

1 AN ACT relating to statutorily required boards, councils, commissions,
2 organizations, and reports.

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

4 ➔Section 1. KRS 11.400 is amended to read as follows:

5 (1) In addition to the duties prescribed for the office by the Constitution of the
6 Commonwealth of Kentucky, the duties of the Lieutenant Governor shall be as
7 follows:

8 (a) To serve as vice chairman of the State Property and Buildings Commission as
9 prescribed by KRS 56.450;

10 (b) To serve as vice chairman of the Kentucky Turnpike Authority as prescribed
11 in KRS 175.430;

12 (c) To serve as a member of the Kentucky Council on Agriculture in accordance
13 with KRS 247.417;

14 (d) ~~{To appoint one (1) member of the Public Officials' Compensation~~
15 ~~Commission as provided in KRS 64.742;~~

16 ~~(e)}~~To serve as a member of the Board of the Kentucky Housing Corporation in
17 accordance with KRS 198A.030; and

18 (e)~~{(f)}~~ To serve as a member of Kentucky delegations on the following
19 interstate compact commissions or boards:

20 ~~{1. The Southern Growth Policies Board as prescribed by KRS 147.585;}~~

21 1.~~{2.}~~ The Breaks Interstate Park Commission as provided in KRS 148.225;

22 2.~~{3.}~~ The Falls of the Ohio Interstate Park Commission pursuant to KRS
23 148.242;

24 3.~~{4.}~~ The Tennessee-Tombigbee Waterway Development Authority pursuant
25 to KRS 182.305;

26 4.~~{5.}~~ The Interstate Water Sanitation Control Commissions as prescribed by
27 KRS 224.18-710; and

1 ~~5.16.1~~The Kentucky Mining Advisory Council for the Interstate Mining
2 Compact as provided by KRS 350.310.

3 (2) Nothing in this section shall prohibit the Governor and Lieutenant Governor from
4 agreeing upon additional duties within the executive branch of the state government
5 to be performed by the Lieutenant Governor.

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

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

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

- 20 (1) The Governor.
21 (2) Lieutenant Governor.
22 (3) Department of State.
23 (a) Secretary of State.
24 (b) Board of Elections.
25 (c) Registry of Election Finance.
26 (4) Department of Law.
27 (a) Attorney General.

1 (5) Department of the Treasury.

2 (a) Treasurer.

3 (6) Department of Agriculture.

4 (a) Commissioner of Agriculture.

5 (b) Kentucky Council on Agriculture.

6 (7) Auditor of Public Accounts.

7 II. Program cabinets headed by appointed officers:

8 (1) Justice and Public Safety Cabinet:

9 (a) Department of Kentucky State Police.

10 (b) Department of Criminal Justice Training.

11 (c) Department of Corrections.

12 (d) Department of Juvenile Justice.

13 (e) Office of the Secretary.

14 (f) Office of Drug Control Policy.

15 (g) Office of Legal Services.

16 (h) Office of the Kentucky State Medical Examiner.

17 (i) Parole Board.

18 (j) Kentucky State Corrections Commission.

19 (k) Office of Legislative and Intergovernmental Services.

20 (l) Office of Management and Administrative Services.

21 (m) Department for Public Advocacy.

22 (2) Education and Workforce Development Cabinet:

23 (a) Office of the Secretary.

24 1. Governor's Scholars Program.

25 2. Governor's School for Entrepreneurs Program.

26 (b) Office of Legal and Legislative Services.

27 1. Client Assistance Program.

- 1 (c) Office of Communication.
- 2 (d) Office of Budget and Administration.
 - 3 1. Division of Human Resources.
 - 4 2. Division of Administrative Services.
- 5 (e) Office of Technology Services.
- 6 (f) Office of Educational Programs.
- 7 (g) Office for Education and Workforce Statistics.
- 8 (h) Board of the Kentucky Center for Education and Workforce Statistics.
- 9 (i) Board of Directors for the Center for School Safety.
- 10 (j) Department of Education.
 - 11 1. Kentucky Board of Education.
 - 12 2. Kentucky Technical Education Personnel Board.
- 13 (k) Department for Libraries and Archives.
- 14 (l) Department of Workforce Investment.
 - 15 1. Office for the Blind.
 - 16 2. Office of Vocational Rehabilitation.
 - 17 3. Office of Employment and Training.
 - 18 a. Division of Grant Management and Support.
 - 19 b. Division of Workforce and Employment Services.
 - 20 c. Division of Unemployment Insurance.
- 21 (m) Foundation for Workforce Development.
- 22 (n) Kentucky Office for the Blind State Rehabilitation Council.
- 23 (o) Kentucky Workforce Investment Board.
- 24 (p) Statewide Council for Vocational Rehabilitation.
- 25 (q) Unemployment Insurance Commission.
- 26 (r) Education Professional Standards Board.
 - 27 1. Division of Educator Preparation.

- 1 2. Division of Certification.
- 2 3. Division of Professional Learning and Assessment.
- 3 4. Division of Legal Services.
- 4 (s) Kentucky Commission on the Deaf and Hard of Hearing.
- 5 (t) Kentucky Educational Television.
- 6 (u) Kentucky Environmental Education Council.
- 7 (3) Energy and Environment Cabinet:
- 8 (a) Office of the Secretary.
 - 9 1. Office of Legislative and Intergovernmental Affairs.
 - 10 2. Office of General Counsel.
 - 11 3. Office of Administrative Hearings.
 - 12 4. Mine Safety Review Commission.
 - 13 5. Kentucky State Nature Preserves Commission.
 - 14 6. Kentucky Environmental Quality Commission.
 - 15 7. Kentucky Public Service Commission.
- 16 (b) Department for Environmental Protection.
 - 17 1. Office of the Commissioner.
 - 18 2. Division for Air Quality.
 - 19 3. Division of Water.
 - 20 4. Division of Environmental Program Support.
 - 21 5. Division of Waste Management.
 - 22 6. Division of Enforcement.
 - 23 7. Division of Compliance Assistance.
- 24 (c) Department for Natural Resources.
 - 25 1. Office of the Commissioner.
 - 26 2. Division of Technical and Administrative Support.
 - 27 3. Division of Mine Permits.

- 1 4. Division of Mine Reclamation and Enforcement.
- 2 5. Division of Abandoned Mine Lands.
- 3 6. Division of Oil and Gas.
- 4 7. Division of Mine Safety.
- 5 8. Division of Forestry.
- 6 9. Division of Conservation.
- 7 10. Office of the Reclamation Guaranty Fund.
- 8 11. Kentucky Mining Board.
- 9 (d) Department for Energy Development and Independence.
- 10 1. Division of Efficiency and Conservation.
- 11 2. Division of Renewable Energy.
- 12 3. Division of Biofuels.
- 13 4. Division of Energy Generation Transmission and Distribution.
- 14 5. Division of Carbon Management.
- 15 6. Division of Fossil Energy Development.
- 16 (4) Public Protection Cabinet.
- 17 (a) Office of the Secretary.
- 18 1. Office of Communications and Public Outreach.
- 19 2. Office of Legal Services.
- 20 a. Insurance Legal Division.
- 21 b. Charitable Gaming Legal Division.
- 22 c. Alcoholic Beverage Control Legal Division.
- 23 d. Housing, Buildings and Construction Legal Division.
- 24 e. Financial Institutions Legal Division.
- 25 (b) Crime Victims Compensation Board.
- 26 (c) Board of Claims.
- 27 (d) Kentucky Board of Tax Appeals.

- 1 (e) Kentucky Boxing and Wrestling Authority.
- 2 (f) Kentucky Horse Racing Commission.
 - 3 1. Division of Licensing.
 - 4 2. Division of Incentives and Development.
 - 5 3. Division of Veterinary Services.
 - 6 4. Division of Security and Enforcement.
- 7 (g) Department of Alcoholic Beverage Control.
 - 8 1. Division of Distilled Spirits.
 - 9 2. Division of Malt Beverages.
 - 10 3. Division of Enforcement.
- 11 (h) Department of Charitable Gaming.
 - 12 1. Division of Licensing and Compliance.
 - 13 2. Division of Enforcement.
- 14 (i) Department of Financial Institutions.
 - 15 1. Division of Depository Institutions.
 - 16 2. Division of Non-Depository Institutions.
 - 17 3. Division of Securities.
- 18 (j) Department of Housing, Buildings and Construction.
 - 19 1. Division of Fire Prevention.
 - 20 2. Division of Plumbing.
 - 21 3. Division of Heating, Ventilation, and Air Conditioning.
 - 22 4. Division of Building Code Enforcement.
- 23 (k) Department of Insurance.
 - 24 1. Property and Casualty Division.
 - 25 2. Health and Life Division.
 - 26 3. Division of Financial Standards and Examination.
 - 27 4. Division of Agent Licensing.

- 1 5. Division of Insurance Fraud Investigation.
- 2 6. Consumer Protection Division.
- 3 7. Division of Kentucky Access.
- 4 (l) Office of Occupations and Professions.
- 5 (5) Labor Cabinet.
- 6 (a) Office of the Secretary.
- 7 1. Division of Management Services.
- 8 2. Office of General Counsel.
- 9 (b) Office of General Administration and Program Support for Shared
- 10 Services.
- 11 1. Division of Human Resource Management.
- 12 2. Division of Fiscal Management.
- 13 3. Division of Budgets.
- 14 4. Division of Information Services.
- 15 (c) Office of Inspector General for Shared Services.
- 16 (d) Department of Workplace Standards.
- 17 1. Division of Employment Standards, Apprenticeship, and
- 18 Mediation.
- 19 2. Division of Occupational Safety and Health Compliance.
- 20 3. Division of Occupational Safety and Health Education and
- 21 Training.
- 22 4. Division of Workers' Compensation Funds.
- 23 (e) Department of Workers' Claims.
- 24 1. Office of General Counsel for Workers' Claims.
- 25 2. Office of Administrative Law Judges.
- 26 3. Division of Claims Processing.
- 27 4. Division of Security and Compliance.

- 1 5. Division of Information and Research.
- 2 6. Division of Ombudsman and Workers' Compensation Specialist
- 3 Services.
- 4 7. Workers' Compensation Board.
- 5 8. ~~Workers' Compensation Advisory Council.~~
- 6 9. ~~Workers' Compensation Nominating Commission.~~
- 7 (f) Workers' Compensation Funding Commission.
- 8 (g) ~~Kentucky Labor Management Advisory Council.~~
- 9 (h) ~~Occupational Safety and Health Standards Board.~~
- 10 (h)(i) Prevailing Wage Review Board.
- 11 (i)(j) Apprenticeship and Training Council.
- 12 (j)(k) State Labor Relations Board.
- 13 (k)(l) Employers' Mutual Insurance Authority.
- 14 (l)(m) Kentucky Occupational Safety and Health Review Commission.
- 15 (6) Transportation Cabinet:
- 16 (a) Department of Highways.
- 17 1. Office of Project Development.
- 18 2. Office of Project Delivery and Preservation.
- 19 3. Office of Highway Safety.
- 20 4. Highway District Offices One through Twelve.
- 21 (b) Department of Vehicle Regulation.
- 22 (c) Department of Aviation.
- 23 (d) Department of Rural and Municipal Aid.
- 24 1. Office of Local Programs.
- 25 2. Office of Rural and Secondary Roads.
- 26 (e) Office of the Secretary.
- 27 1. Office of Public Affairs.

- 1 2. Office for Civil Rights and Small Business Development.
- 2 3. Office of Budget and Fiscal Management.
- 3 4. Office of Inspector General.
- 4 (f) Office of Support Services.
- 5 (g) Office of Transportation Delivery.
- 6 (h) Office of Audits.
- 7 (i) Office of Human Resource Management.
- 8 (j) Office of Information Technology.
- 9 (k) Office of Legal Services.
- 10 (7) Cabinet for Economic Development:
- 11 (a) Office of the Secretary.
- 12 1. Office of Legal Services.
- 13 2. Department for Business Development.
- 14 a. Office of Entrepreneurship.
- 15 i. Commission on Small Business Advocacy.
- 16 b. Office of Research and Public Affairs.
- 17 c. Bluegrass State Skills Corporation.
- 18 3. Office of Financial Services.
- 19 a. Kentucky Economic Development Finance Authority.
- 20 b. Division of Finance and Personnel.
- 21 c. Division of Network Administration.
- 22 d. Compliance Division.
- 23 e. Incentive Assistance Division.
- 24 (8) Cabinet for Health and Family Services:
- 25 (a) Office of the Secretary.
- 26 (b) Office of Health Policy.
- 27 (c) Office of Legal Services.

- 1 (d) Office of Inspector General.
- 2 (e) Office of Communications and Administrative Review.
- 3 (f) Office of the Ombudsman.
- 4 (g) Office of Policy and Budget.
- 5 (h) Office of Human Resource Management.
- 6 (i) Office of Administrative and Technology Services.
- 7 (j) Department for Public Health.
- 8 (k) Department for Medicaid Services.
- 9 (l) Department for Behavioral Health, Developmental and Intellectual
- 10 Disabilities.
- 11 (m) Department for Aging and Independent Living.
- 12 (n) Department for Community Based Services.
- 13 (o) Department for Income Support.
- 14 (p) Department for Family Resource Centers and Volunteer Services.
- 15 (q) Kentucky Commission on Community Volunteerism and Service.
- 16 (r) Kentucky Commission for Children with Special Health Care Needs.
- 17 (s) Governor's Office of Electronic Health Information.
- 18 (9) Finance and Administration Cabinet:
- 19 (a) Office of General Counsel.
- 20 (b) Office of the Controller.
- 21 (c) Office of Administrative Services.
- 22 (d) Office of Public Information.
- 23 (e) Office of Policy and Audit.
- 24 (f) Department for Facilities and Support Services.
- 25 (g) Department of Revenue.
- 26 (h) Commonwealth Office of Technology.
- 27 (i) State Property and Buildings Commission.

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

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

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

- 1 1. Division of Governor's School for the Arts.
- 2 (t) Kentucky Artisans Center at Berea.
- 3 (u) Northern Kentucky Convention Center.
- 4 (v) Eastern Kentucky Exposition Center.
- 5 (11) Personnel Cabinet:
- 6 (a) Office of the Secretary.
- 7 (b) Department of Human Resources Administration.
- 8 (c) Office of Employee Relations.
- 9 (d) Kentucky Public Employees Deferred Compensation Authority.
- 10 (e) Office of Administrative Services.
- 11 (f) Office of Legal Services.
- 12 (g) Governmental Services Center.
- 13 (h) Department of Employee Insurance.
- 14 (i) Office of Diversity and Equality.
- 15 (j) Center of Strategic Innovation.
- 16 III. Other departments headed by appointed officers:
- 17 (1) Council on Postsecondary Education.
- 18 (2) Department of Military Affairs.
- 19 (3) Department for Local Government.
- 20 (4) Kentucky Commission on Human Rights.
- 21 (5) Kentucky Commission on Women.
- 22 (6) Department of Veterans' Affairs.
- 23 (7) Kentucky Commission on Military Affairs.
- 24 (8) Office of Minority Empowerment.
- 25 (9) Governor's Council on Wellness and Physical Activity.
- 26 ➔Section 3. KRS 15.010 is amended to read as follows:
- 27 (1) The Attorney General is the head of the Department of Law.

1 (2) The Department of Law shall include the following major organizational units:

- 2 (a) Criminal Appellate Division;
- 3 (b) Consumer Protection Division;
- 4 (c) Special Investigations Division;
- 5 (d) Special Prosecutions Division;
- 6 (e) Prosecutors Advisory Council Services Division;
- 7 (f) Medicaid Fraud and Abuse Control Division;
- 8 (g) Civil and Environmental Law Division;
- 9 (h) Victims Advocacy Division;
- 10 (i) ~~{Child Support Enforcement Commission;~~
- 11 ~~{j}—~~Administrative Hearings Division;
- 12 ~~(j)~~~~{(k)}~~ Office of Rate Intervention;
- 13 ~~(k)~~~~{(l)}~~ Administrative Services Division; and
- 14 ~~(l)~~~~{(m)}~~ Financial Integrity Enforcement Division.

15 ➔Section 4. KRS 45A.605 is amended to read as follows:

16 (1) As used in this section:

- 17 (a) "Information highway" means a communication network for voice, data, and
- 18 video communications technologies; and
- 19 (b) "Agencies of the Commonwealth of Kentucky" includes all authorities;
- 20 boards; commissions; councils; departments; program cabinets; the Kentucky
- 21 Lottery Corporation; vocational schools; the Kentucky School for the Deaf;
- 22 the Kentucky School for the Blind; upon written request of the Chief Justice,
- 23 the Court of Justice; upon written request of the co-chairmen of the
- 24 Legislative Research Commission, the General Assembly and the Legislative
- 25 Research Commission; and upon written request of presidents, state
- 26 institutions of higher education.

27 (2) The provisions of any other law notwithstanding, the Finance and Administration

1 Cabinet may enter into one (1) or more contracts, on behalf of agencies of the
2 Commonwealth of Kentucky, with any person, partnership, or corporation that
3 operates an information highway. The information highway shall enable the
4 Commonwealth to benefit from cost-effective telecommunications technologies and
5 shall provide opportunities for the private sector. These opportunities shall include
6 but not be limited to the implementation of transactions and activities associated
7 with~~[the Kentucky e Health Network created under KRS 216.267 and]~~ the
8 provision of telehealth by licensed health-care providers as provided in KRS
9 Chapters 205, 211, 304.17A, 310, 311, 312, 313, 314, 314A, 315, 319, 319A, 320,
10 327, 334A, and 335.

11 (3) Upon implementation, all agencies of the Commonwealth of Kentucky shall obtain
12 all available communications services under contracts executed pursuant to
13 subsection (2) of this section, except as provided under subsection (4) of this
14 section.

15 (4) The secretary of the Finance and Administration Cabinet may grant exceptions to
16 the mandatory use of the information highway upon good cause shown.~~[The~~
17 ~~Kentucky e Health Network Board may use the information highway to implement~~
18 ~~the network but shall not be limited to its use for communication services.]~~

19 (5) Any contract awarded under subsection (2) of this section shall be deemed, for
20 purposes of KRS 45A.050, a state agency price contract to which all political
21 subdivisions and state-licensed nonprofit institutions of higher education may have
22 access and use on the same terms as agencies of the Commonwealth of Kentucky.
23 In addition, nonprofit schools providing elementary or secondary education and
24 nonprofit health care organizations shall be allowed to have access and use the
25 contract on the same terms as agencies of the Commonwealth of Kentucky.
26 "Nonprofit schools" and "nonprofit health care organizations" mean those schools
27 and health care organizations which have been granted tax-exempt status under the

1 United States Internal Revenue Code.

2 (6) Any contract awarded under subsection (2) of this section shall be deemed a state
3 agency price contract to which any entity that has been approved for economic
4 development incentives under programs approved and administered by the
5 Kentucky Economic Development Finance Authority may have access and use on
6 the same terms as agencies of the Commonwealth of Kentucky.

7 (7) Any contract awarded under subsection (2) of this section shall be deemed a state
8 agency price contract to which nonprofit organizations whose exclusive purpose is
9 the delivery of services related to education, economic development, or cultural arts
10 and humanities, may have access and use on the same terms as agencies of the
11 Commonwealth of Kentucky. For the purposes of this section, "nonprofit
12 organizations" means those organizations which have been granted tax-exempt
13 status under Section 501(c)(3) of the United States Internal Revenue Code or those
14 existing education based entities whose purpose is the delivery of services to state
15 school systems, their employees, or their governing organizations and which have
16 been granted tax-exempt status under Section 501(c)(6) of the United States Internal
17 Revenue Code.

18 ➔Section 5. KRS 148.400 is amended to read as follows:

19 ~~{(1) My Old Kentucky Home Advisory Commission is hereby established to provide~~
20 ~~continuing attention to the maintenance, furnishings, and repairs of My Old~~
21 ~~Kentucky Home House Museum, as well as to any other additions made, after July~~
22 ~~15, 1986, to the grounds of My Old Kentucky Home State Park. The commission~~
23 ~~shall be attached to the Department of Parks for administrative purposes.~~

24 ~~(2) The commission shall consist of eleven (11) members. It is recommended that one~~
25 ~~(1) member shall be the park superintendent of My Old Kentucky Home State Park,~~
26 ~~one (1) shall be a representative of the Kentucky Heritage Council, one (1) shall be~~
27 ~~a representative of the Kentucky Historical Society, one (1) shall be a representative~~

1 ~~of the Division of Historic Properties, one (1) shall be a representative of the~~
2 ~~commissioner of the Department of Parks, and the remainder of the membership~~
3 ~~shall be selected from private citizens interested in historic properties with at least~~
4 ~~two (2) members who are residents of Nelson County.~~

5 ~~(3) The public members of the commission shall be appointed by the Governor. Four~~
6 ~~(4) members shall serve for terms of four (4) years and two (2) members shall serve~~
7 ~~for terms of two (2) years. Representatives of state government shall serve terms~~
8 ~~concurrent with holding their respective offices.~~

9 ~~(4) The officers of the commission shall consist of a chairman and vice chairman, who~~
10 ~~shall be elected by the membership and a secretary who shall be responsible for the~~
11 ~~keeping of minutes and serve as staff to the commission. The park superintendent at~~
12 ~~My Old Kentucky Home State Park shall serve as secretary to the commission. A~~
13 ~~simple majority of the membership shall constitute a quorum for the transaction of~~
14 ~~business by the commission.~~

15 ~~(5) There shall be no compensation for serving on the commission, but the members~~
16 ~~shall be reimbursed for their necessary travel and other expenses actually incurred~~
17 ~~in the discharge of their duties for the commission.~~

18 ~~(6) The commission shall meet at least once a year or when called in to session by the~~
19 ~~chairman, or at the request of the Governor, or any two (2) members to the~~
20 ~~chairman.~~

21 ~~(7) The commission shall examine the house and shall require maintenance of~~
22 ~~inventory records, approve any major changes to the house, and shall make~~
23 ~~recommendations to the Department of Parks through the park superintendent. The~~
24 ~~commissioner of the Department of Parks may review and approve those~~
25 ~~recommendations based on funds available.~~

26 ~~(8)}~~ There is established in the State Treasury "My Old Kentucky Home Endowment
27 Fund" which shall be administered by the park superintendent at My Old Kentucky Home

1 State Park under the supervision of the commissioner of the Department of Parks ~~and~~
2 ~~pursuant to the recommendations of My Old Kentucky Home Advisory Commission~~.

3 The fund may receive state appropriations, federal funds, and private donations. The fund
4 shall be used for *maintenance, furnishings, and repairs of My Old Kentucky Home*
5 *House Museum and maintenance of the grounds of My Old Kentucky Home State*
6 *Park*~~[carrying out the functions of the commission]~~.

7 ➔Section 6. KRS 154.12-274 is amended to read as follows:

8 (1) As used in this section, "cluster" shall have the same meaning as in KRS 164.6011.

9 (2) It is the intention of the General Assembly to recognize that a strong manufacturing
10 base for the economy of the Commonwealth requires not only modernization of the
11 production process but also an increase in the number of products developed, so that
12 through the creation of new product lines, additional value-added products, and new
13 manufacturing methods the economy will grow and quality job opportunities will
14 increase. The Cabinet for Economic Development shall support this intention
15 through its authority in KRS 154.12-050.

16 (3) The Cabinet for Economic Development shall enter into contracts or agreements
17 with the Kentucky Manufacturing Assistance Center, a nonprofit organization with
18 the mission to assist Kentucky small and medium-size manufacturers to become
19 more competitive in the global marketplace. The contracts or agreements shall
20 require the Kentucky Manufacturing Assistance Center to undertake the following
21 activities:

22 (a) Negotiate contractual agreements with existing manufacturers to deliver
23 modernization services that are likely to lead to the creation of new product
24 lines, additional value-added products, and new manufacturing methods;

25 (b) Deliver engineering, technical, and business improvement services in
26 Kentucky manufacturing facilities, through the network of Kentucky
27 Technology Service locations in the state, that lead to the development of new

1 product lines, additional value-added products, and new manufacturing
2 methods;

3 (c) Coordinate services for and support the activities of Kentucky manufacturers
4 that need additional projects, activities, and expertise beyond those available
5 through the Kentucky Manufacturing Assistance Center;

6 (d) Promote, along with other economic development entities, the development of
7 supplier chains, the linkages among suppliers, and the growth of clusters
8 within the Commonwealth; and

9 (e) Provide to the Cabinet for Economic Development ~~and Kentucky Innovation~~
10 ~~Commission~~ a report of the advances made in the manufacturing
11 modernization projects initiated.

12 ➔Section 7. KRS 154.12-278 is amended to read as follows:

13 (1) As used in this section, "cluster" and "knowledge-based" shall have the same
14 meaning as in KRS 164.6011.

15 (2) The Office of Entrepreneurship shall:

16 (a) Implement the Kentucky Innovation and Commercialization Center Program
17 as set forth in KRS 154.12-300 to 154.12-310;

18 (b) Monitor the return on investments and effectiveness of the Kentucky
19 Innovation Act initiatives as set forth in the Strategic Plan for the New
20 Economy ~~as approved by the Kentucky Innovation Commission, January 7,~~
21 ~~2002, or as revised,~~ and report annually by November 1 to ~~the Kentucky~~
22 ~~Innovation Commission, and to~~ the Governor and the Legislative Research
23 Commission, as required in KRS 154.12-2035;

24 (c) Oversee the modernization initiative in KRS 154.12-274;

25 (d) Assist the cabinet in the recruitment of research and development companies;

26 (e) Assist the cabinet in the attraction of high-technology research and
27 development centers;

- 1 (f) Support growth and creation of knowledge-based, innovative companies;
- 2 (g) Build the infrastructure for innovative businesses and promote networks of
3 technology-driven clusters and research intensive industries;
- 4 (h) Administer the high-tech construction pool and the high-tech investment pool;
- 5 (i) Recommend projects to the Kentucky Economic Development Finance
6 Authority for funding through the high-tech construction pool and high-tech
7 investment pool; and
- 8 (j) Review and approve the annual plan which details the annual allocation of
9 funds from the Science and Technology Funding Program, prior to the
10 Council on Postsecondary Education executing a contract with the science and
11 technology organization to administer science and technology funding
12 programs. As used in this paragraph, the Science and Technology Funding
13 Program means the Kentucky Enterprise Fund Program, the Rural Innovation
14 Program, the Kentucky Commercialization Program, The Regional
15 Technology Corporations/Innovation and Commercialization Center
16 Satellites, and the Experimental Program to Stimulate Competitive
17 Research/Kentucky Science and Engineering Foundation.
- 18 (3) The high-tech construction pool shall be used for projects with a special emphasis
19 on the creation of high-technology jobs and knowledge-based companies. The
20 executive director, in administering the high-tech construction pool, shall
21 recommend distribution of funds and projects to the Kentucky Economic
22 Development Finance Authority for its approval. The executive director shall
23 recommend any designated amount of pool funds to be set aside for any match
24 requirements. Any funds used for matching purposes may include public and private
25 funds.
- 26 (4) The high-tech investment pool shall be used to build and promote technology-
27 driven industries and research-intensive industries, as well as their related suppliers,

1 with the goal of creating clusters of innovation-driven industries in Kentucky. The
2 executive director, in administering the high-tech investment pool, shall be
3 authorized to recommend funds to be used to support loans and grants, or to secure
4 an equity or related position.

5 (5) The Kentucky Economic Development Finance Authority shall assure in their
6 approval of funding of projects that the highest priority is given to knowledge-based
7 companies in fulfillment of the purposes and intentions of the purposes of this
8 section.

9 ➔Section 8. KRS 154.20-255 is amended to read as follows:

10 (1) (a) The total amount of tax credits available to any single investment fund
11 awarded tax credits under KRS 154.20-250 to 154.20-284 shall not exceed, in
12 aggregate, eight million dollars (\$8,000,000) for all investors and all taxable
13 years.

14 (b) The total tax credits available for all investors in all investment funds awarded
15 under KRS 154.20-250 to 154.20-284, and all qualified investors awarded
16 under KRS 154.20-230 to 154.20-240, shall not exceed a total of forty million
17 dollars (\$40,000,000).

18 (2) A person or entity seeking to be approved as an investment fund manager for the
19 operation of one (1) or more investment funds shall make written application to the
20 authority pursuant to KRS 154.20-256, in addition to complying with applicable
21 state and federal securities laws and regulations.

22 (3) Prior to the granting of any tax credits to investors of an investment fund, the
23 committed cash contributions to an investment fund shall be not less than five
24 hundred thousand dollars (\$500,000).

25 (4) An investment fund shall have no less than four (4) investors, and no investor or
26 investment fund manager, including their immediate family members, as defined in
27 KRS 164.6011(~~6~~)(~~7~~), and affiliates may own or have a capital interest in more

1 than forty percent (40%) of the investment fund's capitalization.

2 (5) Subsequent to approval of the investment fund and the investment fund manager,
3 the authority and the investment fund manager, on behalf of itself and any investors
4 in the investment fund, shall enter into an agreement with respect to the investment
5 fund. The terms and provisions of each agreement shall be determined by
6 negotiations between the authority and the investment fund manager. The effective
7 date of the agreement shall be the date of approval of the investment fund and the
8 investment fund manager by the authority. If an investment fund manager fails to
9 comply with any of the obligations of the agreement, the authority may, at its
10 option, do any one (1) or more of the following:

11 (a) Suspend the availability of the credits;

12 (b) Pursue any remedy provided under the agreement, including termination of
13 the agreement; or

14 (c) Pursue any other remedy at law to which it may be entitled.

15 (6) Any investor shall be entitled to a tax credit as a result of its investment in an
16 investment fund as provided in KRS 154.20-258.

17 (7) Total qualified investments made by an investment fund, including initial and
18 subsequent investments made by an investment fund, in any single small business
19 using approved qualified investments, shall not exceed thirty percent (30%) of the
20 committed cash contributions to the investment fund. This restriction shall not
21 apply to investments of money by the investment fund that are not qualified
22 investments.

23 (8) The provisions of this section shall not prohibit an investment fund from investing
24 in a business that is not a small business, including a business that is located outside
25 of the Commonwealth; however, such investments shall not be eligible for the tax
26 credit set forth in KRS 154.20-258.

27 ➔Section 9. KRS 154.20-264 is amended to read as follows:

- 1 (1) Each investment fund manager shall file an annual report with the commissioner of
2 the Department of Revenue and with the authority, on or before February 15 of each
3 year during which it manages an investment fund. This report shall include
4 information that the authority prescribes from time to time, including but not
5 limited to the following:
- 6 (a) For each small business in which qualified investments are made by the
7 investment fund during the reporting period, the name and address of the
8 small business, the amount of qualified investments made by the investment
9 fund, the job creation anticipated and achieved by the small business, and new
10 products and technologies being developed by the small business;
- 11 (b) An affidavit prepared by the investment fund manager or, if the investment
12 fund is an entity, by an authorized officer, partner, trustee, member, or
13 manager of the investment fund management firm that states:
- 14 1. At the time of each qualified investment, each small business qualifies
15 as a small business under the provisions of KRS 154.20-250 to 154.20-
16 284;
- 17 2. The name and address of each investor, and the amount of cash
18 contribution to the investment fund of each investor who is entitled to
19 the credits; and
- 20 3. The continued compliance by the investment fund and the investment
21 fund manager with all applicable state and federal securities laws and
22 regulations.
- 23 (2) The authority shall provide an annual written status report to the standing
24 Appropriations and Revenue Committee of each house or to the Interim Joint
25 Committee on Appropriations and Revenue, as appropriate, concerning the
26 activities of the Kentucky investment fund for each fiscal year beginning with the
27 fiscal year ended July 30, 2003. On or before November 1 of each year, the

1 authority shall make an annual report for the preceding fiscal year to the Governor
2 and~~[,] the Legislative Research Commission[, and the Kentucky Innovation~~
3 ~~Commission]~~. The annual report shall include but not be limited to the following
4 information:

5 (a) The total number of investors and the aggregate amount of committed cash
6 contributions to all investment funds, categorized by the types of business
7 entities through which investors conduct business and the geographical
8 distribution of investors, including the area development districts;

9 (b) The total number and amounts of qualified investments made by each
10 investment fund to qualified small businesses, categorized by type of
11 businesses, amount of investment, job creation anticipated and achieved,
12 geographical distribution, including area development districts, and new
13 products and technologies developed; and

14 (c) The total amount of credits granted to investors.

15 (3) The contents of the annual reports from investment fund managers to the authority
16 described in subsection (1) of this section shall be treated by the authority as
17 confidential, and shall not be considered a public record under the Kentucky Open
18 Records Act, KRS 61.870 to 61.884.

19 (4) The authority may charge a fee in connection with the administration and
20 processing of an annual report made by an investment fund manager.

21 ➔Section 10. KRS 156.160 is amended to read as follows:

22 (1) With the advice of the Local Superintendents Advisory Council, the Kentucky
23 Board of Education shall promulgate administrative regulations establishing
24 standards which school districts shall meet in student, program, service, and
25 operational performance. These regulations shall comply with the expected
26 outcomes for students and schools set forth in KRS 158.6451. Administrative
27 regulations shall be promulgated for the following:

- 1 (a) Courses of study for the different grades and kinds of common schools
2 identifying the common curriculum content directly tied to the goals,
3 outcomes, and assessment strategies developed under KRS 158.645,
4 158.6451, and 158.6453 and distributed to local school districts and schools.
5 The administrative regulations shall provide that:
- 6 1. If a school offers American sign language, the course shall be accepted
7 as meeting the foreign language requirements in common schools
8 notwithstanding other provisions of law; and
 - 9 2. If a school offers the Reserve Officers Training Corps program, the
10 course shall be accepted as meeting the physical education requirement
11 for high school graduation notwithstanding other provisions of law;
- 12 (b) Courses of study or educational experiences available to students in all middle
13 and high schools to fulfill the prerequisites for courses in advanced science
14 and mathematics as defined in KRS 158.845;
- 15 (c) The acquisition and use of educational equipment for the schools as
16 recommended by the Council for Education Technology;
- 17 (d) The minimum requirements for high school graduation in light of the expected
18 outcomes for students and schools set forth in KRS 158.6451. Student scores
19 from any assessment administered under KRS 158.6453 that are determined
20 by the National Technical Advisory Panel to be valid and reliable at the
21 individual level shall be included on the student transcript. The National
22 Technical Advisory Panel shall submit its determination to the commissioner
23 of education and the Legislative Research Commission;
- 24 (e) The requirements for an alternative high school diploma for students with
25 disabilities whose individualized education program indicates that, in
26 accordance with 20 U.S.C. sec. 1414(d)(1)(A):
- 27 1. The student cannot participate in the regular statewide assessment; and

- 1 2. An appropriate alternate assessment has been selected for the student
2 based upon a modified curriculum and an individualized course of study;
- 3 (f) Taking and keeping a school census, and the forms, blanks, and software to be
4 used in taking and keeping the census and in compiling the required reports.
5 The board shall create a statewide student identification numbering system
6 based on students' Social Security numbers. The system shall provide a
7 student identification number similar to, but distinct from, the Social Security
8 number, for each student who does not have a Social Security number or
9 whose parents or guardians choose not to disclose the Social Security number
10 for the student;
- 11 (g) Sanitary and protective construction of public school buildings, toilets,
12 physical equipment of school grounds, school buildings, and classrooms. With
13 respect to physical standards of sanitary and protective construction for school
14 buildings, the Kentucky Board of Education shall adopt the Uniform State
15 Building Code;
- 16 (h) Medical inspection, physical and health education and recreation, and other
17 regulations necessary or advisable for the protection of the physical welfare
18 and safety of the public school children. The administrative regulations shall
19 set requirements for student health standards to be met by all students in
20 grades four (4), eight (8), and twelve (12) pursuant to the outcomes described
21 in KRS 158.6451. The administrative regulations shall permit a student who
22 received a physical examination no more than six (6) months prior to his
23 initial admission to Head Start to substitute that physical examination for the
24 physical examination required by the Kentucky Board of Education of all
25 students upon initial admission to the public schools, if the physical
26 examination given in the Head Start program meets all the requirements of the
27 physical examinations prescribed by the Kentucky Board of Education;

- 1 (i) A vision examination by an optometrist or ophthalmologist that shall be
2 required by the Kentucky Board of Education. The administrative regulations
3 shall require evidence that a vision examination that meets the criteria
4 prescribed by the Kentucky Board of Education has been performed. This
5 evidence shall be submitted to the school no later than January 1 of the first
6 year that a three (3), four (4), five (5), or six (6) year-old child is enrolled in a
7 public school, public preschool, or Head Start program;
- 8 (j) 1. Beginning with the 2010-2011 school year, a dental screening or
9 examination by a dentist, dental hygienist, physician, registered nurse,
10 advanced practice registered nurse, or physician assistant that shall be
11 required by the Kentucky Board of Education. The administrative
12 regulations shall require evidence that a dental screening or examination
13 that meets the criteria prescribed by the Kentucky Board of Education
14 has been performed. This evidence shall be submitted to the school no
15 later than January 1 of the first year that a five (5) or six (6) year-old
16 child is enrolled in a public school.
- 17 2. A child shall be referred to a licensed dentist if a dental screening or
18 examination performed by anyone other than a licensed dentist identifies
19 the possibility of dental disease;
- 20 (k) The transportation of children to and from school;
- 21 (l) The fixing of holidays on which schools may be closed and special days to be
22 observed, and the pay of teachers during absence because of sickness or
23 quarantine or when the schools are closed because of quarantine;
- 24 (m) The preparation of budgets and salary schedules for the several school districts
25 under the management and control of the Kentucky Board of Education;
- 26 (n) A uniform series of forms and blanks, educational and financial, including
27 forms of contracts, for use in the several school districts; and

1 (o) The disposal of real and personal property owned by local boards of
2 education.

3 (2) (a) At the request of a local board of education or a school council, a local school
4 district superintendent shall request that the Kentucky Board of Education
5 waive any administrative regulation promulgated by that board. Beginning in
6 the 1996-97 school year, a request for waiver of any administrative regulation
7 shall be submitted to the Kentucky Board of Education in writing with
8 appropriate justification for the waiver. The Kentucky Board of Education
9 may approve the request when the school district or school has demonstrated
10 circumstances that may include but are not limited to the following:

- 11 1. An alternative approach will achieve the same result required by the
12 administrative regulation;
- 13 2. Implementation of the administrative regulation will cause a hardship on
14 the school district or school or jeopardize the continuation or
15 development of programs; or
- 16 3. There is a finding of good cause for the waiver.

17 (b) The following shall not be subject to waiver:

- 18 1. Administrative regulations relating to health and safety;
- 19 2. Administrative regulations relating to civil rights;
- 20 3. Administrative regulations required by federal law; and
- 21 4. Administrative regulations promulgated in accordance with KRS
22 158.6451, 158.6453, 158.6455~~[, 158.685]~~, and this section, relating to
23 measurement of performance outcomes and determination of successful
24 districts or schools, except upon issues relating to the grade
25 configuration of schools.

26 (c) Any waiver granted under this subsection shall be subject to revocation upon a
27 determination by the Kentucky Board of Education that the school district or

1 school holding the waiver has subsequently failed to meet the intent of the
2 waiver.

3 (3) Any private, parochial, or church school may voluntarily comply with curriculum,
4 certification, and textbook standards established by the Kentucky Board of
5 Education and be certified upon application to the board by such schools.

6 (4) Any public school that violates the provisions of KRS 158.854 shall be subject to a
7 penalty to be assessed by the commissioner of education as follows:

8 (a) The first violation shall result in a fine of no less than one (1) week's revenue
9 from the sale of the competitive food;

10 (b) Subsequent violations shall result in a fine of no less than one (1) month's
11 revenue from the sale of the competitive food;

12 (c) "Habitual violations," which means five (5) or more violations within a six (6)
13 month period, shall result in a six (6) month ban on competitive food sales for
14 the violating school; and

15 (d) Revenue collected as a result of the fines in this subsection shall be transferred
16 to the food service fund of the local school district.

17 ➔Section 11. KRS 160.107 is amended to read as follows:

18 (1) A district which is an applicant to be designated as a district of innovation under
19 KRS 156.108 shall:

20 (a) Establish goals and performance targets for the district of innovation proposal,
21 which may include:

22 1. Reducing achievement gaps among groups of public school students by
23 expanding learning experiences for students who are identified as
24 academically low-achieving;

25 2. Increasing pupil learning through the implementation of high, rigorous
26 standards for pupil performance;

27 3. Increasing the participation of students in various curriculum

- 1 components and instructional components within selected schools to
2 enhance students' preparation at each grade level;
- 3 4. Increasing the number of students who are college and career-ready; and
4 5. Motivating students at different grade levels by offering more
5 curriculum choices and student learning opportunities to parents and
6 students within the district;
- 7 (b) Identify changes needed in the district and schools to lead to better-prepared
8 students for success in life and work;
- 9 (c) Have a district-wide plan of innovation that describes and justifies which
10 schools and innovative practices will be incorporated;
- 11 (d) Provide documentation of community, educator, parental, and the local
12 board's support of the proposed innovations;
- 13 (e) Provide detailed information regarding the rationale of requests for waivers
14 from Kentucky Revised Statutes and administrative regulations, and
15 exemptions for selected schools regarding waivers of local board of education
16 policies;
- 17 (f) Document the fiscal and human resources the board will provide throughout
18 the term of the implementation of the innovations within its plan; and
- 19 (g) Provide other materials as required by the Kentucky Department of Education
20 in compliance with the state board's administrative regulations and application
21 procedures.
- 22 (2) The district and all schools participating in a district's innovation plan shall:
- 23 (a) Ensure the same health, safety, civil rights, and disability rights requirements
24 as are applied to all public schools;
- 25 (b) Ensure students meet compulsory attendance requirements under KRS
26 158.030 and 158.100;
- 27 (c) Ensure that high school course offerings meet or exceed the minimum

- 1 required under KRS 156.160 for high school graduation or meet early
2 graduation requirements that may be enacted by the General Assembly;
- 3 (d) Ensure the student performance standards meet or exceed those adopted by the
4 Kentucky Board of Education~~[as required by KRS 158.685]~~, including
5 compliance with the statewide assessment system specified in KRS 158.6453;
- 6 (e) Adhere to the same financial audits, audit procedures, and audit requirements
7 as are applied under KRS 156.265;
- 8 (f) Require state and criminal background checks for staff and volunteers as
9 required of all public school employees and volunteers within the public
10 schools and specified in KRS 160.380 and 161.148;
- 11 (g) Comply with open records and open meeting requirements under KRS
12 Chapter 61;
- 13 (h) Comply with purchasing requirements and limitations under KRS Chapter
14 45A and KRS 156.074 and 156.480;
- 15 (i) Provide overall instructional time that is equivalent to or greater than that
16 required under KRS 158.070, but which may include on-site instruction,
17 distance or virtual learning, and work-based learning on nontraditional school
18 days or hours; and
- 19 (j) Provide data to the Kentucky Department of Education as deemed necessary
20 to generate school and district reports.
- 21 (3) (a) Only schools that choose to be designated as schools of innovation shall be
22 included in a district's application.
- 23 (b) 1. As used in this paragraph, "eligible employees" means employees that
24 are regularly employed at the school and those employees whose
25 primary job duties will be affected by the plan.
- 26 2. A vote shall be taken among eligible employees in a school to determine
27 if the school shall be an applicant as a school of innovation in a district's

1 proposal and to approve the school's plan of innovation before it is
2 submitted to the district. At least seventy percent (70%) of those casting
3 votes shall vote in the affirmative in order for the school to request
4 inclusion in the district's plan and to approve the school's plan of
5 innovation.

6 3. The school-based decision making council shall be responsible for
7 conducting the vote provided for in subparagraph 2. of this paragraph,
8 which shall be by secret ballot.

9 (c) Notwithstanding the provisions of paragraph (a) of this subsection, a local
10 board of education may require a school that has been identified as a
11 persistently low-achieving school under KRS 160.346 to participate in the
12 district's plan of innovation.

13 (4) (a) With approval of the state board, a school of innovation may request and be
14 granted waivers from all or selected provisions of KRS 160.345 relating to
15 school-based decision making.

16 (b) To be exempt from KRS 160.345, a school-based decision making council
17 shall vote by secret ballot to determine if it wishes to request a waiver from
18 KRS 160.345 or specific provisions within that statute. Only a school that has
19 seventy percent (70%) or more of the teachers and staff in the school voting to
20 waive its rights and responsibilities under KRS 160.345 shall be eligible.

21 (c) No local board of education or superintendent nor the Kentucky Board of
22 Education may compel a school to waive its rights under KRS 160.345, except
23 as provided in KRS 160.346.

24 (d) Before the provisions of KRS 160.345 are waived by the Kentucky Board of
25 Education for a specific school, there shall be assurances that teachers,
26 parents, and staff in the affected school will be actively involved in the
27 management and decision-making operations of the schools, including input

1 into employment matters and selection of personnel.

- 2 (5) Notwithstanding any statutes to the contrary, the Kentucky Board of Education may
3 approve the requests of districts of innovation to:
- 4 (a) Use capital outlay funds for operational costs;
 - 5 (b) Hire persons for classified positions in nontraditional school and district
6 assignments who have bachelor's and advanced degrees from postsecondary
7 education institutions accredited by a regional accrediting association as
8 defined in KRS 164.740;
 - 9 (c) Employ teachers on extended employment contracts or extra duty contracts
10 and compensate them on a salary schedule other than the single salary
11 schedule;
 - 12 (d) Extend the school days as is appropriate within the district with compensation
13 for the employees as determined locally;
 - 14 (e) Establish alternative education programs and services that are delivered in
15 nontraditional hours and which may be jointly provided in cooperation with
16 another school district or consortia of districts;
 - 17 (f) Establish a virtual school within the district for delivering alternative classes
18 to meet high school graduation requirements;
 - 19 (g) Use a flexible school calendar;
 - 20 (h) Convert existing schools into schools of innovation; and
 - 21 (i) Modify the formula under KRS 157.360(2) for distributing support education
22 excellence in Kentucky funds for students in average daily attendance in
23 nontraditional programming time, including alternative programs and virtual
24 programs. Funds granted to a district shall not exceed those that would have
25 otherwise been distributed based on average daily attendance during regular
26 instructional days.

27 ➔Section 12. KRS 164.6011 is amended to read as follows:

1 As used in KRS 164.6011 to 164.6041, unless the context indicates otherwise:

2 (1) "Applied research" means those research activities occurring at universities and in
3 private enterprises that have potential commercial application;

4 (2) "Cluster" means a geographically bound concentration of similar, related, or
5 complementary businesses with active channels for business transactions,
6 communications, and dialogue, that share specialized infrastructure, labor markets,
7 and services, and that are faced with common opportunities and threats;

8 ~~(3) "Commission" means the Kentucky Innovation Commission;~~

9 ~~(4)~~ "Commonwealth" means the Commonwealth of Kentucky;

10 ~~(4)~~~~(5)~~ "Council" means the Council on Postsecondary Education;

11 ~~(5)~~~~(6)~~ "Eligible company" means any corporation, limited liability company,
12 partnership, limited partnership, sole proprietorship, business trust, person, group,
13 or other entity engaged in nonretail commerce, agribusiness, trade, or
14 manufacturing;

15 ~~(6)~~~~(7)~~ "Immediate family members" means:

16 (a) Spouse and parents-in-law;

17 (b) Parents and grandparents;

18 (c) Children and their spouses; and

19 (d) Siblings and their spouses;

20 ~~(7)~~~~(8)~~ "Kentucky-based company" means a business with its principal place of
21 business in Kentucky or no less than fifty percent (50%) of its property and payroll
22 located in Kentucky;

23 ~~(8)~~~~(9)~~ "Knowledge-based" means driven by knowledge, innovation, and speed;

24 ~~(9)~~~~(10)~~ "Medium-size company" means a business with fifty-one (51) to one hundred
25 fifty (150) employees;

26 ~~(10)~~~~(11)~~ "Qualified company" means an eligible company that may be granted a
27 funding voucher or award pending certification;

1 ~~(11)~~~~(12)~~ "Science and technology organization" means an independent, nonprofit or
2 quasi-governmental organization, with a statewide mission, that has a demonstrated
3 history of managing complicated programs in the areas of entrepreneurial
4 innovation, science, and technology advancement;

5 ~~(12)~~~~(13)~~ "Seed funding" means financing that is provided for early-stage development,
6 refinement, and commercialization of a product, process, or innovation through
7 continuing applied research, advancing the patent process, determining commercial
8 and market potential, or moving research toward development of a prototype; and

9 ~~(13)~~~~(14)~~ "Small company" means a firm with fifty (50) or fewer employees.

10 ➔Section 13. KRS 164.6017 is amended to read as follows:

11 (1) The Council on Postsecondary Education shall have all the powers and authority,
12 not explicitly prohibited by statute, necessary and convenient to carry out and
13 effectuate the purposes of KRS 164.6019 to 164.6041, including but not limited to:

14 (a) Entering into contracts or agreements necessary or incidental to the
15 performance of its duties, functions, and responsibilities; and

16 (b) Soliciting, borrowing, accepting, receiving, and expending funds from any
17 public or private source, including but not limited to general fund
18 appropriations of the Commonwealth, grants, or contributions of money,
19 property, labor, or other things of value to be used to carry out the programs'
20 operations, functions, and responsibilities; and

21 (c) Notwithstanding the provisions in paragraph (a) of this subsection, the
22 commissioner of the Department of Commercialization and Innovation shall
23 approve the contracts issued by the Council on Postsecondary Education
24 regarding the structure of programs and funding levels in those programs
25 administered by a science and technology organization and created in KRS
26 154.12-320, 164.6021, 164.6029, and 164.6037.

27 (2) The council may expend money in the funds created in KRS 164.6019, 164.6027,

1 and 164.6035 for reasonable administrative expenses directly incurred in carrying
2 out the requirements of KRS 164.6019 to 164.6041. It is the intent of the General
3 Assembly that the funds created in KRS 164.6019, 164.6027, and 164.6035 be used,
4 to the fullest extent possible, to directly fund project costs. It is also the intent of the
5 General Assembly that the first priority of expenditures of any excess revenues
6 generated from the funds created in KRS 164.6019, 164.6027, and 164.6035 is to
7 replenish general fund appropriations for those same purposes.

8 (3) The council shall contract with a science and technology organization to administer
9 the programs created in KRS 164.6021, 164.6029, and 164.6037. The council shall
10 approve the application criteria, the process for submission of an application, and
11 the structure and type of outside expertise or peer review used in the application
12 review process in the programs created in KRS 164.6021, 164.6029, and 164.6037.

13 (4) No member of the council or the science and technology organization or other
14 administering entity, or their employees or outside experts or their immediate family
15 members, shall directly or indirectly financially benefit in any award, contract, or
16 agreement under the programs.

17 (5) The council shall submit an annual report prior to October 15 to ~~the Kentucky~~
18 ~~Innovation Commission,~~ the Governor~~,~~ and the General Assembly detailing its
19 work related to the programs created in KRS 164.6021, 164.6029, and 164.6037.
20 The annual report shall be coordinated with the monitoring report by the
21 Department of Commercialization and Innovation indicating progress made through
22 investments, and shall include but not be limited to reporting on the progress made
23 in achieving each program's purposes, qualitative and quantitative information
24 concerning the applications received, projects approved and undertaken, companies
25 served, and funding amounts invested in each project or program, as appropriate,
26 and findings and recommendations to increase each program's effectiveness in
27 achieving its purposes.

1 (6) All records related to the administration of the programs created in KRS 164.6021,
2 164.6029, and 164.6037 shall be deemed property of the council and shall be
3 deemed open records and subject to public inspection under KRS 61.870 to 61.884.
4 Any research that involves or is a patent, trade secret, or other legally protectable
5 interest shall be exempt from inspection until such time as the intellectual property
6 rights have been fully protected.

7 ➔Section 14. KRS 171.810 is amended to read as follows:

8 As used in KRS 171.810 to 171.814:

9 (1) "Commission" means the Kentucky African-American Heritage Commission.

10 ~~(2) "Council" means the Underground Railroad Advisory Council established in KRS~~
11 ~~171.814.~~

12 ~~(3)~~ "Underground Railroad" means the escape of African-American slaves from or
13 through Kentucky.

14 ➔Section 15. KRS 171.812 is amended to read as follows:

15 The commission shall coordinate Kentucky's Underground Railroad initiative in
16 accordance with KRS 171.805. The commission's duties as they relate to this initiative
17 shall include but not be limited to the following:

18 (1) Undertake a comprehensive statewide inventory of historic sites related to the
19 Underground Railroad, and implement a master plan for site protection and
20 development;

21 (2) Encourage and assist the state preservation officer within the Kentucky Heritage
22 Council to nominate significant historical sites of the Kentucky Underground
23 Railroad to the national and state registers of historic places;

24 (3) Develop and operate, in conjunction with the Tourism, Arts and Heritage Cabinet, a
25 program of public information, education, and promotion of the history of the
26 Underground Railroad in Kentucky, to include but not be limited to implementing
27 and maintaining a Web site connected to the Tourism, Arts and Heritage Cabinet;

- 1 (4) Coordinate with local, state, and federal authorities in project planning that may
- 2 affect Underground Railroad sites in Kentucky and neighboring states;
- 3 (5) ~~{Consider the council's recommendations and, contingent on review by the council,~~
- 4 ~~{Present to the secretary of the Tourism, Arts and Heritage Cabinet an annual report~~
- 5 ~~and plan for future action; and~~
- 6 (6) Pursue public and private funds to carry out the duties set forth in this section.

7 ➔Section 16. KRS 171.816 is amended to read as follows:

8 The Tourism, Arts and Heritage Cabinet shall be charged with the purpose of protecting,
9 preserving, and promoting the history of the Underground Railroad in Kentucky in
10 accordance with KRS 171.805 and 171.810 to 171.812~~[171.814]~~. The secretary of the
11 Tourism, Arts and Heritage Cabinet shall receive an annual report from the Kentucky
12 African-American Heritage Commission in accordance with KRS 171.812(5), and shall
13 review and submit the annual report to the Governor and the Legislative Research
14 Commission for distribution to the appropriate committees.

15 ➔Section 17. KRS 194A.050 is amended to read as follows:

16 (1) The secretary shall formulate, promote, establish, and execute policies, plans, and
17 programs and shall adopt, administer, and enforce throughout the Commonwealth
18 all applicable state laws and all administrative regulations necessary under
19 applicable state laws to protect, develop, and maintain the health, personal dignity,
20 integrity, and sufficiency of the individual citizens of the Commonwealth and
21 necessary to operate the programs and fulfill the responsibilities vested in the
22 cabinet. The secretary shall promulgate, administer, and enforce those
23 administrative regulations necessary to implement programs mandated by federal
24 law, or to qualify for the receipt of federal funds and necessary to cooperate with
25 other state and federal agencies for the proper administration of the cabinet and its
26 programs.

27 (2) The secretary may utilize the Public Health Services Advisory Council to review

1 and make recommendations on contemplated administrative regulations relating to
2 initiatives of the Department for Public Health. No administrative regulations issued
3 under the authority of the cabinet shall be filed with the Legislative Research
4 Commission unless they are issued under the authority of the secretary, and the
5 secretary shall not delegate that authority.

6 ~~(3) [The secretary may utilize the Council for Families and Children to review and make~~
7 ~~recommendations on contemplated administrative regulations relating to initiatives~~
8 ~~of the Department for Community Based Services. No administrative regulations~~
9 ~~issued under the authority of the cabinet shall be filed with the Legislative Research~~
10 ~~Commission unless issued under the authority of the secretary, and the secretary~~
11 ~~shall not delegate this authority.~~

12 ~~(4) [~~ Except as otherwise provided by law, the secretary shall have authority to establish
13 by administrative regulation a schedule of reasonable fees, none of which shall
14 exceed one hundred dollars (\$100), to cover the costs of annual inspections of
15 efforts regarding compliance with program standards administered by the cabinet.
16 All fees collected for inspections shall be deposited in the State Treasury and
17 credited to a revolving fund account to be used for administration of those programs
18 of the cabinet. The balance of the account shall lapse to the general fund at the end
19 of each biennium. Fees shall not be charged for investigation of complaints.

20 ➔Section 18. KRS 194A.090 is amended to read as follows:

21 (1) The cabinet shall include citizen advisory bodies within its structure to provide
22 independent advice from the general public.

23 (2) A Public Health Services Advisory Council is created within the cabinet.

24 (a) The council may advise the secretary for health and family services, the
25 commissioner for public health, and officials of the Commonwealth on policy
26 matters concerning the delivery of health services, including the assessment of
27 needs, the development of program alternatives, the determination of

1 priorities, the formulation of policy, the allocation of resources, and the
2 evaluation of programs. The council shall be utilized by the cabinet to fulfill
3 federal requirements for citizen's advisory councils associated with programs
4 designed to provide health services and to advise the cabinet on the
5 development and content of the state health plan.

- 6 (b) The council shall be composed of no more than nineteen (19) citizen members
7 appointed by the Governor. Six (6) members of the council shall be chosen to
8 broadly represent public interest groups concerned with health services,
9 recipients of health services provided by the Commonwealth, minority groups,
10 and the general public. Thirteen (13) members of the council shall represent
11 providers of health care and not less than one-half (1/2) of the providers shall
12 be direct providers of health care. At least one (1) of the direct providers of
13 health care shall be a person engaged in the administration of a hospital, and
14 one (1) shall be a physician in active practice. At least one (1) member shall
15 be a registered sanitarian or sanitary engineer, one (1) a public health nurse,
16 one (1) a member of the current minority advisory council, and one (1) a
17 practicing public health physician. Nominations for health care provider
18 members of the council shall be solicited from recognized health care provider
19 organizations. Membership of the council shall be geographically distributed
20 in order that area development districts are represented. Members shall serve
21 for terms of three (3) years. If a vacancy occurs, the person appointed as a
22 replacement shall serve only for the remainder of the vacated term. Members
23 shall serve until the term begins for their appointed successors. No member
24 shall serve more than two (2) consecutive terms. The chair of the council shall
25 be appointed by the Governor. The secretary for health and family services
26 and the commissioner for public health shall be nonvoting, ex officio
27 members of the council, and the commissioner for public health shall be a

1 staff director for, and secretary to, the council. The council shall meet at least
2 quarterly and on other occasions as may be necessary on the call of the
3 secretary for health and family services or the commissioner for public health.

4 A majority of the appointed members shall constitute a quorum.

5 (3) An Institute for Aging is created within the cabinet.

6 (a) The institute shall advise the secretary for health and family services and other
7 officials of the Commonwealth on policy matters relating to the development
8 and delivery of services to the aged.

9 (b) The institute shall be composed of no more than fifteen (15) citizen members
10 appointed by the Governor. Members of the institute shall be chosen to
11 broadly represent public interest groups concerned with the needs of the aged,
12 professionals involved in the delivery of services to the aged, minority groups,
13 recipients of state-provided services to the aged, and the general public. The
14 Governor shall appoint a chair of the institute. The secretary for health and
15 family services shall be a nonvoting, ex officio member of, staff director for,
16 and secretary to the institute. The institute shall meet at least quarterly and on
17 other occasions as may be necessary, on the call of the secretary for health and
18 family services. A majority of the appointed members shall constitute a
19 quorum.

20 ~~[(4) A Council for Families and Children is created within the cabinet.~~

21 ~~(a) The council may advise the secretary for health and family services, the~~
22 ~~commissioner for community based services, and other officials of the~~
23 ~~Commonwealth on policy matters relating to the human service needs.~~

24 ~~(b) The council shall be composed of no more than twenty-one (21) citizen~~
25 ~~members appointed by the Governor. Members of the council shall be chosen~~
26 ~~to broadly represent public interest groups concerned with social insurance~~
27 ~~and social service programs operated by the Commonwealth, professionals~~

1 involved in the delivery of human services, minority groups, the poor, the
2 disadvantaged, recipients of human services provided by the state, and the
3 general public. The Governor shall appoint the chair of the council. The
4 secretary for health and family services and the commissioner for community
5 based services shall be nonvoting, ex officio members of the council, and the
6 commissioner for community based services shall be staff director for, and
7 secretary to, the council. The council shall meet at least quarterly and on other
8 occasions as may be necessary, on call of the secretary for health and family
9 services. A majority of appointed members shall constitute a quorum.

10 (c) ~~When the Council for Families and Children is assigned a responsibility for~~
11 ~~qualifying the Commonwealth for federal programs with representations and~~
12 ~~membership formulas that conflict with the council's membership, the~~
13 ~~secretary may create special subcommittees to this citizens' body that meet~~
14 ~~federal requirements.]~~

15 ➔Section 19. KRS 194A.190 is amended to read as follows:

16 The Public Health Services Advisory Council~~], the Council for Families and Children,~~
17 the Advisory Council for Medical Assistance, and the Institute for Aging shall be
18 empowered to accept gifts and grants, but all of these moneys shall be administered by
19 the cabinet, which shall administer these funds through appropriate trust and agency
20 accounts.

21 ➔Section 20. KRS 194A.200 is amended to read as follows:

22 The members of~~], the Council for Families and Children,~~ the Public Health Services
23 Advisory Council~~],~~ and the Institute for Aging shall receive no compensation for their
24 services, but shall be allowed the necessary expenses incurred through the performance of
25 their duties as members of this citizens' council. No member of a citizens' council shall be
26 held to be a public officer by reason of membership on a council.

27 ➔Section 21. KRS 216.900 is amended to read as follows:

1 As used in KRS 216.900 to 216.930, unless the context otherwise requires:

2 ~~(1) "Board" means the Kentucky Board of Family Health Care Providers;~~

3 ~~(2)~~ "Linkage" means a formal written agreement initiated by a network, between the
4 network and any agency providing emergency, hospital, home health, hospice, long-
5 term care, mental health, substance abuse, aging, social, and educational services, as
6 well as specialized health care services.

7 ~~[(3) "Midlevel health care practitioner" means a person qualified to provide health care
8 services as enumerated by the board.]~~

9 (2)~~[(4)]~~ "Network" means a health care delivery network system which is an integrated
10 system of health care services, including, but not limited to, the direct delivery of
11 basic health services, such as patient histories and physicals, preventive health care,
12 treatment of acute episodes of illness and chronic illness, immunizations,
13 laboratory, X-ray, dental, and pharmacy services. Networks shall be formally linked
14 to emergency, hospital, home health, hospice, long-term care, mental health,
15 substance abuse, aging, social, and educational services as well as specialized
16 services such as oncology, neurology, and surgery. The primary facility of a network
17 shall be a clinic or physician's office only.

18 ~~[(5) "Medical chart auditor" means a person with at least two (2) years of experience
19 with quality assurance review and with knowledge of the board approved protocols
20 and the individual patient's treatment plan contained in the medical record.]~~

21 ➔Section 22. KRS 216.910 is amended to read as follows:

22 (1) Any licensed network shall be permitted to establish one (1) extension site per full-
23 time physician on the staff of the network. Extension sites shall not be required to
24 have a separate license but shall conform to administrative regulations promulgated
25 by the Cabinet for Health and Family Services and shall be inspected on a regular
26 basis.

27 (2) Each network shall establish protocols for the treatment of the twenty (20) most

1 common patient problems. At a minimum, the protocols shall identify for each
2 problem a working definition, patient symptoms, diagnostic techniques, acceptable
3 values for laboratory findings, conditions under which a physician shall be
4 consulted, and treatment methods.~~[- These protocols shall be approved by the board.~~
5 ~~The protocols shall be listed in a handbook provided to each midlevel health care~~
6 ~~practitioner and shall be available to patients upon request.]~~

7 (3) Each network shall have a system of patient and family medical records which
8 employs the problem-oriented medical record format.

9 (4) A network shall employ a primary-care physician who has admitting privileges at a
10 local hospital. The network shall hire ancillary personnel as necessary to provide the
11 basic services of the network.~~[- The network may hire midlevel health care~~
12 ~~practitioners to assist the physician but there shall be one (1) physician on staff for~~
13 ~~each midlevel health care practitioner.~~

14 ~~(5) A physician shall see each patient for whom services are provided by a midlevel~~
15 ~~health care practitioner not less than twice a year. A medical chart auditor shall~~
16 ~~review the medical record entries for each patient encounter on the day of the~~
17 ~~encounter and will refer to the physician immediately any deviation from protocol.~~

18 ~~(6) Each network shall develop a quality assurance program which shall be approved by~~
19 ~~the board. At a minimum, the quality assurance program shall address:~~

20 ~~(a) Program goals and objectives;~~

21 ~~(b) Program organization, including identification of responsible parties, the nature of~~
22 ~~their responsibilities, and the persons to whom they report; and~~

23 ~~(c) Identification of the patient care process.]~~

24 (5)~~[(7)]~~ Each network shall establish a process by which it regularly evaluates the
25 health-care needs of its community and the services it provides in response to those
26 needs.

27 (6)~~[(8)]~~ Each network shall provide ~~[the following educational opportunities:~~

1 ~~(a)~~ ninety (90) minutes each week of continuing education to its health-care
2 providers on topics relating to patient care needs~~;~~ and

3 ~~(b)~~ One and one half (1.5) days leave and fifty percent (50%) of expenses up to
4 three hundred dollars (\$300) per year to its midlevel health-care practitioners
5 for approved continuing education outside of the network~~].~~

6 ~~(7)~~~~(9)~~ Each network shall either provide directly for twenty-four (24) hour, seven (7)
7 day per week access to care for its patients or have formal written agreements with
8 local providers to insure twenty-four (24) hour, seven (7) day per week access to
9 care for its patients.~~]~~

10 ~~(10)~~ No network may charge or collect more money for the services of any midlevel
11 health-care practitioner than is allowable under Medicaid for other nonphysician
12 practitioners.~~]~~

13 ➔Section 23. KRS 315.040 is amended to read as follows:

14 (1) Nothing in this chapter shall be construed to prevent, restrict, or otherwise interfere
15 with the sale of nonprescription drugs in their original packages by any retailer. No
16 rule or regulation shall be adopted by the Board of Pharmacy under this chapter
17 which shall require the sale of nonprescription drugs by a licensed pharmacist or
18 under the supervision of a licensed pharmacist.

19 (2) Nothing in this chapter shall interfere with the professional activities of any licensed
20 practicing physician, or prevent the physician from keeping any drug or medicine
21 that he or she may need in his or her practice, from compounding the physician's
22 own medications, or from dispensing or supplying to patients any article that seems
23 proper to the physician.

24 ~~(3)~~ ~~[Nothing in this chapter shall be construed to interfere with the activities of a~~
25 ~~midlevel health-care practitioner as provided in KRS 216.925.~~

26 ~~(4)~~ Nothing in this chapter pertaining to the use of collaborative care agreements shall
27 apply in any hospital or other health facility operated by a hospital without the

1 express written permission of the hospital's governing body. Collaborative care
2 agreements may be restricted by the policies and procedures of the facility.

3 ~~(4)~~~~(5)~~ Nothing in this chapter shall interfere with the activities of a physician
4 assistant as authorized in KRS Chapter 311.

5 ~~(5)~~~~(6)~~ Nothing in this chapter shall interfere with the activities of an advanced
6 practice registered nurse as authorized in KRS Chapter 314.

7 ➔Section 24. KRS 336.015 is amended to read as follows:

8 (1) The secretary of the Labor Cabinet shall have the duties, responsibilities, power,
9 and authority relating to labor, wages and hours, occupational safety and health of
10 employees, child labor, apprenticeship, workers' compensation, and all other matters
11 previously under the jurisdiction of the Department of Labor.

12 (2) The Labor Cabinet shall consist of the Office of the Secretary, the Department of
13 Workers' Claims, and the Department of Workplace Standards.

14 (3) The following agencies are attached to the cabinet for administrative purposes only:

15 (a) ~~Kentucky Labor Management Advisory Council;~~

16 ~~(b)~~ Kentucky Occupational Safety and Health Review Commission;

17 ~~(b)~~~~(e)~~ State Labor Relations Board;

18 ~~(c)~~~~(d)~~ Workers' Compensation Funding Commission;

19 ~~(d)~~~~(e)~~ Occupational Safety and Health Standards Board;

20 ~~(e)~~~~(f)~~ Prevailing Wage Review Board;

21 ~~(f)~~~~(g)~~ Apprenticeship and Training Council;

22 ~~(g)~~~~(h)~~ Employers' Mutual Insurance Authority;

23 ~~(h)~~~~(i)~~ Office of General Administration and Program Support for Shared
24 Services, which shall be headed by an executive director appointed by the
25 Governor in accordance with KRS 12.040 upon recommendation from the
26 secretaries of the Energy and Environment Cabinet, the Labor Cabinet, and
27 the Public Protection Cabinet. The office is composed of the following

1 divisions:

2 1. Division of Human Resource Management;

3 2. Division of Fiscal Management;

4 3. Division of Budgets; and

5 4. Division of Information Services; and

6 ~~(i)(j)~~ Office of Inspector General for Shared Services, which shall be headed
7 by an executive director appointed by the Governor in accordance with KRS
8 12.040 upon recommendation from the secretaries of the Energy and
9 Environment Cabinet, the Labor Cabinet, and the Public Protection Cabinet.

10 ➔Section 25. KRS 336.020 is amended to read as follows:

11 (1) The Department of Workplace Standards shall be headed by a commissioner
12 appointed by the Governor in accordance with KRS 12.040 and shall be divided for
13 administrative purposes into the Division of Employment Standards,
14 Apprenticeship and Mediation, the Division of Occupational Safety and Health
15 Compliance, the Division of Occupational Safety and Health Education and
16 Training, and the Division of Workers' Compensation Funds. Each of these
17 divisions shall be headed by a director appointed by the secretary and approved by
18 the Governor in accordance with KRS 12.050.

19 (2) The Department of Workers' Claims shall be headed by a commissioner who is
20 nominated by the Workers' Compensation Nominating Commission, appointed by
21 the Governor, and confirmed by the Senate in accordance with KRS 342.213 and
22 342.228. The department shall be divided for administrative purposes into the
23 Office of Administrative Law Judges, the Office of General Counsel for Workers'
24 Claims, the Division of Claims Processing, the Division of Information and
25 Research, the Division of Security and Compliance, and the Division of
26 Ombudsman and Workers' Compensation Specialist Services. The Office of
27 Administrative Law Judges shall be headed by a chief administrative law judge

1 appointed in accordance with KRS 342.230. Each division in the department shall
2 be headed by a director appointed by the commissioner and approved by the
3 Governor in accordance with KRS 12.050 and 342.230. The following agencies are
4 attached to the Department of Workers' Claims for administrative purposes only:

5 (a) Workers' Compensation Board; and

6 (b) ~~Workers' Compensation Advisory Council; and~~

7 ~~{(c)}~~ Workers' Compensation Nominating Commission.

8 (3) The Office of General Counsel for the Labor Cabinet and the Division of
9 Management Services are attached to the Office of the Secretary of the Labor
10 Cabinet.

11 ➔Section 26. KRS 342.382 is amended to read as follows:

12 (1) Any insurer authorized to write a policy of workers' compensation insurance shall
13 transmit the following information on its workers' compensation experience only to
14 the Department of Workers' Claims ~~and the Workers' Compensation Advisory~~
15 ~~Council~~ each year, and that information shall be certified and reported on a net
16 basis with respect to reinsurance for nationwide experience and direct basis with
17 respect to Kentucky experience:

18 (a) Direct premiums written;

19 (b) Direct premiums earned;

20 (c) Dividends paid or credited to policyholders;

21 (d) Losses paid;

22 (e) Allocated loss adjustment expenses;

23 (f) The ratio of allocated loss adjustment expenses to losses paid;

24 (g) Unallocated loss adjustment expenses;

25 (h) The ratio of unallocated loss adjustment expenses to losses paid;

26 (i) The total of losses paid and unallocated and allocated loss adjustment
27 expenses;

- 1 (j) The ratio of losses paid and unallocated and allocated loss adjustment
2 expenses to premiums earned;
- 3 (k) The number of claims outstanding as of December 31 of each year;
- 4 (l) The total amount of losses unpaid as of December 31 of each year;
- 5 (m) The total amount of allocated and unallocated loss adjustment expenses
6 unpaid as of December 31 of each year;
- 7 (n) The total of losses paid and allocated loss adjustment expenses and
8 unallocated loss adjustment expenses, plus the total of losses unpaid as of
9 December 31 of each year and loss adjustment expenses unpaid as of
10 December 31 of each year; and
- 11 (o) Net investment gain or loss.
- 12 (2) The first report of the information required in subsection (1) of this section shall
13 include the information for the year ending December 31, 1987. Such report shall be
14 filed no later than August 1, 1988. Beginning with the report for the period ending
15 December 31, 1989, all future reports shall have all information required by
16 subsection (1) of this section broken down by year for the current and two (2)
17 preceding years.
- 18 ➔Section 27. KRS 164.2847 is amended to read as follows:
- 19 (1) Tuition and mandatory student fees for any undergraduate program of any Kentucky
20 public postsecondary institution, including all four (4) year universities and colleges
21 and institutions of the Kentucky Community and Technical College System, shall
22 be waived for a Kentucky foster or adopted child who is a full-time or part-time
23 student if the student meets all entrance requirements and maintains academic
24 eligibility while enrolled at the postsecondary institution, and if:
- 25 (a) The student's family receives state-funded adoption assistance under KRS
26 199.555;
- 27 (b) The student is currently committed to the Cabinet for Health and Family

- 1 Services under KRS 610.010(5) and placed in a family foster home or is
2 placed in accordance with KRS 605.090(3);
- 3 (c) The student is in an independent living program and the placement is funded
4 by the Cabinet for Health and Family Services;
- 5 (d) The student who is an adopted child was in the permanent legal custody of
6 and placed for adoption by the Cabinet for Health and Family Services. A
7 student who meets the eligibility criteria of this paragraph and lives outside of
8 Kentucky at the time of application to a Kentucky postsecondary institution
9 may apply for the waiver up to the amount of tuition for a Kentucky resident;
10 or
- 11 (e) The Cabinet for Health and Family Services was the student's legal custodian
12 on his or her eighteenth birthday.
- 13 (2) Tuition and mandatory student fees for any undergraduate program of any Kentucky
14 public postsecondary institution, including all four (4) year universities and colleges
15 and institutions of the Kentucky Community and Technical College System, shall
16 be waived for a Department of Juvenile Justice foster child who is a full-time or
17 part-time student if the student meets all entrance requirements and maintains
18 academic eligibility while enrolled at the postsecondary institution and obtains a
19 recommendation for participation from an official from the Department of Juvenile
20 Justice, and if:
- 21 (a) The student has not been sentenced to the Department of Juvenile Justice
22 under KRS Chapter 640;
- 23 (b) The student has been committed to the Department of Juvenile Justice for a
24 period of at least twelve (12) months;
- 25 (c) The student is in an independent living program and placement is funded by
26 the Department of Juvenile Justice;
- 27 (d) The parental rights of the student's biological parents have been terminated; or

- 1 (e) The student was committed to the Cabinet for Health and Family Services
2 prior to a commitment to the Department of Juvenile Justice.
- 3 (3) Upon request of the postsecondary institution, the Cabinet for Health and Family
4 Services shall confirm the eligibility status under subsection (1) of this section and
5 the Department of Juvenile Justice shall confirm the eligibility status and
6 recommendations under subsection (2) of this section of the student seeking to
7 participate in the waiver program. Release of this information shall not constitute a
8 breach of confidentiality required by KRS 199.570, 610.320, or 620.050.
- 9 (4) The student shall complete the Free Application for Federal Student Aid to
10 determine the level of need and eligibility for state and federal financial aid
11 programs. If the sum of the tuition waiver plus other student financial assistance,
12 except loans and the work study program under 42 U.S.C. secs. 2751-2756b, from
13 all sources exceeds the student's total cost of attendance, as defined in 20 U.S.C.
14 sec. 1087ll, the tuition waiver shall be reduced by the amount exceeding the total
15 cost of attendance.
- 16 (5) The student shall be eligible for the tuition waiver:
- 17 (a) For entrance to the institution for a period of no more than four (4) years after
18 the date of graduation from high school; and
- 19 (b) For a period of five (5) years after first admittance to any Kentucky institution
20 if satisfactory progress is achieved or maintained, except when extended in
21 accordance with subsection (6) of this section.
- 22 (6) The expiration of a student's five (5) year eligibility under subsection (5)(b) of this
23 section shall be extended upon a determination by the institution that the student
24 was unable to enroll for or complete an academic term due to serving:
- 25 (a) On active duty status in the United States Armed Forces;
- 26 (b) As an officer in the Commissioned Corps of the United States Public Health
27 Service; or

1 (c) On active service in the Peace Corps Act or the Americorps.

2 The original expiration date shall be extended by the total number of years during
3 which the student was on active duty status. The number of months served on active
4 duty status shall be rounded up to the next higher year to determine the maximum
5 length of eligibility extension allowed.

6 (7) ~~{The Cabinet for Health and Family Services shall report the number of students~~
7 ~~participating in the tuition waiver program under subsection (1) of this section and~~
8 ~~the Department of Juvenile Justice shall report the number of students participating~~
9 ~~in the tuition waiver program under subsection (2) of this section on October 1 each~~
10 ~~year to the Council on Postsecondary Education and the Legislative Research~~
11 ~~Commission.~~

12 ~~(8)—~~{The Council on Postsecondary Education shall report nonidentifying data on
13 graduation rates of students participating in the tuition waiver program by
14 November 30 each year to the Legislative Research Commission.

15 (8)~~{(9)}~~ Nothing in this section shall be construed to:

- 16 (a) Guarantee acceptance of or entrance into any postsecondary institution for a
17 foster or adopted child;
- 18 (b) Limit the participation of a foster or adopted student in any other program of
19 financial assistance for postsecondary education;
- 20 (c) Require any postsecondary institution to waive costs or fees relating to room
21 and board; or
- 22 (d) Restrict any postsecondary institution, the Department of Juvenile Justice, or
23 the Cabinet for Health and Family Services from accessing other sources of
24 financial assistance, except loans, that may be available to a foster or adopted
25 student.

26 ➔Section 28. KRS 194A.030 is amended to read as follows:

27 The cabinet consists of the following major organizational units, which are hereby

1 created:

2 (1) Office of the Secretary. Within the Office of the Secretary, there shall be an Office
3 of Communications and Administrative Review, an Office of Legal Services, an
4 Office of Inspector General, an Office of the Ombudsman, and the Governor's
5 Office of Electronic Health Information.

6 (a) The Office of Communications and Administrative Review shall include
7 oversight of administrative hearings and communications with internal and
8 external audiences of the cabinet. The Office of Communications and
9 Administrative Review shall be headed by an executive director who shall be
10 appointed by the secretary with the approval of the Governor under KRS
11 12.050.

12 (b) The Office of Legal Services shall provide legal advice and assistance to all
13 units of the cabinet in any legal action in which it may be involved. The Office
14 of Legal Services shall employ all attorneys of the cabinet who serve the
15 cabinet in the capacity of attorney, giving legal advice and opinions
16 concerning the operation of all programs in the cabinet. The Office of Legal
17 Services shall be headed by a general counsel who shall be appointed by the
18 secretary with the approval of the Governor under KRS 12.050 and 12.210.
19 The general counsel shall be the chief legal advisor to the secretary and shall
20 be directly responsible to the secretary. The Attorney General, on the request
21 of the secretary, may designate the general counsel as an assistant attorney
22 general under the provisions of KRS 15.105.

23 (c) The Office of Inspector General shall be responsible for:

24 1. The conduct of audits and investigations for detecting the perpetration of
25 fraud or abuse of any program by any client, or by any vendor of
26 services with whom the cabinet has contracted; and the conduct of
27 special investigations requested by the secretary, commissioners, or

1 office heads of the cabinet into matters related to the cabinet or its
2 programs;

- 3 2. Licensing and regulatory functions as the secretary may delegate;
- 4 3. Review of health facilities participating in transplant programs, as
5 determined by the secretary, for the purpose of determining any
6 violations of KRS 311.1911 to 311.1959, 311.1961, and 311.1963; and
- 7 4. The notification and forwarding of any information relevant to possible
8 criminal violations to the appropriate prosecuting authority.

9 The Office of Inspector General shall be headed by an inspector general who
10 shall be appointed by the secretary with the approval of the Governor. The
11 inspector general shall be directly responsible to the secretary.

12 (d) The Office of the Ombudsman shall provide professional support in the
13 evaluation of programs, including but not limited to quality improvement and
14 information analysis and reporting, contract monitoring, program monitoring,
15 and the development of quality service delivery, and a review and resolution
16 of citizen complaints about programs or services of the cabinet when those
17 complaints are unable to be resolved through normal administrative remedies.
18 The Office of the Ombudsman shall place an emphasis on research and best
19 practice and program accountability and shall monitor federal compliance.
20 The Office of the Ombudsman shall be headed by an executive director who
21 shall be appointed by the secretary with the approval of the Governor in
22 accordance with KRS 12.050.

23 (e) The Governor's Office of Electronic Health Information shall provide
24 leadership in the redesign of the health care delivery system using electronic
25 information technology as a means to improve patient care and reduce medical
26 errors and duplicative services. The Governor's Office of Electronic Health
27 Information shall be headed by an executive director who shall be appointed

1 by the secretary with the approval of the Governor in accordance with KRS
2 12.050;

3 (2) Department for Medicaid Services. The Department for Medicaid Services shall
4 serve as the single state agency in the Commonwealth to administer Title XIX of the
5 Federal Social Security Act. The Department for Medicaid Services shall be headed
6 by a commissioner for Medicaid services, who shall be appointed by the secretary
7 with the approval of the Governor under KRS 12.050. The commissioner for
8 Medicaid services shall be a person who by experience and training in
9 administration and management is qualified to perform the duties of this office. The
10 commissioner for Medicaid services shall exercise authority over the Department
11 for Medicaid Services under the direction of the secretary and shall only fulfill those
12 responsibilities as delegated by the secretary;

13 (3) Department for Public Health. The Department for Public Health shall develop and
14 operate all programs of the cabinet that provide health services and all programs for
15 assessing the health status of the population for the promotion of health and the
16 prevention of disease, injury, disability, and premature death. This shall include but
17 not be limited to oversight of the Division of Women's Health. The Department for
18 Public Health shall be headed by a commissioner for public health who shall be
19 appointed by the secretary with the approval of the Governor under KRS 12.050.
20 The commissioner for public health shall be a duly licensed physician who by
21 experience and training in administration and management is qualified to perform
22 the duties of this office. The commissioner shall advise the head of each major
23 organizational unit enumerated in this section on policies, plans, and programs
24 relating to all matters of public health, including any actions necessary to safeguard
25 the health of the citizens of the Commonwealth. The commissioner shall serve as
26 chief medical officer of the Commonwealth. The commissioner for public health
27 shall exercise authority over the Department for Public Health under the direction of

1 the secretary and shall only fulfill those responsibilities as delegated by the
2 secretary;

3 (4) Department for Behavioral Health, Developmental and Intellectual Disabilities. The
4 Department for Behavioral Health, Developmental and Intellectual Disabilities shall
5 develop and administer programs for the prevention of mental illness, intellectual
6 disabilities, brain injury, developmental disabilities, and substance abuse disorders
7 and shall develop and administer an array of services and support for the treatment,
8 habilitation, and rehabilitation of persons who have a mental illness or emotional
9 disability, or who have an intellectual disability, brain injury, developmental
10 disability, or a substance abuse disorder. The Department for Behavioral Health,
11 Developmental and Intellectual Disabilities shall be headed by a commissioner for
12 behavioral health, developmental and intellectual disabilities who shall be
13 appointed by the secretary with the approval of the Governor under KRS 12.050.
14 The commissioner for behavioral health, developmental and intellectual disabilities
15 shall be by training and experience in administration and management qualified to
16 perform the duties of the office. The commissioner for behavioral health,
17 developmental and intellectual disabilities shall exercise authority over the
18 department under the direction of the secretary, and shall only fulfill those
19 responsibilities as delegated by the secretary;

20 (5) Commission for Children with Special Health Care Needs. The duties,
21 responsibilities, and authority set out in KRS 200.460 to 200.490 shall be performed
22 by the commission. The commission shall advocate the rights of children with
23 disabilities and, to the extent that funds are available, shall ensure the
24 administration of ~~provide the~~ services ~~and facilities~~ for children with disabilities
25 as are deemed appropriate by the commission pursuant to Title V of the Social
26 Security Act. ~~The commission shall be composed of seven (7) members appointed~~
27 ~~by the Governor to serve a term of office of four (4) years.~~ The commission may

1 promulgate administrative regulations under KRS Chapter 13A as may be necessary
2 to implement and administer its responsibilities. The duties, responsibilities, and
3 authority of the Commission for Children with Special Health Care Needs shall be
4 performed through the office of the executive director~~[of the commission]~~. The
5 executive director shall be appointed by the secretary with the approval of the
6 Governor under KRS 12.050~~[12.040, and the commission may at any time~~
7 ~~recommend the removal of the executive director upon filing with the Governor a~~
8 ~~full written statement of its reasons for removal. The executive director shall report~~
9 ~~directly to the Commission for Children with Special Health Care Needs and serve~~
10 ~~as the commission's secretary];~~

11 (6) Office of Health Policy. The Office of Health Policy shall lead efforts to coordinate
12 health care policy, including Medicaid, behavioral health, developmental and
13 intellectual disabilities, mental health services, services for individuals with an
14 intellectual disability, public health, certificate of need, and health insurance. The
15 duties, responsibilities, and authority pertaining to the certificate of need functions
16 and the licensure appeal functions, as set out in KRS Chapter 216B, shall be
17 performed by this office. The Office of Health Policy shall be headed by an
18 executive director who shall be appointed by the secretary with the approval of the
19 Governor pursuant to KRS 12.050;

20 (7) Department for Family Resource Centers and Volunteer Services. The Department
21 for Family Resource Centers and Volunteer Services shall streamline the various
22 responsibilities associated with the human services programs for which the cabinet
23 is responsible. This shall include, but not be limited to, oversight of the Division of
24 Family Resource and Youth Services Centers and the Kentucky Commission on
25 Community Volunteerism and Services. The Department for Family Resource
26 Centers and Volunteer Services shall be headed by a commissioner who shall be
27 appointed by the secretary with the approval of the Governor under KRS 12.050.

1 The commissioner for family resource centers and volunteer services shall be by
2 training and experience in administration and management qualified to perform the
3 duties of the office, shall exercise authority over the department under the direction
4 of the secretary, and shall only fulfill those responsibilities as delegated by the
5 secretary;

6 (8) Office of Administrative and Technology Services. The Office of Administrative
7 and Technology Services shall develop and maintain technology, technology
8 infrastructure, and information management systems in support of all units of the
9 cabinet. The office shall have responsibility for properties and facilities owned,
10 maintained, or managed by the cabinet. The Office of Administrative and
11 Technology Services shall be headed by an executive director who shall be
12 appointed by the secretary with the approval of the Governor under KRS 12.050.
13 The executive director shall exercise authority over the Office of Administrative
14 and Technology Services under the direction of the secretary and shall only fulfill
15 those responsibilities as delegated by the secretary;

16 (9) Office of Human Resource Management. The Office of Human Resource
17 Management shall coordinate, oversee, and execute all personnel, training, and
18 management functions of the cabinet. The office shall focus on the oversight,
19 development, and implementation of quality personnel services; curriculum
20 development and delivery of instruction to staff; the administration, management,
21 and oversight of training operations; health, safety, and compliance training; and
22 equal employment opportunity compliance functions. The office shall be headed by
23 an executive director appointed by the secretary with the approval of the Governor
24 in accordance with KRS 12.050;

25 (10) The Office of Policy and Budget shall provide central review and oversight of
26 budget, contracts, legislation, policy, grant management, boards and commissions,
27 and administrative regulations. The office shall provide coordination, assistance,

- 1 and support to program departments and independent review and analysis on behalf
2 of the secretary. The office shall be headed by an executive director appointed by
3 the secretary with the approval of the Governor in accordance with KRS 12.050;
- 4 (11) Department for Community Based Services. The Department for Community Based
5 Services shall administer and be responsible for child and adult protection, violence
6 prevention resources, foster care and adoption, permanency, and services to enhance
7 family self-sufficiency, including child care, social services, public assistance, and
8 family support. The department shall be headed by a commissioner appointed by the
9 secretary with the approval of the Governor in accordance with KRS 12.050;
- 10 (12) Department for Income Support. The Department for Income Support shall be
11 responsible for child support enforcement and disability determination. The
12 department shall serve as the state unit as required by Title II and Title XVI of the
13 Social Security Act, and shall have responsibility for determining eligibility for
14 disability for those citizens of the Commonwealth who file applications for
15 disability with the Social Security Administration. The department shall be headed
16 by a commissioner appointed by the secretary with the approval of the Governor in
17 accordance with KRS 12.050; and
- 18 (13) Department for Aging and Independent Living. The Department for Aging and
19 Independent Living shall serve as the state unit as designated by the Administration
20 on Aging Services under the Older Americans Act and shall have responsibility for
21 administration of the federal community support services, in-home services, meals,
22 family and caregiver support services, elder rights and legal assistance, senior
23 community services employment program, the state health insurance assistance
24 program, state home and community based services including home care,
25 Alzheimer's respite services and the personal care attendant program, certifications
26 of adult day care and assisted living facilities, the state Council on Alzheimer's
27 Disease and other related disorders, the Institute on Aging, and guardianship

1 services. The department shall also administer the Long-Term Care Ombudsman
2 Program and the Medicaid Home and Community Based Waivers Consumer
3 Directed Option (CDO) Program. The department shall serve as the information and
4 assistance center for aging and disability services and administer multiple federal
5 grants and other state initiatives. The department shall be headed by a commissioner
6 appointed by the secretary with the approval of the Governor in accordance with
7 KRS 12.050.

8 ➔Section 29. KRS 194A.095 is amended to read as follows:

9 (1) There is created in the Cabinet for Health and Family Services a Division of
10 Women's Health for the purpose of:

- 11 (a) Serving as a repository for data and information affecting women's physical
12 and mental health issues;
- 13 (b) Analyzing and communicating trends in women's health issues and mental
14 health;
- 15 (c) Recommending to the Cabinet for Health and Family Services ~~and to any~~
16 ~~advisory committees created under KRS 216.2923, }~~data elements affecting
17 women's physical and mental health. The division shall advise and direct
18 which data elements should be collected, analyzed, and reported in a timely
19 manner under KRS 216.2920 to 216.2929;
- 20 (d) Cooperating and collaborating with the Cabinet for Health and Family
21 Services in receiving and disseminating through all forms of media including
22 the Internet relevant aggregate data findings under KRS 216.2920 to 216.2929
23 which affect women; and
- 24 (e) Planning, developing, and administering a Women's Health Resource Center
25 within the Cabinet for Health and Family Services to focus on targeted
26 preventive care and comprehensive health education.

27 (2) The division may accept gifts, grants, and bequests in support of its mission and

1 duties specified in subsection (1) of this section. All money received shall be
2 administered by the cabinet, which shall administer these funds through appropriate
3 trust and agency accounts.

4 ➔Section 30. KRS 194A.707 is amended to read as follows:

5 (1) The Cabinet for Health and Family Services shall establish by the promulgation of
6 administrative regulation under KRS Chapter 13A, an initial and annual
7 certification review process for assisted-living communities. This administrative
8 regulation shall establish procedures related to applying for, reviewing, and
9 approving, denying, or revoking certification, as well as the conduct of hearings
10 upon appeals as governed by KRS Chapter 13B.

11 (2) An on-site visit of an assisted-living community shall be conducted by the cabinet:

12 (a) As part of the initial certification review process;

13 (b) On a biennial basis as part of the certification review process if during or since
14 the previous certification review an assisted-living community has not
15 received:

16 1. Any statement of danger, unless withdrawn by the cabinet; or

17 2. A finding substantiated by the cabinet that the assisted-living community
18 delivered a health service; and

19 (c) Within one (1) year of the date of the previous certification review if during or
20 since the last certification review an assisted-living community has received:

21 1. Any statement of danger that was not withdrawn by the cabinet; or

22 2. A finding substantiated by the cabinet that the assisted-living community
23 delivered a health service.

24 (3) No business shall market its service as an assisted-living community unless it has:

25 (a) Filed a current application for the business to be certified by the department as
26 an assisted-living community; or

27 (b) Received certification by the department as an assisted-living community.

- 1 (4) No business that has been denied or had its certification revoked shall operate or
2 market its service as an assisted-living community unless it has:
- 3 (a) Filed a current application for the business to be certified by the department as
4 an assisted-living community; and
- 5 (b) Received certification as an assisted-living community from the department.
6 Revocation of certification may be grounds for the department to not reissue
7 certification for one (1) year if ownership remains substantially the same.
- 8 (5) No business shall operate as an assisted-living community unless its owner or
9 manager has:
- 10 (a) Filed a current application for the business to be certified as an assisted-living
11 community by the department; and
- 12 (b) Received certification as an assisted-living community from the department.
- 13 (6) By September 1 of each year, each assisted-living community certified pursuant to
14 this chapter may provide residents with educational information or education
15 opportunities on influenza disease.
- 16 (7) The department shall determine the feasibility of recognizing accreditation by other
17 organizations in lieu of certification from the department.
- 18 (8) Individuals designated by the department to conduct certification reviews shall have
19 the skills, training, experience, and ongoing education to perform certification
20 reviews.
- 21 (9) Upon receipt of an application for certification, the department shall assess an
22 assisted-living community certification fee in the amount of twenty dollars (\$20)
23 per living unit that in the aggregate for each assisted-living community is no less
24 than three hundred dollars (\$300) and no more than one thousand six hundred
25 dollars (\$1,600). The department shall submit ~~to the Legislative Research~~
26 ~~Commission, by June 30 of each year,~~ a breakdown of fees assessed and costs
27 incurred for conducting certification reviews upon request.

- 1 (10) The department shall ~~{submit to the Legislative Research Commission and }~~make
2 *findings from certification reviews conducted during the prior twelve (12) months*
3 available to any interested person~~[at no charge, by June 30 of each year, in~~
4 ~~summary format, all findings from certification reviews conducted during the prior~~
5 ~~twelve (12) months]~~.
- 6 (11) Notwithstanding any provision of law to the contrary, the department may request
7 any additional information from an assisted-living community or conduct additional
8 on-site visits to ensure compliance with the provisions of KRS 194A.700 to
9 194A.729.
- 10 (12) Failure to follow an assisted-living community's policies, practices, and procedures
11 shall not result in a finding of noncompliance unless the assisted-living community
12 is out of compliance with a related requirement under KRS 194A.700 to 194A.729.
- 13 ➔Section 31. KRS 205.201 is amended to read as follows:
- 14 The duties of the Cabinet for Health and Family Services shall be to:
- 15 (1) Promote and aid in the establishment of local programs and services for the aging;
16 (2) Conduct programs to educate the public as to problems of the aging;
17 (3) Review existing state programs and services for the aging and to make
18 recommendations to the Governor, to the appropriate department and agencies of
19 the state, and to the legislature for improvements in and additions to such programs
20 and services;
21 (4) Assist and encourage governmental and private agencies to coordinate their efforts
22 on behalf of the aging;
23 (5) Conduct and encourage other organizations to conduct studies concerning the aging;
24 (6) Establish, in selected areas and communities of the state, programs of services for
25 the aging to demonstrate the value of such programs, and to encourage local
26 agencies to continue the programs and to create new services where needed.
27 Emphasis shall be given to services designed to foster continued participation of

1 older people in family and community life and to lessen the need for institutional
2 care;

3 (7) Provide services designed to meet the needs of the minority elderly in programs
4 administered by the cabinet~~[- The cabinet shall annually prepare a report identifying~~
5 ~~the special needs of the minority elderly population in the Commonwealth as~~
6 ~~compared to the elderly population at large. The report shall be completed no later~~
7 ~~than October 1 of each year and transmitted to the Legislative Research~~
8 ~~Commission. The report shall, at a minimum:~~

- 9 ~~(a) Contain an overview of the health status of minority elderly Kentuckians;~~
10 ~~(b) Identify specific diseases and health conditions for which the minority elderly are at~~
11 ~~greater risk than the general population;~~
12 ~~(c) Identify problems experienced by the minority elderly in obtaining services from~~
13 ~~governmental agencies; and~~
14 ~~(d) Identify programs at the state and local level designed to specifically meet the needs~~
15 ~~of the minority elderly];~~

16 (8) ~~[In preparing the report required by subsection (7) of this section,]~~The cabinet shall
17 solicit and consider the input of individuals and organizations representing the
18 concerns of the minority elderly population as relates to:

- 19 (a) Programs and services needed by the minority elderly;
20 (b) The extent to which existing programs do not meet the needs of the minority
21 elderly;
22 (c) The accessibility of existing programs to the minority elderly;
23 (d) The availability and adequacy of information regarding existing services;
24 (e) Health problems the minority elderly experience at a higher rate than the
25 nonminority elderly population; and
26 (f) Financial, social, and other barriers experienced by the minority elderly in
27 obtaining services;

- 1 (9) Conduct an outreach program that provides information to minority elderly
2 Kentuckians about health and social problems experienced by minority elderly
3 persons and available programs to address those problems, as identified in the
4 report prepared pursuant to subsection (7) of this section; and
- 5 (10) Cooperate with the federal government and with the governments of other states in
6 programs relating to the aging.

7 ➔Section 32. KRS 205.455 is amended to read as follows:

8 As used in KRS 205.460 ~~and 205.465~~:

- 9 (1) "Chore services" means the performance of heavy housecleaning, minor household
10 repairs, yard tasks, and other activities needed to assist in the maintenance of a
11 functionally impaired elderly person in his own home.
- 12 (2) "Core services" means those services, including but not limited to client assessment
13 and case management services, designed to identify a functionally impaired elderly
14 person's needs, develop a plan of care, arrange for services, monitor the provision of
15 services, and reassess the person's needs on a regular basis.
- 16 (3) "Cabinet" means the Cabinet for Health and Family Services.
- 17 (4) "District" means an area development district designated pursuant to KRS
18 147A.050.
- 19 (5) "Escort services" means the accompaniment of a person who requires such
20 assistance for reasons of safety or protection to or from his physician, dentist, or
21 other necessary services.
- 22 (6) "Essential services" means those services which are most needed to prevent
23 unnecessary institutionalization of functionally impaired elderly persons. Essential
24 services shall include chore services, home-delivered meals, home-health aide
25 services, homemaker services, respite services, escort services, and home repair
26 services.
- 27 (7) "Functionally impaired elderly person" means any person, sixty (60) years of age or

1 older, with physical or mental limitations which restrict individual ability to
2 perform the normal activities of daily living and which impede individual capacity
3 to live independently, thus rendering such person at risk of entering an institution.
4 Functional impairment shall be determined through a functional assessment
5 developed by the cabinet and delivered to each applicant for essential services.

6 (8) "Home-delivered meals" means the provision of a nutritionally sound meal, that
7 meets at least one-third (1/3) of the current daily recommended dietary allowance,
8 to a functionally impaired elderly person who is homebound by reason of illness,
9 incapacity, or disability.

10 (9) "Home-health aide services" means the performance of simple procedures,
11 including but not limited to personal care, ambulation, exercises, household services
12 essential to health care at home, assistance with medications that are ordinarily self-
13 administered, reporting changes in the patient's condition and needs, and completing
14 appropriate records.

15 (10) "Homemaker services" means general household activities, including but not
16 limited to nonmedical personal care, shopping, meal preparation, and routine
17 household care, provided by a trained homemaker when the person regularly
18 responsible for these activities is temporarily absent or unable to manage the home
19 and care for himself or others in the home.

20 (11) "Home repair services" means the provision of minor home adaptations, additions,
21 or modifications to enable the elderly to live independently or safely or to facilitate
22 mobility including, where appropriate, emergency summons systems.

23 (12) "Respite services" means care provided by an approved caregiver or agency for a
24 designated time period because of absence or need for relief of a primary caregiver.

25 ➔Section 33. KRS 205.525 is amended to read as follows:

26 (1) Concurrent with submitting an application for a waiver or waiver amendment or a
27 request for a plan amendment to any federal agency that approves waivers, waiver

1 amendments, and plan amendments, the Cabinet for Health and Family Services
2 shall provide to the Interim Joint Committee on Health and Welfare and to the
3 Interim Joint Committee on Appropriations and Revenue a copy, summary, and
4 statement of benefits of the application for a waiver or waiver amendment or
5 request for a plan amendment.

6 (2) The cabinet ~~{at least quarterly}~~ shall provide an update ~~{to the Interim Joint~~
7 ~~Committee on Health and Welfare and to the Interim Joint Committee on~~
8 ~~Appropriations and Revenue}~~ on the status of the application for a waiver or waiver
9 amendment or request for a plan amendment upon request.

10 ➔Section 34. KRS 205.5606 is amended to read as follows:

11 (1) The Cabinet for Health and Family Services shall establish the Kentucky
12 Independence Plus Through Consumer-Directed Services Program that shall
13 provide an option within each of the home and community-based services waivers.
14 The option within each of the waiver programs shall be based on the principles of
15 consumer choice and control and that shall be implemented upon federal approval,
16 if required. The program shall allow enrolled persons to assist with the design of
17 their programs and choose their providers of services and to direct the delivery of
18 services to meet their needs.

19 (2) The cabinet shall establish interagency cooperative agreements with any state
20 agency as needed to implement and administer the program.

21 (3) A person who is enrolled in a Medicaid home and community-based waiver
22 program may choose to participate in the consumer-directed services program.

23 (4) A consumer shall be allocated a monthly budget allowance based on the results of
24 his or her assessed functional needs, his or her person-centered plan, and the
25 financial resources of the program. The budget allowance shall be disbursed directly
26 from a cabinet-approved fiscal intermediary on behalf of the consumer. The cabinet
27 shall develop purchasing guidelines to assist each consumer in using the budget

1 allowance to purchase needed, cost-effective services.

2 (5) A consumer shall use the budget allowance to pay for nonresidential and
3 nonmedical home and community-based services and supports that meet the
4 consumer's needs and that constitute a cost-effective use of funds.

5 (6) A consumer shall be allowed to choose providers of services, including but not
6 limited to when and how the services are provided. A provider may include a person
7 otherwise known to the consumer, unless prohibited by federal law.

8 (7) If the consumer is the employer of record, the consumer's roles and responsibilities
9 shall include but not be limited to the following:

10 (a) Developing a job description;

11 (b) Selecting providers and submitting information for any required background
12 screening;

13 (c) With assistance of the cabinet or its agents, developing a person-centered plan
14 and communicating needs, preferences, and expectations about services being
15 purchased;

16 (d) Providing the fiscal intermediary with all information necessary for provider
17 payments and tax requirements; and

18 (e) Ending the employment of an unsatisfactory provider.

19 (8) If a consumer is not the employer of record, the consumer's roles and
20 responsibilities shall include but not be limited to the following:

21 (a) With assistance of the cabinet or its agents, developing a person-centered plan
22 and communicating needs, preferences, and expectations about services being
23 purchased;

24 (b) Ending the services of an unsatisfactory provider; and

25 (c) Providing the fiscal agent with all information necessary for provider
26 payments and tax requirements.

27 (9) The roles and responsibilities of the cabinet or its agents shall include but not be

1 limited to the following:

2 (a) Assessing each consumer's functional needs, helping with the development of
3 a person-centered plan, and providing ongoing assistance with the plan;

4 (b) Offering the services of service advisors who shall provide training, technical
5 assistance, and support to the consumer as prescribed through an
6 administrative regulation promulgated by the cabinet in accordance with KRS
7 Chapter 13A;

8 (c) Approving fiscal intermediaries; and

9 (d) Establishing the minimum qualifications for all providers and being the final
10 arbiter of the fitness of any individual to be a provider.

11 (10) The fiscal intermediary's roles and responsibilities shall include but not be limited
12 to the following:

13 (a) Providing recordkeeping services, including but not limited to maintaining
14 financial records as required through administrative regulation promulgated in
15 accordance with KRS Chapter 13A by the Cabinet for Health and Family
16 Services; and

17 (b) Retaining the consumer-directed funds, processing employment and tax
18 information, if any, reviewing records to ensure correctness, writing
19 paychecks to providers, and delivering paychecks.

20 (11) (a) Each person who provides services or supports under this section shall comply
21 on an annual basis with any required background screening. A person shall be
22 excluded from employment upon failure to meet the background screening
23 requirements unless otherwise exempted through an administrative regulation
24 promulgated by the cabinet in accordance with KRS Chapter 13A.

25 (b) The service advisor shall, as appropriate, complete background screening as
26 required by this section.

27 (12) For purposes of this section, a person who has undergone screening, is qualified for

1 employment under this section, and has not been unemployed for more than one
2 hundred eighty (180) days following the screening shall not be required to be
3 rescreened. Such person must attest under penalty of perjury to not having been
4 convicted of a disqualifying offense since completing the screening.

5 (13) To implement this section:

6 (a) The cabinet shall be authorized to promulgate necessary administrative
7 regulations in accordance with KRS Chapter 13A; and

8 (b) The cabinet shall take all necessary action to ensure state compliance with
9 federal regulations. The cabinet shall apply for any necessary federal waivers
10 or federal waiver amendments to implement the program within three (3)
11 months following July 13, 2004, pending availability of funding.

12 (14) The cabinet, with consumer input, shall review and assess the implementation of the
13 consumer-directed program. ~~[By January 15 of each year,]~~The cabinet shall
14 provide~~[submit]~~ a ~~[written]~~ report ~~[to the General Assembly]~~ that includes the
15 review of the program and recommendations for improvements to the program
16 upon request.

17 ➔Section 35. KRS 205.642 is amended to read as follows:

18 (1) As used in this section and KRS 200.654, 200.660, 347.020, and 387.510,
19 "pervasive developmental disorders" has the same meaning as in the Diagnostic and
20 Statistical Manual of Mental Disorders, fourth edition (DSM-IV). The term includes
21 five (5) diagnostic subcategories:

- 22 (a) Autistic disorder;
23 (b) Pervasive disorder not otherwise specified;
24 (c) Asperger's disorder;
25 (d) Rett's disorder; and
26 (e) Childhood disintegrative disorder.

27 (2) The Department for Medicaid Services shall make application, within three (3)

1 months of July 15, 2002, to the Federal Centers for Medicare and Medicaid Services
2 for a waiver to provide services and supports to individuals who:

- 3 (a) Are Medicaid eligible;
4 (b) Have an Axis I diagnosis of a pervasive developmental disorder;
5 (c) Are institutionalized or at risk for institutionalization; and
6 (d) Require a coordinated plan of medically necessary community-based
7 behavioral health services.

8 (3) The waiver application shall include services that are documented to be effective in
9 the treatment of pervasive developmental disorders and consistent with clinical best
10 practices.

11 (4) The waiver application shall specify the required credentials for the providers of
12 each service.

13 (5) The cabinet shall cap the number of children served under the waiver program to
14 insure budget neutrality based upon the expenditures for children with Pervasive
15 Developmental Disorders that were served under the IMPACT Plus Program during
16 fiscal years 2001-2002.

17 (6) The cabinet shall include in the waiver application those items that are necessary to
18 ensure the waiver operates within the designated dollars, including but not limited
19 to a maximum number of individuals to be served and a maximum dollar amount
20 that can be expended for an individual.

21 (7) The waiver shall be coordinated with and shall not supplant services provided by
22 schools under KRS Chapter 157 or services provided under KRS Chapters 200 and
23 347. Nothing in this section shall affect or limit a school district's ability to obtain
24 Medicaid reimbursement for school-related health services.

25 (8) The Department for Medicaid Services shall report information ~~to the Governor,~~
26 ~~the Legislative Research Commission, and the Interim Joint Committee on Health~~
27 ~~and Welfare~~ on the number of individuals receiving services under the waiver, the

1 cost and type of services received, and any available nonidentifying information
2 pertaining to individual outcomes upon request.

3 ➔Section 36. KRS 205.6487 is amended to read as follows:

4 (1) A "Kentucky Children's Health Insurance Program Trust Fund" shall be established
5 for the purpose of receiving all appropriated funds, premiums, or other revenue
6 received by the Kentucky Children's Health Insurance Program to be used for the
7 payment of costs and services associated with the administration of the program.
8 Appropriations made to the Kentucky Children's Health Insurance Program trust
9 fund shall not lapse at the end of a fiscal year but shall be carried forward in the
10 trust fund account and shall be available for allotment for its particular purpose in
11 the next fiscal year.

12 (2) The Kentucky Children's Health Insurance trust fund may receive state
13 appropriations, gifts, and grants, including federal funds. Any unallotted or
14 unencumbered balances in the Kentucky Children's Health Insurance Program trust
15 fund shall be invested as provided for in KRS 42.500(9). Income earned from the
16 investments shall be credited to the Kentucky Children's Health Insurance Program
17 trust fund account.

18 (3) The secretary of the Cabinet for Health and Family Services shall, by administrative
19 regulation promulgated in accordance with KRS Chapter 13A, provide for the
20 administration of the trust fund.

21 (4) In administering the Kentucky Children's Health Insurance Program, the
22 administrative costs under the program shall be limited to no more than ten percent
23 (10%) of applicable program costs.

24 (5) ~~Notwithstanding the provisions of KRS 205.6336,~~ The trust fund shall administer
25 any savings from the implementation of the cabinet's Kentucky Children's Health
26 Insurance Program through managed care and shall use those savings to provide
27 state matching funds for any enhanced federal funds available under Title XXI of

1 the Federal Social Security Act.

2 ➔Section 37. KRS 205.8483 is amended to read as follows:

- 3 (1) The Office of the Inspector General in the Cabinet for Health and Family Services
4 shall establish, maintain, and publicize a twenty-four (24) hour toll-free hotline for
5 the purpose of receiving reports of alleged fraud and abuse by Medical Assistance
6 Program recipients and participating providers.
- 7 (2) The Office of the Inspector General in the Cabinet for Health and Family Services
8 shall **develop and implement procedures for screening alleged fraud and abuse of**
9 **the Medical Assistance Program to ensure that appropriate written referrals are**
10 **made**~~[prepare a written description of the reported information and immediately~~
11 ~~make a written referral]~~ to:
- 12 (a) The state Medicaid Fraud Control Unit and to the Office of the Attorney
13 General of **credible allegations of**~~[all reports of alleged]~~ fraud and abuse by
14 providers ~~[or recipients]~~ participating in the Medical Assistance Program; and
- 15 (b) Other agencies and licensure boards of all **allegations received on the hotline**
16 **that are**~~[reports]~~ relevant to their jurisdiction.
- 17 (3) The Office of the Inspector General in the Cabinet for Health and Family Services
18 **shall provide, upon request, a Medicaid fraud and abuse report that shall include**
19 **but not be limited to the following information from the prior fiscal year**~~[, jointly~~
20 ~~with the state Medicaid Fraud Control Unit and the Office of the Attorney General,~~
21 ~~shall prepare a Medicaid fraud and abuse report, for the prior fiscal year,~~
22 ~~categorized by types of fraud and abuse and by recipient and provider group. This~~
23 ~~report shall be submitted no later than July 1 of each year to the Legislative~~
24 ~~Research Commission, the Interim Joint Committee on Appropriations and~~
25 ~~Revenue, and the Interim Joint Committee on Health and Welfare and shall~~
26 ~~identify]:~~
- 27 (a) The number and type of reports received in the Office of the Inspector General

1 in the Cabinet for Health and Family Services, from the Medicaid fraud and
2 abuse hotline categorized by recipient and provider groups; and

3 (b) The number and type of alleged Medicaid recipient fraud and abuse reports
4 which were opened for investigation by the Office of Inspector General and
5 their disposition ~~[discovered by, received by, or referred to the Office of the~~
6 ~~Attorney General, the state Medicaid Fraud Control Unit, the Office of the~~
7 ~~Inspector General, and the Department for Medicaid Services; the number and~~
8 ~~type of reports which were opened for investigation by the Office of the~~
9 ~~Attorney General, the state Medicaid Fraud Control Unit, the Department for~~
10 ~~Medicaid Services, or the Office of the Inspector General and their disposition~~
11 ~~including:~~

- 12 1. ~~Administrative actions taken;~~
- 13 2. ~~Criminal penalties and civil payments received;~~
- 14 3. ~~The amount of state and federal funds involved in the alleged fraud and~~
15 ~~abuse;~~
- 16 4. ~~The cost of administering the hotline; and~~
- 17 5. ~~Recommendations for legislative action to prevent, detect, and prosecute~~
18 ~~medical assistance abuse and fraud in the Commonwealth].~~

19 ➔Section 38. KRS 209.554 is amended to read as follows:

20 (1) The commissioner of the department shall implement the provisions of KRS
21 209.550 to 209.554 through the promulgation of administrative regulations under
22 KRS Chapter 13A.

23 (2) The department shall make educational literature that describes the risks of
24 influenza and pneumococcal disease; the efficacy, side effects, and
25 contraindications of these immunizations; and the recommendations from the
26 Centers for Disease Control available to every long-term care facility.

27 (3) The department, on behalf of long-term care facilities, shall negotiate with any

1 appropriate manufacturer of the vaccines for adult pneumococcal disease and
2 influenza for a purchase price of the vaccines. Long-term care facilities shall be
3 entitled to purchase the vaccines at the negotiated price for the purposes specified
4 under KRS 209.552.

- 5 (4) The commissioner of the department shall *make available upon request*~~report by~~
6 ~~September 1, 2005, to the Governor, the Interim Joint Committee on Health and~~
7 ~~Welfare, and the Legislative Research Commission on~~ the number of outbreaks in
8 long-term care facilities for each year due to influenza virus and pneumococcal
9 disease and the number of hospitalizations of long-term care facility residents ~~each~~
10 ~~year~~ due to influenza virus, pneumococcal disease, and associated complications.

11 ➔Section 39. KRS 211.350 is amended to read as follows:

- 12 (1) The cabinet shall regulate the construction, installation, or alteration of on-site
13 sewage disposal systems except for systems that have a surface discharge. The
14 cabinet shall create and maintain an electronic database for Kentucky on-site
15 wastewater systems information, which for each system shall include but not be
16 limited to permit application date, permit application status, system installation
17 date, system type, latitude and longitude of system, records of system plan and site
18 evaluations, inspection dates, and the condition of system at time of inspection. The
19 cabinet shall *make data from this system available upon request*~~within twenty-~~
20 ~~four (24) months of July 12, 2006, annually report to the Governor and the~~
21 ~~Legislative Research Commission on the status of on-site systems statewide,~~
22 ~~including numbers and types of systems, summaries of conditions of systems,~~
23 ~~geographic distribution, observations of trends, and recommendation for future~~
24 ~~protection of public health and safety with on-site sewage disposal systems~~].
- 25 (2) The Department for Public Health shall maintain a current list of approved and
26 experimental on-site wastewater treatment technologies and greywater technologies,
27 which the department shall make available, along with guidance and expertise, to

1 local health departments. Local health departments shall provide the list of
2 approved technologies to on-site wastewater professionals and permit applicants.
3 With respect to on-site sewage disposal systems that utilize greywater to reduce
4 total daily waste flows, the local health department shall inform the permit
5 applicant, at the time of making an application to construct an on-site sewage
6 disposal system that utilizes greywater to reduce daily waste flows, of the
7 opportunity to consult with the environmental health program evaluators in the
8 Division of Public Health Protection and Safety regarding the administrative
9 regulations, permit requirements, and permissible system designs for inclusion and
10 use of greywater.

11 (3) Site evaluations shall be completed by the local health department within fifteen
12 (15) working days of receipt of the application. If further information is required,
13 the local health department shall promptly notify the applicant and shall have an
14 additional ten (10) working days after that submittal of additional information in
15 which to evaluate and issue or deny the permit. It shall be the responsibility of the
16 property owner or owner's agent to protect and maintain the suitability of an
17 approved site and to notify the local health department for a reinspection if site
18 conditions substantively change. If a site previously determined to be suitable is
19 thereafter declared unsuitable by the local health department, remedial measures
20 shall be provided in writing to the property owner or owner's agent within fifteen
21 (15) working days.

22 (4) After the conclusion of the site evaluation, the local health department shall, upon
23 request, provide a list of all options that may be approved for the property, including
24 new and emerging technologies. It shall be the responsibility of the owner of
25 advanced treatment, alternative, experimental, or new and emerging technology
26 systems to contract with a management entity, certified system operator, or trained
27 system operator to develop and implement an approved operations and maintenance

- 1 plan specific to, and appropriate for, the approved system.
- 2 (5) No person, firm, or corporation shall construct, install, alter, or cause to be
3 constructed, installed, or altered, any on-site sewage disposal system subject to
4 regulation by the cabinet without having first obtained an on-site sewage disposal
5 permit from the local health department. In lieu of inspection and certification by
6 the local health department a licensed professional engineer in private practice
7 licensed by the Commonwealth of Kentucky may perform site evaluations and
8 approve system designs for an on-site sewage disposal system including those
9 systems that utilize greywater for reductions in daily waste flows for the person,
10 firm, or corporation and apply for the permit from the local health department. The
11 final systems installation inspection shall be performed by the local health
12 department as soon as practicable. All applicable provisions of KRS Chapter 322
13 shall govern the licensed professional engineer. A professional engineer shall not
14 perform site evaluations, approve system designs, or certify system installations of
15 an on-site sewage disposal system on property owned by himself, an employee, or a
16 partner of an engineering firm by which he is employed, or on property owned by
17 the engineering firm. Nothing in this section shall be construed to deny a farmstead
18 owner the right to obtain a permit. Except for farmstead owners on their own
19 property, the construction, installation, or alteration shall be performed only by a
20 person certified by the cabinet pursuant to KRS 211.357.
- 21 (6) A local health department that issues a permit for an on-site sewage disposal
22 system, including systems that utilize greywater to reduce total daily waste flows,
23 based on the site evaluation or system design of a licensed professional engineer in
24 private practice licensed by the Commonwealth of Kentucky shall not be held liable
25 for any defects or failures of the on-site sewage disposal system due to the site
26 evaluation or system design.
- 27 (7) No person, firm, or corporation shall use or continue to use or permit the use or

1 continued use of any on-site sewage disposal system, including those systems that
2 utilize greywater to reduce total daily waste flows, that is constructed, installed, or
3 altered under an on-site sewage disposal permit if the cabinet or local health
4 department through a duly authorized inspector, employee, agent, or licensed
5 professional engineer in private practice licensed by the Commonwealth of
6 Kentucky finds that the system was not constructed, installed, or altered in
7 conformance with the permit and regulations issued by the cabinet.

8 (8) No certified electrical inspector acting under authority of KRS 227.491 shall issue
9 the certificates of approval of temporary or permanent electrical wiring unless the
10 inspector has in his or her possession a notice of release as described in paragraphs
11 (a) and (b) of this subsection. The inspector shall record the number of the notice of
12 release on the certificate of approval. The person requesting approval of electrical
13 wiring shall be responsible for obtaining the release from the local health
14 department and providing it to the electrical inspector. This requirement shall only
15 apply to dwellings, mobile homes, manufactured housing, buildings, or other
16 structures that are constructed or installed after July 15, 1998. This requirement
17 shall not apply to structures that do not have sewage waste fixtures or to those that
18 are connected to a sewage waste disposal system approved by the Energy and
19 Environment Cabinet. Nothing in this section shall be construed to deny the
20 continued use of any electrical service connected to wiring approved prior to July
21 15, 1998.

22 (a) An initial notice of release to allow temporary electrical power for
23 construction shall be issued to the property owner or owner's agent by the
24 local health department upon the application for a site evaluation.

25 (b) A final notice of release to allow for permanent electrical power shall be
26 issued to the property owner or owner's agent by the local health department
27 upon approval of an on-site sewage disposal plan.

- 1 (c) This section shall not apply to any county that has adopted the Uniform State
2 Building Code and has and enforces on-site sewage disposal permitting.
- 3 (9) All applications for on-site sewage disposal permits shall be accompanied by plans
4 and specifications for the proposed system, including results of soils tests and other
5 information as directed by the cabinet by regulation. If the site evaluation or
6 approval of the system design is performed by a licensed professional engineer in
7 private practice licensed by the Commonwealth of Kentucky, the application shall
8 be accompanied by a statement by the engineer that he has met the requirements of
9 the regulations issued by the cabinet for site evaluation and system design. Any
10 action to deny an application shall be subject to appeal, and upon appeal an
11 administrative hearing shall be conducted in accordance with KRS Chapter 13B.
- 12 (10) The cabinet shall fix a schedule of fees for the functions performed by the cabinet
13 relating to the regulation of on-site sewage disposal systems. The fees shall be
14 designed to fully cover the cost of the service performed but shall not exceed the
15 cost of the service performed. Fees payable to the cabinet shall be paid into the
16 State Treasury and credited to a trust and agency fund to be used by the cabinet in
17 carrying out its responsibilities relating to the regulation of on-site sewage disposal
18 systems. No part of the fund shall revert to the general fund of the Commonwealth.
- 19 (11) Any regulation relating to on-site sewage disposal that is in effect on July 15, 1992,
20 shall remain in effect until altered by the secretary, except that administrative
21 regulations that govern total daily waste flows shall be updated in accordance with
22 KRS 211.351. The secretary may issue additional regulations necessary to carry out
23 the purposes of this section.
- 24 (12) Nothing in this section shall authorize or allow the cabinet to inspect or take
25 enforcement action against on-site sewage disposal systems installed on farmsteads
26 prior to July 15, 1992, or modifications to those systems unless the actions are
27 determined in writing by the cabinet, upon a written, verified complaint, to be

1 necessary to prevent imminent harm or damage to the safety, life, or health of a
2 person. In this instance, the cabinet shall deliver to the landowner a copy of the
3 written determination and the verified complaint prior to the commencement of the
4 inspection or enforcement action.

5 (13) As used in this section:

6 (a) "Blackwater" means wastewater containing liquid or solid waste generated
7 through use of a urinal, water closet, garbage disposal, or similar sanitary
8 fixture; and

9 (b) "Greywater" means wastewater generated by hygiene activities, including but
10 not limited to wastewater from laundry, lavatory sinks, and showers, but shall
11 exclude kitchen sinks and food preparation sinks. "Greywater" does not
12 include blackwater.

13 ➔Section 40. KRS 211.494 is amended to read as follows:

14 (1) A comprehensive statewide trauma care program shall be established within the
15 Department for Public Health. The statewide trauma care program shall consist of,
16 at a minimum, a statewide trauma care director and a state trauma registrar funded
17 through available federal funds or, to the extent that funds are available, by the
18 trauma care system fund established in KRS 211.496. The department may contract
19 with outside entities to perform these functions.

20 (2) The statewide trauma care system shall address, at a minimum, the following goals:

21 (a) To reduce or prevent death and disability from trauma without regard to the
22 patient's insurance coverage or ability to pay for services;

23 (b) To provide optimal care for trauma victims by utilization of best practices
24 protocols and guidelines;

25 (c) To minimize the economic impact of lost wages and productivity for trauma
26 patients; and

27 (d) To contain costs of trauma care.

1 (3) (a) The Department for Public Health shall establish an advisory committee to
2 assist in the development, implementation, and continuation of its duties.

3 (b) The advisory committee shall consist of eighteen (18) members to be ~~as~~
4 ~~follows:~~

5 ~~1. Sixteen (16) of the members shall be~~ appointed by the secretary of the
6 Cabinet for Health and Family Services and shall be composed of
7 representatives from the following agencies and organizations:

8 ~~1. {a.}~~ The Department for Public Health;

9 ~~2. {b.}~~ The Kentucky Board of Medical Licensure;

10 ~~3. {c.}~~ The Kentucky Board of Nursing;

11 ~~4. {d.}~~ The Kentucky Board of Emergency Medical Services;

12 ~~5. {e.}~~ The Kentucky Medical Association;

13 ~~6. {f.}~~ The Kentucky Hospital Association;

14 ~~7. {g.}~~ The Kentucky Committee on Trauma of the American College of
15 Surgeons;

16 ~~8. {h.}~~ One (1) representative from each verified Level I trauma center;

17 ~~9. {i.}~~ One (1) hospital representative from a Level II verified trauma center,
18 one (1) hospital representative from a Level III verified trauma center,
19 and one (1) hospital representative from a Level IV verified trauma
20 center. The Kentucky Hospital Association shall submit
21 recommendations to the secretary for each of the three (3) members
22 appointed under this subdivision;

23 ~~10. {j.}~~ The Kentucky Chapter of the American College of Emergency
24 Physicians;

25 ~~11. {k.}~~ The Kentucky Chapter of the Emergency Nurses Association;

26 ~~12. {l.}~~ The Kentucky Transportation Cabinet; ~~and~~

27 ~~13. {m.}~~ Two (2) members at large, one (1) of whom shall be a health care

1 consumer; ~~and~~

2 ~~2.—Two (2) members shall be appointed by the Governor as follows:~~

3 ~~a.—~~14. One (1) representative with extensive experience in injury
4 prevention programs; and

5 ~~15.~~15.~~b.—~~ One (1) representative with pediatric trauma experience.

6 (c) Members of the advisory committee shall serve for a period of four (4) years
7 and shall serve until a successor is appointed, except that initial terms shall be
8 staggered and one-third (1/3) of the members shall be appointed to four (4)
9 year terms, one-third (1/3) of the members shall be appointed to three (3) year
10 terms, and one-third (1/3) of the members shall be appointed for two (2) year
11 terms.

12 (d) The advisory committee shall meet at least on a quarterly basis. The
13 committee shall elect a chair, a vice chair, and a secretary from among its
14 members and adopt rules of governance at the first meeting in each fiscal year.
15 The first meeting of the advisory committee shall occur before September 30,
16 2008.

17 (e) Appointed members shall serve without compensation but may receive
18 reimbursement for actual and necessary expenses relating to the duties of the
19 advisory committee in accordance with state regulations relating to travel
20 reimbursement.

21 (f) Expenses associated with the advisory committee shall be paid by the trauma
22 care system fund established in KRS 211.496, to the extent funds are
23 available.

24 (4) The statewide trauma care director and the advisory committee shall develop and
25 implement a statewide trauma care system, integrated with the public health system
26 for injury prevention, that recognizes levels of care for the appropriate delivery of a
27 full range of medical services to all trauma patients in the Commonwealth. The

- 1 statewide trauma care system shall include but is not limited to:
- 2 (a) Development and implementation of trauma prevention and education
3 initiatives;
- 4 (b) Facilitation of appropriate education and continuing education about trauma
5 care and procedures for physicians, nurses, and emergency medical services
6 personnel;
- 7 (c) Development and statewide distribution of guidelines and protocols for the
8 care and treatment of trauma victims that include the needs of special
9 populations and are fully integrated with all available resources, including but
10 not limited to emergency medical services, physicians, nurses, and hospitals;
- 11 (d) Voluntary hospital trauma center verification through the American College of
12 Surgeons or the Department for Public Health;
- 13 (e) Local and regional triage and transport protocols for use by the Kentucky
14 Board of Emergency Medical Services, emergency medical services providers,
15 and emergency rooms; and
- 16 (f) Continuing quality assurance and peer review programs.
- 17 (5) The Department for Public Health or the statewide trauma care director and the
18 advisory committee established in this section shall coordinate activities related to
19 the care of trauma patients with other state agencies and boards that are directly or
20 indirectly involved with care of injured persons. Upon request of the Department for
21 Public Health or the statewide trauma care director, other state agencies and boards
22 shall assist and facilitate the development and implementation of a statewide trauma
23 care system.
- 24 (6) Data obtained through a trauma registry or other data collected pursuant to KRS
25 211.490 to 211.496 shall be confidential and for use solely by the Department for
26 Public Health, the statewide trauma care director, the advisory committee, and
27 persons or public or private entities that participate in data collection for the trauma

1 registry. Personal identifying information that is collected for use in the trauma
2 registry shall not be subject to discovery or introduction into evidence in any civil
3 action.

4 (7) The statewide trauma care director shall report information ~~[by December 1 of each~~
5 ~~year to the Interim Joint Committee on Health and Welfare]~~ on the status of the
6 development and implementation of the statewide trauma system upon request.

7 (8) The Department for Public Health may promulgate administrative regulations in
8 accordance with KRS Chapter 13A to implement this section.

9 ➔Section 41. KRS 211.502 is amended to read as follows:

10 The Kentucky Spinal Cord and Head Injury Research Board shall:

11 (1) Formulate policies and procedures necessary to carry out the provisions of KRS
12 211.500 to 211.504;

13 (2) Promulgate administrative regulations necessary to carry out the provisions of KRS
14 211.500 to 211.504 and to ensure proper expenditure of state funds appropriated for
15 the purposes of KRS 211.500 to 211.504;

16 (3) Review and authorize spinal cord and head injury research projects and programs to
17 be undertaken and financed under the provisions of KRS 211.500 to 211.504;

18 (4) Review and approve all progress and final research reports on projects authorized
19 under the provisions of KRS 211.500 to 211.504;

20 (5) Ensure that state funds, appropriated for spinal cord and head injury research by
21 KRS 211.504 or any other act, are not diverted to any other use; and

22 (6) Provide ~~[the Governor, the General Assembly, and the Legislative Research~~
23 ~~Commission an annual report by January 30 of each year showing]~~the status of
24 funds appropriated under the provisions of KRS 211.504 for spinal cord and head
25 injury research and the progress of the board in terms of the results of its spinal cord
26 and head injury research efforts upon request.

27 ➔Section 42. KRS 211.590 is amended to read as follows:

1 The Breast Cancer Research and Education Trust Fund Board created by KRS 211.585
2 shall:

3 (1) Develop a written plan for the expenditure of trust funds made available under KRS
4 211.580. The initial plan shall be completed on or before October 1, 2005, and shall
5 be updated on an annual basis on or before October 1 of each year thereafter. The
6 plan shall, at a minimum, include the following:

7 (a) A program summary~~[of existing breast cancer education, awareness,~~
8 ~~treatment, and screening programs provided to residents of Kentucky by type~~
9 ~~of program and by geographic area;~~

10 ~~(b) A needs assessment for the Commonwealth of Kentucky that identifies~~
11 ~~additional programs that are needed by program type and geographic area,~~
12 ~~with support for why the identified programs are needed]; and~~

13 ~~(b)(c)~~ A prioritized list of programs and research projects that the board will
14 address with funding available through the competitive grant program
15 established under subsection (2) of this section;

16 (2) Promulgate administrative regulations to establish a competitive grant program to
17 provide funding to not-for-profit entities, educational institutions, and government
18 agencies in Kentucky offering programs or services in the areas of breast cancer
19 research, education, awareness, treatment, and screening.

20 (a) The grant program shall give preference to programs proposing to serve the
21 medically underserved population.

22 (b) The grant program shall provide funding to projects and programs in
23 accordance with the priorities established in the plan developed under
24 subsection (1) of this section.

25 (c) The administrative regulations shall, at a minimum:

26 1. Establish an application process and requirements;

27 2. Set forth program and outcome measurement requirements;

- 1 3. Establish an application review and award process; and
- 2 4. Provide monitoring, oversight, and reporting requirements for funded
- 3 programs;
- 4 (3) Promulgate administrative regulations necessary to carry out the provisions of KRS
- 5 211.580 to 211.590; and
- 6 (4) Provide information upon request that shall~~[to the Governor and the Legislative~~
- 7 ~~Research Commission an annual report by October 1 of each year. The report shall]~~
- 8 include but not be limited to:
- 9 (a) The plan developed under subsection (1) of this section for the expenditure of
- 10 funds for the current and next fiscal year;
- 11 (b) A summary of the use and impact of prior year funds;
- 12 (c) A summary of the activities of the board during the prior fiscal year; and
- 13 (d) Any recommendations for future initiatives or action regarding breast cancer
- 14 research, education, awareness, treatment, and screening.
- 15 ➔Section 43. KRS 211.902 is amended to read as follows:
- 16 (1) Every physician, nurse, hospital administrator, director of a clinical laboratory, or
- 17 public health officer who receives information of the existence of any person found
- 18 or suspected to have a two and three-tenths (2.3) micrograms per deciliter of whole
- 19 blood level of lead in his or her blood shall report the information to the cabinet
- 20 within seven (7) days and to the local or district health officer in approved
- 21 electronic format as prescribed by administrative regulations promulgated by the
- 22 cabinet in accordance with KRS Chapter 13A. The contents of the report shall
- 23 include but not be limited to the following information:
- 24 (a) The full name and address of the person tested;
- 25 (b) The date of birth of such person;
- 26 (c) The type of specimen and the results of the appropriate laboratory tests made
- 27 on such person; and

1 (d) Any other information about such person deemed necessary by the cabinet to
2 carry out the provisions of this section.

3 Any physician, nurse, hospital administrator, director of clinical laboratory, public
4 health officer, or allied health professional making such a report in good faith shall
5 be immune from any civil or criminal liability that otherwise might be incurred
6 from the making of such report.

7 (2) Notwithstanding the requirements of subsection (1) of this section, a clinical or
8 research laboratory shall not be fined or otherwise disciplined for failure to report
9 required information to the cabinet if the information was not provided by the
10 medical professional obtaining the blood sample.

11 (3) The secretary shall maintain comprehensive records of all reports submitted
12 pursuant to KRS 211.900 to 211.905 and 211.994. Records shall be analyzed and
13 geographically indexed by county annually in order to determine the location of
14 areas with a high incidence of elevated blood lead levels reported. The records and
15 analysis shall be public record and provided upon request ~~annually by October 1 to~~
16 ~~the Governor, the General Assembly, the Legislative Research Commission, and the~~
17 ~~Lead Poisoning Prevention Advisory Committee~~; provided, however, that the name
18 of any individual shall not be made public unless the secretary determines that such
19 inclusion is necessary to protect the health and well-being of the affected individual.

20 (4) When an elevated blood lead level is reported to the cabinet, it shall inform such
21 local boards of health, local health departments, and other persons and health
22 organizations as deemed necessary.

23 ➔Section 44. KRS 214.187 is amended to read as follows:

24 (1) The Department for Public Health shall develop a statewide education, awareness,
25 and information program on hepatitis C. The hepatitis C education, awareness, and
26 information program may be incorporated into other existing health education
27 programs. The Department for Public Health may make available on its Internet

1 Web site protocols, guidelines, and materials for hepatitis C education, awareness,
2 and information programs that increase the understanding of the disease among
3 general and high-risk populations.

4 (2) The hepatitis C education, awareness, and information program may include
5 material to specifically address individuals who may be at high risk of infection,
6 including but not limited to law enforcement officials, corrections personnel,
7 prisoners, veterans, individuals who received blood transfusions prior to 1992,
8 hemophiliacs, students, and minority communities. The program may utilize
9 education materials developed by health-related companies and community-based
10 or national advocacy organizations. The program may include but not be limited to
11 counseling, patient support groups, and existing hotlines for consumers.

12 (3) In developing the hepatitis C education, awareness, and information program, the
13 department shall consult the University of Kentucky College of Medicine, the
14 University of Louisville School of Medicine, the Pikeville College School of
15 Osteopathic Medicine, the American Liver Foundation, the Centers for Disease
16 Control and Prevention, and any other scientific, medical, or advocacy
17 organizations to develop the protocols and guidelines for the hepatitis C education,
18 awareness, and information program. The protocols and guidelines may include but
19 are not limited to the following:

- 20 (a) The risk factors associated with hepatitis C acquisition and transmission;
- 21 (b) The most recent scientific and medical information on hepatitis C prevention,
22 detection, diagnosis, treatment, and therapeutic decision making;
- 23 (c) Tracking and reporting of acute cases of hepatitis C by public health officials;
- 24 (d) Protocols for public safety and health care workers who come in contact with
25 hepatitis C patients; and
- 26 (e) Surveillance programs to determine the prevalence of hepatitis C in ethnic and
27 other high-risk populations.

1 (4) The Department for Public Health may coordinate with the Department of Veterans'
2 Affairs and the Department of Corrections to establish specific recommendations
3 for the hepatitis C education, awareness, and information program. The protocols
4 and guidelines established by the Department for Public Health, the Department of
5 Corrections, and the Department of Veterans' Affairs may include topics specified
6 in subsection (3) of this section and may include but are not limited to protocols
7 within state agencies to enable departments to provide appropriate treatment for
8 individuals with hepatitis C, protocols for the education of state agency officials and
9 other employees who work with individuals with hepatitis C, and protocols within
10 the Department of Corrections to provide written hepatitis C information to
11 prisoners on the date of their probation, parole, or release.

12 (5) The Department for Public Health shall make information~~report~~ on the hepatitis
13 C education, awareness, and information program available upon request~~to the~~
14 ~~Interim Joint Committee on Health and Welfare by December 1, 2006, and every~~
15 ~~six (6) months thereafter, or upon request of the committee~~.

16 ➔Section 45. KRS 214.452 is amended to read as follows:

17 The following policies shall apply to blood establishments and to donors of blood:

18 (1) All blood establishments within the Commonwealth shall be licensed by the United
19 States Food and Drug Administration and remain in compliance with all applicable
20 federal regulations. The Cabinet for Health and Family Services shall, under
21 administrative regulations promulgated pursuant to KRS Chapter 13A, establish
22 fees necessary to cover the cost of and adhere to a schedule for regular inspection,
23 by the Office of the Inspector General of the Cabinet for Health and Family
24 Services, of all blood establishments within the Commonwealth to ascertain
25 whether each blood establishment is licensed and in compliance with KRS 214.450
26 to 214.464 and KRS 214.468. The Office of the Inspector General shall commence
27 its inspection program of blood establishments no later than September 1, 1994.

~~[The Office of the Inspector General of the Cabinet for Health and Family Services shall annually, by no later than September 1, submit a written report to the Interim Joint Committee on Health and Welfare on the compliance of blood establishments with KRS 214.450 to 214.464 and KRS 214.468.]~~

(2) All blood establishments shall test blood for the human immunodeficiency virus and for any known causative agent for any blood-borne communicable disease, using tests approved and required, for purposes of blood donation, by the United States Food and Drug Administration.

(3) It shall be the duty of the administrator of any blood establishment which collects blood for the purpose of distributing to another health service, health facility, or health-care provider the blood for transfusion to:

(a) Secure donor consent and a signed written risk factor history and donor consent form for each potential paid or volunteer donor for the purpose of determining if the potential donor is at high risk for infection with the human immunodeficiency virus, or has tested confirmatory positive for infection with the human immunodeficiency virus; or has acquired immune deficiency syndrome; or has tested confirmatory positive for infection with any causative agent for acquired immune deficiency syndrome recognized by the United States Centers for Disease Control; or has a blood-borne communicable disease;

(b) Provide a means for a potential donor to self-elect not to donate blood;

(c) Refuse donation or sale of blood by persons at high risk for infection with the human immunodeficiency virus, or who have been medically diagnosed as having acquired immune deficiency syndrome, or who have tested confirmatory positive for infection with the human immunodeficiency virus, or who have a blood-borne communicable disease;

(d) Post a sign in the blood establishment which is visible to all potential donors

1 and which states: "Persons with acquired immune deficiency syndrome
2 (AIDS), or who have tested confirmatory positive for infection with the
3 human immunodeficiency virus (HIV), or who have a blood-borne
4 communicable disease or who have one (1) or more risk factors for the human
5 immunodeficiency virus as determined by the United States Centers for
6 Disease Control, are prohibited by law from donating or selling blood.
7 Persons violating the law are guilty of a Class D felony. ASK STAFF OF
8 THIS BLOOD ESTABLISHMENT."

9 (4) The provisions of this section shall not be construed to impose requirements which
10 are in conflict with donor eligibility requirements set out in United States Food and
11 Drug Administration or American Association of Blood Banks standards.

12 ➔Section 46. KRS 214.554 is amended to read as follows:

13 (1) There is established within the department a Breast Cancer Screening Program for
14 the purposes of:

15 (a) Reducing morbidity and mortality from breast cancer in women through early
16 detection and treatment; and

17 (b) Making breast cancer screening services of high quality and reasonable cost
18 available to women of all income levels throughout the Commonwealth and to
19 women whose economic circumstances or geographic location limits access to
20 breast cancer screening facilities.

21 (2) Services provided under the Breast Cancer Screening Program may be undertaken
22 by private contract for services or operated by the department and may include the
23 purchase, maintenance, and staffing of a truck, a van, or any other vehicle suitably
24 equipped to perform breast cancer screening. The program may also provide referral
25 services for the benefit of women for whom further examination or treatment is
26 indicated by the breast cancer screening.

27 (3) The department may adopt a schedule of income-based fees to be charged for the

1 breast cancer screening. The schedule shall be determined to make screening
2 available to the largest possible number of women throughout the Commonwealth.
3 The department shall, where practical, collect any available insurance proceeds or
4 other reimbursement payable on behalf of any recipient of a breast cancer screening
5 under KRS 214.552 to 214.556 and may adjust the schedule of fees to reflect
6 insurance contributions. All fees collected shall be credited to the fund.

7 (4) The department may accept any grant or award of funds from the federal
8 government or private sources for carrying out the provisions of KRS 214.552 to
9 214.556.

10 (5) For the purpose of developing and monitoring the implementation of guidelines for
11 access to and the quality of the services of the Breast Cancer Screening Program,
12 there is hereby created a Breast Cancer Advisory Committee to the commissioner of
13 the Department for Public Health which shall include the directors of the James
14 Graham Brown Cancer Center and the Lucille Parker Markey Cancer Center, the
15 director of the Kentucky Cancer Registry, the director of the Division of Women's
16 Health, one (1) radiologist with preference given to one who has been fellowship-
17 trained in breast diagnostics and who shall be appointed by the Governor, one (1)
18 representative of the Kentucky Office of Rural Health appointed by the Governor,
19 one (1) representative of the Kentucky Commission on Women appointed by the
20 Governor, and at least three (3) women who have had breast cancer and who shall
21 be appointed by the Governor.

22 (6) The commissioner of the Department for Public Health, in consultation with the
23 Breast Cancer Advisory Committee, shall provide data and analysis upon
24 request~~[annually, but no later than November 1 of each year, make a report to the~~
25 ~~Governor, the Legislative Research Commission, and the Interim Joint Committees~~
26 ~~on Appropriations and Revenue and on Health and Welfare]~~ on the:

27 (a) Implementation and outcome from the Breast Cancer Screening Program

1 including, by geographic region, numbers of persons screened, numbers of
2 cancers detected, referrals for treatment, and reductions in breast cancer
3 morbidity and mortality;

4 (b) Development of quality assurance guidelines, including timetables, for breast
5 cancer screening under this section, and monitoring of the manner and effect
6 of implementation of those guidelines; and

7 (c) Funds appropriated, received, and spent for breast cancer control by fiscal
8 year.

9 ➔Section 47. KRS 216.2923 is amended to read as follows:

10 (1) For the purposes of carrying out the provisions of KRS 216.2920 to 216.2929, the
11 secretary may:

12 (a) Appoint temporary volunteer advisory committees, which may include
13 individuals and representatives of interested public or private entities or
14 organizations;

15 (b) Apply for and accept any funds, property, or services from any person or
16 government agency;

17 (c) Make agreements with a grantor of funds or services, including an agreement
18 to make any study allowed or required under KRS 216.2920 to 216.2929; and

19 (d) Contract with a qualified, independent third party for any service necessary to
20 carry out the provisions of KRS 216.2920 to 216.2929; however, unless
21 permission is granted specifically by the secretary a third party hired by the
22 secretary shall not release, publish, or otherwise use any information to which
23 the third party has access under its contract.

24 (2) For the purposes of carrying out the provisions of KRS 216.2920 to 216.2929, the
25 secretary shall:

26 (a) ~~[Publish and make available information that relates to the health care~~
27 ~~financing and delivery system, information on charges for health care services~~

1 ~~and the quality and outcomes of health care services, the cost of workers'~~
2 ~~compensation health benefits, motor vehicle health insurance benefits, and~~
3 ~~health insurance premiums and benefits that is in the public interest;~~

4 ~~(b)~~—Periodically participate in or conduct analyses and studies that relate to:

- 5 1. Health-care costs;
- 6 2. Health-care quality and outcomes;
- 7 3. Health-care providers and health services; and
- 8 4. Health insurance costs;

9 ~~(b)~~~~(c)~~ Promulgate administrative regulations pursuant to KRS Chapter 13A
10 that relate to its meetings, minutes, and transactions related to KRS 216.2920
11 to 216.2929; and

12 ~~(c)~~~~(d)~~ Prepare annually a budget proposal that includes the estimated income
13 and proposed expenditures for the administration and operation of KRS
14 216.2920 to 216.2929; ~~and~~

15 ~~(e)~~—~~No later than thirty (30) days after July 15, 2005, appoint and convene a~~
16 ~~permanent cabinet advisory committee. The committee shall advise the~~
17 ~~secretary on the collection, analysis, and distribution of consumer-oriented~~
18 ~~information related to the health care system, the cost of treatment and~~
19 ~~procedures, outcomes and quality indicators, and policies and regulations to~~
20 ~~implement the electronic collection and transmission of patient information~~
21 ~~(e-health) and other cost-saving patient record systems. At a minimum, the~~
22 ~~committee shall be composed of the following:~~

- 23 1. ~~Commissioner of the Department for Public Health;~~
- 24 2. ~~Commissioner of the Department for Behavioral Health, Developmental~~
25 ~~and Intellectual Disabilities;~~
- 26 3. ~~Commissioner of the Department for Medicaid Services;~~
- 27 4. ~~Commissioner of the Department of Insurance;~~

- 1 5.—Physician representatives;
- 2 6.—Hospital representatives;
- 3 7.—Health insurer representatives;
- 4 8.—Consumers; and
- 5 9.—Nonphysician health care providers.

6 (f) ~~The cabinet advisory committee shall utilize the Health Services Data~~
7 ~~Advisory Committee as a subcommittee, which shall include a member of the~~
8 ~~Division of Women's Physical and Mental Health, to define quality outcome~~
9 ~~measurements and to advise the cabinet on technical matters, including a~~
10 ~~review of administrative regulations promulgated pursuant to KRS Chapter~~
11 ~~13A, proper interpretation of the data, and the most cost efficient manner in~~
12 ~~which it should be published and disseminated to the public, state and local~~
13 ~~leaders in health policy, health facilities, and health care providers. The~~
14 ~~Health Services Data Advisory Committee shall review and make~~
15 ~~recommendations to the cabinet advisory committee regarding exploration of~~
16 ~~technical matters related to data from other health care providers and shall~~
17 ~~make recommendations on methods for risk adjusting any data prepared and~~
18 ~~published by the cabinet}.~~

19 (3) The cabinet may promulgate administrative regulations pursuant to KRS Chapter
20 13A that impose civil fines not to exceed five hundred dollars (\$500) for each
21 violation for knowingly failing to file a report as required under KRS 216.2920 to
22 216.2929. The amount of any fine imposed shall not be included in the allowed
23 costs of a facility for Medicare or Medicaid reimbursement.

24 ➔Section 48. KRS 216.2927 is amended to read as follows:

25 (1) The following types of data shall be deemed as relating to personal privacy and,
26 except by court order, shall not be published or otherwise released by the cabinet or
27 its staff and shall not be subject to inspection under KRS 61.870 to 61.884:

- 1 (a) Any data, summary of data, correspondence, or notes that identify or could be
2 used to identify any individual patient or member of the general public, unless
3 the identified individual gives written permission to release the data or
4 correspondence;
- 5 (b) Any correspondence or related notes from or to any employee or employees of
6 a provider if the correspondence or notes identify or could be used to identify
7 any individual employee of a provider, unless the corresponding persons grant
8 permission to release the correspondence; and
- 9 (c) Data considered by the cabinet to be incomplete, preliminary, substantially in
10 error, or not representative, the release of which could produce misleading
11 information.
- 12 (2) Health-care providers submitting required data to the cabinet shall not be required
13 to obtain individual permission to release the data, except as specified in subsection
14 (1) of this section, and, if submission of the data to the cabinet complies with
15 pertinent administrative regulations promulgated pursuant to KRS Chapter 13A,
16 shall not be deemed as having violated any statute or administrative regulation
17 protecting individual privacy.
- 18 (3) (a) No less than sixty (60) days after the annual report or reports are published
19 and except as otherwise provided, the cabinet shall make all aggregate data
20 which does not allow disclosure of the identity of any individual patient, and
21 which was obtained for the annual period covered by the reports, available to
22 the public.
- 23 (b) Persons or organizations requesting use of the data shall agree to abide by a
24 public-use data agreement and by HIPPA privacy rules referenced in 45
25 C.F.R. Part 164. The public-use data agreement shall include, at a minimum, a
26 prohibition against the sale or further release of data, and guidelines for the
27 use and analysis of the data released to the public related to provider quality,

1 outcomes, or charges.

2 (c) Single copies of the printed data shall be made available to individuals at no
3 cost. The cabinet may impose a fee for providing electronic or multiple
4 printed copies of the data. At least one (1) printed and one (1) electronic copy
5 of the aggregate data shall be provided without charge to the Legislative
6 Research Commission.

7 ~~[(d) The Health Services Data Advisory Committee shall review at least annually~~
8 ~~current protocols related to the release of data under this subsection and shall~~
9 ~~make recommendations to the cabinet advisory committee established under~~
10 ~~KRS 216.2923.]~~

11 (4) Collection of data about individual patients shall be in a nonidentifying numeric
12 form and shall not include a patient's name or Social Security number. Any person
13 who receives information identifying a patient through error or any other means
14 shall return all copies of the information immediately.

15 (5) All data and information collected shall be kept in a secure location and under lock
16 and key when specifically responsible personnel are absent.

17 (6) Only designated cabinet staff shall have access to raw data and information. The
18 designated staff shall be made aware of their responsibilities to maintain
19 confidentiality. Staff with access to raw data and information shall sign a statement
20 indicating that the staff person accepts responsibility to hold that data or identifying
21 information in confidence and is aware of penalties under state or federal law for
22 breach of confidentiality. Data which, because of small sample size, breaches the
23 confidence of individual patients, shall not be released.

24 (7) Any employee of the cabinet who violates any provision of this section shall be
25 fined not more than five hundred dollars (\$500) for each violation or be confined in
26 the county jail for not more than six (6) months, or both, and shall be removed and
27 disqualified from office or employment.

1 ➔Section 49. KRS 216.2929 is amended to read as follows:

- 2 (1) (a) The Cabinet for Health and Family Services shall make available on its Web
3 site information on charges for health-care services at least annually in
4 understandable language with sufficient explanation to allow consumers to
5 draw meaningful comparisons between every hospital and ambulatory facility,
6 differentiated by payor if relevant, and for other provider groups as relevant
7 data becomes available.
- 8 (b) Any charge information compiled and reported by the cabinet shall include the
9 median charge and other percentiles to describe the typical charges for all of
10 the patients treated by a provider and the total number of patients represented
11 by all charges, and shall be risk-adjusted~~[according to recommendations of~~
12 ~~the Health Services Data Advisory Committee]~~.
- 13 (c) The report shall clearly identify the sources of data used in the report and
14 explain limitations of the data and why differences between provider charges
15 may be misleading. Every provider that is specifically identified in any report
16 shall be given thirty (30) days to verify the accuracy of its data prior to public
17 release and shall be afforded the opportunity to submit comments on its data
18 that shall be included on the Web site and as part of any printed report of the
19 data.
- 20 (d) The cabinet shall only provide linkages to organizations that publicly report
21 comparative-charge data for Kentucky providers using data for all patients
22 treated regardless of payor source, which may be adjusted for outliers, is risk-
23 adjusted, and meets the requirements of paragraph (c) of this subsection.
- 24 (2) (a) The cabinet shall make information available on its Web site at least annually
25 describing quality and outcome measures in understandable language with
26 sufficient explanations to allow consumers to draw meaningful comparisons
27 between every hospital and ambulatory facility in the Commonwealth and

1 other provider groups as relevant data becomes available.

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

6 2. The cabinet shall provide linkages only to the following organizations
7 that publicly report quality and outcome measures on Kentucky
8 providers:

9 a. The Centers for Medicare and Medicaid Services;

10 b. The Agency for Healthcare Research and Quality;

11 c. The Joint Commission; and

12 d. Other organizations that publicly report relevant outcome data for
13 Kentucky providers~~[as determined by the Health Services Data~~
14 ~~Advisory Committee]~~.

15 (c) The cabinet shall utilize or refer the general public to only those nationally
16 endorsed quality indicators that are based upon current scientific evidence or
17 relevant national professional consensus and have definitions and calculation
18 methods openly available to the general public at no charge.

19 (3) Any report the cabinet disseminates or refers the public to shall:

20 (a) Not include data for a provider whose caseload of patients is insufficient to
21 make the data a reliable indicator of the provider's performance;

22 (b) Meet the requirements of subsection (1)(c) of this section;

23 (c) Clearly identify the sources of data used in the report and explain the
24 analytical methods used in preparing the data included in the report; and

25 (d) Explain any limitations of the data and how the data should be used by
26 consumers.

27 (4) ~~[The cabinet shall at least annually, on or before October 1, submit a report on the~~

1 ~~operations and activities of the cabinet under KRS 216.2920 to 216.2929 during the~~
2 ~~preceding fiscal year, including a copy of each study or report required or~~
3 ~~authorized under KRS 216.2920 to 216.2929 and any recommendations relating~~
4 ~~thereto.~~

5 ~~(5) The cabinet shall report at least biennially, no later than October 1 of each odd-~~
6 ~~numbered year, on matters pertaining to comparative health care charges, quality,~~
7 ~~and outcomes, the effectiveness of its activities relating to educating consumers and~~
8 ~~containing health care costs, and any recommendations regarding its data collection~~
9 ~~and dissemination activities.~~

10 ~~(6)~~ The cabinet shall report at least biennially, no later than October 1 of each odd-
11 numbered year, on the special health needs of the minority population in the
12 Commonwealth as compared to the population in the Commonwealth as compared
13 to the population at large. The report shall contain an overview of the health status
14 of minority Kentuckians, shall identify the diseases and conditions experienced at
15 disproportionate mortality and morbidity rates within the minority population, and
16 shall make recommendations to meet the identified health needs of the minority
17 population.

18 ~~(5)~~~~(7)~~ The **report required under subsection (4)**~~reports required under subsections~~
19 ~~(4), (5), and (6)~~ of this section shall be submitted to the Interim Joint Committees
20 on Appropriations and Revenue and Health and Welfare and to the Governor.

21 ➔Section 50. KRS 216.941 is amended to read as follows:

22 (1) Notwithstanding any provision of law to the contrary, no additional license or
23 certificate otherwise required under the provisions of KRS Chapters 211, 216, 311,
24 312, or 314 shall be necessary for the voluntary provision of health care services by
25 any person who:

- 26 (a) Is a charitable health care provider as defined in KRS 216.940; or
27 (b) Does not regularly practice in the Commonwealth.

- 1 (2) No person whose license or certificate is suspended or revoked under disciplinary
2 proceedings in any jurisdiction, nor any person who renders services outside of the
3 scope of practice authorized by his or her licensure or certification or exception to
4 license or certification shall be allowed to participate with any sponsoring
5 organization as a charitable health care provider.
- 6 (3) Before providing charitable health care services in this state, a charitable health care
7 provider or sponsoring organization shall register with the Cabinet for Health and
8 Family Services by filing a registration form that shall contain the following
9 information:
- 10 (a) The name, address, and phone number of the charitable health care provider;
11 (b) Written and verifiable documentation of a current Kentucky license including,
12 if applicable, a license granted to an individual under a reciprocal agreement
13 with another state or country;
14 (c) The name, principal office address, phone number, and principal officer of any
15 sponsoring organization;
16 (d) The dates, locations, types of services, and intended recipients of any
17 charitable health care services to be performed in the state;
18 (e) Information as to any medical malpractice insurance procured under KRS
19 304.40-075 or otherwise; and
20 (f) Other information as the cabinet may require by administrative regulation.
- 21 (4) The cabinet shall provide, upon request of the charitable health care provider or
22 sponsoring organization, any information available as to declared emergencies,
23 underserved populations, and lack of access to health care in the state that will assist
24 the charitable health care provider or sponsoring organization in the provision of
25 these services.
- 26 (5) Boards of health created under KRS Chapter 212 may submit requests for charitable
27 health care providers in their jurisdictions to be listed in any information provided.

1 (6) Each sponsoring organization shall maintain a list of health care providers
2 associated with its provision of charitable health care services. For each health care
3 provider, the sponsoring organization shall maintain a copy of a current license,
4 certificate, or statement of exemption from licensure or certification and shall
5 require each health care provider to attest in writing that his or her license or
6 certificate is not suspended or revoked under disciplinary proceedings in any
7 jurisdiction. The sponsoring organization shall maintain its records of charitable
8 health care providers for at least five (5) years after the provision of charitable
9 health care services, including actual dates, types of services, and recipients of
10 charitable health care services, and shall furnish these records upon the request of
11 the Cabinet for Health and Family Services. Compliance with this section shall be
12 prima facie evidence that the sponsoring organization has exercised due care in
13 selecting charitable health care providers.

14 (7) The cabinet may revoke the registration of any charitable health care provider or
15 sponsoring organization for failure to comply with the provisions of KRS 216.940
16 to 216.945, in accordance with the provisions of KRS Chapter 13B.

17 (8) The cabinet shall report ~~to the General Assembly~~ the name and location of
18 individuals registered with the cabinet as charitable health care providers upon
19 request, ~~by October 1 of each year~~.

20 ➔Section 51. KRS 403.705 is amended to read as follows:

21 (1) One (1) or more local domestic violence coordinating councils may be established
22 in any jurisdiction or group of counties.

23 (2) Membership on local domestic violence coordinating councils may include, but not
24 be limited to, judges, Commonwealth's and county attorneys, law enforcement
25 officers, probation or parole officers, spouse abuse center staff, other victim
26 advocates defined under KRS 421.570, family service workers employed by the
27 Cabinet for Health and Family Services, mental health professionals, health care

1 professionals, educators, public advocates, and other persons as deemed
2 appropriate.

3 (3) The purpose of local domestic violence coordinating councils shall include, but not
4 be limited to, the promotion of public awareness about domestic violence, the
5 facilitation of interagency coordination, and the assessment of service delivery
6 related to domestic violence.

7 (4) Local domestic violence coordinating councils shall develop a local protocol
8 consistent with *nationally recognized practice*~~[the model protocol issued by the~~
9 ~~Governor's Council on Domestic Violence and Sexual Assault]~~.

10 (5) Local domestic violence coordinating councils may, if authorized by the local
11 coroner or a medical examiner, create a domestic violence fatality review team, the
12 purpose of which shall be to prevent future deaths and injuries related to domestic
13 violence.

14 (6) Domestic violence fatality review teams of local domestic violence coordinating
15 councils may:

16 (a) Analyze information regarding local domestic violence fatalities to identify
17 trends, patterns, and risk factors;

18 (b) Evaluate the effectiveness of local prevention and intervention strategies; and

19 (c) Recommend, to the *appropriate state or local governmental*
20 *agency*~~[Governor's Council on Domestic Violence and Sexual Assault]~~,

21 changes in the Kentucky Revised Statutes, administrative regulations,
22 policies, budgets, and treatment and service standards that may facilitate the
23 prevention of domestic violence fatalities. The fatality review team may
24 establish a protocol for the investigation of domestic violence fatalities and
25 may establish operating rules and procedures as it deems necessary to carry
26 out the purposes of this section.

27 (7) The review of a case by a domestic violence fatality review team may include

1 information from reports generated or received by agencies, organizations, or
2 individuals responsible for investigation, prosecution, or treatment in the case.

3 (8) The proceedings, records, opinions, and deliberations of the domestic violence
4 fatality review team shall be privileged and shall not be subject to discovery,
5 subpoena, or introduction into evidence in any civil action in any manner that would
6 directly or indirectly identify specific persons or cases reviewed by the local team.
7 Nothing in this subsection shall be construed to restrict or limit the right to discover
8 or use in any civil action any evidence that is discoverable independent of the
9 proceedings of the domestic violence fatality review team.

10 ➔Section 52. KRS 403.707 is amended to read as follows:

11 (1) ~~The [Council on Domestic Violence and Sexual Assault shall create a] Sexual~~
12 Assault Response Team Advisory Committee is established.

13 (2) The Sexual Assault Response Team Advisory Committee shall be co-chaired by the
14 executive director of the Kentucky Association of Sexual Assault Programs and the
15 commissioner of the Department of Kentucky State Police or the commissioner's
16 designee.

17 (3) The membership of the Sexual Assault Response Team Advisory Committee shall
18 consist of the following:

19 (a) The executive director of the Kentucky Board of Nursing or the executive
20 director's designee;

21 (b) The executive director of the Kentucky Nurses Association or the executive
22 director's designee;

23 (c) The executive director of the Kentucky Hospital Association or the executive
24 director's designee;

25 (d) The executive director of the Kentucky Association of Children's Advocacy
26 Centers;

27 (e) The director of the Department of Kentucky State Police Crime Lab;

- 1 (f) ~~[The chief medical examiner or the chief medical examiner's designee;~~
 2 ~~(g)]~~ The commissioner of the Department for Community Based Services or the
 3 commissioner's designee;
- 4 ~~(g)~~~~(h)]~~ The director of the Victims' Advocacy Division of the Office of the
 5 Attorney General or the director's designee;
- 6 ~~(h)~~~~(i)]~~ A sexual assault nurse examiner **appointed by the secretary of the**
 7 **Cabinet for Health and Family Services**~~[serving on the Governor's Council~~
 8 ~~on Domestic Violence and Sexual Assault];~~
- 9 ~~(i)~~~~(j)]~~ A representative from a sexual assault response team **appointed by the**
 10 **executive director of the Kentucky Association of Sexual Assault**
 11 **Programs**~~[serving on the Council on Domestic Violence and Sexual Assault];~~
- 12 ~~(j)~~~~(k)]~~ A physician appointed by the **secretary of the Cabinet for Health and**
 13 **Family Services**~~[co-chairs of the Council on Domestic Violence and Sexual~~
 14 ~~Assault]; and~~
- 15 ~~(k)~~~~(4)]~~ A Commonwealth's attorney or an assistant Commonwealth's attorney
 16 appointed by the **Attorney General**~~[co-chairs of the Council on Domestic~~
 17 ~~Violence and Sexual Assault].~~
- 18 (4) Members appointed under subsection (3)~~(h) to (k)~~~~(i) to (4)]~~ of this section shall
 19 serve at the pleasure of the appointing authority and shall not serve longer than four
 20 (4) years without reappointment.
- 21 (5) The Sexual Assault Response Team Advisory Committee shall:
- 22 (a) Serve in an advisory capacity to the Kentucky Board of Nursing in
 23 accomplishing the duties set forth under KRS 314.142;
- 24 (b) Serve in an advisory capacity to the Justice and Public Safety Cabinet in the
 25 development of the statewide sexual assault protocol required under KRS
 26 216B.400(4);
- 27 (c) Develop a model protocol for the operation of sexual assault response teams

- 1 which shall include the roles of sexual assault nurse examiners, physicians,
2 law enforcement, prosecutors, and victim advocates;
- 3 (d) Provide assistance to each regional rape crisis center, as designated by the
4 Cabinet for Health and Family Services, in establishing a regional sexual
5 assault response team;
- 6 (e) Develop model policies for law enforcement agencies related to handling
7 sexual assault examination kits and investigating sexual assaults with a
8 victim-centered, evidence-based approach;
- 9 (f) By January 1, 2018, report to the General Assembly on the results of the
10 analysis of previously untested sexual assault examination kits submitted to
11 the Department of Kentucky State Police forensic laboratory pursuant to 2016
12 Ky. Acts ch. 58, sec. 1, including whether analysis of those kits led to the
13 identification and prosecution of suspects and the cost to society of the
14 offenses committed by the suspects identified;
- 15 (g) By July 1, 2018, and by each July 1 thereafter, report to the General Assembly
16 and to the secretary of the Justice and Public Safety Cabinet on the number of
17 sexual assaults reported, the number of sexual assault examination kits
18 submitted to the Department of Kentucky State Police forensic laboratory, the
19 number of kits tested, and the number of charges filed and convictions
20 obtained in sexual assault cases in the previous calendar year;
- 21 (h) Provide information and recommendations concerning the activities of the
22 agency or organization represented by each individual committee member as
23 related to sexual assault issues and programs within the purview of the agency
24 or organization; and
- 25 (i) Recommend to the appropriate state agency~~[Council on Domestic Violence~~
26 ~~and Sexual Assault]~~ any changes in statute, administrative regulation, training,
27 policy, and budget to promote a multidisciplinary response to sexual assault.

1 ➔Section 53. KRS 403.7505 is amended to read as follows:

- 2 (1) The Cabinet for Health and Family Services shall, by administrative regulations
3 promulgated pursuant to KRS Chapter 13A, establish certification standards for
4 mental health professionals providing court-mandated treatment services for
5 domestic violence offenders.
- 6 (2) The standards created by the cabinet shall be based on the following principles:
- 7 (a) Domestic violence is a pattern of coercive control which includes physical,
8 sexual, psychological, and environmental abuse, and is considered to be
9 criminal conduct;
- 10 (b) The primary goal of treatment programs for domestic violence offenders shall
11 be the cessation of violence which will provide for the safety of victims and
12 their children; and
- 13 (c) Domestic violence offenders are responsible and shall be held accountable for
14 the violence which they choose to perpetrate.
- 15 (3) The standards created by the cabinet shall address the following:
- 16 (a) Qualifications of providers of court-mandated domestic violence offender
17 treatment services which shall include appropriate requirements for degree,
18 experience, training, and continuing education;
- 19 (b) Procedures for application by providers to receive certification which shall
20 include methods of appeal if certification is denied, and sanctions for
21 noncompliance with the standards which may include revocation of
22 certification;
- 23 (c) Admittance and discharge criteria for domestic violence offenders to enter
24 court-mandated treatment services provided pursuant to this section;
- 25 (d) Written protocols for referral by a court to certified providers and for progress
26 reports to be made to the court by providers;
- 27 (e) Contracts for domestic violence offenders to sign prior to entering court-

- 1 ordered treatment services provided pursuant to this section. The contract
2 shall specify that certified providers may contact the victims of the offender if
3 the victim chooses to be contacted. The contract shall authorize the provider
4 to release information regarding the offender's progress in treatment to the
5 court, victims, probation and parole officers, and other individuals authorized
6 by the court to receive the information;
- 7 (f) Written procedures in compliance with KRS 202A.400, 209.030, and
8 620.030;
- 9 (g) Payment protocols which require the offender to pay the actual cost for any
10 court-mandated evaluation or treatment pursuant to this section, subject to the
11 offender's ability to pay; and
- 12 (h) Other provisions which shall further the availability and quality of court-
13 mandated domestic violence offender services.
- 14 (4) The cabinet shall:
- 15 (a) Maintain a list of providers certified pursuant to this section and regularly
16 submit the list to the Administrative Office of the Courts; and
- 17 (b) Collect data from certified providers, which shall include demographic
18 information and clinical characteristics on offenders served, number of
19 offenders admitted into treatment and discharge conditions, total clinical
20 services provided to offenders, and other information necessary to monitor the
21 safety and effectiveness of services provided, to be provided upon
22 request~~[compiled annually and submitted to the Governor, the Chief Justice of~~
23 ~~the Kentucky Supreme Court, and the Legislative Research Commission]~~.
- 24 (5) No person, association, or organization shall conduct, operate, maintain, advise, or
25 advertise any program that provides court-ordered treatment services for domestic
26 violence offenders without first obtaining or maintaining valid certification under
27 this chapter. If the cabinet has cause to believe that court-ordered treatment services

1 for domestic violence offenders are being provided by a person or entity that does
2 not possess valid certification under this chapter, the cabinet may institute
3 proceedings, in the Circuit Court of the county in which the person or entity is
4 located or in Franklin Circuit Court, for injunctive relief to terminate the provision
5 of those services.

6 (6) Any person certified under this section shall submit quarterly to the cabinet:

- 7 (a) Demographic information and clinical characteristics on offenders served;
- 8 (b) Number of offenders admitted into treatment and discharge conditions;
- 9 (c) Total clinical services provided to offenders; and
- 10 (d) Other information as required by administrative regulation.

11 ➔Section 54. KRS 199.8996 is amended to read as follows:

12 (1) The Cabinet for Health and Family Services shall prepare the following reports ~~to~~
13 ~~the General Assembly~~ on child-care programs, and shall make them available upon
14 request~~[to the public]~~:

15 (a) State and federally mandated reports on the child-care funds administered
16 by the Department for Community Based Services; and

17 (b) Reports on the child-care subsidy programs, training, resource and referral,
18 and similar activities upon request by the public, the Early Childhood
19 Advisory Council, or the Child Care Advisory Council, to the extent
20 resources are available within the cabinet and as permitted under the
21 Kentucky Open Records Act, KRS 61.870 to 61.884, and state and federal
22 laws governing the protection of human research subjects~~[A quarterly report~~

23 ~~detailing the number of children and amounts of child-care subsidies provided~~
24 ~~in each area development district;~~

25 ~~(b) A quarterly report on administrative expenses incurred in the operation of~~
26 ~~child-care subsidy programs;~~

27 ~~(c) A quarterly report on disbursements of federal child-care block grant funds for~~

1 training, resource and referral, and similar activities; and

2 ~~(d) Beginning July 15, 1993, an annual report summarizing the average child care~~
3 ~~subsidy activities per month in all Kentucky counties].~~

4 (2) ~~[The cabinet shall file an annual report on its evaluation of the adequacy of the~~
5 ~~child care subsidy to enable low income families in need of child care services to~~
6 ~~obtain child care with the Early Childhood Advisory Council and the Legislative~~
7 ~~Research Commission.~~

8 ~~(3) [The cabinet shall~~ ***include*** ~~[file an annual report on]~~ the number of dedicated child-
9 care licensing surveyor positions and the ratio of surveyors to child-care facilities
10 ***within its half-year block grant status reports*** ~~[with the Early Childhood Advisory~~
11 ~~Council and the Legislative Research Commission].~~

12 ~~(3)~~ ~~(4)~~ By November 1, 2017, the Cabinet for Health and Family Services and the
13 Early Childhood Advisory Council shall report to the Interim Joint Committee on
14 Education and the Interim Joint Committee on Health and Welfare on
15 recommendations and plans for sustaining the quality-based graduated early care
16 and education program after the depletion of federal Race to the Top-Early Learning
17 Challenge grant funds.

18 ➔Section 55. KRS 211.596 is amended to read as follows:

19 (1) The Pediatric Cancer Research Trust Fund Board is hereby created for the purpose
20 of administering and distributing funds from the trust created under KRS 211.595.

21 The board shall be composed of nine (9) members to be appointed as follows:

22 (a) A specialist in pediatric oncology nominated by ***Norton*** ~~[the Kosair]~~ Children's
23 Hospital to be appointed by the Governor;

24 (b) A specialist in pediatric oncology nominated by the University of Kentucky
25 Children's Hospital to be appointed by the Governor;

26 (c) A representative nominated by Kentucky Chapters of the Leukemia and
27 Lymphoma Society to be appointed by the Governor;

- 1 (d) A representative nominated by Kentucky offices of the American Cancer
2 Society to be appointed by the Governor;
- 3 (e) Three (3) citizens, one (1) of whom shall be a pediatric cancer survivor, or
4 parent thereof, to be appointed by the Governor from a list of six (6) citizens
5 nominated by Kentucky offices of the American Cancer Society;
- 6 (f) The secretary of the Cabinet for Health and Family Services, or the secretary's
7 designee; and
- 8 (g) The commissioner of the Department for Public Health, or the commissioner's
9 designee.
- 10 (2) The board shall be attached to the Cabinet for Health and Family Services for
11 administrative purposes.
- 12 (3) The secretary of the Cabinet for Health and Family Services shall convene the first
13 meeting of the board within sixty (60) days of June 24, 2015.
- 14 (4) Board members shall serve without compensation, but may receive reimbursement
15 for their actual and necessary expenses incurred in the performance of their duties.
- 16 (5) The term of each appointed member shall be four (4) years.
- 17 (6) A member whose term has expired may continue to serve until a successor is
18 appointed and qualifies. A member who is appointed to an unexpired term shall
19 serve the rest of the term and until a successor is appointed and qualifies. A member
20 may serve two (2) consecutive four (4) year terms and shall not be reappointed for
21 four (4) years after the completion of those terms.
- 22 (7) A majority of the full membership of the board shall constitute a quorum.
- 23 (8) At the first meeting, the board shall elect, by majority vote, a president who shall
24 preside at all meetings and coordinate the functions and activities of the board. The
25 president shall be elected or reelected each calendar year thereafter.
- 26 (9) The board shall meet at least two (2) times annually, but may meet more frequently,
27 as deemed necessary, subject to call by the president or by request of a majority of

1 the board members.

2 ➔Section 56. KRS 304.17A-600 is amended to read as follows:

3 As used in KRS 304.17A-600 to 304.17A-633:

- 4 (1) (a) "Adverse determination" means a determination by an insurer or its designee
5 that the health care services furnished or proposed to be furnished to a covered
6 person are:
- 7 1. Not medically necessary, as determined by the insurer, or its designee or
8 experimental or investigational, as determined by the insurer, or its
9 designee; and
 - 10 2. Benefit coverage is therefore denied, reduced, or terminated.
- 11 (b) "Adverse determination" does not mean a determination by an insurer or its
12 designee that the health care services furnished or proposed to be furnished to
13 a covered person are specifically limited or excluded in the covered person's
14 health benefit plan;
- 15 (2) "Authorized person" means a parent, guardian, or other person authorized to act on
16 behalf of a covered person with respect to health care decisions;
- 17 (3) "Concurrent review" means utilization review conducted during a covered person's
18 course of treatment or hospital stay;
- 19 (4) "Covered person" means a person covered under a health benefit plan;
- 20 (5) "External review" means a review that is conducted by an independent review entity
21 which meets specified criteria as established in KRS 304.17A-623, 304.17A-625,
22 and 304.17A-627;
- 23 (6) "Health benefit plan" means the document evidencing and setting forth the terms
24 and conditions of coverage of any hospital or medical expense policy or certificate;
25 nonprofit hospital, medical-surgical, and health service corporation contract or
26 certificate; provider sponsored integrated health delivery network policy or
27 certificate; a self-insured policy or certificate or a policy or certificate provided by a

1 multiple employer welfare arrangement, to the extent permitted by ERISA; health
2 maintenance organization contract; or any health benefit plan that affects the rights
3 of a Kentucky insured and bears a reasonable relation to Kentucky, whether
4 delivered or issued for delivery in Kentucky, and does not include policies covering
5 only accident, credit, dental, disability income, fixed indemnity medical expense
6 reimbursement policy, long-term care, Medicare supplement, specified disease,
7 vision care, coverage issued as a supplement to liability insurance, insurance arising
8 out of a workers' compensation or similar law, automobile medical-payment
9 insurance, insurance under which benefits are payable with or without regard to
10 fault and that is statutorily required to be contained in any liability insurance policy
11 or equivalent self-insurance, student health insurance offered by a Kentucky-
12 licensed insurer under written contract with a university or college whose students it
13 proposes to insure, medical expense reimbursement policies specifically designed to
14 fill gaps in primary coverage, coinsurance, or deductibles and provided under a
15 separate policy, certificate, or contract, or coverage supplemental to the coverage
16 provided under Chapter 55 of Title 10, United States Code; or limited health service
17 benefit plans; and for purposes of KRS 304.17A-600 to 304.17A-633 includes
18 short-term coverage policies;

19 (7) "Independent review entity" means an individual or organization certified by the
20 department to perform external reviews under KRS 304.17A-623, 304.17A-625,
21 and 304.17A-627;

22 (8) "Insurer" means any of the following entities authorized to issue health benefit plans
23 as defined in subsection (6) of this section: an insurance company, health
24 maintenance organization; self-insurer or multiple employer welfare arrangement
25 not exempt from state regulation by ERISA; provider-sponsored integrated health
26 delivery network; self-insured employer-organized association; nonprofit hospital,
27 medical-surgical, or health service corporation; or any other entity authorized to

- 1 transact health insurance business in Kentucky;
- 2 (9) "Internal appeals process" means a formal process, as set forth in KRS 304.17A-
3 617, established and maintained by the insurer, its designee, or agent whereby the
4 covered person, an authorized person, or a provider may contest an adverse
5 determination rendered by the insurer, its designee, or private review agent;
- 6 (10) "Nationally recognized accreditation organization" means a private nonprofit entity
7 that sets national utilization review and internal appeal standards and conducts
8 review of insurers, agents, or independent review entities for the purpose of
9 accreditation or certification. Nationally recognized accreditation organizations
10 shall include the Accreditation Association for Ambulatory Health Care
11 (AAAHHC), the National Committee for Quality Assurance (NCQA), the American
12 Accreditation Health Care Commission (URAC), the Joint Commission, or any
13 other organization identified by the department;
- 14 (11) "Private review agent" or "agent" means a person or entity performing utilization
15 review that is either affiliated with, under contract with, or acting on behalf of any
16 insurer or other person providing or administering health benefits to citizens of this
17 Commonwealth. "Private review agent" or "agent" does not include an independent
18 review entity which performs external review of adverse determinations;
- 19 (12) "Prospective review" means utilization review that is conducted prior to a hospital
20 admission or a course of treatment;
- 21 (13) "Provider" shall have the same meaning as set forth in KRS 304.17A-005;
- 22 (14) "Qualified personnel" means licensed physician, registered nurse, licensed practical
23 nurse, medical records technician, or other licensed medical personnel who through
24 training and experience shall render consistent decisions based on the review
25 criteria;
- 26 (15) "Registration" means an authorization issued by the department to an insurer or a
27 private review agent to conduct utilization review;

1 (16) "Retrospective review" means utilization review that is conducted after health care
2 services have been provided to a covered person. "Retrospective review" does not
3 include the review of a claim that is limited to an evaluation of reimbursement
4 levels, or adjudication of payment;

5 (17) (a) "Urgent care" means health care or treatment with respect to which the
6 application of the time periods for making nonurgent determination:

- 7 1. Could seriously jeopardize the life or health of the covered person or the
8 ability of the covered person to regain maximum function; or
- 9 2. In the opinion of a physician with knowledge of the covered person's
10 medical condition, would subject the covered person to severe pain that
11 cannot be adequately managed without the care or treatment that is the
12 subject of the utilization review; and

13 (b) "Urgent care" shall include all requests for hospitalization and outpatient
14 surgery;

15 (18) "Utilization review" means a review of the medical necessity and appropriateness of
16 hospital resources and medical services given or proposed to be given to a covered
17 person for purposes of determining the availability of payment. Areas of review
18 include concurrent, prospective, and retrospective review; and

19 (19) "Utilization review plan" means a description of the procedures governing
20 utilization review activities performed by an insurer or a private review agent.

21 ➔Section 57. 2008 Regular Session House Joint Resolution 17, Section 6, is
22 hereby repealed.

23 ➔Section 58. The following KRS sections are repealed:

24 11.170 Kentucky Agriculture Resources Development Authority.

25 15.290 Establishment of Child Support Enforcement Commission.

26 18A.400 Purpose of KRS 18A.400 to 18A.450.

27 18A.405 Personnel Steering Committee.

- 1 18A.410 Duties of Personnel Steering Committee.
- 2 18A.415 Discontinuance of pilot personnel program.
- 3 18A.420 Approval of pilot personnel programs.
- 4 18A.425 Reports from pilot agencies and the committee.
- 5 18A.430 Employment manual -- Administrative regulations -- Expiration of pilot
- 6 program.
- 7 18A.435 Employee request for transfer.
- 8 18A.440 Bases for organizational units for pilot programs.
- 9 18A.445 Use of savings attributed to agency's pilot personnel program -- Authority for
- 10 administrative regulations.
- 11 18A.450 Development of pilot programs by Department of Workforce Investment or
- 12 Department of Kentucky State Police.
- 13 36.145 Kentucky National Guard and Reserve Employers' Council -- Membership --
- 14 Meetings.
- 15 36.146 Mission of Kentucky National Guard and Reserve Employers' Council.
- 16 64.741 Definitions for KRS 64.742 to 64.745.
- 17 64.742 Public Officials Compensation Commission.
- 18 64.743 Organization -- Compensation -- Staff.
- 19 64.744 Studies -- Recommendations.
- 20 64.745 Reports.
- 21 146.650 Legislative findings regarding state's natural history -- Purposes of KRS
- 22 146.650 to 146.666.
- 23 146.652 Kentucky Natural History Museum -- Board of directors -- Appointments,
- 24 terms, and meetings.
- 25 146.654 Powers and duties of board.
- 26 146.656 Director to administer museum -- Qualifications
- 27 146.658 Duties of director.

- 1 146.660 Administrative mission units of museum -- Associate directors.
- 2 146.662 Curation and science unit -- Functions -- Qualifications of associate director.
- 3 146.664 Education and events unit -- Functions -- Qualifications of associate director.
- 4 146.666 Exhibits and maintenance unit -- Functions -- Qualifications of associate
- 5 director.
- 6 147.580 Southern Growth Policies Agreement.
- 7 147.585 Lieutenant Governor to be member of board.
- 8 153.310 Definition for KRS 153.320 to 153.370.
- 9 153.320 Kentucky Historical Events Celebration Commission -- Members -- Expiration
- 10 of commission.
- 11 153.330 Commission to establish executive committee -- Meetings.
- 12 153.340 Commission's purpose -- Reports -- Duties.
- 13 153.350 Powers of commission.
- 14 153.360 Commission members' expenses -- Compensation -- Disbursement of funds.
- 15 153.370 Commission membership not to be incompatible with state office.
- 16 153.386 Definition.
- 17 153.388 Kentucky Bicentennial Commission created -- Appointment of members --
- 18 Terms.
- 19 153.390 Duties of the commission.
- 20 153.392 Powers of commission.
- 21 153.394 Executive committee -- Meetings.
- 22 153.396 Reimbursement for expenses.
- 23 153.398 Kentucky bicentennial celebration trust fund.
- 24 158.650 Definitions for KRS 158.680 to 158.710. (Expired)
- 25 158.680 State Advisory Committee for Educational Improvement. (Expired)
- 26 158.685 Standards of student, program, service, and operational performance to be
- 27 established -- Educationally deficient school district -- Action to eliminate

- 1 deficiency -- Education development district. (Expired)
- 2 158.710 Responsibilities and functions of educationally deficient districts and education
- 3 development districts -- Plans required -- Reports required. (Expired)
- 4 164.385 Continuing education program for midlevel health care practitioners.
- 5 164.6015 Kentucky Innovation Commission -- Members -- Duties -- Support staff.
- 6 171.750 Kentucky Capitol Centennial Commission.
- 7 171.751 Duties of Kentucky Capitol Centennial Commission.
- 8 171.752 Expiration of Kentucky Capitol Centennial Commission.
- 9 171.755 Kentucky War of 1812 Bicentennial Commission.
- 10 171.757 Commission's powers.
- 11 171.814 Underground Railroad Advisory Council -- Members -- Duties -- Meetings.
- 12 177.951 Kentucky Auto and Truck Recyclers Licensing Advisory Board -- Members --
- 13 Meetings -- Functions.
- 14 198B.250 Architectural Barriers Advisory Committee.
- 15 200.100 Cabinet to investigate status of children -- Report to Governor.
- 16 205.465 Report by cabinet.
- 17 205.6336 Certification to Interim Joint Committee on Appropriations and Revenue of
- 18 general fund savings realized from procedures adopted to control health-care costs -
- 19 - Transfer of savings to trust fund.
- 20 205.6491 Advisory council.
- 21 211.480 Legislative findings.
- 22 211.481 Kentucky Cardiovascular Disease Initiative -- Goals -- KCDI board.
- 23 211.482 Business plans and benchmark measures -- Presentation of plans to Interim
- 24 Joint Committees -- Updates to be provided -- Public-private collaboration.
- 25 211.483 KCDI fund.
- 26 211.735 Definitions for KRS 211.735 to 211.739.
- 27 211.736 Creation of Kentucky Diabetes Research Board.

- 1 211.737 Creation of Kentucky diabetes research trust fund.
- 2 211.738 Application and review of proposed research projects.
- 3 211.739 Granting of research contracts -- Reports -- Published research documents --
- 4 Acknowledgment of funding source.
- 5 216.261 Kentucky Health Care Infrastructure Authority -- Responsibilities -- Funding --
- 6 Annual report.
- 7 216.263 Definitions.
- 8 216.265 Kentucky e-Health Network Board -- Membership -- Terms -- Employees --
- 9 Immunity from liability -- Reimbursement of expenses -- Meetings -- Committees
- 10 or subcommittees -- Reorganization.
- 11 216.267 Duties and responsibilities of Kentucky e-Health Network Board -- Permitted
- 12 functions of the board -- Elements of fully implemented Kentucky e-Health
- 13 Network.
- 14 216.269 Ke-HN fund.
- 15 216.580 Long-Term Care Coordinating Council established.
- 16 216.583 Long-Term Care Coordinating Council -- Membership of council.
- 17 216.585 Officer and meetings of council.
- 18 216.587 Duties of council.
- 19 216.920 Kentucky Board of Family Health Care Providers.
- 20 216.925 Midlevel health care practitioner.
- 21 216B.025 Commission of Health Economics Control in Kentucky.
- 22 216B.030 Principal office of commission.
- 23 216B.135 Creation of Task Force on Health Care Cost and Quality.
- 24 216B.339 Monitoring of establishment of nursing home beds -- Collection of data --
- 25 Secretary's report to General Assembly.
- 26 217.950 License for manufacture of laetrile -- Regulations -- Use in health care facilities
- 27 licensed by cabinet.

- 1 217.952 Laetrile not to be sold in interstate commerce, penalty.
- 2 311.950 Status of laetrile -- May be prescribed, when.
- 3 311.952 Availability of laetrile to patient.
- 4 311.954 Manufacture, sale, or distribution permissive.
- 5 311.956 Prescription and administration by physician.
- 6 311.958 Written informed request.
- 7 311.960 Written informed request to be filed with state board.
- 8 311.962 Physician's liability limited.
- 9 311.964 Health care facility not to restrict use of laetrile -- Exception.
- 10 311.966 Laetrile not endorsed as treatment.
- 11 311.991 Penalty.
- 12 315.192 Board of Pharmacy not to prohibit sale and dispensing of laetrile.
- 13 336.162 Kentucky Labor-Management Advisory Council.
- 14 336.164 Duties of council -- Staff support.
- 15 342.0012 Workers' Compensation Advisory Council.
- 16 403.700 Council on Domestic Violence and Sexual Assault -- Membership -- Executive
- 17 committee -- Duties and responsibilities of council -- Administrative and staff
- 18 assistance.
- 19 ➔Section 59. All records, documents, funds, assets, and outstanding liabilities of
- 20 the Kentucky Cardiovascular Disease Initiative Board, Child Support Enforcement
- 21 Commission, Diabetes Research Board, Council on Domestic Violence and Sexual
- 22 Assault, and e-Health Network Board are hereby transferred to the Cabinet for Health and
- 23 Family Services.
- 24 ➔Section 60. All records, documents, funds, assets, and outstanding liabilities of
- 25 the Kentucky Capitol Centennial Commission, Historical Events Celebration
- 26 Commission, War of 1812 Bicentennial Commission, and the Kentucky Bicentennial
- 27 Commission are hereby transferred to the Kentucky Heritage Council.

1 ➡Section 61. All records, documents, funds, assets, and outstanding liabilities of
2 the Natural History Museum are hereby transferred to the Tourism, Arts and Heritage
3 Cabinet.