GENERAL ASSEMBLY
COMMONWEALTH OF KENTUCKY

2013 REGULAR SESSION

SENATE BILL NO. 59

THURSDAY, FEBRUARY 21, 2013

The following bill was reported to the House from the Senate and ordered to be printed.

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ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Adler

1 AN ACT relating to reorganization.

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

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

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

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

17 1. The Governor.

18 2. Lieutenant Governor.

19 3. Department of State.

20 (a) Secretary of State.

21 (b) Board of Elections.

22 (c) Registry of Election Finance.

23 4. Department of Law.

24 (a) Attorney General.

25 5. Department of the Treasury.

26 (a) Treasurer.

27 6. Department of Agriculture.

1 (a) Commissioner of Agriculture.
2 (b) Kentucky Council on Agriculture.
3 7. Auditor of Public Accounts.
4 II. Program cabinets headed by appointed officers:
5 1. Justice and Public Safety Cabinet:
6 (a) Department of Kentucky State Police.
7 (b) Department of Criminal Justice Training.
8 (c) Department of Corrections.
9 (d) Department of Juvenile Justice.
10 (e) Office of the Secretary.
11 (f) Office of Drug Control Policy.
12 (g) Office of Legal Services.
13 (h) Office of the Kentucky State Medical Examiner.
14 (i) Parole Board.
15 (j) Kentucky State Corrections Commission.
16 (k) Office of Legislative and Intergovernmental Services.
17 (l) Office of Management and Administrative Services.
18 (m) Office of Investigations.
19 (n) Department for Public Advocacy.
20 2. Education and Workforce Development Cabinet:
21 (a) Office of the Secretary.
22 1. Governor's Scholars Program.
23 (b) Office of Legal and Legislative Services.
24 1. Client Assistance Program.
25 (c) Office of Communication.
26 (d) Office of Budget and Administration.
27 1. Division of Human Resources.

1 2. Division of Administrative Services.

2 3. Division of Technology Services.

3 (e) Office of Educational Programs.

4 (f) Board of Directors for the Center for School Safety.

5 (g) [~~Council on Postsecondary Education.~~

6 ~~1. Foundation for Adult Education.~~

7 ~~(h)~~]Department of Education.

8 1. Kentucky Board of Education.

9 ***(h)***[~~(i)~~] Department for Libraries and Archives.

10 ***(i)***[~~(j)~~] Department of Workforce Investment.

11 1. Office for the Blind.

12 2. Office of Vocational Rehabilitation.

13 3. Office of Career and Technical Education.

14 4. Office of Employment and Training.

15 ***(j)***[~~(k)~~] Foundation for Workforce Development.

16 ***(k)***[~~(l)~~] Kentucky Office for the Blind State Rehabilitation Council.

17 ***(l)***[~~(m)~~] Kentucky Technical Education Personnel Board.

18 ***(m)***[~~(n)~~] Kentucky Workforce Investment Board.

19 ***(n)***[~~(o)~~] Statewide Council for Vocational Rehabilitation.

20 ***(o)***[~~(p)~~] Statewide Independent Living Council.

21 ***(p)***[~~(q)~~] Unemployment Insurance Commission.

22 ***(q)***[~~(r)~~] Education Professional Standards Board.

23 1. Division of Educator Preparation.

24 2. Division of Certification.

25 3. Division of Professional Learning and Assessment.

26 4. Division of Legal Services.

27 ***(r)***[~~(s)~~] Kentucky Commission on the Deaf and Hard of Hearing.

1 *(s)*[~~(t)~~] Kentucky Educational Television.

2 *(t)*[~~(u)~~] Kentucky Environmental Education Council.

3 3. Energy and Environment Cabinet:

4 (a) Office of the Secretary.

5 1. Office of Legislative and Intergovernmental Affairs.

6 2. Office of General Counsel.

7 a. Environmental Protection Legal Division.

8 3. Office of Administrative Hearings.

9 4. Mine Safety Review Commission.

10 5. Kentucky State Nature Preserves Commission.

11 6. Kentucky Environmental Quality Commission.

12 7. Kentucky Public Service Commission.

13 (b) Department for Environmental Protection.

14 1. Office of the Commissioner.

15 2. Division for Air Quality.

16 3. Division of Water.

17 4. Division of Environmental Program Support.

18 5. Division of Waste Management.

19 6. Division of Enforcement.

20 7. Division of Compliance Assistance.

21 (c) Department for Natural Resources.

22 1. Office of the Commissioner.

23 2. Division of Technical and Administrative Support.

24 3. Division of Mine Permits.

25 4. Division of Mine Reclamation and Enforcement.

26 5. Division of Abandoned Mine Lands.

27 6. Division of Oil and Gas.

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

1 4. Division of Security and Enforcement.
2 (g) Department of Alcoholic Beverage Control.
3 1. Division of Distilled Spirits.
4 2. Division of Malt Beverages.
5 3. Division of Enforcement.
6 (h) Department of Charitable Gaming.
7 1. Division of Licensing and Compliance.
8 2. Division of Enforcement.
9 (i) Department of Financial Institutions.
10 1. Division of Depository Institutions.
11 2. Division of Non-Depository Institutions.
12 3. Division of Securities.
13 (j) Department of Housing, Buildings and Construction.
14 1. Division of Fire Prevention.
15 2. Division of Plumbing.
16 3. Division of Heating, Ventilation, and Air Conditioning.
17 4. Division of Building Code Enforcement.
18 (k) Department of Insurance.
19 1. Property and Casualty Division.
20 2. Health and Life Division.
21 3. Division of Financial Standards and Examination.
22 4. Division of Agent Licensing.
23 5. Division of Insurance Fraud Investigation.
24 6. Consumer Protection Division.
25 7. Division of Kentucky Access.
26 (l) Office of Occupations and Professions.
27 5. Labor Cabinet.

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

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

1 (h) Office of Audits.
2 (i) Office of Human Resource Management.
3 (j) Office of Information Technology.
4 (k) Office of Legal Services.
5 7. Cabinet for Economic Development:
6 (a) Office of Administration and Support.
7 (b) Department for New Business Development.
8 (c) Department of Financial Incentives.
9 (d) Department for Existing Business Development.
10 (e) Tobacco Research Board.
11 (f) Kentucky Economic Development Finance Authority.
12 (g) Office of Research and Information Technology.
13 (h) Department of Commercialization and Innovation.
14 (i) Office of Legal Services.
15 (j) Commission on Small Business Advocacy.
16 8. Cabinet for Health and Family Services:
17 (a) Office of the Secretary.
18 (b) Office of Health Policy.
19 (c) Office of Legal Services.
20 (d) Office of Inspector General.
21 (e) Office of Communications and Administrative Review.
22 (f) Office of the Ombudsman.
23 (g) Office of Policy and Budget.
24 (h) Office of Human Resource Management.
25 (i) Office of Administrative and Technology Services.
26 (j) Department for Public Health.
27 (k) Department for Medicaid Services.

1 (l) Department for Behavioral Health, Developmental and Intellectual
2 Disabilities.
3 (m) Department for Aging and Independent Living.
4 (n) Department for Community Based Services.
5 (o) Department for Income Support.
6 (p) Department for Family Resource Centers and Volunteer Services.
7 (q) Kentucky Commission on Community Volunteerism and Service.
8 (r) Kentucky Commission for Children with Special Health Care Needs.
9 (s) Governor's Office of Electronic Health Information.
10 9. Finance and Administration Cabinet:
11 (a) Office of General Counsel.
12 (b) Office of the Controller.
13 (c) Office of Administrative Services.
14 (d) Office of Public Information.
15 (e) Office of Policy and Audit.
16 (f) Department for Facilities and Support Services.
17 (g) Department of Revenue.
18 (h) Commonwealth Office of Technology.
19 (i) State Property and Buildings Commission.
20 (j) Office of Equal Employment Opportunity and Contract Compliance.
21 (k) Kentucky Employees Retirement Systems.
22 (l) Commonwealth Credit Union.
23 (m) State Investment Commission.
24 (n) Kentucky Housing Corporation.
25 (o) Kentucky Local Correctional Facilities Construction Authority.
26 (p) Kentucky Turnpike Authority.
27 (q) Historic Properties Advisory Commission.

1 (r) Kentucky Tobacco Settlement Trust Corporation.
2 (s) Kentucky Higher Education Assistance Authority.
3 (t) Kentucky River Authority.
4 (u) Kentucky Teachers' Retirement System Board of Trustees.
5 (v) Executive Branch Ethics Commission.
6 10. Tourism, Arts and Heritage Cabinet:
7 (a) Kentucky Department of Travel and Tourism.
8 (1) Division of Tourism Services.
9 (2) Division of Marketing and Administration.
10 (3) Division of Communications and Promotions.
11 (b) Kentucky Department of Parks.
12 (1) Division of Information Technology.
13 (2) Division of Human Resources.
14 (3) Division of Financial Operations.
15 (4) Division of Facilities Management.
16 (5) Division of Facilities Maintenance.
17 (6) Division of Customer Services.
18 (7) Division of Recreation.
19 (8) Division of Golf Courses.
20 (9) Division of Food Services.
21 (10) Division of Rangers.
22 (11) Division of Resort Parks.
23 (12) Division of Recreational Parks and Historic Sites.
24 (c) Department of Fish and Wildlife Resources.
25 (1) Division of Law Enforcement.
26 (2) Division of Administrative Services.
27 (3) Division of Engineering.

1 (4) Division of Fisheries.
2 (5) Division of Information and Education.
3 (6) Division of Wildlife.
4 (7) Division of Public Affairs.
5 (d) Kentucky Horse Park.
6 (1) Division of Support Services.
7 (2) Division of Buildings and Grounds.
8 (3) Division of Operational Services.
9 (e) Kentucky State Fair Board.
10 (1) Office of Administrative and Information Technology Services.
11 (2) Office of Human Resources and Access Control.
12 (3) Division of Expositions.
13 (4) Division of Kentucky Exposition Center Operations.
14 (5) Division of Kentucky International Convention Center.
15 (6) Division of Public Relations and Media.
16 (7) Division of Venue Services.
17 (8) Division of Personnel Management and Staff Development.
18 (9) Division of Sales.
19 (10) Division of Security and Traffic Control.
20 (11) Division of Information Technology.
21 (12) Division of the Louisville Arena.
22 (13) Division of Fiscal and Contract Management.
23 (14) Division of Access Control.
24 (f) Office of the Secretary.
25 (1) Office of Finance.
26 (2) Office of Research and Administration.
27 (3) Office of Governmental Relations and Tourism Development.

1 (4) Office of the Sports Authority.
2 (5) Kentucky Sports Authority.
3 (g) Office of Legal Affairs.
4 (h) Office of Human Resources.
5 (i) Office of Public Affairs and Constituent Services.
6 (j) Office of Creative Services.
7 (k) Office of Capital Plaza Operations.
8 (l) Office of Arts and Cultural Heritage.
9 (m) Kentucky African-American Heritage Commission.
10 (n) Kentucky Foundation for the Arts.
11 (o) Kentucky Humanities Council.
12 (p) Kentucky Heritage Council.
13 (q) Kentucky Arts Council.
14 (r) Kentucky Historical Society.
15 (1) Division of Museums.
16 (2) Division of Oral History and Educational Outreach.
17 (3) Division of Research and Publications.
18 (4) Division of Administration.
19 (s) Kentucky Center for the Arts.
20 (1) Division of Governor's School for the Arts.
21 (t) Kentucky Artisans Center at Berea.
22 (u) Northern Kentucky Convention Center.
23 (v) Eastern Kentucky Exposition Center.
24 11. Personnel Cabinet:
25 (a) Office of the Secretary.
26 (b) Department of Human Resources Administration.
27 (c) Office of Employee Relations.

1 (d) Kentucky Public Employees Deferred Compensation Authority.
2 (e) Office of Administrative Services.
3 (f) Office of Legal Services.
4 (g) Governmental Services Center.
5 (h) Department of Employee Insurance.
6 (i) Office of Diversity and Equality.
7 (j) Center of Strategic Innovation.
8 III. Other departments headed by appointed officers:
9 1. ***Council on Postsecondary Education***
10 *2.* Department of Military Affairs.
11 *3.*[~~2.~~]Department for Local Government.
12 *4.*[~~3.~~]Kentucky Commission on Human Rights.
13 *5.*[~~4.~~]Kentucky Commission on Women.
14 *6.*[~~5.~~]Department of Veterans' Affairs.
15 *7.*[~~6.~~]Kentucky Commission on Military Affairs.
16 *8.*[~~7.~~]Office of Minority Empowerment.
17 *9.*[~~8.~~]Governor's Council on Wellness and Physical Activity.
18 ➔Section 2. KRS 12.023 is amended to read as follows:
19 The following organizational units and administrative bodies shall be attached to the
20 Office of the Governor:
21 (1) ***Council on Postsecondary Education;***
22 ***(a) Foundation for Adult Education;***
23 *(2)* Department of Military Affairs;
24 *(3)*[~~(2)~~] Department for Local Government;
25 *(4)*[~~(3)~~] Kentucky Commission on Human Rights;
26 *(5)*[~~(4)~~] Kentucky Commission on Women;
27 *(6)*[~~(5)~~] Kentucky Commission on Military Affairs;

1 *(7)*[~~(6)~~] Agricultural Development Board;
2 *(8)*[~~(7)~~] Kentucky Agricultural Finance Corporation;
3 *(9)*[~~(8)~~] Office of Minority Empowerment;
4 (a) The Martin Luther King Commission; and
5 *(10)*[~~(9)~~] Office of Homeland Security.
6 ➔Section 3. KRS 151B.020 is amended to read as follows:
7 (1) The Education and Workforce Development Cabinet is hereby created, which shall
8 constitute a cabinet of the state government within the meaning of KRS Chapter 12.
9 The cabinet shall consist of a secretary and those administrative bodies and
10 employees as provided by law.
11 (2) The cabinet, subject to the provisions of KRS Chapter 12, shall be composed of the
12 major organizational units listed below, units listed in KRS 12.020, and other
13 departments, divisions, and sections as are from time to time deemed necessary for
14 the proper and efficient operation of the cabinet:
15 (a) The Department of Workforce Investment, which is hereby created and
16 established within the Education and Workforce Development Cabinet. The
17 department shall be directed and managed by a commissioner who shall be
18 appointed by the Governor under the provisions of KRS 12.040, and who shall
19 report to the secretary of the Education and Workforce Development Cabinet.
20 The department shall be composed of the following offices:
21 1. The Office of Career and Technical Education, which is created by KRS
22 151B.025;
23 2. The Office of Vocational Rehabilitation, which is created by KRS
24 151B.185;
25 3. The Office for the Blind established by KRS 163.470; and
26 4. The Office of Employment and Training, which is created by KRS
27 151B.280;

1 (b) The Kentucky Technical Education Personnel Board established in KRS
2 151B.097; and
3 (c) The Unemployment Insurance Commission established by KRS 341.110.
4 (3) The executive officer of the cabinet shall be the secretary of the Education and
5 Workforce Development Cabinet. The secretary shall be appointed by the Governor
6 pursuant to KRS 12.255 and shall serve at the pleasure of the Governor. The
7 secretary shall have general supervision and direction over all activities and
8 functions of the cabinet and its employees and shall be responsible for carrying out
9 the programs and policies of the cabinet. The secretary shall be the chief executive
10 officer of the cabinet and shall have authority to enter into contracts, subject to the
11 approval of the secretary of the Finance and Administration Cabinet, when the
12 contracts are deemed necessary to implement and carry out the programs of the
13 cabinet. The secretary shall have the authority to require coordination and
14 nonduplication of services provided under the Federal Workforce Investment Act of
15 1998, 20 U.S.C. secs. 9201 et seq. The secretary shall have the authority to mandate
16 fiscal responsibility dispute resolution procedures among state organizational units
17 for services provided under the Federal Workforce Investment Act of 1998, 20
18 U.S.C. secs. 9201 et seq.
19 (4) The secretary of the Education and Workforce Development Cabinet and the
20 secretary's designated representatives, in the discharge of the duties of the secretary,
21 may administer oaths and affirmations, take depositions, certify official acts, and
22 issue subpoenas to compel the attendance of witnesses and production of books,
23 papers, correspondence, memoranda, and other records considered necessary and
24 relevant as evidence at hearings held in connection with the administration of the
25 cabinet.
26 (5) The secretary of the Education and Workforce Development Cabinet may delegate
27 any duties of the secretary's office to employees of the cabinet as he or she deems

1 necessary and appropriate, unless otherwise prohibited by statute.
2 (6) The secretary of the Education and Workforce Development Cabinet shall
3 promulgate, administer, and enforce administrative regulations that are necessary to
4 implement programs mandated by federal law, or to qualify for the receipt of federal
5 funds, and that are necessary to cooperate with other state and federal agencies for
6 the proper administration of the cabinet and its programs except for programs and
7 federal funds within the authority of the[~~ Council on Postsecondary Education, the~~]
8 Department of Education, the Kentucky Board of Education, and the Education
9 Professional Standards Board.
10 ➔Section 4. KRS 151B.130 is amended to read as follows:
11 (1) There is hereby established a nonprofit foundation to be known as the "Foundation
12 for Adult Education." The purpose of the foundation shall be to supplement public
13 funding for adult training in order to expand existing basic skills training programs.
14 (2) Funding for the foundation shall be obtained through contributions by the private
15 sector. The foundation shall be empowered to solicit and accept funds from the
16 private sector to be used for grants to local education agencies to fund adult basic
17 education programs especially designed for business and industry. Contributors may
18 specify that contributed funds be used to improve the educational level of their
19 employees as it relates to the GED instruction program.
20 (3) The foundation shall be governed by a board of trustees to be appointed by the
21 ***president of the Council on Postsecondary Education***[~~secretary of the Education~~
22 ~~and Workforce Development Cabinet~~] with responsibility for adult education
23 programs based on recommendations from business, industry, labor, education, and
24 interested citizens. Staff for the board of trustees shall be provided by the
25 ***council***[~~cabinet~~].
26 (4) The foundation shall be attached to the office of the president of the Council on
27 Postsecondary Education for administrative purposes.

1 ➔Section 5. The General Assembly confirms Executive Order 2012-419, dated
2 June 18, 2012, to the extent it is not otherwise confirmed or superseded by this Act.

President of Senate

Speaker-House of Representatives

Attest: Chief Clerk of Senate

Approved Governor

Date 3-19-13