Participation

Ms. Williams submitted an anticipated \$6.73 million Breckinridge County School District debt issue with SFCC debt service participation. The district did not need an additional tax levy to pay debt service and the proceeds will be used for high school renovations.

Representative Rudy moved to approve the school district debt issue with SFCC debt service participation, seconded by Senator Mills, and approved by unanimous roll call vote.

Adjournment

Representative Thomas announced upcoming meeting dates and times: July 22, 2020, 12:00 p.m.; and August 19, 2020, 3:00 p.m.

Senator McDaniel referenced a utility's increases in administrative expenses and rates, stating that administrative expenses at all levels of government need to be closely monitored. Representative Thomas said he appreciated Senator McDaniel's comments.

With there being no further business the meeting adjourned at 1:49 p.m.

Program Review and Investigations Committee Minutes

June 11, 2020

Call to Order and Roll Call

The Program Review and Investigations Committee met on Thursday, June 11, 2020, at 1:00 PM, in Room 171 of the Capitol Annex. Greg Hager, Committee Staff Administrator, called the meeting to order, and the secretary called the roll. Committee members and guests have been authorized to participate in the meeting remotely.

Present were:

Members: Senator Danny Carroll, Co-Chair; Representative Lynn Bechler, Co-Chair; Senators Tom Buford, Michael J. Nemes, Reginald Thomas, Stephen

West, Whitney Westerfield, and Phillip Wheeler; Representatives Adam Koenig, Ruth Ann Palumbo, Steve Riley, Rob Rothenburger, and Walker Thomas.

Guests: Eric Friedlander, Secretary, Cabinet for Health Family Services; Sarah Vanover, Director, Division of Child Care, Department for Community Based Services; Melissa Moore, Director, Division of Regulated Child Care, Office of Inspector General, Cabinet for Health Family Services; Elizabeth Caywood, Deputy Commissioner, Department for Community Based Services; Kelli Rodman, Executive Director, Office of Legislative and Regulatory Affairs, Cabinet for Health Family Services; Ashli Watts, President and Chief Executive Officer, Kentucky Chamber of Commerce; Melanie Barker, Owner/President /Director, ABC Children's Academy; Gary Logsdon, General Counsel, ABC Children's Academy; Kathy A. Donelan, Owner, Aunt Kathy's Child Care & Preschool; Vickie Grabowski, Owner and President, Kids Academy Child Care; Leigh Roark, Co-owner, Smart Start Early Learning Academy; Sarah Veillon, Co-owner, Smart Start Early Learning Academy; and Jennifer Washburn, Executive Director, iKids Childhood Enrichment Center.

LRC Staff: Greg Hager, Committee Staff Administrator; William Spears; Joel Thomas; and Elizabeth Hardy, Committee Assistant.

Election of Co-chairs

Mr. Hager asked for nominations for Senate co-chair.

Senator Nemes nominated Senator Carroll. Senator West seconded the motion. Senator Westerfield made a motion that nominations cease and that Senator Carroll be elected by acclamation. Senator West seconded the motion, and Senator Carroll was elected by acclamation.

Senator Carroll asked for nominations for House co-chair.

Representative Thomas nominated Representative Bechler. Representative Koenig seconded the motion. Representative Thomas made a motion that nominations cease and that Representative Bechler be elected by acclamation. Representative Rothenburger seconded the motion, and Representative Bechler was elected by acclamation.

Minutes for November 22, 2019

Upon motion by Senator Westerfield and second by Representative Rothenburger, minutes for the November 22, 2019 meeting were approved without objection.

Child Care in Kentucky During the Pandemic

Senator Carroll said legislators have been receiving numerous calls about child care. Businesses that are reopening need child care for their employees. Child care facilities are struggling to survive. There were issues with child care even before the pandemic, with more than half of the state living in child care deserts. The problem of a lack of child care is only going to get worse. There has been some financial assistance for child care centers. He said the meeting would begin with testimony from those who run child care centers, with the hope that administration officials will be responsive to their concerns.

Ms. Washburn said that she has been in the business for 21 years. Hers is the only privately-owned, nationally certified early child care center in western

Kentucky. She gets no grants or governmental financial assistance but did get money from the Paycheck Protection Program (PPP) for the center. The center can take only 3 to 4 subsidy children due to the financial constraint. Her presentation covered staffing, revenue forgone by operating as a high quality center with higher child-to-staff ratios than required, financial losses while operating as a limited duration center (LDC) during the pandemic, and anticipated losses with the newly mandated group size reductions and staff increases. She said that she appreciates that the state has continued to make CCAP [Child Care Assistance Program] payments, the sustainability stipend given to centers, and the HEROES bonus from the CARES [Coronavirus Aid, Relief, and Economic Security] Act. But these are temporary. Her PPP funding ends June 12. Eleven percent of child care facilities do not plan to reopen on June 15.

In response to a question from Senator Carroll, Ms. Washburn said that most states have allowed child care centers to remain open with safety measures. Kentucky shut child care down completely. Centers had no seat at the table to decide how to move forward. Many children are in the care of grandparents, who are a vulnerable population.

Ms. Barker said that she has worked in child care for 18 years. Until this year, her center had never been ordered to close by local or state authorities. Her center has been closed for 12 weeks due to Governor Beshear's order. She said that her claim with her insurance company related to the loss of business income during the COVID-19 closure was denied. She contacted an attorney and other centers to see whether they had similar issues. She said that she tried to contact the governor's office but received no response. She wants the governor to order insurance companies to pay. She plans to file a class action lawsuit against her insurance company related to her claim denial. She said that the PPP small business loan only covered personnel/payroll costs and it was temporary. She did not receive any disaster-related funding. The funding she has received does not cover her operating costs. She does not want to take out a loan. According to her research, the only states that required all child care centers to close are Kentucky, Massachusetts, Ohio, Oregon, and Rhode Island. She applied to operate as a LDC but she was denied because the approval process is discriminatory. She cited Toyota's child care center as an example. The new ratios for child care centers are unfair because LDCs have been allowed to maintain the standard ratios. There should be financial compensation to centers to make up for the lost revenue due to the lower ratios. Prospective parents are not allowed to visit centers. She said no cases have been reported of children with coronavirus in child care centers in the US. Child care centers cannot operate with lower ratios. Child care centers need to know how long the lower ratios will be mandated. She wants the governor to call her.

Ms. Donelan said that she has operated a child care center for 22 years. Her center has 92 children and a four-star rating. Ms. Donelan said that she received PPP funding, CARES Act funding, an economic injury disaster loan, and a Small Business Administration loan. The loans have to be paid back. Her center cannot last for more than a month at limited capacity. She

provided a handout that showed the loss of revenue for the 12 weeks her center has been closed and the expected decline in revenue when the center reopens with the new guidelines on June 15. She suggested that centers be allowed to operate at full capacity on July 6. She said that centers should be compensated for losses while at reduced capacity as Ohio does. Child care is essential for workforce development.

Ms. Veillon said that she and Ms. Roark were also co-owners of a pediatric therapy center. Ms. Roark stated that they have been in business for 1.5 years and they were about to make a payment on their business loan when they were forced to close during the pandemic. Ms. Roark said that they received a PPP small business loan but have been hesitant to use it. They received CCAP funding, but it is only 15 percent of revenue. Payroll is the largest expense. Ms. Veillon stated that they operate in an underserved rural area. It is unknown how the children who are not served will receive quality care while the center operates at reduced capacity. Ms. Roark said they have been flooded with phone calls when the reopening date was announced. They would like to have higher ratios; their capacity is 79 children and they lost eight spots. Ms. Roark estimated that they lost about \$3,800 from the eight spots and have \$1,600 in additional staff expenses. She said that they pay more than minimum wage but cannot offer health insurance. Ms. Veillon stated that they have received some income from their pediatric center being open. They do not plan to raise tuition rates. Ms. Roark indicated that she was scared of what will happen, especially with contact tracing and how that will trickle down to the centers. She said that they are planning to open on June 15.

In response to a question from Senator Carroll, Ms. Roark confirmed that 80 percent of respondents to a recent survey indicated that they will have to increase tuition rates.

Ms. Grabowski said that she owns two child care centers in Jefferson County. She provided a handout showing the loss of revenue for the 12 weeks the centers were closed and the expected loss when they reopen at reduced capacity. She had assumed that the capacity limits would be temporary until groups of 50 are allowed on June 29. The guidelines for reopening are arbitrary and devastating. Of the five states that closed child care centers, Kentucky and Massachusetts were the last to reopen. Tennessee and Indiana paid child care centers for loss of income. Only 18 percent of children in Kentucky child care centers are enrolled in CCAP. Kentucky had 82 LDCs that provided care for approximately 2,500 children. They were not asked to decrease their child-to-staff ratios. No child, staff, or parent at an LDC has tested positive for COVID-19. If she had seen the new regulations earlier, she would not have told parents that her centers could provide care. The two main problems with the guidelines are the lower child-to-staff ratio and not being able to combine classes. Centers can only provide virtual tours, which hampers rebuilding the business. She is already in debt, so she does not want to take out another loan. She may have to sell the property on which one of her centers is located. It is imperative that the emergency regulations end by June 29.

Senator Carroll stressed that health and safety is the top priority. Of the states in which child care cen-

ters remained open, there have been no substantiated COVID-19 cases. Centers serving medically fragile children have been allowed to remain open in Kentucky. He only recently realized that his center qualified. He described the extensive sanitizing procedures his center and others use. He said that in some cases it is safer for a child to be in child care than at home.

Ms. Grabowski said that child care centers are good at monitoring the health of children. Disinfecting and handwashing are routine.

Senator Carroll said that the inconsistent rules are detrimental to families, children, and child care centers.

In response to a question from Senator Carroll as to whether they have had to turn children away, all the child care providers in the room nodded yes. Ms. Barker said that the state pays for children on the assistance program whether they show up at the child care center or not.

Senator Thomas said that there has not been a rash of cases in child care centers. He stated that 17 of the COVID-10 deaths in Kentucky have been children 10 years old and younger. Given this, he asked whether it was prudent to have shut down child care centers for a period of time. Ms. Barker said that these are not confirmed COVID-19 cases. It was not necessary to shut down child care centers. Senator Thomas said that his source of information is the governor's press conferences. Ms. Barker said that she had not seen that information.

Senator Thomas stated that COVID-19 is an airborne disease and asymptomatic people could be carriers. He suggested that it was prudent to not allow parents in the facility. Ms. Grabowski gave examples of the child care centers at Ford and Toyota that have not been limited. She said that her doctor stated that most people will get some version of the virus but it will primarily affect older people. Senator Carroll asked Senator Thomas to provide his source of information for the 17 deaths. Senator Thomas said that he would do so. Ms. Washburn said the death statistics from the governor's website are 1 death for ages 0-9, none for 10 to 19. Other areas at which children congregate that are being allowed to open do not have the same health and safety standards as child care centers.

Ms. Watts said that as a mother of two she appreciates the need for quality child care. The chamber has long been a strong advocate for quality child care. This is not just a small business issue. Parents need high quality child care to participate in the workforce. Children need quality care to provide a foundation for life. Half of children entering kindergarten in Kentucky are not ready. The chamber has worked with legislators to ensure that all children in Kentucky have the opportunity for early childhood education. She cited statistics on states each losing hundreds of millions or billions of dollars in breakdowns in child care. She said that the chamber is hearing that lack of quality child care is the top impediment to businesses reopening. She said that a recent survey by the National Association for the Education of Young Children indicated that 89 percent of child care centers in the US may permanently close. In Kentucky, a survey indicated that 42 percent of child care providers are expected to permanently close because of the restrictions imposed due to COVID-19. If this happens, 56,000 children will not

get quality child care. The chamber office has hired child care professionals so that staff can bring children into the office one day per week.

Senator Thomas said that early childhood education has been a top priority of his. There is a difference between early childhood education and going to a child care center. Kentucky has a serious persistent achievement gap that begins at kindergarten. He said that he hopes the committee will take an in-depth look at mandatory early childhood education in Kentucky this year.

Senator Nemes stressed that child care centers are small businesses that provide employment. It is important to have professionals at these facilities. When he was at the Education and Workforce Development cabinet, they stressed apprenticeship programs to help with this.

In response to questions from Representative Bechler, Ms. Watts said that there were three children per caregiver at the chamber. No one involved has contracted COVID-19.

Mr. Friedlander began the Cabinet for Health and Family Services presentation by stating that there were many unknowns at the time of Kentucky's first confirmed COVID-19 case on March 6. There was a concern that health care facilities would be overrun, so aggressive steps were taken. The result is that Kentucky's rates of death from COVID-19 are lower than almost all surrounding states. Underfunding child care is a national and state issue. Ms. Vanover described the timeline of school and child care program closures in Kentucky. Ms. Moore described the creation, capacity, location, and monitoring of LDCs, which provide care for children of first responders and essential workers. Mr. Friedlander said that as the need for LDCs became apparent, the cabinet contacted YMCAs because they have lots of space and are located statewide. Ms. Moore said that in communities without YMCAs, facilities could partner with child care centers. Ms. Vanover described two federal funding sources: CCAP and the CARES Act. More than \$40 million of the \$67.4 million in CARES child care aid was used to pay child care providers a one-time stipend of \$225 per child. CARES funding may be used to install temporary walls so that more than one class can be in a room, which would be helpful in meeting the guidelines on limiting capacity. During the course of the pandemic, the Division of Child Care has issued more than \$75 million to child care centers. She outlined the plan to reopen child care programs in Kentucky. Maximum group size is 10 children. Groups should not be combined during the day. Ms. Moore concluded the presentation with a status report on the implementation of Senate Bill 45.

In response to a question from Representative Koenig, Ms. Moore confirmed that there were no COVID deaths in LDCs, no child cases, and one adult case. He asked for a comparison of the requirements for LDCs to the requirements for reopened child care centers. Ms. Moore said the requirements were similar but generally less restrictive for LDCs. Ms. Vanover said that some LDCs went beyond the minimum requirements. Feedback from the LDCs and Centers for Disease Control (CDC) guidelines were used to create the requirements for child care centers. Representative Koenig asked why the new requirements should not

be considered arbitrary. Ms. Vanover said that group sizes are different for the number of children coming back. Families are moving through the community more, so there is more risk for exposure. Mr. Friedlander said the LDCs had many fewer children. The risk is greater now given there will be hundreds of thousands of children in child care. Ms. Vanover said that a number of states, including Kentucky, aligned their reopening requirements with CDC guidelines.

In response to questions from Senator Carroll, Ms. Vanover said that the timing of the ending of restrictions will be based on the data. Mr. Friedlander said that it is hard to give a time frame because it will be based on the spread of the virus, which is largely unpredictable.

Senator West asked Mr. Friedlander about the 477 COVID-19 deaths in Kentucky. He asked if it had to be proven that individuals died from COVID-19 or if deaths listed as COVID-19-related meant that COVID-19 was a contributing factor. Mr. Friedlander responded that if people are diagnosed with COVID-19, then it is listed as a contributing factor. Senator West then asked why child care was not considered essential since Kentucky was not a hotspot area like New York. Mr. Friedlander responded that they did not want Kentucky to become a hotspot. Senator West asked why the regulations related to reopening child care centers did not go through the usual legislative review process. Mr. Friedlander said that the ordinary regulations would not have an immediate effect, which is why they needed the emergency regulations. Ms. Vanover indicated that the emergency regulations were temporary. Senator West said that it was good to hear it was an emergency and not a way to prevent public comment. Senator West asked whether consideration was given to the economic impact for the child care centers. Dr. Vanover said yes and that there was communication with directors of child care centers. Mr. Friedlander said it was a difficult balancing public health with business.

Senator Carroll said that he appreciated the balancing act but it was time to realize the worst case scenario has not happened. He said that people will lose their livelihoods. He asked why Kentucky is being so restrictive given the positive experience of other states. Mr. Friedlander responded that other states that have been more aggressive in reopening have experienced an increase in COVID-19 cases.

Representative Bechler said that term used should be orders, not guidelines. He asked whether data can be provided that supports the new regulations for child care centers. Mr. Friedlander said that data could be provided on state death and infection rates in general. Representative Bechler said that he wants to see this data, but the subject of this meeting is children; data related to children are needed. Mr. Friedlander said the epidemiological presentation on how the virus might spread in a facility will be provided. Representative Bechler commented that this is what might happen; it is not data about what did happen.

Senator Nemes commented that LDCs took the place of private child care centers at taxpayer expense. In response to his question, Ms. Vanover said the \$250 payment to LDCs was per child based on maximum program capacity. Senator Nemes said this cost could

have been avoided if private child care centers had stayed open.

Senator Carroll asked whether there has been a COVID-19 death of a child in a child care facility in the US. Mr. Friedlander said that he was aware of outbreaks in child care centers in other states but could not answer conclusively about deaths because the data are not always clear in other states.

Senator Carroll read a question on behalf of Senator Buford, who asked whether there have been discussions at the cabinet level or in the governor's office about making up lost revenue to centers. Mr. Friedlander said they are limited by the budget and are trying to use federal funds.

In response to questions from Senator Carroll, Ms. Vanover said that the Child Care Council of Kentucky created a work group that worked for weeks to develop recommendations for reopening child care centers. She attended all its virtual meetings. Ideas from the work group were used. Information was also used from CDC, the Department for Public Health, and other states. Child care providers were consulted. Mr. Friedlander said that legislators were not consulted because the process was moving quickly, but they are listening now. Senator Carroll said that this is after the fact. People in the legislature have expertise and could have contributed. Legislators are supposed to represent people but they have been shut out of the process.

In response to questions from Senator Thomas, Mr. Friedlander said that the health and safety of families and children have been the first priority but that there was and is a lot of uncertainty. Death rates are significantly lower in Kentucky than in other states.

Senator Westerfield said that he does not understand the inconsistency in what is closed and open. He and other senators have sent emails to the appropriate cabinets and officials in the governor's office. There was only one reply, which was just to acknowledge the email was being forwarded. He asked whom legislators should contact about concerns they are hearing from their constituents. Mr. Friedlander thanked the senator for the statement about his children. He said that Ms. Rodman is the point of contact for CHFS for responding to legislators. In the governor's office, contacts are Dorsey Ridley and Rocky Adkins. Senator Westerfield stated that Ms. Rodman has been responsive, but she is the exception. The lines of communication between the administration and the legislature have not been open in general.

Senator West said that business owners should receive clarification. He was willing to give a pass to the administration for the first 30 days of action. He said that Kentucky has the highest increase in unemployment in the US, which will affect state revenue. State government has an anticipated \$1 billion shortfall over the biennium. Anyone who wants financial help from the government should probably rely on federal funds. The best way the state can help is to get child care centers open quickly with as much flexibility as possible.

Ms. Barker said that child care centers do provide education. She said she called every state and only a few closed child care centers. Some centers, including hers, that applied to be LDCs were denied. She said that she has a large email group that asks ques-

tions but responses are lacking. She stated that she had emailed Ms. Rodman on June 10 but did not receive a response. Mr. Friedlander said that a response would be prepared for her questions. Ms. Barker responded that the governor could call her directly about her questions.

Ms. Washburn reiterated that child care centers provided quality education by describing the qualifications of herself and her staff and the types of instruction they provide. She invited Senator Thomas to visit her center, which he said that he would do. Senator Thomas said he wants the state to fund early childhood education due to existing achievement gaps. Ms. Washburn asked Senator Thomas to clarify his statements to indicate there are no publicly funded early childhood education programs in the state.

Senator Carroll said many people do not have access to child care. He agreed that early childhood education needs to be funded.

The meeting was adjourned at 3:42 p.m.

Administrative Regulation Review Subcommittee

Minutes of the June Meeting

June 9, 2020

Call to Order and Roll Call

The June meeting of the Administrative Regulation Review Subcommittee was held on Tuesday, June 9, 2020, at 1:00 PM, in Room 171 of the Capitol Annex. Representative David Hale, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Stephen West, Co-Chair; Representative David Hale, Co-Chair; Senators Julie Raque Adams, Alice Forgy Kerr, and Reginald Thomas; Representatives Deanna Frazier, Mary Lou Marzian, and Tommy Turner.

Guests: Johanna Ballinger, Mike Nickles, Michael Wilson, Secretary of State; Larry Hadley, Anthony Grey, Board of Pharmacy; Jeff Allen, Board of Dentistry, Morgan Ransdall, Board of Nursing; Chuck O'Neal, Jeffrey Walther, John Wood, Board of Emergency Medical Services; Clint Quarles, Department of Agriculture; Amy Cubbage, Kimberlee Perry, Chuck Stribling, Robin Maples, Kristi Lowry, Labor Cabinet; Kate Shanks; Mark Guifoil, Jamie Eads, Jennifer Wolsing, Bob Brady, Kentucky Harness Association, Joe Costa, Red Mile; Ken Jackson, Kentuckiana Farms; Mike Ziegler, Churchill Downs; Jim Avritt, Jr., Mike Meusser, Kentucky Harness Horseman's Association; Bruce Howard; Laura Begin, Elizabeth Caywood, Kara Daniel, Wesley Duke, Jason Dunn, Adam Mather, Wendy Morris, Kelli Rodman, Misty Sammons, Jonathan Scott, Donna Little, Cabinet for Health and Family Services; Wade Stone, Med Health Center; Mike Sherrod, Tristar Greenview Hospital; Erich Blackburn, Pikeville Medial Center; Janet Craig, Stites and Harbison; Betsy Johnson, Association of Health Care Facilities/ Centers for Assisted Living; Heidi Schissler Lanham; Department of Protection and Advocacy.

LRC Staff: Sarah Amburgey, Stacy Auterson, Emily Caudill, Ange Darnell, Emily Harkenrider, Karen Howard, Carrie Klaber, and Christy Young.

The Administrative Regulation Review Subcommittee met on Tuesday, June 9, 2020, and submits this

report:

The subcommittee determined that the following administrative regulation was deficient pursuant to KRS 13A.030(2)(a):

LABOR CABINET: Department of Workplace Standards: Division of Occupational Safety and Health Compliance: Division of Occupational Safety and Health Education and Training

803 KAR 2:180. Recordkeeping, reporting, statistics. Amy Cubbage, general counsel; Kimberlee Perry, commissioner; and Chuck Stribling, occupational safety and health federal – state coordinator, represented the division. Kate Shanks, vice president, Kentucky Chamber of Commerce, appeared in opposition to this administrative regulation.

In response to questions by Senator Raque Adams, Ms. Perry stated that 803 KAR 2:180 was more stringent than federal requirements. Kentucky was a State Plan State, which required Kentucky to be at least as effective, or more protective, than federal OSHA requirements. This administrative regulation required an employer to report an incident that resulted in an employee hospitalization, including hospital admission for diagnostics or observation. The division needed this data for statistical and tracking purposes to determine trends. These trends were not statutorily required to be monitored, and a statistical survey service tracked these trends. Hospitalization tracking had been in place since 2006. The new requirements included hospital admission for diagnostics or observation. Senator Raque Adams stated that it might be advisable to work further with stakeholders.

Co-Chair West stated that prior to this amendment, employers were required to report employee hospitalizations related to work. The employer decided which incidents were work related. The amendment reversed that system, so that the division would determine which incidents were work related, not the employer. In response to questions by Co-Chair West, Ms. Perry stated that all incidents were now reportable to the division. A report would not necessarily cause an inspection to be performed. There had been incidents under the 2006 reporting system. An employer, for example, reported that an employee had experienced a fatal heart attack at work. Later, it was determined that the employee had not had a heart attack, but seemed to have died from a work-related incident. Ms. Cubbage stated that no public hearing was requested but that the division had received written public comments. Co-Chair West stated that more time for public input seemed prudent.

In response to a question by Co-Chair Hale, Ms. Shanks stated that the Kentucky Chamber of Commerce was opposed to this administrative regulation because this administrative regulation was more stringent than the federal requirements, and the reason for the increased stringency was unclear. Additional training for employers regarding these changes would be necessary; therefore, the chamber requested more time for this conversation.

In response to questions by Representative Marzian, Ms. Shanks stated that the Kentucky Chamber of Commerce commented during public comment period, along with Greater Louisville Incorporated, Northern Kentucky Chamber of Commerce, and Commerce Lex. The division filed a Statement of Consideration

in response to public comments but did not further amend this administrative regulation in response to public comments.

In response to a question by Co-Chair West, Mr. Stribling stated that an employer's requirement to report an employee's hospital admission for diagnostics or observation was added, because sometimes a formal hospitalization would continue as a response to diagnostics or observation. There was currently no reporting requirement for that situation. The division might miss statistics that would point to trends that needed to be addressed for employee safety. A report did not automatically result in an inspection being performed. Most employers reported out of an abundance of caution. Last year, the division inspected approximately forty-four (44) percent of facilities in response to a report. The data was necessary to track incidents, trends, and division response rates. A consultant, rather than a compliance officer, would be involved in the response to a report.

In response to a question by Senator Raque Adams, Mr. Stribling stated that there was a potential for a fine for an employer that did not report an incident. Failure to report an incident was usually determined by an employee filing a complaint.

In response to questions by Co-Chair West, Ms. Perry stated that the division respectfully declined to defer consideration of this administrative regulation to the July subcommittee meeting. Mr. Stribling stated that Section 2 of this administrative regulation included federal requirements that applied to several other administrative regulations in this package, which had to become effective within six (6) months. The federal deadline, which had already passed, made deferral difficult for the division. The previous administration did not wish to go forward with this administrative regulation until after the 2019 election; therefore, this change had been postponed and had missed the federal deadline.

In response to a question by Representative Frazier, Ms. Perry stated that the division respectfully declined to defer consideration of this administrative regulation, even if the deferral is for this administrative regulation only and separate from the other administrative regulations in this package, to the July subcommittee meeting.

In response to a question by Representative Marzian, Mr. Stribling stated that, after this subcommittee meeting, this administrative regulation would proceed on to the subject matter committee.

A motion was made and seconded to approve the following amendments: to amend 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.

Co-Chair West made a motion, seconded by Senator Raque Adams to find this administrative regulation deficient. Co-Chair West withdrew his initial motion to clarify the motion. Co-Chair West made a clarified motion, seconded by Senator Raque Adams to find 803 KAR 2:180, as amended, deficient, while allowing the other administrative regulations in this package to continue through the process. A roll call vote was conducted, and with five (5) votes to find the administrative regulation deficient and three (3) votes

against deficiency, this administrative regulation, as amended, was found deficient.

Senator Thomas explained his no vote. He stated that there seemed to be a discrepancy regarding the public comment period. Commerce Lex had not brought this concern to his attention, although they had been in close contact with him recently.

Representative Marzian explained her no vote. She stated that she agreed with the comments by Senator Thomas. Additionally, this was a very tepid worker-protection requirement that was needed for employee safety.

Compiler's Note: Pursuant to KRS 13A.335(3) (a), a new Section 4 was added to this administrative regulation to reflect the finding of deficiency.

Administrative Regulations Reviewed by the Subcommittee:

SECRETARY OF STATE: Notary Public

30 KAR 8:005 & E. Notary Public applications and electronic and online registrations. Mike Wilson, director of business services and deputy general counsel, represented the Secretary of State.

In response to a question by Co-Chair Hale, Mr. Wilson stated that this administrative regulation implemented changes commensurate with Senate Bill 114 from the 2019 Regular Session of the General Assembly. Social distancing requirements related to coronavirus (Covid 19) further necessitated this administrative regulation, which provided for remote and electronic notarization.

In response to questions by Co-Chair West, Mr. Wilson stated that "electronic notarization" meant notarizations for electronic records, while "remote on-line notarization" was a more general category, which included notarizations performed for a remotely located individual. These two (2) distinct categories were clarified by this administrative regulation. The authorizing statute did have ambiguities regarding this matter that might be clarified through future legislation.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 8 to comply with the drafting and formatting 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 2:175. Emergency/Seventy-two (72) hour prescription refills. Anthony Gray, general counsel, and Larry Hadley, executive director, represented the board.

A motion was made and seconded to approve the following amendments: to amend the TITLE; the NECESSITY, FUNCTION, AND CONFORMITY paragraph; and Section 1 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

201 KAR 2:230. Special limited pharmacy permit – Central Fill.

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 and 3 to

comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Board of Dentistry

201 KAR 8:550. Anesthesia and sedation. Jeff Allen, executive director, represented the board.

A motion was made and seconded to approve the following amendments: to amend Sections 1 and 4 through 6 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

In response to a question by Co-Chair Hale, Mr. Allen stated that 201 KAR 8:550 was being amended in response to a sunset review and updates to the Americans with Disabilities Act. 201 KAR 8:590 was a new administrative regulation to implement teledentistry.

201 KAR 8:590. Teledentistry.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO; STATUTORY AUTHORITY; and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1 through 6 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 Nursing

201 KAR 20:057 Scope and standards of practice of advanced practice registered nurses. Morgan Ransdell, general counsel, represented the board.

In response to a question by Co-Chair Hale, Mr. Ransdell stated that the most substantive changes in this package of administrative regulations were the amendments to 201 KAR 20:057. This administrative regulation established provisions related to self-prescribing controlled substances and prescribing of controlled substances to family members.

A motion was made and seconded to approve the following amendments: (1) to amend Section 1 to add a definition for “immediate family”; and (2) to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1, 2, 4 through 7, 9, 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.

201 KAR 20:162. Disciplinary proceedings.

A motion was made and seconded to approve the following amendments: (1) to amend Section 2 to allow video recording in lieu of transcription by a court stenographer; (2) to amend Section 7 to delete provisions for financial hardship waiver of hearing costs; and (3) to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 2, 5 through 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.

201 KAR 20:230. Renewal of licenses.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph 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.

201 KAR 20:370. Applications for licensure.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph 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.

201 KAR 20:410. Expungement of records.

A motion was made and seconded to approve the following amendments: to amend 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.

COMMUNITY AND TECHNICAL COLLEGE SYSTEM: Board of Emergency Medical Services

202 KAR 7:555. Ground agencies. Chuck O’Neil, deputy executive director, and John Wood, counsel, represented the board.

DEPARTMENT OF AGRICULTURE: Office of the Consumer and Environmental Protection: Egg Marketing

302 KAR 10:011. Repeal of 302 KAR 010:010, 302 KAR 010:020, 302 KAR 010:030, 302 KAR 010:040, 302 KAR 010:050, 302 KAR 010:060, 302 KAR 010:070, 302 KAR 010:080, and 302 KAR 010:090. Clint Quarles, counsel, represented the department.

In response to a question by Co-Chair West, Mr. Quarles stated that the requirements for egg handling in 302 KAR Chapter 10 did not apply to small-scale egg producers.

302 KAR 10:015. Egg grading and classification.

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. Without objection, and with agreement of the agency, the amendments were approved.

302 KAR 10:025. License application, refusal, revocation, suspension, and appeals.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO; STATUTORY AUTHORITY; and NECESSITY, FUNCTION, AND CONFORMITY paragraphs; Sections 2 through 7; and material incorporated by reference to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

302 KAR 10:100. Refrigeration of eggs and temperature requirements.

Office of the State Veterinarian: Livestock, Poultry, and Fish

302 KAR 22:050. Stockyards.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO paragraph and Sections 1, 2, 4, 6, and 8 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

LABOR CABINET: Department of Workplace Standards: Division of Occupational Safety and Health Compliance: Division of Occupational Safety and Health Education and Training

803 KAR 2:300. General. Amy Cubbage, general counsel; Kimberlee Perry, commissioner; and Chuck

Stribling, occupational safety and health federal – state coordinator, represented the division.

803 KAR 2:320. Toxic and hazardous substances.

803 KAR 2:400. Adoption of 29 C.F.R. Part 1926 Subpart A.

803 KAR 2:403. Occupational health and environmental controls.

803 KAR 2:404. Personal protective and lifesaving equipment.

803 KAR 2:406. Signs, signals, and barricades.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph 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.

803 KAR 2:407. Materials handling, storage, use and disposal.

803 KAR 2:418. Underground construction, caissons, cofferdams, and compressed air.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraphs to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

803 KAR 2:422. Rollover protective structures; overhead protection.

803 KAR 2:425. Toxic and hazardous substances.

A motion was made and seconded to approve the following amendments: to amend 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.

803 KAR 2:500. Maritime employment.

PUBLIC PROTECTION CABINET: Horse Racing Commission: Thoroughbred Racing

810 KAR 1:001. Definitions. Marc Guilfoil, executive director; Ken Jackson, owner, Kentuckiana Farms, and commission member; and Jennifer Wolsing, general counsel, represented the Horse Racing Commission. Bob Brady, Kentucky Harness Association, and Joe Costa, president and CEO, Red Mile, appeared in support of this package of administrative regulations. Jim Avritt, Jr., member, board of directors, Kentucky Harness Horsemen’s Association, and Mike Meusser, attorney for the Kentucky Harness Horsemen’s Association, appeared in opposition to 810 KAR 5:060, 810 KAR 5:070, 810 KAR 7:040, and 811 KAR 1:250.

In response to a question by Co-Chair West, Ms. Wolsing stated that 810 KAR 5:070, 810 KAR 7:040, and 811 KAR 1:250 established a new Kentucky Harness Association (KHA), as authorized by KRS 230.215. These three (3) administrative regulations passed the Horse Racing Commission in an eight (8) to zero vote. The new KHA would serve on the Sire Stakes Panel and would have authority to enter into contracts with racing associations in Kentucky. The goal of this package of administrative regulation was for consistency among administrative regulations within the commission in order to foster improvements to the standardbred industry. The thoroughbred industry in Kentucky had two (2) horsemen’s groups.

Having more than one (1) association achieved two (2) goals, including preventing a monopoly and giving the Horse Racing Commission options regarding with whom to contract. Neither thoroughbred association had been left out of the process. Other major racing jurisdictions in the US, including New York and Pennsylvania, had multiple associations. The commission's goal was for the standardbred industry to come to the same level of competency, cooperation, and diligence as was found in the thoroughbred industry, by representing a diverse array of interests.

In response to questions by Co-Chair Hale, Mr. Jackson stated that it was time for change in Kentucky regarding the standardbred industry. Three (3) race-tracks: Thunder Ridge, Player's Bluegrass Downs, and Louisville Downs, had failed in this state during the last thirty (30) years. Thunder Ridge and Player's Bluegrass Downs both closed within the last four (4) years. These facilities closed due to lack of a viable product for fans. The purpose of the new KHA was to bring together the many components needed to support and advance the standardbred industry in Kentucky.

In response to questions by Representative Frazier, Mr. Jackson stated that the new KHA was formed in November 2019. There were three (3) original members, but more members were expected. The new KHA was developed methodically. Mr. Avritt stated that Mr. Jackson was the horsemen's representative to the commission during the discussion of the new KHA. He had a conflict of interest and did not abstain from voting on this matter.

In response to questions by Co-Chair Hale, Ms. Wolsing stated that New York and Pennsylvania both had multiple standardbred horsemen's representatives groups. Mr. Guilfoil stated that New York had four (4) and Pennsylvania had two (2). Mr. Jackson stated that Ontario had more than one (1) association.

In response to a question by Co-Chair Hale, Mr. Avritt stated that, as a breeder, owner, racer, and trainer, he was opposed to establishing a second standardbred horsemen's association. In addition, he was a member of the board of directors for the existing KHHA. There were concerns regarding nepotism because Mr. Jackson was on the Horse Racing Commission and Mr. Jackson's brother-in-law, Bob Brady, was also involved in the new KHA. Mr. Jackson and his brother-in-law were also stakeholders in other horse businesses. The new KHA would establish contracts with these very entities. This was an obvious conflict of interest and a threat to members of the new association. The current association worked well to fulfill Kentucky's standardbred needs. New York and Pennsylvania did have multiple standardbred horsemen's associations; however, none competed against each other at the same tracks. The commission's Statement of Consideration stated that the new association could be used to take advantage of the members. The thoroughbred industry in Kentucky only had two (2) associations because, in the 1980s, Churchill Downs was having difficulty and decided to form its own negotiating association. Many sports teams did not have multiple associations because it was detrimental to members. It was a race to the bottom. There was nothing that required the new KHA to have more than three (3) members. Three (3) members was inadequate and put too much power in the hands of a small group. The existing association

had been in existence for forty-seven (47) years. This matter was not adequately vetted by the Horse Racing Commission; very few questions were asked, and the new KHA's bylaws were not submitted. Rank-and-file horsemen were not included in the discussions. The three (3) facilities that failed did not fail because of the association. The association tried to keep those facilities open.

Senator Thomas stated that he had built his reputation on supporting the underdog and that he was therefore sensitive to Mr. Avritt's situation; however, the commission's statement from the Statement of Consideration seemed to have been taken out of context. The commission stated in the Statement of Consideration that the commission did not expect there to be a negative impact on the existing association's ability to contract with tracks and tracks would be able to contract with both associations simultaneously, which would be good for the racing industry as a whole. The Statement of Consideration also stated that racing might be improved and might not be sustainable otherwise. Kentucky's signature industries, such as bourbon and racing, should continue to be improved as much as possible. Mr. Avritt stated that the existing association had diligently supported racing for forty-seven (47) years in Kentucky. Thoroughbred and standardbred racing were not congruous, and what benefited the much larger thoroughbred industry would not necessarily benefit the smaller standardbred industry. Other states did not have competing associations with contracts at the same facilities because it was disadvantageous to the members.

In response to questions by Co-Chair West, Mr. Avritt stated that matters of contract for the associations included number of racing days, simulcast division, and division of wagers. Competition between associations would put members at a disadvantage in these matters. The simulcast and wager money was used to generate purses, which then flowed to the horsemen. Horsemen did not get money directly from the association. The money was also used to generate funding for the Sire Stakes Program. The new KHA was interested in money.

In response to a question by Co-Chair Hale, Ms. Wolsing stated that the Red Mile agreed in their letter that the existing association had worked hard to support the standardbred industry. The industry had become more diverse and could benefit from additional representation. Mr. Jackson stated that the industry had seen significant improvement and needed to be represented by professionals who supported the entire industry, rather than allowing more tracks to fail. The new KHA expected to have hundreds of members in the future. Mr. Avritt stated that the new KHA currently did not have enough members. The existing association was not responsible for track failures. The industry was not more diverse than in years past.

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 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.

General

810 KAR 2:001. Definitions.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO; STATUTORY AUTHORITY; and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Section 1 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Flat and Steeplechase Racing

810 KAR 4:030. Entries, subscriptions, and declarations.

A motion was made and seconded to approve the following amendments: to amend Sections 3 and 17 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Standardbred Racing

810 KAR 5:001. Definitions.

A motion was made and seconded to approve the following amendments: to amend the TITLE; the NECESSITY, FUNCTION, AND CONFORMITY paragraph; and Section 1 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

810 KAR 5:060. Entries and starters.

810 KAR 5:070. Running of the race.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO; STATUTORY AUTHORITY; and NECESSITY, FUNCTION, AND CONFORMITY paragraphs and Sections 1, 3 16, 26, 27, 39, 41, 43, 48, and 56 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Incentive and Development Funds

810 KAR 7:040. Kentucky Standardbred Development Fund and Kentucky Standardbred Breeders' Incentive Fund.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO and NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1, 2, 5, 6, 12, 15, and 23 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Harness Racing

811 KAR 1:250. Exotic wagering.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO; STATUTORY AUTHORITY; and NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 2 through 7 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: Kentucky Health Program: Medicaid Services

895 KAR 1:002E. Repeal of 895 KAR 001:001, 895 KAR 001:010, 895 KAR 001:015, 895 KAR 001:020, 895 KAR 001:025, 895 KAR 001:030, 895 KAR 001:035, 895 KAR 001:040, 895 KAR 001:045, 895 KAR 001:050, and 895 KAR 001:055. Kelli Rodman, executive director, and Jonathan Scott, regulato-

ry and legislative advisor, represented the cabinet.

In response to questions by Co-Chair West, Mr. Scott stated that this administrative regulation was filed as an emergency because of concerns about on-going litigation costs. This situation complied with the statutory requirements for an emergency administrative regulation. Litigation was related to federal Medicaid laws. Co-Chair West stated that he was concerned about overuse of the emergency administrative regulation process and, in the future, more scrutiny would be placed on determining which administrative regulations truly were the result of an actual emergency.

Office of Inspector General: Division of Certificate of Need: Certificate of Need

900 KAR 6:075 & E. Certificate of need nonsubstantive review. Adam Mather, inspector general, and Kara Daniel, deputy inspector general, represented the office. Erich Blackburn, chief legal officer, Pikeville Medical Center; Janet Craig, attorney, Stites and Harbison; and Mike Sherrod, CEO, TriStar Greenview Hospital, appeared in opposition to this administrative regulation. Wade Stone, executive vice president, Medical Center Health, appeared in support of this administrative regulation.

In response to questions by Co-Chair West, Mr. Mather stated that this administrative regulation was filed as an emergency because the previous amendment to this administrative regulation resulted in specialty legislation, which only benefited one (1) provider in one (1) county. Originally, six (6) counties were expected to have providers affected by the amendment. Ms. Daniel stated that potential loss of state funds from the cost of on-going litigation was the stated reason for this administrative regulation. This emergency administrative regulation saved the cost of on-going litigation because that litigation stopped as the result of this filing. Co-Chair West stated that it was difficult to prove that litigation stopped as the result of an administrative regulation, and, in the future, more scrutiny would be placed on determining which administrative regulations truly were the result of an actual emergency.

In response to a question by Co-Chair Hale, Mr. Sherrod stated that Kentucky was one (1) of four (4) states with a Certificate of Need (CON) process. There were two (2) types of CON, substantive and nonsubstantive. The previous amendment to this administrative regulation changed EMS provider requirements to establish a nonsubstantive CON process. Patient care should always be the primary consideration. This change was a return to the substantive CON process. There was a lack of EMS access across Kentucky. For example, in Warren County, which was one (1) of the fastest-growing counties, there were two (2) hospitals, which were three (3) miles apart. The only EMS provider was directly affiliated with one (1) of the two hospitals. The EMS provider seemed to favor delivering patients to the ER of the hospital that was directly affiliated with the provider. Steering patients to the medically correct facility should be a high priority, which could better be accomplished with more than one (1) EMS provider in Warren County. EMS providers should only go through nonsubstantive CON review in order to maintain patient choice. Lack of EMS access led to mortality and morbidity. Northern

Kentucky had been hard-hit by coronavirus (Covid 19), which could impact EMS access, especially if there were EMS employee infections with only one (1) provider. Redundancy was going to be important regarding coronavirus (Covid 19.) Mr. Sherrod requested that the subcommittee move all EMS providers to nonsubstantive CON review or find this administrative regulation deficient.

In response to a question by Co-Chair Hale, Mr. Blackburn stated that Pikeville Medical Center was opposed to this administrative regulation. All EMS providers should be subject to only nonsubstantive CON review. Patients usually needed an EMS provider due to accident, illness, or transfer from one (1) medical facility to another or from a nursing home setting to a hospital and vice versa. Long wait times for any of these situations could result in death or long-lasting effects. Transfer delays affected bed turnover and could affect all patients "upstream."

In response to a question by Co-Chair Hale, Ms. Craig stated that the cabinet has stated that all EMS providers cannot be classified for nonsubstantive CON review because the cabinet lacked statutory authority to do so. The cabinet did have the authority. EMS provider delays caused death and significant health effects. Coronavirus (Covid 19) created the need for redundancy in EMS providers in case of employee infections. The economic strain from coronavirus (Covid 19) created additional problems related to patient transport. Ms. Craig requested that the subcommittee move all EMS providers to nonsubstantive CON review.

In response to questions by Representative Frazier, Mr. Sherrod stated that taxes were not an issue. Service areas were assigned geographically by road.

In response to questions by Co-Chair Hale, Mr. Sherrod stated that there had been instances in which a patient requested to be transported to one (1) facility, but were instead transported to the hospital with which the EMS provider was directly affiliated. There were affidavits to that effect. Destination guidelines were often disregarded. Medical reasons could be a factor in determining which hospital a patient was taken; however, that was rarely the issue. Mr. Blackburn stated that Pikeville Medical Center applied for a CON in October 2019. A hearing was held with the opposition to the CON. The hearing was delayed due to coronavirus (Covid 19.) Judges in this matter had conflicts of interest because they sat on the board of directors.

In response to a question by Co-Chair Hale, Mr. Stone stated that Medical Center Health, a not-for-profit hospital, supported this administrative regulation because Medical Center Health had supported Warren County EMS for over forty (40) years. Warren County's dispatch system was one (1) of only 250 accredited systems in the world. Warren County honored patient choice, and reports to the contrary were unsubstantiated. There did not seem to be an emergency situation when this administrative regulation was last filed on an emergency basis. Surrounding EMS providers without affiliation with the hospital also brought patients to Medical Center Health. Medical Center Health accepted many patients with coronavirus (Covid 19,) not to benefit the hospital, but in the interest of public health.

A motion was made by Representative Frazier and seconded by Representative Turner to find this administrative regulation deficient. A roll call vote was conducted. There being two (2) votes to find this administrative regulation deficient and six (6) votes not to find this administrative regulation deficient, the motion failed.

Senator Thomas explained his no vote. There was no indication that Bowling Green had a public health crisis regarding EMS providers. The current EMS provider seemed adequate, and the CON process was in progress. If there was a need for a second EMS provider, that would be determined through the CON review process.

Department for Public Health: Division of Healthcare: Health Services and Facilities

902 KAR 20:036. Operation and services; personal care homes. Kara Daniel, deputy inspector general; Adam Mather, inspector general; and Wendy Morris, commissioner, represented the division. Betsy Johnson, president, Kentucky Association of Health Care Facilities – Kentucky Center for Assisted Living, appeared in opposition to this administrative regulation. Heidi Schissler, legal director, Kentucky Department of Protection and Advocacy, appeared for questions.

In response to a question by Co-Chair Hale, Mr. Mather stated that this administrative regulation included substantive changes that required Personal Care Home (PCH) staff to assist with a small number of clients transitioning to other living situations within the community. This assistance included helping clients learn Activities for Daily Living (ADLs) and Instrumental Activities for Daily Living (IADLs). Ms. Morris stated that there were federal requirements for state-funded supports for individuals who wished to live in the community, rather than in a congregate setting. In 2013, the cabinet first entered into an agreement with Kentucky Protection and Advocacy, as a response to the 1999 Olmstead decision. The settlement agreement had been amended twice since 2013. Staff of Community Mental Health Centers identified residents who wished to transition from congregate settings and worked with those individuals to develop a transition plan to establish which skills the individual needed to work on. PCH staff would then offer basic instruction on any identified ADL or IADL. Currently, there were seventeen (17) individuals in this situation across the state who were actively transitioning. This low number was unrelated to coronavirus (Covid 19.) The cabinet received feedback from PCHs and made changes to requirements based on that feedback. The training occurred during the normal workday. PCH staff were not responsible for identifying skills that needed improvement and were not responsible for ensuring that the client mastered the skills. PCH staff were with clients on a daily basis and were already required by existing requirements to assist with ADLs. This amendment added IADLs to the assistance requirements. While there had not been an increase in funding for PCHs, the cabinet was working to address financial concerns.

In response to questions by Co-Chair Hale, Ms. Johnson stated that the Kentucky Association of Health Care Facilities – Kentucky Center for Assisted Living opposed this administrative regulation because the new requirements were burdensome and

constituted an unfunded mandate. At the September 2019 meeting of this subcommittee, the subcommittee asked the cabinet to meet further with stakeholders on this matter. The cabinet had not met with the Kentucky Association of Health Care Facilities – Kentucky Center for Assisted Living to work on this administrative regulation but had met with Kentucky Protection and Advocacy. The subcommittee should ask the cabinet to defer consideration of this administrative regulation to the July meeting in order to meet further with stakeholders. While there were currently only seventeen (17) clients transitioning, there could be more in the future. PCHs were not a party to the settlement agreement but were subject to it. Bruce Linder checked on this administrative regulation every month, and the cabinet declined to meet with stakeholders every month.

In response to a question by Co-Chair Hale, Mr. Mather stated that the cabinet did meet with stakeholders. This was not an unfunded mandate. Coronavirus (Covid 19) had caused delays with this administrative regulation. Further deferral would likely not result in changes. Ms. Daniel stated that the cabinet made changes twice to this administrative regulation based on comments from stakeholders. The cabinet and stakeholders disagreed regarding the issue of ADLs and IADLs, and further deferral was not expected to result in additional changes. Ms. Morris stated that collaboration was very important for the clients trying to transition.

In response to a question by Senator Raque Adams, Ms. Johnson stated that there was a meeting with the cabinet last week; however, that discussion was focused on 921 KAR 2:015 & E, which was the next administrative regulation on the subcommittee's agenda.

In response to questions by Senator Thomas, Ms. Johnson stated that this situation was more complex than described. PCHs were not part of the settlement agreement. These requirements were intended for a higher level of professional, such as an occupational therapist. Most employees had high school diplomas. Senator Thomas stated that PCHs already taught some of these skills.

In response to a question by Co-Chair Hale, Ms. Morris stated that there had been a long process to establish the current version of the settlement agreement. This program was not occupational or other therapy. There had been a new appropriation of 2.2 million dollars for the current seventeen (17) clients affected. Ms. Johnson stated that the General Assembly appropriated the 2.2 million dollars for all PCHs, regardless of transitioning clients.

Further discussion of this matter is found in the section of these minutes regarding 921 KAR 2:015 & E, which is a companion administrative regulation to this one.

At the September 16 meeting of the Administrative Regulation Review Subcommittee, a motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph; Sections 1 through 4 and 7; and the SMI Screening Form 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 Community Based Services: Di-

vision of Family Support: K-TAP, Kentucky Works, Welfare to Work, State Supplementation

921 KAR 2:015 & E. Supplemental programs for persons who are aged, blind, or have a disability. Laura Begin, regulation coordinator; Elizabeth Caywood, deputy commissioner; Kara Daniel, deputy inspector general; Adam Mather, inspector general; and Wendy Morris, commissioner, represented the division. Betsy Johnson, president, Kentucky Association of Health Care Facilities – Kentucky Center for Assisted Living, appeared in opposition to this administrative regulation. Heidi Schissler, legal director, Kentucky Department of Protection and Advocacy, appeared for questions.

In response to questions by Senator Raque Adams, Ms. Begin stated that the budget appropriation effective July 1, 2020, which established the 2.2 million dollars, was titled "Mental Illness or Intellectual Disability Supplemental Payments" and only specifically covered PCHs that served clients with mental illnesses or intellectual disabilities. Ms. Morris stated that there were currently seventeen (17) clients transitioning. The 2.2 million dollars was not solely for those seventeen (17) clients. Ms. Caywood stated that there were seventeen (17) PCHs that cared for up to 800 clients with mental illness or intellectual disabilities. PCHs also served clients such as the aged and blind. Senator Raque Adams stated that she preferred for these administrative regulations to be deferred to the July subcommittee meeting. Co-Chair West stated that he too preferred deferral to straighten out confusion.

In response to a question by Representative Frazier, Ms. Begin stated the cabinet recognized that it was frustrating that the budget language might not be as was intended.

Senator Thomas stated that these administrative regulations had already been delayed. The cabinet and stakeholders met last week without further resolution. It would be best for this matter to move forward.

In response to a question by Co-Chair West, Ms. Begin stated that there were forty (40) PCHs, but only seventeen (17) that were currently part of this program. Ms. Caywood stated that funding all forty (40) PCHs would represent an entirely new program, which could result in litigation. Ms. Schissler stated that the settlement agreement required ADLs and IADLs at all PCHs that served transitioning severely mentally ill clients. These requirements needed to move forward as part of the settlement agreement. Kentucky Department of Protection and Advocacy did not have a position regarding the funding component in the budget.

In response to questions by Co-Chair Hale, Ms. Johnson stated that the budget appropriation did not cite 902 KAR 20:036 or 921 KAR 2:015; therefore, funding was not limited as interpreted by the cabinet. PCHs were having difficulties finding adequate staff. These administrative regulations should be deferred to the July subcommittee. Mr. Mather stated that the cabinet would agree to defer 902 KAR 20:036. Ms. Begin stated that the cabinet would prefer not to defer 921 KAR 2:015 & E. Ms. Daniel stated that PCHs were already required to assist with ADLs and changes only added IADLs. The cabinet was not requiring specialty training.

A motion was made to approve the agency

amendment, which proposed to amend Section 13 to allow a qualifying PCH to receive an increased per diem. Because there was not a second, the motion failed.

A motion was made and seconded to approve the following amendments: to amend Section 6 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Other Business: Co-Chair Hale introduced Senator Reginald Thomas who was appointed to the subcommittee to fill the senate vacancy previously held by Senator Perry Clark.

Co-Chair West stated that he was concerned about overuse of the emergency administrative regulation process and, in the future, more scrutiny would be placed on determining which administrative regulations truly were the result of an actual emergency.

The following administrative regulations were deferred or removed from the June 9, 2020, subcommittee agenda:

BOARDS AND COMMISSIONS: Board of Pharmacy

201 KAR 2:050. Licenses and permits; fees.

Board of Social Work

201 KAR 23:070. Qualifying education and clinical practice under supervision.

Real Estate Appraisers

201 KAR 30:130. Education provider, instructor, and course.

Office of Agricultural Marketing: Industrial Hemp

302 KAR 50:012. Repeal of 302 KAR 050:040 and 302 KAR 050:050.

302 KAR 50:020. Policies and procedures for hemp growers.

302 KAR 50:030. Policies and procedures for hemp processors and handlers.

302 KAR 50:055. Sampling and THC testing, post-testing actions, disposal of noncompliant harvests.

302 KAR 50:060. Fees for the Hemp Licensing Program and forms.

EDUCATION AND WORKFORCE DEVELOPMENT CABINET: Department for Libraries and Archives: Division of Library Services: Libraries

725 KAR 2:060. Certification of public librarians.

725 KAR 2:070. Certification renewal of public librarians.

LABOR CABINET: Department of Workers' Claims

803 KAR 25:010. Procedure for adjustments of claims.

PUBLIC PROTECTION CABINET: Horse Racing Commission: Medication Guidelines

810 KAR 8:010. Medication; testing procedures; prohibited practices.

810 KAR 8:030. Disciplinary measures and penalties.

810 KAR 8:070. Bisphosphonates.

Department for Medicaid Services: Division of Policy and Operations: Medicaid Services

907 KAR 1:604 & E. Recipient cost-sharing.

The subcommittee adjourned at 4:30 p.m. The next meeting of the subcommittee is tentatively scheduled for July 14, 2020, at 1 p.m.

Lawmakers hold hearing on UI benefit payment delays

by Jim Hannah
LRC Public Information

FRANKFORT – One week after hundreds of people seeking help in resolving their unemployment insurance claims descended on the Capitol, a legislative panel convened on June 26 to investigate the backlog.

Calling it “almost criminal” that some Kentuckians have waited since March to have their claims processed, Sen. Jimmy Higdon, R- Lebanon, said the executive branch had “created a crisis within a crisis” and appeared to underestimate the need for unemployment insurance when it ordered many businesses to close in a bid to reduce the spread of COVID-19.

Sen. Danny Carroll, R-Paducah, used the meeting of the Interim Joint Committee on Economic Development & Workforce Investment to press whether Kentucky’s Office of Unemployment Insurance (OUI) officials were consulted before the governor ordered many businesses closed.

Education Workforce & Development Cabinet Deputy Secretary Josh Benton testified that he was not consulted before the order that closed the businesses. OUI currently is housed in Benton’s cabinet although there are plans to move it to the Labor Cabinet.

Carroll, a co-chair of the committee, then questioned the wisdom of moving OUI to the other cabinet amid the COVID-19 pandemic. Labor Cabinet Secretary Larry Roberts testified that the move would put OUI in a cabinet it had traditionally been housed. He said that should bring more expertise to the office during this crisis.

Rep. Adam Bowling, R- Middlesboro, lamented that the state was able to marshal all its resources to provide COVID-19 testing in every county but couldn’t use those resources to process the surge of UI claims.

“It doesn’t seem ... that the state has done anything to reach out and better this situation,” Bowling said. “I realize we are overwhelmed. I realized the system is antiquated. I realize changes need to be done moving forward, but we have to work with what we have now. We have to use every resource we can to better this situation.”

Roberts said officials are using what they learned assisting the people who gathered at the Capitol to hold in-person events across the state.

Rep. Buddy Wheatley, D-Covington, asked what the procedure was for people who live in Kentucky but work in another state. Wheatley’s district borders Ohio. Benton said the “rule of thumb” was to apply for UI benefits in the state where one works.

“I’m with a lot of the other legislators here who have felt a great deal of stress related to this issue,” Wheatley said. “We like to have answers to questions.”



Carroll urged the governor's office to better communicate with legislators.

Education & Workforce Development Cabinet Legislative Affairs Director Heather Dearing testified that OUI couldn't accept an offer to use legislative staff to process claims because those staff members hadn't received the federally required background checks. She added, however, that OUI was working closely with the legislators' constituent services office to help resolve claims. Legislative staff also assisted with the Frankfort in-person services.

Committee Co-chair Rep. Russell Webber, R-Shepherdsville, asked whether an \$865 million no-interest loan Kentucky received to pay for all the UI claims would increase the contribution rate small businesses pay into the state's UI trust fund. "These businesses have really been hit hard," Webber added. "A hit with a rate increase I think would be detrimental to a lot of these businesses."

Benton said what businesses pay into the trust fund would go up unless there was legislative action taken in conjuncture with the executive branch.

Rep. Charles Booker, D-Louisville, asked what legislators could do at this point to move forward and help.

"Do we want to be dependent upon the federal government on how we run the public workforce system?" Benton said in response. "Is there an opportunity to provide stability of funds and other resources to make sure we don't have the ebbs and flow of seasoned staff and service coverage moving forward?"

Roberts added that the UIO budget went from \$41 million in 2010 to \$25 million in 2018, causing the loss of 95 employees and the closing of 29 regional offices. "Gov. (Andy) Beshear is very frustrated as you are and as all of our constituents are," Roberts said. "We have recognized that we cannot do enough with the staff that we have."

Roberts said Beshear has directed the OUI staff to negotiate with an outside vendor for assistance with claims. "Without that, it would take us several months to get through all these claims," Roberts said, adding he hopes by Monday the governor will be able to announce the state has hired a company with UI experience in other states to help.

Carroll expressed frustration that a contractor with experience processing claims, and not just answering phones, wasn't hired months ago and pledged to continue to revisit the problems processing UI claims in future committee meetings.



Rep. John Blanton, R-Salyersville, follows testimony about unemployment insurance claims during a June 26 meeting.

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