

1 AN ACT relating to medicinal cannabis and declaring an emergency.

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

3 ➔Section 1. KRS 12.020 (Effective until July 1, 2024) is amended to read as
4 follows:

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

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

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

1 (6) Department of Agriculture.

2 (a) Commissioner of Agriculture.

3 (b) Agricultural Development Board.

4 (c) Kentucky Agricultural Finance Corporation.

5 (7) Auditor of Public Accounts.

6 II. Program cabinets headed by appointed officers:

7 (1) Justice and Public Safety Cabinet:

8 (a) Department of Kentucky State Police.

9 1. Office of Administrative Services.

10 a. Division of Operational Support.

11 b. Division of Management Services.

12 2. Office of Operations.

13 a. Division of West Troops.

14 b. Division of East Troops.

15 c. Division of Special Enforcement.

16 d. Division of Commercial Vehicle Enforcement.

17 3. Office of Technical Services.

18 a. Division of Forensic Sciences.

19 b. Division of Electronic Services.

20 c. Division of Records Management.

21 (b) Department of Criminal Justice Training.

22 (c) Department of Corrections.

23 (d) Department of Juvenile Justice.

24 (e) Office of the Secretary.

25 (f) Office of Drug Control Policy.

26 (g) Office of Legal Services.

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

- 1 (i) Parole Board.
- 2 (j) Kentucky State Corrections Commission.
- 3 (k) Office of Legislative and Intergovernmental Services.
- 4 (l) Office of Human Resource Management.
 - 5 1. Division of Human Resource Administration.
 - 6 2. Division of Employee Management.
- 7 (m) Department of Public Advocacy.
- 8 (n) Office of Communications.
 - 9 1. Information Technology Services Division.
- 10 (o) Office of Financial Management Services.
 - 11 1. Division of Financial Management.
- 12 (p) Grants Management Division.
- 13 (2) Energy and Environment Cabinet:
 - 14 (a) Office of the Secretary.
 - 15 1. Office of Legislative and Intergovernmental Affairs.
 - 16 2. Office of Legal Services.
 - 17 a. Legal Division I.
 - 18 b. Legal Division II.
 - 19 3. Office of Administrative Hearings.
 - 20 4. Office of Communication.
 - 21 5. Mine Safety Review Commission.
 - 22 6. Office of Kentucky Nature Preserves.
 - 23 7. Kentucky Public Service Commission.
 - 24 (b) Department for Environmental Protection.
 - 25 1. Office of the Commissioner.
 - 26 2. Division for Air Quality.
 - 27 3. Division of Water.

- 1 4. Division of Environmental Program Support.
- 2 5. Division of Waste Management.
- 3 6. Division of Enforcement.
- 4 7. Division of Compliance Assistance.
- 5 (c) Department for Natural Resources.
- 6 1. Office of the Commissioner.
- 7 2. Division of Mine Permits.
- 8 3. Division of Mine Reclamation and Enforcement.
- 9 4. Division of Abandoned Mine Lands.
- 10 5. Division of Oil and Gas.
- 11 6. Division of Mine Safety.
- 12 7. Division of Forestry.
- 13 8. Division of Conservation.
- 14 9. Office of the Reclamation Guaranty Fund.
- 15 (d) Office of Energy Policy.
- 16 1. Division of Energy Assistance.
- 17 (e) Office of Administrative Services.
- 18 1. Division of Human Resources Management.
- 19 2. Division of Financial Management.
- 20 3. Division of Information Services.
- 21 (3) Public Protection Cabinet.
- 22 (a) Office of the Secretary.
- 23 1. Office of Communications and Public Outreach.
- 24 2. Office of Legal Services.
- 25 a. Insurance Legal Division.
- 26 b. Charitable Gaming Legal Division.
- 27 c. Alcoholic Beverage Control Legal Division.

- 1 d. Housing, Buildings and Construction Legal Division.
- 2 e. Financial Institutions Legal Division.
- 3 f. Professional Licensing Legal Division.
- 4 3. Office of Administrative Hearings.
- 5 4. Office of Administrative Services.
- 6 a. Division of Human Resources.
- 7 b. Division of Fiscal Responsibility.
- 8 (b) Office of Claims and Appeals.
- 9 1. Board of Tax Appeals.
- 10 2. Board of Claims.
- 11 3. Crime Victims Compensation Board.
- 12 (c) Kentucky Boxing and Wrestling Commission.
- 13 (d) Kentucky Horse Racing Commission.
- 14 1. Office of Executive Director.
- 15 a. Division of Pari-mutuel Wagering and Compliance.
- 16 b. Division of Stewards.
- 17 c. Division of Licensing.
- 18 d. Division of Enforcement.
- 19 e. Division of Incentives and Development.
- 20 f. Division of Veterinary Services.
- 21 (e) Department of Alcoholic Beverage Control.
- 22 1. Division of Distilled Spirits.
- 23 2. Division of Malt Beverages.
- 24 3. Division of Enforcement.
- 25 (f) Department of Charitable Gaming.
- 26 1. Division of Licensing and Compliance.
- 27 2. Division of Enforcement.

- 1 (g) Department of Financial Institutions.
 - 2 1. Division of Depository Institutions.
 - 3 2. Division of Non-Depository Institutions.
 - 4 3. Division of Securities.
- 5 (h) Department of Housing, Buildings and Construction.
 - 6 1. Division of Fire Prevention.
 - 7 2. Division of Plumbing.
 - 8 3. Division of Heating, Ventilation, and Air Conditioning.
 - 9 4. Division of Building Code Enforcement.
- 10 (i) Department of Insurance.
 - 11 1. Division of Health and Life Insurance and Managed Care.
 - 12 2. Division of Property and Casualty Insurance.
 - 13 3. Division of Administrative Services.
 - 14 4. Division of Financial Standards and Examination.
 - 15 5. Division of Licensing.
 - 16 6. Division of Insurance Fraud Investigation.
 - 17 7. Division of Consumer Protection.
- 18 (j) Department of Professional Licensing.
 - 19 1. Real Estate Authority.
- 20 (4) Transportation Cabinet:
 - 21 (a) Department of Highways.
 - 22 1. Office of Project Development.
 - 23 2. Office of Project Delivery and Preservation.
 - 24 3. Office of Highway Safety.
 - 25 4. Highway District Offices One through Twelve.
 - 26 (b) Department of Vehicle Regulation.
 - 27 (c) Department of Aviation.

- 1 (d) Department of Rural and Municipal Aid.
- 2 1. Office of Local Programs.
- 3 2. Office of Rural and Secondary Roads.
- 4 (e) Office of the Secretary.
- 5 1. Office of Public Affairs.
- 6 2. Office for Civil Rights and Small Business Development.
- 7 3. Office of Budget and Fiscal Management.
- 8 4. Office of Inspector General.
- 9 5. Secretary's Office of Safety.
- 10 (f) Office of Support Services.
- 11 (g) Office of Transportation Delivery.
- 12 (h) Office of Audits.
- 13 (i) Office of Human Resource Management.
- 14 (j) Office of Information Technology.
- 15 (k) Office of Legal Services.
- 16 (5) Cabinet for Economic Development:
- 17 (a) Office of the Secretary.
- 18 1. Office of Legal Services.
- 19 2. Department for Business and Community Development.
- 20 a. Development and Retention Division - West Kentucky.
- 21 b. Development, Retention, and Administrative Division -
- 22 Central and East Kentucky.
- 23 c. Community and Workforce Development Division.
- 24 3. Department for Financial Services.
- 25 a. Kentucky Economic Development Finance Authority.
- 26 b. Finance and Personnel Division.
- 27 c. IT and Resource Management Division.

- 1 d. Compliance Division.
- 2 e. Program Administration Division.
- 3 f. Bluegrass State Skills Corporation.
- 4 4. Office of Strategy and Public Affairs.
- 5 a. Marketing and Communications Division.
- 6 b. Research and Strategy Division.
- 7 5. Office of Entrepreneurship and Innovation.
- 8 a. Commission on Small Business Innovation and Advocacy.

9 (6) Cabinet for Health and Family Services:

- 10 (a) Office of the Secretary.
- 11 1. Office of the Ombudsman and Administrative Review.
- 12 2. Office of Public Affairs.
- 13 3. Office of Legal Services.
- 14 4. Office of Inspector General.
- 15 5. Office of Human Resource Management.
- 16 6. Office of Finance and Budget.
- 17 7. Office of Legislative and Regulatory Affairs.
- 18 8. Office of Administrative Services.
- 19 9. Office of Application Technology Services.
- 20 10. Office of Data Analytics.

21 **11. Office of Medical Cannabis.**

22 **a. Division of Enforcement and Compliance.**

23 **b. Division of Licensure and Access.**

- 24 (b) Department for Public Health.
- 25 (c) Department for Medicaid Services.
- 26 (d) Department for Behavioral Health, Developmental and Intellectual
- 27 Disabilities.

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

- 1 (v) Kentucky Teachers' Retirement System Board of Trustees.
- 2 (w) Executive Branch Ethics Commission.
- 3 (x) Office of Fleet Management.
- 4 (8) Tourism, Arts and Heritage Cabinet:
- 5 (a) Kentucky Department of Tourism.
- 6 1. Division of Tourism Services.
- 7 2. Division of Marketing and Administration.
- 8 3. Division of Communications and Promotions.
- 9 (b) Kentucky Department of Parks.
- 10 1. Division of Information Technology.
- 11 2. Division of Human Resources.
- 12 3. Division of Financial Operations.
- 13 4. Division of Purchasing.
- 14 5. Division of Facilities.
- 15 6. Division of Park Operations.
- 16 7. Division of Sales, Marketing, and Customer Service.
- 17 8. Division of Engagement.
- 18 9. Division of Food Services.
- 19 10. Division of Rangers.
- 20 (c) Department of Fish and Wildlife Resources.
- 21 1. Division of Law Enforcement.
- 22 2. Division of Administrative Services.
- 23 3. Division of Engineering, Infrastructure, and Technology.
- 24 4. Division of Fisheries.
- 25 5. Division of Information and Education.
- 26 6. Division of Wildlife.
- 27 7. Division of Marketing.

- 1 (d) Kentucky Horse Park.
- 2 1. Division of Support Services.
- 3 2. Division of Buildings and Grounds.
- 4 3. Division of Operational Services.
- 5 (e) Kentucky State Fair Board.
- 6 1. Office of Administrative and Information Technology Services.
- 7 2. Office of Human Resources and Access Control.
- 8 3. Division of Expositions.
- 9 4. Division of Kentucky Exposition Center Operations.
- 10 5. Division of Kentucky International Convention Center.
- 11 6. Division of Public Relations and Media.
- 12 7. Division of Venue Services.
- 13 8. Division of Personnel Management and Staff Development.
- 14 9. Division of Sales.
- 15 10. Division of Security and Traffic Control.
- 16 11. Division of Information Technology.
- 17 12. Division of the Louisville Arena.
- 18 13. Division of Fiscal and Contract Management.
- 19 14. Division of Access Control.
- 20 (f) Office of the Secretary.
- 21 1. Office of Finance.
- 22 2. Office of Government Relations and Administration.
- 23 (g) Office of Legal Affairs.
- 24 (h) Office of Human Resources.
- 25 (i) Office of Public Affairs and Constituent Services.
- 26 (j) Office of Arts and Cultural Heritage.
- 27 (k) Kentucky African-American Heritage Commission.

- 1 (l) Kentucky Foundation for the Arts.
- 2 (m) Kentucky Humanities Council.
- 3 (n) Kentucky Heritage Council.
- 4 (o) Kentucky Arts Council.
- 5 (p) Kentucky Historical Society.
- 6 1. Division of Museums.
- 7 2. Division of Oral History and Educational Outreach.
- 8 3. Division of Research and Publications.
- 9 4. Division of Administration.
- 10 (q) Kentucky Center for the Arts.
- 11 1. Division of Governor's School for the Arts.
- 12 (r) Kentucky Artisans Center at Berea.
- 13 (s) Northern Kentucky Convention Center.
- 14 (t) Eastern Kentucky Exposition Center.
- 15 (9) Personnel Cabinet:
- 16 (a) Office of the Secretary.
- 17 (b) Department of Human Resources Administration.
- 18 (c) Office of Employee Relations.
- 19 (d) Kentucky Public Employees Deferred Compensation Authority.
- 20 (e) Office of Administrative Services.
- 21 (f) Office of Legal Services.
- 22 (g) Governmental Services Center.
- 23 (h) Department of Employee Insurance.
- 24 (i) Office of Diversity, Equality, and Training.
- 25 (j) Office of Public Affairs.
- 26 (10) Education and Labor Cabinet:
- 27 (a) Office of the Secretary.

- 1 1. Office of Legal Services.
- 2 a. Workplace Standards Legal Division.
- 3 b. Workers' Claims Legal Division.
- 4 c. Workforce Development Legal Division.
- 5 2. Office of Administrative Services.
- 6 a. Division of Human Resources Management.
- 7 b. Division of Fiscal Management.
- 8 c. Division of Operations and Support Services.
- 9 3. Office of Technology Services.
- 10 a. Division of Information Technology Services.
- 11 4. Office of Policy and Audit.
- 12 5. Office of Legislative Services.
- 13 6. Office of Communications.
- 14 7. Office of the Kentucky Center for Statistics.
- 15 8. Board of the Kentucky Center for Statistics.
- 16 9. Early Childhood Advisory Council.
- 17 10. Governors' Scholars Program.
- 18 11. Governor's School for Entrepreneurs Program.
- 19 12. Foundation for Adult Education.
- 20 (b) Department of Education.
- 21 1. Kentucky Board of Education.
- 22 2. Kentucky Technical Education Personnel Board.
- 23 3. Education Professional Standards Board.
- 24 (c) Board of Directors for the Center for School Safety.
- 25 (d) Department for Libraries and Archives.
- 26 (e) Kentucky Environmental Education Council.
- 27 (f) Kentucky Educational Television.

- 1 (g) Kentucky Commission on the Deaf and Hard of Hearing.
- 2 (h) Department of Workforce Development.
 - 3 1. Career Development Office.
 - 4 2. Office of Vocational Rehabilitation.
 - 5 a. Division of Kentucky Business Enterprise.
 - 6 b. Division of the Carl D. Perkins Vocational Training Center.
 - 7 c. Division of Blind Services.
 - 8 d. Division of Field Services.
 - 9 e. Statewide Council for Vocational Rehabilitation.
 - 10 f. Employment First Council.
 - 11 3. Office of Employer and Apprenticeship Services.
 - 12 a. Division of Apprenticeship.
 - 13 4. Kentucky Apprenticeship Council.
 - 14 5. Division of Technical Assistance.
 - 15 6. Office of Adult Education.
 - 16 7. Office of the Kentucky Workforce Innovation Board.
- 17 (i) Department of Workplace Standards.
 - 18 1. Division of Occupational Safety and Health Compliance.
 - 19 2. Division of Occupational Safety and Health Education and
 - 20 Training.
 - 21 3. Division of Wages and Hours.
- 22 (j) Office of Unemployment Insurance.
- 23 (k) Kentucky Unemployment Insurance Commission.
- 24 (l) Department of Workers' Claims.
 - 25 1. Division of Workers' Compensation Funds.
 - 26 2. Office of Administrative Law Judges.
 - 27 3. Division of Claims Processing.

- 1 4. Division of Security and Compliance.
- 2 5. Division of Specialist and Medical Services.
- 3 6. Workers' Compensation Board.
- 4 (m) Workers' Compensation Funding Commission.
- 5 (n) Kentucky Occupational Safety and Health Standards Board.
- 6 (o) State Labor Relations Board.
- 7 (p) Employers' Mutual Insurance Authority.
- 8 (q) Kentucky Occupational Safety and Health Review Commission.
- 9 (r) Workers' Compensation Nominating Committee.
- 10 (s) Office of Educational Programs.
- 11 (t) Kentucky Workforce Innovation Board.
- 12 (u) Kentucky Commission on Proprietary Education.
- 13 (v) Kentucky Work Ready Skills Advisory Committee.
- 14 (w) Kentucky Geographic Education Board.

15 III. Other departments headed by appointed officers:

- 16 (1) Council on Postsecondary Education.
- 17 (2) Department of Military Affairs.
- 18 (3) Department for Local Government.
- 19 (4) Kentucky Commission on Human Rights.
- 20 (5) Kentucky Commission on Women.
- 21 (6) Department of Veterans' Affairs.
- 22 (7) Kentucky Commission on Military Affairs.
- 23 (8) Office of Minority Empowerment.
- 24 (9) Governor's Council on Wellness and Physical Activity.
- 25 (10) Kentucky Communications Network Authority.

26 ➔Section 2. KRS 12.020 (Effective between July 1, 2024, and July 1, 2025) is
27 amended to read as follows:

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

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

- 14 (1) The Governor.
- 15 (2) Lieutenant Governor.
- 16 (3) Department of State.
- 17 (a) Secretary of State.
- 18 (b) Board of Elections.
- 19 (c) Registry of Election Finance.
- 20 (4) Department of Law.
- 21 (a) Attorney General.
- 22 (5) Department of the Treasury.
- 23 (a) Treasurer.
- 24 (6) Department of Agriculture.
- 25 (a) Commissioner of Agriculture.
- 26 (b) Agricultural Development Board.
- 27 (c) Kentucky Agricultural Finance Corporation.

- 1 (7) Auditor of Public Accounts.
- 2 (a) Commonwealth Office of the Ombudsman.
- 3 II. Program cabinets headed by appointed officers:
- 4 (1) Justice and Public Safety Cabinet:
- 5 (a) Department of Kentucky State Police.
- 6 1. Office of Administrative Services.
- 7 a. Division of Operational Support.
- 8 b. Division of Management Services.
- 9 2. Office of Operations.
- 10 a. Division of West Troops.
- 11 b. Division of East Troops.
- 12 c. Division of Special Enforcement.
- 13 d. Division of Commercial Vehicle Enforcement.
- 14 3. Office of Technical Services.
- 15 a. Division of Forensic Sciences.
- 16 b. Division of Electronic Services.
- 17 c. Division of Records Management.
- 18 (b) Department of Criminal Justice Training.
- 19 (c) Department of Corrections.
- 20 (d) Department of Juvenile Justice.
- 21 (e) Office of the Secretary.
- 22 (f) Office of Drug Control Policy.
- 23 (g) Office of Legal Services.
- 24 (h) Office of the Kentucky State Medical Examiner.
- 25 (i) Parole Board.
- 26 (j) Kentucky State Corrections Commission.
- 27 (k) Office of Legislative and Intergovernmental Services.

- 1 (l) Office of Human Resource Management.
- 2 1. Division of Human Resource Administration.
- 3 2. Division of Employee Management.
- 4 (m) Department of Public Advocacy.
- 5 (n) Office of Communications.
- 6 1. Information Technology Services Division.
- 7 (o) Office of Financial Management Services.
- 8 1. Division of Financial Management.
- 9 (p) Grants Management Division.
- 10 (2) Energy and Environment Cabinet:
- 11 (a) Office of the Secretary.
- 12 1. Office of Legislative and Intergovernmental Affairs.
- 13 2. Office of Legal Services.
- 14 a. Legal Division I.
- 15 b. Legal Division II.
- 16 3. Office of Administrative Hearings.
- 17 4. Office of Communication.
- 18 5. Mine Safety Review Commission.
- 19 6. Office of Kentucky Nature Preserves.
- 20 7. Kentucky Public Service Commission.
- 21 (b) Department for Environmental Protection.
- 22 1. Office of the Commissioner.
- 23 2. Division for Air Quality.
- 24 3. Division of Water.
- 25 4. Division of Environmental Program Support.
- 26 5. Division of Waste Management.
- 27 6. Division of Enforcement.

- 1 7. Division of Compliance Assistance.
- 2 (c) Department for Natural Resources.
- 3 1. Office of the Commissioner.
- 4 2. Division of Mine Permits.
- 5 3. Division of Mine Reclamation and Enforcement.
- 6 4. Division of Abandoned Mine Lands.
- 7 5. Division of Oil and Gas.
- 8 6. Division of Mine Safety.
- 9 7. Division of Forestry.
- 10 8. Division of Conservation.
- 11 9. Office of the Reclamation Guaranty Fund.
- 12 (d) Office of Energy Policy.
- 13 1. Division of Energy Assistance.
- 14 (e) Office of Administrative Services.
- 15 1. Division of Human Resources Management.
- 16 2. Division of Financial Management.
- 17 3. Division of Information Services.
- 18 (3) Public Protection Cabinet.
- 19 (a) Office of the Secretary.
- 20 1. Office of Communications and Public Outreach.
- 21 2. Office of Legal Services.
- 22 a. Insurance Legal Division.
- 23 b. Charitable Gaming Legal Division.
- 24 c. Alcoholic Beverage Control Legal Division.
- 25 d. Housing, Buildings and Construction Legal Division.
- 26 e. Financial Institutions Legal Division.
- 27 f. Professional Licensing Legal Division.

- 1 3. Office of Administrative Hearings.
- 2 4. Office of Administrative Services.
- 3 a. Division of Human Resources.
- 4 b. Division of Fiscal Responsibility.
- 5 (b) Office of Claims and Appeals.
- 6 1. Board of Tax Appeals.
- 7 2. Board of Claims.
- 8 3. Crime Victims Compensation Board.
- 9 (c) Kentucky Boxing and Wrestling Commission.
- 10 (d) Kentucky Horse Racing Commission.
- 11 1. Office of Executive Director.
- 12 a. Division of Pari-mutuel Wagering and Compliance.
- 13 b. Division of Stewards.
- 14 c. Division of Licensing.
- 15 d. Division of Enforcement.
- 16 e. Division of Incentives and Development.
- 17 f. Division of Veterinary Services.
- 18 (e) Department of Alcoholic Beverage Control.
- 19 1. Division of Distilled Spirits.
- 20 2. Division of Malt Beverages.
- 21 3. Division of Enforcement.
- 22 (f) Department of Charitable Gaming.
- 23 1. Division of Licensing and Compliance.
- 24 2. Division of Enforcement.
- 25 (g) Department of Financial Institutions.
- 26 1. Division of Depository Institutions.
- 27 2. Division of Non-Depository Institutions.

- 1 3. Division of Securities.
- 2 (h) Department of Housing, Buildings and Construction.
- 3 1. Division of Fire Prevention.
- 4 2. Division of Plumbing.
- 5 3. Division of Heating, Ventilation, and Air Conditioning.
- 6 4. Division of Building Code Enforcement.
- 7 (i) Department of Insurance.
- 8 1. Division of Health and Life Insurance and Managed Care.
- 9 2. Division of Property and Casualty Insurance.
- 10 3. Division of Administrative Services.
- 11 4. Division of Financial Standards and Examination.
- 12 5. Division of Licensing.
- 13 6. Division of Insurance Fraud Investigation.
- 14 7. Division of Consumer Protection.
- 15 (j) Department of Professional Licensing.
- 16 1. Real Estate Authority.
- 17 (4) Transportation Cabinet:
- 18 (a) Department of Highways.
- 19 1. Office of Project Development.
- 20 2. Office of Project Delivery and Preservation.
- 21 3. Office of Highway Safety.
- 22 4. Highway District Offices One through Twelve.
- 23 (b) Department of Vehicle Regulation.
- 24 (c) Department of Aviation.
- 25 (d) Department of Rural and Municipal Aid.
- 26 1. Office of Local Programs.
- 27 2. Office of Rural and Secondary Roads.

- 1 (e) Office of the Secretary.
- 2 1. Office of Public Affairs.
- 3 2. Office for Civil Rights and Small Business Development.
- 4 3. Office of Budget and Fiscal Management.
- 5 4. Office of Inspector General.
- 6 5. Secretary's Office of Safety.
- 7 (f) Office of Support Services.
- 8 (g) Office of Transportation Delivery.
- 9 (h) Office of Audits.
- 10 (i) Office of Human Resource Management.
- 11 (j) Office of Information Technology.
- 12 (k) Office of Legal Services.
- 13 (5) Cabinet for Economic Development:
- 14 (a) Office of the Secretary.
- 15 1. Office of Legal Services.
- 16 2. Department for Business and Community Development.
- 17 a. Development and Retention Division – West Kentucky.
- 18 b. Development, Retention, and Administrative Division –
- 19 Central and East Kentucky.
- 20 c. Community and Workforce Development Division.
- 21 3. Department for Financial Services.
- 22 a. Kentucky Economic Development Finance Authority.
- 23 b. Finance and Personnel Division.
- 24 c. IT and Resource Management Division.
- 25 d. Compliance Division.
- 26 e. Program Administration Division.
- 27 f. Bluegrass State Skills Corporation.

- 1 4. Office of Strategy and Public Affairs.
- 2 a. Marketing and Communications Division.
- 3 b. Research and Strategy Division.
- 4 5. Office of Entrepreneurship and Innovation.
- 5 a. Commission on Small Business Innovation and Advocacy.
- 6 (6) Cabinet for Health and Family Services:
- 7 (a) Office of the Secretary.
- 8 1. Office of Public Affairs.
- 9 2. Office of Legal Services.
- 10 3. Office of Inspector General.
- 11 4. Office of Human Resource Management.
- 12 5. Office of Finance and Budget.
- 13 6. Office of Legislative and Regulatory Affairs.
- 14 7. Office of Administrative Services.
- 15 8. Office of Application Technology Services.
- 16 9. Office of Data Analytics.
- 17 **10. Office of Medical Cannabis.**
- 18 **a. Division of Enforcement and Compliance.**
- 19 **b. Division of Licensure and Access.**
- 20 (b) Department for Public Health.
- 21 (c) Department for Medicaid Services.
- 22 (d) Department for Behavioral Health, Developmental and Intellectual
- 23 Disabilities.
- 24 (e) Department for Aging and Independent Living.
- 25 (f) Department for Community Based Services.
- 26 (g) Department for Income Support.
- 27 (h) Department for Family Resource Centers and Volunteer Services.

- 1 (7) Finance and Administration Cabinet:
- 2 (a) Office of the Secretary.
- 3 (b) Office of the Inspector General.
- 4 (c) Office of Legislative and Intergovernmental Affairs.
- 5 (d) Office of General Counsel.
- 6 (e) Office of the Controller.
- 7 (f) Office of Administrative Services.
- 8 (g) Office of Policy and Audit.
- 9 (h) Department for Facilities and Support Services.
- 10 (i) Department of Revenue.
- 11 (j) Commonwealth Office of Technology.
- 12 (k) State Property and Buildings Commission.
- 13 (l) Office of Equal Employment Opportunity and Contract Compliance.
- 14 (m) Kentucky Employees Retirement Systems.
- 15 (n) Commonwealth Credit Union.
- 16 (o) State Investment Commission.
- 17 (p) Kentucky Housing Corporation.
- 18 (q) Kentucky Local Correctional Facilities Construction Authority.
- 19 (r) Kentucky Turnpike Authority.
- 20 (s) Historic Properties Advisory Commission.
- 21 (t) Kentucky Higher Education Assistance Authority.
- 22 (u) Kentucky River Authority.
- 23 (v) Kentucky Teachers' Retirement System Board of Trustees.
- 24 (w) Executive Branch Ethics Commission.
- 25 (x) Office of Fleet Management.
- 26 (8) Tourism, Arts and Heritage Cabinet:
- 27 (a) Kentucky Department of Tourism.

- 1 1. Division of Tourism Services.
- 2 2. Division of Marketing and Administration.
- 3 3. Division of Communications and Promotions.
- 4 (b) Kentucky Department of Parks.
 - 5 1. Division of Information Technology.
 - 6 2. Division of Human Resources.
 - 7 3. Division of Financial Operations.
 - 8 4. Division of Purchasing.
 - 9 5. Division of Facilities.
 - 10 6. Division of Park Operations.
 - 11 7. Division of Sales, Marketing, and Customer Service.
 - 12 8. Division of Engagement.
 - 13 9. Division of Food Services.
 - 14 10. Division of Rangers.
- 15 (c) Department of Fish and Wildlife Resources.
 - 16 1. Division of Law Enforcement.
 - 17 2. Division of Administrative Services.
 - 18 3. Division of Engineering, Infrastructure, and Technology.
 - 19 4. Division of Fisheries.
 - 20 5. Division of Information and Education.
 - 21 6. Division of Wildlife.
 - 22 7. Division of Marketing.
- 23 (d) Kentucky Horse Park.
 - 24 1. Division of Support Services.
 - 25 2. Division of Buildings and Grounds.
 - 26 3. Division of Operational Services.
- 27 (e) Kentucky State Fair Board.

- 1 1. Office of Administrative and Information Technology Services.
- 2 2. Office of Human Resources and Access Control.
- 3 3. Division of Expositions.
- 4 4. Division of Kentucky Exposition Center Operations.
- 5 5. Division of Kentucky International Convention Center.
- 6 6. Division of Public Relations and Media.
- 7 7. Division of Venue Services.
- 8 8. Division of Personnel Management and Staff Development.
- 9 9. Division of Sales.
- 10 10. Division of Security and Traffic Control.
- 11 11. Division of Information Technology.
- 12 12. Division of the Louisville Arena.
- 13 13. Division of Fiscal and Contract Management.
- 14 14. Division of Access Control.
- 15 (f) Office of the Secretary.
- 16 1. Office of Finance.
- 17 2. Office of Government Relations and Administration.
- 18 (g) Office of Legal Affairs.
- 19 (h) Office of Human Resources.
- 20 (i) Office of Public Affairs and Constituent Services.
- 21 (j) Office of Arts and Cultural Heritage.
- 22 (k) Kentucky African-American Heritage Commission.
- 23 (l) Kentucky Foundation for the Arts.
- 24 (m) Kentucky Humanities Council.
- 25 (n) Kentucky Heritage Council.
- 26 (o) Kentucky Arts Council.
- 27 (p) Kentucky Historical Society.

1. Division of Museums.
2. Division of Oral History and Educational Outreach.
3. Division of Research and Publications.
4. Division of Administration.
- (q) Kentucky Center for the Arts.
 1. Division of Governor's School for the Arts.
- (r) Kentucky Artisans Center at Berea.
- (s) Northern Kentucky Convention Center.
- (t) Eastern Kentucky Exposition Center.
- (9) Personnel Cabinet:
 - (a) Office of the Secretary.
 - (b) Department of Human Resources Administration.
 - (c) Office of Employee Relations.
 - (d) Kentucky Public Employees Deferred Compensation Authority.
 - (e) Office of Administrative Services.
 - (f) Office of Legal Services.
 - (g) Governmental Services Center.
 - (h) Department of Employee Insurance.
 - (i) Office of Diversity, Equality, and Training.
 - (j) Office of Public Affairs.
- (10) Education and Labor Cabinet:
 - (a) Office of the Secretary.
 1. Office of Legal Services.
 - a. Workplace Standards Legal Division.
 - b. Workers' Claims Legal Division.
 - c. Workforce Development Legal Division.
 2. Office of Administrative Services.

- 1 a. Division of Human Resources Management.
- 2 b. Division of Fiscal Management.
- 3 c. Division of Operations and Support Services.
- 4 3. Office of Technology Services.
- 5 a. Division of Information Technology Services.
- 6 4. Office of Policy and Audit.
- 7 5. Office of Legislative Services.
- 8 6. Office of Communications.
- 9 7. Office of the Kentucky Center for Statistics.
- 10 8. Board of the Kentucky Center for Statistics.
- 11 9. Early Childhood Advisory Council.
- 12 10. Governors' Scholars Program.
- 13 11. Governor's School for Entrepreneurs Program.
- 14 12. Foundation for Adult Education.
- 15 (b) Department of Education.
- 16 1. Kentucky Board of Education.
- 17 2. Kentucky Technical Education Personnel Board.
- 18 3. Education Professional Standards Board.
- 19 (c) Board of Directors for the Center for School Safety.
- 20 (d) Department for Libraries and Archives.
- 21 (e) Kentucky Environmental Education Council.
- 22 (f) Kentucky Educational Television.
- 23 (g) Kentucky Commission on the Deaf and Hard of Hearing.
- 24 (h) Department of Workforce Development.
- 25 1. Career Development Office.
- 26 2. Office of Vocational Rehabilitation.
- 27 a. Division of Kentucky Business Enterprise.

- 1 b. Division of the Carl D. Perkins Vocational Training Center.
- 2 c. Division of Blind Services.
- 3 d. Division of Field Services.
- 4 e. Statewide Council for Vocational Rehabilitation.
- 5 f. Employment First Council.
- 6 3. Office of Employer and Apprenticeship Services.
- 7 a. Division of Apprenticeship.
- 8 4. Kentucky Apprenticeship Council.
- 9 5. Division of Technical Assistance.
- 10 6. Office of Adult Education.
- 11 7. Office of the Kentucky Workforce Innovation Board.
- 12 (i) Department of Workplace Standards.
- 13 1. Division of Occupational Safety and Health Compliance.
- 14 2. Division of Occupational Safety and Health Education and
- 15 Training.
- 16 3. Division of Wages and Hours.
- 17 (j) Office of Unemployment Insurance.
- 18 (k) Kentucky Unemployment Insurance Commission.
- 19 (l) Department of Workers' Claims.
- 20 1. Division of Workers' Compensation Funds.
- 21 2. Office of Administrative Law Judges.
- 22 3. Division of Claims Processing.
- 23 4. Division of Security and Compliance.
- 24 5. Division of Specialist and Medical Services.
- 25 6. Workers' Compensation Board.
- 26 (m) Workers' Compensation Funding Commission.
- 27 (n) Kentucky Occupational Safety and Health Standards Board.

- 1 (o) State Labor Relations Board.
- 2 (p) Employers' Mutual Insurance Authority.
- 3 (q) Kentucky Occupational Safety and Health Review Commission.
- 4 (r) Workers' Compensation Nominating Committee.
- 5 (s) Office of Educational Programs.
- 6 (t) Kentucky Workforce Innovation Board.
- 7 (u) Kentucky Commission on Proprietary Education.
- 8 (v) Kentucky Work Ready Skills Advisory Committee.
- 9 (w) Kentucky Geographic Education Board.
- 10 (x) Disability Determination Services Program.

11 III. Other departments headed by appointed officers:

- 12 (1) Council on Postsecondary Education.
- 13 (2) Department of Military Affairs.
- 14 (3) Department for Local Government.
- 15 (4) Kentucky Commission on Human Rights.
- 16 (5) Kentucky Commission on Women.
- 17 (6) Department of Veterans' Affairs.
- 18 (7) Kentucky Commission on Military Affairs.
- 19 (8) Office of Minority Empowerment.
- 20 (9) Governor's Council on Wellness and Physical Activity.
- 21 (10) Kentucky Communications Network Authority.

22 ➔Section 3. KRS 12.020 (Effective July 1, 2025) is amended to read as follows:

23 Departments, program cabinets and their departments, and the respective major
24 administrative bodies that they include are enumerated in this section. It is not intended
25 that this enumeration of administrative bodies be all-inclusive. Every authority, board,
26 bureau, interstate compact, commission, committee, conference, council, office, or any
27 other form of organization shall be included in or attached to the department or program

1 cabinet in which they are included or to which they are attached by statute or statutorily
2 authorized executive order; except in the case of the Personnel Board and where the
3 attached department or administrative body is headed by a constitutionally elected
4 officer, the attachment shall be solely for the purpose of dissemination of information and
5 coordination of activities and shall not include any authority over the functions,
6 personnel, funds, equipment, facilities, or records of the department or administrative
7 body.

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

- 9 (1) The Governor.
10 (2) Lieutenant Governor.
11 (3) Department of State.
12 (a) Secretary of State.
13 (b) Board of Elections.
14 (c) Registry of Election Finance.
15 (4) Department of Law.
16 (a) Attorney General.
17 (5) Department of the Treasury.
18 (a) Treasurer.
19 (6) Department of Agriculture.
20 (a) Commissioner of Agriculture.
21 (b) Agricultural Development Board.
22 (c) Kentucky Agricultural Finance Corporation.
23 (7) Auditor of Public Accounts.
24 (a) Commonwealth Office of the Ombudsman.

25 II. Program cabinets headed by appointed officers:

- 26 (1) Justice and Public Safety Cabinet:
27 (a) Department of Kentucky State Police.

- 1 1. Office of Administrative Services.
- 2 a. Division of Operational Support.
- 3 b. Division of Management Services.
- 4 2. Office of Operations.
- 5 a. Division of West Troops.
- 6 b. Division of East Troops.
- 7 c. Division of Special Enforcement.
- 8 d. Division of Commercial Vehicle Enforcement.
- 9 3. Office of Technical Services.
- 10 a. Division of Forensic Sciences.
- 11 b. Division of Electronic Services.
- 12 c. Division of Records Management.
- 13 (b) Department of Criminal Justice Training.
- 14 (c) Department of Corrections.
- 15 (d) Department of Juvenile Justice.
- 16 (e) Office of the Secretary.
- 17 (f) Office of Drug Control Policy.
- 18 (g) Office of Legal Services.
- 19 (h) Office of the Kentucky State Medical Examiner.
- 20 (i) Parole Board.
- 21 (j) Kentucky State Corrections Commission.
- 22 (k) Office of Legislative and Intergovernmental Services.
- 23 (l) Office of Human Resource Management.
- 24 1. Division of Human Resource Administration.
- 25 2. Division of Employee Management.
- 26 (m) Department of Public Advocacy.
- 27 (n) Office of Communications.

- 1 1. Information Technology Services Division.
- 2 (o) Office of Financial Management Services.
- 3 1. Division of Financial Management.
- 4 (p) Grants Management Division.
- 5 (2) Energy and Environment Cabinet:
- 6 (a) Office of the Secretary.
- 7 1. Office of Legislative and Intergovernmental Affairs.
- 8 2. Office of Legal Services.
- 9 a. Legal Division I.
- 10 b. Legal Division II.
- 11 3. Office of Administrative Hearings.
- 12 4. Office of Communication.
- 13 5. Mine Safety Review Commission.
- 14 6. Office of Kentucky Nature Preserves.
- 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 Mine Permits.
- 27 3. Division of Mine Reclamation and Enforcement.

- 1 4. Division of Abandoned Mine Lands.
- 2 5. Division of Oil and Gas.
- 3 6. Division of Mine Safety.
- 4 7. Division of Forestry.
- 5 8. Division of Conservation.
- 6 9. Office of the Reclamation Guaranty Fund.
- 7 (d) Office of Energy Policy.
- 8 1. Division of Energy Assistance.
- 9 (e) Office of Administrative Services.
- 10 1. Division of Human Resources Management.
- 11 2. Division of Financial Management.
- 12 3. Division of Information Services.
- 13 (3) Public Protection Cabinet.
- 14 (a) Office of the Secretary.
- 15 1. Office of Communications and Public Outreach.
- 16 2. Office of Legal Services.
- 17 a. Insurance Legal Division.
- 18 b. Charitable Gaming Legal Division.
- 19 c. Alcoholic Beverage Control Legal Division.
- 20 d. Housing, Buildings and Construction Legal Division.
- 21 e. Financial Institutions Legal Division.
- 22 f. Professional Licensing Legal Division.
- 23 3. Office of Administrative Hearings.
- 24 4. Office of Administrative Services.
- 25 a. Division of Human Resources.
- 26 b. Division of Fiscal Responsibility.
- 27 (b) Office of Claims and Appeals.

- 1 1. Board of Tax Appeals.
- 2 2. Board of Claims.
- 3 3. Crime Victims Compensation Board.
- 4 (c) Kentucky Boxing and Wrestling Commission.
- 5 (d) Kentucky Horse Racing Commission.
- 6 1. Office of Executive Director.
- 7 a. Division of Pari-mutuel Wagering and Compliance.
- 8 b. Division of Stewards.
- 9 c. Division of Licensing.
- 10 d. Division of Enforcement.
- 11 e. Division of Incentives and Development.
- 12 f. Division of Veterinary Services.
- 13 (e) Department of Alcoholic Beverage Control.
- 14 1. Division of Distilled Spirits.
- 15 2. Division of Malt Beverages.
- 16 3. Division of Enforcement.
- 17 (f) Department of Charitable Gaming.
- 18 1. Division of Licensing and Compliance.
- 19 2. Division of Enforcement.
- 20 (g) Department of Financial Institutions.
- 21 1. Division of Depository Institutions.
- 22 2. Division of Non-Depository Institutions.
- 23 3. Division of Securities.
- 24 (h) Department of Housing, Buildings and Construction.
- 25 1. Division of Fire Prevention.
- 26 2. Division of Plumbing.
- 27 3. Division of Heating, Ventilation, and Air Conditioning.

- 1 4. Division of Building Code Enforcement.
- 2 (i) Department of Insurance.
- 3 1. Division of Health and Life Insurance and Managed Care.
- 4 2. Division of Property and Casualty Insurance.
- 5 3. Division of Administrative Services.
- 6 4. Division of Financial Standards and Examination.
- 7 5. Division of Licensing.
- 8 6. Division of Insurance Fraud Investigation.
- 9 7. Division of Consumer Protection.
- 10 (j) Department of Professional Licensing.
- 11 1. Real Estate Authority.
- 12 (4) Transportation Cabinet:
- 13 (a) Department of Highways.
- 14 1. Office of Project Development.
- 15 2. Office of Project Delivery and Preservation.
- 16 3. Office of Highway Safety.
- 17 4. Highway District Offices One through Twelve.
- 18 (b) Department of Vehicle Regulation.
- 19 (c) Department of Aviation.
- 20 (d) Department of Rural and Municipal Aid.
- 21 1. Office of Local Programs.
- 22 2. Office of Rural and Secondary Roads.
- 23 (e) Office of the Secretary.
- 24 1. Office of Public Affairs.
- 25 2. Office for Civil Rights and Small Business Development.
- 26 3. Office of Budget and Fiscal Management.
- 27 4. Office of Inspector General.

- 1 5. Secretary's Office of Safety.
- 2 (f) Office of Support Services.
- 3 (g) Office of Transportation Delivery.
- 4 (h) Office of Audits.
- 5 (i) Office of Human Resource Management.
- 6 (j) Office of Information Technology.
- 7 (k) Office of Legal Services.
- 8 (5) Cabinet for Economic Development:
- 9 (a) Office of the Secretary.
- 10 1. Office of Legal Services.
- 11 2. Department for Business and Community Development.
- 12 a. Development and Retention Division – West Kentucky.
- 13 b. Development, Retention, and Administrative Division –
- 14 Central and East Kentucky.
- 15 c. Community and Workforce Development Division.
- 16 3. Department for Financial Services.
- 17 a. Kentucky Economic Development Finance Authority.
- 18 b. Finance and Personnel Division.
- 19 c. IT and Resource Management Division.
- 20 d. Compliance Division.
- 21 e. Program Administration Division.
- 22 f. Bluegrass State Skills Corporation.
- 23 4. Office of Strategy and Public Affairs.
- 24 a. Marketing and Communications Division.
- 25 b. Research and Strategy Division.
- 26 5. Office of Entrepreneurship and Innovation.
- 27 a. Commission on Small Business Innovation and Advocacy.

- 1 (6) Cabinet for Health and Family Services:
- 2 (a) Office of the Secretary.
- 3 1. Office of Public Affairs.
- 4 2. Office of Legal Services.
- 5 3. Office of Inspector General.
- 6 4. Office of Human Resource Management.
- 7 5. Office of Finance and Budget.
- 8 6. Office of Legislative and Regulatory Affairs.
- 9 7. Office of Administrative Services.
- 10 8. Office of Application Technology Services.
- 11 9. Office of Data Analytics.
- 12 **10 Office of Medical Cannabis.**
- 13 **a. Division of Enforcement and Compliance.**
- 14 **b. Division of Licensure and Access.**
- 15 (b) Department for Public Health.
- 16 (c) Department for Medicaid Services.
- 17 (d) Department for Behavioral Health, Developmental and Intellectual
- 18 Disabilities.
- 19 (e) Department for Aging and Independent Living.
- 20 (f) Department for Community Based Services.
- 21 (g) Department for Family Resource Centers and Volunteer Services.
- 22 (7) Finance and Administration Cabinet:
- 23 (a) Office of the Secretary.
- 24 (b) Office of the Inspector General.
- 25 (c) Office of Legislative and Intergovernmental Affairs.
- 26 (d) Office of General Counsel.
- 27 (e) Office of the Controller.

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

- 1 3. Division of Financial Operations.
- 2 4. Division of Purchasing.
- 3 5. Division of Facilities.
- 4 6. Division of Park Operations.
- 5 7. Division of Sales, Marketing, and Customer Service.
- 6 8. Division of Engagement.
- 7 9. Division of Food Services.
- 8 10. Division of Rangers.
- 9 (c) Department of Fish and Wildlife Resources.
- 10 1. Division of Law Enforcement.
- 11 2. Division of Administrative Services.
- 12 3. Division of Engineering, Infrastructure, and Technology.
- 13 4. Division of Fisheries.
- 14 5. Division of Information and Education.
- 15 6. Division of Wildlife.
- 16 7. Division of Marketing.
- 17 (d) Kentucky Horse Park.
- 18 1. Division of Support Services.
- 19 2. Division of Buildings and Grounds.
- 20 3. Division of Operational Services.
- 21 (e) Kentucky State Fair Board.
- 22 1. Office of Administrative and Information Technology Services.
- 23 2. Office of Human Resources and Access Control.
- 24 3. Division of Expositions.
- 25 4. Division of Kentucky Exposition Center Operations.
- 26 5. Division of Kentucky International Convention Center.
- 27 6. Division of Public Relations and Media.

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

- 1 (r) Kentucky Artisans Center at Berea.
- 2 (s) Northern Kentucky Convention Center.
- 3 (t) Eastern Kentucky Exposition Center.
- 4 (9) Personnel Cabinet:
 - 5 (a) Office of the Secretary.
 - 6 (b) Department of Human Resources Administration.
 - 7 (c) Office of Employee Relations.
 - 8 (d) Kentucky Public Employees Deferred Compensation Authority.
 - 9 (e) Office of Administrative Services.
 - 10 (f) Office of Legal Services.
 - 11 (g) Governmental Services Center.
 - 12 (h) Department of Employee Insurance.
 - 13 (i) Office of Diversity, Equality, and Training.
 - 14 (j) Office of Public Affairs.
- 15 (10) Education and Labor Cabinet:
 - 16 (a) Office of the Secretary.
 - 17 1. Office of Legal Services.
 - 18 a. Workplace Standards Legal Division.
 - 19 b. Workers' Claims Legal Division.
 - 20 c. Workforce Development Legal Division.
 - 21 2. Office of Administrative Services.
 - 22 a. Division of Human Resources Management.
 - 23 b. Division of Fiscal Management.
 - 24 c. Division of Operations and Support Services.
 - 25 3. Office of Technology Services.
 - 26 a. Division of Information Technology Services.
 - 27 4. Office of Policy and Audit.

- 1 5. Office of Legislative Services.
- 2 6. Office of Communications.
- 3 7. Office of the Kentucky Center for Statistics.
- 4 8. Board of the Kentucky Center for Statistics.
- 5 9. Early Childhood Advisory Council.
- 6 10. Governors' Scholars Program.
- 7 11. Governor's School for Entrepreneurs Program.
- 8 12. Foundation for Adult Education.
- 9 (b) Department of Education.
- 10 1. Kentucky Board of Education.
- 11 2. Kentucky Technical Education Personnel Board.
- 12 3. Education Professional Standards Board.
- 13 (c) Board of Directors for the Center for School Safety.
- 14 (d) Department for Libraries and Archives.
- 15 (e) Kentucky Environmental Education Council.
- 16 (f) Kentucky Educational Television.
- 17 (g) Kentucky Commission on the Deaf and Hard of Hearing.
- 18 (h) Department of Workforce Development.
- 19 1. Career Development Office.
- 20 2. Office of Vocational Rehabilitation.
- 21 a. Division of Kentucky Business Enterprise.
- 22 b. Division of the Carl D. Perkins Vocational Training Center.
- 23 c. Division of Blind Services.
- 24 d. Division of Field Services.
- 25 e. Statewide Council for Vocational Rehabilitation.
- 26 f. Employment First Council.
- 27 3. Office of Employer and Apprenticeship Services.

- 1 a. Division of Apprenticeship.
- 2 4. Kentucky Apprenticeship Council.
- 3 5. Division of Technical Assistance.
- 4 6. Office of Adult Education.
- 5 7. Office of the Kentucky Workforce Innovation Board.
- 6 (i) Department of Workplace Standards.
 - 7 1. Division of Occupational Safety and Health Compliance.
 - 8 2. Division of Occupational Safety and Health Education and
 - 9 Training.
 - 10 3. Division of Wages and Hours.
- 11 (j) Office of Unemployment Insurance.
- 12 (k) Kentucky Unemployment Insurance Commission.
- 13 (l) Department of Workers' Claims.
 - 14 1. Division of Workers' Compensation Funds.
 - 15 2. Office of Administrative Law Judges.
 - 16 3. Division of Claims Processing.
 - 17 4. Division of Security and Compliance.
 - 18 5. Division of Specialist and Medical Services.
 - 19 6. Workers' Compensation Board.
- 20 (m) Workers' Compensation Funding Commission.
- 21 (n) Kentucky Occupational Safety and Health Standards Board.
- 22 (o) State Labor Relations Board.
- 23 (p) Employers' Mutual Insurance Authority.
- 24 (q) Kentucky Occupational Safety and Health Review Commission.
- 25 (r) Workers' Compensation Nominating Committee.
- 26 (s) Office of Educational Programs.
- 27 (t) Kentucky Workforce Innovation Board.

- 1 (u) Kentucky Commission on Proprietary Education.
- 2 (v) Kentucky Work Ready Skills Advisory Committee.
- 3 (w) Kentucky Geographic Education Board.
- 4 (x) Disability Determination Services Program.

5 III. Other departments headed by appointed officers:

- 6 (1) Council on Postsecondary Education.
- 7 (2) Department of Military Affairs.
- 8 (3) Department for Local Government.
- 9 (4) Kentucky Commission on Human Rights.
- 10 (5) Kentucky Commission on Women.
- 11 (6) Department of Veterans' Affairs.
- 12 (7) Kentucky Commission on Military Affairs.
- 13 (8) Office of Minority Empowerment.
- 14 (9) Governor's Council on Wellness and Physical Activity.
- 15 (10) Kentucky Communications Network Authority.

16 ➔Section 4. KRS 194A.030 (Effective until July 1, 2024) is amended to read as
17 follows:

18 The cabinet consists of the following major organizational units, which are hereby
19 created:

- 20 (1) Office of the Secretary. Within the Office of the Secretary, there shall be an Office
21 of the Ombudsman and Administrative Review, an Office of Legal Services, an
22 Office of Inspector General, an Office of Public Affairs, an Office of Human
23 Resource Management, an Office of Finance and Budget, an Office of Legislative
24 and Regulatory Affairs, an Office of Administrative Services, an Office of
25 Application Technology Services, ~~and~~ an Office of Data Analytics, **and an Office**
26 **of Medical Cannabis,** as follows:

- 27 (a) The Office of the Ombudsman and Administrative Review shall be headed by

1 an executive director who shall be appointed by the secretary with the
2 approval of the Governor under KRS 12.050 and shall:

- 3 1. Investigate, upon complaint or on its own initiative, any administrative
4 act of an organizational unit, employee, or contractor of the cabinet,
5 without regard to the finality of the administrative act. Organizational
6 units, employees, or contractors of the cabinet shall not willfully
7 obstruct an investigation, restrict access to records or personnel, or
8 retaliate against a complainant or cabinet employee;
- 9 2. Make recommendations that resolve citizen complaints and improve
10 governmental performance and may require corrective action when
11 policy violations are identified;
- 12 3. Provide evaluation and information analysis of cabinet performance and
13 compliance with state and federal law;
- 14 4. Place an emphasis on research and best practices, program
15 accountability, quality service delivery, and improved governmental
16 performance;
- 17 5. Provide information on how to contact the office for public posting at all
18 offices where Department for Community Based Services employees or
19 contractors work, at any facility where a child in the custody of the
20 cabinet resides, and to all cabinet or contracted foster parents;
- 21 6. Report to the Office of Inspector General for review and investigation
22 any charge or case against an employee of the Cabinet for Health and
23 Family Services where it has cause to believe the employee has engaged
24 in dishonest, unethical, or illegal conduct or practices related to his or
25 her job duties; or any violation of state law or administrative regulation
26 by any organization or individual regulated by, or contracted with the
27 cabinet;

- 1 7. Compile a report of all citizen complaints about programs or services of
- 2 the cabinet and a summary of resolution of the complaints and submit
- 3 the report upon request to the Interim Joint Committee on Health
- 4 Services and the Interim Joint Committee on Families and Children;
- 5 8. Include oversight of administrative hearings; and
- 6 9. Provide information to the Office of the Attorney General, when
- 7 requested, related to substantiated violations of state law against an
- 8 employee, a contractor of the cabinet, or a foster or adoptive parent;
- 9 (b) The Office of Legal Services shall provide legal advice and assistance to all
- 10 units of the cabinet in any legal action in which it may be involved. The
- 11 Office of Legal Services shall employ all attorneys of the cabinet who serve
- 12 the cabinet in the capacity of attorney, giving legal advice and opinions
- 13 concerning the operation of all programs in the cabinet. The Office of Legal
- 14 Services shall be headed by a general counsel who shall be appointed by the
- 15 secretary with the approval of the Governor under KRS 12.050 and 12.210.
- 16 The general counsel shall be the chief legal advisor to the secretary and shall
- 17 be directly responsible to the secretary. The Attorney General, on the request
- 18 of the secretary, may designate the general counsel as an assistant attorney
- 19 general under the provisions of KRS 15.105;
- 20 (c) The Office of Inspector General shall be headed by an inspector general who
- 21 shall be appointed by the secretary with the approval of the Governor. The
- 22 inspector general shall be directly responsible to the secretary. The Office of
- 23 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;
- 7 4. The duties, responsibilities, and authority pertaining to the certificate of
8 need functions and the licensure appeals functions, pursuant to KRS
9 Chapter 216B;
- 10 5. The notification and forwarding of any information relevant to possible
11 criminal violations to the appropriate prosecuting authority;
- 12 6. The oversight of the operations of the Kentucky Health Information
13 Exchange; and
- 14 7. The support and guidance to health care providers related to telehealth
15 services, including the development of policy, standards, resources, and
16 education to expand telehealth services across the Commonwealth;
- 17 (d) The Office of Public Affairs shall be headed by an executive director
18 appointed by the secretary with the approval of the Governor in accordance
19 with KRS 12.050. The office shall provide information to the public and news
20 media about the programs, services, and initiatives of the cabinet;
- 21 (e) The Office of Human Resource Management shall be headed by an executive
22 director appointed by the secretary with the approval of the Governor in
23 accordance with KRS 12.050. The office shall coordinate, oversee, and
24 execute all personnel, training, and management functions of the cabinet. The
25 office shall focus on the oversight, development, and implementation of
26 quality improvement services; curriculum development and delivery of
27 instruction to staff; the administration, management, and oversight of training

1 operations; health, safety, and compliance training; and equal employment
2 opportunity compliance functions;

3 (f) The Office of Finance and Budget shall be headed by an executive director
4 appointed by the secretary with the approval of the Governor in accordance
5 with KRS 12.050. The office shall provide central review and oversight of
6 budget, contract, and cabinet finances. The office shall provide coordination,
7 assistance, and support to program departments and independent review and
8 analysis on behalf of the secretary;

9 (g) The Office of Legislative and Regulatory Affairs shall be headed by an
10 executive director appointed by the secretary with the approval of the
11 Governor in accordance with KRS 12.050. The office shall provide central
12 review and oversight of legislation, policy, and administrative regulations.
13 The office shall provide coordination, assistance, and support to program
14 departments and independent review and analysis on behalf of the secretary;

15 (h) The Office of Administrative Services shall be headed by an executive
16 director appointed by the secretary with the approval of the Governor in
17 accordance with KRS 12.050. The office shall provide central review and
18 oversight of procurement, general accounting including grant monitoring, and
19 facility management. The office shall provide coordination, assistance, and
20 support to program departments and independent review and analysis on
21 behalf of the secretary;

22 (i) The Office of Application Technology Services shall be headed by an
23 executive director appointed by the secretary with the approval of the
24 Governor in accordance with KRS 12.050. The office shall provide
25 application technology services including central review and oversight. The
26 office shall provide coordination, assistance, and support to program
27 departments and independent review and analysis on behalf of the secretary;f

1 ~~and~~

2 (j) The Office of Data Analytics shall be headed by an executive director who
3 shall be appointed by the secretary with the approval of the Governor under
4 KRS 12.050 and shall identify and innovate strategic initiatives to inform
5 public policy initiatives and provide opportunities for improved health
6 outcomes for all Kentuckians through data analytics. The office shall provide
7 leadership in the redesign of the health care delivery system using electronic
8 information technology to improve patient care and reduce medical errors and
9 duplicative services; and

10 (k) The Office of Medical Cannabis shall be headed by an executive director
11 appointed by the Governor in accordance with KRS 12.040 and shall
12 implement, operate, oversee, and regulate the medicinal cannabis program.
13 The office shall be composed of the Division of Enforcement and
14 Compliance and the Division of Licensure and Access. Each division in the
15 office shall be headed by a director appointed by the secretary with the
16 approval of the Governor in accordance with KRS 12.050.

17 (2) Department for Medicaid Services. The Department for Medicaid Services shall
18 serve as the single state agency in the Commonwealth to administer Title XIX of
19 the Federal Social Security Act. The Department for Medicaid Services shall be
20 headed by a commissioner for Medicaid services, who shall be appointed by the
21 secretary with the approval of the Governor under KRS 12.050. The commissioner
22 for Medicaid services shall be a person who by experience and training in
23 administration and management is qualified to perform the duties of this office. The
24 commissioner for Medicaid services shall exercise authority over the Department
25 for Medicaid Services under the direction of the secretary and shall only fulfill
26 those responsibilities as delegated by the secretary;

27 (3) Department for Public Health. The Department for Public Health shall develop and

1 operate all programs of the cabinet that provide health services and all programs for
2 assessing the health status of the population for the promotion of health and the
3 prevention of disease, injury, disability, and premature death. This shall include but
4 not be limited to oversight of the Division of Women's Health. The Department for
5 Public Health shall be headed by a commissioner for public health who shall be
6 appointed by the secretary with the approval of the Governor under KRS 12.050.
7 The commissioner for public health shall be a duly licensed physician who by
8 experience and training in administration and management is qualified to perform
9 the duties of this office. The commissioner shall advise the head of each major
10 organizational unit enumerated in this section on policies, plans, and programs
11 relating to all matters of public health, including any actions necessary to safeguard
12 the health of the citizens of the Commonwealth. The commissioner shall serve as
13 chief medical officer of the Commonwealth. The commissioner for public health
14 shall exercise authority over the Department for Public Health under the direction
15 of the secretary and shall only fulfill those responsibilities as delegated by the
16 secretary;

- 17 (4) Department for Behavioral Health, Developmental and Intellectual Disabilities. The
18 Department for Behavioral Health, Developmental and Intellectual Disabilities shall
19 develop and administer programs for the prevention of mental illness, intellectual
20 disabilities, brain injury, developmental disabilities, and substance use disorders
21 and shall develop and administer an array of services and support for the treatment,
22 habilitation, and rehabilitation of persons who have a mental illness or emotional
23 disability, or who have an intellectual disability, brain injury, developmental
24 disability, or a substance use disorder. The Department for Behavioral Health,
25 Developmental and Intellectual Disabilities shall be headed by a commissioner for
26 behavioral health, developmental and intellectual disabilities who shall be
27 appointed by the secretary with the approval of the Governor under KRS 12.050.

1 The commissioner for behavioral health, developmental and intellectual disabilities
2 shall be by training and experience in administration and management qualified to
3 perform the duties of the office. The commissioner for behavioral health,
4 developmental and intellectual disabilities shall exercise authority over the
5 department under the direction of the secretary, and shall only fulfill those
6 responsibilities as delegated by the secretary;

7 (5) Office for Children with Special Health Care Needs. The duties, responsibilities,
8 and authority set out in KRS 200.460 to 200.490 shall be performed by the office.
9 The office shall advocate the rights of children with disabilities and, to the extent
10 that funds are available, shall ensure the administration of services for children with
11 disabilities as are deemed appropriate by this office pursuant to Title V of the Social
12 Security Act. The office may promulgate administrative regulations under KRS
13 Chapter 13A as may be necessary to implement and administer its responsibilities.
14 The duties, responsibilities, and authority of the Office for Children with Special
15 Health Care Needs shall be performed through the office of the executive director.
16 The executive director shall be appointed by the secretary with the approval of the
17 Governor under KRS 12.050;

18 (6) Department for Family Resource Centers and Volunteer Services. The Department
19 for Family Resource Centers and Volunteer Services shall streamline the various
20 responsibilities associated with the human services programs for which the cabinet
21 is responsible. This shall include, but not be limited to, oversight of the Division of
22 Family Resource and Youth Services Centers and Serve Kentucky. The Department
23 for Family Resource Centers and Volunteer Services shall be headed by a
24 commissioner who shall be appointed by the secretary with the approval of the
25 Governor under KRS 12.050. The commissioner for family resource centers and
26 volunteer services shall be by training and experience in administration and
27 management qualified to perform the duties of the office, shall exercise authority

1 over the department under the direction of the secretary, and shall only fulfill those
2 responsibilities as delegated by the secretary;

3 (7) Department for Community Based Services. The Department for Community Based
4 Services shall administer and be responsible for child and adult protection, violence
5 prevention resources, foster care and adoption, permanency, and services to
6 enhance family self-sufficiency, including child care, social services, public
7 assistance, and family support. The department shall be headed by a commissioner
8 appointed by the secretary with the approval of the Governor in accordance with
9 KRS 12.050;

10 (8) 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 (9) 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 assisted living facilities, the state Council on Alzheimer's Disease and other
27 related disorders, and guardianship services. The department shall also administer

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

7 ➔Section 5. KRS 194A.030 (Effective between July 1, 2024, and July 1, 2025) is
8 amended to read as follows:

9 The cabinet consists of the following major organizational units, which are hereby
10 created:

11 (1) Office of the Secretary. Within the Office of the Secretary, there shall be an Office
12 of Legal Services, an Office of Inspector General, an Office of Public Affairs, an
13 Office of Human Resource Management, an Office of Finance and Budget, an
14 Office of Legislative and Regulatory Affairs, an Office of Administrative Services,
15 an Office of Application Technology Services,~~[-and]~~ an Office of Data Analytics,
16 *and an Office of Medical Cannabis,* as follows:

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

1 (b) The Office of Inspector General shall be headed by an inspector general who
2 shall be appointed by the secretary with the approval of the Governor. The
3 inspector general shall be directly responsible to the secretary. The Office of
4 Inspector General shall be responsible for:

- 5 1. The conduct of audits and investigations for detecting the perpetration of
6 fraud or abuse of any program by any client, or by any vendor of
7 services with whom the cabinet has contracted; and the conduct of
8 special investigations requested by the secretary, commissioners, or
9 office heads of the cabinet into matters related to the cabinet or its
10 programs;
- 11 2. Licensing and regulatory functions as the secretary may delegate;
- 12 3. Review of health facilities participating in transplant programs, as
13 determined by the secretary, for the purpose of determining any
14 violations of KRS 311.1911 to 311.1959, 311.1961, and 311.1963;
- 15 4. The duties, responsibilities, and authority pertaining to the certificate of
16 need functions and the licensure appeals functions, pursuant to KRS
17 Chapter 216B;
- 18 5. The notification and forwarding of any information relevant to possible
19 criminal violations to the appropriate prosecuting authority;
- 20 6. The oversight of the operations of the Kentucky Health Information
21 Exchange; and
- 22 7. The support and guidance to health care providers related to telehealth
23 services, including the development of policy, standards, resources, and
24 education to expand telehealth services across the Commonwealth;

25 (c) The Office of Public Affairs shall be headed by an executive director
26 appointed by the secretary with the approval of the Governor in accordance
27 with KRS 12.050. The office shall provide information to the public and news

- 1 media about the programs, services, and initiatives of the cabinet;
- 2 (d) The Office of Human Resource Management shall be headed by an executive
3 director appointed by the secretary with the approval of the Governor in
4 accordance with KRS 12.050. The office shall coordinate, oversee, and
5 execute all personnel, training, and management functions of the cabinet. The
6 office shall focus on the oversight, development, and implementation of
7 quality improvement services; curriculum development and delivery of
8 instruction to staff; the administration, management, and oversight of training
9 operations; health, safety, and compliance training; and equal employment
10 opportunity compliance functions;
- 11 (e) The Office of Finance and Budget shall be headed by an executive director
12 appointed by the secretary with the approval of the Governor in accordance
13 with KRS 12.050. The office shall provide central review and oversight of
14 budget, contract, and cabinet finances. The office shall provide coordination,
15 assistance, and support to program departments and independent review and
16 analysis on behalf of the secretary;
- 17 (f) The Office of Legislative and Regulatory Affairs shall be headed by an
18 executive director appointed by the secretary with the approval of the
19 Governor in accordance with KRS 12.050. The office shall provide central
20 review and oversight of legislation, policy, and administrative regulations.
21 The office shall provide coordination, assistance, and support to program
22 departments and independent review and analysis on behalf of the secretary;
- 23 (g) The Office of Administrative Services shall be headed by an executive
24 director appointed by the secretary with the approval of the Governor in
25 accordance with KRS 12.050. The office shall provide central review and
26 oversight of procurement, general accounting including grant monitoring, and
27 facility management. The office shall provide coordination, assistance, and

1 support to program departments and independent review and analysis on
2 behalf of the secretary;

3 (h) The Office of Application Technology Services shall be headed by an
4 executive director appointed by the secretary with the approval of the
5 Governor in accordance with KRS 12.050. The office shall provide
6 application technology services including central review and oversight. The
7 office shall provide coordination, assistance, and support to program
8 departments and independent review and analysis on behalf of the secretary;f
9 and]

10 (i) The Office of Data Analytics shall be headed by an executive director who
11 shall be appointed by the secretary with the approval of the Governor under
12 KRS 12.050 and shall identify and innovate strategic initiatives to inform
13 public policy initiatives and provide opportunities for improved health
14 outcomes for all Kentuckians though data analytics. The office shall provide
15 leadership in the redesign of the health care delivery system using electronic
16 information technology to improve patient care and reduce medical errors and
17 duplicative services; and

18 (j) The Office of Medical Cannabis shall be headed by an executive director
19 appointed by the Governor in accordance with KRS 12.040 and shall
20 implement, operate, oversee, and regulate the medicinal cannabis program.
21 The office shall be composed of the Division of Enforcement and
22 Compliance and the Division of Licensure and Access. Each division in the
23 office shall be headed by a director appointed by the secretary with the
24 approval of the Governor in accordance with KRS 12.050.

25 (2) Department for Medicaid Services. The Department for Medicaid Services shall
26 serve as the single state agency in the Commonwealth to administer Title XIX of
27 the Federal Social Security Act. The Department for Medicaid Services shall be

1 headed by a commissioner for Medicaid services, who shall be appointed by the
2 secretary with the approval of the Governor under KRS 12.050. The commissioner
3 for Medicaid services shall be a person who by experience and training in
4 administration and management is qualified to perform the duties of this office. The
5 commissioner for Medicaid services shall exercise authority over the Department
6 for Medicaid Services under the direction of the secretary and shall only fulfill
7 those responsibilities as delegated by the secretary;

8 (3) Department for Public Health. The Department for Public Health shall develop and
9 operate all programs of the cabinet that provide health services and all programs for
10 assessing the health status of the population for the promotion of health and the
11 prevention of disease, injury, disability, and premature death. This shall include but
12 not be limited to oversight of the Division of Women's Health and the Office for
13 Children with Special Health Care Needs. The duties, responsibilities, and authority
14 set out in KRS 200.460 to 200.490 shall be performed by the Department for Public
15 Health. The Department for Public Health shall advocate for the rights of children
16 with disabilities and, to the extent that funds are available, shall ensure the
17 administration of services for children with disabilities as are deemed appropriate
18 by this office pursuant to Title V of the Social Security Act. The Department for
19 Public Health may promulgate administrative regulations under KRS Chapter 13A
20 as may be necessary to implement and administer its responsibilities. The Office for
21 Children with Special Health Care Needs may be headed by an executive director
22 appointed by the secretary with the approval of the Governor in accordance with
23 KRS 12.050. The Department for Public Health shall be headed by a commissioner
24 for public health who shall be appointed by the secretary with the approval of the
25 Governor under KRS 12.050. The commissioner for public health shall be a duly
26 licensed physician who by experience and training in administration and
27 management is qualified to perform the duties of this office. The commissioner

1 shall advise the head of each major organizational unit enumerated in this section
2 on policies, plans, and programs relating to all matters of public health, including
3 any actions necessary to safeguard the health of the citizens of the Commonwealth.

4 The commissioner shall serve as chief medical officer of the Commonwealth. The
5 commissioner for public health shall exercise authority over the Department for
6 Public Health under the direction of the secretary and shall only fulfill those
7 responsibilities as delegated by the secretary;

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

25 (5) Department for Family Resource Centers and Volunteer Services. The Department
26 for Family Resource Centers and Volunteer Services shall streamline the various
27 responsibilities associated with the human services programs for which the cabinet

- 1 is responsible. This shall include, but not be limited to, oversight of the Division of
2 Family Resource and Youth Services Centers and Serve Kentucky. The Department
3 for Family Resource Centers and Volunteer Services shall be headed by a
4 commissioner who shall be appointed by the secretary with the approval of the
5 Governor under KRS 12.050. The commissioner for family resource centers and
6 volunteer services shall be by training and experience in administration and
7 management qualified to perform the duties of the office, shall exercise authority
8 over the department under the direction of the secretary, and shall only fulfill those
9 responsibilities as delegated by the secretary;
- 10 (6) Department for Community Based Services. The Department for Community Based
11 Services shall administer and be responsible for child and adult protection,
12 guardianship services, violence prevention resources, foster care and adoption,
13 permanency, and services to enhance family self-sufficiency, including child care,
14 social services, public assistance, and family support. The department shall be
15 headed by a commissioner appointed by the secretary with the approval of the
16 Governor in accordance with KRS 12.050;
- 17 (7) Department for Income Support. The Department for Income Support shall be
18 responsible for child support enforcement and disability determination. The
19 department shall serve as the state unit as required by Title II and Title XVI of the
20 Social Security Act, and shall have responsibility for determining eligibility for
21 disability for those citizens of the Commonwealth who file applications for
22 disability with the Social Security Administration. The department shall be headed
23 by a commissioner appointed by the secretary with the approval of the Governor in
24 accordance with KRS 12.050; and
- 25 (8) Department for Aging and Independent Living. The Department for Aging and
26 Independent Living shall serve as the state unit as designated by the Administration
27 on Aging Services under the Older Americans Act and shall have responsibility for

1 administration of the federal community support services, in-home services, meals,
2 family and caregiver support services, elder rights and legal assistance, senior
3 community services employment program, the state health insurance assistance
4 program, state home and community based services including home care,
5 Alzheimer's respite services and the personal care attendant program, certifications
6 of assisted living facilities, and the state Council on Alzheimer's Disease and other
7 related disorders. The department shall also administer the Long-Term Care
8 Ombudsman Program and the Medicaid Home and Community Based Waivers
9 Participant Directed Services Option (PDS) Program. The department shall serve as
10 the information and assistance center for aging and disability services and
11 administer multiple federal grants and other state initiatives. The department shall
12 be headed by a commissioner appointed by the secretary with the approval of the
13 Governor in accordance with KRS 12.050.

14 ➔Section 6. KRS 194A.030 (Effective July 1, 2025) is amended to read as
15 follows:

16 The cabinet consists of the following major organizational units, which are hereby
17 created:

18 (1) Office of the Secretary. Within the Office of the Secretary, there shall be an Office
19 of Legal Services, an Office of Inspector General, an Office of Public Affairs, an
20 Office of Human Resource Management, an Office of Finance and Budget, an
21 Office of Legislative and Regulatory Affairs, an Office of Administrative Services,
22 an Office of Application Technology Services, ~~and~~ an Office of Data Analytics,
23 and an Office of Medical Cannabis, as follows:

24 (a) The Office of Legal Services shall provide legal advice and assistance to all
25 units of the cabinet in any legal action in which it may be involved. The
26 Office of Legal Services shall employ all attorneys of the cabinet who serve
27 the cabinet in the capacity of attorney, giving legal advice and opinions

1 concerning the operation of all programs in the cabinet. The Office of Legal
2 Services shall be headed by a general counsel who shall be appointed by the
3 secretary with the approval of the Governor under KRS 12.050 and 12.210.
4 The general counsel shall be the chief legal advisor to the secretary and shall
5 be directly responsible to the secretary. The Attorney General, on the request
6 of the secretary, may designate the general counsel as an assistant attorney
7 general under the provisions of KRS 15.105;

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

- 12 1. The conduct of audits and investigations for detecting the perpetration of
13 fraud or abuse of any program by any client, or by any vendor of
14 services with whom the cabinet has contracted; and the conduct of
15 special investigations requested by the secretary, commissioners, or
16 office heads of the cabinet into matters related to the cabinet or its
17 programs;
- 18 2. Licensing and regulatory functions as the secretary may delegate;
- 19 3. Review of health facilities participating in transplant programs, as
20 determined by the secretary, for the purpose of determining any
21 violations of KRS 311.1911 to 311.1959, 311.1961, and 311.1963;
- 22 4. The duties, responsibilities, and authority pertaining to the certificate of
23 need functions and the licensure appeals functions, pursuant to KRS
24 Chapter 216B;
- 25 5. The notification and forwarding of any information relevant to possible
26 criminal violations to the appropriate prosecuting authority;
- 27 6. The oversight of the operations of the Kentucky Health Information

1 Exchange; and

2 7. The support and guidance to health care providers related to telehealth
3 services, including the development of policy, standards, resources, and
4 education to expand telehealth services across the Commonwealth;

5 (c) The Office of Public Affairs shall be headed by an executive director
6 appointed by the secretary with the approval of the Governor in accordance
7 with KRS 12.050. The office shall provide information to the public and news
8 media about the programs, services, and initiatives of the cabinet;

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

18 (e) The Office of Finance and Budget shall be headed by an executive director
19 appointed by the secretary with the approval of the Governor in accordance
20 with KRS 12.050. The office shall provide central review and oversight of
21 budget, contract, and cabinet finances. The office shall provide coordination,
22 assistance, and support to program departments and independent review and
23 analysis on behalf of the secretary;

24 (f) The Office of Legislative and Regulatory Affairs shall be headed by an
25 executive director appointed by the secretary with the approval of the
26 Governor in accordance with KRS 12.050. The office shall provide central
27 review and oversight of legislation, policy, and administrative regulations.

1 The office shall provide coordination, assistance, and support to program
2 departments and independent review and analysis on behalf of the secretary;

3 (g) The Office of Administrative Services shall be headed by an executive
4 director appointed by the secretary with the approval of the Governor in
5 accordance with KRS 12.050. The office shall provide central review and
6 oversight of procurement, general accounting including grant monitoring, and
7 facility management. The office shall provide coordination, assistance, and
8 support to program departments and independent review and analysis on
9 behalf of the secretary;

10 (h) The Office of Application Technology Services shall be headed by an
11 executive director appointed by the secretary with the approval of the
12 Governor in accordance with KRS 12.050. The office shall provide
13 application technology services including central review and oversight. The
14 office shall provide coordination, assistance, and support to program
15 departments and independent review and analysis on behalf of the secretary;f
16 andf

17 (i) The Office of Data Analytics shall be headed by an executive director who
18 shall be appointed by the secretary with the approval of the Governor under
19 KRS 12.050 and shall identify and innovate strategic initiatives to inform
20 public policy initiatives and provide opportunities for improved health
21 outcomes for all Kentuckians though data analytics. The office shall provide
22 leadership in the redesign of the health care delivery system using electronic
23 information technology to improve patient care and reduce medical errors and
24 duplicative services; and

25 (j) The Office of Medical Cannabis shall be headed by an executive director
26 appointed by the Governor in accordance with KRS 12.040 and shall
27 implement, operate, oversee, and regulate the medicinal cannabis program.

The office shall be composed of the Division of Enforcement and Compliance and the Division of Licensure and Access. Each division in the office shall be headed by a director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050.

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

(3) Department for Public Health. The Department for Public Health shall develop and operate all programs of the cabinet that provide health services and all programs for assessing the health status of the population for the promotion of health and the prevention of disease, injury, disability, and premature death. This shall include but not be limited to oversight of the Division of Women's Health and the Office for Children with Special Health Care Needs. The duties, responsibilities, and authority set out in KRS 200.460 to 200.490 shall be performed by the Department for Public Health. The Department for Public Health shall advocate for the rights of children with disabilities and, to the extent that funds are available, shall ensure the administration of services for children with disabilities as are deemed appropriate by this office pursuant to Title V of the Social Security Act. The Department for Public Health may promulgate administrative regulations under KRS Chapter 13A as may be necessary to implement and administer its responsibilities. The Office for

1 Children with Special Health Care Needs may be headed by an executive director
2 appointed by the secretary with the approval of the Governor in accordance with
3 KRS 12.050. The Department for Public Health shall be headed by a commissioner
4 for public health who shall be appointed by the secretary with the approval of the
5 Governor under KRS 12.050. The commissioner for public health shall be a duly
6 licensed physician who by experience and training in administration and
7 management is qualified to perform the duties of this office. The commissioner
8 shall advise the head of each major organizational unit enumerated in this section
9 on policies, plans, and programs relating to all matters of public health, including
10 any actions necessary to safeguard the health of the citizens of the Commonwealth.
11 The commissioner shall serve as chief medical officer of the Commonwealth. The
12 commissioner for public health shall exercise authority over the Department for
13 Public Health under the direction of the secretary and shall only fulfill those
14 responsibilities as delegated by the secretary;

15 (4) Department for Behavioral Health, Developmental and Intellectual Disabilities. The
16 Department for Behavioral Health, Developmental and Intellectual Disabilities shall
17 develop and administer programs for the prevention of mental illness, intellectual
18 disabilities, brain injury, developmental disabilities, and substance use disorders
19 and shall develop and administer an array of services and support for the treatment,
20 habilitation, and rehabilitation of persons who have a mental illness or emotional
21 disability, or who have an intellectual disability, brain injury, developmental
22 disability, or a substance use disorder. The Department for Behavioral Health,
23 Developmental and Intellectual Disabilities shall be headed by a commissioner for
24 behavioral health, developmental and intellectual disabilities who shall be
25 appointed by the secretary with the approval of the Governor under KRS 12.050.
26 The commissioner for behavioral health, developmental and intellectual disabilities
27 shall be by training and experience in administration and management qualified to

1 perform the duties of the office. The commissioner for behavioral health,
2 developmental and intellectual disabilities shall exercise authority over the
3 department under the direction of the secretary, and shall only fulfill those
4 responsibilities as delegated by the secretary;

5 (5) Department for Family Resource Centers and Volunteer Services. The Department
6 for Family Resource Centers and Volunteer Services shall streamline the various
7 responsibilities associated with the human services programs for which the cabinet
8 is responsible. This shall include, but not be limited to, oversight of the Division of
9 Family Resource and Youth Services Centers and Serve Kentucky. The Department
10 for Family Resource Centers and Volunteer Services shall be headed by a
11 commissioner who shall be appointed by the secretary with the approval of the
12 Governor under KRS 12.050. The commissioner for family resource centers and
13 volunteer services shall be by training and experience in administration and
14 management qualified to perform the duties of the office, shall exercise authority
15 over the department under the direction of the secretary, and shall only fulfill those
16 responsibilities as delegated by the secretary;

17 (6) Department for Community Based Services. The Department for Community Based
18 Services shall administer and be responsible for child and adult protection,
19 guardianship services, violence prevention resources, foster care and adoption,
20 permanency, and services to enhance family self-sufficiency, including child care,
21 social services, public assistance, and family support. The department shall be
22 headed by a commissioner appointed by the secretary with the approval of the
23 Governor in accordance with KRS 12.050; and

24 (7) Department for Aging and Independent Living. The Department for Aging and
25 Independent Living shall serve as the state unit as designated by the Administration
26 on Aging Services under the Older Americans Act and shall have responsibility for
27 administration of the federal community support services, in-home services, meals,

1 family and caregiver support services, elder rights and legal assistance, senior
2 community services employment program, the state health insurance assistance
3 program, state home and community based services including home care,
4 Alzheimer's respite services and the personal care attendant program, certifications
5 of assisted living facilities, and the state Council on Alzheimer's Disease and other
6 related disorders. The department shall also administer the Long-Term Care
7 Ombudsman Program and the Medicaid Home and Community Based Waivers
8 Participant Directed Services Option (PDS) Program. The department shall serve as
9 the information and assistance center for aging and disability services and
10 administer multiple federal grants and other state initiatives. The department shall
11 be headed by a commissioner appointed by the secretary with the approval of the
12 Governor in accordance with KRS 12.050.

13 ➔Section 7. KRS 218A.202 is amended to read as follows:

14 (1) As used in this section:

- 15 (a) "Cabinet" means the Cabinet for Health and Family Services;
- 16 (b) "Cannabis business" has the same meaning as in KRS 218B.010;
- 17 (c) "Controlled substance" means any Schedule II, III, IV, or V controlled
18 substance and does not include medicinal cannabis;
- 19 (d) "Dispensary" has the same meaning as in KRS 218B.010;
- 20 (e) "Dispensary agent" has the same meaning as in KRS 218B.010;
- 21 (f) "Disqualifying felony offense" has the same meaning as in KRS 218B.010;
- 22 (g) "Medicinal cannabis" has the same meaning as in KRS 218B.010;
- 23 (h) "Medicinal cannabis practitioner" has the same meaning as in KRS 218B.010;
- 24 (i) "Registry identification card" has the same meaning as in KRS 218B.010;
- 25 (j) "State licensing board" has the same meaning as in KRS 218B.010;
- 26 (k) "Use of medicinal cannabis" has the same meaning as in KRS 218B.010; and
- 27 (l) "Written certification" has the same meaning as in KRS 218B.010.

- 1 (2) The cabinet shall establish and maintain an electronic system for monitoring
2 Schedules II, III, IV, and V controlled substances and medicinal cannabis. The
3 cabinet may contract for the design, upgrade, or operation of this system if the
4 contract preserves all of the rights, privileges, and protections guaranteed to
5 Kentucky citizens under this chapter and the contract requires that all other aspects
6 of the system be operated in conformity with the requirements of this or any other
7 applicable state or federal law.
- 8 (3) For the purpose of monitoring the prescribing and dispensing of Schedule II, III, IV,
9 or V controlled substances:
- 10 (a) A practitioner or a pharmacist authorized to prescribe or dispense controlled
11 substances to humans shall register with the cabinet to use the system
12 provided for in this section and shall maintain such registration continuously
13 during the practitioner's or pharmacist's term of licensure and shall not have to
14 pay a fee or tax specifically dedicated to the operation of the system;
- 15 (b) Every practitioner or pharmacy which dispenses a controlled substance to a
16 person in Kentucky, or to a person at an address in Kentucky, shall report to
17 the cabinet the data required by this section, which includes the reporting of
18 any Schedule II controlled substance dispensed at a facility licensed by the
19 cabinet and a Schedule II through Schedule V controlled substance regardless
20 of dosage when dispensed by the emergency department of a hospital to an
21 emergency department patient. Reporting shall not be required for:
- 22 1. A drug administered directly to a patient in a hospital, a resident of a
23 health care facility licensed under KRS Chapter 216B, a resident of a
24 child-caring facility as defined by KRS 199.011, or an individual in a
25 jail, correctional facility, or juvenile detention facility;
- 26 2. A Schedule III through Schedule V controlled substance dispensed by a
27 facility licensed by the cabinet provided that the quantity dispensed is

- 1 limited to an amount adequate to treat the patient for a maximum of
2 forty-eight (48) hours and is not dispensed by the emergency department
3 of a hospital; or
- 4 3. A drug administered or dispensed to a research subject enrolled in a
5 research protocol approved by an institutional review board that has an
6 active federalwide assurance number from the United States Department
7 of Health and Human Services, Office for Human Research Protections,
8 where the research involves single, double, or triple blind drug
9 administration or is additionally covered by a certificate of
10 confidentiality from the National Institutes of Health;
- 11 (c) In addition to the data required by paragraph (d) of this subsection, a
12 Kentucky-licensed acute care hospital or critical access hospital shall report to
13 the cabinet all positive toxicology screens that were performed by the
14 hospital's emergency department to evaluate the patient's suspected drug
15 overdose;
- 16 (d) Data for each controlled substance that is reported shall include but not be
17 limited to the following:
- 18 1. Patient identifier;
19 2. National drug code of the drug dispensed;
20 3. Date of dispensing;
21 4. Quantity dispensed;
22 5. Prescriber; and
23 6. Dispenser;
- 24 (e) The data shall be provided in the electronic format specified by the cabinet
25 unless a waiver has been granted by the cabinet to an individual dispenser.
26 The cabinet shall establish acceptable error tolerance rates for data.
27 Dispensers shall ensure that reports fall within these tolerances. Incomplete or

1 inaccurate data shall be corrected upon notification by the cabinet if the
2 dispenser exceeds these error tolerance rates;

3 (f) The cabinet shall only disclose data to persons and entities authorized to
4 receive that data under this subsection. Disclosure to any other person or
5 entity, including disclosure in the context of a civil action where the
6 disclosure is sought either for the purpose of discovery or for evidence, is
7 prohibited unless specifically authorized by this section. The cabinet shall be
8 authorized to provide data to:

- 9 1. A designated representative of a board responsible for the licensure,
10 regulation, or discipline of practitioners, pharmacists, or other person
11 who is authorized to prescribe, administer, or dispense controlled
12 substances and who is involved in a bona fide specific investigation
13 involving a designated person;
- 14 2. Employees of the Office of the Inspector General of the cabinet who
15 have successfully completed training for the electronic system and who
16 have been approved to use the system, federal prosecutors, Kentucky
17 Commonwealth's attorneys and assistant Commonwealth's attorneys,
18 county attorneys and assistant county attorneys, a peace officer certified
19 pursuant to KRS 15.380 to 15.404, a certified or full-time peace officer
20 of another state, or a federal agent whose duty is to enforce the laws of
21 this Commonwealth, of another state, or of the United States relating to
22 drugs and who is engaged in a bona fide specific investigation involving
23 a designated person;
- 24 3. A state-operated Medicaid program in conformity with paragraph (g) of
25 this subsection;
- 26 4. A properly convened grand jury pursuant to a subpoena properly issued
27 for the records;

- 1 5. A practitioner or pharmacist, or employee of the practitioner's or
2 pharmacist's practice acting under the specific direction of the
3 practitioner or pharmacist, who certifies that the requested information
4 is for the purpose of:
- 5 a. Providing medical or pharmaceutical treatment to a bona fide
6 current or prospective patient;
- 7 b. Reviewing data on controlled substances that have been reported
8 for the birth mother of an infant who is currently being treated by
9 the practitioner for neonatal abstinence syndrome, or has
10 symptoms that suggest prenatal drug exposure; or
- 11 c. Reviewing and assessing the individual prescribing or dispensing
12 patterns of the practitioner or pharmacist or to determine the
13 accuracy and completeness of information contained in the
14 monitoring system;
- 15 6. The chief medical officer of a hospital or long-term-care facility, an
16 employee of the hospital or long-term-care facility as designated by the
17 chief medical officer and who is working under his or her specific
18 direction, or a physician designee if the hospital or facility has no chief
19 medical officer, if the officer, employee, or designee certifies that the
20 requested information is for the purpose of providing medical or
21 pharmaceutical treatment to a bona fide current or prospective patient or
22 resident in the hospital or facility;
- 23 7. In addition to the purposes authorized under subparagraph 1. of this
24 paragraph, the Kentucky Board of Medical Licensure, for any physician
25 who is:
- 26 a. Associated in a partnership or other business entity with a
27 physician who is already under investigation by the Board of

- 1 Medical Licensure for improper prescribing or dispensing
2 practices;
- 3 b. In a designated geographic area for which a trend report indicates
4 a substantial likelihood that inappropriate prescribing or
5 dispensing may be occurring; or
- 6 c. In a designated geographic area for which a report on another
7 physician in that area indicates a substantial likelihood that
8 inappropriate prescribing or dispensing may be occurring in that
9 area;
- 10 8. In addition to the purposes authorized under subparagraph 1. of this
11 paragraph, the Kentucky Board of Nursing, for any advanced practice
12 registered nurse who is:
- 13 a. Associated in a partnership or other business entity with a
14 physician who is already under investigation by the Kentucky
15 Board of Medical Licensure for improper prescribing or
16 dispensing practices;
- 17 b. Associated in a partnership or other business entity with an
18 advanced practice registered nurse who is already under
19 investigation by the Board of Nursing for improper prescribing
20 practices;
- 21 c. In a designated geographic area for which a trend report indicates
22 a substantial likelihood that inappropriate prescribing or
23 dispensing may be occurring; or
- 24 d. In a designated geographic area for which a report on a physician
25 or another advanced practice registered nurse in that area indicates
26 a substantial likelihood that inappropriate prescribing or
27 dispensing may be occurring in that area;

- 1 9. A judge or a probation or parole officer administering a diversion or
2 probation program of a criminal defendant arising out of a violation of
3 this chapter or of a criminal defendant who is documented by the court
4 as a substance abuser who is eligible to participate in a court-ordered
5 drug diversion or probation program; or
- 6 10. A medical examiner engaged in a death investigation pursuant to KRS
7 72.026;
- 8 (g) The Department for Medicaid Services shall use any data or reports from the
9 system for the purpose of identifying Medicaid providers or recipients whose
10 prescribing, dispensing, or usage of controlled substances may be:
- 11 1. Appropriately managed by a single outpatient pharmacy or primary care
12 physician; or
- 13 2. Indicative of improper, inappropriate, or illegal prescribing or
14 dispensing practices by a practitioner or drug seeking by a Medicaid
15 recipient;
- 16 (h) A person who receives data or any report of the system from the cabinet shall
17 not provide it to any other person or entity except as provided in this
18 subsection, in another statute, or by order of a court of competent jurisdiction
19 and only to a person or entity authorized to receive the data or the report
20 under this section, except that:
- 21 1. A person specified in paragraph (f)2. of this subsection who is
22 authorized to receive data or a report may share that information with
23 any other persons specified in paragraph (f)2. of this subsection
24 authorized to receive data or a report if the persons specified in
25 paragraph (f)2. of this subsection are working on a bona fide specific
26 investigation involving a designated person. Both the person providing
27 and the person receiving the data or report under this subparagraph shall

- 1 document in writing each person to whom the data or report has been
2 given or received and the day, month, and year that the data or report
3 has been given or received. This document shall be maintained in a file
4 by each agency engaged in the investigation;
- 5 2. A representative of the Department for Medicaid Services may share
6 data or reports regarding overutilization by Medicaid recipients with a
7 board designated in paragraph (f)1. of this subsection, or with a law
8 enforcement officer designated in paragraph (f)2. of this subsection;
- 9 3. The Department for Medicaid Services may submit the data as evidence
10 in an administrative hearing held in accordance with KRS Chapter 13B;
- 11 4. If a state licensing board as defined in KRS 218A.205 initiates formal
12 disciplinary proceedings against a licensee, and data obtained by the
13 board is relevant to the charges, the board may provide the data to the
14 licensee and his or her counsel, as part of the notice process required by
15 KRS 13B.050, and admit the data as evidence in an administrative
16 hearing conducted pursuant to KRS Chapter 13B, with the board and
17 licensee taking all necessary steps to prevent further disclosure of the
18 data; and
- 19 5. A practitioner, pharmacist, or employee who obtains data under
20 paragraph (f)5. of this subsection may share the report with the patient
21 or person authorized to act on the patient's behalf. Any practitioner,
22 pharmacist, or employee who obtains data under paragraph (f)5. of this
23 subsection may place the report in the patient's medical record, in which
24 case the individual report shall then be deemed a medical record subject
25 to disclosure on the same terms and conditions as an ordinary medical
26 record in lieu of the disclosure restrictions otherwise imposed by this
27 section;

- 1 (i) The cabinet, all peace officers specified in paragraph (f)2. of this subsection,
2 all officers of the court, and all regulatory agencies and officers, in using the
3 data for investigative or prosecution purposes, shall consider the nature of the
4 prescriber's and dispenser's practice and the condition for which the patient is
5 being treated;
- 6 (j) Intentional failure to comply with the reporting requirements of this
7 subsection shall be a Class B misdemeanor for the first offense and a Class A
8 misdemeanor for each subsequent offense; and
- 9 (k) If the cabinet becomes aware of a prescriber's or dispenser's failure to comply
10 with this section, the cabinet shall notify the licensing board or agency
11 responsible for licensing the prescriber or dispenser. The licensing board shall
12 treat the notification as a complaint against the license.
- 13 (4) For the purpose of monitoring the cultivation, processing, production,
14 recommending, and dispensing of medicinal cannabis:
- 15 (a) Every medicinal cannabis practitioner who is authorized pursuant to KRS
16 218B.050 to provide written certifications for the use of medicinal cannabis
17 and every cannabis business licensed under KRS 218B.080, 218B.085, and
18 218B.090 shall register with the cabinet to use the system provided for in this
19 section and shall maintain such registration continuously during the medicinal
20 cannabis practitioner's authorization to provide written certifications or a
21 cannabis business's term of licensure and shall not have to pay a fee or tax
22 specifically dedicated to the operation of the system;
- 23 (b) No later than July 1, 2024, the cabinet shall ensure that the system provided
24 for in this section allows:
- 25 1. Medicinal cannabis practitioners to record the issuance of written
26 certifications to a patient as required by KRS 218B.050;
- 27 2. The cabinet, law enforcement personnel, and dispensary agents to verify

- 1 the validity of registry identification cards issued by the cabinet. When
2 verifying the validity of an identification card, the system shall only
3 disclose whether the identification card is valid and whether the
4 cardholder is a registered qualified patient, visiting qualified patient, or
5 designated caregiver;
- 6 3. Dispensary agents to record the amount of medicinal cannabis that is
7 dispensed to a cardholder during each transaction, as required by KRS
8 218B.110;
- 9 4. Law enforcement personnel and dispensary agents to access medicinal
10 cannabis sales data recorded by dispensary agents pursuant to KRS
11 218B.110;
- 12 5. The sharing of dispensing data recorded by dispensary agents, pursuant
13 to KRS 218B.110, with all licensed dispensaries in real time;
- 14 6. Licensed cannabis businesses to record data required by administrative
15 regulations promulgated pursuant to KRS 218B.140 to facilitate the
16 tracking of medicinal cannabis from the point of cultivation to the point
17 of sale to cardholders; and
- 18 7. The cabinet to track all medicinal cannabis in the state from the point of
19 cultivation to the point of sale to a cardholder;
- 20 (c) The cabinet shall only disclose data related to the cultivation, production,
21 recommending, and dispensing of medicinal cannabis to persons and entities
22 authorized to receive that data under this subsection. Disclosure to any other
23 person or entity, including disclosure in the context of a civil action where the
24 disclosure is sought either for the purpose of discovery or for evidence, is
25 prohibited unless specifically authorized by this subsection. The cabinet shall
26 be authorized to provide data to:
- 27 1. Any person or entity authorized to receive data pursuant to paragraph

- 1 (b) of this subsection;
- 2 2. A designated representative of a state licensing board responsible for the
- 3 licensure, regulation, or discipline of medicinal cannabis practitioners
- 4 and who is involved in a bona fide specific investigation involving a
- 5 designated person;
- 6 3. Employees of the Office of the Inspector General of the cabinet who
- 7 have successfully completed training for the electronic system and who
- 8 have been approved to use the system, Kentucky Commonwealth's
- 9 attorneys and assistant Commonwealth's attorneys, and county attorneys
- 10 and assistant county attorneys who are engaged in a bona fide specific
- 11 investigation involving a designated person;
- 12 4. A properly convened grand jury pursuant to a subpoena properly issued
- 13 for the records;
- 14 5. A medicinal cannabis practitioner or an employee of a medicinal
- 15 cannabis practitioner's practice acting under the specific direction of the
- 16 medicinal cannabis practitioner, who certifies that the request for
- 17 information is for the purpose of complying with KRS 218B.050(4)(c);
- 18 6. The chief medical officer of a hospital or long-term-care facility, an
- 19 employee of the hospital or long-term-care facility as designated by the
- 20 chief medical officer and who is working under his or her specific
- 21 direction, or a physician designee if the hospital or facility has no chief
- 22 medical officer, if the officer, employee, or designee certifies that the
- 23 requested information is for the purpose of providing medical or
- 24 pharmaceutical treatment to a bona fide current or prospective patient or
- 25 resident in the hospital or facility;
- 26 7. In addition to the purposes authorized under subparagraph 2. of this
- 27 paragraph, the Kentucky Board of Medical Licensure, for any physician

1 who is:

2 a. Associated in a partnership, other business entity, or supervision
3 agreement established pursuant to KRS 311.854 with a physician
4 who is already under investigation by the Board of Medical
5 Licensure for improper issuance of written certifications;

6 b. Associated in a partnership or other business entity with an
7 advanced practice registered nurse who is already under
8 investigation by the Board of Nursing for improper issuance of
9 written certifications;

10 c. In a designated geographic area for which a trend report indicates
11 a substantial likelihood that inappropriate issuance of written
12 certifications may be occurring; or

13 d. In a designated geographic area for which a report on another
14 physician in that area indicates a substantial likelihood that
15 inappropriate issuance of written certifications may be occurring in
16 that area;

17 8. In addition to the purposes authorized under subparagraph 2. of this
18 paragraph, the Kentucky Board of Nursing, for any advanced practice
19 registered nurse who is:

20 a. Associated in a partnership or other business entity with a
21 physician who is already under investigation by the Kentucky
22 Board of Medical Licensure for improper issuance of written
23 certifications;

24 b. Associated in a partnership or other business entity with an
25 advanced practice registered nurse who is already under
26 investigation by the Board of Nursing for improper issuance of
27 written certifications;

- 1 c. In a designated geographic area for which a trend report indicates
2 a substantial likelihood that inappropriate issuance of written
3 certifications may be occurring; or
- 4 d. In a designated geographic area for which a report on another
5 advanced practice registered nurse in that area indicates a
6 substantial likelihood that inappropriate issuance of written
7 certifications may be occurring in that area;
- 8 9. A judge or a probation or parole officer administering a diversion or
9 probation program of a criminal defendant arising out of a violation of
10 this chapter or of a criminal defendant who is documented by the court
11 as a substance abuser who is eligible to participate in a court-ordered
12 drug diversion or probation program;
- 13 10. A medical examiner engaged in a death investigation pursuant to KRS
14 72.026; or
- 15 11. The Legislative Research Commission, the University of Kentucky
16 College of Medicine, or the Kentucky Center for Cannabis established
17 in KRS 164.983 if the cabinet determines that disclosing data related to
18 the cultivation, production, recommending, and dispensing of medicinal
19 cannabis to the Legislative Research Commission, the University of
20 Kentucky College of Medicine, or the Kentucky Center for Cannabis is
21 necessary to comply with the reporting requirements established in KRS
22 218B.020(8); and
- 23 (d) A person who receives data or any report of the system from the cabinet shall
24 not provide it to any other person or entity except as provided in this section,
25 in another statute, or by order of a court of competent jurisdiction and only to
26 a person or entity authorized to receive the data or the report under this
27 section, except that:

- 1 1. A person specified in paragraph (c)3. of this subsection who is
2 authorized to receive data or a report may share that information with
3 any other persons specified in paragraph (c)3. of this subsection
4 authorized to receive data or a report if the persons specified in
5 paragraph (c)3. of this subsection are working on a bona fide specific
6 investigation involving a designated person. Both the person providing
7 and the person receiving the data or report under this subparagraph shall
8 document in writing each person to whom the data or report has been
9 given or received and the day, month, and year that the data or report
10 has been given or received. This document shall be maintained in a file
11 by each agency engaged in the investigation;
- 12 2. If a state licensing board initiates formal disciplinary proceedings
13 against a licensee, and data obtained by the board is relevant to the
14 charges, the board may provide the data to the licensee and his or her
15 counsel, as part of the notice process required by KRS 13B.050, and
16 admit the data as evidence in an administrative hearing conducted
17 pursuant to KRS Chapter 13B, with the board and licensee taking all
18 necessary steps to prevent further disclosure of the data; and
- 19 3. A medicinal cannabis practitioner or an employee of a medicinal
20 cannabis practitioner's practice acting under the specific direction of the
21 medicinal cannabis practitioner who obtains data under paragraph (c)5.
22 of this subsection may share the report with the patient or person
23 authorized to act on the patient's behalf. Any medicinal cannabis
24 practitioner or employee who obtains data under paragraph (c)5. of this
25 subsection may place the report in the patient's medical record, in which
26 case the individual report shall then be deemed a medical record subject
27 to disclosure on the same terms and conditions as an ordinary medical

1 record in lieu of the disclosure restrictions otherwise imposed by this
2 section.

3 (5) The data contained in, and any report obtained from, the electronic system for
4 monitoring established pursuant to this section shall not be a public record, except
5 that the Department for Medicaid Services may submit the data as evidence in an
6 administrative hearing held in accordance with KRS Chapter 13B.

7 (6) Intentional disclosure of transmitted data to a person not authorized by subsection
8 (3)(f) to (h) or (4)(c) and (d) of this section or authorized by KRS 315.121, or
9 obtaining information under this section not relating to a bona fide current or
10 prospective patient or a bona fide specific investigation, shall be a Class B
11 misdemeanor for the first offense and a Class A misdemeanor for each subsequent
12 offense.

13 (7) The cabinet may, by promulgating an administrative regulation, limit the length of
14 time that data remain in the electronic system. Any data removed from the system
15 shall be archived and subject to retrieval within a reasonable time after a request
16 from a person authorized to review data under this section.

17 (8) (a) The Cabinet for Health and Family Services shall work with each board
18 responsible for the licensure, regulation, or discipline of practitioners,
19 pharmacists, or other persons who are authorized to prescribe, administer, or
20 dispense controlled substances for the development of a continuing education
21 program about the purposes and uses of the electronic system for monitoring
22 established in this section.

23 (b) The cabinet shall work with each board responsible for the licensure,
24 regulation, or discipline of medicinal cannabis practitioners for the
25 development of a continuing education program about the purposes and uses
26 of the electronic system for monitoring established in this section.

27 (c) The cabinet shall work with the Kentucky Bar Association for the

1 development of a continuing education program for attorneys about the
2 purposes and uses of the electronic system for monitoring established in this
3 section.

4 (d) The cabinet shall work with the Justice and Public Safety Cabinet for the
5 development of a continuing education program for law enforcement officers
6 about the purposes and uses of the electronic system for monitoring
7 established in this section.

8 (e) The cabinet shall develop a training program for cannabis business agents
9 about the purposes and uses of the electronic system for monitoring
10 established in this section.

11 (9) The cabinet, Office of Inspector General, shall conduct quarterly reviews to identify
12 patterns of potential improper, inappropriate, or illegal prescribing or dispensing of
13 a controlled substance, issuance of written certifications, or cultivation, processing,
14 or dispensing of medicinal cannabis. The Office of Inspector General may
15 independently investigate and submit findings and recommendations to the
16 appropriate boards of licensure or other reporting agencies.

17 (10) The cabinet shall promulgate administrative regulations to implement the
18 provisions of this section. Included in these administrative regulations shall be:

19 (a) An error resolution process allowing a patient to whom a report had been
20 disclosed under subsections (3) and (4) of this section to request the correction
21 of inaccurate information contained in the system relating to that patient; and

22 (b) A requirement that data be reported to the system under subsection (3)(b) of
23 this section within one (1) day of dispensing.

24 (11) (a) Before July 1, 2018, the Administrative Office of the Courts shall forward
25 data regarding any felony or Class A misdemeanor conviction that involves
26 the trafficking or possession of a controlled substance or other prohibited acts
27 under KRS Chapter 218A for the previous five (5) calendar years to the

1 cabinet for inclusion in the electronic monitoring system established under
2 this section. On or after July 1, 2018, such data shall be forwarded by the
3 Administrative Office of the Courts to the cabinet on a continuing basis. The
4 cabinet shall incorporate the data received into the system so that a query by
5 patient name indicates any prior drug conviction.

- 6 (b) Before July 1, 2024, the Administrative Office of the Courts shall forward all
7 available data regarding any disqualifying felony offense for the previous five
8 (5) calendar years to the cabinet for inclusion in the electronic monitoring
9 system established under this section. On or after July 1, 2024, such data shall
10 be forwarded by the Administrative Office of the Courts to the cabinet on a
11 continuing basis. The cabinet shall incorporate the data received into the
12 system so that a query by patient name indicates any prior disqualifying
13 felony conviction.

14 ➔Section 8. KRS 218B.010 is amended to read as follows:

15 For the purposes of this chapter, unless the context otherwise requires:

- 16 (1) "Bona fide practitioner-patient relationship" means a treating or consulting
17 relationship, during the course of which a medicinal cannabis practitioner has:
- 18 (a) Completed an initial in-person examination and assessment of the patient's
19 medical history and current medical condition;
 - 20 (b) Consulted with the patient with respect to the possible medical, therapeutic,
21 and palliative properties of medicinal cannabis;
 - 22 (c) Advised the patient of the possible risks and side effects associated with the
23 use of medicinal cannabis, including possible interactions between medicinal
24 cannabis and any other drug or medication that the patient is taking at that
25 time; and
 - 26 (d) Established an expectation that he or she will provide follow-up care and
27 treatment to the patient in accordance with administrative regulations

1 promulgated pursuant to KRS 218B.050(10);

2 (2) "Cabinet" means the Cabinet for Health and Family Services;

3 (3) "Cannabis business" means an entity licensed under this chapter as a cultivator,
4 dispensary, processor, producer, or safety compliance facility;

5 (4) "Cannabis business agent" means a principal officer, board member, employee,
6 volunteer, or agent of a cannabis business;

7 (5) "Cardholder" means:

8 (a) A registered qualified patient, designated caregiver, or visiting qualified
9 patient who has applied for, obtained, and possesses a valid registry
10 identification card issued by the cabinet; or

11 (b) A visiting qualified patient who has obtained and possesses:

12 1. A valid out-of-state registry identification card; and

13 2. Documentation of having been diagnosed with a qualifying medical
14 condition;

15 (6) "Cultivator" means an entity licensed as such under KRS 218B.080, 218B.085, and
16 218B.090;

17 (7) "Cultivator agent" means a principal officer, board member, employee, volunteer,
18 or agent of a cultivator;

19 (8) "Designated caregiver" means a person who has registered as such with the cabinet
20 under KRS 218B.055 and 218B.060;

21 (9) "Dispensary" means an entity licensed as such under KRS 218B.080, 218B.085,
22 and 218B.090;

23 (10) "Dispensary agent" means a principal officer, board member, employee, volunteer,
24 or agent of a dispensary;

25 (11) "Disqualifying felony offense" means:

26 (a) A felony offense that resulted in the person being classified by the
27 Department of Corrections ~~[would classify the person]~~ as a violent offender

1 under KRS 439.3401; or

2 (b) A violation of a state or federal controlled substance law that was classified as
3 a felony in the jurisdiction where the person was convicted, except:

4 1. An offense for which the sentence, including any term of probation,
5 incarceration, or supervised release, was completed five (5) or more
6 years earlier; or

7 2. An offense that, as determined by the cabinet, consisted of conduct for
8 which this chapter would likely have prevented a conviction, but the
9 conduct either occurred prior to the enactment of this chapter or was
10 prosecuted by an authority other than the Commonwealth of Kentucky;

11 (12) "Enclosed, locked facility" means an indoor growing space such as a room,
12 greenhouse, building, or other indoor enclosed area that is maintained and operated
13 by a cultivator or producer and is equipped with locks and other security devices
14 that permit access only by authorized agents of the cultivator or producer, as
15 required by the cabinet;

16 (13) "Growth area" has the same meaning as an enclosed, locked facility;

17 (14) "Marijuana" has the same meaning as in KRS 218A.010;

18 (15) "Medicinal cannabis":

19 (a) Means marijuana as defined in KRS 218A.010 when cultivated, harvested,
20 processed, produced, transported, dispensed, distributed, sold, possessed, or
21 used in accordance with this chapter;

22 (b) Includes medicinal cannabis products and raw plant material; and

23 (c) Does not include industrial hemp or industrial hemp products as defined in
24 KRS 260.850;

25 (16) "Medicinal cannabis accessories" means any equipment, product, or material of any
26 kind which is used, intended for use, or designed for use in the preparing, storing,
27 using, or consuming medicinal cannabis in accordance with this chapter;

- 1 (17) "Medicinal cannabis practitioner" means a physician or an advanced practice
2 registered nurse who is authorized to prescribe controlled substances under KRS
3 314.042, who is authorized by his or her state licensing board to provide written
4 certifications pursuant to KRS 218B.050;
- 5 (18) "Medicinal cannabis product":
6 (a) Means any compound, manufacture, salt, derivative, mixture, or preparation
7 of any part of the plant Cannabis sp., its seeds or its resin; or any compound,
8 mixture, or preparation which contains any quantity of these substances when
9 cultivated, harvested, processed, produced, transported, dispensed, distributed,
10 sold, possessed, or used in accordance with this chapter; and
11 (b) Does not include industrial hemp products as defined in KRS 260.850;
- 12 (19) "Minor" means a person less than eighteen (18) years of age;
- 13 (20) "Out-of-state registry identification card" means a registry identification card, or an
14 equivalent document, that was issued pursuant to the laws of another state, district,
15 territory, commonwealth, or insular possession of the United States;
- 16 (21) "Processor" means an entity licensed as such under KRS 218B.080, 218B.085, and
17 218B.090;
- 18 (22) "Processor agent" means a principal officer, board member, employee, volunteer, or
19 agent of a processor;
- 20 (23) "Producer" means an entity licensed as such under KRS 218B.080, 218B.085, and
21 218B.090;
- 22 (24) "Producer agent" means a principal officer, board member, employee, volunteer, or
23 agent of a producer;
- 24 (25) "Qualified patient" means a person who has obtained a written certification from a
25 medicinal cannabis practitioner with whom he or she has a bona fide practitioner-
26 patient relationship;
- 27 (26) "Qualifying medical condition" means any of the following:

- 1 (a) Acquired immunodeficiency syndrome (AIDS);
2 (b) Amyotrophic lateral sclerosis (ALS) or Lou Gehrig's disease;
3 (c) Arthritis;
4 (d) Cachexia or wasting syndrome;
5 (e) ~~[Any type or form of]~~ Cancer, regardless of type, form, or stage;
6 (f) Chronic nausea or cyclical vomiting syndrome that has proven resistant to
7 other conventional medical treatments;
8 ~~(g)[(b)]~~ Chronic, severe, intractable, or debilitating pain;
9 ~~(h)[(e)]~~ Epilepsy or any other intractable seizure disorder;
10 (i) Fibromyalgia;
11 (j) Glaucoma;
12 (k) Hepatitis C;
13 (l) Human immunodeficiency virus (HIV);
14 (m) Huntington's disease;
15 (n) Irritable bowel disease, including Crohn's disease or ulcerative colitis;
16 ~~(o)[(d)]~~ Multiple sclerosis, muscle spasms, or spasticity;
17 (p) Muscular dystrophy;
18 (q) Neuropathies;
19 (r) Parkinson's disease;
20 ~~[(e) Chronic nausea or cyclical vomiting syndrome that has proven resistant to~~
21 ~~other conventional medical treatments;]~~
22 ~~(s)[(f)]~~ Post-traumatic stress disorder;~~[and]~~
23 (t) Sickle cell disease;
24 (u) Any terminal illness as defined in KRS 217.5401; and
25 ~~(v)[(g)]~~ Any other medical condition or disease for which the Kentucky Center
26 for Cannabis established in KRS 164.983, or its successor, determines that
27 sufficient scientific data and evidence exists to demonstrate that an individual

1 diagnosed with that condition or disease is likely to receive medical,
2 therapeutic, or palliative benefits from the use of medicinal cannabis;

3 (27) "Raw plant material":

4 (a) Means the trichome-covered part of the female plant Cannabis sp. or any
5 mixture of shredded leaves, stems, seeds, and flowers of the Cannabis sp.
6 plant; and

7 (b) Does not include plant material obtained from industrial hemp as defined in
8 KRS 260.850;

9 (28) "Registered qualified patient" means a qualified patient who has applied for,
10 obtained, and possesses a valid registry identification card or provisional
11 registration receipt issued by the cabinet;

12 (29) "Registry identification card" means a document issued by the cabinet that
13 identifies a person as a registered qualified patient, visiting qualified patient, or
14 designated caregiver;

15 (30) "Safety compliance facility" means an entity licensed as such under KRS 218B.080,
16 218B.085, and 218B.090;

17 (31) "Safety compliance facility agent" means a principal officer, board member,
18 employee, volunteer, or agent of a safety compliance facility;

19 (32) "Seedling" means a medicinal cannabis plant that has no flowers and is not taller
20 than eight (8) inches;

21 (33) "Serious violation" means:

22 (a) Any violation of this chapter or any administrative regulation promulgated
23 thereunder that is capable of causing death or which causes serious and
24 prolonged disfigurement, prolonged impairment of health, or prolonged loss
25 or impairment of the function of any bodily organ;

26 (b) The diversion of medicinal cannabis for use not regulated pursuant to this
27 chapter; or

- 1 (c) Any act that would constitute a violation of KRS 218A.1421;
- 2 (34) "Smoking" means the inhalation of smoke produced from the combustion of raw
- 3 plant material when ignited by a flame;
- 4 (35) "State licensing board" means:
- 5 (a) The Kentucky Board of Medical Licensure; or
- 6 (b) The Kentucky Board of Nursing;
- 7 (36) "Telehealth" has the same meaning as in KRS 211.332;
- 8 (37) "Use of medicinal cannabis":
- 9 (a) Includes the acquisition, administration, possession, transfer, transportation,
- 10 or consumption of medicinal cannabis or medicinal cannabis accessories by a
- 11 cardholder in accordance with this chapter; and
- 12 (b) Does not include:
- 13 1. Cultivation of marijuana by a cardholder;
- 14 2. The use or consumption of marijuana by smoking; or
- 15 3. The use of industrial hemp or industrial hemp products as defined in
- 16 KRS 260.850;
- 17 (38) "Visiting qualified patient" means a person who has registered as such through the
- 18 cabinet as required under this chapter or who possesses a valid out-of-state registry
- 19 identification card and documentation of having been diagnosed with a qualifying
- 20 medical condition; and
- 21 (39) "Written certification" means a document dated and signed by a medicinal cannabis
- 22 practitioner, that:
- 23 (a) States, that in the medicinal cannabis practitioner's professional medical
- 24 opinion, the patient may receive medical, therapeutic, or palliative benefit
- 25 from the use of medicinal cannabis;
- 26 (b) Specifies the qualifying medical condition or conditions for which the
- 27 medicinal cannabis practitioner believes the patient may receive medical,

1 therapeutic, or palliative benefit; and

2 (c) Affirms that the medicinal cannabis practitioner has a bona fide practitioner-
3 patient relationship with the patient.

4 ➔Section 9. KRS 218B.060 is amended to read as follows:

5 (1) The cabinet shall establish, implement, and operate a registry identification card
6 program, including registry identification card application and renewal fees, for
7 registered qualified patients, visiting qualified patients, and designated caregivers.
8 Registry identification card application and renewal fees collected by the cabinet
9 pursuant to this section shall be retained by the cabinet for administrative purposes.

10 (2) Registry identification cards shall contain the following:

11 (a) The name of the cardholder;

12 (b) A designation of whether the cardholder is a registered qualified patient,
13 visiting qualified patient, or designated caregiver;

14 (c) The date of issuance and expiration date of the registry identification card;

15 (d) A random alphanumeric identification number of at least ten (10) characters,
16 containing at least four (4) numbers and at least four (4) letters, that is unique
17 to the cardholder;

18 (e) A bar code or other marking that can be scanned electronically;

19 (f) A photograph of the cardholder, if the cabinet's administrative regulations
20 require one;

21 (g) The telephone number and website address for the electronic monitoring
22 system established pursuant to KRS 218A.202;

23 (h) If the cardholder is a registered qualified patient who has designated one (1)
24 or more designated caregivers, the random alphanumeric identification
25 number of the patient's designated caregivers;

26 (i) If the cardholder is a designated caregiver, the random alphanumeric
27 identification number of the registered qualified patient the designated

1 caregiver is receiving the registry identification card to assist; and

2 (j) If the cardholder is under eighteen (18) years of age, a clear and obvious
3 designation or identifier indicating that the cardholder is under eighteen (18)
4 years of age.

5 (3) (a) Except as provided in paragraph (b) of this subsection, the expiration date for
6 registry identification cards shall be one (1) year after the date of issuance.

7 (b) If a medicinal cannabis practitioner states in the written certification that the
8 qualified patient would benefit from the use of medicinal cannabis until a
9 specified earlier date, then the registry identification card shall expire on that
10 date.

11 (4) The cabinet may, at its discretion, electronically store in the card all of the
12 information listed in subsection (2) of this section, along with the address and date
13 of birth of the cardholder, to allow it to be read electronically by law enforcement
14 agents and licensed cannabis businesses.

15 ~~[(5) (a) The cabinet shall operate a provisional registration receipt system for~~
16 ~~registered qualified patients, designated caregivers, and visiting qualified~~
17 ~~patients that shall be valid for forty five (45) days, or until a permanent card~~
18 ~~can be issued, as if it is a registry identification card issued by the cabinet.~~
19 ~~This program shall be implemented and operational simultaneously with the~~
20 ~~cabinet's implementation of the registry identification card program~~
21 ~~established in this section. A provisional registration receipt shall contain the~~
22 ~~following:~~

23 1. ~~A temporary licensure number;~~

24 2. ~~A barcode or other marking that can be scanned electronically;~~

25 3. ~~The name of the applicant;~~

26 4. ~~A designation of whether the cardholder is a registered qualified patient,~~
27 ~~visiting qualified patient, or designated caregiver;~~

- 1 5. ~~If the cardholder is under eighteen (18) years of age, a clear and obvious~~
2 ~~designation or identifier indicating that the cardholder is under eighteen~~
3 ~~(18) years of age;~~
4 6. ~~The effective date of the receipt;~~
5 7. ~~The expiration date of the receipt;~~
6 8. ~~An indication that the cardholder fee has been paid;~~
7 9. ~~An indication that the application has been submitted and is apparently~~
8 ~~complete; and~~
9 10. ~~The name of the certifying medicinal cannabis practitioner.~~
10 (b) ~~The registration receipt system shall be designed so that this provisional~~
11 ~~registration receipt shall be produced by the application website upon~~
12 ~~completion of an application that includes a written certification for the use of~~
13 ~~medicinal cannabis and payment of the cardholder fee. To reduce application~~
14 ~~errors and processing time, a medicinal cannabis practitioner or a dispensary~~
15 ~~may offer a service that allows an applicant to use a computer and printer on~~
16 ~~the premises of the medicinal cannabis practitioner's office or dispensary to~~
17 ~~complete an application and receive a provisional registration receipt pursuant~~
18 ~~to this subsection.~~
19 (c) ~~Notwithstanding any other provision of this chapter, a valid provisional~~
20 ~~registration receipt issued pursuant to this subsection shall convey to the~~
21 ~~individual whose name appears on the provisional registration receipt all of~~
22 ~~the same rights and privileges as a registry identification card issued by the~~
23 ~~cabinet and shall be accepted by a cannabis business in place of a registry~~
24 ~~identification card.]~~

25 ➔Section 10. KRS 218B.130 is amended to read as follows:

- 26 (1) For the purposes of this section, "local government" means a city, county, urban-
27 county government, consolidated local government, charter county government, or

1 unified local government.

2 (2) **Prior to the cabinet issuing a license to a cannabis business to conduct business**
3 **operations within the territory of a local government, the**^[A] local government

4 may:

5 (a) Enact ordinances not in conflict with this chapter or with the cabinet's
6 administrative regulations, regulating the time, place, and manner of cannabis
7 business operations, except that a local government shall not enact ordinances
8 that impose an undue burden or make cannabis business operations
9 unreasonable or impractical;

10 (b) Prohibit all cannabis business operations within its territory through the
11 passage of an ordinance; or

12 (c) Enact resolutions directing that the question of prohibiting cannabis
13 businesses from operating within its territory be submitted to the voters of its
14 territory at the next regular election pursuant to subsection (5)(j) of this
15 section.

16 (3) If a county, consolidated local government, charter county government, or unified
17 local government prohibits all cannabis business operations, the legislative body of
18 a city located within the county, consolidated local government, charter county
19 government, or unified local government may:

20 (a) Approve cannabis business operations within the limits of the city through the
21 passage of an ordinance; or

22 (b) Enact resolutions directing that the question of allowing cannabis businesses
23 to operate within the limits of the city be submitted to the voters who are
24 eligible to vote in that city's elections at the next regular election pursuant to
25 subsection (5)(j) of this section.

26 (4) If a local government legislative body with jurisdiction prohibits cannabis business
27 operations through the passage of an ordinance, a public question that is initiated by

1 petition and that proposes allowing a cannabis business to operate within the
2 affected territory is authorized.

3 (5) A public question that is initiated by petition and is authorized by subsection (4) of
4 this section shall be submitted to the voters within the affected territory at the next
5 regular election by complying with the following requirements:

6 (a) Before a petition for submission of the proposal may be presented for
7 signatures, an intent to circulate the petition, including a copy of the unsigned
8 petition, shall be filed with the county clerk of the affected territory by any
9 person or group of persons seeking the submission of the public question. The
10 statement of intent shall include the addresses of the person or group of
11 persons and shall specify the person or group of persons, as well as the
12 address, to whom all notices are to be sent. Within ten (10) days after the
13 intent to circulate the petition is filed, the county clerk shall deliver a copy of
14 the intent to circulate the petition, including a copy of the unsigned petition, to
15 the legislative body of the affected territory;

16 (b) The petition shall set out in full the following question: "Are you in favor of
17 the sale of medicinal cannabis at a licensed dispensary and the operation of
18 other cannabis businesses in (affected territory)?"

19 (c) The petition for the submission of the proposal shall be signed by a number of
20 constitutionally qualified voters of the territory to be affected equal to five
21 percent (5%) of registered voters for the affected territory;

22 (d) Each signature shall be executed in ink or indelible pencil and shall be
23 followed by the legibly printed name of each voter, followed by the voter's
24 residence address, year of birth, and the correct date upon which the voter's
25 name was signed;

26 (e) No petition for the submission of the proposal shall be circulated for more
27 than six (6) months prior to its filing;

1 (f) After a petition for the submission of the proposal has received no fewer than
2 the number of qualifying signatures required by paragraph (c) of this
3 subsection, the signed petition shall be filed with the county clerk. When it is
4 filed, each sheet of the petition shall have an affidavit executed by the
5 circulator stating that he or she personally circulated the sheet, the number of
6 signatures thereon, that all signatures were affixed in his or her presence, that
7 he or she believes them to be the genuine signatures of registered voters
8 within the affected territory, and that each signer had an opportunity before
9 signing to read the full text of the proposal;

10 (g) No signer of the petition may withdraw his or her name or have it taken from
11 the petition after the petition has been filed. If the name of any person has
12 been placed on the petition for submission of the public question without that
13 person's authority, the person may, at any time prior to certification of
14 sufficiency of the petition by the county clerk as required by paragraph (h) of
15 this subsection, request the removal of his or her name by the county board of
16 elections and, upon proof that the person's name was placed on the petition
17 without his or her authority, the person's name and personal information shall
18 be eliminated, and he or she shall not be counted as a petitioner;

19 (h) Within thirty (30) days after the petition is filed, the county clerk shall
20 complete a certificate as to its sufficiency or, if it is insufficient, specifying
21 the particulars of the insufficiency, and shall send a copy to the person or
22 persons specified in the statement of intent to receive all notices and to the
23 legislative body of the affected territory, all by registered mail. A petition
24 certified insufficient for lack of the required number of valid signatures may
25 be amended once by filing a supplemental petition upon additional sheets
26 within thirty (30) days after receiving the certificate of insufficiency. The
27 supplemental petition shall comply with the requirements applicable to the

1 original petition and, within ten (10) days after it is filed, the county clerk
2 shall complete a certificate as to the sufficiency of the petition as amended
3 and promptly send a copy of the certificate to the person or persons specified
4 to receive all notices and to the legislative body of the affected territory by
5 registered mail;

6 (i) A final determination as to the sufficiency of a petition shall be subject to
7 review in the Circuit Court of the county of the affected territory and shall be
8 limited to the validity of the county clerk's determination. A final
9 determination of insufficiency shall not prejudice the filing of a new petition
10 for the same purpose; and

11 (j) If, not later than the second Tuesday in August preceding the day established
12 for a regular election, the county clerk has certified that a petition is sufficient
13 or has received a local government resolution pursuant to subsection (2) or (3)
14 of this section, the county clerk shall have prepared to place before the voters
15 of the affected territory at the next regular election the question, which shall
16 be "Are you in favor of the sale of medicinal cannabis at a licensed dispensary
17 and the operation of other cannabis businesses in (affected territory)?
18 Yes....No....". The county clerk shall cause to be published in accordance with
19 KRS Chapter 424, at the same time as the remaining voter information, the
20 full text of the proposal. The county clerk shall cause to be posted in each
21 polling place one (1) copy of the full text of the proposal.

22 (6) If the question submitted to the voters under subsection (3) or (5) of this section
23 fails to pass, three (3) years shall elapse before the question of medicinal cannabis
24 sales and cannabis business operations may be included on a regular election ballot
25 for the affected territory.

26 (7) If the question submitted to the voters under subsection (3) or (5) of this section
27 passes, medicinal cannabis sales and cannabis business operations may be

1 conducted in the affected territory, notwithstanding any local government
2 ordinances which prohibit all cannabis business operations within its territory.

3 (8) In circumstances where a county, consolidated local government, charter county
4 government, or unified local government prohibits cannabis business operations but
5 a city within that county, consolidated local government, charter county
6 government, or unified local government approves cannabis business operations
7 either through the adoption of an ordinance or following the affirmative vote of a
8 public question allowing cannabis business operations, then:

9 (a) The cannabis business operations may proceed within the limits of the city;
10 and

11 (b) The county, consolidated local government, charter county government, or
12 unified local government may assess an additional reasonable fee to
13 compensate for any additional corrections impact caused by the approval of
14 cannabis business operations. Any additional fees collected pursuant to this
15 subsection shall not exceed the additional corrections impact caused by the
16 approval of cannabis business operations.

17 (9) In circumstances where neither a city nor the county, urban-county government,
18 consolidated local government, charter county government, or unified local
19 government in which the city is located prohibit cannabis business operations, a
20 cannabis business that is located within the jurisdiction of both the city and the
21 county shall only pay the reasonable established local fees of either the city or the
22 county. The fee shall be established, assessed, collected, and shared between the
23 city and the county, in a manner to be negotiated between the city and the county.

24 (10) The provisions of general election law shall apply to public questions submitted to
25 voters under this section.

26 **(11) Notwithstanding any provision of this section to the contrary, a local government**
27 **shall not prohibit cannabis business operations within its territory after the**

cabinet has issued a license to a cannabis business to conduct cannabis business operations within that territory.

➔Section 11. KRS 139.480 (Effective January 1, 2025) is repealed and reenacted to read as follows:

Any other provision of this chapter to the contrary notwithstanding, the terms "sale at retail," "retail sale," "use," "storage," and "consumption," as used in this chapter, shall not include the sale, use, storage, or other consumption of:

(1) Locomotives or rolling stock, including materials for the construction, repair, or modification thereof, or fuel or supplies for the direct operation of locomotives and trains, used or to be used in interstate commerce;

(2) Coal for the manufacture of electricity;

(3) (a) All energy or energy-producing fuels used in the course of manufacturing, processing, mining, or refining and any related distribution, transmission, and transportation services for this energy that are billed to the user, to the extent that the cost of the energy or energy-producing fuels used, and related distribution, transmission, and transportation services for this energy that are billed to the user exceed three percent (3%) of the cost of production.

(b) Cost of production shall be computed on the basis of a plant facility, which shall include all operations within the continuous, unbroken, integrated manufacturing or industrial processing process that ends with a product packaged and ready for sale.

(c) A person who performs a manufacturing or industrial processing activity for a fee and does not take ownership of the tangible personal property that is incorporated into, or becomes the product of, the manufacturing or industrial processing activity is a toller. For periods on or after July 1, 2018, the costs of the tangible personal property shall be excluded from the toller's cost of production at a plant facility with tolling operations in place as of July 1,

1 2018.

2 (d) For plant facilities that begin tolling operations after July 1, 2018, the costs of
3 tangible personal property shall be excluded from the toller's cost of
4 production if the toller:

- 5 1. Maintains a binding contract for periods after July 1, 2018, that governs
6 the terms, conditions, and responsibilities with a separate legal entity,
7 which holds title to the tangible personal property that is incorporated
8 into, or becomes the product of, the manufacturing or industrial
9 processing activity;
- 10 2. Maintains accounting records that show the expenses it incurs to fulfill
11 the binding contract that include but are not limited to energy or energy-
12 producing fuels, materials, labor, procurement, depreciation,
13 maintenance, taxes, administration, and office expenses;
- 14 3. Maintains separate payroll, bank accounts, tax returns, and other records
15 that demonstrate its independent operations in the performance of its
16 tolling responsibilities;
- 17 4. Demonstrates one (1) or more substantial business purposes for the
18 tolling operations germane to the overall manufacturing, industrial
19 processing activities, or corporate structure at the plant facility. A
20 business purpose is a purpose other than the reduction of sales tax
21 liability for the purchases of energy and energy-producing fuels; and
- 22 5. Provides information to the department upon request that documents
23 fulfillment of the requirements in subparagraphs 1. to 4. of this
24 paragraph and gives an overview of its tolling operations with an
25 explanation of how the tolling operations relate and connect with all
26 other manufacturing or industrial processing activities occurring at the
27 plant facility;

- 1 (4) Livestock of a kind the products of which ordinarily constitute food for human
2 consumption, provided the sales are made for breeding or dairy purposes and by or
3 to a person regularly engaged in the business of farming;
- 4 (5) Poultry for use in breeding or egg production;
- 5 (6) Farm work stock for use in farming operations;
- 6 (7) Seeds, the products of which ordinarily constitute food for human consumption or
7 are to be sold in the regular course of business, and commercial fertilizer to be
8 applied on land, the products from which are to be used for food for human
9 consumption or are to be sold in the regular course of business; provided such sales
10 are made to farmers who are regularly engaged in the occupation of tilling and
11 cultivating the soil for the production of crops as a business, or who are regularly
12 engaged in the occupation of raising and feeding livestock or poultry or producing
13 milk for sale; and provided further that tangible personal property so sold is to be
14 used only by those persons designated above who are so purchasing;
- 15 (8) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals to be
16 used in the production of crops as a business, or in the raising and feeding of
17 livestock or poultry, the products of which ordinarily constitute food for human
18 consumption;
- 19 (9) Feed, including pre-mixes and feed additives, for livestock or poultry of a kind the
20 products of which ordinarily constitute food for human consumption;
- 21 (10) Machinery for new and expanded industry;
- 22 (11) Farm machinery. As used in this section, the term "farm machinery":
- 23 (a) Means machinery used exclusively and directly in the occupation of:
- 24 1. Tilling the soil for the production of crops as a business;
- 25 2. Raising and feeding livestock or poultry for sale; or
- 26 3. Producing milk for sale;
- 27 (b) Includes machinery, attachments, and replacements therefor, repair parts, and

1 replacement parts which are used or manufactured for use on, or in the
2 operation of farm machinery and which are necessary to the operation of the
3 machinery, and are customarily so used, including but not limited to combine
4 header wagons, combine header trailers, or any other implements specifically
5 designed and used to move or transport a combine head; and

6 (c) Does not include:

- 7 1. Automobiles;
- 8 2. Trucks;
- 9 3. Trailers, except combine header trailers; or
- 10 4. Truck-trailer combinations;

11 (12) Tombstones and other memorial grave markers;

12 (13) On-farm facilities used exclusively for grain or soybean storing, drying, processing,
13 or handling. The exemption applies to the equipment, machinery, attachments,
14 repair and replacement parts, and any materials incorporated into the construction,
15 renovation, or repair of the facilities;

16 (14) On-farm facilities used exclusively for raising poultry or livestock. The exemption
17 shall apply to the equipment, machinery, attachments, repair and replacement parts,
18 and any materials incorporated into the construction, renovation, or repair of the
19 facilities. The exemption shall apply but not be limited to vent board equipment,
20 waterer and feeding systems, brooding systems, ventilation systems, alarm systems,
21 and curtain systems. In addition, the exemption shall apply whether or not the seller
22 is under contract to deliver, assemble, and incorporate into real estate the
23 equipment, machinery, attachments, repair and replacement parts, and any materials
24 incorporated into the construction, renovation, or repair of the facilities;

25 (15) Gasoline, special fuels, liquefied petroleum gas, and natural gas used exclusively
26 and directly to:

27 (a) Operate farm machinery as defined in subsection (11) of this section;

- 1 (b) Operate on-farm grain or soybean drying facilities as defined in subsection
2 (13) of this section;
- 3 (c) Operate on-farm poultry or livestock facilities defined in subsection (14) of
4 this section;
- 5 (d) Operate on-farm ratite facilities defined in subsection (23) of this section;
- 6 (e) Operate on-farm llama or alpaca facilities as defined in subsection (25) of this
7 section; or
- 8 (f) Operate on-farm dairy facilities;
- 9 (16) Textbooks, including related workbooks and other course materials, purchased for
10 use in a course of study conducted by an institution which qualifies as a nonprofit
11 educational institution under KRS 139.495. The term "course materials" means only
12 those items specifically required of all students for a particular course but shall not
13 include notebooks, paper, pencils, calculators, tape recorders, or similar student
14 aids;
- 15 (17) Any property which has been certified as an alcohol production facility as defined
16 in KRS 247.910;
- 17 (18) Aircraft, repair and replacement parts therefor, and supplies, except fuel, for the
18 direct operation of aircraft in interstate commerce and used exclusively for the
19 conveyance of property or passengers for hire. Nominal intrastate use shall not
20 subject the property to the taxes imposed by this chapter;
- 21 (19) Any property which has been certified as a fluidized bed energy production facility
22 as defined in KRS 211.390;
- 23 (20) (a) 1. Any property to be incorporated into the construction, rebuilding,
24 modification, or expansion of a blast furnace or any of its components or
25 appurtenant equipment or structures as part of an approved supplemental
26 project, as defined by KRS 154.26-010; and
- 27 2. Materials, supplies, and repair or replacement parts purchased for use in

1 the operation and maintenance of a blast furnace and related carbon
2 steel-making operations as part of an approved supplemental project, as
3 defined by KRS 154.26-010.

4 (b) The exemptions provided in this subsection shall be effective for sales made:

5 1. On and after July 1, 2018; and

6 2. During the term of a supplemental project agreement entered into
7 pursuant to KRS 154.26-090;

8 (21) Beginning on October 1, 1986, food or food products purchased for human
9 consumption with food coupons issued by the United States Department of
10 Agriculture pursuant to the Food Stamp Act of 1977, as amended, and required to
11 be exempted by the Food Security Act of 1985 in order for the Commonwealth to
12 continue participation in the federal food stamp program;

13 (22) Machinery or equipment purchased or leased by a business, industry, or
14 organization in order to collect, source separate, compress, bale, shred, or otherwise
15 handle waste materials if the machinery or equipment is primarily used for
16 recycling purposes;

17 (23) Ratite birds and eggs to be used in an agricultural pursuit for the breeding and
18 production of ratite birds, feathers, hides, breeding stock, eggs, meat, and ratite by-
19 products, and the following items used in this agricultural pursuit:

20 (a) Feed and feed additives;

21 (b) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals;
22 and

23 (c) On-farm facilities, including equipment, machinery, attachments, repair and
24 replacement parts, and any materials incorporated into the construction,
25 renovation, or repair of the facilities. The exemption shall apply to incubation
26 systems, egg processing equipment, waterer and feeding systems, brooding
27 systems, ventilation systems, alarm systems, and curtain systems. In addition,

1 the exemption shall apply whether or not the seller is under contract to
2 deliver, assemble, and incorporate into real estate the equipment, machinery,
3 attachments, repair and replacement parts, and any materials incorporated into
4 the construction, renovation, or repair of the facilities;

5 (24) Embryos and semen that are used in the reproduction of livestock, if the products of
6 these embryos and semen ordinarily constitute food for human consumption, and if
7 the sale is made to a person engaged in the business of farming;

8 (25) Llamas and alpacas to be used as beasts of burden or in an agricultural pursuit for
9 the breeding and production of hides, breeding stock, fiber and wool products,
10 meat, and llama and alpaca by-products, and the following items used in this
11 pursuit:

12 (a) Feed and feed additives;

13 (b) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals;
14 and

15 (c) On-farm facilities, including equipment, machinery, attachments, repair and
16 replacement parts, and any materials incorporated into the construction,
17 renovation, or repair of the facilities. The exemption shall apply to waterer
18 and feeding systems, ventilation systems, and alarm systems. In addition, the
19 exemption shall apply whether or not the seller is under contract to deliver,
20 assemble, and incorporate into real estate the equipment, machinery,
21 attachments, repair and replacement parts, and any materials incorporated into
22 the construction, renovation, or repair of the facilities;

23 (26) Baling twine and baling wire for the baling of hay and straw;

24 (27) Water sold to a person regularly engaged in the business of farming and used in the:

25 (a) Production of crops;

26 (b) Production of milk for sale; or

27 (c) Raising and feeding of:

- 1 1. Livestock or poultry, the products of which ordinarily constitute food
2 for human consumption; or
3 2. Ratites, llamas, alpacas, buffalo, cervids or aquatic organisms;
4 (28) Buffalos to be used as beasts of burden or in an agricultural pursuit for the
5 production of hides, breeding stock, meat, and buffalo by-products, and the
6 following items used in this pursuit:
7 (a) Feed and feed additives;
8 (b) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals;
9 and
10 (c) On-farm facilities, including equipment, machinery, attachments, repair and
11 replacement parts, and any materials incorporated into the construction,
12 renovation, or repair of the facilities. The exemption shall apply to waterer
13 and feeding systems, ventilation systems, and alarm systems. In addition, the
14 exemption shall apply whether or not the seller is under contract to deliver,
15 assemble, and incorporate into real estate the equipment, machinery,
16 attachments, repair and replacement parts, and any materials incorporated into
17 the construction, renovation, or repair of the facilities;
18 (29) Aquatic organisms sold directly to or raised by a person regularly engaged in the
19 business of producing products of aquaculture, as defined in KRS 260.960, for sale,
20 and the following items used in this pursuit:
21 (a) Feed and feed additives;
22 (b) Water;
23 (c) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals;
24 and
25 (d) On-farm facilities, including equipment, machinery, attachments, repair and
26 replacement parts, and any materials incorporated into the construction,
27 renovation, or repair of the facilities and, any gasoline, special fuels, liquefied

1 petroleum gas, or natural gas used to operate the facilities. The exemption
2 shall apply, but not be limited to: waterer and feeding systems; ventilation,
3 aeration, and heating systems; processing and storage systems; production
4 systems such as ponds, tanks, and raceways; harvest and transport equipment
5 and systems; and alarm systems. In addition, the exemption shall apply
6 whether or not the seller is under contract to deliver, assemble, and
7 incorporate into real estate the equipment, machinery, attachments, repair and
8 replacement parts, and any materials incorporated into the construction,
9 renovation, or repair of the facilities;

10 (30) Members of the genus cervidae permitted by KRS Chapter 150 that are used for the
11 production of hides, breeding stock, meat, and cervid by-products, and the
12 following items used in this pursuit:

- 13 (a) Feed and feed additives;
14 (b) Insecticides, fungicides, herbicides, rodenticides, and other chemicals; and
15 (c) On-site facilities, including equipment, machinery, attachments, repair and
16 replacement parts, and any materials incorporated into the construction,
17 renovation, or repair of the facilities. In addition, the exemption shall apply
18 whether or not the seller is under contract to deliver, assemble, and
19 incorporate into real estate the equipment, machinery, attachments, repair and
20 replacement parts, and any materials incorporated into the construction,
21 renovation, or repair of the facilities;

22 (31) (a) Repair or replacement parts for the direct operation or maintenance of a motor
23 vehicle, including any towed unit, used exclusively in interstate commerce for
24 the conveyance of property or passengers for hire, provided the motor vehicle
25 is licensed for use on the highway and its declared gross vehicle weight with
26 any towed unit is forty-four thousand and one (44,001) pounds or greater.
27 Nominal intrastate use shall not subject the property to the taxes imposed by

1 this chapter; and

2 (b) Repair or replacement parts for the direct operation and maintenance of a
3 motor vehicle operating under a charter bus certificate issued by the
4 Transportation Cabinet under KRS Chapter 281, or under similar authority
5 granted by the United States Department of Transportation.

6 (c) For the purposes of this subsection, "repair or replacement parts" means tires,
7 brakes, engines, transmissions, drive trains, chassis, body parts, and their
8 components. "Repair or replacement parts" shall not include fuel, machine
9 oils, hydraulic fluid, brake fluid, grease, supplies, or accessories not essential
10 to the operation of the motor vehicle itself, except when sold as part of the
11 assembled unit, such as cigarette lighters, radios, lighting fixtures not
12 otherwise required by the manufacturer for operation of the vehicle, or tool or
13 utility boxes;

14 (32) Food donated by a retail food establishment or any other entity regulated under
15 KRS 217.127 to a nonprofit organization for distribution to the needy;

16 (33) Drugs and over-the counter drugs, as defined in KRS 139.472, that are purchased
17 by a person regularly engaged in the business of farming and used in the treatment
18 of cattle, sheep, goats, swine, poultry, ratite birds, llamas, alpacas, buffalo, aquatic
19 organisms, or cervids;

20 (34) (a) Building materials, fixtures, or supplies purchased by a construction
21 contractor if:

- 22 1. Fulfilled by a construction contract for a sewer or water project with:
- 23 a. A municipally owned water utility organized under KRS Chapter
- 24 96;
- 25 b. A water district or water commission formed or organized under
- 26 KRS Chapter 74;
- 27 c. A sanitation district established under KRS Chapter 220 or formed

- 1 pursuant to KRS Chapter 65;
- 2 d. A nonprofit corporation created under KRS 58.180 to act on behalf
- 3 of a governmental agency in the acquisition and financing of
- 4 public projects;
- 5 e. Regional wastewater commissions formed under KRS Chapter
- 6 278;
- 7 f. A municipally owned joint sewer agency formed under KRS
- 8 Chapter 76; or
- 9 g. Any other governmental agency; and
- 10 2. The building materials, fixtures, or supplies:
- 11 a. Will be permanently incorporated into a structure or improvement
- 12 to real property, or will be completely consumed, in fulfilling a
- 13 construction contract for the purpose of furnishing water or sewer
- 14 services to the general public; and
- 15 b. Would be exempt if purchased directly by the entities listed in
- 16 subparagraph 1. of this paragraph.
- 17 (b) As used in this subsection, "construction contract" means a:
- 18 1. Lump sum contract;
- 19 2. Cost plus contract;
- 20 3. Materials only contract;
- 21 4. Labor and materials contract; or
- 22 5. Any other type of contract.
- 23 (c) The exemption provided in this subsection shall apply without regard to the
- 24 payment arrangement between the construction contractor, the retailer, and
- 25 the entities listed in paragraph (a)1. of this subsection or to the place of
- 26 delivery for the building materials, fixtures, or supplies;
- 27 (35) (a) On or after February 25, 2022, the rental of space for meetings, conventions,

1 short-term business uses, entertainment events, weddings, banquets, parties,
2 and other short-term social events, as referenced in KRS 139.200, if the tax
3 established in KRS 139.200 is paid by the primary lessee to the lessor.

4 (b) For the purpose of this subsection, "primary lessee" means the person who
5 leases the space and who has a contract with the lessor of the space only if:

6 1. The contract between the lessor and the lessee specifies that the lessee
7 may sublease, subrent, or otherwise sell the space; and

8 2. The space is then sublet, subrented, or otherwise sold to exhibitors,
9 vendors, sponsors, or other entities and persons who will use the space
10 associated with the event to be conducted under the primary lease;

11 (36) Prewritten computer software access services sold to or purchased by a retailer that
12 develops prewritten computer software for print technology and uses and sells
13 prewritten computer software access services for print technology; and

14 (37) Medicinal cannabis as defined in KRS 218B.010 when sold, used, stored, or
15 consumed in accordance with KRS Chapter 218B.

16 ➔Section 12. KRS 218A.1421 (Effective January 1, 2025) is repealed and
17 reenacted to read as follows:

18 (1) A person is guilty of trafficking in marijuana when he or she knowingly and
19 unlawfully traffics in marijuana, and the trafficking is not in compliance with, or
20 otherwise authorized by, KRS Chapter 218B.

21 (2) Unless authorized by KRS Chapter 218B, trafficking in less than eight (8) ounces of
22 marijuana is:

23 (a) For a first offense a Class A misdemeanor.

24 (b) For a second or subsequent offense a Class D felony.

25 (3) Unless authorized by KRS Chapter 218B, trafficking in eight (8) or more ounces
26 but less than five (5) pounds of marijuana is:

27 (a) For a first offense a Class D felony.

- 1 (b) For a second or subsequent offense a Class C felony.
- 2 (4) Unless authorized by KRS Chapter 218B, trafficking in five (5) or more pounds of
3 marijuana is:
- 4 (a) For a first offense a Class C felony.
- 5 (b) For a second or subsequent offense a Class B felony.
- 6 (5) Unless authorized by KRS Chapter 218B, the unlawful possession by any person of
7 eight (8) or more ounces of marijuana shall be prima facie evidence that the person
8 possessed the marijuana with the intent to sell or transfer it.
- 9 (6) This section does not apply to:
- 10 (a) A cannabis business or a cannabis business agent, as defined in KRS
11 218B.010, when acting in compliance with KRS Chapter 218B; or
- 12 (b) A cardholder, as defined in KRS 218B.010, whose use of medicinal cannabis
13 is in compliance with KRS Chapter 218B.
- 14 ➔Section 13. KRS 218A.1422 (Effective January 1, 2025) is repealed and
15 reenacted to read as follows:
- 16 (1) A person is guilty of possession of marijuana when he or she knowingly and
17 unlawfully possesses marijuana, and the possession is not in compliance with, or
18 otherwise authorized by, KRS Chapter 218B.
- 19 (2) Possession of marijuana is a Class B misdemeanor, except that, KRS Chapter 532
20 to the contrary notwithstanding, the maximum term of incarceration shall be no
21 greater than forty-five (45) days.
- 22 (3) This section does not apply to:
- 23 (a) A cannabis business or a cannabis business agent, as defined in KRS
24 218B.010, when acting in compliance with KRS Chapter 218B; or
- 25 (b) A cardholder, as defined in KRS 218B.010, whose use of medicinal cannabis
26 is in compliance with KRS Chapter 218B.

27 ➔Section 14. KRS 218A.1423 (Effective January 1, 2025) is repealed and

1 reenacted to read as follows:

2 (1) A person is guilty of marijuana cultivation when he or she knowingly and
3 unlawfully plants, cultivates, or harvests marijuana with the intent to sell or transfer
4 it, and the cultivation is not in compliance with, or otherwise authorized by, KRS
5 Chapter 218B.

6 (2) Unless authorized by KRS Chapter 218B, marijuana cultivation of five (5) or more
7 plants of marijuana is:

8 (a) For a first offense a Class D felony.

9 (b) For a second or subsequent offense a Class C felony.

10 (3) Unless authorized by KRS Chapter 218B, marijuana cultivation of fewer than five
11 (5) plants is:

12 (a) For a first offense a Class A misdemeanor.

13 (b) For a second or subsequent offense a Class D felony.

14 (4) Unless authorized by KRS Chapter 218B, the planting, cultivating, or harvesting of
15 five (5) or more marijuana plants shall be prima facie evidence that the marijuana
16 plants were planted, cultivated, or harvested for the purpose of sale or transfer.

17 (5) This section does not apply to a cannabis business or a cannabis business agent, as
18 defined in KRS 218B.010, when acting in compliance with KRS Chapter 218B.

19 ➔Section 15. KRS 218B.015 (Effective January 1, 2025) is repealed and
20 reenacted to read as follows:

21 (1) Nothing in this chapter shall be construed as applying to industrial hemp or
22 industrial hemp products as defined in KRS 260.850.

23 (2) Notwithstanding any provision of law to the contrary, and except as provided in
24 subsections (3) and (4) of this section and KRS 218B.035:

25 (a) The use of medicinal cannabis by a cardholder shall be considered lawful if
26 done in accordance with this chapter and any administrative regulations
27 promulgated thereunder;

- 1 (b) The acquisition, blending, cultivation, delivery, distribution, manufacturing,
2 manipulation, packaging for sale, preparation, possession, sale, testing,
3 transportation, or transfer of medicinal cannabis or medicinal cannabis
4 accessories by a cannabis business or cannabis business agent shall be
5 considered lawful if done in accordance with this chapter and any
6 administrative regulations promulgated thereunder;
- 7 (c) A registered qualified patient or visiting qualified patient shall not be
8 considered to be under the influence of medicinal cannabis solely because of
9 the presence of tetrahydrocannabinol metabolites, including but not limited to
10 the cannabinoid carboxy THC, which is also known as THC-COOH;
- 11 (d) A medicinal cannabis practitioner shall not be subject, under the laws of the
12 Commonwealth, to arrest, prosecution, or penalty in any manner, or denied
13 any right or privilege, including but not limited to a civil penalty or
14 disciplinary action by a state licensing board or by any other occupational or
15 professional licensing board, solely for providing written certifications or for
16 otherwise stating that, in the medicinal cannabis practitioner's professional
17 opinion, a patient may receive medical, therapeutic, or palliative benefit from
18 the use of medicinal cannabis, if done in accordance with this chapter;
- 19 (e) An attorney shall not be subject, under the laws of the Commonwealth, to
20 arrest, prosecution, or penalty in any manner, or denied any right or privilege,
21 including but not limited to a civil penalty or disciplinary action by the
22 Kentucky Court of Justice, Kentucky Bar Association, or by any other
23 professional licensing board, solely for providing an individual or cannabis
24 business with legal assistance related to activity that is no longer subject to
25 criminal penalties under state law pursuant to this chapter; and
- 26 (f) No person shall be subject, under the laws of the Commonwealth, to arrest,
27 prosecution, or penalty in any manner, or denied any right or privilege,

1 including but not limited to a civil penalty or disciplinary action by an
2 occupational or professional licensing board, solely for providing assistance
3 or services, including but not limited to accounting services, financial
4 services, security services, or business consulting services, to any individual
5 or cannabis business related to activity that is no longer subject to criminal
6 penalties under state law pursuant to this chapter.

7 (3) Nothing in subsection (2) of this section shall be construed or interpreted to:

8 (a) Prohibit the arrest, prosecution, or imposition of any other penalty arising
9 from but not limited to breach of contract, breach of fiduciary duty,
10 negligence, or engaging in criminal activity that would constitute a felony or
11 misdemeanor; or

12 (b) Prevent a medicinal cannabis practitioner from being subject to administrative
13 penalties imposed by his or her state licensing board for any violation of this
14 chapter or any administrative regulation promulgated thereunder.

15 (4) Notwithstanding subsection (2) of this section and any other provision of law to the
16 contrary, a cardholder who is licensed under KRS Chapter 311 or KRS Chapter 314
17 may be subject to intervention or disciplinary action by his or her state licensing
18 board if:

19 (a) There is probable cause to believe that the cardholder has become impaired
20 by, or otherwise abused, medicinal cannabis; or

21 (b) The cardholder has a medically diagnosable disease that is characterized by
22 chronic, habitual, or periodic use of medicinal cannabis resulting in
23 interference with the cardholder's professional, social, or economic functions
24 in the community or the loss of powers of self-control regarding the use of
25 medicinal cannabis.

26 ➔Section 16. KRS 218B.030 (Effective January 1, 2025) is repealed and
27 reenacted to read as follows:

- 1 (1) (a) Any medicinal cannabis, medicinal cannabis accessories, lawful property, or
2 interest in lawful property that is possessed, owned, or used in connection
3 with the use of medicinal cannabis or acts incidental to that use shall not be
4 subject to seizure or forfeiture under KRS 218A.405 to 218A.460.
- 5 (b) This chapter shall not prevent the seizure or forfeiture of marijuana exceeding
6 the amounts allowed under KRS 218B.025 or administrative regulations
7 promulgated pursuant to KRS 218B.140(1)(c)6., nor shall it prevent seizure or
8 forfeiture if the basis for that action is unrelated to the use of medicinal
9 cannabis in accordance with this chapter and any administrative regulation
10 promulgated thereunder.
- 11 (2) Possession of, or application for, a registry identification card, an out-of-state
12 registry identification card, or cannabis business license shall not constitute
13 probable cause or reasonable suspicion, nor shall it be used to support the search of
14 the person, property, or home of the person possessing or applying for the registry
15 identification card, out-of-state registry identification card, or cannabis business
16 license. The possession of, or application for, a registry identification card, out-of-
17 state registry identification card, or cannabis business license shall not preclude the
18 existence of probable cause if probable cause exists on other grounds.
- 19 (3) (a) There shall be a rebuttable presumption that a cardholder is engaged in the
20 lawful use of medicinal cannabis, or in the case of a designated caregiver,
21 assisting with the lawful use of medicinal cannabis, if the cardholder:
- 22 1. Possesses a valid registry identification card or, in the case of a visiting
23 qualified patient, an out-of-state registry identification card and
24 documentation of having been diagnosed with a qualifying medical
25 condition; and
- 26 2. Possesses an amount of medicinal cannabis that does not exceed the
27 amount allowed under KRS 218B.025 or administrative regulations

1 promulgated pursuant to KRS 218B.140(1)(c)6.

2 (b) This presumption may be rebutted by a preponderance of evidence that
3 conduct was unrelated to the use of medicinal cannabis or was otherwise in
4 violation of this chapter.

5 ➔Section 17. KRS 218B.035 (Effective January 1, 2025) is repealed and
6 reenacted to read as follows:

7 (1) This chapter does not authorize any person to engage in, and shall not prevent the
8 imposition of any civil, criminal, or other penalties, including but not limited to
9 criminal prosecution or disciplinary action by the cabinet or an occupational or
10 professional licensing board, for engaging in the following conduct:

11 (a) Operating, navigating, or being in actual physical control of any aircraft,
12 vehicle, vessel, or any other device known, or hereafter invented, that is
13 powered by machinery and that is or may be used to transport persons or
14 property while under the influence of medicinal cannabis;

15 (b) Consuming medicinal cannabis while operating, navigating, or being in actual
16 physical control of an aircraft, vehicle, vessel, or any other device known, or
17 hereafter invented, that is powered by machinery and that is or may be used to
18 transport persons or property;

19 (c) Possessing medicinal cannabis that is within the operator's arm's reach or
20 requires less than a two (2) step process to access while operating, navigating,
21 or being in actual physical control of an aircraft, vehicle, vessel, or any other
22 device known, or hereafter invented, that is powered by machinery and that is
23 or may be used to transport persons or property;

24 (d) Undertaking any task under the influence of medicinal cannabis, when doing
25 so would constitute negligence or professional malpractice;

26 (e) Possessing medicinal cannabis, or otherwise engaging in the use of medicinal
27 cannabis:

- 1 1. On the grounds of any preschool or primary or secondary school, except
2 as permitted in accordance with policies enacted pursuant to KRS
3 218B.045(4);
- 4 2. In any correctional facility; or
- 5 3. On any property of the federal government;
- 6 (f) Using marijuana, if that person is not a registered qualified patient or visiting
7 qualified patient;
- 8 (g) Using or consuming marijuana by smoking; or
- 9 (h) Cultivating marijuana unless that person is licensed by the cabinet as a
10 cannabis cultivator or cannabis producer pursuant to KRS 218B.080,
11 218B.085, and 218B.090 or is a cultivator or producer agent.
- 12 (2) The penalty for a violation of subsection (1)(a) or (b) of this section shall be the
13 same as those established for operating a motor vehicle under the influence of
14 alcohol or any other substance in KRS 189A.010.
- 15 (3) (a) An individual who violates subsection (1)(g) of this section shall not be
16 considered to be in possession of medicinal cannabis or engaged in the use of
17 medicinal cannabis and shall not benefit from the legal protections afforded
18 by this chapter.
- 19 (b) The odor or smell of uncombusted raw plant material shall not constitute
20 evidence of use or consumption of cannabis by smoking.
- 21 (c) If an individual uses or consumes marijuana by smoking while on any form of
22 public transportation, in any public place as defined in KRS 525.010, or in
23 any place of public accommodation, resort, or amusement as defined in KRS
24 344.130:
 - 25 1. The cabinet may revoke the individual's registry identification card; and
 - 26 2. The individual may be subject to prosecution under KRS 218A.1421
27 and 218A.1422.

1 (4) Nothing in this chapter supersedes statutory laws relating to driving while under the
2 influence of intoxicants. This chapter shall not prevent the enforcement of current
3 laws pertaining to driving while intoxicated, including KRS 183.061, 189.520,
4 189A.010, and 235.240.

5 (5) As used in this section:

6 (a) "Aircraft" has the same meaning as in KRS 183.011;

7 (b) "Vehicle" has the same meaning as in KRS 189.010; and

8 (c) "Vessel" has the same meaning as in KRS 235.010.

9 ➔Section 18. KRS 218B.090 (Effective January 1, 2025) is repealed and
10 reenacted to read as follows:

11 (1) The cabinet shall:

12 (a) Acknowledge receipt of an application for a cannabis business license within
13 fifteen (15) days of receipt; and

14 (b) Provide notification to the cannabis business license applicant as to whether
15 the application for a cannabis business license has been approved or denied
16 within forty-five (45) days of receiving a completed application.

17 (2) The cabinet may deny an application for a cannabis business license for any reason
18 that the cabinet, in the exercise of sound discretion, deems sufficient, including but
19 not limited to:

20 (a) The applicant failed to submit the materials required by KRS 218B.085,
21 including if the applicant's plans do not satisfy the security, oversight, or
22 recordkeeping administrative regulations promulgated by the cabinet;

23 (b) The applicant falsifies information on the licensure application;

24 (c) The applicant would not be in compliance with local cannabis business
25 prohibitions enacted pursuant to KRS 218B.130;

26 (d) One (1) or more of the prospective principal officers or board members:

27 1. Has been convicted of a disqualifying felony offense, the provisions of

- 1 KRS 335B.020 and 335B.030 notwithstanding;
- 2 2. Has served as a principal officer or board member for a cannabis
- 3 business that has had its license revoked;
- 4 3. Is younger than twenty-one (21) years of age; or
- 5 4. Is a medicinal cannabis practitioner; or
- 6 (e) 1. For a safety compliance facility, one (1) or more of the prospective
- 7 principal officers or board members is a principal officer or board
- 8 member of a cultivator, processor, producer, or dispensary licensed to
- 9 operate in Kentucky.
- 10 2. For a cultivator, processor, producer, or dispensary, one (1) or more of
- 11 the prospective principal officers or board members is a principal officer
- 12 or board member of a safety compliance facility licensed to operate in
- 13 Kentucky.
- 14 (3) If a cannabis business license application is approved:
- 15 (a) The cannabis business shall, before it begins operations, submit its complete
- 16 physical address and the global positioning system coordinates for any
- 17 cultivation activities if a physical address or the global positioning system
- 18 coordinates for any cultivation activities had not been finalized when it
- 19 applied; and
- 20 (b) The cabinet shall:
- 21 1. Issue a copy of the license that includes the business's identification
- 22 number to the approved cannabis business;
- 23 2. Provide a licensed dispensary with contact and access information for
- 24 the electronic monitoring system established pursuant to KRS
- 25 218A.202; and
- 26 3. Provide notice of licensure approval and issuance to the city and county
- 27 in which the cannabis business intends to operate.

1 (4) If a cannabis business license application is denied, the cabinet shall notify the
2 applicant in writing of a license denial and reasons by registered or certified mail at
3 the address given in the application or supplement. The applicant may, within thirty
4 (30) days after the mailing of the cabinet's notice, file a written request for an
5 administrative hearing on the application. The hearing shall be conducted on the
6 application in compliance with the requirements of KRS Chapter 13B. Final orders
7 of the cabinet after administrative hearings shall be subject to judicial review as
8 provided in KRS 13B.140. Jurisdiction and venue for judicial review are vested in
9 the Circuit Court of the county in which the applicant's business would be located.

10 ➔Section 19. KRS 218B.095 (Effective January 1, 2025) is repealed and
11 reenacted to read as follows:

12 (1) A cannabis business licensed under this chapter shall:

- 13 (a) Comply with this chapter and any administrative regulations promulgated
14 thereunder by the cabinet;
- 15 (b) Conduct a criminal background check into the criminal history of each person
16 seeking to become a principal officer, board member, agent, volunteer, or
17 employee before that person begins work. A cannabis business shall not
18 employ, accept as a volunteer, or have as a board member, principal officer,
19 or agent any person who:
- 20 1. Was convicted of a disqualifying felony offense; or
21 2. Is younger than twenty-one (21) years of age;
- 22 (c) Implement appropriate security measures to deter and prevent the theft of
23 medicinal cannabis and unauthorized entrance into areas containing medicinal
24 cannabis;
- 25 (d) Demonstrate sufficient capital such that it can establish its business and meet
26 the needs for its type of cannabis business;
- 27 (e) Display its license on the premises at all times; and

- 1 (f) Only acquire, possess, cultivate, manufacture, deliver, transfer, transport,
2 supply, or dispense medicinal cannabis:
- 3 1. For the purposes of distributing medicinal cannabis to cardholders who
4 possess a valid registry identification card issued by the cabinet, or for
5 visiting qualified patients, a valid out-of-state registry identification card
6 and documentation of having been diagnosed with a qualifying medical
7 condition; and
- 8 2. From a cannabis business licensed under this chapter.
- 9 (2) A cannabis business licensed under this chapter shall not:
- 10 (a) Be located within one thousand (1,000) feet of an existing elementary or
11 secondary school or a daycare center;
- 12 (b) Acquire, possess, cultivate, process, manufacture, deliver, transfer, transport,
13 supply, dispense, or sell:
- 14 1. Raw plant material with a delta-9 tetrahydrocannabinol content of more
15 than thirty-five percent (35%);
- 16 2. Medicinal cannabis products intended for oral consumption as an edible,
17 oil, or tincture with more than ten (10) milligrams of delta-9
18 tetrahydrocannabinol per serving;
- 19 3. Any medicinal cannabis product not described in subparagraph 1. or 2.
20 of this paragraph with a delta-9 tetrahydrocannabinol content of more
21 than seventy percent (70%); or
- 22 4. Any medicinal cannabis product that contains vitamin E acetate;
- 23 (c) Permit a person under eighteen (18) years of age to enter or remain on the
24 premises of a cannabis business;
- 25 (d) Permit a person who is not a cardholder to enter or remain on the premises of
26 a cannabis business, except in accordance with subsection (6) of this section;
- 27 (e) Employ, have as a board member, or be owned by, in part or in whole, a

- 1 medicinal cannabis practitioner; or
- 2 (f) Advertise medicinal cannabis sales in print, broadcast, online, by paid in-
- 3 person solicitation of customers, or by any other advertising device as defined
- 4 in KRS 177.830, except that this paragraph shall not prevent appropriate signs
- 5 on the property of a licensed cannabis business, listings in business directories
- 6 including phone books, listings in trade or medical publications, or
- 7 sponsorship of health or not-for-profit charity or advocacy events.
- 8 (3) The operating documents of a cannabis business shall include procedures for its
- 9 oversight and procedures to ensure accurate recordkeeping and inventory control.
- 10 (4) When transporting medicinal cannabis on behalf of a cannabis business that is
- 11 permitted to transport it, a cannabis business agent shall have:
- 12 (a) A copy of the cannabis business license for the business that employs the
- 13 agent;
- 14 (b) Documentation that specifies the amount of medicinal cannabis being
- 15 transported and the date on which it is being transported; and
- 16 (c) The cannabis business license number and telephone number of any other
- 17 cannabis business receiving or otherwise involved in the transportation of the
- 18 medicinal cannabis.
- 19 (5) The cultivation of medicinal cannabis for cannabis businesses licensed in this state
- 20 shall only be done by cultivators and producers licensed under this chapter and shall
- 21 only take place in an enclosed, locked facility which can only be accessed by
- 22 cultivator agents working on behalf of the cultivator or producer at the physical
- 23 address or global positioning system coordinates provided to the cabinet during the
- 24 license application process.
- 25 (6) A person who is at least eighteen (18) years of age but not a cardholder may be
- 26 allowed to enter and remain on the premises of a cannabis business if:
- 27 (a) The person is present at the cannabis business to perform contract work,

1 including but not limited to electrical, plumbing, or security maintenance, that
2 does not involve handling medicinal cannabis; or

3 (b) The person is a government employee and is at the cannabis business in the
4 course of his or her official duties.

5 ➔Section 20. KRS 218B.100 (Effective January 1, 2025) is repealed, reenacted,
6 and amended to read as follows:

7 (1) (a) Cannabis businesses shall be subject to reasonable inspection and
8 investigation by the cabinet pursuant to this subsection and the cabinet's
9 procedures or administrative regulations.

10 (b) The cabinet may inspect any licensed cannabis business premises without
11 having to first obtain a search warrant.

12 (c) The executive director of the Office of Medical Cannabis, or the executive
13 director's authorized representatives, shall have the authority to:

14 1. Enter any cannabis business without delay or advance notice during
15 regular working hours and at other reasonable times to:

16 a. Inspect the premises;

17 b. Privately question any owner, operator, agent, or employee of the
18 cannabis business or an employee's representative; and

19 c. Investigate conditions, facts, materials, practices, or other
20 matters deemed appropriate by the cabinet;

21 to determine if the cannabis business is operating in compliance with
22 this chapter and any administrative regulations promulgated
23 thereunder;

24 2. Apply to the Circuit Court in the county in which the cannabis
25 business is located for an order to enforce the right of entry if the
26 cannabis business refuses entry as permitted in this subsection;

27 3. Following the completion of an inspection or investigation, confiscate,

1 possess, transport, and destroy any medicinal cannabis deemed by the
2 executive director, or the executive director's authorized
3 representatives, to be noncompliant with the cultivation, processing,
4 producing, transporting, safety compliance, or dispensary sale
5 standards established in this chapter or any administrative regulation
6 promulgated thereunder;

7 4. Administer oaths, examine witnesses under oath, take depositions,
8 certify official acts, review records and accounts, take photographs,
9 and secure any other evidence deemed necessary to evaluate
10 compliance with this chapter and any administrative regulations
11 promulgated thereunder; and

12 5. Issue subpoenas to compel the:

13 a. Attendance of witnesses and parties; and

14 b. Production of books, accounts, correspondence, memoranda,
15 and other materials or records considered necessary and relevant
16 to a matter under investigation by the cabinet.

17 (d) If a witness or party fails to comply with a subpoena issued by the executive
18 director or the executive director's authorized representatives, the executive
19 director or the executive director's authorized representatives may petition
20 the Circuit Court of the county in which the witness or party is located to
21 compel compliance with the subpoena. Failure of a witness or party to
22 comply with an order of the court issued pursuant to this paragraph shall
23 constitute a basis for a finding of contempt by the court under KRS 432.230.
24 In any proceeding brought before a Circuit Court under this paragraph, the
25 court may modify or set aside the subpoena.

26 (2) The cabinet may, on its own motion or on complaint and, after investigation, ~~and~~
27 ~~opportunity for a public hearing at which the cannabis business has been afforded~~

1 ~~an opportunity to appear and be heard pursuant to KRS Chapter 13B,~~ suspend or
2 revoke a cannabis business license for multiple violations or a serious violation of
3 this chapter or any administrative regulations promulgated thereunder by the
4 licensee or any of its agents. A suspension shall not be for a period of time longer
5 than six (6) months.

6 (3) The cabinet shall provide notice of suspension, revocation, fine, or other penalty, as
7 well as the required notice of the hearing, by mailing, via certified mail, the same in
8 writing to the cannabis business at the address on the license. The cannabis business
9 may, within thirty (30) days after the date of the mailing of the cabinet's notice, file
10 a written request for an administrative hearing regarding the suspension, revocation,
11 fine, or other penalty. The hearing shall be conducted in compliance with the
12 requirements of KRS Chapter 13B.

13 (4) Final orders of the cabinet after administrative hearings shall be subject to judicial
14 review. Jurisdiction and venue for judicial review are vested in the Circuit Court of
15 the county in which the cannabis business is physically located.

16 (5) A cultivator may continue to cultivate and possess cannabis plants during a
17 suspension, but it shall not transfer or sell medicinal cannabis during a suspension.

18 (6) A dispensary may continue to possess its existing medicinal cannabis inventory
19 during a suspension, but it shall not acquire additional medicinal cannabis, or
20 dispense, transfer, or sell medicinal cannabis during a suspension.

21 (7) A processor may continue to process and possess its existing medicinal cannabis
22 inventory during a suspension, but it shall not acquire additional medicinal
23 cannabis, or dispense, transfer, or sell medicinal cannabis products during a
24 suspension.

25 (8) A producer may continue to cultivate, process, and possess cannabis plants and its
26 existing medicinal cannabis inventory during a suspension, but it shall not acquire
27 additional medicinal cannabis, or dispense, transfer, or sell medicinal cannabis

1 during a suspension.

2 (9) A safety compliance facility may continue to possess medicinal cannabis during a
3 suspension, but it shall not receive any new medicinal cannabis, test or otherwise
4 analyze medicinal cannabis, or transfer or transport medicinal cannabis during a
5 suspension.

6 ➔Section 21. KRS 218B.105 (Effective January 1, 2025) is repealed and
7 reenacted to read as follows:

8 (1) A cultivator or cultivator agent acting on behalf of a cultivator shall not be subject
9 to prosecution under state or local law, to search or inspection except by the cabinet
10 pursuant to KRS 218B.100, or to seizure or penalty in any manner, or be denied any
11 right or privilege, including but not limited to civil penalty or disciplinary action by
12 a court or business licensing board, for acting pursuant to this chapter and the
13 cabinet's administrative regulations for:

14 (a) Acquiring, possessing, planting, cultivating, raising, harvesting, trimming, or
15 storing cannabis seeds, seedlings, plants, or raw plant material;

16 (b) Delivering, transporting, transferring, supplying, or selling raw plant material
17 or related supplies to other licensed cannabis businesses in this state; or

18 (c) Selling cannabis seeds or seedlings to similar entities that are licensed to
19 cultivate cannabis in this state or in any other jurisdiction.

20 (2) Cultivators and cultivator agents acting on behalf of a cultivator shall:

21 (a) Only deliver raw plant material to a licensed processor, licensed producer,
22 licensed safety compliance facility, or licensed dispensary for fair market
23 value;

24 (b) Only deliver raw plant material to a licensed dispensary, processor, or
25 producer after it has been checked by a safety compliance facility agent for
26 cannabinoid contents and contaminants in accordance with administrative
27 regulations promulgated by the cabinet;

- 1 (c) Not supply a dispensary with more than the amount of raw plant material
2 reasonably required by a dispensary; and
- 3 (d) Not deliver, transfer, or sell raw plant material with a delta-9
4 tetrahydrocannabinol content of more than thirty-five percent (35%) to a
5 licensed dispensary, processor, or producer.
- 6 (3) (a) A Tier I cultivator shall not exceed an indoor growth area of two thousand
7 five hundred (2,500) square feet.
- 8 (b) A Tier II cultivator shall not exceed an indoor growth area of ten thousand
9 (10,000) square feet.
- 10 (c) A Tier III cultivator shall not exceed an indoor growth area of twenty-five
11 thousand (25,000) square feet.
- 12 (d) A Tier IV cultivator shall not exceed an indoor growth area of fifty thousand
13 (50,000) square feet.

14 ➔Section 22. KRS 218B.110 (Effective January 1, 2025) is repealed and
15 reenacted to read as follows:

- 16 (1) A dispensary or dispensary agent acting on behalf of a dispensary shall not be
17 subject to prosecution under state or local law, to search or inspection except by the
18 cabinet pursuant to KRS 218B.100, to seizure or penalty in any manner, or be
19 denied any right or privilege, including but not limited to a civil penalty or
20 disciplinary action by a court or business licensing board, for acting pursuant to this
21 chapter and the cabinet's administrative regulations for:
- 22 (a) Acquiring or possessing medicinal cannabis from a cultivator, processor, or
23 producer in this state;
- 24 (b) Acquiring or possessing medicinal cannabis accessories or educational
25 material;
- 26 (c) Supplying, selling, dispensing, distributing, or delivering medicinal cannabis,
27 medicinal cannabis accessories, and educational material to cardholders or

1 other dispensaries;

2 (d) Selling cannabis seeds to similar entities that are licensed to cultivate cannabis
3 in this state or in any other jurisdiction; or

4 (e) Acquiring, accepting, or receiving medicinal cannabis products from a
5 cardholder, except that a dispensary may not offer anything of monetary value
6 in return for medicinal cannabis received from a cardholder. Any medicinal
7 cannabis received by a dispensary under this paragraph or pursuant to KRS
8 218B.070 shall be destroyed by the dispensary or its agents and shall not be
9 sold, dispensed, or distributed to another cardholder.

10 (2) A dispensary or dispensary agent acting on behalf of a dispensary shall:

11 (a) Maintain records that include specific notations of the amount of medicinal
12 cannabis being dispensed to a cardholder and whether it was dispensed
13 directly to a registered qualified patient or visiting qualified patient, or to a
14 registered qualified patient's designated caregiver. Each entry shall include the
15 date and time the medicinal cannabis was dispensed. The data required to be
16 recorded by this paragraph shall be entered into the electronic monitoring
17 system established pursuant to KRS 218A.202 in accordance with
18 administrative regulations promulgated by the cabinet for the recording of
19 medicinal cannabis dispensing;

20 (b) Only dispense or sell medicinal cannabis after it has been checked by a safety
21 compliance facility agent for cannabinoid contents and contaminants in
22 accordance with administrative regulations promulgated by the cabinet;

23 (c) Only dispense or sell medicinal cannabis to a registered qualified patient,
24 visiting qualified patient, or designated caregiver after making a diligent effort
25 to verify:

26 1. That the registry identification card or, for visiting qualified patients, the
27 out-of-state registry identification card presented to the dispensary is

- 1 valid, including by checking the verification system, if it is operational,
2 or other cabinet-designated databases;
- 3 2. That the person presenting the registry identification card or, for visiting
4 qualified patients, the out-of-state registry identification card is at least
5 eighteen (18) years of age and is the person identified on the registry
6 identification card by examining at least one (1) other form of
7 government-issued photo identification; and
- 8 3. The amount of medicinal cannabis the person is legally permitted to
9 purchase pursuant to KRS 218B.025 by checking the electronic
10 monitoring system established pursuant to KRS 218A.202;
- 11 (d) Not acquire, possess, dispense, sell, offer for sale, transfer, or transport:
- 12 1. Raw plant material with a delta-9 tetrahydrocannabinol content of more
13 than thirty-five percent (35%);
- 14 2. Medicinal cannabis products intended for oral consumption as an edible,
15 oil, or tincture with more than ten (10) milligrams of delta-9
16 tetrahydrocannabinol per serving;
- 17 3. Any medicinal cannabis product not described in subparagraph 1. or 2.
18 of this paragraph with a delta-9 tetrahydrocannabinol content of more
19 than seventy percent (70%); or
- 20 4. Any medicinal cannabis product that contains vitamin E acetate;
- 21 (e) Not acquire medicinal cannabis from any person other than a cannabis
22 business licensed under this chapter, or an agent thereof, a registered qualified
23 patient, or a designated caregiver;
- 24 (f) Not sell or dispense medicinal cannabis products intended for consumption by
25 vaporizing to a cardholder who is younger than twenty-one (21) years of age
26 or to a designated caregiver for a registered qualified patient who is younger
27 than twenty-one (21) years of age;

- 1 (g) Not dispense or sell medicinal cannabis to a minor;
- 2 (h) Not dispense or sell more medicinal cannabis to a cardholder than he or she is
- 3 legally permitted to purchase at the time of the transaction; and
- 4 (i) Not rent office space to a medicinal cannabis practitioner.
- 5 (3) (a) A dispensary may operate a delivery service for cardholders and may deliver
- 6 medicinal cannabis, medicinal cannabis accessories, and educational material
- 7 to cardholders at the address identified on the cardholder's registry
- 8 identification.
- 9 (b) All delivery services operated or offered by a dispensary shall comply with
- 10 administrative regulations promulgated by the cabinet pursuant to this section
- 11 and KRS 218B.140.
- 12 (4) If a dispensary or dispensary agent fails to comply with subsection (2)(c), (d), (e),
- 13 (f), or (g) of this section, the dispensary and dispensary agent are liable in a civil
- 14 action for compensatory and punitive damages and reasonable attorney's fees to any
- 15 person or the representative of the estate of any person who sustains injury, death,
- 16 or loss to person or property as a result of the failure to comply with subsection
- 17 (2)(c), (d), (e), (f), or (g) of this section. In any action under this subsection, the
- 18 court may also award any injunctive or equitable relief that the court considers
- 19 appropriate.
- 20 ➔Section 23. KRS 218B.115 (Effective January 1, 2025) is repealed and
- 21 reenacted to read as follows:
- 22 (1) A processor or processor agent acting on behalf of a processor shall not be subject
- 23 to prosecution under state or local law, to search or inspection except by the cabinet
- 24 pursuant to KRS 218B.100, to seizure or penalty in any manner, or be denied any
- 25 right or privilege, including but not limited to civil penalty or disciplinary action by
- 26 a court or business licensing board, for acting pursuant to this chapter and the
- 27 cabinet's administrative regulations for:

- 1 (a) Acquiring or purchasing raw plant material from a cultivator, processor, or
2 producer in this state;
- 3 (b) Possessing, processing, preparing, manufacturing, manipulating, blending,
4 preparing, or packaging medicinal cannabis;
- 5 (c) Transferring, transporting, supplying, or selling medicinal cannabis and
6 related supplies to other cannabis businesses in this state; or
- 7 (d) Selling cannabis seeds or seedlings to similar entities that are licensed to
8 cultivate cannabis in this state or in any other jurisdiction.

9 (2) A processor licensed under this section shall not possess, process, produce, or
10 manufacture:

- 11 (a) Raw plant material with a delta-9 tetrahydrocannabinol content of more than
12 thirty-five percent (35%);
- 13 (b) Medicinal cannabis products intended for oral consumption as an edible, oil,
14 or tincture with more than ten (10) milligrams of delta-9 tetrahydrocannabinol
15 per serving;
- 16 (c) Any medicinal cannabis product not described in paragraph (a) or (b) of this
17 subsection with a delta-9 tetrahydrocannabinol content of more than seventy
18 percent (70%); or
- 19 (d) Any medicinal cannabis product that contains vitamin E acetate.

20 ➔Section 24. KRS 218B.120 (Effective January 1, 2025) is repealed and
21 reenacted to read as follows:

- 22 (1) A producer or producer agent acting on behalf of a producer shall not be subject to
23 prosecution under state or local law, to search or inspection except by the cabinet
24 pursuant to KRS 218B.100, to seizure or penalty in any manner, or be denied any
25 right or privilege, including but not limited to civil penalty or disciplinary action by
26 a court or business licensing board, for acting pursuant to this chapter and the
27 cabinet's administrative regulations for:

- 1 (a) Acquiring, possessing, planting, cultivating, raising, harvesting, trimming, or
2 storing cannabis seeds, seedlings, plants, or raw plant material;
- 3 (b) Delivering, transporting, transferring, supplying, or selling raw plant material,
4 medicinal cannabis products, or related supplies to other licensed cannabis
5 businesses in this state;
- 6 (c) Selling cannabis seeds or seedlings to similar entities that are licensed to
7 cultivate cannabis in this state or in any other jurisdiction;
- 8 (d) Acquiring or purchasing raw plant material from a cultivator in this state; or
- 9 (e) Possessing, processing, preparing, manufacturing, manipulating, blending,
10 preparing, or packaging medicinal cannabis.
- 11 (2) Producers and producer agents acting on behalf of a producer shall:
- 12 (a) Only deliver raw plant material to a licensed processor, licensed producer,
13 licensed safety compliance facility, or licensed dispensary for fair market
14 value;
- 15 (b) Only deliver raw plant material to a licensed dispensary, processor, or
16 producer after it has been checked by a safety compliance facility agent for
17 cannabinoid contents and contaminants in accordance with administrative
18 regulations promulgated by the cabinet;
- 19 (c) Not supply a dispensary with more than the amount of raw plant material
20 reasonably required by a dispensary; and
- 21 (d) Be limited to an indoor cannabis growth area of fifty thousand (50,000)
22 square feet.
- 23 (3) A producer licensed under this section shall not possess, process, produce, or
24 manufacture:
- 25 (a) Raw plant material with a delta-9 tetrahydrocannabinol content of more than
26 thirty-five percent (35%);
- 27 (b) Medicinal cannabis products intended for oral consumption as an edible, oil,

1 or tincture with more than ten (10) milligrams of delta-9 tetrahydrocannabinol
2 per serving;

3 (c) Any medicinal cannabis product not described in paragraph (a) or (b) of this
4 subsection with a delta-9 tetrahydrocannabinol content of more than seventy
5 percent (70%); or

6 (d) Any medicinal cannabis product that contains vitamin E acetate.

7 ➔Section 25. KRS 218B.125 (Effective January 1, 2025) is repealed and
8 reenacted to read as follows:

9 A safety compliance facility or safety compliance facility agent acting on behalf of a
10 safety compliance facility shall not be subject to prosecution, search except by the cabinet
11 pursuant to KRS 218B.100, seizure, or penalty in any manner, or be denied any right or
12 privilege, including but not limited to civil penalty or disciplinary action by a court or
13 business licensing board, for acting in accordance with this chapter and the cabinet's
14 administrative regulations to provide the following services:

15 (1) Acquiring or possessing medicinal cannabis obtained from cardholders or cannabis
16 businesses in this state;

17 (2) Returning the medicinal cannabis to cardholders or cannabis businesses in this
18 state;

19 (3) Transporting medicinal cannabis that was produced by cannabis businesses in this
20 state;

21 (4) The production or sale of approved educational materials related to the use of
22 medicinal cannabis;

23 (5) The production, sale, or transportation of equipment or materials other than
24 medicinal cannabis, including but not limited to lab equipment and packaging
25 materials that are used by cannabis businesses and cardholders, to cardholders or
26 cannabis businesses licensed under this chapter;

27 (6) Testing of medicinal cannabis produced in this state, including testing for

1 cannabinoid content, pesticides, mold, contamination, vitamin E acetate, and other
2 prohibited additives;

3 (7) Training cardholders and cannabis business agents. Training may include but need
4 not be limited to:

5 (a) The safe and efficient cultivation, harvesting, packaging, labeling, and
6 distribution of medicinal cannabis;

7 (b) Security and inventory accountability procedures; and

8 (c) Up-to-date scientific and medical research findings related to use of medicinal
9 cannabis;

10 (8) Receiving compensation for actions allowed under this section; and

11 (9) Engaging in any noncannabis-related business activities that are not otherwise
12 prohibited or restricted by state law.

13 ➔Section 26. KRS 218B.155 (Effective January 1, 2025) is repealed and
14 reenacted to read as follows:

15 The provisions of KRS 138.870 to 138.889 shall not apply to any individual or entity for:

16 (1) Any amount of medicinal cannabis that is necessary or reasonably necessary for use
17 of a license or registry identification card issued by the cabinet; or

18 (2) Any use of medicinal cannabis that complies with this chapter and any
19 administrative regulations promulgated thereunder.

20 ➔Section 27. It is intent of the General Assembly in repealing and reenacting
21 Sections 11 to 26 of this Act to hasten the delayed effective date established for those
22 sections in 2023 Ky. Acts ch. 146, sec. 42, and Sections 11 to 26 of this Act, including
23 the amendments contained in Section 20, take effect on the effective date of this Act.

24 ➔Section 28. Whereas medicinal cannabis businesses cannot ensure an adequate
25 supply of medicinal cannabis in 2025 without becoming licensed and operational in 2024,
26 and the Cabinet for Health and Family Services cannot issue licenses to medicinal
27 cannabis businesses in 2024 under current law, an emergency is declared to exist, and this

- 1 Act takes effect upon its passage and approval by the Governor or upon its otherwise
- 2 becoming a law.