

1 AN ACT relating to reorganization.

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

3 ➔Section 1. KRS 12.023 is amended to read as follows:

4 The following organizational units and administrative bodies shall be attached to the
5 Office of the Governor:

- 6 (1) Council on Postsecondary Education;
- 7 (2) Department of Military Affairs;
- 8 (3) Department for Local Government;
- 9 (4) Kentucky Commission on Human Rights;
- 10 (5) Kentucky Commission on Women;
- 11 (6) Kentucky Commission on Military Affairs;
- 12 (7) ~~[Agricultural Development Board;~~
- 13 ~~(8) — Kentucky Agricultural Finance Corporation;~~
- 14 ~~(9) —]Office of Minority Empowerment;~~
- 15 (a) The Martin Luther King Commission;
- 16 ~~(8) [(10)]~~ Office of Homeland Security; and
- 17 ~~(9) [(11)]~~ Kentucky Communications Network Authority.

18 ➔Section 2. KRS 12.020 is amended to read as follows:

19 Departments, program cabinets and their departments, and the respective major
20 administrative bodies that they include are enumerated in this section. It is not intended
21 that this enumeration of administrative bodies be all-inclusive. Every authority, board,
22 bureau, interstate compact, commission, committee, conference, council, office, or any
23 other form of organization shall be included in or attached to the department or program
24 cabinet in which they are included or to which they are attached by statute or statutorily
25 authorized executive order; except in the case of the Personnel Board and where the
26 attached department or administrative body is headed by a constitutionally elected officer,
27 the attachment shall be solely for the purpose of dissemination of information and

1 coordination of activities and shall not include any authority over the functions,
2 personnel, funds, equipment, facilities, or records of the department or administrative
3 body.

4 I. Cabinet for General Government - Departments headed by elected officers:

5 (1) The Governor.

6 (2) Lieutenant Governor.

7 (3) Department of State.

8 (a) Secretary of State.

9 (b) Board of Elections.

10 (c) Registry of Election Finance.

11 (4) Department of Law.

12 (a) Attorney General.

13 (5) Department of the Treasury.

14 (a) Treasurer.

15 (6) Department of Agriculture.

16 (a) Commissioner of Agriculture.

17 (b) Kentucky Council on Agriculture.

18 **(c) Agricultural Development Board.**

19 **(d) Kentucky Agricultural Finance Corporation.**

20 (7) Auditor of Public Accounts.

21 II. Program cabinets headed by appointed officers:

22 (1) Justice and Public Safety Cabinet:

23 (a) Department of Kentucky State Police.

24 (b) Department of Criminal Justice Training.

25 (c) Department of Corrections.

26 (d) Department of Juvenile Justice.

27 (e) Office of the Secretary.

- 1 (f) Office of Drug Control Policy.
- 2 (g) Office of Legal Services.
- 3 (h) Office of the Kentucky State Medical Examiner.
- 4 (i) Parole Board.
- 5 (j) Kentucky State Corrections Commission.
- 6 (k) Office of Legislative and Intergovernmental Services.
- 7 (l) Office of Management and Administrative Services.
- 8 (m) Department of Public Advocacy.
- 9 (2) Education and Workforce Development Cabinet:
- 10 (a) Office of the Secretary.
- 11 1. Governor's Scholars Program.
- 12 2. Governor's School for Entrepreneurs Program.
- 13 3. Office of the Kentucky Workforce Innovation Board.
- 14 4. Foundation for Adult Education.
- 15 5. Early Childhood Advisory Council.
- 16 (b) Office of Legal and Legislative Services.
- 17 1. Client Assistance Program.
- 18 (c) Office of Communication.
- 19 (d) Office of Administrative Services.
- 20 1. Division of Human Resources.
- 21 2. Division of Operations and Support Services.
- 22 3. Division of Fiscal Management.
- 23 (e) Office of Technology Services.
- 24 (f) Office of Educational Programs.
- 25 (g) Office of the Kentucky Center for Statistics.
- 26 (h) Board of the Kentucky Center for Statistics.
- 27 (i) Board of Directors for the Center for School Safety.

- 1 (j) Department of Education.
- 2 1. Kentucky Board of Education.
- 3 2. Kentucky Technical Education Personnel Board.
- 4 (k) Department for Libraries and Archives.
- 5 (l) Department of Workforce Investment.
- 6 1. Office of Vocational Rehabilitation.
- 7 a. Division of Kentucky Business Enterprise.
- 8 b. Division of the Carl D. Perkins Vocational Training Center.
- 9 c. Division of Blind Services.
- 10 d. Division of Field Services.
- 11 e. Statewide Council for Vocational Rehabilitation.
- 12 2. Office of Unemployment Insurance.
- 13 3. Office of Employer and Apprenticeship Services.
- 14 a. Division of Apprenticeship.
- 15 4. Office of Career Development.
- 16 5. Office of Adult Education.
- 17 6. Unemployment Insurance Commission.
- 18 7. Kentucky Apprenticeship Council.
- 19 (m) Foundation for Workforce Development.
- 20 (n) Kentucky Workforce Investment Board.
- 21 (o) Education Professional Standards Board.
- 22 1. Division of Educator Preparation.
- 23 2. Division of Certification.
- 24 3. Division of Professional Learning and Assessment.
- 25 4. Division of Legal Services.
- 26 (p) Kentucky Commission on the Deaf and Hard of Hearing.
- 27 (q) Kentucky Educational Television.

- 1 (r) Kentucky Environmental Education Council.
- 2 (3) Energy and Environment Cabinet:
- 3 (a) Office of the Secretary.
- 4 1. Office of Legislative and Intergovernmental Affairs.
- 5 2. Office of Legal Services.
- 6 a. Legal Division I.
- 7 b. Legal Division II.
- 8 3. Office of Administrative Hearings.
- 9 4. Office of Communication.
- 10 5. Mine Safety Review Commission.
- 11 6. Office of Kentucky Nature Preserves.
- 12 7. Kentucky Public Service Commission.
- 13 (b) Department for Environmental Protection.
- 14 1. Office of the Commissioner.
- 15 2. Division for Air Quality.
- 16 3. Division of Water.
- 17 4. Division of Environmental Program Support.
- 18 5. Division of Waste Management.
- 19 6. Division of Enforcement.
- 20 7. Division of Compliance Assistance.
- 21 (c) Department for Natural Resources.
- 22 1. Office of the Commissioner.
- 23 2. Division of Mine Permits.
- 24 3. Division of Mine Reclamation and Enforcement.
- 25 4. Division of Abandoned Mine Lands.
- 26 5. Division of Oil and Gas.
- 27 6. Division of Mine Safety.

- 1 7. Division of Forestry.
- 2 8. Division of Conservation.
- 3 9. Office of the Reclamation Guaranty Fund.
- 4 (d) Office of Energy Policy.
 - 5 1. Division of Energy Assistance.
- 6 (e) Office of Administrative Services.
 - 7 1. Division of Human Resources Management.
 - 8 2. Division of Financial Management.
 - 9 3. Division of Information Services.
- 10 (4) Public Protection Cabinet.
 - 11 (a) Office of the Secretary.
 - 12 1. Office of Communications and Public Outreach.
 - 13 2. Office of Legal Services.
 - 14 a. Insurance Legal Division.
 - 15 b. Charitable Gaming Legal Division.
 - 16 c. Alcoholic Beverage Control Legal Division.
 - 17 d. Housing, Buildings and Construction Legal Division.
 - 18 e. Financial Institutions Legal Division.
 - 19 f. Professional Licensing Legal Division.
 - 20 3. Office of Administrative Hearings.
 - 21 4. Office of Administrative Services.
 - 22 a. Division of Human Resources.
 - 23 b. Division of Fiscal Responsibility.
 - 24 (b) Kentucky Claims Commission.
 - 25 (c) Kentucky Boxing and Wrestling Commission.
 - 26 (d) Kentucky Horse Racing Commission.
 - 27 1. Office of Executive Director.

- 1 a. Division of Pari-mutuel Wagering and Compliance.
- 2 b. Division of Stewards.
- 3 c. Division of Licensing.
- 4 d. Division of Enforcement.
- 5 e. Division of Incentives and Development.
- 6 f. Division of Veterinary Services.
- 7 (e) Department of Alcoholic Beverage Control.
 - 8 1. Division of Distilled Spirits.
 - 9 2. Division of Malt Beverages.
 - 10 3. Division of Enforcement.
- 11 (f) Department of Charitable Gaming.
 - 12 1. Division of Licensing and Compliance.
 - 13 2. Division of Enforcement.
- 14 (g) Department of Financial Institutions.
 - 15 1. Division of Depository Institutions.
 - 16 2. Division of Non-Depository Institutions.
 - 17 3. Division of Securities.
- 18 (h) Department of Housing, Buildings and Construction.
 - 19 1. Division of Fire Prevention.
 - 20 2. Division of Plumbing.
 - 21 3. Division of Heating, Ventilation, and Air Conditioning.
 - 22 4. Division of Building Code Enforcement.
- 23 (i) Department of Insurance.
 - 24 1. Division of Insurance Product Regulation.
 - 25 2. Division of Administrative Services.
 - 26 3. Division of Financial Standards and Examination.
 - 27 4. Division of Agent Licensing.

- 1 5. Division of Insurance Fraud Investigation.
- 2 6. Division of Consumer Protection.
- 3 (j) Department of Professional Licensing.
- 4 1. Real Estate Authority.
- 5 (5) Labor Cabinet.
- 6 (a) Office of the Secretary.
- 7 1. Office of General Counsel.
- 8 a. Workplace Standards Legal Division.
- 9 b. Workers' Claims Legal Division.
- 10 2. Office of Administrative Services.
- 11 a. Division of Human Resources Management.
- 12 b. Division of Fiscal Management.
- 13 c. Division of Professional Development and Organizational
- 14 Management.
- 15 d. Division of Information Technology and Support Services.
- 16 3. Office of Inspector General.
- 17 (b) Department of Workplace Standards.
- 18 1. Division of Occupational Safety and Health Compliance.
- 19 2. Division of Occupational Safety and Health Education and
- 20 Training.
- 21 3. Division of Wages and Hours.
- 22 (c) Department of Workers' Claims.
- 23 1. Division of Workers' Compensation Funds.
- 24 2. Office of Administrative Law Judges.
- 25 3. Division of Claims Processing.
- 26 4. Division of Security and Compliance.
- 27 5. Division of Information Services.

- 1 6. Division of Specialist and Medical Services.
- 2 7. Workers' Compensation Board.
- 3 (d) Workers' Compensation Funding Commission.
- 4 (e) Occupational Safety and Health Standards Board.
- 5 (f) State Labor Relations Board.
- 6 (g) Employers' Mutual Insurance Authority.
- 7 (h) Kentucky Occupational Safety and Health Review Commission.
- 8 (i) Workers' Compensation Nominating Committee.
- 9 (6) Transportation Cabinet:
- 10 (a) Department of Highways.
 - 11 1. Office of Project Development.
 - 12 2. Office of Project Delivery and Preservation.
 - 13 3. Office of Highway Safety.
 - 14 4. Highway District Offices One through Twelve.
- 15 (b) Department of Vehicle Regulation.
- 16 (c) Department of Aviation.
- 17 (d) Department of Rural and Municipal Aid.
 - 18 1. Office of Local Programs.
 - 19 2. Office of Rural and Secondary Roads.
- 20 (e) Office of the Secretary.
 - 21 1. Office of Public Affairs.
 - 22 2. Office for Civil Rights and Small Business Development.
 - 23 3. Office of Budget and Fiscal Management.
 - 24 4. Office of Inspector General.
- 25 (f) Office of Support Services.
- 26 (g) Office of Transportation Delivery.
- 27 (h) Office of Audits.

- 1 (i) Office of Human Resource Management.
- 2 (j) Office of Information Technology.
- 3 (k) Office of Legal Services.
- 4 (7) Cabinet for Economic Development:
- 5 (a) Office of the Secretary.
- 6 1. Office of Legal Services.
- 7 2. Department for Business Development.
- 8 3. Department for Financial Services.
- 9 a. Kentucky Economic Development Finance Authority.
- 10 b. Finance and Personnel Division.
- 11 c. IT and Resource Management Division.
- 12 d. Compliance Division.
- 13 e. Incentive Administration Division.
- 14 f. Bluegrass State Skills Corporation.
- 15 4. Office of Marketing and Public Affairs.
- 16 a. Communications Division.
- 17 b. Graphics Design Division.
- 18 5. Office of Workforce, Community Development, and Research.
- 19 6. Office of Entrepreneurship.
- 20 a. Commission on Small Business Advocacy.
- 21 (8) Cabinet for Health and Family Services:
- 22 (a) Office of the Secretary.
- 23 1. Office of Health Data and Analytics.
- 24 2. Office of the Ombudsman and Administrative Review.
- 25 3. Office of Public Affairs.
- 26 4. Office of Legal Services.
- 27 5. Office of Inspector General.

- 1 (b) Office of Finance and Budget.
- 2 (c) Office of Human Resource Management.
- 3 (d) Office of Administrative Services.
- 4 (e) Office of Application Technology Services.
- 5 (f) Department for Public Health.
- 6 (g) Department for Medicaid Services.
- 7 (h) Department for Behavioral Health, Developmental and Intellectual
- 8 Disabilities.
- 9 (i) Department for Aging and Independent Living.
- 10 (j) Department for Community Based Services.
- 11 (k) Department for Income Support.
- 12 (l) Department for Family Resource Centers and Volunteer Services.
- 13 (m) Office for Children with Special Health Care Needs.
- 14 (n) Office of Legislative and Regulatory Affairs.
- 15 (9) Finance and Administration Cabinet:
- 16 (a) Office of the Secretary.
- 17 (b) Office of the Inspector General.
- 18 (c) Office of Legislative and Intergovernmental Affairs.
- 19 (d) Office of General Counsel.
- 20 (e) Office of the Controller.
- 21 (f) Office of Administrative Services.
- 22 (g) Office of Policy and Audit.
- 23 (h) Department for Facilities and Support Services.
- 24 (i) Department of Revenue.
- 25 (j) Commonwealth Office of Technology.
- 26 (k) State Property and Buildings Commission.
- 27 (l) Office of Equal Employment Opportunity and Contract Compliance.

- 1 (m) Kentucky Employees Retirement Systems.
- 2 (n) Commonwealth Credit Union.
- 3 (o) State Investment Commission.
- 4 (p) Kentucky Housing Corporation.
- 5 (q) Kentucky Local Correctional Facilities Construction Authority.
- 6 (r) Kentucky Turnpike Authority.
- 7 (s) Historic Properties Advisory Commission.
- 8 (t) Kentucky Tobacco Settlement Trust Corporation.
- 9 (u) Kentucky Higher Education Assistance Authority.
- 10 (v) Kentucky River Authority.
- 11 (w) Kentucky Teachers' Retirement System Board of Trustees.
- 12 (x) Executive Branch Ethics Commission.
- 13 (10) Tourism, Arts and Heritage Cabinet:
- 14 (a) Kentucky Department of Tourism.
- 15 1. Division of Tourism Services.
- 16 2. Division of Marketing and Administration.
- 17 3. Division of Communications and Promotions.
- 18 (b) Kentucky Department of Parks.
- 19 1. Division of Information Technology.
- 20 2. Division of Human Resources.
- 21 3. Division of Financial Operations.
- 22 4. Division of Facilities Management.
- 23 5. Division of Facilities Maintenance.
- 24 6. Division of Customer Services.
- 25 7. Division of Recreation.
- 26 8. Division of Golf Courses.
- 27 9. Division of Food Services.

- 1 10. Division of Rangers.
- 2 11. Division of Resort Parks.
- 3 12. Division of Recreational Parks and Historic Sites.
- 4 (c) Department of Fish and Wildlife Resources.
- 5 1. Division of Law Enforcement.
- 6 2. Division of Administrative Services.
- 7 3. Division of Engineering, Infrastructure, and Technology.
- 8 4. Division of Fisheries.
- 9 5. Division of Information and Education.
- 10 6. Division of Wildlife.
- 11 7. Division of Marketing.
- 12 (d) Kentucky Horse Park.
- 13 1. Division of Support Services.
- 14 2. Division of Buildings and Grounds.
- 15 3. Division of Operational Services.
- 16 (e) Kentucky State Fair Board.
- 17 1. Office of Administrative and Information Technology Services.
- 18 2. Office of Human Resources and Access Control.
- 19 3. Division of Expositions.
- 20 4. Division of Kentucky Exposition Center Operations.
- 21 5. Division of Kentucky International Convention Center.
- 22 6. Division of Public Relations and Media.
- 23 7. Division of Venue Services.
- 24 8. Division of Personnel Management and Staff Development.
- 25 9. Division of Sales.
- 26 10. Division of Security and Traffic Control.
- 27 11. Division of Information Technology.

- 1 12. Division of the Louisville Arena.
- 2 13. Division of Fiscal and Contract Management.
- 3 14. Division of Access Control.
- 4 (f) Office of the Secretary.
 - 5 1. Office of Finance.
 - 6 2. Office of Government Relations and Administration.
 - 7 3. Office of Film and Tourism Development.
- 8 (g) Office of Legal Affairs.
- 9 (h) Office of Human Resources.
- 10 (i) Office of Public Affairs and Constituent Services.
- 11 (j) Office of Arts and Cultural Heritage.
- 12 (k) Kentucky African-American Heritage Commission.
- 13 (l) Kentucky Foundation for the Arts.
- 14 (m) Kentucky Humanities Council.
- 15 (n) Kentucky Heritage Council.
- 16 (o) Kentucky Arts Council.
- 17 (p) Kentucky Historical Society.
 - 18 1. Division of Museums.
 - 19 2. Division of Oral History and Educational Outreach.
 - 20 3. Division of Research and Publications.
 - 21 4. Division of Administration.
- 22 (q) Kentucky Center for the Arts.
 - 23 1. Division of Governor's School for the Arts.
- 24 (r) Kentucky Artisans Center at Berea.
- 25 (s) Northern Kentucky Convention Center.
- 26 (t) Eastern Kentucky Exposition Center.
- 27 (11) Personnel Cabinet:

- 1 (a) Office of the Secretary.
- 2 (b) Department of Human Resources Administration.
- 3 (c) Office of Employee Relations.
- 4 (d) Kentucky Public Employees Deferred Compensation Authority.
- 5 (e) Office of Administrative Services.
- 6 (f) Office of Legal Services.
- 7 (g) Governmental Services Center.
- 8 (h) Department of Employee Insurance.
- 9 (i) Office of Diversity, Equality, and Training.
- 10 (j) Office of Public Affairs.

11 III. Other departments headed by appointed officers:

- 12 (1) Council on Postsecondary Education.
- 13 (2) Department of Military Affairs.
- 14 (3) Department for Local Government.
- 15 (4) Kentucky Commission on Human Rights.
- 16 (5) Kentucky Commission on Women.
- 17 (6) Department of Veterans' Affairs.
- 18 (7) Kentucky Commission on Military Affairs.
- 19 (8) Office of Minority Empowerment.
- 20 (9) Governor's Council on Wellness and Physical Activity.
- 21 (10) Kentucky Communications Network Authority.

22 ➔Section 3. KRS 247.944 is amended to read as follows:

- 23 (1) There is hereby created and established the Kentucky Agricultural Finance
24 Corporation which shall be attached to the Department of Agriculture~~[Office of the~~
25 ~~Governor]~~ for administrative purposes only.
- 26 (2) The corporation is created and established as a de jure municipal corporation and
27 political subdivision of the Commonwealth to perform essential governmental and

1 public functions and purposes in improving and otherwise promoting the health and
2 general welfare of the people through the promotion of agriculture through the
3 Commonwealth.

4 (3) The corporation shall be governed by a board of directors consisting of twelve (12)
5 members, ten (10) of whom shall be appointed by the Governor. The other two (2)
6 members shall be the Commissioner of the Department of Agriculture, who shall
7 serve as chairperson, and the secretary of the Finance and Administration Cabinet.
8 The Commissioner may designate a representative to serve as chairperson in the
9 Commissioner's absence.

10 (4) The Governor shall appoint ten (10) private members of the board to take office and
11 to exercise all powers of the board immediately. The ten (10) directors of the
12 corporation shall be appointed using staggered terms. Of the ten (10) private
13 members of the board appointed by the Governor, two (2) may be officers from a
14 commercial lending institution, one (1) may be an officer from a farm credit
15 association, one (1) may be an agricultural economist, one (1) shall be a tobacco
16 farmer, one (1) shall be a cash grain farmer, one (1) shall be a livestock farmer, one
17 (1) shall be a dairy farmer, one (1) shall be a horticultural farmer, and one (1) shall
18 be from the equine industry. To promote efficient use of agricultural resources and
19 coordination among agricultural leaders, the Governor shall appoint a member from
20 the Agricultural Development Board, who meets the qualifications for one (1) of the
21 positions set out in this subsection, to one (1) of the ten (10) board positions
22 governing the Kentucky Agricultural Finance Corporation.

23 (5) Upon the expiration of the initial terms of the private members of the board, the
24 Governor shall appoint successors representing the same constituencies as the
25 members succeeded for a term of four (4) years in each case. In the case of a
26 vacancy, the Governor may appoint a successor to hold office during the remainder
27 of the term.

- 1 (6) Staff services for the board shall be provided by the Department of Agriculture.
2 The Commissioner of Agriculture or his or her designee shall serve as executive
3 director of the board~~{Office of the Governor. The executive director of the~~
4 ~~Agricultural Development Board shall serve as executive director for the board}.~~
- 5 (7) The executive director shall administer, manage, and direct the affairs and business
6 of the corporation, subject to the policies, control, and direction of the board. The
7 executive director shall keep a record of the proceedings of the corporation and
8 shall be custodian of all books, documents, and papers filed with the corporation,
9 the minute book or journal of the corporation, and its official seal. The executive
10 director shall have authority to cause copies to be made of all minutes and other
11 records and documents of the corporation and to give certificates under the official
12 seal of the corporation to the effect that the copies are true copies, and all persons
13 dealing with the corporation may rely on such certifications.
- 14 (8) A majority of the board shall constitute a quorum for the purpose of conducting its
15 business and exercising its powers and for all other purposes, notwithstanding the
16 existence of any vacancies; provided, however, that a majority of the board may
17 elect from among its members an executive committee to act in its stead in the day
18 to day conduct of the business of the corporation. Notwithstanding the foregoing,
19 the full board shall hold at least one (1) meeting each calendar quarter in accordance
20 with a schedule to be established by the board.
- 21 (9) Action may be taken by the corporation upon a vote of a majority of the directors
22 present at a meeting at which a quorum exists called upon three (3) days written
23 notice or upon the concurrence of at least seven (7) directors or by the board's
24 executive committee.
- 25 (10) All members of the board shall be entitled to their reasonable and necessary
26 expenses actually incurred in discharging their duties.
- 27 ➔Section 4. KRS 248.707 is amended to read as follows:

- 1 (1) The Agricultural Development Board is created as a political subdivision of the
2 Commonwealth to perform essential governmental and public functions by
3 administering funds to provide economic assistance to the agriculture community of
4 the Commonwealth. The board shall be a public agency within the meaning of KRS
5 61.805, 61.870, and other applicable statutes.
- 6 (2) The board shall consist of sixteen (16) members as follows:
- 7 (a) Five (5) voting members or their designees, as follows:
- 8 1. The Commissioner of Agriculture~~[Governor of the Commonwealth of~~
9 ~~Kentucky]~~, who shall serve as chair;
- 10 2. The Governor of the Commonwealth of Kentucky~~[Commissioner of the~~
11 ~~Kentucky Department of Agriculture]~~, who shall serve as vice chair and
12 shall serve as chair in the absence of the Commissioner of
13 Agriculture~~[Governor]~~;
- 14 3. The secretary of the Cabinet for Economic Development;
- 15 4. The director of the University of Kentucky Cooperative Extension
16 Service; and
- 17 5. The president of Kentucky State University; and
- 18 (b) Eleven (11) voting members appointed by the Governor, who shall be
19 geographically distributed throughout the state and subject to confirmation by
20 the House of Representatives and Senate as provided in KRS 11.160(2). The
21 members shall be as follows:
- 22 1. Seven (7) active farmers, at least four (4) of whom shall be from
23 counties that are substantially tobacco-impacted, as determined by a
24 formula that includes tobacco income as a percentage of total personal
25 income in the county, and at least two (2) of whom shall have
26 experience in agricultural diversification;
- 27 2. One (1) representative of the Kentucky Farm Bureau;

- 1 3. One (1) representative of the Kentucky Chamber of Commerce, who
2 shall be an agribusiness person;
- 3 4. One (1) attorney with farm experience and familiarity with agricultural
4 policy; and
- 5 5. One (1) agricultural lender.
- 6 (3) The members appointed under subsection (2)(b)2. and 3. of this section shall be
7 chosen from a list of three (3) nominees submitted to the Governor by each of the
8 respective organizations.
- 9 (4) Consideration shall be given to racial and gender equity in the appointment of board
10 members.
- 11 (5) The majority of the voting members shall be active farmers.
- 12 (6) Members of the board shall be reimbursed for expenses incurred in the performance
13 of their duties.
- 14 (7) Except as provided in paragraphs (a) to (d) of this subsection, the terms of the
15 members appointed by the Governor shall be for four (4) years and until their
16 successors are appointed and confirmed. A vacancy on the board shall be filled for
17 the remainder of the unexpired term in the same manner as the original
18 appointment. Members may be reappointed. The initial appointments shall be for
19 staggered terms, as follows:
- 20 (a) Two (2) members shall be appointed for one (1) year;
- 21 (b) Three (3) members shall be appointed for two (2) years;
- 22 (c) Three (3) members shall be appointed for three (3) years; and
- 23 (d) Three (3) members shall be appointed for four (4) years.
- 24 (8) The Governor shall convene the first meeting of the board by August 1, 2000.
- 25 (9) The board shall meet monthly, or at the call of the chair or a majority of the voting
26 members.
- 27 (10) A quorum of the board shall consist of nine (9) voting members. A majority of the

1 voting members present may act upon matters before the board.

2 (11) The board shall be attached to the Department of Agriculture~~[Office of the~~
3 ~~Governor]~~ for administrative purposes.

4 **(12) Staff services for the board shall be provided by the Department of Agriculture.**

5 ➔Section 5. KRS 248.709 is amended to read as follows:

6 The board's duties shall include but not be limited to:

- 7 (1) Administering the agricultural development fund, except as provided in KRS
8 248.717(2);
- 9 (2) Receiving requests and applications for funds and authorizing the distribution of
10 funds. The board may receive applications from institutions of public postsecondary
11 education for financial and technical assistance in conducting alternative crop
12 development research. The board shall assist the applicants in obtaining any
13 necessary federal permits that may be required to conduct alternative crop research.
14 A recipient institution shall report the status and progress of the alternative crop
15 development research to the board, the Interim Joint Committee on Agriculture, and
16 the Tobacco Settlement Agreement Fund Oversight Committee. The board shall
17 promulgate administrative regulations relating to growing and researching
18 alternative crops at the selected postsecondary institution, and shall adopt any
19 applicable federal regulations;
- 20 (3) Developing guidelines and criteria for eligibility for and disbursement of funds, the
21 types of direct and indirect economic assistance to be awarded, and procedures for
22 applying for funds and reviewing applications for assistance;
- 23 (4) Ensuring that each county agricultural development council's plans and county
24 recommendations and applications receive major consideration in decisions on use
25 of a county's funds;
- 26 (5) Completing a comprehensive plan:
- 27 (a) The comprehensive plan shall propose short-term and long-term goals,

1 strategies, and investments in Kentucky agriculture that will assist farmers in
2 remaining competitive in existing and new enterprises. The comprehensive
3 plan shall identify a diversified mix of enterprises that are profitable to
4 farmers and shall determine the investments necessary to support the viability
5 of those enterprises. The plan shall be reviewed by the General Assembly and
6 the subcommittee created in KRS 248.723. The subcommittee may issue
7 comment on the plan. However, the board may act without General Assembly
8 approval;

9 (b) As soon as possible following enactment of KRS 248.701 to 248.727, a plan
10 of action shall be devised to meet the immediate needs of the
11 Commonwealth's farmers and tobacco impacted communities most adversely
12 affected by tobacco losses. A set of priorities shall be established in the plan
13 of action to implement and fund programs to meet those needs as soon as
14 practical; and

15 (c) Notwithstanding the provisions of 2000 Ky. Acts ch. 546, immediate funding
16 needs may be addressed and funded before a comprehensive or strategic plan
17 is completed. Proposals from an applicant may be approved by the board if
18 they meet the criteria established in KRS 248.713;

19 (6) Preparing a biennial budget request in accordance with KRS Chapter 48;

20 (7) Working with other governmental agencies to maximize the financial and economic
21 impact that the programs implemented by the board will have and to maximize
22 receipt of federal and other funds to the agriculture community in the
23 Commonwealth;

24 (8) Promulgating administrative regulations relating to carrying out the purposes of
25 KRS 248.701 to 248.727;

26 (9) **The Commissioner of Agriculture, or the Commissioner's designee, shall serve as**
27 **director and shall**~~Hiring a director to~~ carry out the will of the board;

- 1 (10) Ensuring the necessary mechanisms are in place for the committees created by KRS
2 248.715 to function effectively;
- 3 (11) Contracting with other persons or entities if necessary to effectuate the board's
4 purposes and functions;
- 5 (12) Enacting bylaws concerning the conduct of the board's business and other
6 administrative procedures as the board deems necessary;
- 7 (13) Developing criteria to evaluate the success of the board's programs and expenditures
8 to applicants. The criteria shall be simple, easily measured, and easily understood.
9 Criteria should include number of families farming, increases in farm income
10 attributable to state programs, the number of diversified operations, and the number
11 of different types of diversified efforts within a county, including the efforts that
12 have failed;
- 13 (14) Providing reports of each meeting, along with expenditures approved or denied,
14 within thirty (30) days of the meeting, to the Tobacco Settlement Agreement Fund
15 Oversight Committee created by KRS 248.723. These reports shall contain detailed
16 information relating to each expenditure by the board and detailed information on
17 each application for funding a project or initiative by the board and decision by the
18 board regarding each proposal, except information that may violate confidentiality.
19 This information shall be provided by electronic format as prescribed by the
20 Legislative Research Commission;
- 21 (15) Submitting an annual written report to the Governor, the Commissioner of
22 Agriculture, the Tobacco Settlement Agreement Fund Oversight Committee, and
23 the Legislative Research Commission regarding the administrative, financial, and
24 programmatic activities of the board; and
- 25 (16) Making recommendations to the General Assembly through the Legislative
26 Research Commission on possible adjustments to the funding formula for county
27 allocations and the percent allocated to counties as provided in KRS 248.703.

1 ➔Section 6. KRS 260.860 is amended to read as follows:

- 2 (1) The Industrial Hemp Advisory Board is created for the purpose of providing advice
3 and expertise as may be needed by a university or the department with respect to
4 plans, policies, and procedures applicable to the administration of its respective
5 industrial hemp research pilot programs.
- 6 (2) The Industrial Hemp Advisory Board shall be attached to the department for
7 administrative purposes.
- 8 (3) The Industrial Hemp Advisory Board shall be composed of the following members:
- 9 (a) The Commissioner of the department or the Commissioner's designee;
- 10 (b) ~~{The executive director of the Governor's Office of Agricultural Policy or the~~
11 ~~executive director's designee;~~
- 12 (c) ~~{The dean of the University of Kentucky's College of Agriculture, Food and~~
13 ~~Environment or the dean's designee;~~
- 14 (c)~~{(d)}~~ The commissioner of the Department of Kentucky State Police or the
15 commissioner's designee;
- 16 (d)~~{(e)}~~ The president of the Kentucky Sheriff's Association or the president's
17 designee;
- 18 (e)~~{(f)}~~ The president of the Kentucky Association of Chiefs of Police or the
19 president's designee; and
- 20 (f)~~{(g)}~~ Ten (10) at-large members designated by the Commissioner.
- 21 (4) The Commissioner or the Commissioner's designee shall serve as chair.
- 22 (5) A majority of the members of the board shall constitute a quorum.
- 23 (6) The board shall meet at least one (1) time annually at the call of the chair.
- 24 (7) In making the initial appointments of the board, the Commissioner shall stagger the
25 terms of the board members. Thereafter, members shall be appointed to a term of
26 four (4) years and shall serve until their successors are duly appointed and qualified.
- 27 (8) Board members shall receive no compensation but shall be reimbursed, payable

1 from the industrial hemp research pilot program fund, for any actual travel expense
2 incurred while attending meetings of the board.

3 ➔Section 7. The following KRS section is repealed:

4 248.480 Kentucky Tobacco Settlement Trust Corporation -- Board of directors -- Duties
5 -- Amnesty compensation program -- Liability.

6 ➔Section 8. Upon the effective date of this Act, the affairs of the Governor's
7 Office of Agricultural Policy shall be concluded, and the Kentucky Department of
8 Agriculture shall organize itself to manage the administrative affairs of the Agricultural
9 Development Board and the Kentucky Agricultural Finance Corporation. Any records,
10 files, and documents associated with the activities of the Kentucky Tobacco Settlement
11 Trust Corporation shall be transferred to the Department of Agriculture. Any records,
12 files, documents, equipment, staff, supporting budgets, and any and all unexpended funds
13 associated with the activities of the Governor's Office of Agricultural Policy shall be
14 transferred to the Department of Agriculture. All administrative regulations, decisions,
15 and actions promulgated, made, or taken by the Agricultural Development Board or the
16 Kentucky Agricultural Finance Corporation that have not been repealed or rescinded shall
17 continue in effect after the effective date of this Act.