

1 AN ACT relating to executive branch ethics.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO  
4 READ AS FOLLOWS:

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

6 *(a) "Agency" means any department, program cabinet, division, institution,*  
7 *board, commission, office, or agency of state government;*

8 *(b) "Nonpublic information" means information relating to state government*  
9 *that a transition team member obtains as part of his or her participation on*  
10 *the transition team that such member knows or reasonably should know*  
11 *has not been made available to the general public, or is otherwise not*  
12 *available for public inspection under KRS 61.870 to 61.884;*

13 *(c) "Transition team" means a team created by a person newly elected to any*  
14 *office listed in KRS 11A.010(9)(a) to (g) to promote the orderly transfer of*  
15 *executive power and ensure continuity in the conduct of the affairs of state*  
16 *government in connection with the expiration of the term of office for any*  
17 *person elected to the offices listed under KRS 11A.010(9)(a) to (g) and the*  
18 *election and inauguration of another person to serve in any of the offices*  
19 *listed in KRS 11A.010(9)(a) to (g); and*

20 *(d) "Transition team member" means any person designated to serve on a*  
21 *transition team.*

22 *(2) A person newly elected to any office listed in KRS 11A.010(9)(a) to (g) may create*  
23 *a transition team for the purpose of promoting an orderly transfer of executive*  
24 *power and ensuring continuity in the conduct of affairs of state government by*  
25 *requesting and utilizing information provided by the administration of the*  
26 *outgoing official that had been elected to any office listed in KRS 11A.010(9)(a)*  
27 *to (g) prior to the expiration of his or her term of office.*

- 1 (3) The commission shall establish by administrative regulation promulgated under  
2 KRS Chapter 13A standards of ethical conduct for transition team members. The  
3 standards of ethical conduct for transition team members shall include ethics  
4 requirements that:
- 5 (a) Apply to all transition team members;  
6 (b) Address the role of transition team members who are:
- 7 1. Registered lobbyists under KRS 6.801 to 6.829 and KRS 11A.201 to  
8 11A.246; or  
9 2. Former lobbyists who were registered under KRS 6.801 to 6.829 and  
10 KRS 11A.201 to 11A.246 during the twelve (12) month period prior to  
11 becoming a transition team member.
- 12 (4) Each person elected to an office listed in KRS 11A.010(9)(a) to (g) shall designate  
13 a person or persons to lead his or her transition team or transition teams. Persons  
14 designated as transition team leaders shall, on a form prescribed by the  
15 commission by administrative regulation promulgated under KRS Chapter 13A,  
16 submit to the commission:
- 17 (a) A list of all transition team members;  
18 (b) A description of how transition team members will comply with the  
19 provisions contained within this section; and  
20 (c) Any additions to or departures from the list of transition team members as  
21 necessary to provide an accurate and up-to-date list.
- 22 (5) A transition team member shall:
- 23 (a) Seek authorization from the transition team leader designated by the person  
24 elected to the office listed in KRS 11A.010(9)(a) to (g) to oversee the  
25 transition team to which the transition team member is assigned before  
26 seeking access to any nonpublic information as part of the transition  
27 process;

1 (b) Keep confidential any nonpublic information provided in the course of the  
2 duties of the transition team member with the transition team and  
3 exclusively use such information for the purposes of the transition; and

4 (c) Not use any nonpublic information provided in the course of transition  
5 duties, in any manner, for personal or private gain of the transition team  
6 member or any other party at any time during or after the transition.

7 (6) A transition team member shall not receive nonpublic information regarding  
8 matters that financially impact:

9 (a) The transition team member or his or her spouse;

10 (b) The transition team member's employer or his or her spouse's employer;

11 (c) The transition team member's lobbying clients;

12 (d) Any business in which the transition team member or his or her spouse is a  
13 board member;

14 (e) Any business in which the transition team member or his or her spouse is  
15 an officer;

16 (f) Any business in which the transition team member or his or her spouse is  
17 an owner of five percent (5%) or more of the business; or

18 (g) Any provider of non-state sources of funds received by the transition team  
19 member related to his or her transition team duties.

20 (7) Every transition team member shall disclose prior to serving on the transition  
21 team, and update as necessary during service on the transition team on a form  
22 prescribed by the commission by administrative regulation promulgated under  
23 KRS Chapter 13A:

24 (a) His or her current employer and the current employer of his or her spouse;

25 (b) Any business in which a transition team member or his or her spouse is a  
26 board member, an officer, or an owner of five percent (5%) or more of the  
27 business during the twelve (12) month period prior to becoming a transition

1           team member;

2           (c) Any non-state sources of funds received for his or her services related to  
3           transition team duties;

4           (d) All positions the transition team member has held outside of state  
5           government for the twelve (12) month period prior to becoming a transition  
6           team member, including both paid and unpaid positions;

7           (e) Any contracts that the transition team member or his or her spouse has  
8           sought or received with state government during the twelve (12) month  
9           period prior to becoming a transition team member and affirmation that the  
10           transition team member and his or her spouse will not seek a contract with  
11           a state agency for which he or she received nonpublic information during  
12           the tenure of the administration;

13           (f) Whether the transition team member or his or her spouse has accepted any  
14           gift or payment exceeding twenty-five dollars (\$25) or has accepted future  
15           employment from any party interested in seeking influence in state  
16           government during the twelve (12) month period prior to becoming a  
17           transition team member, or during service as a transition team member;

18           (g) A description of the transition team member's role in the transition,  
19           including a list of any policy issues on which the transition team member is  
20           expected to work, and a list of agencies with which the transition team  
21           member is expected to interact while serving on the transition team;

22           (h) Any issues from which each transition team member shall be recused while  
23           serving as a member of the transition team; and

24           (i) An affirmation that each transition team member does not have a financial  
25           conflict of interest that precludes transition team members from working on  
26           specified issues to which he or she has been assigned.

27           (8) The commission shall make the standards of ethical conduct for transition team

1        *members available to the public on its Web site.*

2        ➔Section 2. KRS 11A.050 is amended to read as follows:

- 3        (1) Each officer, each public servant listed in KRS 11A.010(9)(a) to (g), and each  
4        candidate shall file a statement of financial disclosure with the commission, as  
5        follows:
- 6        (a) Each officer shall file the statement within thirty (30) days of employment as  
7        an officer, and each officer who occupies his or her position during any  
8        portion of a calendar year shall file the statement for that portion of the  
9        calendar year he or she occupied the position on or before April 15 of the  
10       following year, whether or not he or she remains an officer;~~[-]~~
- 11       (b) Each public servant listed in KRS 11A.010(9)(a) to (g) who occupies his or  
12       her position during any portion of a calendar year shall file the statement for  
13       that portion of the calendar year he or she occupied the position on or before  
14       April 15 of the following year, whether or not he or she remains a public  
15       servant as listed in KRS 11A.010(9)(a) to (g);~~[-]~~
- 16       (c) Each officer and public servant listed in KRS 11A.010(9)(a) to (g) who does  
17       not remain an officer or public servant listed in KRS 11A.010(9)(a) to (g) for  
18       the entire calendar year shall file the statement for the portion of the calendar  
19       year that the person served as an officer or public servant listed in KRS  
20       11A.010(9)(a) to (g). The statement shall be filed with the commission within  
21       thirty (30) days after the date the person no longer serves as an officer or  
22       public servant listed in KRS 11A.010(9)(a) to (g);~~[-]~~
- 23       (d) A candidate shall file the statement reflecting the previous calendar year with  
24       the commission no later than February 15; *and*
- 25       *(e) Each candidate elected to serve as a public servant in a position listed in*  
26       *KRS 11A.010(9)(a) to (g) shall, within ten (10) days of taking the oath of*  
27       *office for the position to which he or she was elected, file a statement of*

1                   *financial disclosure with the commission for the calendar year in which the*  
2                   *election was held.*

- 3       (2) The statement of financial disclosure shall be filed on a form prescribed by the  
4       commission. The commission shall provide copies of the form upon request without  
5       charge.
- 6       (3) The statement shall include the following information for the preceding calendar  
7       year:
- 8       (a) Name and entire residential and business address of filer;
  - 9       (b) Title of position or office whereby filing is required;
  - 10      (c) Any other occupations of filer and spouse;
  - 11      (d) Positions held by the filer or his or her spouse in any business, and the name  
12      and address of the business;
  - 13      (e) Name and address of any employer by whom the filer was employed for the  
14      one (1) year period immediately prior to becoming an officer, not including  
15      those listed in paragraph (d) of this subsection;
  - 16      (f) Names and addresses of all businesses in which the filer, his or her spouse, or  
17      dependent children has or had an interest of ten thousand dollars (\$10,000) at  
18      fair market value or five percent (5%) ownership interest or more;
  - 19      (g) The name and address of any source of gross income exceeding one thousand  
20      dollars (\$1,000) from any one (1) source to the filer, his or her spouse, or  
21      dependent child, as well as information concerning the nature of the business,  
22      and the form of the income;
  - 23      (h) Any representation or intervention for compensation by the filer or his or her  
24      spouse for any person or business before a state agency for which the filer  
25      works or supervises or before any entity of state government for which the  
26      filer would serve in a decision-making capacity, including the name and  
27      address of the person or business;

- 1 (i) All positions of a fiduciary nature held by the filer or his or her spouse in a  
2 business, including the name and address of the business;
- 3 (j) Information, including a street address or location, regarding any real property  
4 in which there is an interest of ten thousand dollars (\$10,000) or more held by  
5 the filer, his or her spouse, or dependent children;
- 6 (k) Sources, including each source's name and address, of gifts of money or  
7 property with a retail value of more than two hundred dollars (\$200) from any  
8 one (1) source to the filer, his or her spouse, or dependent children, except  
9 those from a member of the filer's family;
- 10 (l) Identity, including an address, of creditors owed more than ten thousand  
11 dollars (\$10,000), except debts arising from the purchase of consumer goods;  
12 and
- 13 (m) Names and addresses of family members of the filer or persons with whom the  
14 filer was engaged in a business who are registered as legislative agents under  
15 KRS 6.807 or executive agency lobbyists under KRS 11A.211.

16 Paragraphs (a) to (m) of this subsection shall not require disclosure of specific  
17 dollar amounts or of privileged information.