

1 AN ACT relating to financial administration.

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

3 ➔Section 1. KRS 41.410 is amended to read as follows:

- 4 (1) The Commonwealth Council on Developmental Disabilities is created within the
5 Department of the Treasury.
- 6 (2) The Commonwealth Council on Developmental Disabilities is established to
7 comply with the requirements of the Developmental Disabilities *Assistance and*
8 *Bill of Rights* Act of 2000~~[1984]~~ and any subsequent amendment to that act.
- 9 (3) The members of the Commonwealth Council on Developmental Disabilities shall
10 be appointed by the Governor to serve as advocates for persons with developmental
11 disabilities. The council shall be composed of twenty-six (26) members.
- 12 (a) Ten (10) members shall be representatives of: the principal state agencies
13 administering funds provided under the Rehabilitation Act of 1973 as
14 amended; the state agency that administers funds provided under the
15 Individuals with Disabilities Education Act (IDEA); the state agency that
16 administers funds provided under the Older Americans Act of 1965 as
17 amended; the single state agency designated by the Governor for
18 administration of Title XIX of the Social Security Act for persons with
19 developmental disabilities; higher education training facilities, each
20 university-affiliated program or satellite center in the Commonwealth; and the
21 protection and advocacy system established under Public Law 101-496. These
22 members shall represent the following:
- 23 1. Office of Vocational Rehabilitation;
 - 24 2. Office for the Blind;
 - 25 3. Division of Exceptional Children, within the Department of Education;
 - 26 4. Department for Aging and Independent Living;
 - 27 5. Department for Medicaid Services;

- 1 6. Department of Public Advocacy, Protection and Advocacy Division;
- 2 7. University-affiliated programs;
- 3 8. Local and nongovernmental agencies and private nonprofit groups
- 4 concerned with services for persons with developmental disabilities;
- 5 9. Department for Behavioral Health, Developmental and Intellectual
- 6 Disabilities; and
- 7 10. Department for Public Health, Division of Maternal and Child Health.

8 (b) At least sixty percent (60%) of the members of the council shall be composed
9 of persons with developmental disabilities or the parents or guardians of
10 persons, or immediate relatives or guardians of persons with mentally
11 impairing developmental disabilities, who are not managing employees or
12 persons with ownership or controlling interest in any other entity that receives
13 funds or provides services under the Developmental Disabilities Assistance
14 and Bill of Rights Act of 2000~~[1984]~~ as amended and who are not employees
15 of a state agency that receives funds or provides services under this section. Of
16 these members, five (5) members shall be persons with developmental
17 disabilities, and five (5) members shall be parents or guardians of children
18 with developmental disabilities or immediate relatives or guardians of adults
19 with mentally impairing developmental disabilities who cannot advocate for
20 themselves. Six (6) members shall be a combination of individuals in these
21 two (2) groups, and at least one (1) of these members shall be an immediate
22 relative or guardian of an institutionalized or previously institutionalized
23 person with a developmental disability or an individual with a developmental
24 disability who resides in an institution or who previously resided in an
25 institution.

26 (c) Members not representing principal state agencies shall be appointed for a
27 term of three (3) years. Members shall serve no more than two (2) consecutive

1 three (3) year terms. Members shall serve until their successors are appointed
2 or until they are removed for cause.

3 (d) The council shall elect its own chair, adopt bylaws, and operate in accordance
4 with its bylaws. Members of the council who are not state employees shall be
5 reimbursed for necessary and actual expenses. The Department of the
6 Treasury shall provide personnel adequate to ensure that the council has the
7 capacity to fulfill its responsibilities. The council shall be headed by an
8 executive director. If the executive director position becomes vacant, the
9 council shall be responsible for the recruitment and hiring of a new executive
10 director.

11 (4) The Commonwealth Council on Developmental Disabilities shall:

12 (a) Develop and implement the state plan as required by Part B of the
13 Developmental Disabilities Assistance and Bill of Rights Act of 2000~~[1984]~~,
14 as amended, with a goal of development of a coordinated consumer and
15 family centered focus and direction, including the specification of priority
16 services required by that plan;

17 (b) Monitor, review, and evaluate, not less often than annually, the
18 implementation and effectiveness of the state plan in meeting the plan's
19 objectives;

20 (c) To the maximum extent feasible, review and comment on all state plans that
21 relate to persons with developmental disabilities;

22 (d) Submit to the Department of the Treasury and the Secretary of the United
23 States Department of Health and Human Services any periodic reports on its
24 activities as required by the United States Department of Health and Human
25 Services and keep records and afford access as the Department of the Treasury
26 finds necessary to verify the reports;

27 (e) Serve as an advocate for individuals with developmental disabilities and

1 conduct programs, projects, and activities that promote systematic change and
2 capacity building;

3 (f) Examine, not less than once every five (5) years, the provision of and need for
4 federal and state priority areas to address, on a statewide and comprehensive
5 basis, urgent needs for services, supports, and other assistance for individuals
6 with developmental disabilities and their families; and

7 (g) Prepare, approve, and implement a budget that includes amounts paid to the
8 state under the Developmental Disabilities Assistance and Bill of Rights Act
9 of 2000~~[1984]~~, as amended, to fund all programs, projects, and activities
10 under that Act.

11 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 41 IS CREATED TO
12 READ AS FOLLOWS:

13 **(1) As used in this section, "STABLE Kentucky account" has the same definition as**
14 **set forth in KRS 164A.260.**

15 **(2) The Department of the Treasury shall be responsible for administering and**
16 **promoting STABLE Kentucky accounts.**

17 **(3) In order to ensure that the program is administered in a cost-effective manner,**
18 **the Department of the Treasury may enter into any cooperative agreements,**
19 **contracts, or similar instruments with:**

20 **(a) Other states which administer programs created under 26 U.S.C. sec. 529A;**

21 **(b) Other agencies or departments of the Commonwealth; or**

22 **(c) A nonprofit organization tasked with providing services to individuals who**
23 **are eligible for a STABLE Kentucky account.**

24 ➔Section 3. KRS 393A.020 is amended to read as follows:

25 This chapter shall not apply to:

26 (1) Property held, due, and owing in a foreign country if the transaction out of which
27 the property arose was a foreign transaction;

- 1 (2) Money, funds, or any other intangible property held by or owing:
2 (a) To a nonprofit exempt under Section 501(c)(3) of the Internal Revenue Code;†
3 †
4 (b) For any minerals or other raw materials capable of being used for fuel in the
5 course of manufacturing, processing, production, or mining; **or**
6 **(c) For any mineral proceeds;**
- 7 (3) Wages or salaries of fifty dollars (\$50) or less that are not claimed by an employee
8 within one (1) year of the date the wages or salaries are earned, unless the amounts
9 are held on a payroll card;
- 10 (4) Moneys in inmate accounts and prisoner canteen accounts held by jailer under KRS
11 441.137; or
- 12 (5) Funds held in a lawyer IOLTA trust account under Supreme Court Rule 3.830.
- 13 ➔Section 4. KRS 393A.330 is amended to read as follows:
- 14 (1) Except as otherwise provided in this section, on filing a report under KRS
15 393A.220, the holder shall pay or deliver to the administrator the property described
16 in the report.
- 17 (2) If property in a report under KRS 393A.220 is an automatically renewable deposit
18 and a penalty or forfeiture in the payment of interest would result from paying the
19 deposit to the administrator at the time of the report, the date for payment of the
20 property to the administrator is extended until a penalty or forfeiture no longer
21 would result from payment, if the holder informs the administrator of the extended
22 date.
- 23 (3) Tangible property in a safe-deposit box shall not be delivered to the administrator
24 until one hundred twenty (120) days after filing the report under KRS 393A.220.
- 25 (4) If property reported to the administrator under KRS 393A.220 is a security, the
26 administrator may:
27 (a) Make an endorsement, instruction, or entitlement order on behalf of the

1 apparent owner to invoke the duty of the issuer, its transfer agent, or the
2 securities intermediary to transfer the security; or

3 (b) Dispose of the security under KRS 393A.410.

4 (5) If the holder of property reported to the administrator under KRS 393A.220 is the
5 issuer of a certificated security, the administrator may obtain a replacement
6 certificate in physical or book-entry form under KRS 355.8-405. An indemnity
7 bond shall not be required.

8 (6) The administrator shall establish procedures for the registration, issuance, method
9 of delivery, transfer, and maintenance of securities delivered to the administrator by
10 a holder.

11 (7) An issuer, holder, and transfer agent or other person acting under this section under
12 instructions of and on behalf of the issuer or holder shall not be liable to the
13 apparent owner for, and shall be indemnified by the state against, a claim arising
14 with respect to property after the property has been delivered to the administrator.

15 (8) A holder shall not be required to deliver to the administrator a security identified by
16 the holder as a non-freely transferable security. If the administrator or holder
17 determines that a security is no longer a non-freely transferable security, the holder
18 shall deliver the security on the next regular date prescribed for delivery of
19 securities under this chapter. The holder shall make a determination annually
20 whether a security identified in a report filed under KRS 393A.220 as a non-freely
21 transferable security is no longer a non-freely transferable security.

22 **(9) (a) If property reported to the administrator is virtual currency, the holder shall**
23 **liquidate the virtual currency and remit the proceeds to the administrator.**

24 **(b) The liquidation shall occur anytime within ninety (90) days prior to the**
25 **filing of the report under KRS 393A.220.**

26 **(c) The owner shall not have recourse against the holder or the administrator**
27 **to recover any gain in value that occurs after the liquidation of the virtual**

1 *currency under this subsection.*

2 ➔Section 5. The following KRS sections are repealed:

3 41.600 Definitions for KRS 41.600 to 41.625 -- Eligibility requirements.

4 41.606 Linked deposit investment program -- Purpose -- Reports -- Authority for
5 administrative regulations.

6 41.610 Participation in program -- Investment agreements -- Required terms and
7 conditions.

8 41.615 Use of moneys obtained -- Refinancing of prior loans.

9 41.620 Application for linked deposit loan -- Effect of false statement.

10 42.510 Fixing rates of interest -- Relationship to Linked Deposit Investment Program.