

2012 Interim LEGISLATIVE

Volume 25, No. 2
June 2012

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RECORD

KSP asks for more tools to fight child exploitation

by Rebecca Hanchett
LRC Public Information

“That is the hottest thing on the beach today,” said the voice behind the camera at Cave Run Lake.

On the camera was a video of a young girl, maybe 9 years old, in a swim suit running and playing in the sand. The videographer was a middle-aged registered sex offender from Wisconsin who had moved to Kentucky and found his way to the lake to secretly film the girl and other children, some appearing as young as six years old.

Lt. Shane Bates with the Kentucky State Police Electronic Crime Branch said the recordings would have been criminal in Wisconsin, but not in Kentucky.

“There is no law restricting a convicted sex offender from photographing or videoing children (in Kentucky),” Lt. Bates told lawmakers during the Interim Joint Committee on Judiciary meeting at the State Police Academy on June 1. “In Wisconsin, his conduct would have been criminal, but in Kentucky it was legal.”

More images were shared with lawmakers. There were portraits of children like Adam Walsh, Jessica Lunsford and Polly Klaas, all who were kidnapped and murdered by their abductors. There were also portraits of children like Elizabeth Smart, who was abducted and, miraculously, found alive. Most, if not all, of the victims in the portraits were sexually assaulted or endured some other kind of torture while abducted, reported Lt.

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Statutory changes would support brewery growth, lawmakers told

by Rob Weber
LRC Public Information

A Kentucky company that foresees major growth in its beer-making operation is asking state lawmakers for changes in law to help foster that growth.

As Alltech’s microbrewery in Lexington prepares to expand into full brewery, it wants to continue offering samples and retail sales of souvenir packages of its Kentucky Bourbon Barrel Ale and other brews to those who tour the facility, said Dr. Pearse Lyons, founder and president of Alltech. But a change in state law is needed for that to happen, he told members of the Licensing and Occupations Committee on June 8.

Microbreweries can offer samples and souvenir retail sales, but there’s no provision in state law for a larger brewery to do

the same.

“You mustn’t penalize companies for growing,” Lyons said. “You must encourage companies to grow in whatever ways they can grow.”

Alltech, a leader in the animal health and nutrition industry, purchased the Lexington Brewing and Distilling Company in 2000. The company produces 30,000 barrels of beer annually and wants to double beer production over the next year. The long-term goal is to rival the Samuel Adams line of beers produced by the Boston Brewing Company, Lyons said.

“We’re expanding,” Lyons said. “We have launched our beers and our whiskeys in China. In a couple weeks time we will launch our beers back in my home in Ireland. And so there’s lots and lots of excitement. ... My ambition is to have something as big, if not bigger, than Sam Adams.”

Lawmakers could assist in the company’s growth plans by approving a souvenir retail sales malt beverage license that would allow a brewery to offer complimentary samples and sell souvenir

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State legislative panel considers effect of new EPA rule

by Rebecca Hanchett
LRC Public Information

A new Environmental Protection Agency rule regulating greenhouse gas emissions favors natural gas over coal for electricity generation, a state Air Quality official told state lawmakers on June 7.

Division of Air Quality Director John Lyons told the Interim Joint Committee on Natural Resources and the Environment that the recently proposed and published Greenhouse Gas New Source Performance Standards (NSPS) rule, which was proposed and took effect in April 2012, favors construction of certain natural gas fired turbines over coal fired plants that were not permitted or

built prior to April 13.

The emission standard under the rule, Lyons said, limits carbon dioxide to 1,000 pounds of carbon dioxide per megawatt hour gross output annually.

“You might ask, ‘What does that mean?’ To give you an idea of what some current facilities emit in terms of CO₂, a super critical coal fired generator such as the Trimble 2 unit (in Trimble County, KY), which is one of the cleanest units in the nation, puts out about 1,800 pounds of CO₂,” he said.

Lyons said a simple cycle natural gas fired turbine emits about 1,300 pounds of CO₂ per

Continued on page 3

Lawmakers review farm energy grant program

by Rebecca Hanchett
LRC Public Information

A total of \$696,288 in grants has been awarded to 81 farm operations so far this year as part of a farm energy savings program, state Agricultural Policy officials told state lawmakers on June 6.

The grants, awarded as part of the state's On-Farm Energy Efficiency and Production Program, are the first to be funded from \$2 million in state agricultural development funds set aside for the program in January. Three more rounds of funding are expected, Bill McCloskey of the Governor's Office of Agricultural Policy told members of the Tobacco Settlement Agreement Fund Oversight Committee.

Agricultural development funds are drawn from Kentucky's share of the 14-year-old national tobacco settlement with major tobacco companies.

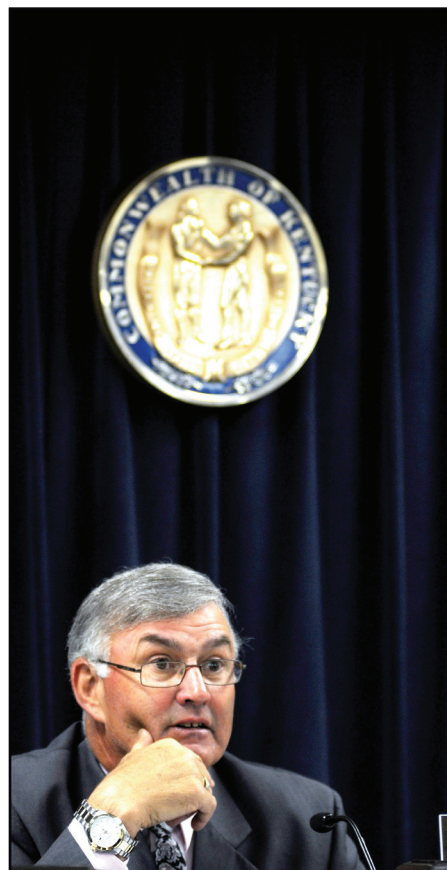
"I think it is really good that we have so much interest in what would

be something that pays long-term dividends," said committee co-chair Rep. Wilson Stone, D-Scottsville. "If we can encourage (applicants), I think this is something that will stand after maybe some of the other things we've done wouldn't still be paying us back."

Eighty four farm operations had applied for the first round funding, said McCloskey. Successful applicants met program guidelines which require, among other things, a third party evaluation as part of the application process and allowable reimbursement of up to 25 percent of eligible project costs, not to exceed \$10,000.

Of the three applicants who were not approved for first-round funding, McCloskey said some may wish to reapply later. The deadline for the second round of applications is June 30, with other deadlines set for Sept. 30 and Dec. 31.

Poultry farms, dairy farms and herb growers are among the types of farm operations that have been



awarded grants through the program, said McCloskey.

Federal stimulus dollars were

used to offer Kentucky On-Farm Energy Efficiency and Production Program incentives from 2009 to 2011. State officials say more than \$1.4 million were invested in 190 on-farm energy projects during the three-year period, resulting in more than \$2 million in energy savings per year.

"Because of the success of this program, the Kentucky Agricultural Development

Board chose to continue this effort to help even more farmers make their farm operations more energy efficient," Gov. Steve Beshear said when he announced the availability of new funding for the program in January.

Children, from page 1

Bates.

Children like Walsh, Klaas and Smart are abused or abducted each day—more than 83,800 in 2005 alone, according to the National Child Abuse and Neglect Data System—and, as Lt. Bates explained, child pornography plays a part in child victimization. Eighty five percent of child pornography offenders in one study cited by Lt. Bates admitted that they had sexually abused children, he said.

On average, said Lt. Bates, 13.5 children were victimized by each child pornography offender in the study.

Kentucky has the structure in place to deal with these offenders, and help prevent further victimization. The KSP's Internet Crimes Against Children (ICAC) Program works daily to investigate complaints and analyze digital evidence that has been seized in ICAC investigations.

But more tools are needed, according to KSP legal counsel Morgain Sprague.

Sprague asked that the Kentucky General Assembly consider giving the KSP the power to administratively

subpoena Internet Service Provider (ISP) subscriber records on a suspect to save time and, possibly, a child's life.

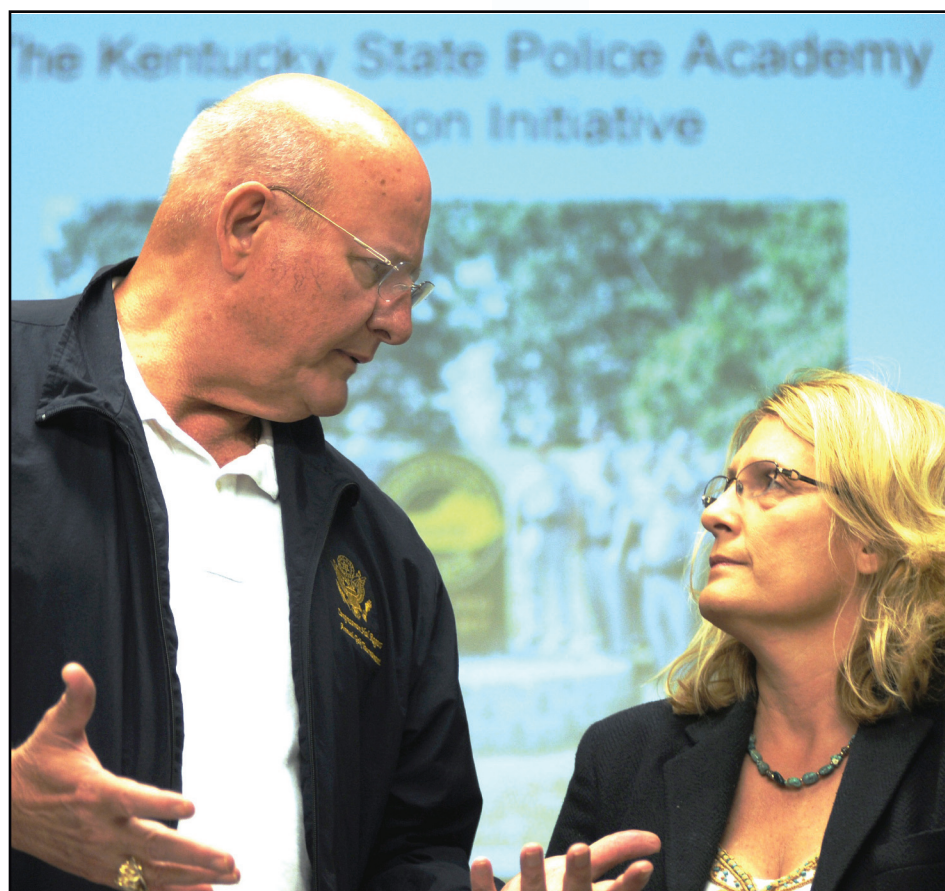
Under current state law, only the Attorney General's Office is given express power to issue subpoenas for E-files in electronic child exploitation cases, under certain circumstances.

"If we can rescue a child, we want that information as quickly as possible. And, in many cases, our ICAC unit has rescued children in the Commonwealth," said Sprague.

The KSP is also asking that lawmakers pass a state law allowing asset forfeiture of property where child sexual offenses take place (there is only a federal law currently), and clarify that images of child exploitation are "contraband" that must stay in law enforcement custody.

And, Sprague added, Kentucky needs a law that prohibits convicted sex offenders like the man from Wisconsin from photographing or videotaping children in the Commonwealth.

"The disturbing videos shown earlier are not criminal (in Kentucky)," said Sprague.



Senate Judiciary Chair Tom Jensen, R-London, talks with Sen. Robin Webb, D-Grayson, at a meeting of the Interim Joint Committee on Judiciary on June 1. The meeting was held at the Kentucky State Police Academy's new property located on the site of the former Frankfort Career Development Center, a minimum-security prison that closed in 2011.

Lawmakers learn progress of sorghum-to-ethanol project

by Rebecca Hanchett
LRC Public Information

CARLISLE, Ky.—Brazil is doing it; so are places in Florida and Texas.

And now retired IBM chemical engineer and Southeast Biofuels President Stephen Popyach, of Mt. Sterling, wants Kentucky to invest more in production of ethanol using sorghum as feedstock.

“Most foreign countries that want to become energy independent are growing sorghum right now,” Popyach told the Interim Joint Committee on Agriculture at Blue Licks State Resort Park on June 13. Popyach said 700 gallons of ethanol can be produced from an acre of sweet sorghum, a plant that is similar to corn and grows well, even in poor soil.

Southeast Biofuels has finished the first phase of a project that resulted in production of a million gallons of ethanol from 2,000 harvested acres of sweet sorghum, Popyach said. No funding is yet available for the project’s second phase, which Popyach expects to cost around \$400,000, he told lawmakers.

Sweet sorghum is similar to corn and grows well, even in poor soil, said Popyach.

“Phase II is to actually prove to the farmer that we actually have a working unit sitting on a farm,” Popyach said. “That is what we’re trying to do.”

Current plans for the second phase is development of a unit that can fit on one tractor trailer and produce 250 gallons of sorghum ethanol a day—or 90,000 gallons a year—on the farm, he said. Each unit will

be modular, mobile, and require 200 acres of sweet sorghum for production, he said.

In keeping with the company’s plans to make ethanol production possible “on the farm”, Popyach told lawmakers that producing ethanol from sorghum is not a very complex process.

“It’s not hard to do,” he said.

Passed among committee members were a dry, dense sorghum stalk, a glass jar containing juice pressed from sorghum feedstock, and a smaller jar containing ethanol made from the juice. It takes 10 million gallons of the juice to make a million gallons of ethanol, Popyach said.



Rep. Susan Westrom, D-Lexington, speaks with Rep. Tom Riner, D-Louisville, before the June 13 meeting of the Interim Joint Committee on Agriculture at Blue Licks State Resort Park in Robertson County.

Making it possible for farmers to refine their own fuel on the farm will not only eliminate transportation costs required to move fuel from Point A to Point B, but Popyach said the cost to make a gallon of ethanol from sorghum on the farm is affordable now at around \$1.60. The ethanol, which is a fuel additive, can also play a role in Kentucky’s goal of energy independence, Popyach said.

Natural Resources, from page 1

megawatt hour gross output a year, while a combined cycle natural gas fired unit emits around 750 pounds per megawatt hour of the greenhouse gas.

“The only technology that really falls under 1,000 pounds of CO₂ per megawatt hour is a combined cycle natural-gas fired turbine,” he said.

The rule does give some leeway to coal-fired electricity generation at new units that can meet the average 1,000 pound CO₂ emission standard over a 30-year period, Lyons explained. Lyons said the 30-year standard is a kind of “out, if you will” for coal-fired power plants, although he said meeting that standard would

require reliance on technologies like carbon capture and storage, which is not what he called “a proven technology.”

Lyons said EPA rules like the one published in April could act as a “tipping point” in a switch from coal to natural gas.

Committee Co-Chair Rep. Jim Gooch, D-Providence, said he recently heard a federal official

say natural gas is going to be “the standard” in power generation in the future.

“His comments went on to say if you’re wanting to build a coal-fired power plant, you’ve got major problems,” Gooch said.

“We’re the ones who are going to pay the consequences for this decision.”

When asked by Rep. John Will Stacy, D-West Liberty, what the “tipping point” is in deciding to switch from coal to natural gas, Lyons commented that EPA rules like the one published April 13 could play a part.

“At this point in time, it’s as

cheap to use natural gas as coal because of the price of natural gas. But... I think it’s driven more by what the rules are and what you’ve got to meet in terms of pollution output, is what really the tipping point is rather than the equipment and whatnot,” said Lyons. “That’s something I can investigate...”

Also, Lyons said electric utilities are asking themselves whether it is smarter to retrofit aging coal-fired power plants or build new plants.

Utilities are asking “does it make sense to retrofit a 60-year old plant, rather than build a new plant which at this point in time is going to be natural gas fired unit with all the factors involved?” Lyons said.



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LEGISLATIVE RESEARCH COMMISSION

Minutes of the 535th Meeting
June 13, 2012

Call to Order and Roll Call

The 535th meeting of the Legislative Research Commission was held on Wednesday, June 13, 2012, at 1:30 PM, in Room 125 of the Capitol Annex. Senator David L. Williams, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator David L. Williams, Co-Chair; Representative Greg Stumbo, Co-Chair; Senators R.J. Palmer II, Jerry P. Rhoads, Dan “Malano” Seum, Robert Stivers II, and Johnny Ray Turner; Representatives Rocky Adkins, Larry Clark, Robert R. Damron, Bob M. DeWeese, Danny Ford, and Tommy Thompson.

LRC Staff: Bobby Sherman and Christy Glass.

Senator Williams called the meeting to order, and the secretary called the roll. There being a quorum present, Senator Williams called for a motion to approve the minutes of the October 5, 2011, meeting; accept and refer as indicated items A. through Q. under Staff and Committee Reports; refer prefiled bill as indicated and approve items B. through U. under New Business; and accept and refer as indicated items 1. through 99. under Communications. A motion was made by Representative Stumbo and seconded by Senator Seum. A roll call vote was taken, and the motion failed. There were eight yes votes by Senators Seum, Stivers, and Williams and Representatives Adkins, Clark, Damron, Thompson and Stumbo. There were five no votes by Senators Palmer, Rhoads, and Turner and Representatives DeWeese and Ford.

Adjournment

There being no further business, the meeting was thereby adjourned at 1:45 p.m.

INTERIM JOINT COMMITTEE ON AGRICULTURE

Minutes of the 1st Meeting
of the 2012 Interim
June 13, 2012

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Agriculture was held on Wednesday, June 13, 2012, at 10:00 AM, at the Blue Lick Battlefield State Park, Carlisle, Kentucky. Representative Tom McKee, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator David Givens, Co-Chair; Representative Tom McKee, Co-Chair; Senators Joe Bowen, Paul Hornback, Dennis Parrett, Joey Pendleton, Dorsey Ridley, Damon Thayer, and Robin L. Webb.; Representatives Royce W. Adams, John “Bam” Carney, Mike Cherry,

Mike Denham, C.B. Embry Jr., Sara Beth Gregory, Kim King, Martha Jane King, Michael Meredith, Terry Mills, Brad Montell, Ryan Quarles, Tom Riner, Bart Rowland, Steven Rudy, Wilson Stone, Tommy Turner, and Susan Westrom.

Guests: Diane Hardesty, Robertson County Conservation District; Keith Ellis, Robertson County farmer; Dr. Robert Houtz, Chair, Department of Horticulture, University of Kentucky; Taylor Lloyd, University of Kentucky College of Agriculture; Stephen Popyach, President, Southeast Biofuels, LLC, Chuck Brown, Superintendent, Robertson County School System; Sue Connelly, Robertson County Magistrate; Barbara Atwood, Office of Tourism, Arts and Heritage Cabinet, and Jim Hinson, Harrison County.

LRC Staff: Lowell Atchley, Stefan Kasacavage, and Susan Spoonamore, Committee Assistant; Rebecca Hanchett, LRC Public Information.

Chairman McKee called the meeting to order and introduced Michael Schwendau, Park Manager, Blue Licks Battlefield State Park, and Sue Connelly, Robertson County Magistrate, who welcomed committee members to the Park. He also introduced Chuck Brown, Superintendent, Robertson County School System. Mr. Brown talked briefly about the new Robertson County School, and said that when completed, the building would be a showcase for energy efficiency. Also, the school’s Agriculture Department was been instrumental in securing grants and Phase I tobacco funds for the construction of a new barn that will be used for agricultural classes.

Effect of Phase I Funds on Robertson County

Diane Hardesty, Robertson County Conservation District Board, spoke about numerous projects that had been completed with Phase I tobacco funds. She said the goal is to reduce the financial burden on farming operations along with improvements to individual farms in Robertson County. Since 2009, the Conservation Board has administered \$1,886,000 of Phase I funds towards 537 projects. The economic revenue generated from those funds amounts to approximately \$4,000,000. The Board has been able to distribute approximately \$80,000 for a livestock facility/FFA barn at the Robertson County School. Mr. Keith Ellis, a Robertson County farmer, also spoke about the positive impact that the Phase I funds have provided for the area farmers.

University of Kentucky Agricultural Biotechnology Research

Dr. Robert Houtz, Chairman, Department of Horticulture, University of Kentucky, said he had been involved in a special program known as the Agricultural Biotechnology Research for twenty years. The program produces superior students and challenges them to rise to another level. Students completing the program have been placed, more successfully, in professional and graduate schools than any

other graduate program at the University of Kentucky.

Taylor Lloyd, spoke about her undergraduate research conducted at the University of Kentucky College of Agriculture. Two national awards, the 2011 Barry M. Goldwater Scholar and the 2011 NASA Astronaut Scholar, have funded her last year of research at the University of Kentucky. Her research objective is to enhance the understanding of the physiological and molecular events controlling seed germination. The significance of the research is that seeds represented over 70 percent of the food supply. Her research has given her the privilege of identifying a protein that regulates germination following extreme heat, and afforded her the opportunity to present those findings at two national conferences and publish two papers. She said that her future includes sharing her experience with students in the secondary science education field. She has been accepted to the Master’s program with Initial Certification program at the University of Kentucky in the College of Education and will be evaluating students who have received the same grant that she did.

In response to questions from Senator Givens, Ms. Lloyd said that the objective of her next research project is to put concrete evidence behind what is known about undergraduate research and how successful it has been. She will be evaluating ten students who were researching ecology projects and interviewing faculty members who were mentoring the students to find out their experiences and what they hoped to get out of the experience.

In response to a question from Representative Stone, Ms. Lloyd said that her experience in the research lab allows her to really know what it means to be a researcher. She said her calling, at this point, is to be a classroom teacher.

Producing Ethanol Using Sorghum

Stephen Popyach, President, Southeast Biofuels, LLC, gave a presentation on energy independence. Harvesting sorghum is another resource for energy independence. His research has shown that sorghum could produce 700 gallons of ethanol per acre. Many foreign countries that are trying to become energy independent are growing sorghum. As an example, Brazil no longer imports oil, and all of its motor vehicles run on ethanol. Brazil is slowly shifting away from raising sugar cane to sorghum. Sorghum could be grown in the poorest of soils and in arid conditions, and it is cheaper to grow than corn.

In summary, Mr. Popyach said that the research into biofuels should be based on how much sugar could be retrieved out of an acre. Each pound of sugar harvested per acre should yield a half-pound of ethanol. Sorghum produces between 20 and 23 percent sugar, and that it takes approximately 120 days from planting to

harvest. Two thousand acres of sorghum would yield one million gallons of ethanol. Farmers would not have to purchase new equipment to harvest sorghum, which would cut down on growing and harvesting expenses. He said that it costs \$1.60, on the farm, to make a gallon of ethanol, which sells on the market for \$2.15 per gallon.

Mr. Popyach said that Phase I of the research has been completed, but more funds are needed before Phase II research could begin.

In response to Representative McKee's question, Mr. Popyach said that Tennessee and Florida are two places that a person could go to observe the production of sorghum.

Representative Stone and Senator Webb reported that the Kentucky Attorney General worked out a monetary settlement with the courts regarding Eastern Livestock Company's failure to provide payment to farmers in Kentucky who were not paid for the sale of their cattle. Those farmers will be paid in installments. Some of the defendants were convicted and sentenced to jail time.

Meeting adjourned at 12:00 p.m.

INTERIM JOINT COMMITTEE ON EDUCATION

Subcommittee on Postsecondary Education

Minutes of the 1st Meeting of the 2012 Interim

June 11, 2012

Call to Order and Roll Call

The first meeting of the Subcommittee on Postsecondary Education of the Interim Joint Committee on Education was held on Monday, June 11, 2012, at 10:00 AM, in Room 131 of the Capitol Annex. Representative Reginald Meeks, Co-Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Reginald Meeks, Co-Chair; Senators Jared Carpenter, R.J. Palmer II, Johnny Ray Turner, Mike Wilson, and Ken Winters; Representatives C.B. Embry Jr., Donna Mayfield, Jody Richards, Tom Riner, Carl Rollins II, and Rita Smart.

Guests: Karen Sue Cain, Council on Postsecondary Education.

LRC Staff: Jo Carole Ellis, Kristi Henderson, and Lisa W. Moore.

Improving Student Success in Postsecondary Education

Dr. Aaron Thompson, Senior Vice President, Academic Affairs, Council on Postsecondary Education (CPE), introduced Dr. John Hayek, Senior Vice President for Budget, Planning and Policy, CPE, who began the PowerPoint presentation by quoting the statistic that by 2018, 54 percent of all jobs in Kentucky, equivalent to over one million jobs, will require some level of postsecondary education. He noted Kentucky is the only state in the nation to rank in the top five in improvement for each of the college attainment and degree completion metric categories. A handout was included in members' folders showing the decade of progress in these metric areas. The specific graphs can be located in the meeting folder of the Legislative Research Commission (LRC) library.

Dr. Hayek said the new strategic agenda for 2011 through 2015 will include several focus areas: college readiness; student success; research and economic and community development; and efficiency and innovation. He said the revised accountability system will include aggressive performance targets. One of the targets is to increase high-quality degree production and completion rates at all levels and close achievement gaps, particularly for lower-income, underprepared, and underrepresented minority students. He said the quarterly CPE meetings will be geared towards identifying progress being made in the new strategic agenda.

In response to a question from Representative Rollins, Dr. Hayek said the CPE will be able to separate graduation rates from Kentucky's private institutions and the public universities. He also said CPE will differentiate between four, five, and six-year graduates.

Responding to questions from Representative Meeks, Dr. Thompson said the CPE will identify at a micro level what is happening at an institutional level. The chief academic officers will meet and share analytics on survival data, which looks specifically at data at each of Kentucky's campuses.

Dr. Shirley Willihnganz, Provost, University of Louisville (UofL), said the burden is on the university campuses to address specific problems. She said UofL is working on improving the retention of students transitioning from second to third year students. These students tend to drop out of college when having to choose a major. To address the issue, UofL is going to hire career counselors to help students identify jobs and college majors suited to their skills.

Dr. Hayek said Kentucky is on trajectory to meet the target number of associate degrees awarded at the Kentucky Community and Technical College System (KCTCS). It is also on target to meet the number of students transferring credit from KCTCS to four-year public and independent institutions in Kentucky.

Dr. Hayek said Kentucky has made improvement, but is not on track to meet the target, in the number of bachelor's degrees awarded at Kentucky's public universities and the Association of Independent Kentucky Colleges and Universities (AIKCU) independent institutions during the academic year. The same is true for meeting the target for the three-year graduation rate of first-time, full-time associate degree seekers and the six-year graduation rate of first-time, full-time bachelor's degree seekers.

Dr. Hayek said little or no progress has been made in closing the gap between the graduation rate of students in the associate and bachelor degree target groups and students who are not in target groups. The target groups include income gap levels, such as low versus moderate to high income students, the college readiness gap, and the race and ethnicity gap. The charts can be found in the meeting folder located in the LRC library.

Responding to a question from Representative Smart, Dr. Heidi Hiemstra, Assistant Vice President for Research and Information, CPE, said 70 percent of associate degree seeking students and

30 percent of bachelor degree seeking students are not prepared for college. Dr. Thompson noted if KCTCS students are included in the statistic, the numbers increase to approximately 75 percent of students not being prepared for college. On average, 40 percent of all Kentucky students are not college ready entering their first year of college under the new benchmark system.

Dr. Thompson discussed specific strategies for student success. He said proven strategies include teaching and learning experiences, student engagement and support, and addressing achievement gaps. He noted some of the strategies are high cost and some are low or no cost.

In response to a question from Representative Smart, Dr. Thompson said technology is an important way for faculty and students to communicate. He said faculty needs to incorporate high rigor with high impact instruction. It is known that only 20 percent of students drop out of college due to academic reasons. He said many students do not see the value of education anymore. Faculty should stress the importance of postsecondary education with students.

Dr. Willihnganz said staff engagement is critical to student happiness. She said UofL utilizes student and faculty surveys to determine if engagement is occurring within the classroom. She also said the Southern Association of Colleges and Schools has asked each campus to develop a quality enhancement plan that will transform teaching and learning on the campus. She said UofL is striving to improve the teaching of critical thinking and active problem solving in the classroom and to ensure that students can utilize the knowledge to apply to real world problems. UofL students will also have to engage in service learning, community research, and a course that brings together history, geography, writing, mathematics, and political science before graduating.

Dr. Thompson noted business leaders have communicated that today's workers cannot problem solve or communicate with diverse populations. He said most Kentucky campuses in response have focused on faculty development or curricular redesign around those issues.

In response to a question from Representative Richards, Dr. Willihnganz said the largest classroom on the UofL campus holds 265 students. She noted freshmen math and reading courses are restricted to 22 students and 40 students for a history class. If the class is large, technology can be incorporated. Dr. Thompson noted that budget restraints have restricted reorganizing courses to incorporate technology.

Representative Richards believes the first few weeks on campus are the most important for a student. He also said universities should work with high schools to prepare students for college life. Dr. Thompson said he believes Senate Bill 1 has been effective in connecting the university campuses with K-12 unlike ever before.

Responding to Representative Riner, Dr. Willihnganz said UofL professors are required to take the Test of English as a Foreign Language (TOEFL) test to ensure someone can understand their English during the oral part of the exam.

Prospective professors are also observed in the classroom to ensure they have the ability to convey information in a way that is understandable. After the professor is hired and in the classroom, UofL makes sure there are other people that students can go to for help, such as student mentors and tutors. The department chair will refer professors to the Center for Teaching and Learning to receive coaching if repeated end-of-course evaluations indicate students cannot understand them.

Responding to Senator Wilson, Dr. Hiemstra reported that specific data on how many students receive jobs in the area of their bachelor's degree is not available at this time. This information is beginning to be tracked and will be reported at a later date.

Dr. Willihnganz said 80 percent of UofL graduates had a job a year after graduating, and 70 percent reported being employed in a desired field. She agreed that Kentucky needs a better tracking system for this type information. Dr. Thompson said P-20 data will allow CPE to track graduates who get jobs in their fields for each institution.

Senator Wilson said some businesses will pay for employees to receive specialization degrees. He said professor engagement with students, or lack thereof, determines student success. Dr. Willihnganz said universities should place the most effective professors in the freshmen classrooms to get the students started on the right track.

Senator Wilson commended UofL for offering critical thinking courses, which is vital to business and industry. He also noted that students should never be penalized for having a different opinion than their professor.

Representative Meeks asked CPE to respond to the increasing costs of postsecondary education and the burden of this cost on families. He said the University of Kentucky (UK) and UofL are in the process of faculty layoffs and morale is low. Faculty members feel pressure to do more with less.

Dr. Hayek said CPE is working to decrease financial barriers to college access and completion. He said CPE is an advocate for adequate state support, financial aid, and campus efficiencies to reduce pressure on tuition. The CPE supports the Pell grant, simplification of the FAFSA, and other state and federal initiatives focused on college access and success. He said it is critical to increase students' and families' understanding of net costs.

Dr. Hayek said state investment in education is losing ground to other state expenditures. State support for the public universities and KCTCS decreased by nearly \$4,100 (40 percent reduction) per full-time equivalent student since fiscal year 1999, while degrees increased by over 30,000 (137 percent increase), and overall cost decreased by over \$700 per full-time equivalent student. He said the state share of total public funds, which supports core academic expenses and strategic improvements, declined dramatically from 67 percent in fiscal year 2011. Significant state support is needed to reverse these trends. He noted the increase in tuition rates over the last four years has been the smallest average increase in

the last 25 years. Representative Rollins said the faculty is a university’s greatest cost and would like to know the cost of instruction.

Dr. Hayek said Kentucky ranks in the top 10 in state student financial aid. He credited the General Assembly for increasing the pool of money available for student aid from \$40 million to \$190 million. He discussed the diminished purchasing power of the Kentucky Educational Excellence Scholarship (KEES) dollars compared from 2000 to 2012. He said the average student loan debt is \$19,000 a year in Kentucky. The national average student loan debt is \$25,000 a year.

Dr. Hayek said Kentucky is focused on graduating its students in four years instead of five or six years to be more cost efficient.

Responding to questions from Representative Rollins, Dr. Hayek said he will provide him with the “brain drain” report revised every five years that tracks data of Kentucky students staying in Kentucky to utilize KEES dollars at an in-state university. Representative Rollins said some out-of-state schools match Kentucky’s KEES dollars to recruit students, which is better than allowing Kentucky’s students to take KEES money out-of-state.

Dr. Willihnanz shared some highlights and statistics specific to the UofL campus. According to the Chronicle of Higher Education, UofL has moved to seventh in the nation in improved graduation rates. She said UofL is also seventh in the country in terms of universities that have narrowed the gap between minority and majority graduation rates. UofL is fourth in the country in increased percentage of the National Institute of Health (NIH) extramural funding and twelfth in the country for being a good neighbor. UofL is one of 15 schools recognized by the Carnegie foundation for engaged teaching and service and recognized as being friendly to veterans.

Dr. Willihnanz said UofL’s six-year graduation rate has increased 20 percentage points from 1998 to 2011. She said undergraduate degrees have increased by 1,000 and doctorates are up from 76 a year in 1998 to 163 in 2011. Research expenditures have increased from 39.1 million to 195.5 million. She credited the CPE for their extraordinary leadership role.

Responding to a question from Senator Winters, Dr. Thompson said some students who need remedial courses are not good test takers. If students requiring remediation can take an intensive course with supplemental instruction, it is possible they will graduate school faster than many students who enter college with an 18 or better score on the ACT.

Dr. Willihnanz said the math section of the ACT is problematic for many students. UofL offers a six-week free summer course for students in mathematics. She said the refresher helps the students score high enough on the ACT to bypass the remedial course and qualify for the college course. This saves the students time and money.

Other Business

Representative Meeks said he would like for the CPE to discuss African-

American and low-income students enrolled in medical school at a future meeting in the interim.

Adjournment

With no further business before the committee, the meeting adjourned at 12:10 PM.

INTERIM JOINT COMMITTEE ON JUDICIARY

Minutes of the 1st Meeting of the 2012 Interim June 1, 2012

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Judiciary was held on Friday, June 1, 2012, at 10:00 AM, at the Kentucky State Police Training Academy, Frankfort KY. Representative John Tilley, Chair, called the meeting to order, the secretary called the roll, and a quorum was present.

Present were:

Members: Senator Tom Jensen, Co-Chair; Representative John Tilley, Co-Chair; Senators Perry B. Clark, John Schickel, Dan “Malano” Seum, Katie Stine, Robert Stivers II, and Robin L. Webb; Representatives Joseph M. Fischer, Kelly Flood, Sara Beth Gregory, Joni L. Jenkins, Thomas Kerr, Michael J. Nemes, Darryl T. Owens, Tom Riner, and Steven Rudy.

Guests: Commissioner Rodney Brewer, General Counsel Morgain Sprague, and Lt. Shane Bates, Kentucky State Police; and Secretary J. Michael Brown, Justice and Public Safety Cabinet.

LRC Staff: Norman Lawson, Jr., Jon Grate, Joanna Decker, Shane Orr, and Rebecca Crawley.

Chairman Tilley recognized the recent passing of former Kentucky State Police Commissioner Jerry Lovitt, and a moment of silence was held in his honor.

Academy Purchase

Kentucky State Police Commissioner Rodney Brewer commented that, until now, the State Police have never had a true academy facility. He outlined the history of State Police training facilities starting with the 1959 construction of a combination, headquarters, laboratory, and academy building where State Police Post 12 is currently located. In 1982, the State Police moved their headquarters and academy functions to the former Ramada Inn motel building on Versailles Road. While the building had living quarters, a restaurant, and limited classroom space, it did not have a firing range or a driving range facility. Cadets had to go to the Department of Criminal Justice Training in Richmond or elsewhere to use these types of facilities. Renting additional classroom space costs \$25,000 to \$30,000 per year. Due to the demands for State Police basic and in-service training, Motor Vehicle Enforcement officers go to the Department of Criminal Justice Training in Richmond for training.

He said that when the Department of Corrections closed in 2011 the Frankfort Career Development Center, a minimum security prison in Frankfort, the Justice

Cabinet offered the facility to the State Police for a training academy, which the department accepted. Secretary of the Justice and Public Safety Cabinet J. Michael Brown said that closing the prison saved the state over \$1 million dollars. The option of purchasing land and building a new academy facility had a cost estimate of \$34 million. The main facility is 362 acres. An additional 135 acres across the Frankfort East-West Connector road is being leased to the City of Frankfort for a park.

The facility has several buildings, including a dormitory, an administration building with a kitchen and cafeteria, maintenance buildings, a chapel (which has been remodeled into a small classroom), and a laundry facility. The department hired Bender and Associates to survey the facility and existing buildings to determine their suitability and to provide long-term planning. Based on the recommendations, the administration building, which is the oldest building and no longer meets current building, electrical, and fire code requirements, will be torn down and replaced at an approximate cost of \$4 million, although there is only \$2 million budgeted for the project.

Other buildings are being renovated with updating of heating, air conditioning, and other improvements for use as classrooms, a weight training facility, and laundry. The former inmate dormitory is being renovated to include housing for male and female cadets and staff. Additional savings are being realized because grounds maintenance is done by state inmates housed at the Franklin County Jail, the weight room is being furnished by surplus work-out equipment donated by the Cincinnati Bengals football team, and beds and furnishings for the dormitory have been obtained at no cost as surplus property from the base realignment at Fort Knox.

Senator Webb and Chairman Jensen complimented the State Police on their training and professionalism.

E-Crimes

Lt. Shane Bates of the Internet Crimes Unit commented that the U.S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention, established the Internet Crimes Against Children (ICAC) program in 1998. The State Police established a Computer Crime Unit in 1999 within the Intelligence Section, and the unit changed to the Electronic Crime Branch in 2002. One of the major areas focused on by the Internet Crimes Unit involves sex offenders preying on children, and exchange and viewing of child pornography on the Internet. The unit conducts forensic analysis of electronic evidence, public safety training relating to the Internet, and training and assisting of other law enforcement agencies in their fight against Internet crimes against children. The unit investigates other types of digital crimes, including theft of identity, terroristic threatening, cyber stalking, fraud, theft, unlawful computer access (hacking), drug distribution, forgery, and terrorism and subversion.

Lt. Bates said that, in 2011, the Kentucky ICAC Task Force investigated 699 documented complaints. Of these, 59 percent were proactive in which officers actively sought suspects committing a

crime, and 41 percent were reactive with police responding to complaints that a crime had been committed. He said that child molesters trade child pornography on the Internet, view pornography in chat rooms, and create and exchange manuals on how to involve children in molestation and pornography. Victims never recover from the molestation, particularly since the videos remain on the Internet potentially forever and their exploitation occurs continually, many years after the actual act was perpetrated.

Lt. Bates described how detectives use the Internet and the provisions of KRS 510.155 relating to the use of electronic systems to procure a minor for sex. The officers monitor the Internet to discover persons interested in “chat room” and similar discussions between minors and others, and if the discussion appears to be involved in seeking unlawful conduct (ranging from nude photos to soliciting actual sexual relations), the officer then seeks the Internet Protocol (IP) address of the perpetrator and poses as a child to communicate. The officer permits the potential offender to incriminate himself or herself and does not direct the conversation or solicit acts but responds to requests. The user may meet with the “minor” who is a detective for the purpose of engaging in illegal activity, at which time the perpetrator is arrested. With the increased use of Internet chat rooms such as Facebook, Yahoo, and My Yearbook, Lt. Bates said he was concerned about the decreasing age of children posting improper information on the Internet with each other and which is then available to potential molesters and pornographers.

Lt. Bates said that the Attorney General has the power to issue administrative subpoenas for Internet records pursuant to KRS 500.120, but the State Police and other law enforcement agencies do not. Lt. Bates and State Police General Counsel Morgain Sprague would like to see the statute amended to at least include the State Police. Other desired statutory changes include prohibiting a registered sex offender from photographing a child without the permission of the child’s parent. Mr. Sprague indicated that Wisconsin has a statute prohibiting this conduct but that photographing a child, particularly in public such as at a beach or swimming pool, is legal in Kentucky. The State Police would like to extend asset forfeiture, including real property, to child molestation and pornography cases, and would like to clarify that images of child exploitation are contraband, must remain in law enforcement custody, and are not subject to discovery.

Mr. Sprague indicated there are civil penalties under Federal law for child molestation victims. In response to a question from Senator Stivers, Mr. Sprague said that civil penalties can go to the victim. In response to a question from Senator Schickel, Lt. Bates said he did not know how many cases in state and federal court were initiated by the State Police, but he will provide the information.

Due to time constraints, the agenda item relating to drug enforcement was postponed until a future meeting. Representative Brent Yonts had sent a letter to the committee indicating he was attending a judicial center dedication and

was unable to attend the meeting. The meeting adjourned at 11:45 a.m.

INTERIM JOINT COMMITTEE ON LICENSING AND OCCUPATIONS

Minutes of the 1st Meeting of the 2012 Interim

June 8, 2012

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Licensing and Occupations was held on Friday, June 8, 2012, at 10:00 AM, in Room 129 of the Capitol Annex. Representative Dennis Keene, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator John Schickel, Co-Chair; Representative Dennis Keene, Co-Chair; Senators Tom Buford, Denise Harper Angel, Jimmy Higdon, Dan “Malano” Seum, Kathy W. Stein, and Robin L. Webb; Representatives Tom Burch, Larry Clark, Dennis Horlander, Wade Hurt, Adam Koenig, Charles Miller, Michael J. Nemes, Carl Rollins II, Sal Santoro, Arnold Simpson, and Susan Westrom.

Guests: Dr. Pearse Lyons, Founder and President, and Mike Castle, General Counsel, Alltech; Marty Snyder CEO Flavorman, CEO Distilled Spirits Epicenter and Kevin Hall Operations Manager, Distilled Spirits Epicenter; Mark Schmidt, Chairman of the Board, Kentucky Board of Home Inspectors and Mark Brengelman, Attorney General’s Office, General Counsel, Kentucky Board of Home Inspectors.

LRC Staff: Tom Hewlett, Bryce Amburgey, Carrie Klaber, Michel Sanderson, Alan Jones, and Susan Cunningham

Approval of minutes.

A motion to approve the minutes from the November 2, 2011 meeting was made by Representative Keene, seconded by Representative Burch. The motion carried by voice acclamation. Representative Keene also announced that Alan Jones has joined the committee as a graduate fellow from Western Kentucky University. Representative Keene added that, due to the schedule conflict with the NCSL conference in Chicago, the August meeting date will be moved, pending LRC approval, from the second Friday of the month to August 27th, which is a Monday.

Alltech Lexington Brewing and Distilling Company.

Dr. Pearse Lyons told committee members that his company, Alltech, is involved in animal health, but is gradually moving into the food industry. Alltech has grown consistently for thirty-two years, with an income target this year of one billion dollars in sales. Alltech sells products in 128 countries. With a family background as coopers (barrel makers), and having a degree in brewing and distilling, when he moved to Kentucky Dr. Lyons realized there was an opportunity to incorporate used whiskey barrels into the beer making process. In 2000 the Lyons family bought a small brewery in downtown Lexington. Today the brewery

produces three beers including Bourbon Barrel Ale. In addition, a distillery at the same location produces a whiskey, a malt whiskey and a bourbon. The name of the bourbon is Town Branch after the branch that runs under Lexington.

Dr. Lyons said that Kentucky Bourbon Barrel Ale is being sold worldwide. Beer production is being doubled every year. Alltech has filed for a license to move from a microbrewery to a full brewery, with a vision to become bigger than Sam Adams brewery. The company’s strategy is to reinvest profits back into the company. The company purchased property on Cox Street and Maxwell in downtown Lexington and now there is a beautiful distillery with copper pots and wooden fermenters.

The support that the legislature imparted for the Alltech sponsored World Equestrian Games was invaluable, and more support may be needed in the future for the brewery business. Sampling is an important part of making the bourbon trail experience. This allows people to appreciate the talent and the craft of making bourbon. Brewing companies also need to be able to hold a souvenir retail malt beverage license to allow tourists to enjoy the malt beverages on the premises and take souvenir packages with them.

Mike Castle, Alltech’s General Counsel, said Alltech will request legislation to mirror the provisions currently allowed by the distillery souvenir retail liquor license in a new license for a brewery souvenir retail malt beverage license. This would level the playing field. As Alltech is moving from a micro brewer to a full brewer they have to give up the licenses they currently hold. The key items in the legislation to be proposed would require Alltech to maintain the three tier system, to require that the license to sample and sell be restricted to the brewers premise, stipulate that the brewery must have a gift shop on the premise, require that the brewery must be located in a wet territory, and limit the complimentary samples to 16 ounces per patron per day. Additionally, there would be a limit of 144 ounces for souvenir sales, and the hours of operation for the retail store would be set by local law. Retail by the drink sales would be completely prohibited.

In response to a question from Representative Keene, Sean Cutter said samples are limited to 16 ounces per individual and purchases would be limited to one half case, limited to the Alltech brand.

Senator Schickel thanked Dr. Lyons for coming to speak to the committee, commenting that he was looking forward to working with them during the coming legislative session. Representative Keene added that everyone on the committee saw the legislation as an opportunity to create jobs and economic growth.

Distilled Spirits Epicenter

Kevin Hall, Operations Manager, Distilled Spirits Epicenter, told members that his company is an artisan distillery, as well as an education center. There has been a huge increase in the craft of artisan distilleries in recent years. In 2006 there were 143 licenses for distilled spirits plants, today there are 735. Louisville, given its history and resources, is a natural fit for this type of operation. Vendome

Copper and Brass Works in Louisville is a distilling equipment manufacturer that has become a partner with the Distilled Spirits Epicenter, building an artisan distillery with a classroom attached. This allows teaching all aspects of the industry from the technical side to the business side.

Marty Snyder, CEO of Flavorman and of Distilled Spirits Epicenter, said they are a small company that knows the challenges of trying to begin an artisan distilled spirits operation. In 2006, the Flavorman company, originally Pro Liquitech International, moved its operation to a renovated building that now has a state of the art beverage laboratory. Here ingredients are blended into concentrated syrups for hundreds of companies.

The founder of Flavorman originally worked for Brown Foreman but decided to expand his expertise to develop flavors as an independent consultant to the beverage industry. The company is unique in that clients range from startups to the largest beverage companies in the world. Services provided by Flavorman range from product development, testing, sampling, sourcing the ingredients, finding contract manufacture’s worldwide, and helping with production and post production quality control. Flavorman works with both alcohol products and non-alcohol products.

The artisan distilled spirits industry is following the micro-brewing industry. These are small entrepreneurial activities by people who are willing to invest in equipment, a building, and distribution. However, there is nowhere in the United States that these people can go to one place and learn the entire operation. The classes at the Distilled Spirits Epicenter cover buying equipment, plant layout, making mash, applying for three-tier licensing, and distribution. In 2008, the company purchased the building next door to Flavorman. However, there have been delays. The beverage industry and its clients were impacted by the recession. In 2009, a flash flood in Louisville nearly wiped out the business. After all this they now have a more modern building with classroom facilities. They are currently working with Jefferson Community and Technical College to have a certified educational program. They are waiting for federal licensing to begin classes. Equipment can be leased to prospective artisan distillers to find out if they really want to invest their money. Larger international companies may use the facility for small, test-run batches for new product development. There is even an apartment where clients stay when they come to Louisville for business.

The third part of the Epicenter originally is a small bottling line. Typically contract manufacturers want to produce 100,000 cases or more at a time. We have the capability to produce from 50 cases up to 1,000 cases.

In response to a question from Representative Keene, Mr. Snyder said the company could create the formula for the beverage and teach clients to distill it themselves or just provide equipment; if that was all the client needed. In response to a question from Senator Buford, Mr. Snyder said the company can help an entrepreneur with all aspects

of development, including label design and recipe development. In response to a question from Senator Seum, Mr. Snyder said there are three levels of licensing required for the distillery aspect of the business; a license from Louisville Metro Government, a license from the Kentucky Department of Alcohol Beverage Control, and a federal permit from the Alcohol and Tobacco Tax and Trade Bureau (TTB).

Committee Review of 815 KAR 6:070

Mark Schmidt, Chairman of the Board of the Kentucky Board of Home Inspectors, and Mark Brengelman, General Counsel for the Kentucky Board of Home Inspectors were present to answer questions from the committee about 815 KAR 6:070.

815 KAR 6:070 is a new administrative regulation regarding per diem and reimbursement for traveling and other expenses for board members.

In response to a question from Senator Webb, Mr. Schmidt said there was no intent of any change to the reason for which a board member could receive per diem. “Face to face” means a situation such as his coming to the committee meeting today and representing the board, rather than speaking on the phone. Even though this is not a board meeting, Mr. Schmidt said the proposed change would allow the per diem to cover his expenses. Mark Brengelman also responded that the phrase “as approved by the board” was in the original draft of the regulation as filed. As a compromise to increase clarity that phrase was taken out on the recommendation of Administrative Regulations Review Subcommittee staff. All per diem is approved by the board by motion and second. Receipts must be provided to be reimbursed for payment. Senator Webb made a motion to keep “board approval” in the administrative regulation language. This was seconded by several members.

In response to a question from Senator Buford, Mr. Schmidt said that because the account has been swept the balance is approximately \$60,000 to \$80,000. He also pointed out that home inspector fees have been reduced by fifty dollars per year. There are 325 members that now pay four hundred dollars every two years. Mr. Brengelman added that this regulation was filed as a new regulation. All the underlines and strikeouts were made by Legislative Research Commission staff.

In response to a question from Representative Clark, Mr. Schmidt said the fee was originally set at thirty-five dollars, but the board felt that it would have to eventually be raised. The raise to one hundred dollars would be more consistent with other boards in the state. This was also seen as a way to attract qualified board members. Mr. Brengelman added that other boards have more general language regarding reimbursements such as attending each meeting or “otherwise engaging in official business of the board.” Representative Clark made a motion to find the regulation deficient, seconded by Representative Horlander. Senator Webb rescinded from her motion regarding “board approved” language, seconded by Representative Keene. Administrative Regulation 815 KAR 6:070 was found deficient by unanimous roll call vote.

Representative Koenig asked if committee staff would prepare a report on how much per diem is paid to other boards.

There being no further business to come before the committee, the meeting was adjourned at 10:53 a.m.

INTERIM JOINT COMMITTEE ON NATURAL RESOURCES AND ENVIRONMENT

Minutes of the 1st Meeting of the 2012 Interim June 7, 2012

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Natural Resources and Environment was held on Thursday, June 7, 2012, at 1:00 PM, in Room 149 of the Capitol Annex. Representative Jim Gooch, Jr., Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Jim Gooch, Jr., Co-Chair; Senators Joe Bowen, Ernie Harris, Ray S. Jones II, Dorsey Ridley, Katie Stine, Robert Stivers II, Johnny Ray Turner, and Robin L. Webb; Representatives Hubert Collins, Tim Couch, Stan Lee, Reginald Meeks, Tim Moore, Marie Rader, John Short, Jim Stewart III, and Jill York.

Legislative Guest: Representative John Will Stacy.

Guests: John Lyons, Shea Hogan, and Sean Alteri, Kentucky Division for Air Quality; Benjy Kinman and Mark Mangeot, Kentucky Department for Fish and Wildlife Resources.

LRC Staff: Tanya Monsanto, Stefan Kasacavage, and Kelly Blevins.

Division of Air Quality update on new standards for Kentucky

A quorum being present, the chair invited representatives from the Division of Air Quality to provide an update on air quality regulations and the new greenhouse gas rule. John Lyons, Director Division of Air Quality, discussed the greenhouse gas new (GHG) source performance standards, mercury and air toxics standards, and other air quality issues such as ozone, particulate matter, and sulfur dioxide. The greenhouse gas new source performance standards, proposed in April 13, 2012, is still in the comment period. Comments are due on June 25, 2012.

The (GHG) new source performance standards apply to all fossil-fired electric generating units (EGUs) with a baseload capacity of more than 73 megawatts (MW). The standards do not apply to EGUs existing on the date the regulation goes into effect or to EGUs that are making modifications or that are in reconstruction. There are exemptions for EGUs deemed transitional units, burn certain types of waste, and that are simple cycle turbines. Transitional units are defined as an EGU that has received a preconstruction permit and whose proposed date of construction is prior to 2013. Cash Creek is the only unit in Kentucky that may be deemed a “transitional unit,” but the EGU must commence construction prior to 2013. There also is an exemption for EGUs that burn municipal solid waste or commercial/industrial waste.

The new source standard for carbon dioxide on fossil-fired plants is no more than 1,000 pounds (lbs) of carbon dioxide (CO₂) per megawatt hour (MWh) of gross output on an annual basis. However, if coal or petcoke is used and it is designed for installation and operation of a carbon capture and storage, then it can emit 1800 lbs CO₂/MWh of gross output during a 12-month period up to the 11th year of operation before the emissions rate is reduced to 1,000 lbs CO₂/MWh. Under the new source standards, natural gas fired units become the best available control technology; therefore, the new standards promote fuel switching from coal to natural gas. The new standards actually set energy policy by regulation. Additionally, existing source standards are being evaluated by federal air quality for determining their carbon dioxide contribution and may be regulated in the future. This regulatory climate does create uncertainty for the electric generating industry. The result of the new rules discussed today will be increased fuel switching, retirement of older plants, higher electricity prices, increased permitting costs and increased costs to Kentucky citizens and businesses. There are no environmental benefits from the GHG new performance standards.

In response to a question about which regional administrator claimed that natural gas will be the new fuel stock of the future, Director Lyons replied it was the Regional Administrator was from the United States Environmental Protection Agency (USEPA) Region 1. Currently, natural gas prices are low; Kentucky is litigating permits for coal, and this new rule is designed to impact coal-fired generation. Those three things are negatively impacting Kentucky.

In response to a question about the part of the rule that allows for new coal fired plants to be built in 10 years, Director Lyons replied that there is a part that applies to “supercritical” plants. In response to an inquiry about Cash Creek, Director Lyons explained that the EGU probably will not be built. Natural gas prices are very low.

In response to a question as to whether there is a tipping point where it is better to switch from coal to natural gas and whether that tipping point is predicated on the type and cost of technology, Director Lyon explained that it is as cheap to use coal as it is to use natural gas. The tipping point is being driven not by technology but by pollution policy. Director Lyons stated he would provide more specific information after polling the various utilities. Director Lyons furthered that the fleet of EGUs in the state is old, and there are questions about whether these plants should be retrofitted or retired. Combustion turbines are cheaper to install than a coal-fired boiler.

One legislator remarked that Kentucky has vast coal reserves, and the market should determine which generating technology is used. If coal is cheaper, it should be coal, but regulatory policy should not be deciding which fuel type is a winner or a loser. There are also concerns about whether Kentucky has the infrastructure to support a transition to natural gas. Director Lyons added that the Mercury and Air Toxics Rule (MATS) and the Utility Most Achievable

Control Technology rule (MACT) are reaching final implementation date. The rule became effective April 16, 2012, and sources will have three years to comply. There are new controls for hazardous air pollutants (HAPs) and new limitations on air emissions of mercury. Overall, the rule is expected to achieve a 91 percent reduction in mercury and acid gases and 55 percent reduction in sulfur dioxide (SO₂). The most impacted sources will be coal and oil-fired power plants.

In response to a question about the percentage of mercury that comes from coal-fired power plants, Director Lyons stated that he did not know where it falls in rank order of emitting sources. Power plants contribute a sizable proportion. More information will be forthcoming. Most EGUs are in a good position to comply with the new air pollution rules because of earlier technological controls, and many sources of pollution have been considerably reduced. Particulate matter (PM), sulfur dioxide (SO₂) and nitrogen oxides (NO_x) have been reduced considerably. The programs have worked to clean the air.

Director Lyons continued with a discussion of the new standards for Ozone PM 2.5 and SO₂. There are 140 monitors across the state, and until recently, ozone designations showed that Kentucky was in compliance with all ozone standards. There is a new SO₂ standard which has resulted in one area on nonattainment and the nonattainment is being caused by a power plant located outside the state. It is expected that the new one-hour standard will result in non attainment in Jefferson and Campbell counties.

In response to a remark that US EPA does not factor in the cost to each state individually but only looks at costs in aggregate, Director Lyons stated that, because Kentucky relies heavily on coal, it will be affected more than other states. US EPA uses national statistics that sometimes do not treat each state fairly.

In response to a question about how different environmental groups achieve standing in lawsuits against US EPA, Director Lyons stated that these groups want to make the national standards more stringent. To clarify, Lyons furthered, there are lawsuits instigated by both proponents and opponents to new standards. US EPA does not have the resources to handle all these lawsuits. The Kentucky Division of Air Quality has defended every permit issued by the state.

Kentucky Department of Fish and Wildlife Resources presentation on “no net loss” of public hunting land

Benjy Kinman, Deputy Director for the Kentucky Department of Fish and Wildlife Resources (KDFWR) and Mark Mangeot, government liaison for KDFWR provided an update on Senate Bill 64 “No Net Loss” provisions. This provision required an annual report of changes in the department’s holdings of public hunting lands. Mr. Kinman described various categories of public land. Overall, Kentucky has increased its holding of public hunting land by 4 percent. This is an overall increase of half a percent in total public land for the Commonwealth.

Mr. Kinman detailed specific purchases for the Big Rivers Wildlife

Management Area (WMA) and State Forest in Union and Griffith counties. There were additions in Veterans Memorial WMA in Scott County. In response to a question about elk tags for high school students, Mr. Kinman stated that there is a 10 percent cap on nonresidents obtaining elk tags. There are no special opportunities for high school students or seniors, but the department is discussing a bonus preference point system for residents who apply each year but are unsuccessful in the draw.

The meeting adjourned at 2:15 PM (EDST).

INTERIM JOINT COMMITTEE ON TRANSPORTATION

Minutes of the 1st Meeting of the 2012 Interim June 5, 2012

Call to Order and Roll Call

The 1st meeting of the Interim Joint Committee on Transportation was held on Tuesday, June 5, 2012, at 1:00 PM, in Room 149 of the Capitol Annex. Representative Hubert Collins, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Ernie Harris, Co-Chair; Representative Hubert Collins, Co-Chair; Senators David Givens, Jimmy Higdon, Bob Leeper, R.J. Palmer II, John Schickel, Damon Thayer, Johnny Ray Turner, and Mike Wilson; Representatives Linda Belcher, Leslie Combs, Tim Couch, Jim DeCesare, David Floyd, Keith Hall, Richard Henderson, Melvin B. Henley, Jimmie Lee, Donna Mayfield, Charles Miller, Terry Mills, Lonnie Napier, Rick G. Nelson, Tanya Pullin, Marie Rader, Steve Riggs, Sal Santoro, John Short, Arnold Simpson, Fitz Steele, Jim Stewart III, Tommy Turner, and Alecia Webb-Edgington.

Guests: For the Kentucky Transportation Cabinet: Steve Waddle, State Highway Engineer, Department of Highways, Jim LeFevre, Chief District Engineer, District 1; Tom Zawacki, Commissioner, Motor Vehicle Regulation; Paul Mauer, Administrative Coordinator, Motor Vehicle Regulation; Terry Barnes, Contractor, Office of Information Technology; Kim Jenkins and Matt Osborne, Legislative Liaisons; William May, Kentucky County Clerks Association; Kevin Mooney, Bullitt County Clerk.

LRC Staff: John Snyder, Brandon White, Dana Fugazzi, and Jennifer Beeler.

Presentation regarding repair of Eggners Ferry Bridge

Steve Waddle, State Highway Engineer, Department of Highways, Kentucky Transportation Cabinet explained that the Eggners Ferry Bridge is located on the US 60/KY 80 corridor, crossing the Land between the Lakes recreation area. The bridge was originally built in 1932 to cross the Tennessee River; in 1943 and 1944 the bridge was then modified to cross the newly formed Kentucky Lake. The bridge has been in use for approximately 80 years.

Mr. Waddle stated that on January 26, 2012 the cargo ship M/V Delta Mariner

holding rocket parts for NASA, collided with the bridge and completely destroyed a 322 foot span of the bridge. He explained that there were no fatalities or major injuries as a result of this accident. The accident occurred on Thursday evening, and by Friday at noon, the Cabinet had inspectors on the bridge analyzing the damage.

He stated that the first priority was to inspect for potential structural damage to the existing substructures on each of the piers still standing on either side of the destroyed span. On February 17, 2012 the Cabinet received the report of the inspection to find that there was no damage to any of the existing piers.

In response to Representative Collins, Jim LeFevre, Chief District Engineer in Paducah stated that there is no solid evidence as to how fast the watercraft was going, but the assumption is that the boat was running at full power.

In response to Representative Collins, Mr. Waddle stated that each span is connected to the piers by 5 foot long, approximately 1 inch round steel dowel rods drilled into the concrete of the pier; each pier has 4 rods to each main beam that allows for 8 steel rods attached at each pier.

Mr. Waddle briefly explained the timeline of events from the date of the accident to the final completion. He stated that the Cabinet received 3 quotes to complete the bridge and the low bid was awarded to Hall Contracting out of Louisville for \$7 million and the contract was awarded on March 7, 2012. The terms of the contract was that the bridge was to be completed by May 27, 2012 with no incentive to complete early, but a \$50,000 a day penalty for going over the projected completion date. The contractor finished the project early and the bridge was re-opened on May 25, 2012. After speaking with the Federal Highway Administration, it was agreed upon that federal funds would be used to pay for this project. Hall Contracting was also the company that repaired the Sherman Minton Bridge in Louisville last fall after a routine inspection found cracks in the welded supports of that bridge.

In response to Representative Collins, Mr. Waddle stated that the steel used for the bridge was made within the United States and readily available to the contractor.

In response to Senator Wilson, Mr. Waddle stated that the Cabinet has started looking for ways to keep this from happening again and keeping the bridges safe from these types of accidents again. He explained that the Cabinet is looking at lighting and properly marking the bridges over navigable waterways.

Presentation regarding final statewide implementation of the electronic auto insurance reporting system.

Tom Zawacki, Commissioner, Motor Vehicle Regulation, Kentucky Transportation Cabinet explained that since 1975 there has been a vehicle liability insurance requirement, however, it was not until 2004 when House Bill 29 was enacted that required an electronic verification between insurance companies and the state's AVIS database.

Commissioner Zawacki stated that

before enforcing this new electronic system the Cabinet put together a pilot testing group consisting of eight counties; Anderson, Ballard, Boyd, Bullitt, Christian, Laurel, Pike and Pulaski. Despite all testing there will be an estimated 30,000 to 35,000 uninsured notice letters to be sent out monthly during the first years of full statewide implementation. The letters will be received by the 5th business day of each month. Customers must take action within thirty days or have their vehicle registration cancelled.

He explained that there are four key issues that could cause a mismatch in the database. 1) A vehicle identification number (VIN) may not match between the insurance database and the AVIS database due to a typographical error of some kind, commonly a misplaced number in the VIN. 2) An insurance misclassification, such as a vehicle being classified as a personal vehicle when in fact it is a commercial vehicle or vice versa. 3) Incomplete title transfer, where a vehicle had recently been sold and 4) historic or seasonal vehicles. He pressed the fact that the key to understand is that a vehicle that is registered has to be insured under state law.

Commissioner Zawacki stated that the benefits to this new program are that insurance is automatically verified for approximately 90 percent of vehicle registration renewals. It will reduce the occurrence of forged or fake proof of insurance cards and encourages the uninsured to become insured.

He explained that the Cabinet's website has several links to frequently asked questions that constituents can go through, there is the description of the mandatory insurance program, shows a sample notice, contact information, and various types of communication types are also being used to get the word out about the newly implemented program.

He stated that there have been several AVIS system trainings made available to county clerks, accessing the Department of Motor Vehicle Regulations customer service center has been made easier, and motor vehicle licensing staff has been trained and is ready to respond to insurance questions, both from the public and county clerks.

In response to Representative Collins, Paul Mauer, Administrative Coordinator, Motor Vehicle Regulation, Kentucky Transportation Cabinet stated that there is no way that the county clerks or the Cabinet can intervene with enforcement on an individual that chooses to drive without valid insurance. Once the registration on a vehicle is suspended an individual may continue to drive until pulled over by a law enforcement personnel. However, when an individual comes to renew registration they will have to show proof of insurance at that point to renew their registration.

In response to Representative Floyd, Commissioner Zawacki stated that approximately 90 percent of the citizens are in the system as having insurance, and approximately 10 percent either are in fact uninsured or there has been an error that will be corrected when they come to their clerks' office to verify insurance on their vehicle.

In response to Senator Leeper, Mr. Mauer explained that the 10 percent figure that was given previously would be

classified as those with VIN mismatches, title transfer errors, or misclassification of insurance from the insurance company itself.

In response to Representative Lee, Commissioner Zawacki stated that if an individual disregards the notice from the county clerk stating that they are without insurance, that individuals' registration will be suspended after 30 days in the AVIS system.

In response to Representative Lee, Commissioner Zawacki explained that the Cabinet would need to have legislative authority to require someone to surrender their vehicle tags after the 30 day deadline to provide proof of insurance.

In response to Representative Henley, Commissioner Zawacki stated that it is still required under statute for an individual to carry proof of insurance in their vehicle, even though law enforcement officials will have access to the AVIS system and be able to see if an individual has insurance or not.

In response to Representative DeCesare, Terry Barnes, Office of Information Technology, Kentucky Transportation Cabinet explained that if an individual received a letter in the mail, that individual would have to go to their local county clerks' office to prove that they have insurance.

In response to Representative Hall, Mr. Mauer stated that the Cabinet has looked through the statutes as it relates to insuring classic cars and stated that there are two options; cancel registration and then when the driver wants to drive the vehicle again, re-register the vehicle, or keep valid registration and valid insurance on the vehicle year round. He stated that there was not currently anything in statute allowing owners of historic vehicles keep a valid registration while letting their insurance lapse and then renewing the insurance when they drive the vehicles again.

In response to Representative Belcher, Mr. Mauer stated that there is no penalty fee for an individual to renew their registration after it has been cancelled for lack of insurance.

In response to Representative Collins, Kevin Mooney, Bullitt County Clerk stated that during his tenure as county clerk there has been no notification as to when an individual is driving without insurance.

In response to Representative Floyd, Mr. Mooney stated that Bullitt County has started mailing out letters to inform those individuals who are non-compliant and driving without insurance that the clerks are aware and will cancel their registration if the clerk is not informed otherwise.

In response to Representative Belcher, Mr. Mooney stated that their experience has been that the vast majority of citizens receiving the notice who were honestly misclassified come to the clerk's office within the first week of receiving the notice, but that the response tapers off considerably after the first week.

Presentation regarding implementation of legislation from the 2012 Regular Session

Kim Jenkins, Legislative Liaison, Kentucky Transportation Cabinet explained that all legislation that passed during the regular session that effects

the Cabinet should be on target to meet the implementation dates as set out in the legislation, with two exceptions. House Bill 221 that allows for a veterans designation on their drivers license will be delayed due to programming issues resulting from the Cabinet re-digitizing drivers' licenses. As soon as that is complete, the legislation should be fully implemented by in October 2012.

Matt Osborne, Legislative Liaison, Kentucky Transportation Cabinet stated the other bill that is will be delayed is House Bill 518 that sets the standard for farm implements in terms of escort vehicles. He explained that this bill required the Cabinet to redo some administrative regulations.

In response to Senator Schickle, Ms. Jenkins stated that after speaking with Veterans Affairs they are letting constituents know that are interested in the veterans' designation on their drivers' license that it will be October before that will be possible.

In response to Representative DeCesare, Mr. Osborne stated that the administrative regulation regarding escort vehicles for farm implements went through the Administrative Regulations Review Subcommittee in May and will not be delayed from going into effect as originally scheduled.

With no further business before the Committee, the meeting was adjourned at 2:30 p.m.

CAPITAL PLANNING ADVISORY BOARD

Minutes of the 1st Meeting of the 2012 Calendar
May 22, 2012

Call to Order and Roll Call

The 1st meeting of the Capital Planning Advisory Board was held on Tuesday, May 22, 2012, at 10:00 AM, at the Kentucky State Police (KSP) Training Academy in Frankfort, Kentucky. Senator Jack Westwood, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Jack Westwood, Co-Chair; Representative Melvin Henley, Co-Chair; Representative Ron Crimm, Charles Byers, Carole Henderson, John Hicks, Sherron Jackson, Mary Lassiter, James W. Link, Mark Overstreet, Carol Palmore, and Katie Shepherd.

Guests testifying before the Board: Major John Blanton and Captain Phil Crumpton, Kentucky State Police.

LRC Staff: Shawn Bowen, Josh Nacey, and Jennifer Luttrell.

Welcome New Members and Staff

Senator Westwood stated that in March, the Governor appointed two new members to the Board to replace other members whose terms have expired. Sherron Jackson is an Associate Vice President for Budgets, Planning & Policy at the Council on Postsecondary Education. He is a past Board member, and has over 33 years of experience in postsecondary education finance and 15 years of experience in equal opportunity planning. He is replacing Ryan Keith.

Jamie Link serves as the Deputy Secretary of the Finance and Administration Cabinet. He has worked for the Commonwealth of Kentucky for about 27 years in various positions, including

Deputy Executive Director of the Kentucky Horse Park and Chief Executive Officer of the World Games 2010 Foundation, Inc. Mr. Link is replacing David Buchta.

Josh Nacey joined the Legislative Research Commission (LRC) in January 2012. He is a legislative analyst for both the Capital Projects and Bond Oversight Committee and the Capital Planning Advisory Board. Prior to working for LRC, Josh was a Staff Attorney for the Energy and Environment Cabinet and, prior to that, for the Department of Public Advocacy.

Approval of Minutes

There was a motion made by Mr. Hicks, seconded by Ms. Palmore, and adopted by voice vote to approve the minutes of the September 23, 2011 meeting.

Information Items – 2012-2014 Executive Budget

Ms. Bowen said there were two items included in members' packets: an update on the 2012-2014 Executive and Judicial Branch Budgets, and a spreadsheet detailing miscellaneous maintenance pool requests compared to maintenance pool authorizations in the 2012-2014 Executive Budget.

Instructions for the 2014-2020 Capital Plans

Pursuant to statute, April 15 of odd numbered years is the due date for agencies to submit their plans to the Board, and November 1 is the date by which the Board must submit its statewide Capital Improvements Plan to the heads of the three branches of government. Under KRS 7A, the Board is to prescribe the format for agencies to use to submit their capital plans every two years. Senator Westwood said the instructions for the 2014-2020 planning cycle are the same as in years past and no procedural changes are anticipated.

There was a motion made by Representative Henley, seconded by Mr. Link, and adopted by roll call vote to approve the instructions for the 2014-2020 capital planning cycle. The motion included the authorization for staff to make appropriate technical or editing changes as needed in finalizing the instructions for publication.

Presentation – Kentucky State Police Training Academy

Senator Westwood introduced Major John Blanton, Kentucky State Police, to present a report on the new KSP Training Academy. On July 1, 2011, the Department of Corrections transferred to KSP ownership of 362 acres of land and ten buildings at 380 Coffee Tree Road in Frankfort for use as a training facility for state trooper cadets. Since that time, KSP has conducted training exercises, classroom work, and tactical lessons at the new facility. This facility had previously been used as a minimum security prison, the Frankfort Career Development Center. The downward trend in the prison population, and the passage of House Bill 463 by the 2011 General Assembly, were cited as factors in the decision to close the Career Development Center.

In response to a question from Ms. Palmore, Major Blanton responded that there is no statutory requirement for KSP to provide training to local law enforcement agencies, the training is

provided as a courtesy. KSP's new facility is the only state-owned facility available to local enforcement agencies for accident investigation training.

In response to a question from Representative Crimm, Major Blanton stated that upon completion of the renovations to the new facility, KSP will no longer utilize Eastern Kentucky University for cadet training.

In response to questions from Senator Westwood, Major Blanton responded that the new multipurpose building will be a large gymnasium for ceremonies, tactical trainings and classrooms. In addition to the \$2 million bond funds currently authorized for the project, an additional \$4 million will be needed to complete Phase I construction.

Senator Westwood said the Board's next meeting will be held at the new Shelby County Court Facility on July 20, 2012.

With there being no further business, Senator Westwood made a motion to adjourn the meeting. The motion was seconded by Representative Henley and the meeting adjourned at 10:41 A.M.

CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

Minutes

May 15, 2012

Call to Order and Roll Call

The 5th meeting of the Capital Projects and Bond Oversight Committee was held on Tuesday, May 15, 2012, at 1:00 PM, in Room 169 of the Capitol Annex. Senator Bob Leeper, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Bob Leeper, Co-Chair; Representative Jim Glenn, Co-Chair; Senators Jared Carpenter and Julian M. Carroll; and Representative Steven Rudy.

Guests Testifying: Bob Wiseman, Vice President for Facilities Management and Angie Martin, Vice President of Financial Operations and Treasurer, University of Kentucky; Larry Owsley, Vice President for Business Affairs, University of Louisville; John Hicks, Deputy State Budget Director, Governor's Office for Policy Management; Paul Gannoe, Director, Division of Engineering and Contract Administration, and Scott Aubrey, Director, Division of Real Properties, Finance and Administration Cabinet; Sandy Williams, Financial Analyst, Kentucky Infrastructure Authority; Katie Smith, Deputy Commissioner, Department of Financial Incentives, Cabinet for Economic Development; and Tom Howard and Brett Antle, Office of Financial Management.

LRC Staff: Shawn Bowen, Josh Nacey, and Christine Robertson.

Approval of Minutes

Representative Rudy made a motion to approve the minutes of the April 12, 2012, meeting. The motion was seconded by Representative Glenn and approved by voice vote.

Information Items

Shawn Bowen, Committee Staff Administrator for the Capital Planning

Advisory Board, said two information items were included in members' folders. The first item was an update on the allocation of 2012 Private Activity Bond Cap by the Kentucky Private Activity Bond Allocation Committee. She then noted an article in members' binders regarding a May 3, 2012 *New York Times* article related to tobacco bonds. The article reported that some bonds issued by state and local governments, backed by payments from the 1998 tobacco settlement, are in the early stages of default.

Project Reports Submitted by the University of Louisville (UL)

Mr. Owsley presented one unbudgeted capital project - the Schnellenberger Football Complex project. The project scope is \$75 million and is 100 percent privately funded with UL Athletic Association funds. The scope of work includes renovations to current spaces and the addition of 11,500 square feet in expansions for the weight room, 4,000 square feet for the training room, and 2,500 square feet for storage, mechanical, and electrical space.

In response to a question from Representative Glenn, Mr. Owsley replied that he did not know the percentage of funds that had been raised for this project. Senator Carroll made a motion to approve the project. The motion was seconded by Representative Glenn and passed unanimously by roll call vote.

Mr. Owsley reported the purchase of an item of scientific research equipment known as a dual photon confocal microscope. The purchase price is \$755,200, and the sources of funds are Kentucky Spinal Cord and Head Injury Research Trust funds and gift funds. No action was required on this item.

Project Report Submitted by the University of Kentucky (UK)

Mr. Wiseman reported the University's intention to enter into a long-term ground lease agreement with Education Realty Trust (EdR) to construct, expand, and potentially manage student housing. The lease is for 2.167 acres located at the intersection of Huguelet Drive and University Drive. The project is estimated to cost \$25.8 million and includes construction of two residence hall facilities on Haggin Field near the William T. Young Library. The buildings comprise approximately 313,000-gross-square-feet and will include 601 undergraduate beds, classroom space, and faculty offices.

Mr. Wiseman reported that the project will be 100 percent funded with EdR's own equity. No state funds are involved in the project. This project is part of a planned revitalization of all on-campus housing by EdR. The facility is scheduled for occupancy in fall 2013. The project was included in House Bill 1 of the 2010 Special Session of the General Assembly, and no action was required on this item.

Project Report Submitted by the Finance and Administration Cabinet

Mr. Hicks reported that the Finance Cabinet has approved an allocation of \$1,500,000 from the Emergency Account for the Woodsbend Youth Development Center project in West Liberty, Kentucky. The Center was damaged during the March 2 tornado outbreak. The scope of work will include site clearing and repairs to the dormitory building, gymnasium,

roofs, and cooling tower at the Center. Mr. Hicks said that he expected the project would be fully reimbursed by the Fire and Tornado Insurance Fund. In response to a question from Representative Glenn regarding future repairs to two buildings at the Center not included in this project, Mr. Gannoe replied that he expects design and bidding to be complete in approximately 120 days. No action was required on this item.

Lease Reports Submitted by the Finance and Administration Cabinet

Mr. Aubrey first presented a lease renewal for the Department for Workforce Investment in Hardin County. The lease is being renewed under the same terms and has an annual cost of \$111,374. Senator Carroll made a motion to approve the lease renewal. The motion was seconded by Senator Carpenter and passed unanimously by roll call vote.

Mr. Aubrey presented a \$1,479 leasehold improvement to a facility in Bell County leased by the Cabinet for Health and Family Services. The scope of work included installation of electric hand dryers in the staff and client restrooms. The cost of the improvement will be amortized over the remaining term of the lease. No action was required on this item.

Report from the Kentucky Infrastructure Authority (KIA)

Ms. Williams presented four new Fund A loans: City of South Shore, \$3,006,000; City of Grayson, \$785,000; City of Flatwoods, \$400,000; and the City of Oak Grove, \$1,000,000.

Regarding the City of Flatwoods project, Senator Leeper asked why the ratio of engineering fees to total construction costs was 28 percent, a rate higher than most projects.

Ms. Williams said the project engineering fee was \$17,000 over the U.S. Rural Development Administration fee scale recommendation. Included within that fee are estimated administrative costs, which includes the procurement of all required easements and compliance with the Davis-Bacon Act federal wage rate reporting required on all KIA state revolving fund loans.

In response to a follow-up question from Senator Leeper, Ms. Williams said the engineering firm for the City of Flatwoods project (E.L. Robinson), will provide project administration services in addition to the standard engineering services. She added that this was fairly common practice, with about half of the engineering firms providing project administration and about half using the area development districts to complete the administrative tasks.

In response questions from Senator Carroll, Ms. Williams said KIA does not have a policy regarding the assessment of legal or administrative fees for KIA loans. She said for the City of Flatwoods project, the additional costs were primarily related to the administration of federal wage requirements, which is something new since 2009. Prior to that time, Davis-Bacon wage rate requirements did not apply to any KIA loan programs and currently, they only apply to KIA state revolving fund projects. Senator Carroll recommended that KIA develop a policy related to the additional costs associated with new Davis-Bacon wage rate requirements.

Senator Leeper said that KIA would soon be making a presentation to the committee that delves deeper into the engineering fee portion of KIA project costs.

Representative Rudy made a motion to approve the four Fund A loans. The motion was seconded by Senator Carroll and passed unanimously by roll call vote.

Ms. Williams presented one KIA 2020 Program Grant to Perry County in the amount of \$30,000. The grant will finance a feasibility study to determine options for providing water to Perry County and surrounding areas. Senator Carpenter made a motion to approve the grant. The motion was seconded by Representative Glenn and passed unanimously by roll call vote.

Economic Development Bond Grant (EDB)

Ms. Smith presented one EDB grant in the amount of \$250,000 to the City of Winchester for the benefit of AMZN Wacs (Amazon). The grant will cover the cost of a new customer service center in Winchester. The facility will support customer calls and emails, and it will provide technical support to various business lines. The company agrees to create 550 new, full-time jobs for Kentucky residents with an average hourly wage of \$15, excluding benefits, within 3 years of the date of the Kentucky Economic Development Finance Authority's approval. In response to a question from Representative Glenn, Ms. Smith said that benefits would include life insurance, health insurance, disability insurance, dental insurance, and 401K. The Kentucky Business Incentive program's wage target including benefits was \$20 an hour. Senator Carroll made a motion to approve the grant. The motion was seconded by Representative Rudy and passed unanimously by roll call vote.

New Bond Issue Reports

Mr. Howard presented six new bond issue reports: Kentucky Asset Liability Commission (ALCo) 2012 Project Notes, Interim Bank Loan, \$75 million; Eastern Kentucky University General Receipts Refunding Bonds 2012 Series A, \$31,905,000; Morehead State University General Receipts Bonds 2012 Series A (Bank Qualified), \$5,090,000; Western Kentucky University General Receipts Revenue Bonds 2012 Series A and B, \$42,480,00; University of Kentucky General Receipts Refunding Bonds 2012 Series A, \$30,125,000; and Kentucky Housing Corporation Single Family Housing Revenue Bonds 2012 Series A, \$189,205,000.

In response to a question from Representative Glenn, Mr. Howard said that JP Morgan was one of three senior management underwriters, along with Morgan Stanley and Citi, that serves in a rotation for ALCo's project notes.

Representative Rudy made a motion to approve the six bond issue reports. The motion was seconded by Senator Carroll and passed unanimously by roll call vote.

New School Bond Issues

Mr. Howard reported 14 new school bond issues with School Facilities Construction Commission participation this month. Senator Carroll made a motion to approve the bond issues. The motion was seconded by Representative Rudy and passed unanimously by roll call vote.

There being no further business,

Representative Rudy made a motion to adjourn the meeting. The motion passed and the meeting adjourned at 1:40 P.M.

ADMINISTRATIVE REGULATION REVIEW SUBCOMMITTEE

Minutes of the May Meeting
May 8, 2012

Call to Order and Roll Call

The May meeting of the Administrative Regulation Review Subcommittee was held on Tuesday, May 8, 2012, at 1:00 PM, in Room 149 of the Capitol Annex. Representative Johnny Bell, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Co-Chair Johnny Bell; Senators Joe Bowen and Joey Pendleton; Representatives Danny Ford and Jimmie Lee.

Guests: Becky Gilpatrick, Melissa Justice, Kentucky Higher Education Assistance Authority; Mike Carr, Alicia Sneed, Education Professional Standards Board; Whitney Meagher, Personnel Cabinet; Nathan Goldman, Sharon Mercer, Board of Nursing; Jim Grawe, Margaret Hazlette, Board of Social Work; Jim Grawe, Larry Disney, Kentucky Real Estate Appraisers Board; Ron Brooks, Margaret Everson, Mark Mangeot, Karen Waldrop; Kentucky Department of Fish and Wildlife; Amy Barker, Department of Corrections; Steve Lynn, Department of Criminal Justice; Ann D'Angelo, Rick Taylor, Transportation Cabinet; Kevin C. Brown, Department of Education; Chad Collins, Julian Tackett, Kentucky High School Athletics Association; Mark Brengelman, Mark Schmidt, Board of Home Inspectors; Virginia Carrington, and Elizabeth Caywood, Cabinet for Health and Family Services.

LRC Staff: Dave Nicholas, Donna Little, Emily Caudill, Sarah Amburgey, Emily Harkenrider, Karen Howard, Betsy Cupp, and Laura Napier.

The Administrative Regulation Review Subcommittee met on Tuesday, May 8, 2012, and submits this report:

Administrative Regulations
Reviewed by the Subcommittee:

KENTUCKY HIGHER
EDUCATION ASSISTANCE
AUTHORITY: Division of Student and
Administrative Services: Authority

11 KAR 4:080. Student aid
applications. Becky Gilpatrick, director,
Student Aid Services, and Melissa Justice,
senior associate counsel, represented the
authority.

A motion was made and seconded
to approve the following amendment:
to amend Section 1(4)(a) to comply
with the drafting requirements of KRS
Chapter 13A. Without objection, and with
agreement of the agency, the amendment
was approved.

KHEAA Grant Programs

11 KAR 5:145. CAP grant award
determinations procedure.

EDUCATION PROFESSIONAL
STANDARDS BOARD: Certification
Procedures

16 KAR 4:030. Out-of-state
preparation. Mike Carr, director of
certification, and Alicia A. Sneed, director
of legal services, represented the board.

In response to a question by Co-Chair Bowen, Ms. Sneed stated that Kentucky's certification procedures for out-of-state educator preparation were commensurate with sister states that participated in the national group.

A motion was made and seconded
to approve the following amendments:
(1) to amend the TITLE and Sections
2 and 4 to comply with the drafting and
formatting requirements of KRS Chapter
13A; (2) to amend the NECESSITY,
FUNCTION, AND CONFORMITY
paragraph to clearly state the necessity for
and function served by this administrative
regulation, as required by KRS 13A.220;
and (3) to amend Section 2 to make a
conforming amendment to correct an
inconsistency between the effective
administrative regulation and the proposed
filed administrative regulation. Without
objection, and with agreement of the
agency, the amendments were approved.

PERSONNEL CABINET: Personnel
Cabinet, Classified

101 KAR 2:102. Classified leave
administrative regulations. Whitney
Meagher, attorney, represented the
cabinet.

In response to a question by Co-
Chair Bowen, Ms. Meagher stated that
these administrative regulations included
more complex specifications regarding
workers' compensation because personnel
benefits in private industry tended to be
more limited than comparable benefits
available to state government employees.

101 KAR 2:140. Workers'
Compensation Fund and Program.

A motion was made and seconded to
approve the following amendments: (1)
to amend Sections 4, 5, 7, and 8 and two
(2) forms incorporated by reference to: (a)
comply with the drafting and formatting
requirements of KRS Chapter 13A; and (b)
clarify that the administrative regulation
applies to employees who are away from
work due to a work-related illness, as well
as those away from work due to a work-
related injury; (2) to amend Section 2 to
specify that the employee's accumulated
leave shall be reinstated to the employee's
leave balance to the extent that workers'
compensation benefits are remitted to the
employee's agency; and (3) to amend
Section 8 to update the forms incorporated
by reference. Without objection, and with
agreement of the agency, the amendments
were approved.

Personnel Cabinet, Unclassified

101 KAR 3:015. Leave administrative
regulations for the unclassified service.

GENERAL GOVERNMENT
CABINET: Board of Nursing: Board

201 KAR 20:490. Licensed practical
nurse intravenous therapy scope of
practice. Nathan Goldman, general
counsel, and Sharon Mercer, nursing
practice consultant, represented the
board.

In response to a question by Co-
Chair Bell, Ms. Mercer stated that this
administrative regulation had been
effective since 2004. The board received
requests for clarification of requirements.
These requests were the impetus to
amend this administrative regulation. Mr.
Goldman stated that this administrative
regulation expanded the scope of practice
for a licensed practical nurse pertaining
to intravenous therapy. The scope of

practice remained within specific limits,
and nursing schools were responsible
for providing rigorous requirements to
maintain public safety.

A motion was made and seconded
to approve the following amendments:
(1) to amend Sections 5 and 7 to
comply with the drafting and formatting
requirements of KRS Chapter 13A; and
(2) to add a SUMMARY OF MATERIAL
INCORPORATED BY REFERENCE to
provide statutorily required information
about the new document incorporated by
reference. Without objection, and with
agreement of the agency, the amendments
were approved.

Board of Social Work: Board

201 KAR 23:015. Temporary
permission to practice. Jim Grawe,
assistant attorney general, and Margaret
Hazlette, executive director, represented
the board.

In response to questions by Co-
Chair Bowen, Ms. Hazlette stated that
a temporary licensee was subject to at
least one (1) hour of supervision for the
protection of public health. Temporary
licensure allowed retention of employment
until a licensee was fully certified.
Examinations were offered every three (3)
months.

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

Kentucky Real Estate Appraisers
Board: Board

201 KAR 30:050. Examination and
experience requirement. Larry Disney,
executive director, and Jim Grawe,
assistant attorney general, represented the
board.

A motion was made and seconded to
approve the following amendments: (1)
to amend the RELATES TO paragraph
to add a citation; (2) to amend Section
2 to correct a citation; and (3) to amend
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.

TOURISM, ARTS AND HERITAGE
CABINET: Department of Fish and
Wildlife Resources: Fish

301 KAR 1:201. Recreational fishing
limits. Ron Brooks, director, Division
of Fisheries; Margaret Everson, acting
counsel; and Karen Waldrop, director,
Division of Wildlife, represented the
department.

In response to a question by Senator
Pendleton, Mr. Brooks stated that there
were no public comments received by the
department during the public comment
period.

In response to a question by Co-
Chair Bowen, Mr. Brooks stated that urban
lakes had different fishing pressures due
to higher use in more densely populated
areas. Urban lakes were "overstocked"
to compensate. Additionally, some lakes
had water quantity levels that resulted in
management challenges.

In response to a question by
Representative Lee, Mr. Brooks stated

that, for certain species, the increase in “catch and release” fishing over actual harvesting reduced population pressures; however, the “catch and release” survival rate was limited depending on the time of year, the stress of being caught, and the precatch health of each fish. Some fish, such as crappie, were less likely to be caught and released and more likely to be harvested and eaten.

In response to a question by Co-Chair Bell, Mr. Brooks stated that this administrative regulation limited the taking of large and small mouth bass in some waters because of pressure on the fish populations. The department established harvest restrictions to prevent overfishing and to protect the quality and quantity of fish to ensure a positive fishing experience for all sportsmen. Due to the high number of bass harvested recently, most bass were now being taken before they were even twelve (12) inches in length.

Game

301 KAR 2:251. Hunting and trapping seasons and limits for furbearers.

In response to questions by Co-Chair Bell, Dr. Waldrop stated that the expanded raccoon season was October through February. The expanded season was supported by the department because the population was stable enough to withstand the extended season. The department would investigate the reason the Professional Kennel Club’s hunting opportunities had migrated to Illinois two (2) years ago.

Co-Chair Bell stated that he was in opposition to the expanded raccoon season and that sportsmen and houndsmen groups also opposed the amended season and were not notified of the change.

In response to questions by Co-Chair Bowen, Dr. Waldrop stated that the sandhill crane season was considered a success by the department. Approximately fifty (50) sandhill crane were harvested. The department had to advertise the hunt fairly late because of the effective date of the administrative regulation. Additionally, the sandhill crane was harder to hunt than most sportsmen expected. The department expected hunters to improve as they learned the nuances of hunting the species. The department did not receive many permit requests for the season from citizens who did not intend to hunt the sandhill crane.

In response to a question by Senator Pendleton, Dr. Waldrop stated that permit requests came primarily from hunters who were traditional license buyers.

In response to a question by Representative Lee, Dr. Waldrop stated that the department was unaware of any instances of a whooping crane being taken by accident during the sandhill crane season. The season was scheduled to protect whooping cranes from misidentification.

A motion was made and seconded to approve the following amendments: (1) to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1, 8, 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.

JUSTICE AND PUBLIC SAFETY CABINET: Department of Corrections:

Office of the Secretary

501 KAR 6:091. Repeal of 501 KAR 6:090. Amy Barker, assistant general counsel, represented the department.

501 KAR 6:200. Comprehensive sex offender presentence evaluation procedure.

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.

501 KAR 6:240. Home incarceration using an approved monitoring device.

A motion was made and seconded to approve the following amendments: to amend Section 1 and the material incorporated by reference to clarify provisions and to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Kentucky Law Enforcement Council: Council

503 KAR 1:110. Department of Criminal Justice Training basic training: graduation requirements; records. Steve Lynn, assistant general counsel, represented the council.

In response to questions by Co-Chair Bell, Mr. Lynn stated that the test score requirements were being increased because test provider scoring standards had been revised. Most cadets completed the tests satisfactorily. There was a process for those who did not pass the examinations on the first attempt, so that cadets could retake the tests.

A motion was made and seconded to approve the following amendments: to amend Section 5 to make conforming amendments to correct inconsistencies between the currently effective administrative regulation and the filed proposed administrative regulation. Without objection, and with agreement of the agency, the amendments were approved.

General Training Provision

503 KAR 3:070. Telecommunications (Public Safety Dispatch Non-CJIS) Academy.

A motion was made and seconded to approve the following amendments: (1) to amend Sections 1 and 5 to update agency names; and (2) to amend Section 4 to make a conforming amendment to correct an inconsistency between the currently effective administrative regulation and the filed proposed administrative regulation. Without objection, and with agreement of the agency, the amendments were approved.

TRANSPORTATION CABINET: Department of Vehicle Regulation: Division of Motor Carriers: Division

601 KAR 1:018. Special overweight or overdimensional motor vehicle load permits. Ann DAngelo, assistant general counsel, and Rick Taylor, deputy commissioner, represented the division.

A motion was made and seconded to approve the following amendments: (1) to amend the TITLE, the RELATES TO paragraph, and Sections 1, 2, 4, 9, 10, and 20 to correct inconsistencies between the effective administrative regulation and the proposed administrative regulation filed by the agency; (2) to amend the RELATES TO

paragraph to add a statutory citation; and (3) to amend Sections 1 through 14 and 16 through 21 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

601 KAR 1:019. Overweight or overdimensional farm equipment.

Senator Pendleton thanked the cabinet, Transportation Committee staff, and Subcommittee staff for working to amend this administrative regulation. He stated that this administrative regulation did not compromise safety and codified what approximately ninety-nine (99) percent of farmers were already doing. It was extremely important that the cabinet quickly provide a new guidance manual to applicable law enforcement personnel so that the revisions and clarifications would be properly enforced as soon as this administrative regulation became effective.

In response to questions by Representative Ford, Mr. Taylor stated that a farmer with overweight truck questions or concerns was welcome to contact the cabinet with details, and the cabinet would follow up.

In response to a question by Co-Chair Bell, Mr. Taylor stated that this administrative regulation was more lenient than previous requirements and was reorganized to be more user friendly.

In response to a question by Co-Chair Bowen, Mr. Taylor stated that this administrative regulation did not compromise safety.

A motion was made and seconded to approve the following amendments: (1) to amend Section 7 regarding escort requirements, to: (a) establish that a single vehicle and load of farm equipment not exceeding forty-five (45) miles per hour operating on a four (4) lane highway shall have at least one (1) trail escort; (b) establish that a single vehicle and load of farm equipment 120 feet in length or more operating on a four (4) lane highway, shall have at least one (1) trail vehicle; (c) make technical corrections and minor corrections for compliance with the drafting and formatting requirements of KRS Chapter 13A; (d) comply with HB 518; and (e) reorganize requirements so that the user finds escort requirements based on vehicle specifications, rather than listing vehicle specifications under escort headings; (2) to amend the TITLE and Sections 1 through 6 and 8 through 13 to comply with the drafting and formatting requirements of KRS Chapter 13A; (3) to amend the RELATES TO paragraph to correct statutory citations; (4) to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph to clearly state the necessity for and function served by this administrative regulation, as required by KRS 13A.220; (5) to amend Section 7 to clarify convoy requirements on a two (2) lane highway; and (6) to amend Sections 8 and 10 through 12 for compliance with 2012 House Bill 518 and to clarify and reorganize requirements. Without objection, and with agreement of the agency, the amendments were approved.

EDUCATION AND WORKFORCE DEVELOPMENT CABINET: Kentucky Board of Education: Department of Education: School Terms, Attendance and

Operation

702 KAR 7:065. Designation of agent to manage high school interscholastic athletics. Kevin C. Brown, general counsel; Chad Collins, general counsel; and Julian Tackett, commissioner, represented the Kentucky High School Athletic Association.

In response to questions by Co-Chair Bowen, Mr. Tackett stated that this administrative regulation had been considered by the schools and associations. The main revisions included simplification of transfer and recruiting requirements, amendment of coaching requirements, and the establishment of standard consent forms for physicians and parents. Additionally, the amendments provided clarification and made technical corrections. Each complaint had multiple and different variables, requiring case-by-case consideration. The association’s goal was to provide as fair a playing field as possible for all athletes. Accountability was the biggest challenge because of the volume of unique circumstances for consideration.

In response to a question by Co-Chair Bell, Mr. Tackett stated that, in approximately 1985, the association had changed its paradigm regarding accessibility and consideration of complaints. Many cases did not reach the full hearing by an officer or the board because concerns could be resolved at earlier stages. The procedures were more kid-friendly and more nuanced, taking into account many unique variables as necessary. Determinations had been expedited because complainants no longer had to wait for the monthly board meeting for a response on behalf of the association.

A motion was made and seconded to approve the following amendments: to amend Section 5 and the material incorporated by reference 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 GOVERNMENT CABINET: Board of Home Inspectors: Board

815 KAR 6:010. Home inspector licensing requirements and maintenance of records. Mark Brengelman, assistant attorney general, and Mark Schmidt, chair, represented the board.

In response to questions by Representative Ford, Mr. Schmidt stated that prelicensure education was required if the candidate failed the examination three (3) times and wished to continue seeking licensure. The board was authorized to deny licensure based on criminal conviction. Mr. Brengelman stated that board criteria for determining licensure denial included the seriousness of the offense, the length of time since the offense, and the applicant’s or licensee’s showing of remorse, rehabilitation, and restitution by clear and convincing evidence.

In response to questions by Co-Chair Bell, Mr. Brengelman stated that the criteria for the determination of license denial based on criminal conviction was not previously established in this administrative regulation. The board had a due process system for an applicant or

licensee who had been denied licensure by the board, and the applicant or licensee was also able to have the issue considered by circuit court if the board's due process system still left the applicant or licensee unsatisfied. The board's due process system was authorized by and developed according to KRS Chapter 13B.

Subcommittee staff stated that the board was made of practitioners in the field of home inspection, who should be a good judge of what criminal conviction circumstances warranted denial of licensure. If an applicant or licensee was not satisfied after denial of the board, the applicant or licensee could appeal through the KRS Chapter 13B hearing procedures or bring the matter to the circuit court. Most boards had similar standards.

Co-Chair Bowen stated that Mr. Schmidt was an excellent contractor.

A motion was made and seconded to approve the following amendments: (1) to amend the RELATES TO and STATUTORY AUTHORITY paragraphs to correct statutory citations; (2) to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph to clearly state the necessity for and function served by this administrative regulation, as required by KRS 13A.220; (3) to amend Sections 1 through 7 and 9 through 11 to comply with the drafting and formatting requirements of KRS Chapter 13A; and (4) to amend Section 11 to make conforming amendments to correct inconsistencies between the effective administrative regulation and the proposed administrative regulation filed by the agency. Without objection, and with agreement of the agency, the amendments were approved.

815 KAR 6:070. Per diem and reimbursement for traveling and other expenses for board members.

In response to a question by Representative Ford, Mr. Schmidt stated that the board member per diem currently was thirty-five (35) dollars per meeting and it was being raised by amendment to \$100, which was commensurate with most other board per diems. Reimbursable expenditures were limited to the actual cost of necessary expenditures, but there was not a limit established.

A motion was made and seconded to approve the following amendments: (1) to amend the TITLE, the RELATES TO paragraph, and Section 1 to comply with the drafting and formatting requirements of KRS Chapter 13A; and (2) to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph to clearly state the necessity for and function served by this administrative regulation, as required by KRS 13A.220. Without objection, and with agreement of the agency, the amendments were approved.

CABINET FOR HEALTH AND FAMILY SERVICES: Department for Community Based Services: Division 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. Elizabeth Caywood, internal policy analyst, and Virginia Carrington, branch manager, represented the division.

In response to a question by Co-Chair Bell, Ms. Carrington stated that the Michelle P. Waiver pertained to the

Medicaid program only and did not impact this administrative regulation.

A motion was made and seconded to approve the following amendments: to amend the RELATES TO paragraph and Sections 1, 7, and 13 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Food Stamp Program
921 KAR 3:035. Certification process.

The following administrative regulations were deferred to the June 12, 2012, meeting of the Subcommittee:

EDUCATION AND WORKFORCE DEVELOPMENT CABINET: Kentucky Board of Education: Department of Education: General Administration

702 KAR 1:160. School health services.

Kindergartens and Nursery Schools
704 KAR 5:070. Common Kindergarten entry screener.

The Subcommittee adjourned at 2:30 p.m. until June 12, 2012.

ADMINISTRATIVE REGULATION REVIEW SUBCOMMITTEE

Minutes of the June Meeting
June 12, 2012

Call to Order and Roll Call

The June meeting of the Administrative Regulation Review Subcommittee was held on Tuesday, June 12, 2012, at 1:00 PM, in Room 149 of the Capitol Annex. Senator Joe Bowen, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senators Joe Bowen, David Givens, and Joey Pendleton, and Representatives Robert Damron and Danny Ford.

Guests: Granville Smith, Michael West, Board of Ophthalmic Dispensers; Angela Evans, Sandra Miller, Board of Licensure for Marriage and Family Therapists; Ron Brooks, Margaret Everson, Karen Waldrop, Department of Fish and Wildlife; Amber Arnett, Amy Barker, Sara Pittman, Meredith Sanford, Department of Corrections; Kevin C. Brown, Ron Chandler, Hiren Desai, Kay Kennedy, Felicia C. Smith, Department of Education; Terry Tolan, Governors Office of Early Childhood; Bill Clark, Russell R. Coy II, Blanche Minor, Cecilia Webber, and Tim West, Department of Insurance.

LRC Staff: Dave Nicholas, Donna Little, Emily Caudill, Sarah Amburgey, Emily Harkenrider, Karen Howard, Betsy Cupp, and Laura Napier.

The Administrative Regulation Review Subcommittee met on Tuesday, June 12, 2012, and submits this report:

Administrative Regulations Reviewed by the Subcommittee:

GENERAL GOVERNMENT CABINET: Kentucky Board of Licensure for Ophthalmic Dispensers: Board

201 KAR 13:040. Licensing; application, examination; renewal; and inactive status. Granville Smith, chair, and Michael West, assistant attorney general, represented the board.

In response to a question by Co-Chair Bowen, Mr. Smith stated that as society had

become more mobile, licensees needed a practical examination that was the same from state to state. This administrative regulation established a national practical examination.

A motion was made and seconded to approve the following amendments: (1) to amend Sections 1, 3, and 4 through 7 to comply with the drafting and formatting requirements of KRS Chapter 13A; (2) to amend Section 4(4) to establish the grace period referenced in the applications; and (3) to amend Section 8 to revise the applications incorporated by reference. Without objection, and with agreement of the agency, the amendments were approved.

Board of Licensure for Marriage and Family Therapists: Board

201 KAR 32:035. Supervision of marriage and family therapist associates. Angela Evans, assistant attorney general, and Sandra Miller, chair, represented the board.

In response to a question by Representative Ford, Ms. Miller stated that the previous version of this administrative regulation contained an error. This amendment corrected and clarified the definition of "group supervision" without affecting the maximum limit of supervisees per supervisor. This administrative regulation did not affect costs for the agency or the regulated community, including licensees.

A motion was made and seconded to approve the following amendments: to amend Sections 2, 3, 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.

TOURISM, ARTS AND HERITAGE CABINET: Department of Fish and Wildlife Resources: Fish

301 KAR 1:410. Taking of fish by nontraditional fishing methods. Ron Brooks, fisheries director; Margaret Everson, assistant attorney general; and Karen Waldrop, wildlife Director, represented the department.

In response to a question by Senator Kerr, Mr. Brooks stated that recreational boating and angling was prohibited at Greenbo Lake in the designated cove during skin or scuba diving. Skin and scuba diving were permitted between 10 a.m. and 6 p.m. Recreational boating and angling were allowed during the skin and scuba diving time period if divers were not present. Divers placed a flag in the cove during diving to indicate to other nondiving lake users that the cove was unavailable.

In response to questions by Co-Chair Bowen, Mr. Brooks stated that grabbing and snagging were nontraditional forms of harvesting fish. A minority of fishermen were opposed to this administrative regulation because of the provisions for diving in the cove, during which time boating and angling in that area were prohibited. This began a three (3) year trial period for the diving policy. Greenbo Lake was the only lake owned by the Commonwealth with water clarity suitable for skin and scuba diving. Administrative regulations were initiated for a mix of reasons. Preferably, initiation would be due to biological studies, but often the public requested new administrative regulations or amendments to existing administrative

regulations.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1, 2, 3, 5, 6, and 7 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

Game

301 KAR 2:049. Small game and furbearer hunting and trapping on public areas.

A motion was made and seconded to approve the following amendments: (1) to amend Section 4(25) to clarify hunting requirements for "A" Tracts at the West Kentucky WMA; and (2) to amend Sections 4, 5, and 7 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

301 KAR 2:081. Transportation and holding of live native wildlife.

A motion was made and seconded to approve the following amendments: (1) to amend Section 2 to correct a citation; (2) to amend Sections 1, 2, 3, 5, 6, 9, and 10 to comply with the drafting and formatting requirements of KRS Chapter 13A; and (3) to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph to clearly state the necessity for and function served by this administrative regulation, as required by KRS 13A.220. Without objection, and with agreement of the agency, the amendments were approved.

301 KAR 2:082. Transportation and holding of live exotic wildlife.

A motion was made and seconded to approve the following amendments: (1) to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph to clearly state the necessity for and function served by this administrative regulation, as required by KRS 13A.220; and (2) to amend 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.

Game

301 KAR 2:084. Importation of game birds.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1 through 3 to comply with the drafting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

JUSTICE AND PUBLIC SAFETY CABINET: Department of Corrections: Office of the Secretary

501 KAR 6:020. Corrections policies and procedures. Amber Arnett, staff attorney, and Amy Barker, assistant general counsel, represented the department.

In response to a question by Co-Chair Bell, Ms. Arnett stated that there was not a difference between the terms, "skin search" and "strip search," but that "skin search" had been a typographical error in the previous version of this administrative regulation. The procedure itself was not actually changed.

A motion was made and seconded to approve the following amendments: (1) to amend CPP 2.12 for compliance with 2012 Senate Bill 90 regarding unclaimed funds in inmate jail accounts; (2) to amend CPP 10.2 to use defined term of strip search rather than skin search; (3) to amend authorized inmate property list in CPP 17.1 to remove tobacco products as the institutions are now tobacco-free and to make other minor adjustments; and (4) to amend Section 1 and the material incorporated by reference to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

EDUCATION AND WORKFORCE DEVELOPMENT CABINET: Kentucky Board of Education: Department of Education: General Administration

702 KAR 1:160. School health services. Kevin Brown, general counsel and associate commissioner; Hiren Desai, associate commissioner; and Kay Kennedy, director of support services, represented the department.

In response to a question by Senator Givens, Ms. Kennedy stated that feedback from healthcare partners reported ineffective compliance with scoliosis screening because many parents opted their children out of the screening. Additionally, the examinations were performed by inadequately trained school staff, rather than healthcare professionals. The result was inaccuracy of screening results. The screening was best performed by trained healthcare personnel at regular medical examinations.

A motion was made and seconded to approve the following amendments: (1) to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 1, 2, 3, 5, and 6 to comply with the drafting and formatting requirements of KRS Chapter 13A; and (2) to amend Section 6 to incorporate by reference the Immunization Certificate. Without objection, and with agreement of the agency, the amendments were approved.

Office of Instruction

704 KAR 3:340. Commonwealth Diploma Program. Kevin Brown, general counsel and associate commissioner; Robin Chandler, policy advisor; and Terry Holliday, commissioner, represented the department.

In response to a question by Senator Kerr, Ms. Smith stated that the Commonwealth Diploma program was being eliminated but local school districts could opt to establish local recognitions. Ms. Chandler stated that the cost of administering the program had become too high, especially considering the departments emphasis on college and career readiness for all students. The Commonwealth Diploma Program had served its purpose, but it was appropriate for it to end now.

In response to questions by Representative Damron, Ms. Chandler stated that in the 2011 – 2012 school year, 1,651 Commonwealth Diplomas had been awarded. The Commonwealth Diploma required advanced placement classes and a composite score of at least eight (8) across all advanced placement areas examined. Mr. Brown stated that transferring the program to the local government level had been initiated by staff of the Department of Education. Mr. Holliday stated that postsecondary institutions did not

consider the Commonwealth Diploma for enrollment purposes. New programs, such as the Advanced Placement Achievement Program, were being developed to replace the Commonwealth Diploma Program. The decision to eliminate the Commonwealth Diploma Program was not based on “top-down” administrative issues. Members of the gifted and talented community had raised concerns that funding was diverted from that program to the Commonwealth Diploma Program. Local school districts could still choose to give recognition similar to the Commonwealth Diploma Program. Funding savings would go directly back to the local districts. The funding had been used to cover the actual costs of the diplomas, materials, and administrative aspects of the program. The department took a bigger financial hit than the local school districts.

Representative Damron stated that it was a mistake to eliminate the Commonwealth Diploma Program. It was important to local school districts and provided a strong motivation for students to achieve.

A motion was made and seconded to approve the following amendments: (1) to amend Section 2 to comply with the drafting requirements of KRS Chapter 13A; and (2) to create a new Section 3 to: (a) specify that the Commonwealth Diploma shall not be awarded by the Kentucky Board of Education after the 2012-2013 academic year; and (b) authorize local districts to develop policies and procedures to award local recognitions. Without objection, and with agreement of the agency, the amendments were approved.

Kindergartens and Nursery Schools
704 KAR 5:070. Common Kindergarten entry screener. Kevin Brown, general counsel and associate commissioner; Felicia Cummings-Smith, associate commissioner; and Terry Tolan, executive director, Governor’s Office of Early Childhood, represented the department.

In response to questions by Senator Givens, Ms. Cummings-Smith stated that the office’s intent was to create better validity for kindergarten entry screening. Screening was in place at the local school district level, but this administrative regulation centralized the screening at the department level. The department’s goals were to provide a “snapshot” of where the prospective pupil was academically, physically, socially, and emotionally in order to demonstrate school readiness, and to demonstrate that the Commonwealth’s early childhood development programs had an impact on school readiness. To achieve those goals, the department needed a standard screening process. The screening would collect information about a child’s preschool years without blaming or giving credit for school readiness for prospective students who did not participate in early childhood development programs. The department hoped that the data would indicate that strong early childhood development programs had a positive influence on school readiness. There was not a specific plan to use the data to assist funding determinations; however, the data may provide direction in making other decisions. Mr. Brown stated that KRS 158.6453 did not apply to this administrative regulation because this administrative regulation governed screening only, not the statewide assessment established by the statute.

Senator Givens stated that he was concerned that this administrative regulation would lead to endorsement of some paths of school-readiness preparation and devalue others. He stated that he was a proponent of a school voucher program that would not penalize parents or private institutions that prepared pupils for at or above the school-readiness level of the public programs. Cautiousness was crucial.

In response to questions by Co-Chair Bell, Ms. Tolan stated that this administrative regulation would help build on and improve existing early childhood development programs but would not categorize, or “label,” prospective pupils. This screening would provide a “snapshot” in time of the prospective pupil. This administrative regulation would assist in defining levels of school readiness and, in some situations, may indicate the need for further testing for specific prospective pupils. This administrative regulation would build stronger relationships among the early childhood development community.

Co-Chair Bell stated that he hoped the department and Governor’s Office on Early Childhood would use common sense and would not categorize, or label, prospective pupils at such an early state in their academic career.

A motion was made and seconded to approve the following amendments: (1) to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph to clearly state the necessity for and function served by this administrative regulation, as required by KRS 13A.220; and (2) to amend the RELATES TO and STATUTORY AUTHORITY 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.

PUBLIC PROTECTION CABINET: Department of Insurance: Financial Standards and Examination Division: Authorization of Insurers and General Requirements

806 KAR 3:190. Risk-based capital for insurers. Bill Clark, chief financial analyst; Russell R. Coy II, capital coordinator; and Tim West, deputy general counsel, represented the division.

In response to a question by Co-Chair Bowen, Mr. Clark stated that this administrative regulation pertained to risk-based capital and revised the program slightly for clarification. There were currently no domestic fraternal benefit societies in Kentucky. This administrative regulation adjusted the multiplier regarding the six (6) trend test.

A motion was made and seconded to approve the following amendments: to amend the NECESSITY, FUNCTION, AND CONFORMITY paragraph and Sections 2, 4, and 12 to comply with the drafting and formatting requirements of KRS Chapter 13A. Without objection, and with agreement of the agency, the amendments were approved.

The following administrative regulations were deferred to the July 10, 2012, meeting of the Subcommittee:
GENERAL GOVERNMENT CABINET: Board of Dentistry: Board
201 KAR 8:562. Licensure of dental hygienists.

TOURISM, ARTS AND HERITAGE

CABINET: Department of Fish and Wildlife Resources: Game

301 KAR 2:041. Shooting areas, dog training areas, commercial foxhound training enclosures, and bobwhite shoot-to-train season.

JUSTICE AND PUBLIC SAFETY CABINET: Department of Corrections: Office of the Secretary

501 KAR 6:260. Procedures for recommendation of early termination of probation and review of compliance of supervised individuals.

501 KAR 6:280. Risk and needs assessment.

Other Business: Representative Ford introduced his legislative successor, David Meade.

The Subcommittee adjourned at 2:10 p.m. until July 10, 2012.

GOVERNMENT CONTRACT REVIEW COMMITTEE

Committee Minutes

May 8, 2012

Call to Order and Roll Call

The Government Contract Review Committee met on Tuesday, May 8, 2012, at 10:00 AM, in Room 171 of the Capitol Annex. Senator Vernie McGaha, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Vernie McGaha, Co-Chair; Representative Dennis Horlander, Co-Chair; Senators Julian M. Carroll, Carroll Gibson, and Paul Hornback; Representatives Brent Housman and Brent Yonts.

Guests: Bill Harris, Steve Byars, Don Hartman, Mitchell Payne, David Martin, Ryan Green, Tonia Wells, Bobbe Morris, Stacy Woodrum, Larry Arnett, Frank Reed, Amy Hislope, Paul Gannoe, Jennifer Linton, Felicia Smith, Karen Kidwell, Greg Guess, Dick Mink, Dr. William H. Martin and Barbara Pauley.

LRC Staff: Kim Eisner, Matt Ross, and Becky Brooker.

A motion was made by Representative Yonts to approve Minutes of the April 2012 meeting of the committee. Representative Horlander seconded the motion, which passed without objection.

DEFERRED ITEMS

A motion was made by Representative Housman to defer the following contract to the June 2012 meeting of the committee: WESTERN KENTUCKY UNIVERSITY, 111266, Madhouse. Representative Yonts seconded the motion, which passed without objection.

APRIL DEFERRED ITEMS

UNIVERSITY OF KENTUCKY:

Stites & Harbison, PLLC, K11-110. Bill Harris and Steve Byars discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Senator Carroll seconded the motion, which passed with Senator McGaha voting NO.

A motion was made by Representative Yonts to approve the following contracts: DEPARTMENT OF CRIMINAL JUSTICE TRAINING, 1200001881, University of Louisville; DEPARTMENT OF CRIMINAL JUSTICE TRAINING, 1200001876, Postsecondary Education KYVU; DEPARTMENT OF

EDUCATION, 1200001169, Rocky Mountain Center for Health Promotion Education. Representative Horlander seconded the motion, which passed without objection.

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

Amotion was made by Representative Yonts 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 Horlander seconded the motion, which passed without objection.

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

Amotion was made by Representative Yonts 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 Horlander seconded the motion, which passed without objection.

THE FOLLOWING PERSONAL SERVICE CONTRACTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS:

Luminosity Incorporated, 1200002381.

ATTORNEY GENERAL, OFFICE OF THE:

Tichenor & Associates, 1200001953.

DEPARTMENT FOR BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES:

Med Care Pharmacy, LLC, 1200001646; Insight Psychological Consultants, PSC, 1200001655.

DEPARTMENT FOR COMMUNITY BASED SERVICES:

Child Care Council of Kentucky, 1200002082.

DEPARTMENT OF ENERGY DEVELOPMENT AND INDEPENDENCE:

Midwest Energy Efficiency Alliance, 1200001592.

EASTERN KENTUCKY UNIVERSITY:

Davis-Mayo Associates, LLC, 12-059.

EDUCATION PROFESSIONAL STANDARDS BOARD:

Randy Barrette, 1200001770; Veda McClain, 1200001821; Sandra T. Stanley, 1200002067.

EDUCATION, DEPARTMENT OF:

William Powers Auty, 1200001560.

FINANCE AND ADMINISTRATION CABINET:

PFM Asset Management LLC, 1200002454.

FINANCE AND ADMINISTRATION CABINET - DIVISION OF ENGINEERING:

EOP Architects, PSC, 1200001615.

KENTUCKY HOUSING CORPORATION:

Lerner, Sampson & Rothfuss, 2013-10; McBrayer, McGinnis, Leslie & Kirkland, PLLC, 2013-15; Caine Mitter & Associates, 2013-3.

KENTUCKY LOTTERY CORPORATION:

Delehanty Consulting, LLC, 12-12-031; OrderPad Software Incorporated, 13-04-073; Kizan Technologies, LLC, 13-05-013; PriceWeber Marketing Communications Incorporated, 13-08-043; M & S Works Incorporated, 13-09-008-2; PDT Communications Limited, 13-10-027; Software Information Systems, LLC, 13-10-053; Jeff Sexton, 13-98-054.

MURRAY STATE UNIVERSITY:

NORTHERN KENTUCKY UNIVERSITY:

Dean Dorton Allen Ford, 2012-578-1.

OFFICE OF THE SECRETARY FOR THE LABOR CABINET:

Hurt Crosbie & May, 1200001747.

POST SECONDARY EDUCATION, COUNCIL ON:

Collaborative for Teaching & Learning, 1200001978; Blue & Company LLC, 1200002135.

TRANSPORTATION CABINET:

Michael Baker Jr. Incorporated, 1200001733; Area Appraisal Service, 1200002037; Palmer Engineering Company, 1200002167; QK4, 1200002232; Stantec Consulting Services Incorporated, 1200002237; Stantec Consulting Services Incorporated, 1200002238; Stantec Consulting Services Incorporated, 1200002239; Stantec Consulting Services Incorporated, 1200002240; Stantec Consulting Services Incorporated, 1200002241; URS Corporation, 1200002258; CDM Smith, Incorporated, 1200002310; CDM Smith Incorporated, 1200002315; CDM Smith Incorporated, 1200002316.

UNIVERSITY OF KENTUCKY:

Stengel-Hill Architecture, A121140; Bronaugh & Pulliam, LLC, SVN, K13-103.

UNIVERSITY OF LOUISVILLE:

APTEC, LLC, 12-059; Six Feet Up, 12-060; The Estopinal Group, LLC, 12-064; JRA Architects Incorporated, 12-065; John McGinnis Auctioneers Incorporated d/b/a McGinnis Auction & Appraisal Service, 12-066; Multi, 13-001A-H.

VETERANS AFFAIRS, DEPARTMENT OF:

Trover Clinic Foundation, 1200001400; Trover Clinic Foundation, 1200001402; Trover Clinic Foundation, 1200001407; Trover Clinic Foundation, 1200001409; Trover Clinic Foundation, 1200001410; Trover Clinic Foundation, 1200001411; Trover Clinic Foundation, 1200001412; Veterans of Foreign Wars, 1200002340; Disabled American Vets, 1200002361.

WESTERN KENTUCKY UNIVERSITY:

Earth Force, 111260; Multi, 111261; Lynne I. Sullivan, 111264; TWH Consulting, 111265.

Workers Claims, Department of: Practical Actuarial Solutions Incorporated, 1200001380.

THE FOLLOWING PERSONAL

SERVICE AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:

CORRECTIONS, DEPARTMENT

OF:

Big Brothers Big Sisters of Kentuckiana Incorporated, 1200000834.

DEPARTMENT FOR

BEHAVIORAL HEALTH,

DEVELOPMENTAL AND

INTELLECTUAL DISABILITIES:

Dennis Buchholz, Ph D & Associates, 1000003965; Med Care Pharmacy, LLC, 1100000171; Med Care Pharmacy, LLC, 1100000679.

DEPARTMENT FOR BUSINESS DEVELOPMENT:

General Electric Company, 1000002289.

DEPARTMENT FOR FAMILY RESOURCE CENTERS & VOLUNTEER SERVICES:

Kentucky Domestic Violence Association, 1100000173.

DEPARTMENT FOR INCOME

SUPPORT:

John M. Reed MD, 1000004035.

DEPARTMENT FOR NATURAL

RESOURCES:

Bowser Morner Associates Incorporated, 0900012877.

DEPARTMENT FOR PUBLIC

HEALTH:

Norton Healthcare Incorporated 1000001613; Multi, 1000002141; URS Corporation, 1100002071; Crown Services Incorporated, 1100002415.

EDUCATION, DEPARTMENT OF:

Bethune Institute, 1000002593; Multi, 1200000602.

EDUCATIONAL TELEVISION, KENTUCKY:

Susan B. Hines-Brinker, 1100002843; James R. Slone, 1100003028; James Bugay, 1100003029; Roger M. Bondurant, 1100003030; Britt Davis, 1100003031; Michelle Larock, 1100003032; William K. Durham, 1200000084; Steven Shaw, 1200001028.

FINANCE AND

ADMINISTRATION CABINET -

DIVISION OF ENGINEERING:

Ross Tarrant Architects Incorporated, 0600002231; Stantec Consulting Services Incorporated, 0800007671; Omni Architects, C-05256615.

KENTUCKY HOUSING

CORPORATION:

Conservation Services Group Incorporated, 2012-21.

KENTUCKY LOTTERY

CORPORATION:

Goldberg Simpson, LLC, 12-11-0372; TEK Systems, 12-11-040.

MEDICAL LICENSURE, BOARD

OF:

Multi, 1000002739.

NORTHERN KENTUCKY

UNIVERSITY:

Multi, 2012-563.

TRANSPORTATION CABINET:

Linebach Funkhouser Incorporated, 1000003313; Corradino Group, 1000003373; Linebach Funkhouser Incorporated, 1000004128; QK4, 1100000706; Third Rock Consultants, LLC, 1100000710; HMB Professional Engineers Incorporated, 1100000715; Vaughn & Melton Consulting Engineers (Kentucky) Incorporated, 1200000458; E A Partners, PLC, C-03011914-2.

UNIVERSITY OF KENTUCKY:

CMTA Incorporated, A121090; PricewaterhouseCoopers, LLP, K11-138.

UNIVERSITY OF LOUISVILLE:

Senler, Campbell & Associates Incorporated 11-048.

VETERANS AFFAIRS,

DEPARTMENT OF:

Multi, 1000002522.

WESTERN KENTUCKY

UNIVERSITY:

Educational Computer Systems Incorporated, 101202; Contemporary Services Corporation, 111218; DemandEngine Incorporated, 111246.

THE FOLLOWING

MEMORANDA OF AGREEMENTS

WERE REVIEWED WITHOUT

OBJECTION:

AGRICULTURE, DEPARTMENT

OF:

Kiwanis International of Georgetown, 1200002147; Multi, 1200002235.

CORRECTIONS, DEPARTMENT

OF:

Hardin County Jail, 1200001683.

DEPARTMENT FOR

ENVIRONMENTAL PROTECTION:

University of Louisville Research Foundation, 1200002095.

DEPARTMENT FOR INCOME

SUPPORT:

South Carolina Department of Social Services, 1200001542.

DEPARTMENT FOR NATURAL

RESOURCES:

Southeast Regional Technology Center, 1200001364; Hazard Community & Technical College, 1200001396.

DEPARTMENT OF

ENERGY DEVELOPMENT AND

INDEPENDENCE:

University of Louisville Research Foundation, 1200001651.

DEPARTMENT OF WORKPLACE

STANDARDS:

Office of Vocational Rehabilitation, 1200001422.

EDUCATION, DEPARTMENT OF:

University of Kentucky Research Foundation, 1200001716; West Kentucky Education Cooperative Special Education, 1200001719; Jefferson County Board of Education, 1200002188; Carroll County Board of Education, 1200002195; Scott County Board of Education, 1200002202; Franklin County Board of Education, 1200002203; Knox County Board of Education, 1200002210; Daviess County Board of Education, 1200002211; Jessamine County Board of Education, 1200002215.

FINANCE AND

ADMINISTRATION CABINET:

University of Kentucky Research Foundation, 1200002402.

FISH & WILDLIFE, DEPARTMENT

OF:

Mammoth Cave Resource Conservation & Development Area Incorporated, 1200001213.

I N F R A S T R U C T U R E

AUTHORITY:

Knott County Fiscal Court, 1200002296; City of Whitesburg, 1200002311; Mountain Water District, 1200002325; City of Campton, 1200002328; Perry County Fiscal Court, 1200002401; Perry County Fiscal Court, 1200002407; Perry County

Fiscal Court, 1200002409; City of Pikeville, 1200002480; City of Pikeville, 1200002481; Mountain Water District, 1200002482.

MILITARY AFFAIRS.
DEPARTMENT OF:

Multi, 1200001146.
MURRAY STATE UNIVERSITY:
Hickman County Schools, 900-13.
OFFICE OF THE GOVERNOR.
DEPARTMENT FOR LOCAL GOVERNMENT:

Magoffin County Fiscal Court, 1200000936; City of Fleming-Neon, 1200001353; Daviess County Fiscal Court, 1200001986; Webster County Fiscal Court, 1200002130; Webster County Fiscal Court, 1200002132; City of Russell, 1200002176; City of Munfordville, 1200002248; Floyd County Fiscal Court, 1200002428.

TRANSPORTATION CABINET:
National Highway Institute, 1200001574.

WORKFORCE INVESTMENT.
OFFICE OF:
Commonwealth of Kentucky Personnel Cabinet, 1200001819.

THE FOLLOWING MEMORANDA OF AGREEMENT AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS:

Cumberland River Mental Health Mental Retardation Board Incorporated, 1100003107.

AGRICULTURE, DEPARTMENT OF:
Multi, 0900011602; Multi, 0900011666.

DEPARTMENT FOR AGING & INDEPENDENT LIVING:

Purchase Area Development District, 1100002097; Bluegrass Area Development District, 1100002112; Kentuckiana Regional Planning, 1100002116; Lake Cumberland Area Development District, 1100002130; Cumberland Valley Area Development District, 1100002161; Fivco Area Development District, 1100002164; Northern Kentucky Area Development District, 1100002166.

DEPARTMENT FOR BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES:

University of Kentucky Research Foundation, 1000003584-1; Four Rivers Behavioral Health, 1100002031; Pennyroyal Mental Health, 1100002032; Green River Regional Mental Health Mental Retardation Board d/b/a Rivervalley Behavior, 1100002033; Lifeskills Incorporated, 1100002034; Communicare Incorporated, 1100002035; Northern Kentucky Regional Mental Health Mental Retardation Board, 1100002037; Comprehend Incorporated, 1100002038; Pathways Incorporated, 1100002039; Mountain Comprehensive Care Center, 1100002040; Kentucky River Community Care, 1100002041; Cumberland River Mental Health Mental Retardation Board Incorporated, 1100002042; Lake Cumberland Mental Health Mental Retardation Board d/ b/a The Adanta Group, 1100002043; Bluegrass Regional Mental Health Mental Retardation, 1100002044.

DEPARTMENT FOR

COMMUNITY BASED SERVICES:

Louisville/Jefferson County Metro Government, 1100001864; Kentucky Association of Sexual Assault Programs, 1100001889; Eastern Kentucky University, 1100002010.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION:

Department of the Army Corps of Engineers, 1200000733.

DEPARTMENT FOR FAMILY RESOURCE CENTERS & VOLUNTEER SERVICES:

Ohio Valley Education Cooperative, 1000001561; Eastern Kentucky University Contracts, 1000003918.

DEPARTMENT FOR PUBLIC HEALTH:

University of Louisville Research Foundation, 1000004232; University of Kentucky Research Foundation, 1100002514.

DEPARTMENT OF ENERGY DEVELOPMENT AND INDEPENDENCE:

National Energy Education Development Project, 1000000141; Finance & Administration Cabinet, 1000000150; Finance & Administration Cabinet, 1000000151; Finance & Administration Cabinet, 1000000151; Finance & Administration Cabinet, 1000000157; Kentucky School Boards Association Educational Foundation, 1000001115; Kentucky Housing Corporation, 1000002828.

DEPARTMENT OF INSURANCE:
KCTCS Finance Department, 1000003340.

DEPARTMENT OF WORKPLACE STANDARDS:

U.S. Department of Labor OSHA, 1200000618.

EDUCATION, DEPARTMENT OF:

Larue County Board of Education, 1000003500; Corbin Independent Board of Education, 1000004208; Shelby County Board of Education, 1100002241; Fayette County Board of Education, 1100002249; Shelby County Board of Education, 1100002250; Spencer County Board of Education, 1100002266; Shelby County Board of Education, 1100002576; Hopkins County Board of Education, 1100002580; Northern Kentucky University Research Foundation, 1100002587; Shelby County Board of Education, 1100002595; Shelby County Board of Education, 1100002600; University of Kentucky Research Foundation, 1200000270.

INFRASTRUCTURE AUTHORITY:

City of White Plains, 0800010315; City of Elkhorn City, 0800010383; City of Vicco, 0800010402; Perry County Fiscal Court, 0800010405; Perry County Fiscal Court, 0800010408; Mountain Water District, 0900011386; Mountain Water District, 0900011387; Henderson County Fiscal Court, 0900011658; Mountain Water District, 0900012076; Harlan County Fiscal Court, 0900012663; Letcher County Fiscal Court, 0900012843; Letcher County Fiscal Court, 0900012844; Letcher County Fiscal Court, 0900012856; Harlan County Fiscal Court, 0900013009; Letcher County Fiscal Court, 0900013013; Mountain Water District, 1000000054; Harlan County Fiscal Court, 1000000200; Letcher County Water & Sewer District, 1000001146; City of Madisonville,

1000002153; Harlan County Fiscal Court, 1000002294; Harlan County Fiscal Court, 1000002567; City of Buckhorn, 1000002778; Breathitt County Fiscal Court, 1100001223; City of Clay, 1100001412; City of Sebree, 1100001417; Knott County Fiscal Court, 1100001474; Knott County Fiscal Court, 1100001475; City of Hazard, 1100001479; Letcher County Fiscal Court, 1100001541; City of Booneville, 1100001672; City of Pikeville, 1100001685; City of Pikeville, 1100001725; City of Salyersville, 1100001842; City of Salyersville, 1100001922; City of Salyersville, 1100001977; City of Corbin Utilities Commission, 1100002432; City of Dixon, 1200000160; City of Sturgis, 1200000345; Drakesboro Water & Sewer, 1200000427; City of Sturgis, 1200000561; City of Sturgis, 1200000573; City of Sturgis, 1200000574; Breathitt County Fiscal Court, 1200000719; City of Sturgis, 1200000797; City of Sturgis, 1200000798; Knott County Fiscal Court, 1200000867; Henderson County Water District, 1200000881; Henderson County Water District, 1200000882; Henderson County Water District, 1200000886; Henderson County Water District, 1200000887; Mountain Water District, 1200000925; Mountain Water District, 1200000926; City of Providence, 1200000927; Elkhorn City, 1200001030; Elkhorn City, 1200001031; Lawrence County Fiscal Court, 1200001273; City of Pikeville, 1200001436; Knott County Fiscal Court, 1200002053.

KENTUCKY HOUSING CORPORATION:

UK Research Foundation Center for Drug & Alcohol Research, 2012-4.

MILITARY AFFAIRS.
DEPARTMENT OF:

Multi, 0800011286.

OFFICE OF THE GOVERNOR.
DEPARTMENT FOR LOCAL GOVERNMENT:

Knott County Fiscal Court, 0900012957; Housing Partnership, 1000000717; Pennyryle Housing Corporation, 1000000734; Henderson County Fiscal Court, 1000001458; Harlan County Fiscal Court, 1100001132; City of Elkhorn City, 1100001623; Pineville Independent School System, 1100001728; Pike County Fiscal Court, 1100001928; Pike County Fiscal Court, 1100001929; City of Brodhead, 1100002066; Morgan County Board of Education, 1100003008; Perry County Board Education, 1100003070; Wolfe County Board of Education, 1100003108; Letcher County Fiscal Court, 1200000291; City of Elkhorn City, 1200000314; City of Pikeville, 1200000748; Knott County Fiscal Court, 1200001271; Hopkins County Fiscal Court, 1200001621; City of Campton, 1200001879.

THE FOLLOWING PERSONAL SERVICE CONTRACTS WERE SELECTED FOR FURTHER REVIEW:

UNIVERSITY OF KENTUCKY:
KPFF Consulting Engineers, K12-143; Intech Contracting, LLC, K12-144. Don Hartman discussed the contracts with the committee. A motion was made by Representative Yonts to consider the contracts as reviewed. Senator Carroll seconded the motion, which passed

without objection.

UNIVERSITY OF LOUISVILLE:
Greenwood/Asher & Associates Incorporated, 12-055; Academic Search Incorporated, 12-056; Baker & Associates, LLC, 12-057. Mitchell Payne and David Martin discussed the contracts with the committee. A motion was made by Representative Yonts to consider the contracts as reviewed. Representative Horlander seconded the motion, which passed with Senator Hornback and Representative Housman voting NO.

WORKFORCE INVESTMENT.
OFFICE OF:

Peck, Shaffer & Williams, LLP, 1200002417. Ryan Green discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Representative Horlander seconded the motion, which passed without objection.

THE FOLLOWING PERSONAL SERVICE CONTRACTS AMENDMENTS WERE SELECTED FOR FURTHER REVIEW:

DEPARTMENT FOR AGING & INDEPENDENT LIVING:

Neurobehavioral Resources Limited, 1100001839. Tonia Wells, Bobbe Morris and Stacy Woodrum discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Representative Horlander seconded the motion, which passed without objection.

DEPARTMENT FOR NATURAL RESOURCES:

Urgent Treatment Centers, 1000002822. Larry Arnett, Frank Reed, and Amy Hislope discussed the contract with the committee. A motion was made by Senator Carroll to consider the contract as reviewed. Representative Housman seconded the motion, which passed without objection.

FINANCE AND ADMINISTRATION CABINET - DIVISION OF ENGINEERING:

Fitzsimons Office of Architecture Incorporated, 1000002919. Paul Gannoe and Jennifer Linton discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Representative Horlander seconded the motion, which passed without objection.

THE FOLLOWING PERSONAL SERVICE CONTRACTS FOR \$10,000 AND UNDER WERE SELECTED FOR FURTHER REVIEW:

WORKFORCE INVESTMENT.
OFFICE OF:

Brustein & Manasevit, PLLC, 1200002126. Ryan Green discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Representative Horlander seconded the motion, which passed without objection.

THE FOLLOWING MEMORANDUM OF AGREEMENT WAS SELECTED FOR FURTHER REVIEW:

EDUCATION, DEPARTMENT OF:
Kentucky Center for the Arts, 1200001811. Felicia Smith and Karen Kidwell discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Representative

Horlander seconded the motion, which passed with Senator Hornback voting NO.

THE FOLLOWING MEMORANDA OF AGREEMENTS AMENDMENTS WERE SELECTED FOR FURTHER REVIEW:

DEPARTMENT OF ENERGY DEVELOPMENT AND INDEPENDENCE:

Finance & Administration Cabinet, 1000000150. Greg Guess and Dick Mink discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Senator Hornback seconded the motion, which passed without objection.

EXEMPTION REQUESTS EDUCATION AND WORKFORCE DEVELOPMENT CABINET, OFFICE OF LEGAL AND LEGISLATIVE SERVICES:

The Education and Workforce Development Cabinet, Office of Legal and Legislative Services requested an exemption pertaining to the Legal Maximum Rate Schedule Requirement GCRC Policy Statement 99-1. The exemption is applicable to the bond counsel contract with Peck, Shaffer & Williams, LLP. This contract sets a negotiated rate of \$.75 per \$1,000 bond issued for fixed rate private placement special revenue bonds. Ryan Green discussed the exemption request with the committee. A motion was made by Representative Yonts to approve the request. Representative Horlander seconded the motion, which passed unanimously.

EDUCATION AND WORKFORCE DEVELOPMENT CABINET, DEPARTMENT OF EDUCATION:

The Department of Education requested exemption pertaining to the Biennial Requirement GCRC Policy Statement 99-4. A motion was made by Representative Yonts to approve the request to September 30, 2014. Senator Hornback seconded the motion, which passed unanimously.

ENERGY AND ENVIRONMENT CABINET, OFFICE OF THE SECRETARY:

The Energy and Environment Cabinet, Office of the Secretary on behalf of the Kentucky Heritage Land Conservation Fund requested an exemption pertaining to the biennial requirement GCRC Policy Statement 99-4 and requests an exemption from committee's routine review process and will provide quarterly reports. Dr. William H. Martin and Barbara Pauley discussed the exemption request with the committee. A motion was made by Representative Housman to approve the request to June 30, 2014. Representative Yonts seconded the motion, which passed unanimously.

With no further business before the committee, the meeting adjourned at 11:28 AM.

GOVERNMENT CONTRACT REVIEW COMMITTEE

Committee Minutes
June 12, 2012

Call to Order and Roll Call

The Government Contract Review Committee met on Tuesday, June 12, 2012,

at 10:00 AM, in Room 171 of the Capitol Annex. Representative Dennis Horlander, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Vernie McGaha, Co-Chair; Representative Dennis Horlander, Co-Chair; Senators Julian M. Carroll, Carroll Gibson, and Paul Hornback; Representatives Brent Housman and Brent Yonts.

Guests: Ken Schwendemen, Kathy Burke, Kevin Mudd, Don Speer, Todd Mobley, Rachel Auxier, Doug Lefevers, Dr. Kraig Humbaugh, Phil Rosell, Karen Sams, Lora Snider, Linda Herzog, Lisa Beran, Mary Harville, Gary Ruskowski, Peggy Stratton, Phil Logsdon, Mike Hancock, Rebecca Goodman, DJ Wasson, Daryl Thompson, Paul Gannoe, Wayne Burd, Mike Hill, R. Winn Turney, Rick Boggs, Greg Guess, and Michael Denney.

LRC Staff: Kim Eisner, Matt Ross, and Becky Brooker.

A motion was made by Representative Yonts to approve Minutes of the May 2012 meeting of the committee. Senator Carroll seconded the motion, which passed without objection.

MAY DEFERRED ITEMS WESTERN KENTUCKY UNIVERSITY:

Madhouse, 111266. A motion was made by Representative Yonts to consider the contract as reviewed. Senator Carroll seconded the motion, which passed without objection.

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

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

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

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

THE FOLLOWING PERSONAL SERVICE CONTRACTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS:

Greenebaum Doll & McDonald, 1200002672.

CORRECTIONS, DEPARTMENT OF:

Brenda Laurie Huntsman, 1200001739.

CRIMINAL JUSTICE TRAINING, DEPARTMENT OF:

Concentra Laboratory, LLC, 1200002459; Anthony P. Vilardo,

1200002725; Doug Czor, 1200002727.

DEPARTMENT FOR BEHAVIORAL HEALTH DEVELOPMENTAL AND INTELLECTUAL DISABILITIES:

Lake Cumberland Mental Health Mental Retardation Board d/b/a The Adanta Group, 1200002295.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION:

Terry Gray, 1200002119; Pinnacle Actuarial Resources Incorporated, 1200002244; Larry J. Sowder, 1200002320.

DEPARTMENT FOR MEDICAID SERVICES:

Navigant Consulting Incorporated, 1200001278.

EASTERN KENTUCKY UNIVERSITY:

Assured N.L. Insurance Agency Incorporated, 14-006; Crowe Horwath, LLP, 14-007; Ellen C. Williams, LLC - Capital Network, 14-008.

EDUCATION PROFESSIONAL STANDARDS BOARD:

Laura Cullen Glasscock, 1200001772; Bobby S. Pace, 1200002463; Robert S. Thompson, III, 1200002464; Boehl Stopher & Graves, LLP, 1200002599; Cynthia Grohman, 1200002621; R. Dianna Carr, 1200002784; Gary W. Freeland, 1200002909.

EDUCATION, DEPARTMENT OF: Public Consulting Group, 1200002453; Curriculum Associates, LLC, 1200002573; Marketing & Business Administration Research and Curriculum Center Incorporated, 1200002673.

EMBALMERS & FUNERAL HOME DIRECTORS, BOARD OF:

Kathleen K. Schell, 1200002805.

FAIR BOARD:

Mountjoy Chilton Medley, LLP, 1200002468; Harold F. Workman, 1200002617.

FINANCE AND ADMINISTRATION CABINET - DIVISION OF ENGINEERING:

Third Rock Consultants LLC, 1200002437; Schnabel Dam Engineering Incorporated, 1200002448; Tate Hill Jacobs Architect Incorporated, 1200002460; Shrout Tate Wilson Consulting Engineers, PLLC, 1200002462.

HIGHER EDUCATION ASSISTANCE AUTHORITY, KENTUCKY:

Mountjoy Chilton Medley, LLP, 1200002390; Mountjoy Chilton Medley, LLP, 1200002610.

HORSE PARK, KENTUCKY:

John D. Nicholson, 1200001851.

INFRASTRUCTURE AUTHORITY:

American Municipal Tax-Exempt Compliance Corporation, 1200002618; Peck Shaffer & Williams, LLP, 1200002651.

KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION:

Mountjoy Chilton Medley, LLP, 13-001; Human Development Company Incorporated, 13-002.

KENTUCKY HOUSING CORPORATION:

Stierle & Rettig, LLLP, 2013-11; Goldberg Simpson, LLC, 2013-12; Middleton Reutlinger, 2013-13; Crowe

Horwath, LLP, 2013-16; McBrayer, McGinnis, Leslie & Kirkland, PLLC, 2013-19; AFC First Financial Corporation (AFC), 2013-20; Conservation Services Group Incorporated (CSG), 2013-21; BLX Group, LLC, 2013-4.

KENTUCKY LOTTERY CORPORATION:

Chase Bank, 13-06-026; Commonwealth Radio Reports, 13-08-002; Blue & Company, LLC, 13-08-050; Gaming Laboratories International, LLC, 13-09-031; Goldberg Simpson, 13-11-037-2; TEK Systems, 13-11-040; Delehanty Consulting, LLC, 13-12-031.

LEGISLATIVE RESEARCH COMMISSION:

Sheryl G. Snyder, 12/13-04.

MEDICAL LICENSURE, BOARD OF:

Thomas J Hellmann, Attorney-at-law, PLLC, 1200002716.

MILITARY AFFAIRS, DEPARTMENT OF:

Cassidy & Associates Incorporated, 1200002513.

MOREHEAD STATE UNIVERSITY:

Sturgill, Turner, Barker & Moloney, PLLC, 13-001; Wyatt, Tarrant & Combs, LLP, 13-002.

MURRAY STATE UNIVERSITY:

Robert Clark Harris, MD, 001-13; Boswell, Sims & Vasseur, PLLC, 002-13; VPS Architecture, PSC, 004-13; Hastings & Chivetta Incorporated, 005-13; Hastings & Chivetta Incorporated, 007-13; Multi, 008-13; Multi, 011-13.

OFFICE OF THE GOVERNOR, DEPARTMENT FOR LOCAL GOVERNMENT:

ICF Incorporated, LLC, 1200002458.

PHARMACY, BOARD OF:

McBrayer McGinnis Leslie & Kirkland, 1200002283.

TOURISM DEVELOPMENT CABINET:

Searchwide Minnesota, LLC, 1200002984.

TRANSPORTATION CABINET:

James Bauer, 1200001991; M. A. Allgeier, MAI, 1200001993; Rick O. Baumgardner, 1200001994; Edward L. Beck, 1200001995; Berkley Appraisal Company, 1200001996; Charles Joseph Bird, 1200001997; Harold Brantley, 1200001998; Paul D. Brown, 1200001999; Curd Professional Appraisal Services, 1200002001; James Doran, 1200002003; Robert Edwards, 1200002004; Gary Endicott, 1200002005; Thurston Freeman, 1200002006; Williams Appraisal Company, 1200002007; Thomas Ray Garner, 1200002009; J. Michael Jones, 1200002019; Keaton Real Estate Services, LLC, 1200002020; Jere Kennedy, 1200002021; John Daniel Lyons, 1200002022; Paul E. McDonogh, 1200002025; McPherson Appraisal Service, 1200002026; M. K. Merrill, 1200002027; Kentucky Field Service Realty, 1200002029; Murphy Napier & Company Real Estate Appraisers Incorporated, 1200002030; Dixon Nunnery, 1200002032; Intequal-Duncan Appraisal, 1200002033; Brook Ping, 1200002035; Prater Willie, 1200002036; G. Herbert Pritchett, 1200002038; Stephen G. Raleigh, 1200002039; Darval E. Rash, 1200002040; Appco Appraisal

Service Incorporated, 1200002041; W. Clement Russell, 1200002042; F.A.R.M. Appraisals, 1200002043; David P. Schoepf & Associates, 1200002044; Vaughn & Melton, 1200002045; Belinda Shouse d/b/a Brandis Incorporated, 1200002046; Sloan Appraisal & Realty Services, 1200002048; Tammy L. Barnes, 1200002049; Philip J. Tamplin, Jr., 1200002050; Dana Thornberry Appraisals, LLC, 1200002051; E. Clark Toleman, MAI, 1200002052; Waldrop & Associates, 1200002054; William R. Cox, 1200002055; Allgeier Company, 1200002057; Cornerstone Commercial Appraising & Real Estate, LLC, 1200002145; PB Americas Incorporated, 1200002487; QK4, 1200002490; CDM Smith Incorporated, 1200002495; Burgess & Niple Incorporated, 1200002585; Infrastructure Engineers Incorporated, 1200002590; QK4, 1200002605; Palmer Engineering Company, 1200002607; GRW Engineers Incorporated, 1200002609; HDR Engineering Incorporated, 1200002612; Palmer Engineering Company, 1200002613.

UNIVERSITY OF KENTUCKY:
LaZerCAD, LLC, K12-145; Siva Corrosion Services Incorporated, K12-146; Sturgill, Turner, Barker & Maloney, PLLC, K13-104; Stidham & Associates, K13-105; Kriz, Jenkins, Prewitt & Jones, PSC, K13-106; Fulkerson & Kinkel, PLLC, K13-107; Walther, Roark & Gay, PLC, K13-108; Wyatt, Tarrant & Combs, LLP, K13-109; R. Bruce Lankford, K13-110; Cornett Integrated Strategic Marketing, K13-111.

UNIVERSITY OF LOUISVILLE:
Power Creative, 13-002; Red7e, 13-003; BKD, LLP, 13-006.

VETERANS AFFAIRS, DEPARTMENT OF:
Quality Mobile X-ray Services Incorporated, 1200001416; Hazard ARH Imaging Center, 1200002213; American Legion, 1200002236; Hazard Radiology Associates, 1200002312; Urgent Treatment Centers, 1200002450.

WESTERN KENTUCKY UNIVERSITY:
Multi, 121301.
WORKFORCE INVESTMENT, OFFICE OF:
Donald L. Chaffin, 1200002524; John G. Turner, R. Ph., 1200002531.

THE FOLLOWING PERSONAL SERVICE AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:

CORRECTIONS, DEPARTMENT OF:
The Kentucky Foundation for Women Incorporated, 1200000924.

CRIMINAL JUSTICE TRAINING, DEPARTMENT OF:
Law Enforcement Services Incorporated, 1000002723; Kentucky School Board Association, 1200001419.

DEPARTMENT FOR BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES:

Best Buddies International, 1000001529; Arc of Kentucky Incorporated, 1000001539; Kentucky Self-Advocates for Freedom Incorporated, 1000001543; Kentucky Partnership for Families & Children Incorporated,

1100000203; Reach of Louisville Incorporated, 1100000243.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION:
Tetra Tech Incorporated 0600002004; Coyle & Associates, 1000003015; Stantec Consulting Services Incorporated, 1100002226; Tetra Tech Incorporated, 1100002229.

DEPARTMENT FOR FAMILY RESOURCE CENTERS & VOLUNTEER SERVICES:

Homeless & Housing Coalition of Kentucky, 1000001527.

DEPARTMENT FOR MEDICAID SERVICES:
Cognosante, LLC, 1100000681; PricewaterhouseCoopers, 1100000695.

DEPARTMENT FOR NATURAL RESOURCES:
Tichenor & Associates, 1100000202.

DEPARTMENT FOR PUBLIC HEALTH:
Volunteers of America of Kentucky Incorporated, 1100000118; Heartland Cares Incorporated, 1100000121.

EDUCATION, DEPARTMENT OF:
Edgar Pete Miller, 1000002535; Kentucky Clean Fuels Coalition, 1000002684.

FAIR BOARD:
Harold Workman, 1000002520.

FINANCE AND ADMINISTRATION CABINET:
Cunningham Lindsey US Incorporated, 1100003015-1.

FINANCE AND ADMINISTRATION CABINET - DIVISION OF ENGINEERING:

Omni Architects, 0900011348; Paladin Incorporated, 1100002046; Ross Tarrant Architects Incorporated, 1200000613; Ross Tarrant Architects Incorporated, C-06082726.

KENTUCKY HOUSING CORPORATION:
Conservation Services Group Incorporated, 2011-23; Law Offices of Cecil Dunn, 2012-15.

LEGISLATIVE RESEARCH COMMISSION:
Robert Linn, 11/12-04; Ron Hambleton, 11/12-06; Pat Roschewski, 11/12-07; Daniel Koretz, 11/12-08; Doris Redfield, 11/12-09.

MEDICAL LICENSURE, BOARD OF:
Multi, 1000002739; Multi, 1000002739.

NORTHERN KENTUCKY UNIVERSITY:
Max Stark & Associates, 2012-582.

OFFICE OF THE GOVERNOR, DEPARTMENT FOR LOCAL GOVERNMENT:

Jeffrey P. Hanna, 1100000666.
SECRETARY OF STATE, OFFICE OF THE:
Multi, 1200001359.

TRANSPORTATION CABINET:
T.H.E. Engineers Incorporated, 0600001480; H A Spalding Incorporated, 0600001522; QK4, 0600002166; American Engineers Incorporated, 0800008311; QK4, 0800010327; H A Spalding Incorporated, 1000001390; T.H.E. Engineers Incorporated, 1000001409; Geotech Engineering & Testing Incorporated, 1000001930; Lee Engineering, LLC, 1000003383;

Lee Engineering, LLC, 1000003573; Cultural Resource Analysts Incorporated, 1100000722; URS Corporation, 1100001712; Vaughn & Melton, 1100001915; Florence & Hutcheson, 1100001917; Florence & Hutcheson, 1100001923; Lochner H W Incorporated Consulting, 1100001937; CDM Smith Incorporated, 1200002315; CDM Smith Incorporated, 1200002316; American Engineers Incorporated, C-00121732-3; DLZ Kentucky Incorporated, C-05395270; Florence & Hutcheson, C-99005084-5; Vaughn and Melton, C-99005665-5; Presnell Associates Incorporated d/b/a Qk4, C-99059032-5.

UNIVERSITY OF KENTUCKY:
GBBN Architects, A061080; S1 IT Solutions, K12-133; S1 IT Solutions, K12-142; LaZerCAD, LLC, K12-145.
UNIVERSITY OF LOUISVILLE:
Multi, 11006A-I.

THE FOLLOWING MEMORANDA OF AGREEMENTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS:
Pennyroyal Mental Health, 1200002129.

AGRICULTURE, DEPARTMENT OF:

Northern Kentucky Area Development District, 1200002541; Purchase Area Development District, 1200002543; God's Pantry Food Bank Incorporated, 1200002545; Dare to Care Food Bank, 1200002547; Feeding America, Kentucky's Heartland, 1200002548; Dare to Care Food Bank, 1200002549; Feeding America, Kentucky's Heartland, 1200002550; God's Pantry Food Bank Incorporated, 1200002551; Purchase Area Development District, 1200002552; Northern Kentucky Area Development District, 1200002553.

COMMISSION FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS:

Children's Hospital Foundation, 1200002125.

CORRECTIONS, DEPARTMENT OF:

Eastern Kentucky University, 1200002436; Eastern Kentucky University, 1200002447.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION:
Madison County Fiscal Court, 1200002137; Morehead State University, 1200002177; Morehead State University, 1200002196.

DEPARTMENT FOR PUBLIC HEALTH:

Walgreen Company, 1200000648; Southside Pic Pac Incorporated, 1200002178; Commonwealth of Kentucky Personnel, 1200002208.

DEPARTMENT OF ENERGY DEVELOPMENT AND INDEPENDENCE:

University of Kentucky Research, 1200001650.

EASTERN KENTUCKY UNIVERSITY:

Diabetes Center of Excellence/ Madison County Health Department, 14-001.

ECONOMIC DEVELOPMENT - OFFICE OF THE SECRETARY:

Nucleus: Kentucky's Life Sciences & Innovation Center, 1200002688.

EDUCATION, DEPARTMENT OF:
Eastern Kentucky University, 1200002467.

HORSE PARK, KENTUCKY:
Georgetown Scott County Parks & Recreation, 1200002245; Blackburn Correctional Complex, 1200002412.

KENTUCKY RIVER AUTHORITY:

US Department of Interior Geological Survey, 1200002493.

KY STATE NATURE PRESERVES COMMISSION:
University of Louisville, 1200001786.

OFFICE OF THE GOVERNOR, DEPARTMENT FOR LOCAL GOVERNMENT:

Muhlenberg County Fiscal Court, 1200000972; Owsley County Fiscal Court, 1200001200; City of Middlesboro, 1200001260; Perry County Fiscal Court, 1200001977; Madisonville Community College, 1200002496; Harlan County Fiscal Court, 1200002497; Hopkins County Fiscal Court, 1200002510; Magoffin County Fiscal Court, 1200002565; Magoffin County Fiscal Court, 1200002574; Magoffin County Fiscal Court, 1200002576; Muhlenberg County Fiscal Court, 1200002578; City of Prestonsburg, 1200002606; City of Salt Lick, 1200002608; Floyd County Fiscal Court, 1200002659; Casey County Fiscal Court, 1200002741; Bell County Fiscal Court, 1200002769; Letcher County Fiscal Court, 1200002818; Pike County Fiscal Court, 1200002836; City of Mortons Gap, 1200002853; City of Olive Hill, 1200002855; City of London, 1200002863; Jessamine County Fiscal Court, 1200002900; Boone County Fiscal Court, 1200002902.

POST SECONDARY EDUCATION, COUNCIL ON:
Eastern Kentucky University, 1200002557.

TRANSPORTATION CABINET:
Kentucky Waterways Alliance, 1200002074; Commonwealth Office of Technology, 1200002555.

VETERANS AFFAIRS, DEPARTMENT OF:

Volunteers of America of Kentucky Incorporated, 1200002364; Epilepsy Foundation Kentuckiana Incorporated, 1200002370; Brain Injury Alliance of Kentucky, 1200002373.

WORKFORCE INVESTMENT, OFFICE OF:

Kentucky State University, 1200002174; Barren River Area Development District, 1200002646; Bluegrass Area Development District, 1200002647; Lake Cumberland Area Development District, 1200002649; Eastern Kentucky CEP Incorporated, 1200002650; Green River Area Development District, 1200002653; Lincoln Trail Area Development District, 1200002654; Northern Kentucky Area Development District, 1200002658; Buffalo Trace Area Development District, 1200002666; West Kentucky Workforce Investment, 1200002667; Barren River Area Development District, 1200002689; Bluegrass Area Development District, 1200002690; Eastern Kentucky CEP Incorporated, 1200002692; Green River

Area Development District, 1200002695; Lincoln Trail Area Development District, 1200002697; Northern Kentucky Area Development District, 1200002698; Buffalo Trace Area Development District, 1200002699; Pennyriple Area Development District, 1200002700; Lake Cumberland Area Development District, 1200002701.

THE FOLLOWING MEMORANDA OF AGREEMENT AMENDMENTS WERE REVIEWED WITHOUT OBJECTION:

ADMINISTRATIVE OFFICE OF THE COURTS:

University of Louisville Research Foundation, 1000000777; River Valley Behavioral Health, 1100003092.

AGRICULTURE, DEPARTMENT OF:

Multi, 0900011602; Multi, 0900011666; Multi, 1100001230; UK Research Foundation, 1200000353; Multi, 1200000649.

COMMISSION FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS:

Hands & Voices of Kentucky, 1100003119; Children's Hospital Foundation, 1200000249.

CORRECTIONS, DEPARTMENT OF:

University of Kentucky Research Foundation, 1000003057; Louisville Metro Criminal Justice Commission, 1200000027; University of Kentucky Research Foundation, 1200000711.

DEPARTMENT FOR AGING & INDEPENDENT LIVING:

Northern Kentucky Cooperative Education Services, 1100001825; Pennyriple Area Development District, 1100002104; Green River Area Development, 1100002110; Lincoln Trail Area Development District, 1100002150; Barren River Area Development District, 1100002163; Big Sandy Area Development District, 1100002174; Kentucky River Area Development District, 1100002178; Gateway Area Development District, 1100002181; Buffalo Trace Area Development District, 1100002182; Four Rivers Behavioral Health, 1100002197; Pennyroyal Mental Health, 1100002198; Green River Regional Mental Health Mental Retardation Board d/b/a Rivervalley Behavior, 1100002199; Lifeskills Incorporated, 1100002200; Communicare Incorporated, 1100002201; Seven Counties Services, 1100002202; Northern Kentucky Regional Mental Health Mental Retardation Board, 1100002203; Comprehend Incorporated, 1100002204; Pathways Incorporated, 1100002205; Mountain Comprehensive Care Center, 1100002206; Cumberland River Mental Health Mental Retardation Board Incorporated, 1100002208; Lake Cumberland Mental Health Mental Retardation Board d/b/a The Adanta Group, 1100002209; Bluegrass Regional Mental Health Mental Retardation, 1100002210.

DEPARTMENT FOR BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES:

Kentucky Housing Corporation, 1000001573; Lifeskills Incorporated, 1100002034; Seven Counties Services, 1100002036; Comprehend Incorporated, 1100002038.

DEPARTMENT FOR COMMUNITY BASED SERVICES:

Kentucky Housing Corporation, 1000003165-1; University of Kentucky Research Foundation, 1000003636; Harlan County Community Action Agency, 1100001858; University of Kentucky Research Foundation, 1200000476; Pennyriple Allied Community Services Incorporated, 1200000477.

DEPARTMENT FOR ENVIRONMENTAL PROTECTION:

Louisville Metro Waste Management District, 1100001571.

DEPARTMENT FOR FAMILY RESOURCE CENTERS & VOLUNTEER SERVICES:

Ohio Valley Education Cooperative, 1000001575; Morehead State University, 1000003914; NKU Research Foundation, 1100000390; Northern Kentucky University, 1100000395; Jefferson County Board of Education, 1100000493; Green River Area Development District, 1100000495; Barren County Board of Education, 1100000496; Project Unite, 1200000099.

DEPARTMENT FOR MEDICAID SERVICES:

Multi, 1000001186.

DEPARTMENT FOR PUBLIC HEALTH:

University of Kentucky Research Foundation, 1000003842; University of Kentucky Research Foundation, 1100002143; Western Kentucky University, 1100002153; Eastern Kentucky University, 1100002160; University of Kentucky Research Foundation, 1100002171; University of Kentucky Research Foundation, 1200000124.

EDUCATION, DEPARTMENT OF:

Middlesboro Independent Board of Education, 1000002735; Monroe County Board of Education, 1000002736; Monroe County Board of Education, 1000002736; Jessamine County Board of Education, 1000003735; Hart County Board of Education, 1000004135; Bowling Green Independent Board of Education, 1100000041; Murray State University, 1100000198; Southern Regional Education Board, 1100001849; Fleming County Board of Education, 1100002260; Kentucky School Board Association, 1100003161.

INFRASTRUCTURE AUTHORITY:

Letcher County Fiscal Court, 0900012845; Letcher County Fiscal Court, 1100001541; Knott County Fiscal Court, 1200002296; City of Whitesburg, 1200002311; Mountain Water District, 1200002325; City of Campton, 1200002327; City of Campton, 1200002328; Perry County Fiscal Court, 1200002401; Perry County Fiscal Court, 1200002407; Perry County Fiscal Court, 1200002409; Elkhorn City, 1200002470; Elkhorn City, 1200002471; Elkhorn City, 1200002472; Elkhorn City, 1200002473; Elkhorn City, 1200002474; City of Pikeville, 1200002480; City of Pikeville, 1200002481; Mountain Water District, 1200002482; Mountain Water District, 1200002485.

JUSTICE CABINET:

University of Louisville, Department of Pathology, 1100002801.

KENTUCKY HOUSING CORPORATION:

Community Action Kentucky Incorporated, 2012-2.

MILITARY AFFAIRS, DEPARTMENT OF:

Multi, 0600000819; Multi, 0600000820; Multi, 0700004519; Multi, 0800007107; Multi, 0800008056; Multi, 0800011229; Multi, 0900011669; Multi, 0900012807; Multi, 1000000349; Multi, 1000002374; Multi, 1100000456; Louisville/Jefferson County Metro Ema Hazard Mitigation, 1100001523; Multi, 1100001569; Pathways Incorporated, 1100003072; Mountain Comprehensive Care Center, 1100003103.

OFFICE OF THE GOVERNOR, DEPARTMENT FOR LOCAL GOVERNMENT:

Mountain Water District, 0700003703; Henderson County Fiscal Court, 0700003811; Henderson County Fiscal Court, 0700004483; Henderson County Fiscal Court, 0700004484; Pike County Fiscal Court, 0700004850; Pike County Fiscal Court, 0700004897; Pike County Fiscal Court, 0700004899; Pike County Fiscal Court, 0700005638; Pike County Fiscal Court, 0700005640; Henderson County Fiscal Court, 0700005770; Pike County Fiscal Court, 0700005777; Mountain Water District, 0800007250; Bell County Fiscal Court, 0800008598; Pike County Fiscal Court, 0800008662; Pike County Fiscal Court, 0800008683; Mountain Water District, 0800008852; Mountain Water District, 0800008856; City of Wheatcroft, 0800010645; Carter County Fiscal Court, 0800010760; Pike County Fiscal Court, 0800010989; Pike County Fiscal Court, 0800011031; Union County Fiscal Court, 0800011085; Pulaski County Fiscal Court, 0800011126; Rockcastle County Fiscal Court, 0800011149; Rockcastle County Fiscal Court, 0800011160; Hopkins County Fiscal Court, 0800011193; Union County Fiscal Court, 0900011371; Pike County Fiscal Court, 0900011376; Pike County Fiscal Court, 0900011377; Pike County Fiscal Court, 0900011592; Pike County Fiscal Court, 0900011598; Harlan County Fiscal Court, 0900012479; Harlan County Fiscal Court, 0900012583; Floyd County Fiscal Court, 0900012885; Hopkins County Fiscal Court, 0900013164; Purchase Area Housing Corporation, 1000000751; Menifee County Fiscal Court, 1000000786; City of Paris, 1000000831; City of Ludlow, 1000000836; Harlan County Fiscal Court, 1000000904; City of Jackson, 1000000917; Webster County Fiscal Court, 1000001415; Floyd County Fiscal Court, 1000001525; Carter County Fiscal Court, 1000001763; Hopkins County Fiscal Court, 1000001770; City of Cave City, 1000001847; Martin County Economic Development Authority, 1000002152; Wolfe County Fiscal Court, 1000002236; Nicholasville Jessamine County Parks & Recreation, 1000002473; Lexington-Fayette Urban County Government, 1000003084; Union County Fiscal Court, 1000003090; Ashland Independent Board of Education, 1000003103; Pike County Fiscal Court, 1000003133; Pike County Fiscal Court, 1000003223; Pike County Fiscal Court, 1000003224; Pike County Fiscal Court, 1000003227; Floyd County Fiscal Court, 1000003610; Wolfe County Fiscal Court, 1000003611; Union County Fiscal Court,

1000003794; Breathitt County Fiscal Court, 1000003834; Breathitt County Fiscal Court, 1000003995; Lee County Fiscal Court, 1000004084; City of Morgantown, 1100000301; Knott County Fiscal Court, 1100000673; City of Wheelwright, 1100000851; Wayland City, 1100000878; City of Allen, 1100000960; Knott County Fiscal Court, 1100000964; Bell County Fiscal Court, 1100001030; Union County Fiscal Court, 1100001036; Union County Fiscal Court, 1100001038; Rockcastle County Fiscal Court, 1100001082; City of Mount Vernon, 1100001083; Harlan County Fiscal Court, 1100001127; Harlan County Fiscal Court, 1100001129; Harlan County Fiscal Court, 1100001130; Harlan County Fiscal Court, 1100001131; Martin County Fiscal Court, 1100001142; Floyd County Fiscal Court, 1100001159; Floyd County Fiscal Court, 1100001160; Martin County Fiscal Court, 1100001195; Harlan County Fiscal Court, 1100001207; Harlan County Fiscal Court, 1100001208; Harlan County Fiscal Court, 1100001209; Harlan County Fiscal Court, 1100001210; City of Mortons Gap, 1100001212; Floyd County Fiscal Court, 1100001246; Bell County Fiscal Court, 1100001305; Martin County Fiscal Court, 1100001336; Rockcastle County Fiscal Court, 1100001365; Rockcastle County Fiscal Court, 1100001366; Bell County Fiscal Court, 1100001383; Floyd County Fiscal Court, 1100001395; Harlan County Fiscal Court, 1100001401; Union County Fiscal Court, 1100001409; Bell County Fiscal Court, 1100001440; Floyd County Fiscal Court, 1100001552; Floyd County Fiscal Court, 1100001554; Floyd County Fiscal Court, 1100001555; Pike County Fiscal Court, 1100001557; Lee County Fiscal Court, 1100001564; Bell County Fiscal Court, 1100001591; Bell County Fiscal Court, 1100001615; Hancock County Fiscal Court, 1100001620; Rockcastle County Fiscal Court, 1100001622; Wolfe County Fiscal Court, 1100001689; Madisonville Community College, 1100001690; Christian County Fiscal Court, 1100001709; City of Martin, 1100001729; City of Prestonsburg, 1100001733; Floyd County Fiscal Court, 1100001734; Floyd County Fiscal Court, 1100001735; Henderson County Fiscal Court, 1100001744; Carlisle County Fiscal Court, 1100001745; Hardin County Fiscal Court, 1100001750; Wolfe County Fiscal Court, 1100001770; Wolfe County Fiscal Court, 1100001771; Lee County Fiscal Court, 1100001925; Pike County Fiscal Court, 1100001930; Wolfe County Fiscal Court, 1100001931; Breathitt County Fiscal Court, 1100001935; Hancock County Fiscal Court, 1100001968; Crittenden County Fiscal Court, 1100001970; Adair County Fiscal Court, 1100002019; Campbell County Fiscal Court, 1100002020; McCracken County Fiscal Court, 1100002021; McLean County Fiscal Court, 1100002023; City of Eddyville, 1100002024; City of Livermore, 1100002055; Henderson County Fiscal Court, 1100002067; Harlan County Fiscal Court, 1100002094; DMA Emergency Management Division, 1100002295; Knott County Fiscal Court, 1100002297; Knott County Fiscal Court, 1100002299; Knott County Fiscal Court, 1100002301; Graves County Fiscal Court, 1100002320; City of Benton, 1100002321;

City of Hartford Kentucky, 1100002322; Knott County Fiscal Court, 1100002331; Wolfe County Fiscal Court, 1100002369; Wolfe County Fiscal Court, 1100002375; DMA Emergency Management Division, 1100002810; Breathitt County Fiscal Court, 1100003066; Bell County Fiscal Court, 1100003073; Bell County Fiscal Court, 1100003076; Bell County Fiscal Court, 1100003078; Henderson County Fiscal Court, 1100003082; Floyd County Fiscal Court, 1100003087; Union County Fiscal Court, 1100003099; Pike County Fiscal Court, 1100003102; City of West Liberty, 1100003132; City of West Liberty, 1100003139; Hopkins County Fiscal Court, 1200000125; Daviess County Fiscal Court, 1200000166; City of Providence, 1200000206; Martin County Fiscal Court, 1200000230; Floyd County Fiscal Court, 1200000233; Daviess County Fiscal Court, 1200000271; Clay County Fiscal Court, 1200000286; Clay County Fiscal Court, 1200000287; Clay County Fiscal Court, 1200000288; Floyd County Fiscal Court, 1200000289; Pike County Fiscal Court, 1200000297; City of Hazel, 1200000301; Floyd County Fiscal Court, 1200000386; Wolfe County Fiscal Court, 1200000416; Wolfe County Fiscal Court, 1200000425; Ashland Independent Board of Education, 1200000581; Madisonville Community College, 1200000596; Wolfe County Fiscal Court, 1200000597; Wolfe County Fiscal Court, 1200000598; Bell County Fiscal Court, 1200000639; City of Williamsburg, 1200000668; Breathitt County Fiscal Court, 1200000705; Henderson County Fiscal Court, 1200000804; Jackson Independent School District, 1200000917; Menifee County Fiscal Court, 1200000918; Menifee County Fiscal Court, 1200000920; Menifee County Fiscal Court, 1200000921; Harlan County Fiscal Court, 1200000988; Harlan County Fiscal Court, 1200000990; Harlan County Fiscal Court, 1200000997; Harlan County Fiscal Court, 1200000998; Breathitt County Fiscal Court, 1200001039; Union County Fiscal Court, 1200001040; Henderson County Fiscal Court, 1200001097; Lee County Fiscal Court, 1200001252; Lee County Fiscal Court, 1200001253; Lee County Fiscal Court, 1200001254; Lee County Fiscal Court, 1200001256; Lee County Fiscal Court, 1200001258; Breathitt County Fiscal Court, 1200001270; Johnson County Fiscal Court, 1200001277; Martin County Fiscal Court, 1200001279; Martin County Economic Development Authority, 1200001281; Johnson County Fiscal Court, 1200001284; Hopkins County Fiscal Court, 1200001379; Boyd County Fiscal Court, 1200001381; City of Jeffersontown, 1200001433; Bell County Board of Education, 1200001597; Bell County Board of Education, 1200001598; Bell County Board of Education, 1200001600; Lee County Fiscal Court, 1200001607; Mountain Water District, 1200001609; City of Wheatcroft, 1200001622; Pike County Fiscal Court, 1200001675; City of Pineville, 1200001984; City of Pineville, 1200001985; Henderson County Fiscal Court, 1200002086; Henderson County Fiscal Court, 1200002088; Henderson County Fiscal Court, 1200002092; Henderson County Fiscal Court, 1200002094; Henderson County Fiscal

Court, 1200002096; Bell County Fiscal Court, 1200002274; Morgan County Board of Education, 1200002424; Madisonville Community College, 1200002496; Harlan County Fiscal Court, 1200002497; Hopkins County Fiscal Court, 1200002503; Hopkins County Fiscal Court, 1200002504; Hopkins County Fiscal Court, 1200002506; Hopkins County Fiscal Court, 1200002510.

TRANSPORTATION CABINET:
University of Kentucky Research Foundation, 1000003727; Kosair Children’s Hospital, 1200000479; Kentucky Crime Prevention Coalition, 1200000481; Kentucky Crime Prevention Coalition, 1200000491; Kentucky Association of Chiefs of Police, 1200000492; Kentucky Association of Chiefs of Police, 1200000493; Kentucky Association of Chiefs of Police, 1200000494; Kentucky Crime Prevention Coalition, 1200000496; Kentucky Crime Prevention Coalition, 1200000497; Kosair Children’s Hospital, 1200000498; TJ Samson Community Hospital, 1200000535.

THE FOLLOWING PERSONAL SERVICE CONTRACTS WERE SELECTED FOR FURTHER REVIEW:
CRIMINAL JUSTICE TRAINING, DEPARTMENT OF:
Brett Scott, 1200002724. Ken Schwendemen discussed the contract with the committee. A motion was made by Senator McGaha to consider the contract as reviewed. Representative Yonts seconded the motion, which passed without objection.

DEPARTMENT FOR BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES:
Crown Services Incorporated, 1200002395; Guardian Healthcare Providers, 1200002396; Crown Services Incorporated, 1200002397; Crown Services Incorporated, 1200002399; Guardian Healthcare Providers, 1200002400. Kathy Burke, Kevin Mudd, Don Speer discussed the contracts with the committee. A motion was made by Senator McGaha to consider the contracts as reviewed. Representative Housman seconded the motion, which passed without objection.

DEPARTMENT FOR INCOME SUPPORT:
Julie B. Jones, 1200001205; Amanda Lange, MD, 1200001217; Larry Freudenberger, 1200001218; Humildad Anzures, MD, 1200001219; Jo Anne Sexton, 1200001221; R. Kendall Brown, 1200001222; Sudhideb Mukherjee, 1200001225; Jay E. Athy, Ph. D., 1200001227; Edward A. Ross Jr., 1200001229; Ed Stodola, 1200001232; Alexis M. Guerrero, MD, 1200001233; Ilze A. Sillers, Ph.D., 1200001237; M. Allen Dawson, MD, 1200001238; Jane F. Brake, Ph.D., 1200001239; Parandhamulu Saranga, MD, 1200001240; Lea J. Perritt, Ph. D, 1200001241; William Underwood, MD, 1200001243; Paul Anthony Ebben, Psyd, 1200001423; The Visions Group, LLC, 1200001966. Todd Mobley, Rachel Auxier, Doug Lefevers discussed the contracts with the committee. A motion

was made by Representative Yonts to consider the contracts as reviewed. Senator Carroll seconded the motion, which passed without objection.

DEPARTMENT FOR PUBLIC HEALTH:
Julia Rodriguez Cervera, 1200001440. Dr. Kraig Humbaugh, Phil Rosell, and Karen Sams discussed the contract with the committee. A motion was made by Senator McGaha to consider the contract as reviewed. Representative Yonts seconded the motion, which passed without objection.

EASTERN KENTUCKY UNIVERSITY:
Crowe Horwath, LLP, 12-064. Lora Snider & Linda Herzog discussed the contract with the committee. A motion was made by Senator McGaha to consider the contract as reviewed. Representative Yonts seconded the motion, which passed without objection.

KENTUCKY HOUSING CORPORATION:
Kinkead & Stilz, PLLC, 2013-14. Lisa Beran discussed the contract with the committee. A motion was made by Representative Housman to consider the contract as reviewed. Representative Yonts seconded the motion, which passed without objection.

KENTUCKY LOTTERY CORPORATION:
GTECH Corporation, 13-10-001. Mary Harville and Gary Ruskowski discussed the contract with the committee. A motion was made by Senator McGaha to consider the contract as reviewed. Representative Yonts seconded the motion, which passed without objection.

TRANSPORTATION CABINET:
Kentucky Natural Lands Trust Incorporated, 1200001808. Peggy Stratton & Phil Logsdon discussed the contract with the committee. A motion was made by Senator Carroll to consider the contract as reviewed. Representative Yonts seconded the motion, which passed with Senator Hornback and Representative Housman voting NO.

TRANSPORTATION CABINET:
Frost Brown Todd, LLC, 1200002908. Mike Hancock & Rebecca Goodman discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Senator Carroll seconded the motion, which passed with Senator McGaha voting NO.

THE FOLLOWING PERSONAL SERVICE CONTRACTS AMENDMENTS WERE SELECTED FOR FURTHER REVIEW:
DEPARTMENT FOR INCOME SUPPORT:
Julie B. Jones, 1000003250; Dr. William Underwood, 1000003691. Todd Mobley, Rachel Auxier, Doug Lefevers discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Senator Carroll seconded the motion, which passed without objection.

DEPARTMENT OF INSURANCE:
Anthem Health Plans of Kentucky Incorporated, 0800009195. DJ Wasson and

Daryl Thompson discussed the contract with the committee. A motion was made by Representative Housman to consider the contract as reviewed. Representative Yonts seconded the motion, which passed without objection.

FINANCE AND ADMINISTRATION CABINET - DIVISION OF ENGINEERING:
Omni Architects, 1100001498. Paul Gannoe & Wayne Burd discussed the contract with the committee. A motion was made by Senator McGaha to consider the contract as reviewed. Representative Yonts seconded the motion, which passed without objection.

TRANSPORTATION CABINET:
Hanson Professional Services Incorporated, 1000001431. Mike Hill and R. Winn Turney discussed the contract with the committee. A motion was made by Senator Carroll to consider the contract as reviewed. Representative Yonts seconded the motion, which passed without objection.

THE FOLLOWING MEMORANDUM OF AGREEMENT WAS SELECTED FOR FURTHER REVIEW:
DEPARTMENT OF ENERGY DEVELOPMENT AND INDEPENDENCE:
University of Kentucky Research Foundation, 1200001649. Greg Guess discussed the contract with the committee. A motion was made by Senator McGaha to consider the contract as reviewed. Representative Yonts seconded the motion, which passed without objection.

THE FOLLOWING MEMORANDA OF AGREEMENTS AMENDMENTS WERE SELECTED FOR FURTHER REVIEW:
DEPARTMENT FOR FAMILY RESOURCE CENTERS & VOLUNTEER SERVICES:
Multi, 1100002630; Multi, 1100002631; Jefferson County Board of Education Vanhoose Education Center, 1100002632; Multi, 1100002633; Multi, 1100002634; Multi, 1100002635; Multi, 1100002636; Multi, 1100002637; Multi, 1100002638; Multi, 1100002639; Multi, 1100002640. Michael Denney discussed the contracts with the committee. A motion was made by Representative Horlander to consider the contracts as reviewed.

DEPARTMENT OF ENERGY DEVELOPMENT AND INDEPENDENCE:
Kentucky Housing Corporation, 1000002828. Rick Boggs & Greg Guess discussed the contract with the committee. A motion was made by Representative Yonts to consider the contract as reviewed. Senator McGaha seconded the motion, which passed without objection.

With no further business before the committee, the meeting adjourned at 11:50 AM.

TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE
Minutes
May 2, 2012
Call to Order and Roll Call

The meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Wednesday, May 2, 2012, at 10:00 AM, in Room 129 of the Capitol Annex. Senator Paul Hornback, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Paul Hornback, Co-Chair; Representative Wilson Stone, Co-Chair; Senators Carroll Gibson, Vernie McGaha, Dennis Parrett, and Joey Pendleton; Representatives Royce W. Adams, Tom McKee, Fred Nesler, Ryan Quarles, and Tommy Turner.

Guests: Roger Thomas, Joel Neaveill, Bill McCloskey, and Diane Fleming, Governor's Office of Agricultural Policy; Sarah Fritschner and Teresa Zawacki, Louisville Farm to Table Program.

LRC Staff: Lowell Atchley, Stefan Kasacavage, and Kelly Blevins.

The March 5, 2012, minutes were approved, without objection, by voice vote, upon motion made by Senator Pendleton and second by Senator Parrett.

Governor's Office of Agricultural Policy

The committee received the monthly report from Mr. Roger Thomas, Executive Director, Mr. Joel Neaveill, Chief of Staff, and Mr. Bill McCloskey, Director of Financial Services, Governor's Office of Agricultural Policy (GOAP), regarding project funding decisions made by the Agricultural Development Board (ADB) during its March and April meetings.

Mr. Neaveill summarized the funding allocations made under the County Agricultural Improvement, Deceased Farm Animal Disposal Assistance, and Shared-use programs from the previous months. He also recapped amendments approved for previously funded projects.

Both Mr. Neaveill and Mr. McCloskey reviewed the projects approved by the board at the previous meetings. Those included: Franklin County Public Schools, \$45,000 in Franklin County tobacco settlement funds for a greenhouse project on Franklin County High School grounds; Louisville-Jefferson County Metro Government, combination of a state board grant and Kentucky Agricultural Finance Corporation (KAFC) loan totaling \$370,000 for the Farm to Table Program and the Louisville Agribusiness Loan Program; Carroll County Agriculture Development Fund, \$1,500 in Carroll County tobacco funds to administer a show hog initiative; Kentucky State University (KSU), \$998,000 in state funds for two years to implement aspects of the Kentucky Center for Sustainability of Farms and Families Program; Scott B. Shackelford, \$31,414 in Todd County funds to expand a multicounty produce receiving station; Jessamine County FFA Alumni Association, \$10,000 in county funds to assist a Farmers Back to School Program, and \$8,000 in county funds to support youth 4-H and FFA projects; Clark County Conservation District, \$3,783 in Clark County tobacco settlement funds to purchase a facility to house shared-use equipment; Four Hills Farm, \$54,000 in Mercer County and state funds to expand a lamb marketing enterprise; and Fayette County Rural Land Management Board, \$25,000 in Fayette County funds to purchase development rights for rural

farmland. The officials also reviewed two applications that were denied funding, Jackson Dairy Supply, based in Barren County, and Green Palace Meadery, also of Barren County.

The GOAP officials responded to questions and comments from committee members during their review of the Louisville-Jefferson County project. The agribusiness loans will be geared to help create and expand small businesses in the Louisville food and beverage sector. Businesses seeking the loans must document that a majority of ingredients in their products or processes be Kentucky-grown or processed. In response to a question about loan default from Senator Gibson, the officials said that KAFC will subordinate to the Louisville metro government in the awarding of the agribusiness loans. Mr. Thomas told the senator that the KAFC would review each loan in addition to Louisville metro government officials. Underwriting standards will be in place for the agribusiness loan funds, according to the GOAP officials, who pointed out that the tobacco settlement funds will be matched with contributions from the Metropolitan Business Development Corporation and federal Community Development Block Grant funds.

Responding to Senator McGaha's questions about the Farm to Table Program, the GOAP officials said a "coordinator" will work with Louisville's large institutions such as schools, hospitals, and restaurants, to identify the types of locally and regionally produced foods they need, and also work with farm producers in supplying marketable commodities.

During the discussion, Co-chair Hornback noted he is familiar with the undertaking and mentioned it will impact producers in neighboring counties.

The GOAP officials responded to Senator McGaha that the agribusiness loan funds would be used for working capital, processing equipment, and other purchases. Mr. Rogers reiterated that the KAFC will conduct its own review of the loan applications.

Asked about the use of Kentucky-based raw materials in loan recipients' products, Mr. Neaveill gave an example of an ice cream manufacturer that would use milk produced in the state.

The KSU Center for Sustainability project also prompted questions and discussion. The mission of the center, according to testimony, will be accomplished by the development of training materials, training assistance, demonstration project mini-grants, and development of marketing plans and materials. A focus will be put on three areas – organic production, value-added production, and aquaculture.

Responding to Senator Parrett, who had asked how the KSU Cooperative Extension Service will use the funds, Mr. Neaveill said the university will fund personnel salaries related to extension work. The ADB funds will be used for other aspects of extension outreach. Mr. Neaveill indicated that most of the grant funds will be devoted to mini-grants for farmers.

Senator Parrett expressed reservations about putting additional funds into fostering aquaculture production. While

aquaculture production has had its ups and downs, Mr. Rogers said, the industry is surviving in Western Kentucky and in Eastern Kentucky. In terms of assisting value-added production, Mr. Rogers indicated the ADB has granted funds for food processing facilities throughout the state. In addition, he noted that KSU assists smaller farmers and producers.

Mr. Rogers responded to Co-chair Stone that KSU will review the mini-grant applications. At one point in the meeting, Co-chair Hornback said he hopes KSU uses the same standards as the board uses in approving the grants.

Representative Nesler discussed the history of aquaculture production in Kentucky, the General Assembly's involvement in advancing the industry, and the market forces that have affected fish production.

Senator Pendleton pointed out a need to make Kentucky-grown fish available in Kentucky parks and other facilities, as opposed to imported fish.

Regarding the Jessamine County FFA Alumni Association education project, Co-chair Stone indicated he hoped the tobacco settlement funds would be used to help people better equip themselves through vocational training.

GOAP staff indicated to Senator Parrett that certain standards will in place for those desiring to obtain financial assistance for educational purposes.

As the project reviews continued, Representative Quarles requested additional information regarding the farm conservation easements purchased by the Fayette County Rural Land Management Board. Representative McKee commented that a problem growth of the state Purchase of Conservation Easement (PACE) is a current lack of funding.

Louisville-Jefferson County Metro Government Farm to Table and Agribusiness Loan Programs

The committee heard a presentation by Ms. Sarah Fritschner, Coordinator of the Louisville-Jefferson County Farm to Table Program, and Ms. Teresa Sawacki, the metro government's Food Policy Coordinator. The programs were discussed earlier in the meeting.

Ms. Fritschner reviewed the work that she is doing in the Louisville metro area, which, she said, is a \$3 billion market area. She detailed her work a food coordinator who gauges the needs to food buyers and also educates farmers and distributors. In addition to some of the food buyers mentioned earlier in the meeting, she indicated their hope is gain a foothold in Louisville area grocery stores.

She responded to Representative McKee that, while communicates with food banks in the state, she has not been asked to help acquire food for the facilities.

Ms. Fritschner responded to Senator Hornback that maintaining a consistent supply of foods for the Louisville-Jefferson County market involves linking producers with suppliers who deliver the foodstuffs to buyers.

Documents distributed during the committee meeting are available with meeting materials in the LRC Library. There being no further business, the meeting was adjourned.

TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE

Minutes

June 6, 2012

Call to Order and Roll Call

The meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Wednesday, June 6, 2012, at 10:00 AM, in Room 129 of the Capitol Annex. Representative Wilson Stone, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Wilson Stone, Co-Chair; Senators Dennis Parrett, and Joey Pendleton; Representatives Royce W. Adams, Tom McKee, Terry Mills, Ryan Quarles, and Tommy Turner.

Guests: Mr. Bill McCloskey, Ms. Angela Blank, Ms. Sandy Gardener; Mr. Biff Baker, and Tammy Brookshier, Governor's Office of Agricultural Policy; Mr. Glenn Williams and Mr. Steve Moore, University of Kentucky Extension; Doug Day, Laurel County Agricultural Development Board; Ms. Alexa Arnold, Community Farm Alliance; Mr. Charles Crutcher, Hardin County Agricultural Development Board; Mr. Earl Holmes, Jr., Henry County Agricultural Development Board; and Mr. Jesse Horn, Daviess County Agricultural Development Board.

LRC Staff: Lowell Atchley, Stefan Kasacavage, and Kelly Blevins.

A quorum being established, Senator Pendleton moved that the May 2, 2012, minutes be approved. Senator Parrett seconded the motion. The motion carried by unanimous voice vote.

Governor's Office of Agricultural Policy

The committee received the monthly report from Mr. Joel McCloskey, Director of Financial Services and Ms. Angela Blank, Director of Public Affairs, Governor's Office of Agricultural Policy (GOAP), regarding project funding decisions made by the Agricultural Development Board (ADB) during its May meeting.

Mr. McCloskey summarized the funding allocations made under the County Agricultural Improvement (CAIP), Deceased Farm Animal Removal Program, On-Farm Energy Program, and Shared-use Programs from the previous month. He also commented on two approved amendments for previously funded projects.

Mr. McCloskey reviewed project approvals by the board at the previous meeting, which was limited to the Woodford County Board of Education, \$33,250 in Woodford County tobacco settlement funds for a greenhouse project to be constructed on the grounds of Woodford County High School. Mr. McCloskey responded to a question from committee members stating approximately fifteen to twenty greenhouse constructions have been approved by the board.

Mr. McCloskey responded to questions regarding the three on-farm energy program applications that were recommended for no funding by the board. In response to questions by committee members, he stated that the applicants needed a third party evaluation.

He noted that projects range from the purchase of grain drying systems, heaters in poultry operations, and chillers and vacuum pump systems in dairy farms. Verification of year end savings relates to third party evaluation to check savings. A University of Kentucky expert conducts the evaluation.

Mr. McCloskey responded to comments by committee members stating that there seems to be more poultry producers seeking funds because there are energy savings to be realized.

Agricultural Development Councils

Mr. Charles Crutcher, Hardin County Agricultural Development Council member, offered several suggestions to the committee. He would like to see the universities offer more support for agricultural extension offices and their agents. He noted the importance of the agricultural extension agents and the need to keep them active in the County Agriculture Improvement Program.

Mr. Crutcher offered that there should be a cap at \$100,000 so that more entities could participate. Senator Parrett acknowledged Mr. Crutcher as an original Hardin County Council member who helped develop their original plan. Senator Parrett offered that it may be time to go back to that plan, it may lend some ideas to councils and where priorities are. Senator Parrett noted the need to be cautious in setting a maximum at \$100,000, offering that it may not be a realistic amount.

In response to a question by committee members, Mr. Crutcher responded that of 90 applications requesting Hardin County funds, only 34 projects were funded with a cap set at \$5,000. Mr. Crutcher indicated that the council feels that the funds are only able to reach a small portion of their farmers. He noted that Hardin County receives approximately \$200,000 in Master Settlement funds.

Mr. Douglas Day, Laurel County Agricultural Development Council, said that he has been very pleased with how the county council has been able to use the money in the area. It has created a market alliance for the cattle farmers and has been a blessing. Laurel County farmers have a good bull program in terms of genetics. He noted the importance of money at the local level has an effect on losses. Co-Chair Stone commented at the strength of the cattle market, noting Kentucky needs to be dedicated to cattle production. Senator Pendleton agreed, mentioning that in recent history there was not a market for Kentucky cattle but recently that has changed.

Mr. Earl Holmes, Jr., Henry County Agricultural Development Council, shared that of 200 applicants the council has been able to fund 150. Individual farmers have used the money to improve genetics. He noted the importance of waterers. He gave examples of how he has been able to leverage dollars on his own farm by setting up waterers, utilizing the Master's Grazing Class, as well as goat and sheep genetics.

Mr. Jesse Horn, Daviess County Agricultural Development Council, told the committee that education has been a high priority of their council, starting with model programs and now CAIP, to educate producers. A great deal of the money has

gone to youth education programs, to fostering horticulture programs, to adult education in welding, to a greenhouse at Owensboro High School, and to a youth cost share program.

There being no further business, the meeting adjourned at approximately 11:45 a.m.

**Brewery,
from page 1**

packages at a brewery, said Mike Castle, general counsel for Alltech. Such a statute would mirror the sampling and souvenir sales provisions granted to distilleries.

Castle said the proposed souvenir malt beverage license would allow up to 16 ounces worth of beer samples to brewery visitors and would limit souvenir retail sales to a half-case of beer per customer. By-the-drink sales would not be allowed under the proposal.

“This puts us on a level playing field with distilleries in the state of Kentucky,” Castle said.

Licensing and Occupations Committee Co-Chair Dennis Keene, said committee members are interested in promoting economic growth.

“We’re always very supportive of your industry and want to see it prosper,” said Keene, D-Wilder. “I think everyone here is very passionate about economic development and creating jobs.”

**LRC Publications
Informational Bulletins**

238 General Assembly Action 2012 Regular Session

237 Final Reports of the Interim, Joint, Special, and Statutory Committees 2011

236 Issues Confronting the 2012 Kentucky General Assembly

235 General Assembly Action 2011 Regular Session

234 Final Reports of the Interim, Joint, Special, and Statutory Committees 2010

233 Issues Confronting the 2011 Kentucky General Assembly

232 General Assembly Action 2010 Regular Session

231 Final Committee Reports of the Interim, Joint, Special, and Statutory Committees

230 Issues Confronting the 2010 Kentucky General Assembly

229 General Assembly Action 2009 Regular Session

228 Final Reports of the Interim Joint, Special, and Statutory Committees 2008

227 Issues Confronting the 2009 General Assembly: An update of Informational Bulletin No. 224 (2008)

226 General Assembly Action, Regular Session 2008

225 Final Reports of the Interim Joint, Special and Statutory Committees (2007)



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2012 Interim

LEGISLATIVE RECORD

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Printed with state funds

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