AN ACT relating to the protection of children.

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

SECTION 1. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 to 5 of this Act:

(1) "Cross-sex hormones" means testosterone, estrogen, or other androgens given to a person in amounts that are larger or more potent than would normally occur naturally in a healthy person of the same age and sex;

(2) "Gender" means the psychological, behavioral, social, and cultural aspects of being a person whose sex is male or female;

(3) "Gender-affirming care" includes treatments by health care providers and mental health care providers that support a gender transition;

(4) "Gender reassignment surgery" means any service that seeks to surgically alter or remove physical or anatomical characteristics or features that are typical for a person’s sex in order to instill or create physiological or anatomical characteristics that resemble a different sex, including but not limited to genital or nongenital gender reassignment surgery performed for the purpose of assisting a person with a gender transition;

(5) "Gender transition" means the process in which a person goes from identifying with and living as a gender that corresponds to his or her sex to identifying with and living as a different gender and may involve social, legal, or physical changes;

(6) (a) "Gender transition services" means any service provided or performed by a health care provider or mental health care provider for the purpose of assisting a person with a gender transition. Gender transition services include but are not limited to:

1. Social transition services by health care providers and mental health
care providers:

2. Inpatient and outpatient hospital services;

3. Prescribing or dispensing puberty-blocking drugs;

4. Prescribing or dispensing cross-sex hormones;

5. Genital gender reassignment surgery; and


(b) "Gender transition services" do not include:

1. Services to persons born with a medically verifiable disorder of sex development, including a person with external sex characteristics that are irresolvably ambiguous, such as those born with forty-six (46) XX chromosomes with virilization, forty-six (46) XY chromosomes with undervirilization, or having both ovarian and testicular tissue;

2. Services provided to a person diagnosed by a physician after genetic or biochemical testing as having a disorder of sexual development caused by an abnormal sex chromosome structure, sex steroid production, or sex steroid hormone action;

3. The acute and chronic treatment of any infection, injury, disease, or disorder that has been caused by or exacerbated by the performance of a gender transition service, whether or not the gender transition service was performed in accordance with state and federal law or whether or not funding for the gender transition procedure is permissible under Sections 1 to 5, 6, and 9 of this Act; or

4. Services of a mental health care provider that do not include gender-affirming care for a person under the age of eighteen (18) years;

(7) "Genital gender reassignment surgery" means a medical procedure performed for the purpose of assisting a person with a gender transition, including but not limited to surgical services such as:
(a) Surgeries that sterilize, including castration, vasectomy, hysterectomy, oophorectomy, orchietomy, and penectomy; and

(b) Surgeries that artificially construct tissue with the appearance of genitalia that differs from the individual’s sex, including metoidioplasty, phalloplasty, and vaginoplasty;

(8) "Health care provider" means a:

(a) Health facility or service required to be licensed under KRS Chapter 216B;

(b) Massage therapist or community health worker licensed or credentialed under KRS Chapter 309;

(c) Physician, osteopath, or podiatrist licensed under KRS Chapter 311;

(d) Physician assistant regulated under KRS Chapter 311;

(e) Chiropractor licensed under KRS Chapter 312;

(f) Dentist licensed under KRS Chapter 313;

(g) Advanced practice registered nurse (APRN), licensed practical nurse (LPN), or registered nurse (RN) licensed under KRS Chapter 314;

(h) Pharmacist and all sites or persons that are required to obtain a license, certificate, or permit from the Board of Pharmacy under KRS Chapter 315;

(i) Optometrist licensed under KRS Chapter 320;

(j) Pharmaceutical companies; manufacturers and distributors of puberty-blocking drugs or cross-sex hormones as defined in this section; or any other person or entity that dispenses, prescribes, or distributes such puberty-blocking drugs or cross-sex hormones via courier, delivery, or mail service for use by a person in the Commonwealth under the age of eighteen (18) years; and

(k) Any other health care practitioners as determined by any division of state government by administrative regulations promulgated in accordance with KRS Chapter 13A;
(9) "Mental health care provider" means:

(a) School counselor or school-based mental health services provider as defined in KRS 158.4416 or credentialled under KRS Chapter 158;

(b) Employees of the Kentucky Department of Education, Kentucky Board of Education, or local boards of education who meet the certification requirements to be a social worker, psychologist, or mental health counselor as established, or which may be established, by the Kentucky Board of Education and/or the Education Professional Standards Board under KRS Chapter 156, 157, 158, 159, 160, 161, 162, or 163;

(c) Alcohol and drug counselor or art therapist licensed or credentialed under KRS Chapter 309;

(d) Psychiatrist licensed under KRS Chapter 311;

(e) Psychologist, psychological practitioner, psychologist with autonomous functioning, or psychological associate licensed or certified under KRS Chapter 319;

(f) Pastoral counselor licensed under KRS Chapter 335;

(g) Social worker or clinical social worker licensed or certified under KRS Chapter 335;

(h) Marriage and family therapist or marriage and family therapist associate as licensed or credentialed under KRS Chapter 335;

(i) Professional clinical counselor or professional clinical counselor associate licensed under KRS Chapter 335; and

(j) Any other mental health care practitioners as determined by any division of state government by administrative regulations promulgated in accordance with KRS Chapter 13A;

(10) "Nongenital gender reassignment surgery" means medical services performed for the purpose of assisting a person with a gender transition, including but not
limited to augmentation mammoplasty, subcutaneous mastectomy, liposuction, lipofilling, thyroid cartilage reduction, gluteal augmentation, pectoral implants, hair reconstruction, or various aesthetic services;

(11) "Puberty-blocking drugs" means gonadotropin-releasing hormone analogues or other synthetic drugs used to stop luteinizing hormone and follicle stimulating hormone secretion, synthetic antiandrogen drugs used to block the androgen receptor, or any other drug used to delay or suppress pubertal development in persons under the age of eighteen (18) years for the purpose of assisting those persons with a gender transition;

(12) "Public funds" means any money, regardless of the original source of the money, of:

(a) The Commonwealth of Kentucky, and any department, agency, or instrumentality thereof;

(b) Any county, city, or local school district, special district, and any department, agency, or instrumentality thereof; and

(c) Any other political subdivision of the Commonwealth, and any department, agency, or instrumentality thereof;

(13) "Sex" means the biological state of being male or female based on a person's chromosomes, in the absence of any of the medically verifiable disorders described in subsection (6)(b) of this section; and

(14) "Social transition services" means any gender-affirming care, encouragement, affirmation, or advocacy for gender transition, including but not limited to affirming the person’s name change, pronoun adoption, dress and grooming, and sex-role specific behaviors that vary from those behaviors typically associated with the person’s sex.

SECTION 2. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:
(1) The provision of one (1) or more gender transition services to a person under the age of eighteen (18) years by a health care provider or mental health care provider is unethical and unprofessional conduct that establishes the provider is unfit to perform the duties and discharge the responsibilities of his or her position or occupation.

(2) All licensing or certifying agencies for health care providers or mental health care providers, in accordance with each agency's disciplinary and hearing process, shall:

(a) Investigate any report that a provider it licenses or certifies has provided gender transition services to a person under the age of eighteen (18) years; and

(b) Revoke the provider’s licensure or certification if a report made under this subsection is confirmed.

(3) A state, county, city, local government, local school district, special district, or any department, agency, or instrumentality thereof, in accordance with each entity's disciplinary and hearing process, shall:

(a) Investigate any report that a publicly funded health care provider or mental health care provider has rendered gender transition services to a person under the age of eighteen (18) years; and

(b) Terminate the public funding of a health care provider or mental health care provider if a report made under this subsection is confirmed.

(4) A state, county, city, local government, local school district, special district, or any department, agency, instrumentality thereof, shall terminate public funding for a health care provider or mental health care provider if the provider's licensure or certification is revoked under subsection (2) of this section.

(5) This section shall constitute a complete defense to any and all claims, demands, damages, actions, state judicial or administrative proceedings, or professional
licensing or disciplinary proceedings based on the refusal by a health care
provider or mental health care provider to provide gender transition services to a
person under the age of eighteen (18) years.

(6) A health care provider who provides gender transition services to any person
under the age of eighteen (18) years shall report the provided services to the Vital
Statistics Branch. A health care provider who fails to report the provided services
to the Vital Statistics Branch within thirty (30) days of providing the services shall
be guilty of a:
(a) Class B misdemeanor for the first offense;
(b) Class A misdemeanor for the second offense; and
(c) Class D felony for each subsequent offense.

SECTION 3. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO
READ AS FOLLOWS:

(1) Notwithstanding any other provision of the law to the contrary, including KRS
214.185, health care providers and mental health care providers that engage in
the following activities shall be jointly and severally liable for all damages and
costs sustained by reason thereof:
(a) Providing gender transition services for a person under the age of eighteen
(18) years;
(b) Dispensing, prescribing, or distributing any puberty-blocking drugs or
cross-sex hormones for the purpose of assisting a person under the age of
eighteen (18) years with gender transitioning; or
(c) Aiding or assisting in the provision of gender transition services for a
person under the age of eighteen (18) years, except to the extent allowable
under the First Amendment to the United States Constitution and the
Constitution of Kentucky.

(2) This section shall constitute a complete defense to any and all claims, demands,
damages, actions, state judicial or administrative proceedings, or professional
licensing or disciplinary proceedings based on the refusal by a health care
provider or mental health care provider to provide gender transition services to a
person under the age of eighteen (18) years.

(3) Notwithstanding any other provision of the law to the contrary, including KRS
214.185, if any act in subsection (1) of this section results in personal injury, an
action may be brought by the person's parent or guardian before the person
attains the age of eighteen (18) years and may be brought by the person within
thirty (30) years after attaining the age of eighteen (18) years, except that:

(a) If, at the time the person attains the age of eighteen (18) years, he or she is
under other legal disability, the limitation period shall not begin to run until
the removal of the disability; and

(b) If, during any period of time, the person is subject to threats, intimidation,
manipulation, fraudulent concealment, or fraud perpetrated by the health
care provider who prescribed or otherwise provided gender transition
services or by any person acting in the interest of the health care provider,
the limitation period shall not run during this time period.

(4) The right of action for personal injury under this section shall not cease or die
with the person injuring or injured. An action may be brought or revived under
this section by the personal representative or against the personal representative,
heir, or devisee.

(5) In an action brought under this section:

(a) If the plaintiff prevails, he or she shall be entitled to reasonable costs and
attorney's fees;

(b) Compensatory damages may be awardable, including but not limited to:

1. Pain and suffering;

2. Loss of reputation;
3. Loss of income;

4. Loss of consortium between spouses;

5. Loss of consortium between parent and child; and

6. Loss of enjoyment of life, including the expectation or experience of biological parenthood; and

(c) Injunctive, declaratory, punitive, and any other appropriate relief may be awarded.

(6) Notwithstanding any other provision of law to the contrary, an action under this section may be commenced and relief may be granted in a judicial proceeding without regard to whether anyone commencing the action has sought or exhausted available contractual or administrative remedies.

(7) Nothing in this section shall be construed as precluding legal action under any other applicable statute.

(8) Qualified official immunity to suit and from liability are waived to the extent of liability created by this section.

SECTION 4. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:

1. Public funds shall not be directly or indirectly used, granted, paid, or distributed to any entity, organization, or individual that provides gender transition services to persons under the age of eighteen (18) years.

2. Gender transition services shall not be provided to persons under the age of eighteen (18) years by a health care provider or mental health care provider owned, operated, or employed, directly or indirectly, by the state, county, city, local government, local school district, special district, or any department, agency, or employee or instrumentality thereof.

SECTION 5. A NEW SECTION OF KRS CHAPTER 311 IS CREATED TO READ AS FOLLOWS:
(1) The Attorney General may bring an action to enforce compliance with Sections 2, 3, 4, 6, 7, 9, 11, 12, 13, 14 or subsection (23) of Section 8 of this Act.

(2) Nothing in Sections 2, 3, 4, 6, 7, 9, 11, 12, 13, 14 or subsection (23) of Section 8 of this Act shall deny, impair, or otherwise affect any right or authority of the Attorney General, the Commonwealth of Kentucky, or any agency, officer, or employee of the state, acting under any law other than this section, to institute or intervene in any proceeding.

(3) No health care provider or mental health care provider owned, operated, or employed, directly or indirectly, by the state, county, city, local government, local school district, special district, or instrumentality thereof, shall intervene in a legal proceeding brought to challenge Sections 2, 3, 4, 6, 7, 9, 11, 12, 13, 14 or subsection (23) of Section 8 of this Act.

SECTION 6. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

The Department for Medicaid Services and any managed care organization contracted to provide Medicaid or Kentucky Children’s Health Insurance Program benefits pursuant to this chapter shall not reimburse or provide benefits or coverage for gender transition services as defined in Section 1 of this Act for persons under the age of eighteen (18) years.

SECTION 7. A NEW SECTION OF SUBTITLE 12 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:

(a) "Gender transition services" has the same meaning as in Section 1 of this Act; and

(b) "Insurer" includes any nongovernmental self-insurer, self-insured plan, self-insured group, or other entity that reimburses or provides benefits or coverage for health care services.
To the extent permitted under federal law:

(a) If an insurer elects to reimburse or provide benefits or coverage for gender transition services for persons under the age of eighteen (18) years, the insurer shall:

1. Be jointly and severally liable for damages sustained as a result of the gender transition services, notwithstanding any other provision of law to the contrary, including KRS 214.185; and

2. Not require an insured or any other party to submit to arbitration a claim under subparagraph 1. of this paragraph.

(b) Any contractual arbitration clause contained in a policy, plan, certificate, or contract that is in violation of this subsection shall be void and unenforceable.

(3) Notwithstanding any other provision of the law to the contrary, including KRS 214.185, and to the extent permitted under federal law, if any act in subsection (2) of this section results in personal injury, an action may be brought in the same manner as the cause of action authorized in subsections (3) to (7) of Section 3 of this Act.

Section 8. KRS 18A.225 is amended to read as follows:

(1) The term "employee" for purposes of this section means:

1. Any person, including an elected public official, who is regularly employed by any department, office, board, agency, or branch of state government; or by a public postsecondary educational institution; or by any city, urban-county, charter county, county, or consolidated local government, whose legislative body has opted to participate in the state-sponsored health insurance program pursuant to KRS 79.080; and who is either a contributing member to any one (1) of the retirement systems administered by the state, including but not limited to the Kentucky
Retirement Systems, County Employees Retirement System, Kentucky Teachers' Retirement System, the Legislators' Retirement Plan, or the Judicial Retirement Plan; or is receiving a contractual contribution from the state toward a retirement plan; or, in the case of a public postsecondary education institution, is an individual participating in an optional retirement plan authorized by KRS 161.567; or is eligible to participate in a retirement plan established by an employer who ceases participating in the Kentucky Employees Retirement System pursuant to KRS 61.522 whose employees participated in the health insurance plans administered by the Personnel Cabinet prior to the employer's effective cessation date in the Kentucky Employees Retirement System;

2. Any certified or classified employee of a local board of education or a public charter school as defined in KRS 160.1590;

3. Any elected member of a local board of education;

4. Any person who is a present or future recipient of a retirement allowance from the Kentucky Retirement Systems, County Employees Retirement System, Kentucky Teachers' Retirement System, the Legislators' Retirement Plan, the Judicial Retirement Plan, or the Kentucky Community and Technical College System's optional retirement plan authorized by KRS 161.567, except that a person who is receiving a retirement allowance and who is age sixty-five (65) or older shall not be included, with the exception of persons covered under KRS 61.702(2)(b)3. and 78.5536(2)(b)3., unless he or she is actively employed pursuant to subparagraph 1. of this paragraph; and

5. Any eligible dependents and beneficiaries of participating employees and retirees who are entitled to participate in the state-sponsored health insurance program;
(b) The term "health benefit plan" for the purposes of this section means a health benefit plan as defined in KRS 304.17A-005;

(c) The term "insurer" for the purposes of this section means an insurer as defined in KRS 304.17A-005; and

(d) The term "managed care plan" for the purposes of this section means a managed care plan as defined in KRS 304.17A-500.

(2) (a) The secretary of the Finance and Administration Cabinet, upon the recommendation of the secretary of the Personnel Cabinet, shall procure, in compliance with the provisions of KRS 45A.080, 45A.085, and 45A.090, from one (1) or more insurers authorized to do business in this state, a group health benefit plan that may include but not be limited to health maintenance organization (HMO), preferred provider organization (PPO), point of service (POS), and exclusive provider organization (EPO) benefit plans encompassing all or any class or classes of employees. With the exception of employers governed by the provisions of KRS Chapters 16, 18A, and 151B, all employers of any class of employees or former employees shall enter into a contract with the Personnel Cabinet prior to including that group in the state health insurance group. The contracts shall include but not be limited to designating the entity responsible for filing any federal forms, adoption of policies required for proper plan administration, acceptance of the contractual provisions with health insurance carriers or third-party administrators, and adoption of the payment and reimbursement methods necessary for efficient administration of the health insurance program. Health insurance coverage provided to state employees under this section shall, at a minimum, contain the same benefits as provided under Kentucky Kare Standard as of January 1, 1994, and shall include a mail-order drug option as provided in subsection (13) of this section. All employees and other persons for whom the health care
coverage is provided or made available shall annually be given an option to
elect health care coverage through a self-funded plan offered by the
Commonwealth or, if a self-funded plan is not available, from a list of
coverage options determined by the competitive bid process under the
provisions of KRS 45A.080, 45A.085, and 45A.090 and made available
during annual open enrollment.

(b) The policy or policies shall be approved by the commissioner of insurance
and may contain the provisions the commissioner of insurance approves,
whether or not otherwise permitted by the insurance laws.

(c) Any carrier bidding to offer health care coverage to employees shall agree to
provide coverage to all members of the state group, including active
employees and retirees and their eligible covered dependents and
beneficiaries, within the county or counties specified in its bid. Except as
provided in subsection (20) of this section, any carrier bidding to offer health
care coverage to employees shall also agree to rate all employees as a single
entity, except for those retirees whose former employers insure their active
employees outside the state-sponsored health insurance program and as
otherwise provided in KRS 61.702(2)(b)3.b. and 78.5536(2)(b)3.b.

(d) Any carrier bidding to offer health care coverage to employees shall agree to
provide enrollment, claims, and utilization data to the Commonwealth in a
format specified by the Personnel Cabinet with the understanding that the data
shall be owned by the Commonwealth; to provide data in an electronic form
and within a time frame specified by the Personnel Cabinet; and to be subject
to penalties for noncompliance with data reporting requirements as specified
by the Personnel Cabinet. The Personnel Cabinet shall take strict precautions
to protect the confidentiality of each individual employee; however,
confidentiality assertions shall not relieve a carrier from the requirement of
providing stipulated data to the Commonwealth.

(e) The Personnel Cabinet shall develop the necessary techniques and capabilities for timely analysis of data received from carriers and, to the extent possible, provide in the request-for-proposal specifics relating to data requirements, electronic reporting, and penalties for noncompliance. The Commonwealth shall own the enrollment, claims, and utilization data provided by each carrier and shall develop methods to protect the confidentiality of the individual. The Personnel Cabinet shall include in the October annual report submitted pursuant to the provisions of KRS 18A.226 to the Governor, the General Assembly, and the Chief Justice of the Supreme Court, an analysis of the financial stability of the program, which shall include but not be limited to loss ratios, methods of risk adjustment, measurements of carrier quality of service, prescription coverage and cost management, and statutorily required mandates. If state self-insurance was available as a carrier option, the report also shall provide a detailed financial analysis of the self-insurance fund including but not limited to loss ratios, reserves, and reinsurance agreements.

(f) If any agency participating in the state-sponsored employee health insurance program for its active employees terminates participation and there is a state appropriation for the employer’s contribution for active employees’ health insurance coverage, then neither the agency nor the employees shall receive the state-funded contribution after termination from the state-sponsored employee health insurance program.

(g) Any funds in flexible spending accounts that remain after all reimbursements have been processed shall be transferred to the credit of the state-sponsored health insurance plan's appropriation account.

(h) Each entity participating in the state-sponsored health insurance program shall provide an amount at least equal to the state contribution rate for the employer
portion of the health insurance premium. For any participating entity that used
the state payroll system, the employer contribution amount shall be equal to
but not greater than the state contribution rate.

(3) The premiums may be paid by the policyholder:
(a) Wholly from funds contributed by the employee, by payroll deduction or
otherwise;
(b) Wholly from funds contributed by any department, board, agency, public
postsecondary education institution, or branch of state, city, urban-county,
charter county, county, or consolidated local government; or
(c) Partly from each, except that any premium due for health care coverage or
dental coverage, if any, in excess of the premium amount contributed by any
department, board, agency, postsecondary education institution, or branch of
state, city, urban-county, charter county, county, or consolidated local
government for any other health care coverage shall be paid by the employee.

(4) If an employee moves his or her place of residence or employment out of the
service area of an insurer offering a managed health care plan, under which he or
she has elected coverage, into either the service area of another managed health care
plan or into an area of the Commonwealth not within a managed health care plan
service area, the employee shall be given an option, at the time of the move or
transfer, to change his or her coverage to another health benefit plan.

(5) No payment of premium by any department, board, agency, public postsecondary
educational institution, or branch of state, city, urban-county, charter county,
county, or consolidated local government shall constitute compensation to an
insured employee for the purposes of any statute fixing or limiting the
compensation of such an employee. Any premium or other expense incurred by any
department, board, agency, public postsecondary educational institution, or branch
of state, city, urban-county, charter county, county, or consolidated local
government shall be considered a proper cost of administration.

(6) The policy or policies may contain the provisions with respect to the class or classes of employees covered, amounts of insurance or coverage for designated classes or groups of employees, policy options, terms of eligibility, and continuation of insurance or coverage after retirement.

(7) Group rates under this section shall be made available to the disabled child of an employee regardless of the child's age if the entire premium for the disabled child's coverage is paid by the state employee. A child shall be considered disabled if he or she has been determined to be eligible for federal Social Security disability benefits.

(8) The health care contract or contracts for employees shall be entered into for a period of not less than one (1) year.

(9) The secretary shall appoint thirty-two (32) persons to an Advisory Committee of State Health Insurance Subscribers to advise the secretary or the secretary's designee regarding the state-sponsored health insurance program for employees. The secretary shall appoint, from a list of names submitted by appointing authorities, members representing school districts from each of the seven (7) Supreme Court districts, members representing state government from each of the seven (7) Supreme Court districts, two (2) members representing retirees under age sixty-five (65), one (1) member representing local health departments, two (2) members representing the Kentucky Teachers' Retirement System, and three (3) members at large. The secretary shall also appoint two (2) members from a list of five (5) names submitted by the Kentucky Education Association, two (2) members from a list of five (5) names submitted by the largest state employee organization of nonschool state employees, two (2) members from a list of five (5) names submitted by the Kentucky Association of Counties, two (2) members from a list of five (5) names submitted by the Kentucky League of Cities, and two (2) members from a list of names consisting of five (5) names submitted by each state employee.
organization that has two thousand (2,000) or more members on state payroll
deduction. The advisory committee shall be appointed in January of each year and
shall meet quarterly.

(10) Notwithstanding any other provision of law to the contrary, the policy or policies
provided to employees pursuant to this section shall not provide coverage for
obtaining or performing an abortion, nor shall any state funds be used for the
purpose of obtaining or performing an abortion on behalf of employees or their
dependents.

(11) Interruption of an established treatment regime with maintenance drugs shall be
grounds for an insured to appeal a formulary change through the established appeal
procedures approved by the Department of Insurance, if the physician supervising
the treatment certifies that the change is not in the best interests of the patient.

(12) Any employee who is eligible for and elects to participate in the state health
insurance program as a retiree, or the spouse or beneficiary of a retiree, under any
one (1) of the state-sponsored retirement systems shall not be eligible to receive the
state health insurance contribution toward health care coverage as a result of any
other employment for which there is a public employer contribution. This does not
preclude a retiree and an active employee spouse from using both contributions to
the extent needed for purchase of one (1) state sponsored health insurance policy
for that plan year.

(13) (a) The policies of health insurance coverage procured under subsection (2) of
this section shall include a mail-order drug option for maintenance drugs for
state employees. Maintenance drugs may be dispensed by mail order in
accordance with Kentucky law.

(b) A health insurer shall not discriminate against any retail pharmacy located
within the geographic coverage area of the health benefit plan and that meets
the terms and conditions for participation established by the insurer, including
price, dispensing fee, and copay requirements of a mail-order option. The retail pharmacy shall not be required to dispense by mail.

(c) The mail-order option shall not permit the dispensing of a controlled substance classified in Schedule II.

(14) The policy or policies provided to state employees or their dependents pursuant to this section shall provide coverage for obtaining a hearing aid and acquiring hearing aid-related services for insured individuals under eighteen (18) years of age, subject to a cap of one thousand four hundred dollars ($1,400) every thirty-six (36) months pursuant to KRS 304.17A-132.

(15) Any policy provided to state employees or their dependents pursuant to this section shall provide coverage for the diagnosis and treatment of autism spectrum disorders consistent with KRS 304.17A-142.

(16) Any policy provided to state employees or their dependents pursuant to this section shall provide coverage for obtaining amino acid-based elemental formula pursuant to KRS 304.17A-258.

(17) If a state employee's residence and place of employment are in the same county, and if the hospital located within that county does not offer surgical services, intensive care services, obstetrical services, level II neonatal services, diagnostic cardiac catheterization services, and magnetic resonance imaging services, the employee may select a plan available in a contiguous county that does provide those services, and the state contribution for the plan shall be the amount available in the county where the plan selected is located.

(18) If a state employee's residence and place of employment are each located in counties in which the hospitals do not offer surgical services, intensive care services, obstetrical services, level II neonatal services, diagnostic cardiac catheterization services, and magnetic resonance imaging services, the employee may select a plan available in a county contiguous to the county of residence that
does provide those services, and the state contribution for the plan shall be the
amount available in the county where the plan selected is located.

(19) The Personnel Cabinet is encouraged to study whether it is fair and reasonable and
in the best interests of the state group to allow any carrier bidding to offer health
care coverage under this section to submit bids that may vary county by county or
by larger geographic areas.

(20) Notwithstanding any other provision of this section, the bid for proposals for health
insurance coverage for calendar year 2004 shall include a bid scenario that reflects
the statewide rating structure provided in calendar year 2003 and a bid scenario that
allows for a regional rating structure that allows carriers to submit bids that may
vary by region for a given product offering as described in this subsection:

(a) The regional rating bid scenario shall not include a request for bid on a
statewide option;

(b) The Personnel Cabinet shall divide the state into geographical regions which
shall be the same as the partnership regions designated by the Department for
Medicaid Services for purposes of the Kentucky Health Care Partnership
Program established pursuant to 907 KAR 1:705;

(c) The request for proposal shall require a carrier's bid to include every county
within the region or regions for which the bid is submitted and include but not
be restricted to a preferred provider organization (PPO) option;

(d) If the Personnel Cabinet accepts a carrier's bid, the cabinet shall award the
carrier all of the counties included in its bid within the region. If the Personnel
Cabinet deems the bids submitted in accordance with this subsection to be in
the best interests of state employees in a region, the cabinet may award the
contract for that region to no more than two (2) carriers; and

(e) Nothing in this subsection shall prohibit the Personnel Cabinet from including
other requirements or criteria in the request for proposal.
(21) Any fully insured health benefit plan or self-insured plan issued or renewed on or after July 12, 2006, to public employees pursuant to this section which provides coverage for services rendered by a physician or osteopath duly licensed under KRS Chapter 311 that are within the scope of practice of an optometrist duly licensed under the provisions of KRS Chapter 320 shall provide the same payment of coverage to optometrists as allowed for those services rendered by physicians or osteopaths.

(22) Any fully insured health benefit plan or self-insured plan issued or renewed to public employees pursuant to this section shall comply with:

(a) KRS 304.12-237;
(b) KRS 304.17A-270 and 304.17A-525;
(c) KRS 304.17A-600 to 304.17A-633;
(d) KRS 205.593;
(e) KRS 304.17A-700 to 304.17A-730;
(f) KRS 304.14-135;
(g) KRS 304.17A-580 and 304.17A-641;
(h) KRS 304.99-123;
(i) KRS 304.17A-138;
(j) KRS 304.17A-148;
(k) KRS 304.17A-163 and 304.17A-1631; and
(l) Administrative regulations promulgated pursuant to statutes listed in this subsection.

(23) A fully insured health benefit plan or self-insured plan issued or renewed to public employees pursuant to this section shall not reimburse or provide benefits or coverage for gender transition services as defined in Section 1 of this Act for persons under the age of eighteen (18) years.

Section 9. KRS 454.210 is amended to read as follows:
(1) As used in this section, "person" includes an individual, his or her executor, administrator, or other personal representative, or a corporation, partnership, association, or any other legal or commercial entity, who is a nonresident of this Commonwealth.

(2) A court may exercise personal jurisdiction over a person who acts directly or by an agent, as to a claim arising from the person's:

1. Transacting any business in this Commonwealth;

2. Contracting to supply services or goods in this Commonwealth;

3. Causing tortious injury by an act or omission in this Commonwealth;

4. Causing tortious injury in this Commonwealth by an act or omission outside this Commonwealth if he or she regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered in this Commonwealth, provided that the tortious injury occurring in this Commonwealth arises out of the doing or soliciting of business or a persistent course of conduct or derivation of substantial revenue within the Commonwealth;

5. Causing injury in this Commonwealth to any person by breach of warranty expressly or impliedly made in the sale of goods outside this Commonwealth when the seller knew such person would use, consume, or be affected by, the goods in this Commonwealth, if he or she also regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered in this Commonwealth;

6. Having an interest in, using, or possessing real property in this Commonwealth, providing the claim arises from the interest in, use of, or possession of the real property, provided, however, that such in
personam jurisdiction shall not be imposed on a nonresident who did not
himself or herself voluntarily institute the relationship, and did not
knowingly perform, or fail to perform, the act or acts upon which
jurisdiction is predicated;

7. Contracting to insure any person, property, or risk located within this
Commonwealth at the time of contracting;

8. Committing sexual intercourse in this state which intercourse causes the
birth of a child when:
   a. The father or mother or both are domiciled in this state;
   b. There is a repeated pattern of intercourse between the father and
      mother in this state; or
   c. Said intercourse is a tort or a crime in this state; \[or\]

9. Making a telephone solicitation, as defined in KRS 367.46951, or a
charitable solicitation as defined in KRS 367.650 via
telecommunication, into the Commonwealth; \or\

10. Engaging in any of the following activities as a health care provider or
    mental health care provider, as defined in Section 1 of this Act:
    a. Providing gender transition services as defined in Section 1 of
       this Act for a person under the age of eighteen (18) years who
       resides in the Commonwealth before and after receiving the
       services and at the time the action is brought;
    b. Dispensing, prescribing, or distributing any puberty-blocking
drugs or cross-sex hormones as defined in Section 1 of this Act,
    for the purpose of assisting with the gender transitioning of a
    person under the age of eighteen (18) years who resides in the
    Commonwealth before and after receiving the services and at the
time the action is brought; or
c. **Aiding or assisting in the provision of gender transition services**

as defined in Section 1 of this Act for a person under the age of eighteen (18) years who resides in the Commonwealth before and after receiving the services and at the time the action is brought.

(b) When jurisdiction over a person is based solely upon this section, only a claim arising from acts enumerated in this section may be asserted against him or her.

(3) (a) When personal jurisdiction is authorized by this section, service of process may be made:

1. In any manner authorized by the Kentucky Rules of Civil Procedure;
2. On such person, or any agent of such person, in any county in this Commonwealth, where he or she may be found; or
3. On the Secretary of State who, for this purpose, shall be deemed to be the statutory agent of the person.

(b) The clerk of the court in which the action is brought shall issue a summons against the defendant named in the complaint. The clerk shall execute the summons either by:

1. Sending by certified mail two (2) true copies to the Secretary of State and shall also mail with the summons two (2) attested copies of plaintiff's complaint; or
2. Transmitting an electronically attested copy of the complaint and summons to the Secretary of State via the Kentucky Court of Justice electronic filing system.

(c) The Secretary of State shall, within seven (7) days of receipt thereof in his or her office, mail a copy of the summons and complaint to the defendant at the address given in the complaint. The letter shall be posted by certified mail,
return receipt requested, and shall bear the return address of the Secretary of State. The clerk shall make the usual return to the court, and in addition the Secretary of State shall make a return to the court showing that the acts contemplated by this statute have been performed, and shall attach to his or her return the registry receipt, if any. Summons shall be deemed to be served on the return of the Secretary of State and the action shall proceed as provided in the Rules of Civil Procedure.

(d) The clerk mailing the summons to the Secretary of State shall mail to him or her, at the same time, a fee of ten dollars ($10), which shall be taxed as costs in the action. The fee for a summons transmitted electronically pursuant to this subsection shall be transmitted to the Secretary of State on a periodic basis.

(4) When the exercise of personal jurisdiction is authorized by this section, any action or suit may be brought in the county wherein the plaintiff resides or where the cause of action or any part thereof arose.

(5) A court of this Commonwealth may exercise jurisdiction on any other basis authorized in the Kentucky Revised Statutes or by the Rules of Civil Procedure, notwithstanding this section.

Section 10. KRS 141.039 is amended to read as follows:

In the case of corporations:

(1) Gross income shall be calculated by adjusting federal gross income as defined in Section 61 of the Internal Revenue Code as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude all dividend income;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;
(d) Exclude fifty percent (50%) of gross income derived from any disposal of coal covered by Section 631(c) of the Internal Revenue Code if the corporation does not claim any deduction for percentage depletion, or for expenditures attributable to the making and administering of the contract under which such disposition occurs or to the preservation of the economic interests retained under such contract;

(e) Include the amount calculated under KRS 141.205;

(f) Ignore the provisions of Section 281 of the Internal Revenue Code in computing gross income;

(g) Include the amount of depreciation deduction calculated under 26 U.S.C. sec. 167 or 168; and

(h) Allow the same treatment allowed under Pub. L. No. 116-260, secs. 276 and 278, related to the tax treatment of forgiven covered loans, deductions attributable to those loans, and tax attributes associated with those loans for taxable years ending on or after March 27, 2020, but before January 1, 2022; and

(2) Net income shall be calculated by:

(a) Subtracting from gross income:

1. The deduction for depreciation allowed by KRS 141.0101;

2. Any amount paid for vouchers or similar instruments that provide health insurance coverage to employees or their families;

3. All the deductions from gross income allowed corporations by Chapter 1 of the Internal Revenue Code, as modified by KRS 141.0101, except:

   Any deduction for a state tax which is computed, in whole or in part, by reference to gross or net income and which is paid or accrued to any state of the United States, the District of Columbia,
the Commonwealth of Puerto Rico, any territory or possession of
the United States, or to any foreign country or political subdivision
thereof;
b. The deductions contained in Sections 243, 245, and 247 of the
   Internal Revenue Code;
c. The provisions of Section 281 of the Internal Revenue Code shall
   be ignored in computing net income;
d. Any deduction directly or indirectly allocable to income which is
   either exempt from taxation or otherwise not taxed under the
   provisions of this chapter, except for deductions allowed under
   Pub. L. No. 116-260, secs. 276 and 278, related to the tax
   treatment of forgiven covered loans and deductions attributable to
   those loans for taxable years ending on or after March 27, 2020,
   but before January 1, 2022, and nothing in this chapter shall be
   construed to permit the same item to be deducted more than once;
e. Any deduction for amounts paid to any club, organization, or
   establishment which has been determined by the courts or an
   agency established by the General Assembly and charged with
   enforcing the civil rights laws of the Commonwealth, not to afford
   full and equal membership and full and equal enjoyment of its
   goods, services, facilities, privileges, advantages, or
   accommodations to any person because of race, color, religion,
   national origin, or sex, except nothing shall be construed to deny a
   deduction for amounts paid to any religious or denominational
   club, group, or establishment or any organization operated solely
   for charitable or educational purposes which restricts membership
   to persons of the same religion or denomination in order to
promote the religious principles for which it is established and
maintained;

f. Any deduction prohibited by KRS 141.205; and

g. Any dividends-paid deduction of any captive real estate
investment trust; and

4. A deferred tax deduction in an amount computed in
accordance with this subparagraph.

b. For purposes of this subparagraph:
   
a. "Net deferred tax asset" means that deferred tax assets
   exceed the deferred tax liabilities of the combined group, as
   computed in accordance with accounting principles generally
   accepted in the United States of America; and

ii. "Net deferred tax liability" means deferred tax liabilities that
   exceed the deferred tax assets of a combined group as
declared in KRS 141.202, as computed in accordance with
accounting principles generally accepted in the United States
of America.

c. Only publicly traded companies, including affiliated corporations
   participating in the filing of a publicly traded company's financial
   statements prepared in accordance with accounting principles
   generally accepted in the United States of America, as of January
   1, 2019, shall be eligible for this deduction.

d. If the provisions of KRS 141.202 result in an aggregate increase to
   the member's net deferred tax liability, an aggregate decrease to
   the member's net deferred tax asset, or an aggregate change from a
   net deferred tax asset to a net deferred tax liability, the combined
   group shall be entitled to a deduction, as determined in this
paragraph.

e. (5.) For ten (10) years beginning with the combined group’s first taxable year beginning on or after January 1, 2024, a combined group shall be entitled to a deduction from the combined group’s entire net income equal to one-tenth (1/10) of the amount necessary to offset the increase in the net deferred tax liability, decrease in the net deferred tax asset, or aggregate change from a net deferred tax asset to a net deferred tax liability. The increase in the net deferred tax liability, decrease in the net deferred tax asset, or the aggregate change from a net deferred tax asset to a net deferred tax liability shall be computed based on the change that would result from the imposition of the combined reporting requirement under KRS 141.202, but for the deduction provided under this subparagraph as of June 27, 2019.

f. (6.) The deferred tax impact determined in subdivision e. (subparagraph 5.) of this subparagraph shall be converted to the annual deferred tax deduction amount, as follows:

i. (a.) The deferred tax impact determined in subparagraph 5. of this paragraph shall be divided by the tax rate determined under KRS 141.040;

ii. (b.) The resulting amount shall be further divided by the apportionment factor determined by KRS 141.120 or 141.121 that was used by the combined group in the calculation of the deferred tax assets and deferred tax liabilities as described in subdivision e. (subparagraph 5.) of this subparagraph; and

iii. (c.) The resulting amount represents the total net deferred tax
1 deduction available over the ten (10) year period as
2 described in subparagraph 5. of this paragraph.
3 
4 g.[7.] The deduction calculated under this subdivision shall
5 not be adjusted as a result of any events happening subsequent to
6 the calculation, including but not limited to any disposition or
7 abandonment of assets. The deduction shall be calculated without
8 regard to the federal tax effect and shall not alter the tax basis of
9 any asset. If the deduction under this section is greater than the
10 combined group’s entire Kentucky net income, any excess
11 deduction shall be carried forward and applied as a deduction to
12 the combined group's entire net income in future taxable years
13 until fully utilized.
14 h.[8.] Any combined group intending to claim a deduction under this
15 subdivision shall file a statement with the department on or
16 before July 1, 2019. The statement shall specify the total amount of the
17 deduction which the combined group claims on the form, including
18 calculations and other information supporting the total amounts of the
19 deduction as required by the department. No deduction shall be allowed
20 under this subdivision for any taxable year, except to the
21 extent claimed on the timely filed statement in accordance with this
22 subdivision; and
23 (b) Adding to gross income any deduction directly or indirectly related to the
24 provision of gender transition services as defined in Section 1 of this Act for
25 a person under the age of eighteen (18) years.
26
27 ➞SECTION 11. A NEW SECTION OF KRS CHAPTER 158 IS CREATED TO
28 READ AS FOLLOWS:
29
30 (1) Notwithstanding any law to the contrary, including KRS 214.185, no public
school counselor, school-based mental health services provider, or other public employee shall aid or assist in the provision of gender transition services as defined in Section 1 of this Act for a person under the age of eighteen (18) years, including but not limited to encouraging or making a recommendation to a person under the age of eighteen (18) years to consider or to obtain gender transition services, except to the extent allowable under the First Amendment to the United States Constitution and the Constitution of Kentucky.

(2) Notwithstanding any other provision of the law to the contrary, including KRS 214.185, if any employee identified in subsection (1) of this section provides a gender transition service to a person under the age of eighteen (18) years that results in personal injury, that employee shall be jointly and severally liable for damages sustained as a result of the gender transition services.

(3) Notwithstanding any other provision of the law to the contrary, including KRS 214.185, if any employee identified in subsection (1) of this section provides a gender transition service to a person under the age of eighteen (18) years that results in personal injury, an action may be brought in the same manner as the cause of action authorized in subsections (3) to (8) of Section 3 of this Act.

(4) A school shall notify each parent or guardian of a student who is a person under the age of eighteen (18) years if:

(a) The student significantly changes his or her gender expression;
(b) The student expresses an inconsistency between his or her sex and his or her perceived gender or perceived sex; or
(c) The student expresses a desire to be referred to by a name, pronoun, or other identifier inconsistent with his or her sex.

(5) A school shall withhold from a parent or guardian the notification required under subsection (4) of this section if:

(a) A school health care provider or mental health provider, in good faith and
with reasonable cause, determines that the student is a victim of physical, sexual, or substance abuse by that parent;

(b) The school health care provider or mental health provider reports that the parent’s abuse as required under KRS 620.030(2); and

(c) Obtaining that parent’s consent would place the student at risk of further abuse by that parent.

(6) Nothing in subsection (5) of this section shall relieve a school from making the required notification to the student’s other parent or guardian.

Section 12. KRS 213.121 is amended to read as follows:

(1) A certificate or report registered under this chapter may be amended only in accordance with this section and administrative regulations adopted by the cabinet to protect the integrity and accuracy of vital records.

(2) A certificate or report that is amended under this section shall be marked "amended," except as otherwise provided in this section. The date of amendment and a summary description of the evidence submitted in support of the amendment shall be endorsed on or made a part of the record. The cabinet shall prescribe by administrative regulation the conditions under which additions or minor corrections may be made to certificates or records within one (1) year after the date of the event without the certificate or record being marked "amended."

(3) Upon written request of both parents and receipts of a sworn acknowledgment of paternity signed by both parents of a child born to an unmarried woman, the state registrar shall amend the certificate of birth to show the paternity, if paternity is not already shown on the certificate of birth. The certificate shall not be marked "amended."

(4) Upon receipt of a certified copy of an order of a court changing the name of a person born in the Commonwealth and upon request of the person or the person's parents, guardian, or legal representative, the state registrar shall amend the
certificate of birth to show the new name.

(5) Upon receipt of a sworn statement by a licensed physician indicating that the gender of an individual born in the Commonwealth has been changed by surgical procedure and a certified copy of an order of a court of competent jurisdiction changing that individual's name, the certificate of birth of the individual shall be amended as prescribed by regulation to reflect the change.

(6) Notwithstanding subsections (4) and (5) of this section, a certificate or report registered under this chapter shall not be amended if the purpose is to assist a person under the age of eighteen (18) years with a gender transition as defined in Section 1 of this Act.

Section 13. KRS 401.020 is amended to read as follows:

(1) Both parents, provided both are living, or one (1) parent if one (1) is deceased, or if no parent is living, the guardian, may have the name of a child under the age of eighteen (18) changed by the District Court, or if the Family Court or Circuit Court has a case before it involving the family, the Family Court of a county with a Family Court, or the Circuit Court of a county without a Family Court of the county in which the child resides. However, if one (1) parent refuses or is unavailable to execute the petition, proper notice of filing the petition shall be served in accordance with the Rules of Civil Procedure. If the child resides on a United States Army post, military reservation, or fort, his or her name may be changed by the District Court, or the Family Court of a county with a Family Court, or the Circuit Court of a county without a Family Court of any county adjacent thereto.

(2) A name change under subsection (1) of this section shall not be approved by any court if the court finds that the purpose of the requested name change is to assist a person under the age of eighteen (18) years with a gender transition as defined in Section 1 of this Act.

Section 14. A NEW SECTION OF KRS CHAPTER 600 IS CREATED TO
READ AS FOLLOWS:

(1) Any classification of the sex of any person under the age of eighteen (18) years under KRS Chapters 600 to 645 shall be the person's sex as defined in Section 1 of this Act.

(2) The Department of Juvenile Justice shall not classify the sex of any detained person under the age of eighteen (18) years to be a sex that is inconsistent with his or her sex as defined in Section 1 of this Act.

Section 15. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect the other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Section 16. This Act may be cited as the Do No Harm Act.

Section 17. This Act takes effect January 1, 2024, so that persons under the age of 18 years in the Commonwealth currently using puberty-blocking drugs or cross-sex hormones have time for appropriate medication tapering and discontinuation under the care of their health care providers or mental health care providers.