

1 AN ACT relating to reorganization.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 11.068 is amended to read as follows:

4 (1) There is created an agency of state government known as the Office of State Budget
5 Director. The office shall be attached for administrative purposes to the Office of
6 the Governor.

7 (2) The office shall include the following major organizational units:

8 (a) The Office of State Budget Director, headed by the state budget director. The
9 state budget director shall be appointed by the Governor pursuant to KRS
10 11.040 and shall serve, under direction of the Governor, as state budget
11 director and secretary of the state planning committee. The office shall include
12 such principal assistants and supporting personnel appointed pursuant to KRS
13 Chapter 12 as may be necessary to carry out the functions of the office. The
14 office shall have such duties, rights, and responsibilities as are necessary to
15 perform, without being limited to, the following functions:

16 1. Functions relative to the preparation, administration, and evaluation of
17 the executive budget as provided in KRS Chapters 45 and 48 and in
18 other laws, including but not limited to, capital construction budgeting,
19 evaluation of state programs, program monitoring, financial and policy
20 analysis and issue review, and executive policy implementation and
21 compliance;

22 2. Continuous evaluation of statewide management and administrative
23 procedures and practices, including but not limited to ~~organizational~~
24 ~~analysis and review,~~ economic forecasting, technical assistance to state
25 agencies, forms control, and special analytic studies as directed by the
26 Governor; and

27 3. Staff planning functions of the state planning committee and evaluation

1 of statewide management and administrative practices and procedures.

2 (b) Governor's Office for Policy and Management, headed by the state budget
3 director. The state budget director shall maintain staff employed pursuant to
4 KRS Chapter 18A sufficient to carry out the functions of the office relating to
5 state budgeting as provided in paragraph (a) of this subsection and state
6 planning as provided in KRS Chapter 147, review of administrative
7 regulations proposed by executive agencies prior to filing pursuant to KRS
8 Chapter 13A and such other duties as may be assigned by the Governor.

9 (c) Governor's Office for Policy Research, headed by the state budget director.
10 The Governor's Office for Policy Research shall assist the state budget
11 director in providing policy research data, information, and analysis to the
12 Governor on public policy issues that impact the Commonwealth. The state
13 budget director shall identify and direct the research to be completed and
14 provided by the office. The state budget director shall maintain staff employed
15 in accordance with KRS Chapter 18A sufficient to carry out the functions of
16 the office.

17 (d) Governor's Office for Economic Analysis, headed by the state budget director.
18 The state budget director shall maintain staff employed in accordance with
19 KRS Chapter 18A sufficient to carry out the functions of the office. The
20 Governor's Office for Economic Analysis shall carry out the revenue
21 estimating and economic analysis functions and responsibilities, including but
22 not limited to the functions and responsibilities assigned to the Office of State
23 Budget Director by KRS Chapter 48. The Governor's Office for Economic
24 Analysis shall perform the tax administrative function of using tax data to
25 provide the Department of Revenue with studies, projections, statistical
26 analyses, and any other information that will assist the Department of
27 Revenue in performing its tax administrative functions.

1 ➔Section 2. KRS 18A.030 is amended to read as follows:

- 2 (1) The secretary shall be the executive and administrative head of the cabinet and shall
3 supervise and control all examinations and work of the cabinet. He shall advise the
4 board on matters pertaining to the classified service of this state. Within the
5 limitations of the budget, the secretary shall appoint and supervise the staff needed
6 in the cabinet to carry out the purposes of KRS 18A.005 to 18A.200 except
7 employees of the board who shall be appointed as provided in KRS 18A.090.
- 8 (2) Subject to the provisions of this chapter and KRS Chapter 13A, the secretary shall,
9 with the aid of his staff:
- 10 (a) Attend all meetings of the board;
- 11 (b) As provided by this chapter, promulgate comprehensive administrative
12 regulations consistent with the provisions of KRS Chapters 13A and 18A, and
13 with federal standards for the administration of a personnel system in the
14 agencies of the state government receiving federal grants;
- 15 (c) Establish general procedures for personnel recruitment, for certification, and
16 for improving the efficiency of employed personnel;
- 17 (d) Appoint the examiners and technicians necessary for the conduct of the
18 personnel program, whether on a permanent or temporary basis;
- 19 (e) Prepare and maintain a record of all employees, showing for each employee
20 his name, address, title of position held, rate of compensation, changes in
21 status, compensation, or title, transfer, and to make the data and the class
22 specifications for all positions available to the press and public;
- 23 (f) Prepare, in accordance with the provisions of KRS 18A.005 to 18A.200 and
24 the administrative regulations adopted thereunder, examinations, eligible lists,
25 and ratings of candidates for appointment;
- 26 (g) Make certification for appointment or promotion within the classified service,
27 in accordance with the provisions of KRS 18A.005 to 18A.200;

- 1 (h) Make investigations concerning all matters touching the enforcement and
2 effect of the provisions of KRS 18A.005 to 18A.200 and administrative
3 regulations prescribed thereunder;
- 4 (i) Prepare, in cooperation with appointing authorities and others, programs for
5 employee training, safety, morale, work motivation, health, counseling, and
6 welfare, and exercise leadership in the development of effective personnel
7 administration within the several departments of the Commonwealth, and
8 make available the facilities of the department to this end;
- 9 (j) Provide personnel services to unclassified employees in agreement with the
10 agencies involved not otherwise provided for in KRS 18A.005 to 18A.200;
- 11 (k) Present, in accordance with the provisions of KRS Chapter 48, budget
12 requests for the support of the personnel system created by KRS 18A.005 to
13 18A.200, excluding the board, which shall present its own budget estimates;
- 14 (l) Make a report and submit the same to the board, the Legislative Research
15 Commission, and the Governor not later than October first of each year;
- 16 (m) Propose selection method changes for any classification to the Personnel
17 Board with documentation justifying the need for the selection method
18 change. The Personnel Board shall, at its next regularly scheduled monthly
19 meeting, review and comment on any proposed selection method change. A
20 classification shall not have its selection method changed without review and
21 comment by the Personnel Board; and
- 22 (n) Discharge the other duties imposed upon him by KRS 18A.005 to 18A.200.
- 23 (3) The secretary on behalf of the cabinet may join or subscribe to any association or
24 service having as its purpose the interchange of information relating to the
25 improvement of the public service and especially improvement of personnel
26 administration.
- 27 (4) The secretary shall keep records relative to employee turnover and report to the

1 board, the Governor, and the Legislative Research Commission quarterly. The
2 report shall reflect employee turnover rates by cabinet, department, bureau, division,
3 and section. If any cabinet, department, bureau, division, or section has a turnover
4 rate of fifteen percent (15%) or more in any twelve (12) month period, the secretary
5 shall conduct an investigation into the reasons for the turnover and report the
6 findings to the board, the Governor, and the Legislative Research Commission.

7 (5) The secretary shall provide to each new state employee and to each existing state
8 employee, classified or otherwise, on an annual basis an informational pamphlet
9 about human immunodeficiency virus infection and acquired immunodeficiency
10 syndrome. The pamphlet shall be approved by the Cabinet for Health and Family
11 Services and shall contain information about the nature and extent of these diseases,
12 methods of transmission, preventive measures, and referral services.

13 (6) The secretary shall establish and maintain a list of all filled positions exempted
14 from classified service under KRS 18A.115(1) (e), (g), (h), (i), (k), (t), (w), (aa), and
15 (ab). The list shall include the following information for each filled position:

- 16 (a) The name of the agency where the position is assigned;
- 17 (b) The statutory authority for the unclassified status of the position;
- 18 (c) The title of the position;
- 19 (d) The pay grade of the position;
- 20 (e) The annual salary of the employee in the position; and
- 21 (f) The work county of the employee in the position.

22 (7) Beginning September 1, 2010, and every six (6) months thereafter, the secretary
23 shall provide the Governor and the Legislative Research Commission with a copy
24 of the list described in subsection (6) of this section, and shall indicate on the list
25 any position that has been added to the list since the last submission.

26 **(8) The secretary shall perform organizational analysis and review.**

27 ➔Section 3. The General Assembly hereby confirms Executive Order 2016-734,

1 dated September 30, 2016, which transfers duties relating to evaluating organizational
2 analysis and review to the Personnel Cabinet, to the extent it is not otherwise confirmed
3 or superseded by this Act.