

1 AN ACT relating to barbering.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) As used in this section:

6 (a) "Agencies" means the Finance and Administration Cabinet, the
7 Commonwealth Office of Technology, and the Department of Revenue;

8 (b) "Aggregated format" means the smallest possible combination of data to
9 ensure that no specific taxpayer is identified, generally with no more than
10 three (3) taxpayers combined into a single line of data;

11 (c) "Committee" means the:

12 1. Interim Joint Committee on Appropriations and Revenue; or

13 2. a. Senate Standing Committee on Appropriations and Revenue;

14 and

15 b. House Standing Committee on Appropriations and Revenue;

16 and

17 (d) "Data" means all tax return data, accounts receivable data, refund data,
18 tax expenditure data, or any other information required to make sound tax
19 policy decisions by the General Assembly as it relates to businesses
20 operating and citizens living in the Commonwealth.

21 (2) The agencies shall cooperatively provide to the committee all data in an
22 aggregated format.

23 (3) A working group containing employees from the agencies and the committee is
24 hereby created to accomplish an efficient and effective delivery of the data
25 required in subsection (2) of this section in an aggregated format which is easily
26 accessible, adaptable, and useable by staff of the committee and on a timeline
27 which meets the needs of the committee.

1 **(4) (a) By June 1, 2022, the secretary of the Finance and Administration Cabinet**
 2 **shall submit the names and contact information of staff from the agencies**
 3 **to the committee.**

4 **(b) The first meeting of the working group shall occur no later than June 30,**
 5 **2022, with monthly meetings to be held thereafter until the delivery**
 6 **timeline, format, and methodology for each type of data has been**
 7 **determined and the first submission of each type of data has been received.**

8 **(5) (a) Failure by the agencies to comply with this section may result in a reduction**
 9 **of up to fifty percent (50%) of the appropriation for each budget unit of the**
 10 **agencies during the next regular session of the General Assembly.**

11 **(b) All reductions under paragraph (a) of this subsection shall lapse to the**
 12 **general fund surplus fund account created in KRS 48.700.**

13 ➔Section 2. KRS 48.020 is amended to read as follows:

14 Each branch of government shall have in continuous process of preparation and revision,
 15 in the light of its direct studies of the operations, plans and needs of its budget units and
 16 of the existing and prospective sources of income, a branch budget recommendation for
 17 the next two (2) fiscal years for which a budget recommendation is required to be
 18 prepared. Upon receipt of the estimates from its budget units, each branch of government
 19 shall check these estimates in the light of its own information, and shall make such
 20 further inquiries and investigations and revise its branch budget recommendation as it
 21 deems warranted. ~~[The branch budget recommendation when approved shall be certified~~
 22 ~~together with the budget statements provided for in KRS 48.110 and submitted as~~
 23 ~~provided for in KRS 48.100.]~~

24 ➔Section 3. KRS 48.040 is amended to read as follows:

25 (1) On or before April 1 of each odd-numbered year, representatives designated by the
 26 Governor, the Chief Justice and the Legislative Research Commission for their
 27 respective branches shall propose drafts of uniform forms to be used by all budget

1 units in submitting their budget estimates, requests and recommendations, and shall
2 recommend to the Legislative Research Commission such rules and regulations
3 deemed necessary for the preparation of such budget estimates, requests and
4 recommendations.

5 (2) On or before July 1 of each odd-numbered year, the Legislative Research
6 Commission shall prescribe uniform forms, records, and instructions to be used by
7 branch budget units. Included in such forms shall be a section requiring budget units
8 to identify the amount of funds to be spent on agency publications.

9 (3) (a) On or before August 15 of each odd-numbered year, each of the state-
10 administered retirement systems as defined by KRS 6.350(5) shall submit to
11 the state budget director's office and the Legislative Research Commission a
12 preliminary projection of the actuarially required contribution rates payable
13 for the budget biennium that begins in the following fiscal year.

14 (b) On or before October~~November~~ 15 of each odd-numbered year, the state-
15 administered retirement systems as defined by KRS 6.350(5) shall submit
16 revised projections to the state budget director's office and the Legislative
17 Research Commission, based upon the most recently completed actuarial
18 valuation, of the actuarially required contribution rates payable for the budget
19 biennium that begins in the following fiscal year.

20 (c) The Legislative Research Commission shall distribute the information
21 received under this subsection to the committee staff and co-chairs of any
22 committee that has jurisdiction over a state-administered retirement system.

23 (4) On or before September 1 of each odd-numbered year, the Finance and
24 Administration Cabinet shall supply each branch of government with at least three

25 (3) complete sets of the prescribed uniform forms and instructions for the
26 preparation of estimates and statements, and one (1) copy of the complete statement
27 of the expenditures of each budget unit of the branch to aid each branch of

1 government in preparing its estimates and statements.

2 (5) Upon request, the Finance and Administration Cabinet shall provide such additional
3 assistance to each branch of government as may be required.

4 ➔Section 4. KRS 48.050 is amended to read as follows:

5 The head of each budget unit shall submit its budget unit request to the Office of State
6 Budget Director, in the case of the executive branch, to the Chief Justice, in the case of
7 the judicial branch, to the director of the Legislative Research Commission, in the case of
8 the legislative branch; and to the Legislative Research Commission, not later than
9 October~~November~~ 15 of each odd-numbered year.

10 ➔Section 5. KRS 48.110 is amended to read as follows:

11 Each branch budget recommendation shall contain a complete financial plan for the
12 branch of government for each of the next two (2) fiscal years. **Each branch budget**
13 **recommendation and all supporting documentation shall be submitted in a form and**
14 **format cooperatively developed by each respective branch of government and the**
15 **General Assembly and approved by the Legislative Research Commission.** Each branch
16 budget recommendation shall include:

17 (1) A budget message signed by:

18 (a) The Governor for the executive branch;

19 (b) The Chief Justice for the judicial branch; and

20 (c) The co-chairmen of the Legislative Research Commission for the legislative
21 branch;

22 (2) (a) Statements of income and receipts for the two (2) fiscal years last concluded,
23 and the estimated income and receipts, for each budget unit of the branch of
24 government for the current fiscal year and each of the next two (2) fiscal
25 years.

26 (b) The statements of income and estimated income shall be itemized by budget
27 unit and fund, and shall show separately receipts from:

- 1 1. Current income;
- 2 2. Refunds and reimbursements of expenditures;
- 3 3. The sale of assets; and
- 4 4. Receipts on account of the income of prior years.
- 5 (c) Existing sources of income and receipts shall be analyzed as to their equity,
- 6 productivity and need for revision, and any proposed new sources of income
- 7 or receipts shall be explained;
- 8 (3) A statement of the surplus in any account and in any special fund of the branch of
- 9 government. If a surplus exists in any account of the branch of government the
- 10 statement shall show the excess of all current assets over all current liabilities as of
- 11 the beginning of each of the two (2) fiscal years last concluded, and all changes in
- 12 these accounts during each of such two (2) fiscal years;
- 13 (4) A statement as of the close of the last completed fiscal year and as of the close of
- 14 the current fiscal year showing, for each budget unit the total funded debt, the value
- 15 of sinking fund assets, the net funded debt, the floating liabilities as of the end of
- 16 the current fiscal year, and the total debt as of the close of the last completed fiscal
- 17 year and as of the close of the current fiscal year;
- 18 (5) Summary and detailed comparative statements of expenditures itemized by budget
- 19 unit for each of the two (2) fiscal years last concluded and requests for
- 20 appropriations by funds or accounts, the budget of the current year, and the
- 21 recommendations for appropriations for each of the next two (2) fiscal years.
- 22 Following the lists of actual and proposed expenditures of each budget unit there
- 23 shall be a detailed explanation of the actual and proposed expenditures, to include
- 24 activities, beneficiaries and expected results of the programs or services of the
- 25 budget units;
- 26 (6) A draft of the proposed branch budget bill containing:
- 27 (a) Recommendations of the branch of government for appropriations for the next

- 1 two (2) fiscal years, and drafts of such revenue and other acts as may be
2 recommended for implementing the proposed financial plan;
- 3 (b) Recommended appropriations for extraordinary expenses and capital outlays,
4 which shall be itemized in the proposed branch budget bill for the branch by
5 budget unit. The title of each budget unit shall be worded to limit each
6 appropriation to the specific use or purpose intended;
- 7 (c) A plan for the reduction of the branch budget if there is a revenue shortfall of
8 five percent (5%) or less in the general fund or road fund. In recommending
9 budget reductions, the Governor, the Chief Justice, and the Legislative
10 Research Commission shall not recommend universal percentage reductions,
11 but shall weigh the needs of all budget units and shall strive to protect the
12 highest possible level of service in their respective branches. Services which
13 are not essential to constitutional functions shall be subject to reduction.
14 Transfer of funds may be authorized by the budget reduction plan;
- 15 (d) 1. A plan for the expenditure of a general fund or road fund surplus of up
16 to two and one-half percent (2.5%).
- 17 2. The plan shall include provisions for the expenditure of a surplus, and
18 may provide for additional moneys for nonrecurring expenditures for
19 which an appropriation was not made in a branch budget bill, or for a
20 program or service authorized by law for which an appropriation was not
21 made, or which was not fully funded.
- 22 3. In lieu of recommending the appropriation of funds, the plan may
23 instead recommend the retention of surplus funds in the surplus account
24 of the general fund or road fund for investment until appropriated by the
25 General Assembly;
- 26 (e) 1. A recommended state capital projects program and a recommended
27 program for the purchase of major items of equipment.

- 1 2. The recommended capital construction program shall include:
- 2 a. A complete list and summary description of each specific capital
- 3 construction project recommended for funding during the
- 4 biennium; and
- 5 b. For each project:
- 6 i. The agency and purpose for which it will be used;
- 7 ii. The justification for the project;
- 8 iii. Its estimated completion date;
- 9 iv. The total estimated cost of completing the project;
- 10 v. The estimated cost of the project during the biennium;
- 11 vi. The recommended sources of funds for the entire project;
- 12 and
- 13 vii. The dollar amounts recommended for appropriation and the
- 14 dollar amounts, listed by source, that are anticipated
- 15 from every other source of funds for the biennium.
- 16 3. All information required by subparagraph 2. of this paragraph shall be
- 17 included in each branch budget recommendation. Each branch budget
- 18 bill shall contain only a complete list of the specific capital construction
- 19 projects recommended for funding during the biennium and, for each
- 20 project, the information specified in subparagraph 2.b.v., vi., and vii. of
- 21 this paragraph.
- 22 4. A report which details the effect of recommended new debt on the debt
- 23 position of the Commonwealth shall be submitted at the same time the
- 24 recommended capital program is submitted. Information shall be
- 25 presented separately, and in total, for the general fund, road fund, and
- 26 any affected restricted fund account.
- 27 5. Information in the report shall include but not be limited to the

- 1 following:
- 2 a. Debt service on existing appropriation-supported debt, as a
- 3 percentage of anticipated total revenues;
- 4 b. Debt service on existing appropriation-supported debt, as a
- 5 percentage of anticipated available revenues;
- 6 c. The sum of debt service on existing appropriation-supported debt
- 7 and debt service on recommended new appropriation-supported
- 8 debt, as a percentage of anticipated total revenues;
- 9 d. The sum of debt service on existing appropriation-supported debt
- 10 and debt service on recommended new appropriation-supported
- 11 debt, as a percentage of anticipated available revenues;
- 12 e. The sum of debt service on existing appropriation-supported debt
- 13 and debt service on recommended new appropriation-supported
- 14 debt, as a percentage of estimated state total personal income; and
- 15 f. The sum of existing appropriation-supported debt and
- 16 recommended new appropriation-supported debt, as a percentage
- 17 of estimated state total personal income.
- 18 6. The recommended program for the purchase of major items of
- 19 equipment submitted by the head of each branch of government shall
- 20 include:
- 21 a. A complete list and summary description of each specific major
- 22 item of equipment recommended for purchase during the
- 23 biennium; and
- 24 b. For each major item of equipment:
- 25 i. The agency and purpose for which it will be used;
- 26 ii. The justification for the purchase;
- 27 iii. The estimated cost of the item, including ancillary expenses

- 1 and any expenses necessary to make the equipment
2 functional and operational;
- 3 iv. The recommended sources of funds; and
- 4 v. The dollar amounts recommended for appropriation and
5 anticipated from every other source of funds for the
6 purchase.
- 7 7. All information required by subparagraph 5. of this paragraph shall be
8 included in the executive branch budget recommendation. The branch
9 budget bill for the executive branch shall contain only a complete list of
10 each specific item of major equipment recommended for purchase
11 during the biennium and, for each item, the information specified in
12 subparagraph 6.b.iii., iv., and v. of this paragraph;
- 13 (f) The branch budget recommendation for the Transportation Cabinet shall
14 include the following information:
- 15 1. A separate branch budget bill;
- 16 2. A recommended biennial highway construction plan, which shall be
17 presented as a separate bill, and which shall include a list of individual
18 transportation projects included in the last four (4) years of the six (6)
19 year road plan, not to exceed ten percent (10%) of the recommended
20 biennial highway construction appropriation, which can be advanced if:
- 21 a. Additional funds are received; and
- 22 b. All projects included in the biennial highway construction plan
23 have been advanced or completed to the extent possible; and
- 24 3. The six (6) year road plan. The Governor shall have ten (10) working
25 days after submission of the branch budget recommendation and the
26 recommended biennial highway construction plan to submit the six (6)
27 year road plan. The six (6) year road plan shall be submitted in a form

1 and format cooperatively developed by the Transportation Cabinet and
2 the General Assembly and approved by the Legislative Research
3 Commission; and

- 4 (g) 1. In the executive branch budget recommendation, as a separate section,
5 an amount sufficient to meet unexpected contingencies or emergencies,
6 including but not limited to natural or man-made disasters, civil
7 disorders, court orders requiring or resulting in the expenditure of state
8 funds, or other related causes.
- 9 2. The amount shall be based on the nature, type, and frequency of named
10 categories of events which may, from past experience, be reasonably
11 anticipated.
- 12 3. This portion of the budget recommendation shall detail similar incidents
13 and the nature and amount of the expenditures for each during the ten
14 (10) years immediately preceding.

15 The total amount of appropriations recommended from any fund shall not exceed
16 the cash resources estimated to be available and to become available to meet
17 expenditures under the appropriations;

18 (7) A certificate of the branch of government as to the accuracy of the statements of
19 financial condition, of income and receipts, and of expenditures; and

20 (8) Such other information as is deemed desirable, or is required by law or regulation.

21 ➔Section 6. KRS 48.120 is amended to read as follows:

22 (1) By August 15 of each odd-numbered year, the Office of State Budget Director, in
23 conjunction with the consensus forecasting group, shall provide to each branch of
24 government a budget planning report. The budget planning report shall include:

25 (a) A baseline analysis and projections of economic conditions and outlook;

26 (b) Any potential consequences of the analysis and projections for the
27 Commonwealth's fiscal condition;

- 1 (c) The revenue estimates and implications for the general fund and road fund for
 2 the current fiscal year and next four (4) fiscal years; and
- 3 (d) Projections of personal income, employment, and economic indicators that
 4 reflect economic conditions.
- 5 (2) By October 15 of each odd-numbered year, the Office of State Budget Director shall
 6 provide to each branch of government preliminary revenue estimates made by the
 7 consensus forecast group for the general fund and road fund for the current and next
 8 two (2) fiscal years, including explanatory statements, and a comparative record of
 9 the actual revenues of these funds for each of the last two (2) years concluded.
- 10 (3) **By December 20 of each odd-numbered year**~~[On or before the fifteenth legislative~~
 11 ~~day]~~, the Office of State Budget Director shall certify and present to the **Legislative**
 12 **Research Commission**~~[General Assembly]~~ the official revenue estimates made by
 13 the consensus forecasting group for the general fund and road fund for the current
 14 and next two (2) fiscal years.
- 15 (4) Appropriations made in the branch budget bills enacted for each branch of
 16 government shall be based upon the official revenue estimates presented to the
 17 **Legislative Research Commission**~~[General Assembly]~~ by the Office of State
 18 Budget Director under subsection (3) of this section, as modified by the General
 19 Assembly.
- 20 (5) The enacted estimates shall become the official revenue estimates of the
 21 Commonwealth upon the branch budget bills becoming law, and shall remain the
 22 official revenue estimates of the Commonwealth until revised by the consensus
 23 forecasting group as provided in KRS 48.115.

24 ➔Section 7. KRS 48.170 is amended to read as follows:

25 In addition to the requirements set forth in this chapter, the **standing**~~[appropriations]~~
 26 committees of each house or the Legislative Research Commission, as appropriate, may
 27 require additional information and **shall**~~[may]~~ prescribe the form in which such additional

1 information shall be submitted as a part of, or in support of, a branch budget
 2 recommendation. **The information shall be submitted within fourteen (14) days of the**
 3 **request unless an extension is granted by the requesting staff person. The extension**
 4 **shall not exceed seven (7) days from the date the extension was granted.**

5 ➔Section 8. KRS 48.300 is amended to read as follows:

- 6 (1) The financial plan for each fiscal year ~~[as presented in the branch budget~~
 7 ~~recommendation]~~ shall be adopted, with any modifications made by the General
 8 Assembly, by the passage of a branch budget bill for each branch of government,
 9 and any revenue and other acts as necessary.
- 10 (2) With regard to the Transportation Cabinet, the General Assembly shall:
- 11 (a) Enact, as a separate bill, a branch budget for the Transportation Cabinet;
- 12 (b) Enact, as a separate bill, the biennial highway construction plan, as amended
 13 by the General Assembly, including identification of projects from the last
 14 four (4) years of the six (6) year road plan that may be moved forward, and the
 15 conditions and requirements under which the identified projects may be
 16 moved forward; and
- 17 (c) Adopt the last four (4) years of the six (6) year road plan, as amended by the
 18 General Assembly, as a joint resolution.

19 ➔Section 9. KRS 48.810 is amended to read as follows:

20 Each ~~[program]~~ cabinet, the Department for Local Government, the Department of
 21 Military Affairs, and the Commonwealth Office of Technology shall develop and submit
 22 a four (4) year strategic plan to meet the broad goals outlined by the Governor and shall
 23 submit an electronic copy of the full plan and an electronic copy of a brief summary of
 24 that plan to the state budget director, the secretary of the Executive Cabinet, and the
 25 Legislative Research Commission with each biennial budget request.

- 26 (1) Each strategic plan shall include but not be limited to:
- 27 (a) A statement of the cabinet or administrative entity's value, vision, and

- 1 mission;
- 2 (b) A statement of how the cabinet or administrative entity's strategic plan is
3 aligned with the Governor's goals and linked to the budget request **by**
4 **program** and the six (6) year capital plan of the cabinet or administrative
5 entity;
- 6 (c) A brief summary of a situation analysis conducted by the ~~program~~ cabinet or
7 administrative entity;
- 8 (d) Identification of measurable goals for the next four (4) years **by program**;
- 9 (e) Specification of objectives to meet the stated goals **by program**;
- 10 (f) Identification of performance indicators to be used to measure progress
11 toward meeting goals and objectives **by program**; and
- 12 (g) A progress report providing data and information on the performance
13 indicators set forth in the ~~program~~ cabinet or administrative entity's most
14 recent strategic plan.
- 15 (2) On or before September 1 of each even-numbered fiscal year, ~~program~~ cabinets
16 and administrative entities which have submitted strategic plans in the previous
17 fiscal year shall submit a progress report to the Office of ~~the~~ State Budget
18 Director, or its designee, which provides data and information regarding the
19 progress the ~~program~~ cabinet or entity has made toward meeting its goals as
20 measured by performance indicators set forth in the cabinet's or entity's most recent
21 strategic plan.
- 22 (3) The state budget director shall designate an entity to develop and implement a
23 methodology for strategic planning and progress reporting for use by ~~program~~
24 cabinets and administrative entities submitting strategic plans and progress reports
25 pursuant to this section. The entity designated by the state budget director shall
26 develop and make available a training course in strategic planning that is
27 appropriate for and targeted to state government managers, and shall make that

1 training course available to state managers and their designees who have
2 responsibility for the completion of a strategic plan as required by this section.

3 (4) The Commonwealth Office of Technology shall maintain uniform electronic
4 strategic plan and progress report submission forms and a procedure that allows all
5 plans and progress reports to be entered into an electronic database that is
6 searchable by interested parties. The database shall be developed and maintained in
7 a form that complies with all provisions of KRS 48.950, 48.955, and 48.960. The
8 Commonwealth Office of Technology shall develop and maintain a program to
9 provide public access to submitted plans and progress reports.

10 ➔Section 10. KRS 48.950 is amended to read as follows:

11 (1) In order to effectuate the constitutional power and duty of the General Assembly to
12 raise and appropriate revenue and approve and adopt a balanced budget, and in
13 order that members and committees of the General Assembly and the Legislative
14 Research Commission may be informed on a continuous basis about current and
15 prospective financial conditions and budgetary needs of the Commonwealth and its
16 budget units, the Kentucky General Assembly finds and declares that uniform
17 detailed budget data and records relating to expenditures, receipts and activities and
18 the budgetary operations of all budget units must be available in electronic and print
19 form to the General Assembly and the Legislative Research Commission on a
20 continuous and timely basis, **including the electronic accounting and budgeting**
21 **systems utilized by all branches of state government such as the Enhanced**
22 **Management Administrative Reporting System and the Kentucky Budgeting**
23 **System.**

24 (2) The contents of all electronic and print forms, records, data and procedures
25 established under KRS 48.955 and 48.960 shall pertain to:

- 26 (a) The submission of budget unit requests and branch budget recommendations;
27 (b) The adoption of budget bills;

- 1 (c) The allotments under, and authorized adjustments and revisions to, the
 2 enacted budget;
- 3 (d) The receipts and disbursements of budget funds pursuant to appropriations
 4 enacted by the General Assembly; and
- 5 (e) The financial and budgetary conditions of the Commonwealth and branch
 6 budget units.

7 These contents, forms and records shall be standard and uniform for all budget
 8 units.

- 9 (3) The Governor, the Chief Justice and the Legislative Research Commission for their
 10 respective branches and budget units, shall cause to be created, maintained and
 11 transmitted in electronic form the data, records and procedures necessary to fulfill
 12 the intent and purposes of KRS 48.955 and 48.960 and which may be provided by
 13 KRS 48.955 and 48.960.

14 ➔SECTION 11. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO
 15 READ AS FOLLOWS:

16 **(1) The General Assembly hereby establishes the statewide Healthcare Worker Loan**
 17 **Relief Program designed to be in alignment with the federally funded state loan**
 18 **repayment program authorized under KRS 211.165 in providing student loan**
 19 **repayment for eligible healthcare workers within the Commonwealth. The**
 20 **Healthcare Worker Loan Relief Program shall be administered by the University**
 21 **of Kentucky through the Center of Excellence in Rural Health, and all costs**
 22 **associated with the program, including the reimbursement of any expenses**
 23 **incurred by the center in its administration of the program, shall be funded by**
 24 **state appropriations and other funds held in the healthcare worker loan relief**
 25 **fund, which shall be excluded from the comprehensive funding model established**
 26 **in KRS 164.092.**

27 **(2) The board of trustees of the University of Kentucky, on behalf of the Center of**

1 Excellence in Rural Health, shall adopt policies for the administration of the
2 program that are in alignment with the policies implemented in the
3 administration of KRS 211.165 and the federally funded state loan repayment
4 program it authorizes, and shall include:

5 (a) The professional, certification, education, employment, and worksite
6 eligibility requirements, except that the professional requirements shall also
7 grant eligibility to ophthalmologists, optometrists, and audiologists;

8 (b) Student loan eligibility requirements;

9 (c) A process to consider applications from eligible healthcare workers, except
10 the policy shall include an application cycle that is open at least twice a
11 year;

12 (d) Program admission guidelines;

13 (e) The conditions under which admitted healthcare workers shall receive
14 awards;

15 (f) To the extent that funding is available, the process for determining award
16 amounts, which shall include the tiering of award amounts based on
17 provider type, student loan amounts, and other factors, except that the
18 policy shall not require a dollar-for-dollar match component from admitted
19 healthcare workers' employers; and

20 (g) Procedures to provide repayment to loan servicers.

21 (3) (a) The healthcare worker loan relief fund is hereby created as a trust fund in
22 the State Treasury to be administered by the University of Kentucky on
23 behalf of the Center of Excellence in Rural Health for the purpose of
24 providing loan repayment as described in this section.

25 (b) The trust fund shall consist of state general fund appropriations, gifts and
26 grants from public and private sources, and federal funds. All moneys
27 included in the fund shall be appropriated for the purposes set forth in this

1 section.

2 (c) Any unallotted or unencumbered balances in the trust fund shall be
 3 invested as provided in KRS 42.500(9). Income earned from the investments
 4 shall be credited to the trust fund.

5 (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal
 6 year shall not lapse but shall be carried forward to the next fiscal year and
 7 continuously appropriated only for the purposes specified in this section.

8 ➔Section 12. KRS 164.937 is amended to read as follows:

- 9 (1) The University of Kentucky shall maintain a Center of Excellence in Rural Health.
- 10 (2) The mission of the Center of Excellence in Rural Health shall be the improvement
 11 of the health of all rural Kentuckians and the improvement of rural health care
 12 systems through education, research, and service.
- 13 (3) The Center of Excellence in Rural Health shall:
- 14 (a) Support a site-based director, core faculty, and staff;
- 15 (b) Collect and maintain statistical and other information relating to rural health
 16 status, rural health care systems, rural health policy, and other issues affecting
 17 the health and well-being of rural populations;
- 18 (c) Collect, analyze, interpret, disseminate, and make recommendations regarding
 19 the availability, distribution, and sufficiency of the health professions
 20 workforce;
- 21 (d) Provide educational opportunities for students committed to rural health care:
- 22 1. To obtain education in needed health professions as determined by the
 23 workforce analyses, rotating these programs as necessary;
- 24 2. By testing and developing innovative models for learning; and
- 25 3. By reserving funds budgeted for specific educational programs that in
 26 the future are deemed no longer necessary for use for educational
 27 programs for other health professions;

- 1 (e) Maintain site-based family practice residencies;
- 2 (f) Serve as the federally designated Office of Rural Health and perform the
- 3 duties prescribed by the United States Health Resources and Services
- 4 Administration;

5 **(g) Administer the Healthcare Worker Loan Relief Program established under**

6 **Section 11 of this Act;**

- 7 **(h)**~~(g)~~ Demonstrate or provide innovative programs that improve the health of
- 8 rural Kentuckians and strengthen rural health care systems; and

- 9 **(i)**~~(h)~~ Advocate for rural health care.

10 (4) To the extent additional funds are appropriated, the Center of Excellence in Rural

11 Health shall establish additional sites throughout the Commonwealth as necessary

12 to achieve the mission of the center.

13 (5) Nothing in this section shall be construed to restrict the study of rural health

14 policies, workforce analyses, or the training of health professionals in or for rural or

15 medically underserved areas by other state universities.

16 (6) The University of Kentucky shall report to the Council on Postsecondary Education

17 and the Legislative Research Commission a detailed, audited statement of

18 expenditures for each program function in the Center of Excellence for Rural Health

19 Care by September 1 of each year which enumerates expenditures for the preceding

20 fiscal year.

21 ➔SECTION 13. A NEW SECTION OF KRS CHAPTER 210 IS CREATED TO

22 READ AS FOLLOWS:

23 **(1) As used in this section:**

24 **(a) "Cabinet" means the Cabinet for Health and Family Services;**

25 **(b) "CMHC" means a community mental health center;**

26 **(c) "Fund" means the mobile crisis services fund; and**

27 **(d) "Mobile unit" means any vehicle which a CMHC uses to travel within its**

1 region to provide community services for Kentuckians who experience
2 issues with mental health, developmental and intellectual disabilities, and
3 substance use disorder.

4 (2) (a) The mobile crisis services fund is hereby established within the cabinet to
5 provide loans to CMHCs for:

6 1. Increasing access to mental health services; and

7 2. Providing services to individuals who lack sufficient access to
8 transportation and who are:

9 a. Residing in rural areas;

10 b. Residing in homeless shelters; or

11 c. Disadvantaged mentally, physically, or economically.

12 (b) Any loan issued by the cabinet shall not exceed a five (5) year term and the
13 interest rate shall not exceed one percent (1%).

14 (3) The cabinet shall:

15 (a) Determine the terms and conditions of each loan, including the repayment
16 to be deposited back in the fund for issuance of future loans to other
17 CMHCs;

18 (b) Review and adjudicate applications submitted by CMHCs that apply for a
19 loan;

20 (c) Monitor the performance of each CMHC in the program; and

21 (d) By December 1, 2022, and by each December 1 thereafter, report to the
22 Interim Joint Committee on Health, Welfare, and Family Services
23 information about each CMHC in the program, including:

24 1. The name and location of each CMHC that received a loan;

25 2. The amount of principal originally loaned; and

26 3. How each CMHC used the funds.

27 (4) In order to apply for loan, a CMHC shall:

- 1 (a) Submit an application to the cabinet;
- 2 (b) Agree to use the funds for the purchase, operation, or establishment of
- 3 mobile units; and
- 4 (c) Agree to provide services to individuals who lack sufficient access to
- 5 transportation and who are:
- 6 1. Residing in rural areas;
- 7 2. Residing in homeless shelters; or
- 8 3. Disadvantaged mentally, physically, or economically.
- 9 (5) (a) The fund created in subsection (2) of this section shall be a trust and agency
- 10 account.
- 11 (b) The fund shall be administered by the cabinet.
- 12 (c) The fund shall include moneys appropriated by the General Assembly,
- 13 contributions, donations, gifts, or federal funds.
- 14 (d) Moneys in the fund shall be used by the cabinet to administer this section.
- 15 (e) Notwithstanding KRS 45.229, any moneys remaining in the fund at the
- 16 close of the fiscal year shall not lapse but shall be carried forward into the
- 17 succeeding fiscal year.
- 18 (f) Interest earned on any moneys in the fund shall accrue to the fund.
- 19 (g) Moneys deposited in the fund are hereby appropriated for the sole purpose
- 20 of providing loans to CMHCs.
- 21 (6) The Cabinet for Health and Family Services may promulgate administrative
- 22 regulations in accordance with KRS Chapter 13A to implement this section.

23 ➔Section 14. KRS 262.330 is amended to read as follows:

- 24 (1) The board may make available or lease, on such terms as it prescribes, to
- 25 landowners and occupiers within the district, agricultural and engineering
- 26 machinery and equipment, including heavy or specialized equipment acquired
- 27 pursuant to Section 15 of this Act, fertilizer, seeds, seedlings and such other

1 material or equipment as will assist the landowners and occupiers to carry on
2 operations upon their lands for the conservation of soil resources and for the
3 prevention and control of soil erosion.

4 (2) As a condition to the extending of any benefits under this chapter to, or the
5 performance of work upon, any lands not owned or controlled by this state or any of
6 its agencies, the board may require contributions in money, services, materials or
7 otherwise to any operations conferring such benefits, and require landowners and
8 occupiers to enter into and perform such agreements or covenants as to the
9 permanent use of their lands as will tend to prevent or control erosion.

10 →Section 15. KRS 262.610 is amended to read as follows:

11 (1) (a) The Soil and Water Conservation Commission as referred to in KRS Chapter
12 146, subject to the supervision of the commissioner of the Department for
13 Natural Resources~~[for natural resources]~~, to the restrictions provided in
14 Section 14 of this Act and KRS 262.610 to 262.660, and to the requirements
15 of KRS Chapters 42 and 45A, is hereby authorized to acquire and to make
16 available, or to assist in acquiring or making available to soil and water
17 conservation districts, heavy or specialized equipment or infrastructure which
18 an individual district cannot itself economically obtain.

19 (b) A district may submit a request to the commission for the acquisition of
20 heavy or specialized equipment jointly with a person residing within the
21 district to whom the district has agreed to lease the equipment in the event
22 that it is acquired or made available. The district and the person shall
23 submit all information with their joint request for heavy or specialized
24 equipment as may be required by the commission in the administrative
25 regulations promulgated under Section 16 of this Act. Any application made
26 by a district, or two (2) or more districts acting jointly pursuant to KRS
27 262.650, to the commission to acquire or make available infrastructure, or

1 *to assist in doing so, shall not be made jointly with any person.*

2 (2) When the commission acquires or makes available to any district the equipment or
3 infrastructure above referred to, it shall require said district to fully amortize, in the
4 form of rentals or payments, to the Division of Conservation, as referred to in KRS
5 Chapter 146, any amount so expended by the commission for such assistance. The
6 amount and method of amortization for each piece of heavy equipment or
7 infrastructure shall be determined by the commission, subject to approval of the
8 commissioner of *the Department for Natural Resources*~~[natural resources]~~. The
9 amount and method of amortization for each piece of heavy or specialized
10 equipment shall be determined on the basis of *the lease or* a rental *fee* to be charged
11 by the district to the *lessee or other* user of equipment sufficient to:

- 12 (a) Fully amortize to the division the capital outlay for the machinery itself over
13 the period of its reasonably anticipated full usefulness;
- 14 (b) Cover the cost of operation, maintenance and repairs;
- 15 (c) Pay the usual cost of providing an operator; and
- 16 (d) Compensate the district for the usual costs of transportation from one (1) job
17 to another.

18 (3) In giving effect to all of the foregoing, the commission shall estimate the amount of
19 time such equipment would ordinarily be idle.

20 ➔Section 16. KRS 262.660 is amended to read as follows:

21 *(1)* The commission, with the approval of the commissioner *of the Department for*
22 *Natural Resources*~~[for natural resources]~~, is hereby authorized to promulgate such
23 other rules and regulations or methods of accounting as may be necessary or
24 expedient to give effect to the purposes expressed in KRS 262.610 to 262.650.

25 *(2) On or before January 1, 2023, the commission, with the approval of the*
26 *commissioner of the Department for Natural Resources, shall promulgate*
27 *administrative regulations pursuant to KRS Chapter 13A that shall at a*

1 *minimum set forth:*

2 *(a) The form and manner in which a person and a district may jointly request*
 3 *the acquisition of heavy or specialized equipment pursuant to subsection*
 4 *(1)(b) of Section 15 of this Act, including but not limited to any financial or*
 5 *other disclosures the commission may require;*

6 *(b) The terms, conditions, and repayment of loans for heavy or specialized*
 7 *equipment that the commission makes available to districts for lease to*
 8 *persons within those districts; and*

9 *(c) The terms and conditions for lease agreements between districts and*
 10 *persons for the use of acquired heavy or specialized equipment, including*
 11 *but not limited to permissible uses of the equipment, care and maintenance*
 12 *of the equipment, liability assumptions for property damage or bodily injury*
 13 *caused by the equipment, insurance requirements, availability of the*
 14 *equipment for use by others in the district, and the keeping of public records*
 15 *regarding the use of the equipment. Notwithstanding any provision of this*
 16 *chapter or KRS Chapter 42 or 45A to the contrary, lease agreements shall*
 17 *allow a lessee to use acquired heavy or specialized equipment outside of his*
 18 *or her district with prior approval of the board for the leasing district.*

19 ➔Section 17. KRS 15A.065 is amended to read as follows:

20 (1) The Department of Juvenile Justice shall be headed by a commissioner and shall
 21 develop and administer programs for:

22 (a) Prevention of juvenile crime;

23 (b) Identification of juveniles at risk of becoming status or public offenders and
 24 development of early intervention strategies for these children, and, except for
 25 adjudicated youth, participation in prevention programs shall be voluntary;

26 (c) Providing educational information to law enforcement, prosecution, victims,
 27 defense attorneys, the courts, the educational community, and the public

- 1 concerning juvenile crime, its prevention, detection, trial, punishment, and
2 rehabilitation;
- 3 (d) The operation of or contracting for the operation of postadjudication treatment
4 facilities and services for children adjudicated delinquent or found guilty of
5 public offenses or as youthful offenders;
- 6 (e) The operation or contracting for the operation, and the encouragement of
7 operation by others, including local governments, volunteer organizations, and
8 the private sector, of programs to serve predelinquent and delinquent youth;
- 9 (f) Utilizing outcome-based planning and evaluation of programs to ascertain
10 which programs are most appropriate and effective in promoting the goals of
11 this section;
- 12 (g) Conducting research and comparative experiments to find the most effective
13 means of:
- 14 1. Preventing delinquent behavior;
- 15 2. Identifying predelinquent youth;
- 16 3. Preventing predelinquent youth from becoming delinquent;
- 17 4. Assessing the needs of predelinquent and delinquent youth;
- 18 5. Providing an effective and efficient program designed to treat and
19 correct the behavior of delinquent youth and youthful offenders;
- 20 6. Assessing the success of all programs of the department and those
21 operated on behalf of the department and making recommendations for
22 new programs, improvements in existing programs, or the modification,
23 combination, or elimination of programs as indicated by the assessment
24 and the research; and
- 25 (h) Seeking funding from public and private sources for demonstration projects,
26 normal operation of programs, and alterations of programs.
- 27 (2) The Department of Juvenile Justice may contract, with or without reimbursement,

1 with a city, county, or urban-county government, for the provision of probation,
2 diversion, and related services by employees of the contracting local government.

3 (3) The Department of Juvenile Justice may contract for the provision of services,
4 treatment, or facilities which the department finds in the best interest of any child,
5 or for which a similar service, treatment, or facility is either not provided by the
6 department or not available because the service or facilities of the department are at
7 their operating capacity and unable to accept new commitments. The department
8 shall, after consultation with the Finance and Administration Cabinet, promulgate
9 administrative regulations to govern at least the following aspects of this
10 subsection:

11 (a) Bidding process; and

12 (b) Emergency acquisition process.

13 (4) The Department of Juvenile Justice shall develop programs to:

14 (a) Ensure that youth in state-operated or contracted residential treatment
15 programs have access to an ombudsman to whom they may report program
16 problems or concerns;

17 (b) Review all treatment programs, state-operated or contracted, for their quality
18 and effectiveness; and

19 (c) Provide mental health services to committed youth according to their needs.

20 (5) (a) The Department of Juvenile Justice shall have an advisory board appointed by
21 the Governor, which shall serve as the advisory group under the Juvenile
22 Justice and Delinquency Prevention Act of 1974, Pub. L. No. 93-415, as
23 amended, and which shall provide a formulation of and recommendations for
24 meeting the requirements of this section not less than annually to the
25 Governor, the Justice and Public Safety Cabinet, the Department of Juvenile
26 Justice, the Cabinet for Health and Family Services, ***and*** the Interim Joint
27 ***Committee***~~[Committees]~~ on Judiciary ~~[and on Appropriations and Revenue]~~

1 of the Legislative Research Commission when the General Assembly is not in
2 session, and the Judiciary Committee~~and the Appropriations and Revenue~~
3 ~~Committees~~ of the House of Representatives and the Senate when the
4 General Assembly is in session. The advisory board shall develop program
5 criteria for early juvenile intervention, diversion, and prevention projects,
6 develop statewide priorities for funding, and make recommendations for
7 allocation of funds to the Commissioner of the Department of Juvenile
8 Justice. The advisory board shall review grant applications from local juvenile
9 delinquency prevention councils and include in its annual report the activities
10 of the councils. The advisory board shall meet not less than quarterly.

11 (b) The advisory board shall be chaired by a private citizen member appointed by
12 the Governor and shall serve a term of two (2) years and thereafter be elected
13 by the board. The members of the board shall be appointed to staggered terms
14 and thereafter to four (4) year terms. The membership of the advisory board
15 shall consist of no fewer than fifteen (15) persons and no more than thirty-
16 three (33) persons who have training, experience, or special knowledge
17 concerning the prevention and treatment of juvenile delinquency or the
18 administration of juvenile justice. A majority of the members shall not be full-
19 time employees of any federal, state, or local government, and at least one-
20 fifth (1/5) of the members shall be under the age of twenty-four (24) years at
21 the time of appointment. On July 15, 2002, any pre-existing appointment of a
22 member to the Juvenile Justice Advisory Board and the Juvenile Justice
23 Advisory Committee shall be terminated unless that member has been re-
24 appointed subsequent to January 1, 2002, in which case that member's
25 appointment shall continue without interruption. The membership of the board
26 shall include the following:

27 1. Three (3) current or former participants in the juvenile justice system;

- 1 2. An employee of the Department of Juvenile Justice;
- 2 3. An employee of the Cabinet for Health and Family Services;
- 3 4. A person operating alternative detention programs;
- 4 5. An employee of the Department of Education;
- 5 6. An employee of the Department of Public Advocacy;
- 6 7. An employee of the Administrative Office of the Courts;
- 7 8. A representative from a private nonprofit organization with an interest in
- 8 youth services;
- 9 9. A representative from a local juvenile delinquency prevention council;
- 10 10. A member of the Circuit Judges Association;
- 11 11. A member of the District Judges Association;
- 12 12. A member of the County Attorneys Association;
- 13 13. A member of the County Judge/Executives Association;
- 14 14. A person from the business community not associated with any other
- 15 group listed in this paragraph;
- 16 15. A parent not associated with any other group listed in this paragraph;
- 17 16. A youth advocate not associated with any other group listed in this
- 18 paragraph;
- 19 17. A victim of a crime committed by a person under the age of eighteen
- 20 (18) not associated with any other group listed in this paragraph;
- 21 18. A local school district special education administrator not associated
- 22 with any other group listed in this paragraph;
- 23 19. A peace officer not associated with any other group listed in this
- 24 paragraph; and
- 25 20. A college or university professor specializing in law, criminology,
- 26 corrections, psychology, or similar discipline with an interest in juvenile
- 27 corrections programs.

1 (c) Failure of any member to attend three (3) meetings within a calendar year
2 shall be deemed a resignation from the board. The board chair shall notify the
3 Governor of any vacancy and submit recommendations for appointment.

4 (6) The Department of Juvenile Justice shall, in cooperation with the Department of
5 Public Advocacy, develop a program of legal services for juveniles committed to
6 the department who are placed in state-operated residential treatment facilities and
7 juveniles in the physical custody of the department who are detained in a state-
8 operated detention facility, who have legal claims related to the conditions of their
9 confinement involving violations of federal or state statutory or constitutional
10 rights. This system may utilize technology to supplement personal contact. The
11 Department of Juvenile Justice shall promulgate an administrative regulation to
12 govern at least the following aspects of this subsection:

- 13 (a) Facility access;
14 (b) Scheduling; and
15 (c) Access to residents' records.

16 (7) The Department of Juvenile Justice may, if space is available and conditioned upon
17 the department's ability to regain that space as needed, contract with another state or
18 federal agency to provide services to youth of that agency.

19 ➔Section 18. KRS 18A.2255 is amended to read as follows:

20 ~~{(1)}~~The secretary of the Personnel Cabinet shall submit to the Advisory Committee of
21 State Health Insurance Subscribers established in KRS 18A.225, at least thirty (30) days
22 prior to issuing requests for proposals, the health benefit plans that will be submitted to
23 carriers. The secretary of the Personnel Cabinet shall also provide to employee
24 organizations who are represented on the Advisory Committee of State Health Insurance
25 Subscribers information necessary so that the member representing the organization can
26 fulfill his or her responsibilities under this section. The advisory committee shall submit
27 in writing to the secretary the committee's approval of the plans or its recommendations

1 on changes to the plans no later than seven (7) days prior to the issuance of requests for
2 proposals. The advisory committee shall advise the secretary on:

- 3 ~~(1)(a)~~ Health insurance benefit options that should be included in the program;
- 4 ~~(2)(b)~~ Procedures for soliciting bids or requesting proposals for contracts from
5 carriers for the program;
- 6 ~~(3)(c)~~ The implementation, maintenance, and administration of the health insurance
7 benefits under the program; and
- 8 ~~(4)(d)~~ The development of a uniform prescription drug formulary that contains fair
9 and reasonable standards and procedures for patient access to medically necessary
10 alternatives to the formulary and patient choice of higher-cost alternatives to the
11 formulary, and that ensures that discounts negotiated with drug manufacturers are
12 passed to the program.

13 ~~[(2) The secretary of the Personnel Cabinet shall, at the discretion of the co chairs of the~~
14 ~~Interim Joint Committee on Appropriations and Revenue, either submit a written~~
15 ~~report to or testify before the Interim Joint Committee on Appropriations and~~
16 ~~Revenue on the state employee health insurance program for the next plan year prior~~
17 ~~to the issuance of the requests for proposals.]~~

18 ➔Section 19. KRS 39G.030 is amended to read as follows:

19 Each year by November 1, the executive director of the Kentucky Office of Homeland
20 Security shall submit a written report to the Governor, the Auditor of Public Accounts,
21 the Legislative Research Commission, and the Interim Joint Committee on Seniors,
22 Veterans, Military Affairs, and Public Protection. The written report shall:

- 23 (1) Assess the Commonwealth's preparedness to respond to acts of war or terrorism,
24 including nuclear, biological, chemical, electromagnetic pulse, agro-, eco-, or cyber-
25 terrorism;
- 26 (2) Identify the priority of needs, areas of improvement, and the overall progress made
27 with regard to the Commonwealth's preparedness; and

- 1 (3) Provide a record of all federal homeland security funding, including grants, gathered
2 under KRS 39G.020 since the last annual written report, as well as any other
3 relevant homeland security funding information gathered by the Kentucky Office of
4 Homeland Security. The record shall identify, at a minimum, the specific federal
5 source, the amount, the specific recipient, the intended use of the funding, the actual
6 use of the funding, and any unspent amount.
- 7 (4) The Auditor of Public Accounts shall conduct an examination of revenues and
8 expenditures provided under the annual written report and under KRS
9 39G.020(2)(c) and, if examination findings warrant, shall conduct audits. No later
10 than January 30, the Auditor shall submit all examination and audit reports to the
11 Senate Veterans, Military Affairs, and Public Protection Committee and the House
12 Seniors, Military Affairs, and Public Safety Committee.
- 13 (5) (a) In addition to the annual report required under this section, the executive
14 director of the Office of Homeland Security shall provide to the Legislative
15 Research Commission and the Interim Joint Committee on Appropriations
16 and Revenue an annual~~[a quarterly]~~ report on the receipt and expenditure of
17 homeland security funds since the previous ~~[quarterly]~~ report.
- 18 (b) The report shall identify, at a minimum, the following:
- 19 1. Amount and specific source of any homeland security funds received;
 - 20 2. Specific expenditures by amount, recipient, and intended or actual use;
 - 21 and
 - 22 3. Balance of funds remaining in the account.
- 23 (c) The initial annual~~[quarterly]~~ report shall be submitted by October 15,
24 2022~~[2006]~~, and shall contain the required information on receipts and
25 expenditures since the passage of the federal Homeland Security Act of 2002,
26 Pub. L. No. 107-296.
- 27 ➔Section 20. KRS 45.031 is amended to read as follows:

- 1 (1) Any department, board, commission, agency, advisory council, interstate compact,
2 corporate body, or instrumentality of the Commonwealth of Kentucky applying for
3 federal funds, aids, loans, or grants shall file a summary notification of the intended
4 application with the Department for Local Government in accordance with the
5 existing A-95 procedures.
- 6 (2) When as a condition to receiving federal funds, the Commonwealth of Kentucky is
7 required to match the federal funds, a statement shall be filed with the notice of
8 intent or summary of the application stating:
- 9 (a) The amount and source of state funds needed for matching purposes;
 - 10 (b) The length of time the matching funds shall be required;
 - 11 (c) The growth of the program;
 - 12 (d) How the program will be evaluated;
 - 13 (e) What action will be necessary should the federal funds be canceled, curtailed,
14 or restricted; and
 - 15 (f) Any other financial and program management data required by the Finance
16 and Administration Cabinet or by law.
- 17 (3) Any application for federal funds, aids, loans, or grants which will require state
18 matching or replacement funds at the time of application or at any time in the
19 future, must be approved by the secretary of the Finance and Administration
20 Cabinet, the Legislative Research Commission, and the Chief Justice for their
21 respective branches of government or their designated agents prior to its filing with
22 the appropriate federal agency. Any application for federal funds, aids, loans, or
23 grants which will require state matching or replacement funds at the time of
24 application or at any time in the future, when funds have not been appropriated for
25 that express purpose, must be approved by the General Assembly, if in session.
26 ~~When the General Assembly is not in session, the application shall be reported to~~
27 ~~and reviewed by the Interim Joint Committee on Appropriations and Revenue, as~~

1 ~~provided by KRS 48.500(3).~~

2 (4) When any federal funds, aids, loans, or grants are received by any department,
3 board, commission or agency of the Commonwealth of Kentucky, a report of the
4 amount of funds received shall be filed with the Finance and Administration
5 Cabinet; and this report shall specify the amount of funds which would reimburse
6 an agency for indirect costs as provided for under OMB Circular A-87.

7 (5) The secretary of the Finance and Administration Cabinet may refuse to issue his
8 warrant for the disbursement of any state or federal funds from the State Treasury as
9 the result of any application which is not approved as provided by this section, or in
10 regard to which the statement or reports required by this section were not filed.

11 (6) The secretary of the Finance and Administration Cabinet shall be responsible for the
12 orderly administration of this section and for issuing the appropriate guidelines and
13 regulations from each source of fund used.

14 ➔Section 21. KRS 45.241 is amended to read as follows:

15 (1) As used in this section:

16 (a) "Debt" means:

- 17 1. For agencies, a sum certain which has been certified by an agency as due
18 and owing; and
- 19 2. For local governments, a sum certain which has been certified by a local
20 government as due and owing, including but not limited to any
21 delinquent taxes or fees other than delinquent real and personal property
22 taxes;

23 (b) "Liquidated debt" means:

- 24 1. For agencies, a legal debt for a sum certain which has been certified by
25 an agency as final due and owing, all appeals and legal actions having
26 been exhausted;
- 27 2. For local governments, a legal debt for a sum certain which has been

- 1 certified by a local government as final due and owing, all appeals and
2 legal actions having been exhausted, including but not limited to any
3 delinquent taxes or fees other than delinquent real and personal property
4 taxes; and
- 5 3. For the Court of Justice, a legal debt including any fine, fee, court costs,
6 or restitution due the Commonwealth, which have been imposed by a
7 final sentence of a trial court of the Commonwealth and for which the
8 time permitted for payment pursuant to the provisions of KRS 534.020
9 has expired;
- 10 (c) "Agency" means an organizational unit or administrative body in the
11 executive branch of state government, as defined in KRS 12.010;
- 12 (d) "Department" means the Department of Revenue;
- 13 (e) "Court of Justice" means the Administrative Office of the Courts, all courts,
14 and all clerks of the courts;
- 15 (f) "Forgivable loan agreement" means a loan agreement entered into between an
16 agency and a borrower that establishes specific conditions, which, if satisfied
17 by the borrower, allows the agency to forgive a portion or all of the loan;
- 18 (g) "Improper payment" means a payment made to a vendor, provider, or recipient
19 due to error, fraud, or abuse; and
- 20 (h) "Local government" means any city, county, urban-county government,
21 consolidated local government, charter county, or unified local government of
22 the Commonwealth.
- 23 (2) Each agency and the Court of Justice shall develop, maintain, and update in a timely
24 manner an ongoing inventory of each debt owed to it, including debts due to
25 improper payments, and shall make every reasonable effort to collect each debt.
26 Within sixty (60) days after the identification of a debt, each agency shall begin
27 administrative action to collect the debt.

- 1 (3) The Auditor of Public Accounts shall review each agency's debt identification and
2 collection procedures as part of the annual audit of state agencies.
- 3 (4) An agency shall not forgive any debt owed to it unless that agency has entered into a
4 forgivable loan agreement with a borrower, or unless otherwise provided by statute.
- 5 (5) For those agencies without statutory procedures for collecting debts, the Department
6 of Revenue shall promulgate administrative regulations in accordance with KRS
7 Chapter 13A to prescribe standards and procedures with which those agencies shall
8 comply regarding collection of debts, notices to persons owing debt, information to
9 be monitored concerning the debts, and an appeals process.
- 10 (6) (a) Each agency and the Court of Justice shall identify all liquidated debts,
11 including debts due to improper payments, and shall submit a list of those
12 liquidated debts in the form and manner prescribed by the department to the
13 department for review. The department shall review the information submitted
14 by the agencies and the Court of Justice and shall, within ninety (90) days of
15 receipt of the information, determine whether it would be cost-effective for
16 the department to further pursue collection of the liquidated debts.
- 17 (b) A local government, after making reasonable efforts to collect its debts, may
18 by ordinance, resolution, or otherwise pursuant to law, submit a list of its
19 liquidated debts that have been due and owing for more than ninety (90) days
20 to the department for review to determine whether it would be cost-effective
21 for the department to pursue collection of the liquidated debts. The
22 department shall review the information submitted by a local government and
23 shall, within ninety (90) days of receipt of the information, determine whether
24 it would be cost-effective for the department to further pursue collection of the
25 liquidated debts.
- 26 (c) The department may, after consultation with the agency, Court of Justice, or a
27 local government, return the liquidated debt to the entity submitting the

1 liquidated debt if:

2 1. The request for review contains insufficient information; or

3 2. The debt is not feasible to collect.

4 Any return of a liquidated debt shall be in writing, and shall state why the debt
5 is being returned.

6 (d) The department shall identify in writing to the submitting agency, Court of
7 Justice, or local government, the liquidated debts it has determined that it can
8 pursue in a cost-effective manner, and the agency, Court of Justice, or local
9 government shall officially refer the identified liquidated debts to the
10 department for collection.

11 (e) The agency, Court of Justice, and local government shall retain a complete
12 record of all liquidated debts referred to the department for collection until the
13 debt is collected, forgiven, or returned as uncollectible.

14 (f) Each agency, the Court of Justice, and local government shall make
15 appropriate accounting of any uncollected debt as prescribed by law.

16 (7) (a) If the agency recovers the debt funds prior to referral to the department, the
17 agency shall retain the collected funds in accordance with its statutory
18 authority.

19 (b) 1. Upon referral of a liquidated debt to the department, the liquidated debt
20 shall accrue the following amounts:

21 a. Interest on the total amount of the debt plus legal accruals at the
22 tax interest rate provided in KRS 131.183, from the time of referral
23 until paid; and

24 b. A one (1) time twenty-five percent (25%) collection fee on the
25 total amount of the debt plus legal accruals, as of the time of
26 referral;

27 unless the interest and collection fee are waived by the department.

- 1 2. The interest and collection fee shall be in addition to any other costs
2 accrued prior to the time of referral.
- 3 3. The department may deduct and retain from the liquidated debt
4 recovered an amount equal to the lesser of the collection fee or the
5 actual expenses incurred in the collection of the debt.
- 6 4. In the case of agencies and the Court of Justice, any funds recovered by
7 the department after the deduction of the department's cost of collection
8 expenses may, at the discretion of the secretary of the Finance and
9 Administration Cabinet, be returned to the agency identifying the
10 liquidated debt or to the Court of Justice for allocation as otherwise
11 provided by law. If the recovered funds and interest are not returned to
12 the agency or Court of Justice, the amounts shall be deposited in the
13 general fund, except for Medicaid benefits funds and funds required by
14 law to be remitted to a federal agency, which shall be remitted as
15 required by law.
- 16 5. In the case of local governments, any funds recovered by the department
17 after the deduction of the department's cost of collection expenses shall
18 be returned to the local government referring the liquidated debt, for
19 allocation as provided by ordinance, resolution, or as otherwise provided
20 by law.
- 21 (c) Nothing in this section shall prohibit the department from entering into a
22 memorandum of agreement with an agency pursuant to KRS 131.130(11), for
23 collection of debts prior to liquidation. If an agency enters into an agreement
24 with the department, the agency shall retain funds collected according to the
25 provisions of the agreement.
- 26 (d) This section shall not affect any agreement between the department and an
27 agency entered into under KRS 131.130(11) that is in effect on July 13, 2004,

1 that provides for the collection of liquidated debts by the department on behalf
2 of the agency.

3 (e) This section shall not affect the collection of delinquent taxes by sheriffs or
4 county attorneys under KRS 91A.070 or 134.504.

5 (f) This section shall not affect the collection of performance or reclamation
6 bonds.

7 (8) Upon receipt of a referred liquidated debt and after its determination that the debt is
8 feasible and cost-effective to collect, the department shall pursue collection of the
9 referred debt in accordance with KRS 131.030.

10 (9) By administrative regulation promulgated under KRS Chapter 13A, the department
11 shall prescribe the electronic format and form of, and the information required in, a
12 referral.

13 (10) ~~[(a)]~~ The department shall report annually by October 1 to the Interim Joint
14 Committee on Appropriations and Revenue on the collection of debts,
15 including debts due to improper payments, referred by agencies and the Court
16 of Justice. The report shall include the total amount by agency and fund type
17 of liquidated debt that has been referred to the department; the amount of each
18 referring agency's liquidated debt, by fund type, that has been collected by the
19 department; and the total amount of each referring agency's liquidated debt, by
20 fund type, that the department determined to be cost-ineffective to collect,
21 including the reasons for the determinations.

22 ~~[(b) Each cabinet shall report annually by October 1 to the Interim Joint
23 Committee on Appropriations and Revenue on:~~

24 ~~1. The amount of previous fiscal year unliquidated debt by agency,
25 including debts due to improper payments, fund type, category, and age,
26 the latter to be categorized as less than one (1) year, less than five (5)
27 years, less than ten (10) years, and over ten (10) years; and~~

1 ~~2. The amount, by agency, of liquidated debt, including debts due to~~
 2 ~~improper payments, not referred to the department; a summary, by~~
 3 ~~criteria listed in subsection (6)(a) of this section, of reasons the~~
 4 ~~department provided for not requesting referral of those liquidated debts;~~
 5 ~~and a summary of the actions each agency is taking to collect those~~
 6 ~~liquidated debts.~~

7 ~~(c) Beginning on October 1, 2005, the Court of Justice shall report annually by~~
 8 ~~October 1 of each year to the Interim Joint Committee on Appropriations and~~
 9 ~~Revenue the amount of previous fiscal year unliquidated debt by county and~~
 10 ~~whether in the Circuit Court or District Court; and fund type and age, the~~
 11 ~~latter categorized as less than one (1) year, less than five (5) years, less than~~
 12 ~~ten (10) years, and over ten (10) years. The first year for which the Court of~~
 13 ~~Justice shall be required to report is the fiscal year beginning on July 1, 2004~~
 14 ~~and ending on June 30, 2005. The Court of Justice shall not be required to~~
 15 ~~report unliquidated debts in existence prior to July 1, 2004.~~

16 ~~(d) The Finance and Administration Cabinet shall report annually by October 1 to~~
 17 ~~the Interim Joint Committee on Appropriations and Revenue on the amount of~~
 18 ~~the General Government Cabinet's unliquidated debt by agency, fund type,~~
 19 ~~and age, the latter categorized as less than one (1) year, less than five (5)~~
 20 ~~years, less than ten (10) years, and over ten (10) years.]~~

21 (11) At the time of submission of a liquidated debt to the department for review, the
 22 referring agency, the Court of Justice, or, where feasible, the local government shall
 23 provide information about the debt to the State Treasurer for the Treasurer's action
 24 under KRS 44.030(1).

25 ➔Section 22. KRS 45.812 is amended to read as follows:

26 (1) Prior to the issuance of the revenue bonds or notes authorized by an appropriation
 27 of the General Assembly, or by or on behalf of any Kentucky school district, the

1 agency, corporation, or school district authorized to issue the bonds or notes shall
2 furnish to the Capital Projects and Bond Oversight Committee ~~and the Interim~~
3 ~~Joint Committee on Appropriations and Revenue~~, and make available to the public,
4 a listing of all costs associated, either directly or indirectly, with the issuance of the
5 revenue bonds or notes. The costs shall be itemized as to amount and name of
6 payee, and shall include fees or commissions paid to, or anticipated to be paid to,
7 issuers, underwriters, placement agents and advisors, financial advisors,
8 remarketing agents, credit enhancers, trustees, accountants, and the counsel of all
9 these persons, bond counsel, and special tax counsel, and shall include the
10 economic benefits received or anticipated to be received by any other persons from
11 any source in return for services performed relating to the issuance of the bonds or
12 notes. Changes in amounts or names of payees or recipients, or additions of
13 amounts or names of payees or recipients, to the listing furnished and made
14 available pursuant to this subsection, shall be furnished to the Capital Projects and
15 Bond Oversight Committee ~~and the Interim Joint Committee on Appropriations~~
16 ~~and Revenue~~ and made available to the public within three (3) days following the
17 change.

18 (2) The costs required to be furnished under the provisions of subsection (1) of this
19 section shall not include the payment of wages or expenses to full-time, permanent
20 employees of the Commonwealth of Kentucky.

21 ➔Section 23. KRS 45.814 is amended to read as follows:

22 Prior to the issuance of the revenue bonds or notes authorized by a branch budget bill, the
23 agency authorized to issue the bonds or notes shall furnish to the Capital Projects and
24 Bond Oversight Committee ~~and the Interim Joint Committee on Appropriations and~~
25 ~~Revenue~~, and make available to the public, a listing of all costs associated, either directly
26 or indirectly, with the issuance of the revenue bonds or notes. The costs shall be itemized
27 as to amount and name of payee, and shall include fees or commissions paid to, or

1 anticipated to be paid to issuers, underwriters, placement agents and advisors, financial
2 advisors, remarketing agents, credit enhancers, trustees, accountants, and the counsel of
3 all these persons, bond counsel, and special tax counsel, and shall include the economic
4 benefits received or anticipated to be received by any other persons from any source in
5 return for services performed relating to the issuance of the bonds or notes. Changes in
6 amounts or names of payees or recipients, or additions of amounts or names of payees or
7 recipients, to the listing furnished and made available pursuant to this section shall be
8 furnished to the Capital Projects and Bond Oversight Committee ~~and the Interim Joint~~
9 ~~Committee on Appropriations and Revenue~~ and made available to the public within
10 three (3) days following the change.

11 ➔Section 24. KRS 45.816 is amended to read as follows:

12 Prior to the issuance of the revenue bonds or notes, the agency authorized to issue the
13 bonds or notes shall furnish to the Capital Projects and Bond Oversight Committee~~and~~
14 ~~the Interim Joint Committee on Appropriations and Revenue~~, and make available to the
15 public, a listing of all costs associated, either directly or indirectly, with the issuance of
16 the revenue bonds or notes. The costs shall be itemized as to amount and name of payee,
17 and shall include fees or commissions paid to, or anticipated to be paid to, issuers,
18 underwriters, placement agents and advisors, financial advisors, remarketing agents,
19 credit enhancers, trustees, accountants, and the counsel of all such persons, bond counsel
20 and special tax counsel, and shall include the economic benefits received or anticipated to
21 be received by any other persons from any source in return for services performed relating
22 to the issuance of the bonds or notes. Changes in amounts or names of payees or
23 recipients, or additions of amounts or names of payees or recipients, to the listing
24 furnished and made available pursuant to this section, shall be furnished to the Capital
25 Projects and Bond Oversight Committee and~~the Interim Joint Committee on~~
26 ~~Appropriations and Revenue and~~ made available to the public within three (3) days
27 following the change.

1 ➔Section 25. KRS 56.863 is amended to read as follows:

2 The commission shall have the power and duty to:

- 3 (1) Maintain the records and perform the functions necessary and proper to accomplish
4 the purposes of KRS 56.860 to 56.869;
- 5 (2) Promulgate administrative regulations relating to KRS 56.860 to 56.869;
- 6 (3) Conduct analysis to determine the impact of fluctuating receipts of revenues on the
7 budget of the Commonwealth, fluctuating interest rates upon the interest-sensitive
8 assets and interest-sensitive liabilities of the Commonwealth, and the resulting
9 change in the net interest margin on the budget of the Commonwealth;
- 10 (4) Develop strategies to mitigate the impact of fluctuating receipts of revenues on the
11 budget of the Commonwealth and of fluctuating interest rates on the
12 Commonwealth's interest-sensitive assets and interest-sensitive liabilities;
- 13 (5) Report its findings to the State Investment Commission at least annually to assist
14 the State Investment Commission in developing and implementing its investment
15 strategy. The State Investment Commission shall provide the commission with a
16 copy of its monthly investment income report to aid the commission in developing
17 and implementing its strategies;
- 18 (6) Issue funding notes, project notes, and tax and revenue anticipation notes or other
19 obligations on behalf of any state agency to fund authorized projects or to satisfy
20 judgments;
- 21 (7) Refund any funding notes, project notes, or tax and revenue anticipation notes
22 issued under KRS 56.860 to 56.869 to achieve economic savings, to better match
23 receipts with expenditures, or as a part of a continuing finance program;
- 24 (8) Designate individual employees or officers of the Office of Financial Management
25 within the Office of the Controller as agents for purposes of approving the principal
26 amount of tax and revenue anticipation notes, the interest rate, the discount,
27 maturity date, and other relevant terms of tax and revenue anticipation notes, project

- 1 notes, and funding notes or refunding notes issued within constraints established by
2 the commission and to execute agreements, including notes and financial
3 agreements, for the commission;
- 4 (9) Enter into financial agreements for the purpose of hedging its current or projected
5 interest-sensitive assets and interest-sensitive liabilities to stabilize the
6 Commonwealth's net interest margin, as deemed necessary by the commission,
7 subject to administrative regulations promulgated by the commission that limit the
8 net exposure of the Commonwealth as a result of these financial agreements;
- 9 (10) Deposit net interest payments and premiums received by the commission under
10 financial agreements into a restricted account, which shall not lapse at the end of the
11 fiscal year but shall continue to accumulate to act as security for these financial
12 agreements. This duty is mandatory in nature. Any accumulated funds in excess of
13 the amount determined by the commission to be necessary to establish this security
14 may be applied to debt service payments, net interest payments, and premiums and
15 expenses related to interest-sensitive liabilities; and
- 16 (11) Report to the Capital Projects and Bond Oversight Committee ~~and the Interim Joint~~
17 ~~Committee on Appropriations and Revenue~~ on a semiannual basis, by September
18 30 and March 31 of each year, the following:
- 19 (a) A description of the Commonwealth's investment and debt structure;
- 20 (b) The plan developed to mitigate the impact of fluctuating revenue receipts on
21 the budget of the Commonwealth and fluctuating interest rates on the interest-
22 sensitive assets and interest-sensitive liabilities of the Commonwealth,
23 including an analysis of the impact that a change in the net interest margin
24 would have on the budget of the Commonwealth. The report due by March 31
25 of each year shall reflect the strategy for January through June of the fiscal
26 year, and the report due by September 30 shall reflect the strategy for July
27 through December of the fiscal year;

- 1 (c) The principal amount of notes issued, redeemed, and outstanding; and a
2 description of all financial agreements entered into during the reporting
3 period. The report due by March 31 shall include information about
4 agreements entered into from July through December of the fiscal year. The
5 report due by September 30 shall include information about agreements
6 entered into between January and June of the prior fiscal year; and
- 7 (d) A summary of gains and losses associated with financial agreements and any
8 other cash flow strategies undertaken by the commission to mitigate the effect
9 of fluctuating interest rates during each reporting period. The report due by
10 March 31 shall include information about agreements and strategies entered
11 into or undertaken from July through December of the fiscal year. The report
12 due by September 30 shall include information about agreements and
13 strategies entered into or undertaken from January through June of the prior
14 fiscal year.

15 ➔Section 26. KRS 151.720 is amended to read as follows:

16 The Kentucky River Authority is authorized and empowered to:

- 17 (1) Construct, reconstruct, provide for the major maintenance, or repair the locks and
18 dams on the Kentucky River and all real and personal property pertaining thereto, as
19 well as maintain the channel;
- 20 (2) Acquire by purchase, exercise of the rights of eminent domain, grant, gift, devise, or
21 otherwise, the fee simple title to or any acceptable lesser interest in any real or
22 personal property and by lease or other conveyance, contract for the right to use and
23 occupy any real or personal property selected in the discretion of the authority as
24 constituting necessary, desirable, or acceptable sites to fulfill its statutory authority
25 and power;
- 26 (3) Lease its real or personal property to other state agencies, political subdivisions of
27 the Commonwealth, corporations, partnerships, associations, foundations, or

- 1 persons as the authority deems necessary to carry out the purposes of this section;
- 2 (4) Sell or otherwise dispose of its real or personal property in accordance with KRS
3 56.463 and 45A.045;
- 4 (5) Collect water use fees from all facilities using water from the Kentucky River basin,
5 except those facilities using water primarily for agricultural purposes. Facilities
6 charged such a fee may pass on all or any part of the fee;
- 7 (6) Issue revenue bonds in accordance with KRS 151.730;
- 8 (7) Employ persons to carry out the authority's responsibilities with revenue from the
9 water use fees, including an executive director who shall serve at the pleasure of the
10 authority;
- 11 (8) Contract for services with other state agencies, political subdivisions of the
12 Commonwealth, corporations, partnerships, associations, foundations, or persons to
13 perform its duties;
- 14 (9) Promulgate administrative regulations providing for clean water, which shall not be
15 less stringent than the state and federal regulations for clean water;
- 16 (10) Exercise all other powers necessary to perform its public purpose to implement and
17 enforce the plans developed by the authority pursuant to this section and KRS
18 151.727 and 151.728, and to enforce administrative regulations promulgated by the
19 authority. The long-range water resource plan and drought response plan shall be
20 implemented for the basin upon the direction of the authority;
- 21 (11) Develop comprehensive plans for the management of the Kentucky River within the
22 basin, including a long-range water resource plan and a drought response plan. Each
23 county within the basin shall develop a long-range water resource plan and submit it
24 to the authority. The authority, after consultation with the Energy and Environment
25 Cabinet, shall develop a unified long-range water resource plan for the basin. The
26 unified long-range water resource plan shall be implemented over short-range and
27 long-range time periods. The short-range plan shall be for a period of six (6) years

- 1 and the long-range plan shall be for a period of twenty (20) years. The authority
2 shall conduct a public hearing on the plan prior to its adoption and amend the plan
3 as appropriate based on the comments received. The Energy and Environment
4 Cabinet shall review the draft unified plan and provide comment during the public
5 comment period concerning the consistency of the plan with the state requirements
6 under KRS Chapters 224 and 151. A drought response plan for the basin shall be
7 developed by the authority and shall be coordinated with the Energy and
8 Environment Cabinet to assure consistency with KRS Chapters 224 and 151, and
9 this plan shall be implemented for the basin upon the direction of the authority;
- 10 (12) Develop and promote a plan for the protection and use of groundwater within the
11 basin. Administrative regulations may be promulgated implementing the plan, and
12 these regulations shall not be less stringent than state and federal regulations
13 protecting groundwater;
- 14 (13) Promote private investment in the installation of hydroelectric generating units on
15 all existing constructed and reconstructed Kentucky River dams under the
16 jurisdiction of the authority, by developing a standard lease, establishing reasonable
17 financial responsibility requirements, verifying that the proposed installation of the
18 hydroelectric unit will not adversely affect the structural integrity of the dam, and
19 adopting a schedule of reasonable fees for water used in the generation of
20 hydroelectric power;
- 21 (14) Develop recreational areas within the basin. These recreational areas may be
22 operated and funded by the state Department of Parks, Office of Kentucky Nature
23 Preserves, or other governmental entity as specifically authorized or permitted
24 within the biennial executive budget. There is hereby created the Kentucky River
25 Park to be located as determined by the authority;
- 26 (15) Utilize funds provided for recreational purposes within the biennial executive
27 budget for major or minor maintenance if the authority certifies to the secretary of

1 the Finance and Administration Cabinet that a significant need exists for the repairs
2 and no other funds are available for the maintenance;

3 (16) Coordinate the Kentucky River basin water resources activities among state
4 agencies;

5 ~~(17) Report quarterly on all of its activities to the legislative Committee on~~
6 ~~Appropriations and Revenue;~~

7 ~~(18)~~ Receive reports from state agencies on litigation concerning the Kentucky River,
8 which agencies are hereby directed to report to the authority;

9 ~~(18)~~(18)~~(19)~~ Credit to the authority any income derived from the interest earned on the
10 investment of the water use fees collected, which shall be available for the
11 authority's expenditure; and

12 ~~(19)~~(19)~~(20)~~ Accomplish the watershed management mission of the authority, which is to
13 fulfill the provisions of this section for the Kentucky River basin, the boundary of
14 which shall be defined by a hydrologic map promulgated in an administrative
15 regulation.

16 ➔Section 27. KRS 151.728 is amended to read as follows:

17 (1) Beginning with the 2000-2002 biennium and each biennium thereafter, the authority
18 shall submit to the General Assembly a six (6) year program of preconstruction and
19 construction activities to maintain or increase water available within the Kentucky
20 River. The program shall include a two (2) year construction component that shall
21 be implemented as authorized by the General Assembly in the authority's biennial
22 budget and a four (4) year preconstruction component that shall advise the General
23 Assembly of the consistency of ongoing and long-term planning with the
24 construction activities funded by the General Assembly.

25 (2) The program shall be developed by considering, at a minimum, the following
26 factors:

27 (a) The population to be served by the available water;

- 1 (b) The social, economic, and environmental impact of program elements;
- 2 (c) The condition of existing facilities critical to water availability;
- 3 (d) The cost of maintaining, improving, replacing, or removing facilities; and
- 4 (e) The dependence of communities within the river basin on specific Kentucky
5 River dam pools or other sources of water.

6 (3) The program shall include a four (4) year planning document setting out
7 preconstruction activities that include planning and design and an environmental
8 analysis of projects to maintain or increase water available within the Kentucky
9 River and geotechnical and stability evaluations of the Kentucky River locks and
10 dams.

11 (4) The authority shall provide to the General Assembly a long-range planning
12 document consisting of twenty (20) years for water supply projects being considered
13 by the authority.

14 (5) The authority shall be responsible for the execution of each six (6) year program as
15 approved and authorized in the budget by the General Assembly ~~and shall report~~
16 ~~any anticipated deviations from the authorized construction funding or~~
17 ~~preconstruction program to the Interim Joint Committee on Appropriations and~~
18 ~~Revenue].~~

19 ➔Section 28. KRS 154.80-140 is amended to read as follows:

20 (1) There is created the riverport marketing assistance trust fund, to be administered by
21 the Cabinet for Economic Development.

22 (2) The riverport marketing assistance trust fund may receive appropriations, federal
23 funds, contributions, gifts, and donations.

24 (3) The purpose of the riverport marketing assistance trust fund shall be to promote and
25 market Kentucky's riverport to industrial, business, and commercial prospects, to
26 attract economic development. To the extent funds are available, the fund shall
27 make grants to riverport authorities for marketing activities, including research,

1 advertising, participation in trade shows, and preparation of promotional materials.
 2 Grants shall not be used for activities such as salaries, administrative expenses, or
 3 internal newsletters.

4 (4) Notwithstanding KRS 45.229, moneys remaining in the fund at the close of a fiscal
 5 year shall not lapse but shall carry forward into the succeeding fiscal year. Interest
 6 earned on any moneys in the fund shall accrue to the fund. Amounts from the fund
 7 shall be disbursed and expended in accordance with this section.

8 (5) Grants under this section shall not exceed fifteen thousand dollars (\$15,000) per
 9 project or thirty thousand dollars (\$30,000) per applicant each year. Projects shall be
 10 completed within one (1) year of funding. To receive a grant, an applicant shall
 11 provide at least a fifty percent (50%) match, which may be obtained from any public
 12 or private source.

13 (6) (a) Grants shall be reviewed and awarded semiannually.

14 (b) The Cabinet for Economic Development shall submit all applications to the
 15 Water Transportation Advisory Board established by KRS 174.200 for
 16 evaluation and recommendations prior to awarding any grant funding under
 17 this section.

18 (c) Higher priority shall be given to applications with a larger share of match
 19 money, for those where the match money has already been obtained, and for
 20 projects with a detailed riverport marketing plan.

21 (7) The Cabinet for Economic Development shall on a semiannual basis submit a report
 22 detailing all grants awarded under this section to the Water Transportation Advisory
 23 Board and[-] the Interim Joint Committee on Transportation[-, and the Interim Joint
 24 Committee on Appropriations and Revenue].

25 ➔Section 29. KRS 171.027 is amended to read as follows:

26 There is established a public library facilities construction fund to assist local libraries
 27 with debt service payments for new library facilities and library improvements. The

1 Department for Libraries and Archives is authorized to enter into long-term written
2 memoranda of agreement with local libraries or other governing bodies to assist in debt
3 service payments relating to library construction or renovation projects. The agreements
4 shall specify the rights, duties, and obligations of both the local public library, or other
5 governing body, and the department. The department shall promulgate administrative
6 regulations to establish the application process, criteria for selecting projects for
7 assistance, a minimum level of local participation, and the process to be followed in the
8 construction of facilities. ~~[-The department shall report assistance awards to the Interim
9 Joint Committee on Appropriations and Revenue within thirty (30) days of execution of
10 any memorandum of agreement.]~~

11 ➔Section 30. KRS 174.210 is amended to read as follows:

- 12 (1) There is created a riverport financial assistance trust fund, to be administered by the
13 Transportation Cabinet.
- 14 (2) The riverport financial assistance trust fund may receive appropriations, federal
15 funds, contributions, gifts, and donations.
- 16 (3) The purpose of the riverport financial assistance trust fund shall be to improve
17 riverport facilities and infrastructure, to capture the economic and trade potential
18 offered by water transportation. To the extent funds are available, the fund shall
19 make grants to riverport authorities for new construction and major replacement or
20 repair projects, including but not limited to improvement of docks, wharves,
21 equipment, port buildings, storage facilities, roads and railroads to facilitate the
22 flow of commerce through the port, other on-site improvements, and related
23 professional services. Eligible projects shall not include routine operations,
24 maintenance, or repair activities.
- 25 (4) Notwithstanding KRS 45.229, moneys remaining in the fund at the close of a fiscal
26 year shall not lapse but shall carry forward into the succeeding fiscal year. Interest
27 earned on any moneys in the fund shall accrue to the fund. Amounts from the fund

1 shall be disbursed and expended in accordance with this section.

2 (5) To be eligible for a grant under this section, the applicant shall provide at least a
3 twenty percent (20%) match, which may be obtained from any public or private
4 source.

5 (6) (a) Grant applications shall be reviewed and awarded annually.

6 (b) The Transportation Cabinet shall submit all applications to the Water
7 Transportation Advisory Board established by KRS 174.200 for evaluation
8 and recommendations prior to awarding any grant funding under this section.

9 (c) Priority shall be given to applicants with a riverport master plan, for capital-
10 intensive projects for which permits have been obtained, and for projects for
11 which matching funds have been obtained.

12 (7) The Transportation Cabinet shall submit on an annual basis a report detailing all
13 grants awarded under this section to the Water Transportation Advisory Board
14 and,^[,] the Interim Joint Committee on Transportation~~[, and the Interim Joint~~
15 ~~Committee on Appropriations and Revenue]~~.

16 ➔Section 31. KRS 198A.090 is amended to read as follows:

17 (1) Except as provided in subsection (6) of this section, the corporation may provide for
18 the issuance, at one (1) time or from time to time, of bonds of the corporation if the
19 cumulative outstanding indebtedness of the corporation's bonds does not exceed
20 five billion dollars (\$5,000,000,000), in order to carry out and effectuate its
21 corporate purposes and powers.

22 (2) In anticipation of the issuance of bonds, the corporation may provide for the
23 issuance, at one (1) time or from time to time, of bond anticipation notes. The
24 principal of and the interest on the bonds or notes shall be payable solely from the
25 funds provided for the payment. Notes may be made payable from the proceeds of
26 bonds or renewal notes or, if bond or renewal note proceeds are not available, notes
27 may be paid from any available revenues or assets of the corporation.

- 1 (3) The bonds or notes of each issue shall be dated and may be made redeemable before
2 maturity at the option of the corporation at a price and under terms and conditions
3 determined by the corporation. Bonds or notes shall bear interest at a rate
4 determined by the corporation. Notes shall mature at a time not exceeding ten (10)
5 years from their date and bonds shall mature at a time not exceeding forty (40) years
6 from their date, as determined by the corporation. The corporation shall determine
7 the form and manner of execution of the bonds or notes, including any interest
8 coupons to be attached thereto, and shall fix the denomination and the place of
9 payment of principal and interest, which may be any bank or trust company within
10 or without the Commonwealth. If an officer whose signature or a facsimile of
11 whose signature appears on any bonds, notes, or coupons attached to them shall
12 cease to be an officer before the delivery thereof, the signature or facsimile shall be
13 valid and sufficient for all purposes as if he had remained in office until delivery.
14 The corporation may provide for the authentication of the bonds or notes by a
15 trustee or fiscal agent. The bonds or notes may be issued in coupon or in registered
16 form, or both, as the corporation may determine, and provision may be made for the
17 registration of any coupon bonds or notes as to principal alone and also as to both
18 principal and interest, and for the reconversion into coupon bonds or notes of any
19 bonds or notes registered as to both principal and interest, and for the interchange of
20 registered and coupon bonds or notes. Upon the approval of a resolution of the
21 corporation, authorizing the sale of its bonds or notes, the bonds or notes may be
22 sold in a manner, either at public or private sale, and for a price the corporation
23 shall determine to be for the best interest of the corporation and best effectuate the
24 purposes of this chapter, if the sale is approved by the corporation.
- 25 (4) The proceeds of any bonds or notes shall be used solely for the purposes for which
26 they are issued and shall be disbursed in the manner and under the restrictions, if
27 any, the corporation may provide in the resolution authorizing the issuance of bonds

1 or notes or in the trust agreement securing the same.

2 (5) Prior to the preparation of definitive bonds, the corporation may, under like
3 restrictions, issue interim receipts or temporary bonds, with or without coupons,
4 exchangeable for definitive bonds when the bonds have been executed and are
5 available for delivery. The corporation may also provide for the replacement of any
6 bonds or notes which become mutilated, destroyed, or lost.

7 (6) (a) Prior to the issuance of any bonds or notes that are not secured by:

- 8 1. Direct obligations or obligations guaranteed by the United States of
9 America; or
- 10 2. Obligations of federal agencies to the extent that the obligations are
11 backed by the full faith and credit of the United States of America; or
- 12 3. Repurchase agreements with any primary dealer in securities fully
13 secured by obligations described in subparagraphs 1. and 2. of this
14 paragraph if the market value of the security is maintained at one
15 hundred three percent (103%) of the principal amount of the repurchase
16 agreement and the security is held by an independent third-party
17 custodian financial institution; or
- 18 4. Insured or guaranteed construction loans or mortgage loans as defined
19 by KRS 198A.010(10) and (11); or
- 20 5. Guaranty insurance policies which guarantee payment of the principal
21 and interest on the bonds issued by a nationally recognized entity
22 authorized to issue guarantees and rated in the highest rating category by
23 at least one (1) of the nationally recognized rating services;

24 the corporation shall obtain the approval of the issuance from the General
25 Assembly in accordance with the provisions of KRS 56.870(1), unless the
26 provisions of paragraph (b) of this subsection apply. This requirement shall
27 not apply to refunding bond or note issues which are for the purpose of

1 achieving debt service savings and which do not extend the term of the
2 refunded bonds or notes.

3 (b) The corporation may provide for the issuance, at any one (1) time or from
4 time to time, of bonds which do not satisfy the requirements of paragraph (a)
5 of this subsection without approval of the issuance by the General Assembly if
6 the cumulative outstanding indebtedness of the corporation that does not meet
7 the requirements of paragraph (a) of this subsection does not exceed thirty
8 million dollars (\$30,000,000).

9 ~~[(c) The corporation shall annually report on its housing and bonding programs to
10 the Interim Joint Committee on Appropriations and Revenue.]~~

11 (7) The Finance and Administration Cabinet shall provide to the corporation fiscal
12 consultant services regarding revenue bond management as necessary.

13 ➔Section 32. KRS 214.544 is amended to read as follows:

14 (1) A Colon Cancer Screening and Prevention Advisory Committee shall be
15 established. The advisory committee shall include:

16 (a) One (1) member of the House of Representatives who shall be appointed by
17 the Speaker of the House;

18 (b) One (1) member of the Senate who shall be appointed by the President of the
19 Senate;

20 (c) The deputy commissioner of the Department for Public Health;

21 (d) The commissioner of the Department of Insurance, or his or her designee;

22 (e) The commissioner of the Department for Medicaid Services, or his or her
23 designee;

24 (f) Two (2) at-large members who shall be appointed by the Governor;

25 (g) One (1) member who shall be appointed by the Governor from a list of three
26 (3) names provided by the American Cancer Society;

27 (h) The director of the Kentucky Cancer Program at the University of Kentucky;

- 1 (i) The director of the Kentucky Cancer Program at the University of Louisville;
- 2 (j) The director of the Kentucky Cancer Registry;
- 3 (k) The director of the Colon Cancer Prevention Project;
- 4 (l) The chair of Kentucky African Americans Against Cancer; and
- 5 (m) The director of the Kentucky Cancer Consortium.

6 Members of the advisory committee shall be appointed for a term of four (4) years.

7 (2) (a) Members appointed under subsection (1)(a) to (g) of this section shall be
8 appointed as follows:

- 9 1. Members shall be appointed for a term of four (4) years, except as
10 provided in subparagraph 2. of this paragraph;
- 11 2. The initial appointments shall be for a period of two (2) years; thereafter,
12 the appointments shall be for a term of four (4) years; and
- 13 3. Members shall not serve more than two (2) terms of four (4) years.

14 (b) Members serving under subsection (1)(h) to (m) of this section shall serve by
15 virtue of their positions and shall not be subject to term limits.

16 (3) The chair of the advisory committee shall be elected from the membership of the
17 advisory committee to serve for a two (2) year term. A member of the advisory
18 committee may designate an alternate to attend meetings in his or her place.

19 (4) The advisory committee may add members from other organizations as deemed
20 appropriate.

21 (5) The advisory committee shall provide recommendations for the overall
22 implementation and conduct of the Colon Cancer Screening and Prevention
23 Program.

24 (6) The advisory committee shall establish and provide oversight for a colon cancer
25 screening public awareness campaign. The Cabinet for Health and Family Services
26 shall contract with the Kentucky Cancer Consortium at the University of Kentucky
27 to provide the required support. The amount of the contract shall not be included in

1 the base budget of the university as used by the Council on Postsecondary
2 Education in determining the funding formula for the university.

3 (7) The Colon Cancer Screening and Prevention Advisory Committee shall provide an
4 annual report on implementation and outcomes from the Colon Cancer Screening
5 and Prevention Program and recommendations to the Legislative Research
6 Commission, the Interim Joint Committee on Health, Welfare, and Family Services,
7 ~~[the Interim Joint Committee on Appropriations and Revenue,]~~ the Governor, the
8 secretary of the Cabinet for Health and Family Services, and the commissioner of
9 the Department for Public Health.

10 (8) The Kentucky Cancer Program, jointly administered by the University of Kentucky
11 and the University of Louisville, shall establish a colon cancer screening, education,
12 and outreach program in each of the state area development districts. The colon
13 cancer screening, education, and outreach program shall focus on individuals who
14 lack access to colon cancer screening. The Cabinet for Health and Family Services
15 shall contract with the University of Louisville and the University of Kentucky to
16 provide the required support. The amount of the contract shall not be included in the
17 base budgets of the universities as used by the Council on Postsecondary Education
18 in determining the funding formula for the universities.

19 ➔Section 33. KRS 214.556 is amended to read as follows:

20 (1) There is hereby established within the Kentucky cancer program the Kentucky
21 Cancer Registry and the cancer patient data management system for the purpose of
22 providing accurate and up-to-date information about cancer in Kentucky and
23 facilitating the evaluation and improvement of cancer prevention, screening,
24 diagnosis, therapy, rehabilitation, and community care activities for citizens of the
25 Commonwealth. The cancer patient data management system shall be administered
26 by the Lucille Parker Markey Cancer Center.

27 (2) Each licensed health facility which provides diagnostic services, or diagnostic

1 services and treatment, or treatment to cancer patients shall report to the Kentucky
2 Cancer Registry, through the cancer patient data management system and in a
3 format prescribed by the Kentucky Cancer Registry, each case of cancer seen at that
4 health facility. Failure to comply may be cause for assessment of an administrative
5 fine for the health facility, the same as for violation of KRS 216B.250.

6 (3) Each health facility shall grant to the cancer registry access to all records which
7 would identify cases of cancer or would establish characteristics of the cancer,
8 treatment of the cancer, or status of any identified cancer patient. Hospitals actively
9 participating and enrolled in the cancer patient data management system of the
10 Kentucky Cancer Program as of July 13, 1990, shall be considered to be in
11 compliance with this section. The Lucille Parker Markey Cancer Center shall
12 provide staff assistance in compiling and reporting required information to hospitals
13 which treat a low volume of patients.

14 (4) No liability of any kind or character for damages or other relief shall arise or be
15 enforced against any licensed health facility by reason of having provided the
16 information or material to the Kentucky Cancer Registry pursuant to the
17 requirements of this section.

18 (5) The identity of any person whose condition or treatment has been reported to the
19 Kentucky Cancer Registry shall be confidential, except that:

20 (a) The Kentucky Cancer Registry may exchange patient-specific data with any
21 other cancer control agency or clinical facility for the purpose of obtaining
22 information necessary to complete a case record, but the agency or clinical
23 facility shall not further disclose such personal data; and

24 (b) The Kentucky Cancer Registry may contact individual patients if necessary to
25 obtain follow-up information which is not available from the health facility.

26 (6) All information, interviews, reports, statements, memoranda, or other data furnished
27 by reason of this section, expressly including all portions, subsets, extracts, or

1 compilations of the data as well as any findings or conclusions resulting from those
2 studies, shall be privileged and shall not be considered public records under KRS
3 61.870 to 61.884. The Kentucky Cancer Registry may determine that certain
4 extracts, subsets, or compilations of data do not reveal privileged information and
5 may be published or otherwise shared to further the public health goals set forth
6 herein.

7 (7) The Kentucky Cancer Registry shall make periodic reports of its data and any
8 related findings and recommendations to the Legislative Research Commission, the
9 Interim Joint Committee~~[Committees on Appropriations and Revenue and]~~ on
10 Health and Welfare, the Governor, the Cabinet for Health and Family Services, the
11 reporting health facility, and other appropriate governmental and nongovernmental
12 cancer control agencies whose intent it is to reduce the incidence, morbidity, and
13 mortality of cancer. The Kentucky Cancer Registry may conduct analyses and
14 studies as are indicated to advance cancer control in the Commonwealth, either
15 directly or by confidentially sharing data with third parties.

16 ➔Section 34. KRS 216.2929 is amended to read as follows:

17 (1) (a) The Cabinet for Health and Family Services shall make available on its Web
18 site information on charges for health-care services at least annually in
19 understandable language with sufficient explanation to allow consumers to
20 draw meaningful comparisons between every hospital and ambulatory facility,
21 differentiated by payor if relevant, and for other provider groups as relevant
22 data becomes available.

23 (b) Any charge information compiled and reported by the cabinet shall include the
24 median charge and other percentiles to describe the typical charges for all of
25 the patients treated by a provider and the total number of patients represented
26 by all charges, and shall be risk-adjusted.

27 (c) The report shall clearly identify the sources of data used in the report and

1 explain limitations of the data and why differences between provider charges
2 may be misleading. Every provider that is specifically identified in any report
3 shall be given thirty (30) days to verify the accuracy of its data prior to public
4 release and shall be afforded the opportunity to submit comments on its data
5 that shall be included on the Web site and as part of any printed report of the
6 data.

7 (d) The cabinet shall only provide linkages to organizations that publicly report
8 comparative-charge data for Kentucky providers using data for all patients
9 treated regardless of payor source, which may be adjusted for outliers, is risk-
10 adjusted, and meets the requirements of paragraph (c) of this subsection.

11 (2) (a) The cabinet shall make information available on its Web site at least annually
12 describing quality and outcome measures in understandable language with
13 sufficient explanations to allow consumers to draw meaningful comparisons
14 between every hospital and ambulatory facility in the Commonwealth and
15 other provider groups as relevant data becomes available.

16 (b) 1. The cabinet shall utilize only national quality indicators that have been
17 endorsed and adopted by the Agency for Healthcare Research and
18 Quality, the National Quality Forum, or the Centers for Medicare and
19 Medicaid Services; or

20 2. The cabinet shall provide linkages only to the following organizations
21 that publicly report quality and outcome measures on Kentucky
22 providers:

23 a. The Centers for Medicare and Medicaid Services;

24 b. The Agency for Healthcare Research and Quality;

25 c. The Joint Commission; and

26 d. Other organizations that publicly report relevant outcome data for
27 Kentucky providers.

- 1 (c) The cabinet shall utilize or refer the general public to only those nationally
 2 endorsed quality indicators that are based upon current scientific evidence or
 3 relevant national professional consensus and have definitions and calculation
 4 methods openly available to the general public at no charge.
- 5 (3) Any report the cabinet disseminates or refers the public to shall:
- 6 (a) Not include data for a provider whose caseload of patients is insufficient to
 7 make the data a reliable indicator of the provider's performance;
- 8 (b) Meet the requirements of subsection (1)(c) of this section;
- 9 (c) Clearly identify the sources of data used in the report and explain the
 10 analytical methods used in preparing the data included in the report; and
- 11 (d) Explain any limitations of the data and how the data should be used by
 12 consumers.
- 13 (4) The cabinet shall report at least biennially, no later than October 1 of each odd-
 14 numbered year, on the special health needs of the minority population in the
 15 Commonwealth as compared to the population in the Commonwealth as compared
 16 to the population at large. The report shall contain an overview of the health status
 17 of minority Kentuckians, shall identify the diseases and conditions experienced at
 18 disproportionate mortality and morbidity rates within the minority population, and
 19 shall make recommendations to meet the identified health needs of the minority
 20 population.
- 21 (5) The report required under subsection (4) of this section shall be submitted to the
 22 Interim Joint Committee~~[Committees]~~ on ~~[Appropriations and Revenue and]~~Health
 23 and Welfare and to the Governor.
- 24 ➔Section 35. KRS 224.10-230 is amended to read as follows:
- 25 (1) The cabinet shall implement a time and accounting system to reasonably and
 26 accurately document its actual costs.
- 27 (2) ~~[The cabinet shall submit documentation of its costs to the Interim Joint~~

1 ~~Appropriations and Revenue Committee prior to the cabinet's submittal of its~~
2 ~~biennial budget request.~~

3 ~~(3) The cabinet may promulgate regulations amending the fees set forth in KRS~~
4 ~~224.20-050, 224.46-012 to 224.46-018, and 224.70-120. The fees established in the~~
5 ~~promulgated regulations shall be based on the cabinet's actual costs.~~

6 ➔Section 36. KRS 342.1223 is amended to read as follows:

- 7 (1) The Kentucky Workers' Compensation Funding Commission is created as an
8 agency of the Commonwealth for the public purpose of controlling, investing, and
9 managing the funds collected pursuant to KRS 342.122.
- 10 (2) The commission shall:
- 11 (a) Hold, administer, invest, and reinvest the funds collected pursuant to KRS
12 342.122 and its other funds separate and apart from all "state funds" or "public
13 funds," as defined in KRS Chapter 446;
- 14 (b) Act as a fiduciary, as defined in KRS Chapter 386, in exercising its power
15 over the funds collected pursuant to KRS 342.122, and may invest association
16 funds through one (1) or more banks, trust companies, or other financial
17 institutions with offices in Kentucky in good standing with the Department of
18 Financial Institutions, in investments described in KRS Chapter 386, except
19 that the funding commission may, at its discretion, invest in equity securities;
- 20 (c) Report to the General Assembly at each even-numbered-year regular session
21 the actuarial soundness and adequacy of the funding mechanism for the
22 special fund and other programs supported by the mechanism, including
23 detailed information on the investment of funds and yields thereon;
- 24 (d) Recommend to the General Assembly, not later than October 31 of the year
25 prior to each even-numbered-year regular legislative session, changes deemed
26 necessary in the level of the assessments imposed in this chapter;
- 27 (e) In conjunction with the Labor Cabinet, submit to the General Assembly, not

1 later than October 31 of the year prior to each even-numbered-year regular
 2 legislative session, a proposed budget for the biennium beginning July 1
 3 following the even-numbered-year regular session of the General Assembly;

4 (f) ~~[In conjunction with the Labor Cabinet, provide to the Interim Joint~~
 5 ~~Committee on Appropriations and Revenue an annual budget and detailed~~
 6 ~~quarterly financial reports;~~

7 ~~(g)~~ Conduct periodic audits, independently or in cooperation with the Labor
 8 Cabinet or the Department of Revenue, of all entities subject to the
 9 assessments imposed in this chapter; and

10 ~~(g)~~^(h) Report monthly to the Committee~~[Committees on Appropriations and~~
 11 ~~Revenue and]~~ on Economic Development and Workforce Investment its
 12 monthly expenditures of restricted agency funds and the nature of the
 13 expenditures.

14 (3) The commission shall have all of the powers necessary or convenient to carry out
 15 and effectuate the purposes for which it was established, including, but not limited
 16 to, the power:

17 (a) To sue and be sued, complain, or defend, in its name;

18 (b) To elect, appoint, or hire officers, agents, and employees, and define their
 19 duties and fix their compensation within the limits of its budget approved by
 20 the General Assembly. Notwithstanding any provision of KRS Chapter 18A to
 21 the contrary, officers and employees of the funding commission may be
 22 exempted from the classified service;

23 (c) To contract for investment counseling, legal, actuarial, auditing, and other
 24 professional services in accordance with the provisions relating to personal
 25 service contracts contained in KRS Chapter 45A;

26 (d) To appoint, hire, and contract with banks, trust companies, and other entities
 27 to serve as depositories and custodians of its investment receipts and other

1 funds;

2 (e) To take any and all other actions consistent with the purposes of the
3 commission and the provisions of this chapter; and

4 (f) To make and promulgate administrative regulations.

5 (4) The Kentucky Workers' Compensation Funding Commission may utilize the
6 investment expertise and advice of the Office of Financial Management within the
7 Finance and Administration Cabinet. The Kentucky Workers' Compensation
8 Funding Commission may procure one (1) or more consulting firms and enter into a
9 personal service contract with such consulting firms to provide investment advisory,
10 investment counseling, or investment management services. The Office of Financial
11 Management shall participate in the selection of any firms for investment services
12 provided, however, the Kentucky Workers' Compensation Funding Commission
13 shall have the right to make the final decision on the selection of any firms.
14 Notwithstanding any provisions of this section to the contrary, all contracts for
15 investment advisory, investment counseling, or investment management services or
16 for the management of assets shall be subject to KRS Chapter 45A. The fees
17 charged by financial institutions for managing the investments of the funds of the
18 funding commission shall be paid from the investment earnings of the funds.

19 (5) The commission shall be attached to the Labor Cabinet for administrative purposes
20 only.

21 ➔Section 37. KRS 342.765 is amended to read as follows:

22 (1) Notwithstanding the provisions of KRS Chapter 342 to the contrary, the office of
23 the Attorney General shall be responsible for the administration of the uninsured
24 employers' fund and shall be charged with the conservation of the assets of the fund.
25 Funds to reimburse the Attorney General's office for expenses incurred in litigation
26 and administration in defense of the uninsured employers' fund shall be transferred
27 upon request of the Attorney General's office and approval by the secretary of the

1 Labor Cabinet.

2 (2) The office of the Attorney General shall report monthly to ~~the Interim Joint~~
3 ~~Committee on Appropriations and Revenue,~~ the Interim Joint Committee on
4 Economic Development and Workforce Investment~~[,]~~ and the commissioner the
5 amount of the agency fund expenditures in each month for the uninsured employers'
6 fund and the nature of these expenditures. In addition, the Office of the Attorney
7 General shall report quarterly to the commissioner on the amount of funds recouped
8 from uninsured employers.

9 ➔Section 38. KRS 353.776 is amended to read as follows:

10 By January 1 each year, the authority shall make an annual report of its activities for the
11 preceding fiscal year to the Office of the State Budget Director~~and to the Interim Joint~~
12 ~~Committee on Appropriations and Revenue~~. Each such report shall set forth a complete
13 operating and financial statement covering its operations during the year. The authority
14 shall provide for an audit of its books and accounts to be made within ninety (90) days
15 after the close of each fiscal year by certified public accountants and the cost thereof may
16 be treated as a part of the cost of construction of the project. Audits under this section
17 shall be public records within the meaning of KRS 61.870 to 61.884.

18 ➔Section 39. KRS 317.450 is amended to read as follows:

19 (1) (a) The board shall issue an apprentice license to practice barbering to any person
20 who:

- 21 1. Is at least seventeen and one-half (17-1/2) years of age;
- 22 2. Is of good moral character and temperate habit;
- 23 3. Possesses a high school diploma, a High School Equivalency Diploma,
24 or a transcript from an issuing institution that is recognized by the
25 educational authority in the state from which the diploma, certificate, or
26 transcript is issued;
- 27 4. Has graduated from a licensed school of barbering;

- 1 5. Has satisfactorily passed the apprentice examination prescribed by the
2 barber board, which shall include a practical assessment of the
3 applicant's skills, including but not limited to a taper haircut, shampoo,
4 straight razor facial shave, facial, and a chemical application; and
- 5 6. Has paid a fee as established in administrative regulations promulgated
6 by the board in accordance with KRS Chapter 13A.
- 7 (b) A barber shall serve an apprentice period of at least six (6) months but not
8 more than nine (9) months of continuous service from the effective date of the
9 license issued pursuant to paragraph (a) of this subsection.
- 10 (c) In addition to the grounds for disciplinary action specified in KRS 317.590,
11 the board may, during the apprentice period, require a licensee to retake any
12 part or all of the written or practical examination, or both.
- 13 (d) At the end of the apprentice period, the board shall issue a license to practice
14 barbering to an apprentice licensee who has:
- 15 1. Satisfactorily passed the barber examination prescribed by the board by
16 administrative regulations promulgated in accordance with KRS Chapter
17 13A; and
- 18 2. Complied with all other requirements of this subsection.
- 19 (e) The board may issue a barber license by endorsement to a resident of another
20 state, district, or territory within the United States of America upon payment
21 of a fee as established in administrative regulations promulgated by the board
22 in accordance with KRS Chapter 13A, and upon submission of satisfactory
23 evidence that the requirements for licensure in the other state are substantially
24 equivalent to the requirements of this state at the time of application. In the
25 absence of the required equivalency, an applicant from another state, district,
26 or territory within the United States of America, shall show proof of three (3)
27 years or more experience immediately before making application and be

1 currently licensed and in good standing with the state, district, or territory in
2 which he or she is licensed. The board may also require an applicant under
3 this section to pass a written and practical examination to establish
4 equivalency.

5 (2) The board shall:

6 (a) Issue a license to operate a barber shop to any barber licensed under the
7 provisions of this chapter upon application and payment of a fee as established
8 in administrative regulations promulgated by the board in accordance with
9 KRS Chapter 13A;

10 (b) Refuse to issue the license upon a failure of the licensed barber to comply
11 with the provisions of this chapter or the administrative regulations
12 promulgated by the board;

13 (c) Allow the licensed owner of a barber shop, which is licensed under this
14 chapter, to rent or lease space in his or her barber shop to an independent
15 contract owner; and

16 (d) Allow an unlicensed owner of a barber shop to rent or lease space in his or her
17 barber shop to an independent contract owner, only if the shop owner has a
18 licensed barber as a manager of the shop at all times. If the owner, manager, or
19 location of a barber shop changes, the required form and fee shall be
20 submitted to the board.

21 (3) The board shall issue a license to operate a school of barbering to any person, firm,
22 or corporation who or which:

23 (a) Applies for a license upon forms furnished by the board;

24 (b) Has the equipment and facilities that may be required by administrative
25 regulations promulgated by the board;

26 (c) Has furnished adequate evidence to the board that:

27 1. There is an intent to establish a bona fide school for the education and

- 1 training of competent barbers; and
- 2 2. A sufficient number of teachers licensed by the board will be employed
- 3 to conduct the school, including at least one (1) teacher with a minimum
- 4 of twelve (12)~~thirty six (36)~~ months' experience teaching in a barber
- 5 school that includes administrative experience; and
- 6 (d) Pays a fee as established in administrative regulations promulgated by the
- 7 board in accordance with KRS Chapter 13A.
- 8 (4) The board shall issue a student permit to any person enrolled in a licensed barber
- 9 school upon payment of a fee as established in administrative regulations
- 10 promulgated by the board in accordance with KRS Chapter 13A.
- 11 (5) The board shall issue a license to teach barbering to any person who:
- 12 (a) Is of good moral character and temperate habit;
- 13 (b) Possesses a high school diploma or a High School Equivalency Diploma;
- 14 (c) Has been a Kentucky-licensed and practicing barber for at least eighteen (18)
- 15 months;
- 16 (d) Has satisfactorily passed the examination prescribed by the board by
- 17 promulgation of administrative regulations; and
- 18 (e) Has paid a fee as established in administrative regulations promulgated by the
- 19 board in accordance with KRS Chapter 13A.
- 20 (6) The board shall issue a license to any barber who holds an independent contract
- 21 owner's license who:
- 22 (a) Is of good moral character and temperate habit;
- 23 (b) Possesses a high school diploma or a High School Equivalency Diploma;
- 24 (c) Is a licensed and practicing barber under this chapter; and
- 25 (d) Has paid a fee as established in administrative regulations promulgated by the
- 26 board in accordance with KRS Chapter 13A.
- 27 (7) The board shall issue a demonstration charity event permit to any licensed barber

1 who pays a fee as established in administrative regulations promulgated by the
2 board in accordance with KRS Chapter 13A.

3 (8) Applications for examination required in this section shall be accompanied by an
4 examination fee as established in administrative regulations promulgated by the
5 board in accordance with KRS Chapter 13A.

6 (9) (a) On and after July 1, 2016, a license issued pursuant to this section shall expire
7 on the first day of July next following the date of its issuance. A license shall
8 be renewed on June 1 through July 1 of each year.

9 (b) Any license shall automatically be renewed by the board:

10 1. Upon receipt of the application for renewal or duplicate renewal
11 application form and the required annual renewal license fee submitted
12 either in person or via written or electronic means; and

13 2. If the applicant for renewal is otherwise in compliance with the
14 provisions of this chapter and the administrative regulations of the
15 board.

16 (10) The annual renewal license fee for each type of license renewal shall be as
17 established in administrative regulations promulgated by the board in accordance
18 with KRS Chapter 13A.

19 (11) (a) The fee per year for the renewal of an expired license, if the period of
20 expiration does not exceed five (5) years, shall be as established by
21 administrative regulations promulgated by the board in accordance with KRS
22 Chapter 13A.

23 (b) An applicant who fails to renew a license within five (5) years of its expiration
24 shall comply with the requirements for relicensure established by the board through
25 promulgation of administrative regulations in accordance with KRS Chapter 13A.

26 ➔Section 40. The Commonwealth West Healthcare Workforce Innovation Center
27 shall be established to provide accessible, healthcare-specific educational pathways in the

1 western region of the state for postsecondary, high school, and nontraditional students to
2 address decreased student enrollment in healthcare-related fields, resulting in expanding
3 the pipeline of qualified healthcare workers and reducing the shortage of qualified
4 medical staff across the Commonwealth.

5 ➔Section 41. The center shall be a health education, innovation, and simulation
6 facility located in Owensboro that offers a combination of instruction and hands-on
7 experiential learning opportunities to students pursuing nursing and allied health
8 credentials. The center shall be operated and maintained through a collaborative
9 partnership between public and private organizations, including but not limited to Brescia
10 University, Elizabethtown Community and Technical College, Henderson Community
11 and Technical College, Hopkinsville Community and Technical College, Kentucky
12 Wesleyan College, Madisonville Community and Technical College, Owensboro
13 Community and Technical College, Western Kentucky University, Western Kentucky
14 University-Owensboro, University of Louisville School of Nursing-Owensboro, and
15 Owensboro Health, Inc.

16 ➔Section 42. The center shall provide in-person and virtual didactic instruction
17 and hands-on, experiential learning opportunities while offering career paths to address
18 immediate workforce needs, including but not limited to nursing, nursing assistant,
19 medical office assistant, radiology science, long-term care, social work, clinical
20 psychology, behavioral health, laboratory services, paramedic, and community healthcare
21 workers.

22 ➔Section 43. The General Assembly shall provide funds for the initial start-up
23 and operating costs of the center, including but not limited to faculty, personnel, facility,
24 equipment, and furnishings in the form of a grant to be administered by the Kentucky
25 Community and Technical College System and distributed to the collaborating partners
26 and organizations in accordance with the agreements established for the center.

27 ➔Section 44. By January 1, 2023, and by November 1, 2024, the Kentucky

1 Community and Technical College System shall provide a report to the Legislative
2 Research Commission on the status of the center, including but not limited to operations,
3 enrollment, expenditures, funding, and partnerships.

4 →Section 45. The offers of assistance for fiscal year 2022-2023 and fiscal year
5 2023-2024 shall not be contingent upon the school district's use of available local
6 resources. If a local school board uses the funds for renovations rather than new
7 construction, up to 25 percent of the offers of assistance may be used to support
8 renovations of other A1 schools that are ranked as Priority 1 or 2 on the local school
9 district's facility plan. The local school board shall notify the Commissioner of Education
10 that there will be no further need to construct a replacement facility for a school identified
11 in these offers of assistance.

12 →Section 46. There is hereby appropriated General Fund moneys in the amount of
13 \$4,000,000 in fiscal year 2022-2023 to the School Facilities Construction Commission as
14 special offers of assistance for Rockcastle County Schools to use in the construction of a
15 Rockcastle County middle school. Notwithstanding KRS 157.611 to 157.665, the offers
16 of assistance shall not be contingent upon the school district's use of available local
17 resources. If a local school board uses the funds for renovations rather than new
18 construction, up to 25 percent of the offers of assistance may be used to support
19 renovations of other A1 schools that are ranked as Priority 1 or 2 on the local school
20 district's facility plan. The local school board shall notify the Commissioner of Education
21 that there will be no further need to construct a replacement facility for a school identified
22 in these offers of assistance.

23 →Section 47. There is hereby appropriated Federal Funds moneys from the State
24 Fiscal Recovery Fund from the American Rescue Plan Act of 2021 in the amount of
25 \$5,000,000 in fiscal year 2022-2023 to the Learning and Results Services budget unit to
26 support alternative paths to graduation through a partnership with Graduation Alliance.

27 →Section 48. There is hereby appropriated Federal Funds from the State Fiscal

1 Recovery Fund from the American Rescue Plan Act of 2021 in the amount of \$1,500,000
 2 in fiscal years 2022-2023 and 2023-2024 to the Learning and Results Services budget unit
 3 to enrich science curriculums using Plasma Games' STEM and Chemistry education tool.

4 →Section 49. There is hereby appropriated General Fund moneys in the amount of
 5 \$150,000 in fiscal year 2022-2023 to the Department for Local Government to allocate to
 6 the Rough River Business & Tourism Association to provide accessibility to the marina
 7 and demolition of the abandoned intake structure.

8 →Section 50. There is hereby appropriated Federal Funds from the State Fiscal
 9 Recovery Fund from the American Rescue Plan Act of 2021 in the amount of \$5,000,000
 10 in fiscal year 2022-2023 to the Kentucky Center for the Arts for emergency repairs,
 11 maintenance, and operations.

12 →Section 51. There is hereby allocated from the Road Fund appropriation in the
 13 Highways budget unit \$421,300 in fiscal year 2023-2024 for GARVEE Bonds debt
 14 service payments relating to the Brent Spence Bridge project.

15 →Section 52. 2022 RS HB 242/EN is hereby amended as follows:

16 On page 50, after item number 4309, insert the following information under the
 17 column indicated consistent with the existing format:

18 "County: "Clinton";

19 Item No.: "8600";

20 Route: "US-127";

21 Description: "RELOCATION OF US 127 FROM KY 90 INTERSECTION TO
 22 AARON RIDGE ROAD (MP 11.7 TO MP 16.315)"

23 Phase: "PL DN RW UT CN Project Cost:";

24 Insert "SPP" in the Fund column in each of the DN and RW rows;

25 Insert "4,800,000" under the FY 2023 column in the DN row; and

26 Insert "8,000,000" under the FY 2023 column in the RW row;"; and

27 On page 55, item number 10004, delete "36,500" and insert "306,500" in lieu

1 thereof under the FY 2024 column in the CN row; and

2 On page 192, after the Total for Owsley county, insert the following information
3 under the column indicated consistent with the existing format:

4 "County: "Pendleton";

5 Item No.: "80258";

6 Route: "KY-177";

7 Description: "RECONSTRUCTION FROM KY 3185 IN BUTLER TO KY
8 467";

9 Phase: "PL DN RW UT CN Project Cost:";

10 Insert "SPP" in the Fund column in the DN row; and

11 Insert "1,996,800" under the FY 2023 column in the DN row;"; and

12 On page 222, item number 396.2000, insert "STPF" in the Fund column in the CN
13 row; and

14 Insert "1,000,000" under the FY 2024 column in the CN row; and

15 On page 240, item number 911.5000, delete ", AND SCHOOL SAFETY
16 PROJECTS"; and

17 Adjust subsequent subtotals and totals accordingly.

18 ➔Section 53. 2022 RS HJR 82/EN is hereby amended as follows:

19 On page 94, delete item number 528.0100 in its entirety; and

20 On page 209, item number 396.2000, delete "10,000,000" and insert "9,000,000" in
21 lieu thereof under the FY 2025 column in the CN row; and

22 On page 224, item number 911.5000, delete ", AND SCHOOL SAFETY
23 PROJECTS"; and

24 Adjust subsequent subtotals and totals accordingly.

25 ➔Section 54. The following KRS sections are repealed:

26 342.231 Monthly reports.

27 176.5066 Revenues relating to motorcycle safety education program fund -- Report.

1 ➔Section 55. Whereas the operations of governmental agencies are imperative for
2 the betterment of the Commonwealth, an emergency is declared to exist, and this Act
3 takes effect upon its passage and approval by the Governor or upon its otherwise
4 becoming a law.