



# GENERAL ASSEMBLY

## COMMONWEALTH OF KENTUCKY

### 2015 REGULAR SESSION

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HOUSE BILL NO. 178

AS ENACTED

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WEDNESDAY, MARCH 25, 2015

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

1 AN ACT relating to income tax refund designations and related programs, and  
2 making an appropriation therefor.

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

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO  
5 READ AS FOLLOWS:

6 (1) Effective for taxable years beginning January 1, 2016, any taxpayer required to  
7 file a return under KRS 141.180 who is entitled to an income tax refund and who  
8 desires to contribute to Special Olympics Kentucky may designate an amount, not  
9 to exceed the amount of the refund, to be paid to Special Olympics Kentucky. A  
10 designation made under this section shall not affect the income tax liability of the  
11 taxpayer, but it shall reduce the income tax refund by the amount designated.

12 (2) The tax refund designation authorized by this section shall be printed on the face  
13 of the Kentucky individual income tax return.

14 (3) The instructions accompanying the individual income tax return shall include a  
15 description of Special Olympics Kentucky, and the purposes for which the funds  
16 from the income tax refund designation may be used.

17 (4) The commissioner shall, by December 1, 2017, and by December 1 of each year  
18 thereafter, transfer the funds designated by taxpayers under this section to  
19 Special Olympics Kentucky.

20 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO  
21 READ AS FOLLOWS:

22 (1) Effective for taxable years beginning on or after January 1, 2016, any taxpayer  
23 required to file a return under KRS 141.180 who is entitled to an income tax  
24 refund and who desires to contribute to the pediatric cancer research trust fund  
25 created under Section 3 of this Act may designate an amount, not to exceed the  
26 amount of the refund, to be paid to the fund. A designation made under this  
27 section shall not affect the income tax liability of the taxpayer, but it shall reduce

- 1 the income tax refund by the amount designated.
- 2 (2) The tax refund designation authorized by this section shall be printed on the face  
 3 of the Kentucky individual income tax form.
- 4 (3) The instructions accompanying the individual income tax return shall include a  
 5 description of the pediatric cancer research trust fund and the purposes for which  
 6 the funds from the income tax checkoff may be used.
- 7 (4) The commissioner of the department shall, by July 1, 2017, and by July 1 of each  
 8 year thereafter, transfer the funds designated by taxpayers under this section to  
 9 the pediatric cancer research trust fund created by Section 3 of this Act.

10 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO  
 11 READ AS FOLLOWS:

- 12 (1) The pediatric cancer research trust fund is hereby created as a separate trust  
 13 fund. The fund shall be administered by the Cabinet for Health and Family  
 14 Services.
- 15 (2) The fund shall receive amounts collected from the income tax checkoff created in  
 16 Section 2 of this Act, and any other proceeds from grants, contributions,  
 17 appropriations, or other moneys made available for the purposes of this fund.
- 18 (3) Notwithstanding KRS 45.229, trust fund amounts not expended at the close of a  
 19 fiscal year shall not lapse but shall be carried forward to the next fiscal year.
- 20 (4) Any interest earned on moneys in the trust fund shall become a part of the trust  
 21 fund and shall not lapse.
- 22 (5) Trust fund moneys shall be used to support pediatric cancer research and  
 23 treatment for Kentucky patients. Funds shall be administered and distributed by  
 24 the pediatric cancer trust fund board established by Section 4 of this Act for the  
 25 purposes directed in this section and Sections 4 and 5 of this Act.
- 26 (6) Moneys transferred to the trust fund pursuant to Section 2 of this Act are hereby  
 27 appropriated for the purposes set forth in Section 5 of this Act.

1       ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO  
2 READ AS FOLLOWS:

3 (1) The pediatric cancer trust fund board is hereby created for the purpose of  
4 administering and distributing funds from the trust created under Section 3 of  
5 this Act. The board shall be composed of nine (9) members to be appointed as  
6 follows:

7 (a) A specialist in pediatric oncology nominated by the Kosair Children's  
8 Hospital to be appointed by the Governor;

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

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

13 (d) A representative nominated by Kentucky offices of the American Cancer  
14 Society to be appointed by the Governor;

15 (e) Three (3) citizens, one (1) of whom shall be a pediatric cancer survivor, or  
16 parent thereof, to be appointed by the Governor from a list of six (6) citizens  
17 nominated by Kentucky offices of the American Cancer Society;

18 (f) The secretary of the Cabinet for Health and Family Services, or the  
19 secretary's designee; and

20 (g) The commissioner of the Department for Public Health, or the  
21 commissioner's designee.

22 (2) The board shall be attached to the Cabinet for Health and Family Services for  
23 administrative purposes.

24 (3) The secretary of the Cabinet for Health and Family Services shall convene the  
25 first meeting of the board within sixty (60) days of the effective date of this Act.

26 (4) Board members shall serve without compensation, but may receive  
27 reimbursement for their actual and necessary expenses incurred in the

1 performance of their duties.

2 (5) The term of each appointed member shall be four (4) years.

3 (6) A member whose term has expired may continue to serve until a successor is  
 4 appointed and qualifies. A member who is appointed to an unexpired term shall  
 5 serve the rest of the term and until a successor is appointed and qualifies. A  
 6 member may serve two (2) consecutive four (4) year terms and shall not be  
 7 reappointed for four (4) years after the completion of those terms.

8 (7) A majority of the full membership of the board shall constitute a quorum.

9 (8) At the first meeting, the board shall elect, by majority vote, a president who shall  
 10 preside at all meetings and coordinate the functions and activities of the board.  
 11 The president shall be elected or reelected each calendar year thereafter.

12 (9) The board shall meet at least two (2) times annually, but may meet more  
 13 frequently, as deemed necessary, subject to call by the president or by request of a  
 14 majority of the board members.

15 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO  
 16 READ AS FOLLOWS:

17 The pediatric cancer research fund board created by Section 4 of this Act shall:

18 (1) Develop a written plan for the expenditure of trust funds made available under  
 19 Section 3 of this Act. The initial plan shall be completed on or before October 1,  
 20 2015, and shall be updated on an annual basis on or before October 1 of each  
 21 year thereafter. The plan shall, at a minimum, include the following:

22 (a) A summary of existing pediatric cancer research, awareness, treatment, and  
 23 funding programs provided to children of Kentucky;

24 (b) A needs assessment for the pediatric cancer patients of the Commonwealth  
 25 of Kentucky that identifies additional research funding needs by cancer type  
 26 and geographic area, with support for why the identified programs are  
 27 needed; and

- 1        (c) A prioritized list of programs and research projects that the board will  
2            address with funding available through the competitive grant program  
3            established under subsection (2) of this section;
- 4        (2) Promulgate administrative regulations to establish a competitive, open grant  
5            program to provide funding to not-for-profit entities, academic medical centers  
6            and government agencies offering research funding and treatment for pediatric  
7            cancer to Kentucky children impacted by the disease.
- 8        (a) The grant program shall provide funding to research projects and programs  
9            in accordance with the priorities established in the plan developed under  
10           subsection (1) of this section.
- 11       (b) The administrative regulations shall, at a minimum:
- 12           1. Establish an application process and requirements;  
13           2. Set forth program and outcome measurement requirements;  
14           3. Establish an application review and award process; and  
15           4. Provide monitoring, oversight, and reporting requirements for funded  
16           programs;
- 17       (3) Promulgate administrative regulations necessary to carry out the provisions of  
18           this section and Section 4 of this Act; and
- 19       (4) Provide to the Governor and the Legislative Research Commission an annual  
20           report by October 1 of each year. The report shall include:
- 21           1. The plan developed under subsection (1) of this section for the expenditure  
22           of funds for the current and next fiscal year;  
23           2. A summary of the use and impact of prior year funds;  
24           3. A summary of the activities of the board during the prior fiscal year; and  
25           4. Any recommendations for future initiatives or action regarding pediatric  
26           cancer research funding.

  
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Speaker-House of Representatives

  
\_\_\_\_\_  
President of Senate

Attest:   
\_\_\_\_\_  
Chief Clerk of House of Representatives

Approved   
\_\_\_\_\_  
Governor

Date 3/30/15