

1 AN ACT relating to reorganization and declaring an emergency.

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

3 ➔Section 1. KRS 12.020 is amended to read as follows:

4 Departments, program cabinets and their departments, and the respective major
5 administrative bodies that they include are enumerated in this section. It is not intended
6 that this enumeration of administrative bodies be all-inclusive. Every authority, board,
7 bureau, interstate compact, commission, committee, conference, council, office, or any
8 other form of organization shall be included in or attached to the department or program
9 cabinet in which they are included or to which they are attached by statute or statutorily
10 authorized executive order; except in the case of the Personnel Board and where the
11 attached department or administrative body is headed by a constitutionally elected officer,
12 the attachment shall be solely for the purpose of dissemination of information and
13 coordination of activities and shall not include any authority over the functions,
14 personnel, funds, equipment, facilities, or records of the department or administrative
15 body.

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

- 17 (1) The Governor.
- 18 (2) Lieutenant Governor.
- 19 (3) Department of State.
- 20 (a) Secretary of State.
- 21 (b) Board of Elections.
- 22 (c) Registry of Election Finance.
- 23 (4) Department of Law.
- 24 (a) Attorney General.
- 25 (5) Department of the Treasury.
- 26 (a) Treasurer.
- 27 (6) Department of Agriculture.

- 1 (a) Commissioner of Agriculture.
- 2 ~~[(b) Agricultural Development Board.~~
- 3 ~~(c) Kentucky Agricultural Finance Corporation.]~~
- 4 (7) Auditor of Public Accounts.
- 5 II. Program cabinets headed by appointed officers:
- 6 (1) Justice and Public Safety Cabinet:
- 7 (a) Department of Kentucky State Police.
- 8 1. Office of Administrative Services.
- 9 a. Division of Operational Support.
- 10 b. Division of Management Services.
- 11 2. Office of Operations.
- 12 a. Division of West Troops.
- 13 b. Division of East Troops.
- 14 c. Division of Special Enforcement.
- 15 d. Division of Commercial Vehicle Enforcement.
- 16 3. Office of Technical Services.
- 17 a. Division of Forensic Sciences.
- 18 b. Division of Information Technology.
- 19 (b) Department of Criminal Justice Training.
- 20 (c) Department of Corrections.
- 21 (d) Department of Juvenile Justice.
- 22 (e) Office of the Secretary.
- 23 (f) Office of Drug Control Policy.
- 24 (g) Office of Legal Services.
- 25 (h) Office of the Kentucky State Medical Examiner.
- 26 (i) Parole Board.
- 27 (j) Kentucky State Corrections Commission.

- 1 (k) Office of Legislative and Intergovernmental Services.
- 2 (l) Office of Human Resource Management.
 - 3 1. Division of Human Resource Administration.
 - 4 2. Division of Employee Management.
- 5 (m) Department of Public Advocacy.
- 6 (n) Office of Communications.
 - 7 1. Information Technology Services Division.
- 8 (o) Office of Financial Management Services.
 - 9 1. Division of Financial Management.
- 10 (p) Grants Management Division.
- 11 (2) Education and Workforce Development Cabinet:
 - 12 (a) Office of the Secretary.
 - 13 1. Governor's Scholars Program.
 - 14 2. Governor's School for Entrepreneurs Program.
 - 15 3. Office of the Kentucky Workforce Innovation Board.
 - 16 4. Foundation for Adult Education.
 - 17 5. Early Childhood Advisory Council.
 - 18 (b) Office of Legal and Legislative Services.
 - 19 1. Client Assistance Program.
 - 20 (c) Office of Communication.
 - 21 (d) Office of Administrative Services.
 - 22 1. Division of Human Resources.
 - 23 2. Division of Operations and Support Services.
 - 24 3. Division of Fiscal Management.
 - 25 (e) Office of Technology Services.
 - 26 (f) Office of Educational Programs.
 - 27 (g) Office of the Kentucky Center for Statistics.

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

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

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

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

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

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

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

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

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

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

- 1 9. Division of Sales.
- 2 10. Division of Security and Traffic Control.
- 3 11. Division of Information Technology.
- 4 12. Division of the Louisville Arena.
- 5 13. Division of Fiscal and Contract Management.
- 6 14. Division of Access Control.
- 7 (f) Office of the Secretary.
- 8 1. Office of Finance.
- 9 2. Office of Government Relations and Administration.
- 10 (g) Office of Legal Affairs.
- 11 (h) Office of Human Resources.
- 12 (i) Office of Public Affairs and Constituent Services.
- 13 (j) Office of Arts and Cultural Heritage.
- 14 (k) Kentucky African-American Heritage Commission.
- 15 (l) Kentucky Foundation for the Arts.
- 16 (m) Kentucky Humanities Council.
- 17 (n) Kentucky Heritage Council.
- 18 (o) Kentucky Arts Council.
- 19 (p) Kentucky Historical Society.
- 20 1. Division of Museums.
- 21 2. Division of Oral History and Educational Outreach.
- 22 3. Division of Research and Publications.
- 23 4. Division of Administration.
- 24 (q) Kentucky Center for the Arts.
- 25 1. Division of Governor's School for the Arts.
- 26 (r) Kentucky Artisans Center at Berea.
- 27 (s) Northern Kentucky Convention Center.

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

13 III. Other departments headed by appointed officers:

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

24 ➔Section 2. KRS 12.023 is amended to read as follows:

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

- 27 (1) Council on Postsecondary Education;

- 1 (2) Department of Military Affairs;
- 2 (3) Department for Local Government;
- 3 (4) Kentucky Commission on Human Rights;
- 4 (5) Kentucky Commission on Women;
- 5 (6) Kentucky Commission on Military Affairs;
- 6 (7) Office of Minority Empowerment;
- 7 (a) The Martin Luther King Commission;
- 8 (8) Office of Homeland Security;~~and~~
- 9 (9) Kentucky Communications Network Authority;
- 10 **(10) Agricultural Development Board; and**
- 11 **(11) Kentucky Agricultural Finance Corporation.**

12 ➔Section 3. KRS 18A.115 is amended to read as follows:

- 13 (1) The classified service to which KRS 18A.005 to 18A.200 shall apply shall comprise
- 14 all positions in the state service now existing or hereafter established, except the
- 15 following:
 - 16 (a) The General Assembly and employees of the General Assembly, including the
 - 17 employees of the Legislative Research Commission;
 - 18 (b) Officers elected by popular vote and persons appointed to fill vacancies in
 - 19 elective offices;
 - 20 (c) Members of boards and commissions;
 - 21 (d) Officers and employees on the staff of the Governor, the Lieutenant Governor,
 - 22 the Office of the Secretary of the Governor's Cabinet, and the Office of
 - 23 Program Administration;
 - 24 (e) Cabinet secretaries, commissioners, office heads, and the administrative heads
 - 25 of all boards and commissions, including the executive director of Kentucky
 - 26 Educational Television;
 - 27 (f) Employees of Kentucky Educational Television who have been determined to

1 be exempt from classified service by the Kentucky Authority for Educational
2 Television, which shall have sole authority over such exempt employees for
3 employment, dismissal, and setting of compensation, up to the maximum
4 established for the executive director and his principal assistants;

5 (g) One (1) principal assistant or deputy for each person exempted under
6 subsection (1)(e) of this section;

7 (h) One (1) additional principal assistant or deputy as may be necessary for
8 making and carrying out policy for each person exempted under subsection
9 (1)(e) of this section in those instances in which the nature of the functions,
10 size, or complexity of the unit involved are such that the secretary approves
11 such an addition on petition of the relevant cabinet secretary or department
12 head and such other principal assistants, deputies, or other major assistants as
13 may be necessary for making and carrying out policy for each person
14 exempted under subsection (1)(e) of this section in those instances in which
15 the nature of the functions, size, or complexity of the unit involved are such
16 that the board may approve such an addition or additions on petition of the
17 department head approved by the secretary. Effective August 1, 2010:

18 1. All positions approved under this paragraph prior to August 1, 2010,
19 shall be abolished effective December 31, 2010, unless reapproved
20 under subparagraph 2. of this paragraph; and

21 2. A position approved under this paragraph on or after August 1, 2010,
22 shall be approved for a period of five (5) years, after which time the
23 position shall be abolished unless reapproved under this subparagraph
24 for an additional five (5) year period;

25 (i) Division directors subject to the provisions of KRS 18A.170. Division
26 directors in the classified service as of January 1, 1980, shall remain in the
27 classified service;

- 1 (j) Physicians employed as such;
- 2 (k) One (1) private secretary for each person exempted under subsection (1)(e),
3 (g), and (h) of this section;
- 4 (l) The judicial department, referees, receivers, jurors, and notaries public;
- 5 (m) Officers and members of the staffs of state universities and colleges and
6 student employees of such institutions; officers and employees of the
7 Teachers' Retirement System; and officers, teachers, and employees of local
8 boards of education;
- 9 (n) Patients or inmates employed in state institutions;
- 10 (o) Persons employed in a professional or scientific capacity to make or conduct a
11 temporary or special inquiry, investigation, or examination on behalf of the
12 General Assembly, or a committee thereof, or by authority of the Governor,
13 and persons employed by state agencies for a specified, limited period to
14 provide professional, technical, scientific, or artistic services under the
15 provisions of KRS 45A.690 to 45A.725;
- 16 (p) Interim employees;
- 17 (q) Officers and members of the state militia;
- 18 (r) Department of Kentucky State Police troopers;
- 19 (s) University or college engineering students or other students employed part-
20 time or part-year by the state through special personnel recruitment programs;
21 provided that while so employed such aides shall be under contract to work
22 full-time for the state after graduation for a period of time approved by the
23 commissioner or shall be participants in a cooperative education program
24 approved by the commissioner;
- 25 (t) Superintendents of state mental institutions, including heads of centers for
26 individuals with an intellectual disability, and penal and correctional
27 institutions as referred to in KRS 196.180(2);

- 1 (u) Staff members of the Kentucky Historical Society, if they are hired in
2 accordance with KRS 171.311;
- 3 (v) County and Commonwealth's attorneys and their respective appointees;
- 4 (w) Chief district engineers and the state highway engineer;
- 5 (x) Veterinarians employed as such by the Kentucky Horse Racing Commission;
- 6 (y) Employees of the Kentucky Peace Corps;
- 7 (z) Employees of the Council on Postsecondary Education;
- 8 (aa) Executive director of the Commonwealth Office of Technology;
- 9 (ab) Employees of Serve Kentucky;
- 10 (ac) Persons employed in certified teaching positions at the Kentucky School for
11 the Blind and the Kentucky School for the Deaf; and
- 12 (ad) Federally funded time-limited employees as defined in KRS 18A.005~~;~~ and
- 13 ~~(ae) Employees of the Department of Agriculture who are employed to support the~~
14 ~~Agricultural Development Board and the Kentucky Agricultural Finance~~
15 ~~Corporation].~~
- 16 (2) Nothing in KRS 18A.005 to 18A.200 is intended, or shall be construed, to alter or
17 amend the provisions of KRS 150.022 and 150.061.
- 18 (3) Nothing in KRS 18A.005 to 18A.200 is intended or shall be construed to affect any
19 nonmanagement, nonpolicy-making position which must be included in the
20 classified service as a prerequisite to the grant of federal funds to a state agency.
- 21 (4) Career employees within the classified service promoted to positions exempted
22 from classified service shall, upon termination of their employment in the exempted
23 service, revert to a position in that class in the agency from which they were
24 terminated if a vacancy in that class exists. If no such vacancy exists, they shall be
25 considered for employment in any vacant position for which they were qualified
26 pursuant to KRS 18A.130 and 18A.135.
- 27 (5) Nothing in KRS 18A.005 to 18A.200 shall be construed as precluding appointing

1 officers from filling unclassified positions in the manner in which positions in the
2 classified service are filled except as otherwise provided in KRS 18A.005 to
3 18A.200.

4 (6) The positions of employees who are transferred, effective July 1, 1998, from the
5 Cabinet for Workforce Development to the Kentucky Community and Technical
6 College System shall be abolished and the employees' names removed from the
7 roster of state employees. Employees that are transferred, effective July 1, 1998, to
8 the Kentucky Community and Technical College System under KRS Chapter 164
9 shall have the same benefits and rights as they had under KRS Chapter 18A and
10 have under KRS 164.5805; however, they shall have no guaranteed reemployment
11 rights in the KRS Chapter 151B or KRS Chapter 18A personnel systems. An
12 employee who seeks reemployment in a state position under KRS Chapter 151B or
13 KRS Chapter 18A shall have years of service in the Kentucky Community and
14 Technical College System counted towards years of experience for calculating
15 benefits and compensation.

16 (7) On August 15, 2000, all certified and equivalent personnel, all unclassified
17 personnel, and all certified and equivalent and unclassified vacant positions in the
18 Department for Adult Education and Literacy shall be transferred from the
19 personnel system under KRS Chapter 151B to the personnel system under KRS
20 Chapter 18A. The positions shall be deleted from the KRS Chapter 151B personnel
21 system. All records shall be transferred including accumulated annual leave, sick
22 leave, compensatory time, and service credit for each affected employee. The
23 personnel officers who administer the personnel systems under KRS Chapter 151B
24 and KRS Chapter 18A shall exercise the necessary administrative procedures to
25 effect the change in personnel authority. No certified or equivalent employee in the
26 Department for Adult Education and Literacy shall suffer any penalty in the
27 transfer.

1 (8) On August 15, 2000, secretaries and assistants attached to policymaking positions
2 in the Department for Technical Education and the Department for Adult Education
3 and Literacy shall be transferred from the personnel system under KRS Chapter
4 151B to the personnel system under KRS Chapter 18A. The positions shall be
5 deleted from the KRS Chapter 151B system. All records shall be transferred
6 including accumulated annual leave, sick leave, compensatory time, and service
7 credit for each affected employee. No employee shall suffer any penalty in the
8 transfer.

9 (9) On May 1, 2017, all contract employees of Eastern Kentucky University who are
10 engaged in providing instructional and support services to the Department of
11 Criminal Justice Training shall be transferred to the personnel system under KRS
12 Chapter 18A. All records shall be transferred, including accumulated annual leave,
13 sick leave, compensatory time, and service credit for each affected employee. The
14 personnel officers who administer the personnel systems for Eastern Kentucky
15 University and under KRS Chapter 18A shall exercise the necessary administrative
16 procedures to effect the change in personnel authority. No employee shall suffer any
17 penalty in the transfer.

18 ➔Section 4. KRS 246.030 is amended to read as follows:

19 The department shall consist of:

- 20 (1) The Office of the Commissioner;
- 21 (2) The Office of Agricultural Marketing, which shall include the following:
- 22 (a) The Promotion and Development Division;
- 23 (b) The Shows and Fairs Division;
- 24 (c) The Livestock Division;
- 25 (d) The Plant Division;
- 26 (e) The Education and Outreach Division; and
- 27 (f) The Direct Farm Marketing Division;

- 1 (3) The Office for Consumer and Environmental Protection, which shall include the
 2 following:
- 3 (a) The Division of Regulation and Inspection;
- 4 (b) The Division of Food Distribution; and
- 5 (c) The Division of Environmental Services;
- 6 (4) The Office of State Veterinarian, which shall include the following:
- 7 (a) The Division of Animal Health; and
- 8 (b) The Division of Producer Services;
- 9 (5) The Office of Administrative Services, which shall include the following:
- 10 (a) The Division of Human Resources;
- 11 (b) The Division of Administrative Services; and
- 12 (c) The Division of Information Technology;
- 13 (6) The Office of Communications;
- 14 (7) The Office of Legal Services; *and*
- 15 (8) The State Board of Agriculture~~]; and~~
- 16 ~~(9) The Kentucky Office of Agricultural Policy, which shall include the following:~~
- 17 ~~(a) Agricultural Development Board; and~~
- 18 ~~(b) Kentucky Agricultural Finance Corporation].~~
- 19 ➔Section 5. KRS 247.944 is amended to read as follows:
- 20 (1) There is hereby created and established the Kentucky Agricultural Finance
 21 Corporation which shall be attached to the *Office of the Governor*~~Department of~~
 22 ~~Agriculture].~~
- 23 (2) The corporation is created and established as a de jure municipal corporation and
 24 political subdivision of the Commonwealth to perform essential governmental and
 25 public functions and purposes in improving and otherwise promoting the health and
 26 general welfare of the people through the promotion of agriculture through the
 27 Commonwealth.

- 1 (3) The corporation shall be governed by a board of directors consisting of twelve (12)
2 members, ten (10) of whom shall be appointed by the Governor~~Commissioner~~.
3 The other two (2) members shall be the Commissioner of the Department of
4 Agriculture, who shall serve as chairperson, and the secretary of the Finance and
5 Administration Cabinet. The Commissioner may designate a representative to serve
6 as chairperson in the Commissioner's absence.
- 7 (4) The Governor~~Commissioner~~ shall appoint ten (10) private members of the board
8 to take office and to exercise all powers of the board immediately. The ten (10)
9 directors of the corporation shall be appointed using staggered terms and shall be
10 subject to confirmation as provided in KRS 11.160(2). Of the ten (10) private
11 members of the board appointed by the Governor~~Commissioner~~, two (2) may be
12 officers from a commercial lending institution, one (1) may be an officer from a
13 farm credit association, one (1) may be an agricultural economist, one (1) shall be a
14 tobacco farmer, one (1) shall be a cash grain farmer, one (1) shall be a livestock
15 farmer, one (1) shall be a dairy or poultry farmer, one (1) shall be a horticultural
16 farmer, and one (1) shall be from the equine industry. To promote efficient use of
17 agricultural resources and coordination among agricultural leaders, the
18 Governor~~Commissioner~~ shall appoint a member from the Agricultural
19 Development Board, who meets the qualifications for one (1) of the positions set
20 out in this subsection, to one (1) of the ten (10) board positions governing the
21 Kentucky Agricultural Finance Corporation.
- 22 (5) Upon the expiration of the initial terms of the private members of the board, the
23 Governor~~Commissioner~~ shall appoint successors representing the same
24 constituencies as the members succeeded for a term of four (4) years in each case.
25 In the case of a vacancy, the Governor~~Commissioner~~ may appoint a successor to
26 hold office during the remainder of the term.
- 27 (6) Staff services for the board shall be provided by the Office of the

1 Governor~~[Department of Agriculture]~~. The executive director of the Agricultural
2 Development Board shall serve as executive director for the Kentucky Agricultural
3 Finance Corporation board.

4 (7) The executive director shall administer, manage, and direct the affairs and business
5 of the corporation, subject to the policies, control, and direction of the board. The
6 executive director shall keep a record of the proceedings of the corporation and
7 shall be custodian of all books, documents, and papers filed with the corporation,
8 the minute book or journal of the corporation, and its official seal. The executive
9 director shall have authority to cause copies to be made of all minutes and other
10 records and documents of the corporation and to give certificates under the official
11 seal of the corporation to the effect that the copies are true copies, and all persons
12 dealing with the corporation may rely on such certifications.

13 (8) A majority of the board shall constitute a quorum for the purpose of conducting its
14 business and exercising its powers and for all other purposes, notwithstanding the
15 existence of any vacancies; provided, however, that a majority of the board may
16 elect from among its members an executive committee to act in its stead in the day
17 to day conduct of the business of the corporation. Notwithstanding the foregoing,
18 the full board shall hold at least one (1) meeting each calendar quarter in accordance
19 with a schedule to be established by the board.

20 (9) Action may be taken by the corporation upon a vote of a majority of the directors
21 present at a meeting at which a quorum exists called upon three (3) days written
22 notice or upon the concurrence of at least seven (7) directors or by the board's
23 executive committee.

24 (10) All members of the board shall be entitled to their reasonable and necessary
25 expenses actually incurred in discharging their duties.

26 ~~[(11) The Kentucky Agricultural Finance Corporation shall not be subject to~~
27 ~~reorganization under KRS Chapter 12.]~~

1 ➔Section 6. KRS 248.707 is amended to read as follows:

2 (1) The Agricultural Development Board is created as a political subdivision of the
3 Commonwealth to perform essential governmental and public functions by
4 administering funds to provide economic assistance to the agriculture community of
5 the Commonwealth. The board shall be a public agency within the meaning of KRS
6 61.805, 61.870, and other applicable statutes.

7 (2) The board shall consist of sixteen (16) members as follows:

8 (a) Five (5) voting members or their designees, as follows:

9 1. The *Governor of the Commonwealth of Kentucky*~~[Commissioner of~~
10 ~~Agriculture]~~, who shall serve as chairperson. The
11 *Governor*~~[Commissioner of Agriculture]~~ may designate a representative
12 to serve as chairperson in the *Governor's*~~[Commissioner's]~~ absence;

13 2. The *Commissioner of Agriculture*~~[Governor of the Commonwealth of~~
14 ~~Kentucky]~~;

15 3. The secretary of the Cabinet for Economic Development;

16 4. The director of the University of Kentucky Cooperative Extension
17 Service; and

18 5. The president of Kentucky State University; and

19 (b) Eleven (11) voting members appointed by the *Governor*~~[Commissioner]~~, who
20 shall be geographically distributed throughout the state and subject to
21 confirmation as provided in KRS 11.160(2). The members shall be as follows:

22 1. Seven (7) active farmers, at least four (4) of whom shall be from
23 counties that are substantially tobacco-impacted, as determined by a
24 formula that includes tobacco income as a percentage of total personal
25 income in the county, and at least two (2) of whom shall have
26 experience in agricultural diversification;

27 2. One (1) representative of the Kentucky Farm Bureau;

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

1 (10) The board shall be attached to the Office of the Governor~~[Department of~~
2 ~~Agriculture]~~.

3 (11) Staff services for the board shall be provided by the Office of the
4 Governor~~[Department of Agriculture]~~.

5 ~~[(12) The Agricultural Development Board shall not be subject to reorganization under~~
6 ~~KRS Chapter 12.]~~

7 ➔Section 7. KRS 248.709 is amended to read as follows:

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

9 (1) Administering the agricultural development fund, except as provided in KRS
10 248.717(2);

11 (2) Receiving requests and applications for funds and authorizing the distribution of
12 funds. The board may receive applications from institutions of public postsecondary
13 education for financial and technical assistance in conducting alternative crop
14 development research. The board shall assist the applicants in obtaining any
15 necessary federal permits that may be required to conduct alternative crop research.
16 A recipient institution shall report the status and progress of the alternative crop
17 development research to the board, the Interim Joint Committee on Agriculture, and
18 the Tobacco Settlement Agreement Fund Oversight Committee. The board shall
19 promulgate administrative regulations relating to growing and researching
20 alternative crops at the selected postsecondary institution, and shall adopt any
21 applicable federal regulations;

22 (3) Developing guidelines and criteria for eligibility for and disbursement of funds, the
23 types of direct and indirect economic assistance to be awarded, and procedures for
24 applying for funds and reviewing applications for assistance;

25 (4) Ensuring that each county agricultural development council's plans and county
26 recommendations and applications receive major consideration in decisions on use
27 of a county's funds;

- 1 (5) (a) Completing a comprehensive plan and updating the plan no less than every ten
2 (10) years.
- 3 (b) The comprehensive plan shall propose short-term and long-term goals,
4 strategies, and investments in Kentucky agriculture that will assist farmers in
5 remaining competitive in existing and new enterprises. The comprehensive
6 plan shall identify a diversified mix of enterprises that are profitable to
7 farmers and shall determine the investments necessary to support the viability
8 of those enterprises. The plan shall be reviewed by the General Assembly and
9 the subcommittee created in KRS 248.723. The subcommittee may issue
10 comment on the plan. However, the board may act without General Assembly
11 approval.
- 12 (c) Notwithstanding the provisions of 2000 Ky. Acts ch. 546, immediate funding
13 needs may be addressed and funded before a comprehensive or strategic plan
14 is completed. Proposals from an applicant may be approved by the board if
15 they meet the criteria established in KRS 248.713;
- 16 (6) Preparing a biennial budget request in accordance with KRS Chapter 48;
- 17 (7) Working with other governmental agencies to maximize the financial and economic
18 impact that the programs implemented by the board will have and to maximize
19 receipt of federal and other funds to the agriculture community in the
20 Commonwealth;
- 21 (8) Promulgating administrative regulations relating to carrying out the purposes of
22 KRS 248.701 to 248.727;
- 23 (9) Hiring an executive director to carry out the will of the board~~[-and who shall report~~
24 ~~solely to the Commissioner];~~
- 25 (10) Ensuring the necessary mechanisms are in place for the committees created by KRS
26 248.715 to function effectively;
- 27 (11) Contracting with other persons or entities if necessary to effectuate the board's

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

1 Kentucky Agricultural Finance Corporation. Any records, files, documents, equipment,
2 staff, supporting budgets, and any and all unexpended funds associated with the activities
3 of the Kentucky Office of Agricultural Policy shall be transferred to the Office of the
4 Governor. All administrative regulations, decisions, and actions promulgated, made, or
5 taken by the Agricultural Development Board or the Kentucky Agricultural Finance
6 Corporation that have not been repealed or rescinded shall continue in effect after the
7 effective date of this Act.

8 ➔Section 9. Whereas it is critical that Kentucky's farmers receive the assistance
9 they so desperately need as soon as possible, an emergency is declared to exist, and this
10 Act takes effect upon its passage and approval by the Governor or upon its otherwise
11 becoming a law.