

CHAPTER 39
(HB 512)

AN ACT relating to personal service contracts.

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

➔Section 1. KRS 45A.690 is amended to read as follows:

(1) As used in KRS 45A.690 to 45A.725:

- (a) "Committee" means the Government Contract Review Committee of the Legislative Research Commission;
- (b) "Contracting body" means each state board, bureau, commission, department, division, authority, university, college, officer, or other entity, except the Legislature, authorized by law to contract for personal services. "Contracting body" includes the Tourism Development Finance Authority with regard to tax incentive agreements;
- (c) "Governmental emergency" means an unforeseen event or set of circumstances that creates an emergency condition as determined by the committee by promulgation of an administrative regulation;
- (d) "Memorandum of agreement" means any memorandum of agreement, memorandum of understanding, program administration contract, interlocal agreement to which the Commonwealth is a party, privatization contract, or similar device relating to services between a state agency and any other governmental body or political subdivision of the Commonwealth or entity qualified as nonprofit under 26 U.S.C. sec. 501(c)(3) not authorized under KRS Chapter 65 that involves an exchange of resources or responsibilities to carry out a governmental function. It includes agreements by regional cooperative organizations formed by local boards of education or other public educational institutions for the purpose of providing professional educational services to the participating organizations and agreements with Kentucky Distinguished Educators pursuant to KRS 158.782. This definition does not apply to:
 - 1. Agreements between the Transportation Cabinet and any political subdivision of the Commonwealth for road and road-related projects;
 - 2. Agreements between the Auditor of Public Accounts and any other governmental agency or political subdivision of the Commonwealth for auditing services;
 - 3. Agreements between state agencies as required by federal or state law;
 - 4. Agreements between state agencies and state universities or colleges only when the subject of the agreement does not result in the use of an employee or employees of a state university or college by a state agency to fill a position or perform a duty that an employee or employees of state government could perform if hired, and agreements between state universities or colleges and employers of students in the Commonwealth work-study program sponsored by the Kentucky Higher Education Assistance Authority;
 - 5. Agreements involving child support collections and enforcement;
 - 6. Agreements with public utilities, providers of direct Medicaid health care to individuals except for any health maintenance organization or other entity primarily responsible for administration of any program or system of Medicaid managed health care services established by law or by agreement with the Cabinet for Health and Family Services, and transit authorities;
 - 7. Nonfinancial agreements;
 - 8. Any obligation or payment for reimbursement of the cost of corrective action made pursuant to KRS 224.60-140;
 - 9. Exchanges of confidential personal information between agencies;
 - 10. Agreements between state agencies and rural concentrated employment programs; or
 - 11. Any other agreement that the committee deems inappropriate for consideration;

- (e) "Motion picture or entertainment production" means the same as defined in KRS 154.61-010;
 - (f) "Multicontract" means a group of personal service contracts between a contracting body and individual vendors providing the same or substantially similar services to the contracting body that, for purposes of the committee, are treated as one (1) contract;
 - (g) "Nurse aide" means an individual who has successfully completed the nurse aide training and competency evaluation program and may include a nursing student, medication aide, or a person employed through a health care services agency as defined in KRS 216.718 who provides nursing or nursing-related services to a resident in a nursing facility, excluding:
 - 1. An individual who is a licensed health professional;
 - 2. A volunteer who provides the nursing or nursing-related services without monetary compensation; or
 - 3. A person who is hired by the resident or family to sit with the resident and who does not perform nursing or nursing-related services;
 - (h) "Personal service contract" means an agreement whereby an individual, firm, partnership, or corporation is to perform certain services requiring professional skill or professional judgment for a specified period of time at a price agreed upon. It includes all price contracts for personal services between a governmental body or political subdivision of the Commonwealth and any other entity in any amount. This definition does not apply to:
 - 1. Agreements between the Department of Parks and a performing artist or artists for less than five thousand dollars (\$5,000) per fiscal year per artist or artists;
 - 2. Agreements with public utilities, foster care parents, providers of direct Medicaid health care to individuals except for any health maintenance organization or other entity primarily responsible for administration of any program or system of Medicaid managed health care services established by law or by agreement with the Cabinet for Health and Family Services, individuals performing homemaker services, and transit authorities;
 - 3. Agreements between state universities or colleges and employers of students in the Commonwealth work study program sponsored by the Kentucky Higher Education Assistance Authority;
 - 4. Agreements between a state agency and rural concentrated employment programs;
 - 5. Agreements between the State Fair Board and judges, officials, and entertainers contracted for events promoted by the State Fair Board;
 - 6. ***Agreements between the Kentucky Horse Park and judges, officials, and entertainers contracted for events promoted by the Kentucky Horse Park;***
 - 7.~~{6-}~~ Agreements between the Department of Public Advocacy and attorneys for the representation of indigent clients who are entitled to representation under KRS Chapter 31 and who, by reason of conflict or otherwise, cannot be represented by the department, subject to quarterly reports of all such agreements to the committee;
 - 8.~~{7-}~~ Agreements between the Office of Kentucky Veterans' Centers and licensed nurses and nurse aides in order to provide critically needed long-term care to Kentucky veterans who are residents in state veterans' nursing homes pursuant to KRS 40.325; or
 - 9.~~{8-}~~ Any other contract that the committee deems inappropriate for consideration;
 - (i) "Tax incentive agreement" means an agreement executed under KRS 154.61-030; and
 - (j) "Tourism Development Finance Authority" means the authority established by KRS 148.850.
- (2) Compliance with the provisions of KRS 45A.690 to 45A.725 does not dispense with the requirements of any other law necessary to make the personal service contract or memorandum of agreement valid.

Signed by Governor April 4, 2024.