

1 AN ACT relating to executive branch ethics and declaring an emergency.

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

3 ➔Section 1. KRS 11A.010 (Effective until April 1, 2021) is amended to read as
4 follows:

5 As used in this chapter, unless the context otherwise requires:

- 6 (1) "Business" means any corporation, limited liability company, partnership, limited
7 partnership, sole proprietorship, firm, enterprise, franchise, association,
8 organization, self-employed individual, holding company, joint stock company,
9 receivership, trust, or any legal entity through which business is conducted, whether
10 or not for profit;
- 11 (2) "Commission" means the Executive Branch Ethics Commission;
- 12 (3) "Compensation" means any money, thing of value, or economic benefit conferred
13 on, or received by, any person in return for services rendered, or to be rendered, by
14 himself or another;
- 15 (4) "Family" means spouse and children, as well as a person who is related to a public
16 servant as any of the following, whether by blood or adoption: parent, brother,
17 sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-
18 in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter,
19 stepbrother, stepsister, half brother, half sister;
- 20 (5) "Gift" means a payment, loan, subscription, advance, deposit of money, services, or
21 anything of value, unless consideration of equal or greater value is received; "gift"
22 does not include gifts from family members, campaign contributions, the waiver of
23 a registration fee for a presenter at a conference or training described in KRS
24 45A.097(5), or door prizes available to the public;
- 25 (6) "Income" means any money or thing of value received or to be received as a claim
26 on future services, whether in the form of a fee, salary, expense allowance,
27 forbearance, forgiveness, interest, dividend, royalty, rent, capital gain, or any other

1 form of compensation or any combination thereof;

2 (7) "Officer" means:

3 (a) All major management personnel in the executive branch of state government,
4 including the secretary of the cabinet, the Governor's chief executive officers,
5 cabinet secretaries, deputy cabinet secretaries, general counsels,
6 commissioners, deputy commissioners, executive directors, executive
7 assistants, policy advisors, special assistants, administrative coordinators,
8 executive advisors, staff assistants, and division directors;

9 (b) Members and full-time chief administrative officers of:

- 10 1. The Parole Board;
- 11 2. Kentucky Claims Commission;
- 12 3. Kentucky Retirement Systems board of trustees;
- 13 4. Kentucky Teachers' Retirement System board of trustees;
- 14 5. The Kentucky Public Employees Deferred Compensation Authority
- 15 board of trustees;
- 16 6. Public Service Commission;
- 17 7. Worker's Compensation Board and its administrative law judges;
- 18 8. The Kentucky Occupational Safety and Health Review Commission;
- 19 9. The Kentucky Board of Education;~~[and]~~
- 20 10. The Council on Postsecondary Education; **and**

21 **11. Kentucky Horse Racing Commission and its employees;**

22 (c) Salaried members of executive branch boards and commissions; and

23 (d) Any person who, through a personal service contract or any other contractual
24 employment arrangement with an agency, performs on a full-time,
25 nonseasonal basis a function of any major management position listed in this
26 subsection;

27 (8) "Official duty" means any responsibility imposed on a public servant by virtue of

- 1 his or her position in the state service;
- 2 (9) "Public servant" means:
- 3 (a) The Governor;
- 4 (b) The Lieutenant Governor;
- 5 (c) The Secretary of State;
- 6 (d) The Attorney General;
- 7 (e) The Treasurer;
- 8 (f) The Commissioner of Agriculture;
- 9 (g) The Auditor of Public Accounts;
- 10 (h) All employees in the executive branch including officers as defined in
- 11 subsection (7) of this section and merit employees; and
- 12 (i) Any person who, through any contractual arrangement with an agency, is
- 13 employed to perform a function of a position within an executive branch
- 14 agency on a full-time, nonseasonal basis;
- 15 (10) "Agency" means every state office, cabinet, department, board, commission, public
- 16 corporation, or authority in the executive branch of state government. A public
- 17 servant is employed by the agency by which his or her appointing authority is
- 18 employed, unless his or her agency is attached to the appointing authority's agency
- 19 for administrative purposes only, or unless the agency's characteristics are of a
- 20 separate independent nature distinct from the appointing authority and it is
- 21 considered an agency on its own, such as an independent department;
- 22 (11) "Lobbyist" means any person employed as a legislative agent as defined in KRS
- 23 6.611(23) or any person employed as an executive agency lobbyist as defined in
- 24 KRS 11A.201(9);
- 25 (12) "Lobbyist's principal" means the entity in whose behalf the lobbyist promotes,
- 26 opposes, or acts;
- 27 (13) "Candidate" means those persons who have officially filed candidacy papers or who

1 have been nominated by their political party pursuant to KRS 118.105, 118.115,
2 118.325, or 118.760 for any of the offices enumerated in subsections (9)(a) to (g) of
3 this section;

4 (14) "Does business with" or "doing business with" means contracting, entering into an
5 agreement, leasing, or otherwise exchanging services or goods with a state agency
6 in return for payment by the state, including accepting a grant, but not including
7 accepting a state entitlement fund disbursement;

8 (15) "Public agency" means any governmental entity;

9 (16) "Appointing authority" means the agency head or any person whom he or she has
10 authorized by law to act on behalf of the agency with respect to employee
11 appointments;

12 (17) "Represent" means to attend an agency proceeding, write a letter, or communicate
13 with an employee of an agency on behalf of someone else;

14 (18) "Directly involved" means to work on personally or to supervise someone who
15 works on personally;

16 (19) "Sporting event" means any professional or amateur sport, athletic game, contest,
17 event, or race involving machines, persons, or animals, for which admission tickets
18 are offered for sale and that is viewed by the public;

19 (20) "Person" means an individual, proprietorship, firm, partnership, limited partnership,
20 joint venture, joint stock company, syndicate, business or statutory trust, donative
21 trust, estate, company, corporation, limited liability company, association, club,
22 committee, organization, or group of persons acting in concert; and

23 (21) "Salaried" means receiving a fixed compensation or benefit reserved for full-time
24 employees, which is paid on a regular basis without regard to the actual number of
25 hours worked.

26 ➔Section 2. KRS 11A.010 (Effective April 1, 2021) is amended to read as
27 follows:

1 As used in this chapter, unless the context otherwise requires:

- 2 (1) "Business" means any corporation, limited liability company, partnership, limited
3 partnership, sole proprietorship, firm, enterprise, franchise, association,
4 organization, self-employed individual, holding company, joint stock company,
5 receivership, trust, or any legal entity through which business is conducted, whether
6 or not for profit;
- 7 (2) "Commission" means the Executive Branch Ethics Commission;
- 8 (3) "Compensation" means any money, thing of value, or economic benefit conferred
9 on, or received by, any person in return for services rendered, or to be rendered, by
10 himself or herself or another;
- 11 (4) "Family" means spouse and children, as well as a person who is related to a public
12 servant as any of the following, whether by blood or adoption: parent, brother,
13 sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-
14 in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter,
15 stepbrother, stepsister, half brother, half sister;
- 16 (5) "Gift" means a payment, loan, subscription, advance, deposit of money, services, or
17 anything of value, unless consideration of equal or greater value is received; "gift"
18 does not include gifts from family members, campaign contributions, the waiver of
19 a registration fee for a presenter at a conference or training described in KRS
20 45A.097(5), or door prizes available to the public;
- 21 (6) "Income" means any money or thing of value received or to be received as a claim
22 on future services, whether in the form of a fee, salary, expense allowance,
23 forbearance, forgiveness, interest, dividend, royalty, rent, capital gain, or any other
24 form of compensation or any combination thereof;
- 25 (7) "Officer" means:
- 26 (a) All major management personnel in the executive branch of state government,
27 including the secretary of the cabinet, the Governor's chief executive officers,

1 cabinet secretaries, deputy cabinet secretaries, general counsels,
2 commissioners, deputy commissioners, executive directors, executive
3 assistants, policy advisors, special assistants, administrative coordinators,
4 executive advisors, staff assistants, and division directors;

5 (b) Members and full-time chief administrative officers of:

- 6 1. The Parole Board;
- 7 2. Kentucky Claims Commission;
- 8 3. Kentucky Retirement Systems board of trustees;
- 9 4. Kentucky Teachers' Retirement System board of trustees;
- 10 5. The Kentucky Public Employees Deferred Compensation Authority
- 11 board of trustees;
- 12 6. Public Service Commission;
- 13 7. Worker's Compensation Board and its administrative law judges;
- 14 8. The Kentucky Occupational Safety and Health Review Commission;
- 15 9. The Kentucky Board of Education;
- 16 10. The Council on Postsecondary Education;
- 17 11. County Employees Retirement System board of trustees;~~[-and]~~
- 18 12. Kentucky Public Pensions Authority;and

19 **13. Kentucky Horse Racing Commission and its employees;**

20 (c) Salaried members of executive branch boards and commissions; and

21 (d) Any person who, through a personal service contract or any other contractual
22 employment arrangement with an agency, performs on a full-time,
23 nonseasonal basis a function of any major management position listed in this
24 subsection;

25 (8) "Official duty" means any responsibility imposed on a public servant by virtue of
26 his or her position in the state service;

27 (9) "Public servant" means:

- 1 (a) The Governor;
- 2 (b) The Lieutenant Governor;
- 3 (c) The Secretary of State;
- 4 (d) The Attorney General;
- 5 (e) The Treasurer;
- 6 (f) The Commissioner of Agriculture;
- 7 (g) The Auditor of Public Accounts;
- 8 (h) All employees in the executive branch including officers as defined in
- 9 subsection (7) of this section and merit employees; and
- 10 (i) Any person who, through any contractual arrangement with an agency, is
- 11 employed to perform a function of a position within an executive branch
- 12 agency on a full-time, nonseasonal basis;
- 13 (10) "Agency" means every state office, cabinet, department, board, commission, public
- 14 corporation, or authority in the executive branch of state government. A public
- 15 servant is employed by the agency by which his or her appointing authority is
- 16 employed, unless his or her agency is attached to the appointing authority's agency
- 17 for administrative purposes only, or unless the agency's characteristics are of a
- 18 separate independent nature distinct from the appointing authority and it is
- 19 considered an agency on its own, such as an independent department;
- 20 (11) "Lobbyist" means any person employed as a legislative agent as defined in KRS
- 21 6.611(23) or any person employed as an executive agency lobbyist as defined in
- 22 KRS 11A.201(9);
- 23 (12) "Lobbyist's principal" means the entity in whose behalf the lobbyist promotes,
- 24 opposes, or acts;
- 25 (13) "Candidate" means those persons who have officially filed candidacy papers or who
- 26 have been nominated by their political party pursuant to KRS 118.105, 118.115,
- 27 118.325, or 118.760 for any of the offices enumerated in subsections (9)(a) to (g) of

1 this section;

2 (14) "Does business with" or "doing business with" means contracting, entering into an
3 agreement, leasing, or otherwise exchanging services or goods with a state agency
4 in return for payment by the state, including accepting a grant, but not including
5 accepting a state entitlement fund disbursement;

6 (15) "Public agency" means any governmental entity;

7 (16) "Appointing authority" means the agency head or any person whom he or she has
8 authorized by law to act on behalf of the agency with respect to employee
9 appointments;

10 (17) "Represent" means to attend an agency proceeding, write a letter, or communicate
11 with an employee of an agency on behalf of someone else;

12 (18) "Directly involved" means to work on personally or to supervise someone who
13 works on personally;

14 (19) "Sporting event" means any professional or amateur sport, athletic game, contest,
15 event, or race involving machines, persons, or animals, for which admission tickets
16 are offered for sale and that is viewed by the public;

17 (20) "Person" means an individual, proprietorship, firm, partnership, limited partnership,
18 joint venture, joint stock company, syndicate, business or statutory trust, donative
19 trust, estate, company, corporation, limited liability company, association, club,
20 committee, organization, or group of persons acting in concert; and

21 (21) "Salaried" means receiving a fixed compensation or benefit reserved for full-time
22 employees, which is paid on a regular basis without regard to the actual number of
23 hours worked.

24 ➔Section 3. KRS 230.230 is amended to read as follows:

25 (1) The Governor shall appoint an executive director who shall serve at the pleasure of
26 the Governor. The Governor shall set the qualifications and salary for the position
27 of executive director pursuant to KRS 64.640. The executive director shall possess

1 the powers and perform the duties imposed upon him by the Governor, and other
2 duties as the racing commission may direct or prescribe. The executive director
3 shall:

- 4 (a) Be responsible for the day-to-day operations of the racing commission;
- 5 (b) Set up appropriate organizational structures and personnel policies for
6 approval by the racing commission;
- 7 (c) Appoint all staff;
- 8 (d) Prepare annual reports of the racing commission's program of work;
- 9 (e) Carry out policy and program directives of the racing commission;
- 10 (f) Prepare and submit to the racing commission for its approval the proposed
11 biennial budget of the racing commission; and
- 12 (g) Perform all other duties and responsibilities assigned by law.

13 The executive director shall cause to be kept a full record of all proceedings before
14 the racing commission and shall preserve at its general office all books, maps,
15 records, documents, licenses, and other papers of the racing commission. All
16 records of the racing commission shall be open to inspection by the public during
17 regular office hours. With approval of the racing commission, the executive director
18 may enter into agreements with any state agency or political subdivision of the state,
19 any postsecondary education institution, or any other person or entity to enlist
20 assistance to implement the duties and responsibilities of the racing commission.

- 21 (2) The executive director of the racing commission may employ, dismiss, or take other
22 personnel action concerning an assistant executive director, stenographers, clerks,
23 and other personnel as he or she may deem necessary to efficiently operate the
24 racing commission's general office or any branch thereof. The executive director of
25 the racing commission shall fix the compensation of all employees. Any member of
26 the racing commission or any employee referred to in this section shall be
27 reimbursed for expenses paid or incurred in the discharge of official business when

1 approved by the executive director of the racing commission. The compensation of
2 the employees referred to in this section, except for the executive director, together
3 with reimbursement of expenses incurred by employees, a member of the racing
4 commission, or the executive director, shall be paid from racing commission funds.

5 **(3) Members of the Kentucky Horse Racing Commission and its employees shall be**
6 **subject to the provisions of Sections 1 and 2 of this Act.**

7 ➔Section 4. Whereas, the importance of the horse racing industry in Kentucky
8 and its effect on the state's economy mandate that the public have complete confidence in
9 the dealings of the Kentucky Horse Racing Commission and its employees, an emergency
10 is declared to exist, and this Act takes effect upon its passage and approval by the
11 Governor or upon its otherwise becoming a law.