

# Final Reports Of The Interim Joint, Statutory, And Special Committees 2025

Informational Bulletin No. 269

March 2026





**Final Reports Of The Interim Joint,  
Statutory, And Special Committees**

**2025**

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and the  
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Kentucky General Assembly**

**Informational Bulletin No. 269**

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**March 2026**

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## Foreword

Sections 36 and 42 of the Constitution of Kentucky provide that the General Assembly shall meet on the first Tuesday after the first Monday in January for 60 legislative days in even-numbered years, and for 30 legislative days, including up to 10 days for an organizational component, in odd-numbered year.

Between legislative sessions, the interim joint committees of the Legislative Research Commission, as well as statutory and special committees, meet to discuss and receive testimony on a number of important issues that may confront the General Assembly.

During the 2025 Interim, all 15 interim joint committees, 12 statutory committees, and 5 special committees held meetings.

The Legislative Research Commission provides this informational booklet as a summary of the activity of the interim joint, statutory, and special committees since adjournment of the 2025 General Assembly. The reports were prepared separately by the staff of the committees.

Jay D. Hartz  
Director

Legislative Research Commission  
Frankfort, Kentucky  
March 2026



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## **Report Of The 2025 Interim Joint Committee On Agriculture**

**Sen. Jason Howell, Co-Chair**  
**Rep. Myron Dossett, Co-Chair**

Sen. Gary Boswell	Rep. Mark Hart
Sen. Jared Carpenter	Rep. Kim Holloway
Sen. Matthew Deneen	Rep. Kim King
Sen. Shelley Funke Frommeyer	Rep. Matthew Koch
Sen. Matt Dunn	Rep. Candy Massaroni
Sen. Aaron Reed	Rep. Shawn McPherson
Sen. Craig Richardson	Rep. Adam Moore
Sen. Robin L. Webb	Rep. J.T. Payne
Sen. Mike Wilson	Rep. Michael Sarge Pollock
Rep. Chad Aull	Rep. Felicia Rabourn
Rep. Ryan Bivens	Rep. Sarah Stalker
Rep. Anne Gay Donworth	Rep. Nancy Tate
Rep. Daniel Fister	Rep. Walker Thomas
Rep. Chris Freeland	Rep. James Tipton
Rep. David Hale	Rep. Joshua Watkins

**LRC Staff:** Stefan Kasacavage, Hillary Abbott, Kelly Ludwig, and Susan Spoonamore

**Jurisdiction:** Matters pertaining to crops, livestock, poultry, aquaculture, and their marketing; disease control and warehousing; tobacco; stockyards; agricultural cooperatives and marketing associations; regulation of amusement rides; pesticide application and regulation; agriculture and commercial weights and measures; national food distribution programs; motor fuel quality; grain regulation and the trade of grains and commodities; ethanol and cellulosic fuels; veterinarians; the State Fair; county fairs; agriculture loan and grant programs; agritourism; farm safety and education; the Tobacco Master Settlement Agreement; the Department of Agriculture; and the Kentucky Office of Agricultural Policy.

## **Committee Activity**

The Interim Joint Committee on Agriculture held six meetings.

### **Farmland Preservation**

Kentucky Farm Bureau and the coordinator of the Kentucky Farmland Transition Initiative (KFTI) testified about the loss of agricultural land in Kentucky. KFTI is a resource that active farmers and owners of farmland can use to learn how to keep farmland in active production.

The Bluegrass Land Conservancy (BLC) provided an update on the \$45.7 million Regional Conservation Protection Program that helps farmers purchase conservation easements to preserve land as agricultural land. The \$4 million the General Assembly appropriated to BLC in 2024 helped leverage matching federal and private funds for administrative positions and land analysis.

### **Eddyville Agri-Port Terminal**

A representative of AGRI-CHEM testified to the need for renovations and upgrades to the Eddyville Agri-Port Terminal. The Eddyville Agri-Port Terminal serves as a major transportation thoroughfare for many industries including the shipping and unloading of Kentucky agricultural products.

### **State Fair**

At the State Fair in Louisville, the president and CEO of Kentucky Venues provided updates on fair activities and Kentucky Exposition Center projects funded by the General Assembly, including a 400,000 square foot agriculture building expansion. The commissioner of agriculture presented an overview of Kentucky Department of Agriculture (KDA) events at the State Fair.

### **Agricultural Economic Development**

The executive director of KDA's Department of Agricultural Economic Development presented an update on the \$5 million appropriation received from the General Assembly. Members heard testimony regarding the staffing of the office and an update on the creation of the application process for program funds.

The executive director of the Bluegrass AgTech Development Corporation discussed promoting growth in the agri-tech field in the bluegrass region and throughout the state. A board member emphasized the desire to recruit agriculture businesses to Kentucky and highlighted the awarding of grants to qualifying applicants to locate to Kentucky.

The co-owner of Trackside Butcher Shoppe, a meat processing facility in Henry County, discussed receiving Kentucky Agricultural Development Board funds and matching funds from surrounding counties. The owner spoke about the importance of having meat processors across

the commonwealth to give small- and large-scale producers places to process and bring their meat to market.

### **Condemnation Of Agricultural Land**

An agricultural operation owner testified regarding their experience with the condemnation of farmland with supporting testimony from Kentucky Farm Bureau. The owner detailed the difficulties in communicating with the various government entities involved with the land condemnation and a desire for a more stream-lined process that takes into consideration the impact on affected agricultural landowners.

### **Urban Youth Agriculture**

Representative Nima Kulkarni discussed her proposed legislation establishing the Kentucky Urban Youth Agriculture Initiative and the impact the legislation could have on urban youth's involvement in agriculture. The initiative is a year-long program, run by the University of Kentucky's extension offices, encouraging participants to learn about agriculture while teaching entrepreneurship. Two members of the Christian County 4-H program spoke about how their time with 4-H has helped teach them the fundamentals of farming, showing animals, how to monetize their artwork, and has given them the tools to start a successful, traveling petting zoo business.

### **Proposed Legislation**

The committee received the following legislative proposals:

#### **KDA**

- Increase funding for staff recruitment and retention funds, agricultural economic development investment, and staffing for electric vehicle inspection positions.
- Amend statutes relating to amusement rides, grain, egg, and dairy licensing requirements.
- Assist KDA and the Kentucky Hospital Association (KHA) in the implementation of the Food is Medicine (FIM) campaign by supporting a partnership between FIM and Medicaid via waivers and reimbursements, SNAP, and managed care organizations.
- Support KDA's policy collaboration with the Kentucky Department of Education and the Kentucky Finance and Administration Cabinet to adopt a local first school nutrition focus with the aim of getting locally sourced food into local schools.

#### **Kentucky Farm Bureau**

- Continue 50 percent allocation of Master Settlement Agreement fund to Agricultural Development Board for the purpose of improving net farm income of individual farmers in production agriculture.
- Increase funding to the KDA.
- Continue agricultural sales tax exemptions for production agriculture.
- Support continuing to limit revenue from property taxes to 4 percent plus new growth.

- Preserve property rights of agricultural landowners and support efforts to keep agricultural land in production.
- Explore funding for a loan program under the Kentucky Farmland Transition Program.
- Support agricultural economic development initiatives.
- Protect landowners from inconsistent and nontransparent eminent domain practices.
- Support making deer nuisance permits more accessible for farmers and landowners.
- Update the inheritance tax code to preserve active farmland.

**Kentucky Cattlemen's Association**

- Continue support of the 2024 budget appropriation for the Kentucky Livestock Innovation Center and of small and beginning farmer initiatives.

## **Report Of The 2025 Interim Joint Committee On Appropriations And Revenue**

**Sen. Christian McDaniel, Co-Chair**  
**Rep. Jason Petrie, Co-Chair**

Sen. Gary Boswell	Rep. George Brown Jr.
Sen. Shelley Funke Frommeyer	Rep. Stephanie Dietz
Sen. David P. Givens	Rep. Ken Fleming
Sen. Scott Madon	Rep. Chris Freeland
Sen. Amanda Mays Bledsoe	Rep. Chris Fugate
Sen. Gerald A. Neal	Rep. Al Gentry
Sen. Matt Nunn	Rep. Mark Hart
Sen. Steve Rawlings	Rep. Matt Lockett
Sen. Craig Richardson	Rep. Shawn McPherson
Sen. Robin L. Webb	Rep. Steve Riley
Rep. Kim Banta	Rep. Pamela Stevenson
Rep. Tina Bojanowski	Rep. Walker Thomas
Rep. Adam Bowling	Rep. Timmy Truett
Rep. Josh Bray	Rep. Ken Upchurch
Rep. Randy Bridges	Rep. Wade Williams

LRC Staff: Cynthia Brown, Katy Jenkins, Sarah Watts, and Heather Hamilton

Jurisdiction: Matters pertaining to the executive budget and other appropriations of state moneys; the levying of state and local taxes, including school taxes; property tax rates and assessments; the state debt; revenue bond projects; claims upon the treasury; accounting of state funds by local officers; audits for state purposes; budget and financial administration; and payment, collection, and refund of taxes.

**2025 Interim  
Budget Review Subcommittee Organization And Membership**

**Budget Review Subcommittee On Economic Development,  
Tourism, And Environmental Protection**

**Sen. Matt Nunn, Co-Chair  
Rep. Chris Fugate, Co-Chair**

Sen. Brandon Smith	Rep. Matthew Lehman
Sen. Phillip Wheeler	Rep. Shawn McPherson
Rep. Jim Gooch Jr.	Rep. Bill Wesley
Rep. Kim King	Rep. Susan Witten

LRC Staff: Mariah Derringer-Lackey, Joey Holt, Sara Rome, and Amie Elam

**Budget Review Subcommittee On Education**

**Sen. Steve Rawlings, Co-Chair  
Rep. Kim Banta, Co-Chair  
Rep. Steve Riley, Co-Chair**

Sen. Gerald A. Neal	Rep. Adam Bowling
Sen. Stephen West	Rep. George Brown Jr.
Rep. Shane Baker	Rep. Mike Clines
Rep. Tina Bojanowski	Rep. Timmy Truett

Rep. Scott Lewis, ex officio  
Rep. Bobby McCool, ex officio  
Rep. James Tipton, ex officio

LRC Staff: Liz Columbia, Mariah Derringer-Lackey, Justin Smith, David Talley, Ethan Williams, and Amie Elam

**Budget Review Subcommittee On General Government,  
Finance, Personnel, And Public Retirement**

**Sen. Scott Madon, Co-Chair**  
**Rep. Chris Freeland, Co-Chair**  
**Rep. Walker Thomas, Co-Chair**

Sen. Michael J. Nemes	Rep. Kevin Jackson
Sen. Reginald L. Thomas	Rep. Matt Lockett
Rep. Erika Hancock	Rep. Joshua Watkins
Rep. Mark Hart	

Rep. Patrick Flannery, ex officio  
Rep. David Hale, ex officio

LRC Staff: Liz Columbia, Joey Holt, Zach Ireland, Heather Keene, Emma Mills,  
Perry Papka, Justin Perry, David Talley, and Jennifer Luttrell

**Budget Review Subcommittee On Health And Family Services**

**Sen. Craig Richardson, Co-Chair**  
**Rep. Ken Fleming, Co-Chair**

Sen. Karen Berg	Rep. Rebecca Raymer
Sen. Leslie Tichenor	Rep. Wade Williams
Rep. Robert Duvall	Rep. Lisa Willner
Rep. DJ Johnson	Rep. Nick Wilson

Sen. Steve Meredith, ex officio  
Rep. Samara Heavrin, ex officio  
Rep. Kimberly Poore Moser, ex officio

LRC Staff: Miriam Fordham, Kevin Newton, and Benjamin Thompson

**Budget Review Subcommittee On Justice And Judiciary**

**Sen. Shelley Funke Frommeyer, Co-Chair**  
**Rep. Stephanie Dietz, Co-Chair**

Sen. Brandon J. Storm  
Sen. Robin L. Webb  
Rep. Josh Bray

Rep. Jennifer Decker  
Rep. Nima Kulkarni  
Rep. Scott Sharp

Rep. Daniel Elliott, ex officio

LRC Staff: Zach Ireland, Perry Papka, and Benjamin Thompson

**Budget Review Subcommittee On Transportation**

**Sen. Donald Douglas, Co-Chair**  
**Rep. Ken Upchurch, Co-Chair**

Sen. Cassie Chambers Armstrong  
Sen. Jimmy Higdon  
Rep. Josh Branscum  
Rep. Randy Bridges

Rep. Thomas Huff  
Rep. Mary Beth Imes  
Rep. Tom Smith  
Rep. Ashley Tackett Laferty

Rep. John Blanton, ex officio

LRC Staff: Justin Perry, Jeremy Simpson, and Spring Emerson

**Ex Officio Members For All Budget Review Subcommittees**

Sen. Amanda Mays Bledsoe  
Sen. Chris McDaniel  
Rep. Adam Bowling  
Rep. Josh Bray  
Rep. Jason Petrie

## **Committee Activity**

The Interim Joint Committee on Appropriations and Revenue held six meetings.

### **FY 2025 Budget Close Out**

The state budget director provided an overview of the general fund revenues, road fund revenues, and budget reserve trust fund for FY 2025. The general fund revenue surplus for FY 2025 was \$313 million. The budget reserve trust fund has an unobligated balance of \$3.76 billion at the end of FY 2025. The road fund surplus totaled \$61.6 million for FY 2025.

### **Budget Allotment Modifications**

The secretary of the Cabinet for Economic Development (CED) addressed questions concerning a \$500,000 budget allotment change, from business development to the science and technology program, for the Kentucky enterprise fund.

Representatives of the Cabinet for Health and Family Services (CHFS) explained the transfer of \$9 million in general funds from the early child care assistance program to the Division of Child Protection and Permanency.

### **Collection Of University Debt**

The commissioner of the Department of Revenue (DOR) provided background information on the collection of university debt. The executive director of the Office of Enforcement shared state statutes on debt collection, staffing challenges, and compared collection revenues for university debt versus regular tax debt. The division director of the Office of Collections stated DOR can place a lien and conduct levies on university debt without a judgment, but universities cannot.

The chief financial officer for Northern Kentucky University (NKU) explained how revenue from the collected debts helps the university offset the costs of offering competitive wages and supporting academic programs. NKU recently laid off 18 employees, which saved the university \$1.5 million in salary expenses, and eliminated 32 positions. The loss of revenue from debts not being collected by DOR was a factor in the decision to reduce the number of positions at NKU.

### **Disaster Response Funding Provisions**

A committee analyst provided an overview of disaster response funding and management strategies. She discussed Kentucky's Division of Emergency Management.

### **Economic Development Projects In Elizabethtown And Hopkinsville**

The secretary of CED summarized the agency's focus on automotive development in Kentucky and changes in electric vehicle (EV) growth. He acknowledged the legislature's support with the enactment of 2021 RS SB 5. The secretary shared that BlueOval SK and Ascend Elements Inc.

are fully compliant with its incentive agreements and its projects are progressing. Original terms and conditions of the loan given to BlueOval SK, the federal funds involved, and the status of the project were discussed. He gave an overview of Ascend Elements Inc. and the incentive structure given in the agreement with Kentucky. He discussed changes in the Ascend Elements Inc. project and the Department of Energy grants to produce cathode active material (CAM) and precursor cathode active material (pCAM). Ascend Elements Inc. plans to produce only pCAM and lithium carbonate.

### **Executive Branch Salary Schedule**

The deputy secretary of the Personnel Cabinet and the state budget director discussed the executive order to adjust the salary schedule of the executive branch to reflect the annual salary increment provided by the General Assembly in an effort to help prevent salary compression among senior employees.

### **History Of Support Education Excellence In Kentucky (SEEK) And Recent Changes**

The director of the Division of District Support for the Kentucky Department of Education (KDE) provided an overview of changes to Support Education Excellence in Kentucky (SEEK). Recent budget bills increased the SEEK guaranteed base amount per pupil, which in turn, increased the funding received from SEEK add-ons. Other increases included funding for children enrolled in kindergarten and transportation costs. For the current biennium, the tier I funding factor increased from 15 to 17.5 percent, which results in additional funding for most school districts. Beginning this year, on-behalf payments are required to be included in KDE's reports.

### **History And Trends Of General Funds Appropriations**

The deputy director of LRC's Office of Budget Review discussed the history and trends of general fund appropriations. The general fund appropriations have increased from \$11.3 billion in FY 2018 to \$15.8 billion in FY 2026. Focus for the next biennium will be on sustainability and resilience, investment priorities, and structural spending trends. The K-12 education appropriations increased from \$4.9 billion in FY 2018 to over \$6.1 billion in FY 2026. Since 2020, Medicaid benefits have had consistent growth with the average monthly cost per eligible person increasing from \$615 in FY 2018 to \$1,034 through the third quarter of FY 2025. The assistant budget director of LRC's Office of Budget Review discussed the budget reserve trust fund and investments from 2024 RS HB 1 and SB 91 appropriations.

### **H.R. 1 (Public Law 119-21)**

The state budget director discussed the potential economic impacts of H.R. 1 (Public Law 119-21) on the next biennial budget for Kentucky. He included changes in the supplemental nutrition assistance program (SNAP) benefit costs, Medicaid, and the rural health transformation fund.

The commissioner of the Department of Community Based Services for CHFS discussed the SNAP payment error rate and explained the payment error measurement process, trends, and schedule.

The senior manager of tax quality for Blue & Co. provided an overview of the H.R. 1 tax provisions affecting businesses, individuals, and nonprofits. For the workforce, these provisions include new tax deductions for tips and overtime, as well as the creation of Trump accounts. She discussed deductions for state and local taxes, car loan interest, seniors, and charitable contributions. A partner from Besten & Dieruf, PLLC provided an overview of business provisions affecting depreciation of business assets, Section 179 expensing, research and development expenses, and wagering loss limitations. He discussed tax credits for contributions to scholarship granting organizations.

### **Kentucky's Workforce**

The senior vice president of public affairs for the Kentucky Chamber of Commerce discussed workforce challenges in child care and housing, and recommended policy solutions for the 2026 legislative session. The vice president of policy provided an overview of trends in workforce participation and state policy solutions, along with child care access and affordability, and trends in housing and the workforce.

### **Nickels And School Facility Funding**

The director of KDE provided an overview of nickel equivalent taxes used for school facility funding and local and state facility funding by source. In 2025, more than \$900 million was used for school facility funding.

The executive director of the Schools Facilities Construction Commission (SFCC) explained that SFCC fulfills the unmet financial needs for school facility funding based on KDE's unmet needs report. She discussed the offers of assistance plan for school districts. In 2023, the total unmet need was \$6.13 billion and \$951 million was available in local revenues. Since state funding has diminished over the years, an additional \$60 million was requested by SFCC for the next biennium. The director provided an overview of the Kentucky facilities inventory and classification system list.

### **Nutrition Program For The Elderly**

The secretary of CHFS and the state budget director provided an overview of federal, state, and regional senior meal operations. Senior meal programs and eligibility were highlighted and data for senior meals provided and funding sources were discussed.

### **Report From The Office Of Economic Analysis**

The assistant director for LRC's Office of Economic Analysis provided an economic overview of the United States and Kentucky by highlighting gross domestic product, unemployment data, the 10-year US Treasury yield, and inflation. He presented trends in revenue for Kentucky's general

fund and road fund by showing a 15-year history of revenues, growth rates, and the differences between actual revenues collected and the Consensus Forecasting Group's estimated collections. He demonstrated features of the new fiscal and economic resource center website.

### **State Health Insurance Plans**

The commissioner of the Department of Employee Insurance for the Personnel Cabinet provided an overview of the Kentucky employee health plan and updates on claims, premiums, and expenditures. Projected healthcare trends were discussed.

### **Summary Of On-Behalf Payments**

The associate commissioner of the Office of Finance and Operations for KDE provided a summary of on-behalf payments for FY 2025 that totaled approximately \$1.5 billion.

### **Update On DORIS**

The executive advisor for DOR presented an overview of the department of revenue integrated tax system (DORIS), provided an update and review of the project, and discussed its implementation schedule.

### **Updates From The Council On Postsecondary Education**

The Council of Postsecondary Education's (CPE's) vice president of Workforce and Economic Development provided an update on the healthcare workforce initiative and highlighted benefits of public-private partnerships in workforce and economic development. CPE's program director of healthcare workforce initiatives provided an update on the healthcare workforce investment fund, the institutions offering training programs, and scholarships awarded. The scholarships awarded are targeted towards training healthcare workers for hospital jobs with the highest vacancy rates.

The senior associate of CPE's Workforce and Economic Development provided an update on the aerospace education reinvestment opportunity act (AERO). The Kentucky Aerospace, Aviation, and Defense Investment Fund Advisory Committee will advise CPE on the implementation of the AERO Act. She explained future initiatives and goals of CPE, and requested a \$20 million appropriation for the healthcare workforce investment fund and \$15 million for the AERO Act.

### **Subcommittee Activity**

The Interim Joint Committee on Appropriations and Revenue is organized into six Budget Review Subcommittees. Their purpose is to review revisions to the enacted budget, to monitor the budgetary operations and programs of state government, and to address agency budget needs.

### **Budget Review Subcommittee On Economic Development, Tourism, And Environmental Protection**

The Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection held five meetings.

The secretary and general counsel from the CED as well as the president and CEO of Kentucky Association for Economic Development presented on the Kentucky Product Development Initiative and closing funds. The presentation included program guidelines, approved project numbers, and recommendations for each program.

Representatives of the Tourism, Arts and Heritage Cabinet provided an update on the Tourism, Meeting, and Convention Marketing Fund.

Representatives of the Department of Parks provided an update on the status of their capital projects included in 2023 RS HJR 76, 2024 RS HJR 56, and 2024 RS HB 6.

Representatives of the Aviation Museum of Kentucky presented a funding request for a new Kentucky Aerospace Education Center in a new location. The agency is requesting \$4 million for the new center.

The president and CEO of the Blue Grass Airport presented a funding request for a renovated terminal. The total project is estimated to cost \$776 million.

The executive director of the Lexington Children's Museum presented a funding request for a new Lexington Children's Museum in a new location. The project is estimated to cost \$50 million.

The chairman for Next Stage Development Corporation and vice president of Business Development/North America of ATG Entertainment presented a funding request for a downtown Lexington Arts Center. The request for state funding is \$30 million, and the total project is estimated to cost \$120 million.

Representatives of Shaping Our Appalachian Region presented on the Economic Development Administration Recompete Pilot Program and the EKY Remote program.

Development Counsellors International presented on talent attraction initiative strategies and discussed preliminary recommendations for Kentucky with a timeline and breakdown of funding.

First Frontier Appalachian Trails representatives gave an update on the impact on all-terrain vehicle (ATV) tourism, discussed planned trail expansions, and new routes, goals, and strategic vision.

### **Budget Review Subcommittee On Education**

The Budget Review Subcommittee on Education held five meetings.

Economists presented research highlighting teacher and school district employee salaries in Kentucky, how salaries and other benefits paid on behalf of teachers and employees influence overall compensation, and how academic outcomes have changed over time with changes in

overall compensation. Discussion centered on how best to compensate teachers to attract and retain high-quality teachers while safeguarding scarce financial resources.

The subcommittee heard testimony from We Lead CS, a new program that offers instruction in data science, cybersecurity, and artificial intelligence. Presenters described how the program operates and its expected outcomes and asked the subcommittee to consider increasing the appropriation to allow more students to benefit from the program.

Representatives of public postsecondary institutions presented on 2025 RS HB 4, addressing compliance status, anticipated timelines, impacts on personnel and programs, and potential cost savings. A representative of the Kentucky Student Rights Coalition discussed the bill's impact and performance-based funding metrics.

Kentucky Higher Education Assistance Authority provided updates on lottery-funded scholarships and other student aid programs, detailing the scholarship criteria, number of recipients, and total funding.

CPE provided an overview of its 2026-2028 budget priorities, including Futuriti expansion projects, summer bridge programs growth, and workforce and economic development expansion. CPE also provided information on funding requests for public postsecondary institutions.

The subcommittee discussed 2025 RS SB 207, which outlines a framework for schools of innovation. Representatives of Model Laboratory School, Gatton Academy, Craft Academy, and Young Scholars Academy shared information about the history of their program, mission, and accomplishments. Gallatin County School Board representatives provided information on innovation at Gallatin County Schools, and a representative of the Bluegrass Institute for Public Policy Solutions provided remarks on K-12 innovation in Kentucky.

### **Budget Review Subcommittee On General Government, Finance, Personnel, And Public Retirement**

The Budget Review Subcommittee on General Government, Finance, Personnel, and Public Retirement held five meetings.

The commissioner of the Kentucky Department of Veterans Affairs (KDVA) and the executive director of the Office of Kentucky Veterans Centers provided an update on the progress of the opening of the Robert E. Spiller Bowling Green Veterans Center, which was delayed due to global supply chain issues and a weather-related disaster. The executive director discussed how these delays will impact the KDVA budget in the 2026-2028 budget cycle. KDVA representatives expect the center to be open in late October 2025.

The commissioner of the Department of Agriculture provided an overview of their upcoming budget requests. He discussed loans available to Kentucky farmers, as well as staffing challenges that the department has faced.

The president of the Kentucky Humane Society (KHS) presented information on the services the organization provides to Kentucky families and their pets, which includes spay and neuter services, vaccines, and response to natural disasters, including transportation services. KHS is looking to open a new Kentucky Animal and Community Campus in the Louisville area to serve as a space to house animals in the case of disasters or large-scale cases of animal cruelty.

The commissioner and deputy secretary of the Personnel Cabinet presented information about the high deductible health insurance option provision in 2024 RS HB 6, which is being offered for local school district employees by July 1, 2025, as required by the bill.

The executive director and staff assistant for the Kentucky River Authority provided an update on the three lock and dam repairs included in the 2024-2026 Biennial Budget Bill. The executive director explained the difficulties in repairing structures on the river and why some delays have occurred. The agency addressed the closure of the locks due to flooding during much of the summer of 2025.

Assistant director of the Commonwealth Office of Technology and geospatial information officer from the Division of Geographic Information outlined the aerial mapping program, Kentucky from Above, which is a common and openly accessible set of aerial photography and elevation base map resources that began in 2011 to meet the needs of all government agencies. The program uses an economies of scale approach to minimize costs while providing valuable data throughout the commonwealth. The program completed Phase 1 of LiDAR derived elevation data in 2017, Phase 2 of LiDAR derived elevation data in 2024, and Phase 3 was initiated ahead of schedule in 2022 due to the Eastern Kentucky flooding and is still ongoing. The need for consistent funding on a 3- and 6-year refresh cycle was discussed.

### **Budget Review Subcommittee On Human Resources**

The Budget Review Subcommittee on Health and Family Services held six meetings.

The commissioner and the chief financial officer of CHFS' Department for Medicaid Services (DMS) provided an update on implementation of 2025 RS HB 695 and FY 2025 Medicaid expenditures.

The inspector general and the director of the Division of Health Care in the Office of Inspector General of CHFS provided an update on the backlog and plans for clearing the backlog of the long-term care certification surveys.

The secretary of CHFS and the administrative branch manager of the Department for Public Health provided an update on funding for the public health transformation initiative. The secretary provided an update on the central laboratory expansion capital project.

The chief executive director and the chief clinical officer of the Lee Specialty Clinic provided an update on the services provided by the clinic for individuals with intellectual disabilities, funding appropriated to the clinic, and plans to offer services to other parts of the state.

The CEO, chief philanthropy officer, and former residents of the Ronald McDonald House discussed the services provided for families of children with serious medical conditions and the planned capital project to expand the facility.

The president of the Kentucky Association of Health Care Facilities, the vice president, and the health care director of operations for personal care homes provided an overview of the services offered by personal care homes, funding sources, and reimbursement rates.

The commissioner and the chief financial officer of DMS provided an update on the FY 2025 year-end Medicaid expenditures, as well as the FY 2026 projection for Medicaid expenditures.

The deputy commissioner and director of DMS' Division of Long-Term Services and Supports provided an update on the Medicaid home and community-based services waivers, including the number of waiver participants, the number on waiting lists, and management of the waiting lists.

Representative Amy Neighbors and the director of government affairs of the Kentucky Pharmacists Association discussed Medicaid reimbursement rates for pharmacy services.

Representative Neighbors, Senator Meredith, the founder of the Kentucky Colon Cancer Prevention Project, and the executive director of Kentucky CancerLink provided an update on the incidence of colon cancer in the state, prevention and treatment activities, and funding for the Kentucky Colon Cancer Screening Program.

The CEO, the chief strategy officer, a board member, and consultant with the Children's Home of Northern Kentucky provided an update on the services provided by the facility and plans for expansion.

Representative Moser and the chairman of the Kentucky Lung Cancer Screening Advisory Committee discussed Kentucky's lung cancer screening program and funding for the program.

The director of DMS' Division of Health Care Policy and the executive director and regional program manager of the Office of Transportation Delivery of the Kentucky Transportation Cabinet provided an overview of the Medicaid nonemergency medical transportation (NEMT) program, including eligibility requirements, number of participants, provider requirements, funding, and expenditures.

The general counsel of CHFS, and the general counsel, the chief of the Department of Child Support Services, and the executive director of the Office of the Attorney General (OAG) discussed the reorganization of the Child Support Enforcement Program from CHFS to the OAG.

The president and members of the Kentucky Pediatric Cancer Research Trust Fund Board discussed the types of pediatric cancers in the state, appropriations provided for the Kentucky Pediatric Cancer Research Trust Fund, and research projects on pediatric cancer funded through the trust fund.

The president and vice president of Hosparus Health discussed hospice care services provided by the facility and the planned capital project to expand the facility.

### **Budget Review Subcommittee On Justice And Judiciary**

The Budget Review Subcommittee on Justice and Judiciary held six meetings.

Representatives of the Department of Juvenile Justice (DJJ) and the Department of Corrections provided an overview of issues related to medical services contracts. DJJ also provided an update on the necessity of a high-acuity mental health facility, as well as alternatives to detention for juvenile offenders.

Representatives of the Justice and Public Safety Cabinet provided an overview of federal grants managed by the cabinet.

Representatives of the Department of Public Advocacy provided an overview of alternatives to incarceration, as well as issues related to compensation for their attorneys.

The Administrative Office of the Courts (AOC) provided an overview of specialty courts and the Judicial Branch budget.

Representatives of the Life Learning Center, the Northern Kentucky Office of Drug Control Policy, the ION Center for Violence Prevention, and the Brighton Center provided an overview of their programs and partnerships serving justice-involved individuals.

Representatives of Amergis provided an overview of services and issues related to their provision of healthcare staffing to DJJ.

Representatives of the four legal aid providers in Kentucky provided an overview of legal aid services.

### **Budget Review Subcommittee On Transportation**

The Budget Review Subcommittee on Transportation held six meetings.

Representatives of the Kentucky Transportation Cabinet's (KYTC's) Department of Rural and Municipal Aid provided updates on the county and city bridge improvement program, as well as status updates and a description of how the roads are scored for the Local Assistance Road Program (LARP). Information was provided for the Transportation Alternative Program and how the application process works, how many applications are received each year, and how KYTC reviews each one. Fiscal updates were provided for ongoing projects and pending projects.

Staff from KYTC's Division of Aviation provided updates on airport hangar projects.

Members from Kentucky for Better Transportation provided information on current biennium projects for waterways, rails, aviation, public transit, and roads.

Staff from KYTC's Driver Licensing Division provided information on the current driver license regional offices, including updates on scheduling and improved wait times, as well as the completion of other regional offices that are now fully operational.

Representatives of KYTC's Department of Highways presented updates on current projects for riverports, as well as short rail projects. The department provided updates on the Kentucky EV Charging program fees, personal service contracts, best practices for road projects, and alternate delivery methods for highway projects. Road fund revenues were given for the enacted estimates versus the current actuals, and the highway maintenance budget was presented. Staff provided updates on the Strategic Highway Investment Formula for Tomorrow (SHIFT), which included how each highway plan project is scored on seven attributes, as well as timelines for the scoring and when each step takes place throughout the process.

## **Report Of The 2025 Interim Joint Committee On Banking And Insurance**

**Sen. Jared Carpenter, Co-Chair**  
**Rep. Michael Meredith, Co-Chair**

Sen. Julie Raque Adams	Rep. Mike Clines
Sen. Cassie Chambers Armstrong	Rep. Robert Duvall
Sen. Donald Douglas	Rep. Jim Gooch Jr.
Sen. Greg Elkins	Rep. Deanna Gordon
Sen. Rick Girdler	Rep. Daniel Grossberg
Sen. Jason Howell	Rep. Tony Hampton
Sen. Steve Rawlings	Rep. Erika Hancock
Sen. Brandon Smith	Rep. Samara Heavrin
Sen. Brandon J. Storm	Rep. Derek Lewis
Sen. David Yates	Rep. Matt Lockett
Rep. Chad Aull	Rep. Shawn McPherson
Rep. Jared Bauman	Rep. Michael Sarge Pollock
Rep. Josh Bray	Rep. Steven Rudy
Rep. Adrielle Camuel	Rep. Tom Smith

LRC Staff: Jessica Sharpe, Breanna Patterson, and Sasche Allen

Jurisdiction: Matters pertaining to banking; banks and trust companies; consumer loan companies; building and loan associations; credit unions; investment companies; industrial loan corporations; securities; Blue Sky Law; mortgage guaranty insurance; assessment and cooperative insurance; fraternal benefit societies; hospital service corporations; burial associations; medical and dental service corporations; life, accident, indemnity, and other forms of insurance; stock and mutual insurance companies; banking and insurance aspects of the Uniform Commercial Code; interest and usury; pawnbrokers; private credit; consumer credit; sale of checks; installment sales contracts; legal investments; and principal and income.

## Committee Activity

The Interim Joint Committee on Banking and Insurance held four meetings.

### Department Of Financial Institutions

The commissioner of the Department of Financial Institutions (DFI) provided an update on its depository, securities, and non-depository divisions. In the depository division, the number of state-chartered banks appears to have stabilized with one newly chartered bank and a pending de novo application. Bank assets and loans have increased. The loss of a credit union charter in 2025 resulted in a substantial decline in total credit union assets and loans. In the securities division, the number of broker-dealer registrations have been stable and the number of issuer agents, adviser firms, and investment adviser representatives have increased. In the non-depository division, licenses for loan originators and money transmitters have increased and the first student loan servicer licenses were issued. There was an increase in enforcement referrals and investigations and decrease in consumer complaints.

### Financial Institution Updates

**Kentucky Bankers Association.** The general counsel of the Kentucky Bankers Association (KBA) and its governmental affairs consultant outlined the KBA's legislative priorities for the 2026 session, including proposals relating to housing shortages, new markets tax credits, and historic tax credits. The purchase of state-chartered banks by credit unions and proposals to prohibit such purchases in other states were also discussed. The KBA does not support allowing credit unions that do not pay deposit taxes to accept public deposits.

**Bluegrass Community Bankers Association.** The executive director and the president of the Bluegrass Community Bankers Association discussed contributions that community banks make to local communities, and areas of legislative concern, including credit union acquisition of community banks, credit union acceptance of public deposits, and the regulation of revenue-based financing.

**Credit Unions.** The president and CEO of Kentucky's Credit Unions, president and CEO of Abound Credit Union, president and CEO of Members Choice Credit Union, and senior vice president and chief advocacy officer of Kentucky's Credit Unions discussed the structure of credit unions, differences between banks and credit unions, financial benefits of credit unions, and veteran programs. Kentucky's Credit Unions is opposed to a proposal to prohibit banks from selling bank assets to credit unions and requests legislation clarifying the ability of credit unions to accept public deposits.

## Department Of Insurance

The commissioner of the Department of Insurance (DOI) provided an update on its activities and the insurance industry. Consumer complaints and fraud activities remain an issue. Workers' compensation premiums will continue to decrease in 2026. The property and casualty insurance industry is experiencing a hard market due to weather-related losses, economic pressures, litigation trends, and reinsurance costs. The commissioner discussed upcoming health insurance rate increases and identified healthcare costs, workforce shortages, and the pending expiration of federal enhanced premium tax credits as primary cost drivers. The commissioner and executive advisor of DOI discussed the department's proposed amendments to Kentucky's essential health benefit-benchmark plan.

### Insurance Updates

**Kentucky Farm Bureau Mutual Insurance.** The chief executive officer and executive vice president of Kentucky Farm Bureau Mutual Insurance discussed legislation passed by the General Assembly, several recent loss events, and the issues impacting the property and casualty insurance industry, which include labor rates, fraud, and severe weather. Deer strike events through the rest of the year are expected to be significant.

**Insurance Industry.** The assistant vice president of state affairs of the National Association of Mutual Insurance Companies (NAMIC) presented an overview of the organization and state of the industry, highlighting areas impacting the property and casualty insurance market, including extreme weather, economic and inflationary pressure, cost drivers, and legislative and regulatory overreach. The executive director of the Insurance Institute of Kentucky (IIK) discussed insurance legislation passed by the General Assembly some of which has been adopted as national models. The IIK's legislative priorities include combatting personal injury protection (PIP) fraud and abuse, lawsuit abuse reform, and the prosecution of insurance fraud. The legislative and regulatory counsel for Allstate Insurance discussed a potential modification to the state's insurable interest statute.

**Health Mandate And Federal Cost Defrayal Impact Statements.** The commissioner of DOI, executive advisor to DOI, and the vice president and principal at Lewis & Ellis provided an overview of health mandate impact statements and federal requirements for states to defray the cost of certain health insurance mandates. The commissioner described the department's role in preparing the statements for proposed legislation, noting that 2024 RS HB 186 prohibited any mandate that triggered cost defrayment from being implemented.

### Proposed Legislation

Several legislators presented proposed legislation for the 2026 legislative session. The presentations included proposals related to reimbursement for covered benefits delivered through the Psychiatric Collaborative Care Model, coverage of eating or feeding disorders, coverage of hearing loss, and mental health parity in insurance coverage.



## **Report Of The 2025 Interim Joint Committee On Economic Development And Workforce Investment**

**Sen. Phillip Wheeler, Co-Chair**

**Rep. Josh Branscum, Co-Chair**

Sen. Gary Boswell  
Sen. Shelley Funke Frommeyer  
Sen. Rick Girdler  
Sen. Jason Howell  
Sen. Scott Madon  
Sen. Matt Nunn  
Sen. Reginald L. Thomas  
Sen. Mike Wilson  
Sen. Max Wise  
Rep. Adam Bowling  
Rep. Josh Calloway  
Rep. Robert Duvall  
Rep. Daniel Elliott  
Rep. Al Gentry

Rep. Peyton Griffiee  
Rep. Vanessa Grossl  
Rep. Thomas Huff  
Rep. Kevin Jackson  
Rep. Kim King  
Rep. Nima Kulkarni  
Rep. William Lawrence  
Rep. Matthew Lehman  
Rep. Matt Lockett  
Rep. J.T. Payne  
Rep. Scott Sharp  
Rep. Ashley Tackett Laferty  
Rep. Timmy Truett

LRC Staff: Janine Coy, Christian Deeter, Austin Johnson, and Samantha Gerhart

Jurisdiction: Matters pertaining to commerce, industry, economic and industrial development, the workforce and the workplace, and tourism not specifically assigned to another committee; economic development planning, international trade and investment; investment companies and industrial loan corporations as they relate to economic and industrial development; recruitment of business and industry; small business matters relative to economic and industrial development; financing of business and industrial development; business regulatory matters, including the Uniform Commercial Code, relative to economic and industrial development; worker training; technology development and application; chambers of commerce; convention centers and publicly owned exhibition and parking facilities; arts and arts exhibition facilities; state, interstate, and national parks and historic sites; travel promotion and advertising; labor unions; collective bargaining; liquefied petroleum gas and other flammable liquids; hotels; electricians; plumbers and plumbing; wages and hours; garnishments; safety and health of employees; child labor; employment agencies; apprenticeship; unemployment compensation; workers' compensation; consumer protection; industrial weights and measures.

## Committee Activity

The Interim Joint Committee on Economic Development and Workforce Investment held six meetings.

### Economic Development

The executive director of Blue North testified on behalf of KY Innovation Hubs and other regional entrepreneurial partners. He discussed state-level initiatives and support systems to retain founders in the commonwealth, stressing ecosystem-building across capital, talent, and infrastructure. He also highlighted SparkHaus, an entrepreneurial hub under construction in Covington.

The president and CEO of One East Kentucky spoke about improving the state's economic development incentive programs to better support business growth and regional development.

The athletics directors of the University of Kentucky and the University of Louisville provided an update on college athletics and related provisions in 2025 RS SB 3. They outlined the current landscape of collegiate athletics governance, emphasizing evolving national standards around name, image, and likeness (NIL) agreements and student-athlete compensation. They discussed how the legislation interacts with institutional policies, athletic department budgets, and compliance responsibilities, including administration of NIL contracts, reporting requirements, and team roster limitations.

### Workforce Investment

Leaders representing the Statewide Workforce and Talent Team (SWATT) presented a collaborative strategy to transform Kentucky's workforce system. The president and CEO of the Kentucky Chamber of Commerce, the secretary of the Cabinet for Economic Development, the secretary of the Education and Labor Cabinet, and the president of the Kentucky Community and Technical College System described SWATT as an employer-informed model focused on aligning services, reducing barriers, and building sector-specific talent pipelines to support long-term economic growth.

The executive director of the Kentucky Recovery Vocational Workforce and Re-Entry Inc. provided a comprehensive overview of the organization's model for assisting individuals in recovery and those re-entering the workforce following incarceration in collaboration with the Sobriety Peace Awareness Recovery Center.

The CFO of Goodwill Kentucky, the director of the Excel Center, and a student from the Excel Center presented on the Excel Center, a tuition-free high school program for adults operated by Goodwill. The program removes barriers to education by offering wraparound supports such as free childcare, flexible scheduling, life coaching, and career planning.

The executive director of government relations of the Kentucky Pipe Trades Association, the training coordinator of UA Local 502, and a retired training director of Louisville Electrical

JATC discussed a plumbers, pipefitters, and HVAC techs apprenticeship program. The program offers a debt free education to gain all required licenses and certifications, an opportunity to achieve an Associate's Degree in Applied Science, and a benefit package with health insurance and pension plan.

The founder and CEO and the education director of Canopy KY discussed their mission to help Kentucky businesses grow profitably while strengthening communities.

The executive director for KentuckianaWorks and the executive director for the Cumberland Workforce Development Board explained how local workforce development boards are working to put young Kentuckians to work, and provided a first-year update on the Putting Young Kentuckians to Work program.

### **Workforce Issues**

The executive director of the Kentucky Chamber of Commerce's Center for Policy and Research testified on housing and economic growth, stating the commonwealth must build an estimated 360,000 to 500,000 new homes by 2050 to meet projected demand. He urged policymakers to adopt solutions similar to Indiana's Residential Infrastructure Assistance Program, to reduce red tape, streamline approvals, reform zoning, and incentivize workforce training and development in the homebuilding sector.

Representative Jason Petrie, the CEO of MI2, and the board chair of MI2 testified about the commonwealth's leadership in metals manufacturing and strategies to maintain competitiveness. The state is home to over 1,000 metals facilities employing more than 36,000 workers directly and supporting nearly 96,000 jobs overall. However, significant workforce challenges include approximately 1,000 unfilled positions daily, high turnover, and skill gaps not adequately addressed by existing education and training pipelines. Presenters also noted that the commonwealth's recycling rates fall below national averages, creating additional supply chain vulnerabilities. To address these workforce and recycling issues, three key initiatives were recommended and members were urged to support public-private partnerships to fund these initiatives.

The director of the Kentucky State Building and Construction Trades Council and legislative agents of Working Strategies 2 discussed how worker misclassification in the commercial construction industry has a negative financial impact on individual workers, state government, and the private sector. The presenters discussed drafting legislation to enforce existing laws and raising lost revenue for the state without raising taxes.

The senior vice president of research and the senior vice president of talent attraction at Development Counsellors International (DCI), the chief policy officer of Commerce Lexington, and the senior vice president of government affairs and external relations of Greater Louisville Inc. explained that DCI was hired to develop a marketing strategy to attract and retain talent in Kentucky. The presenters discussed the specific problems and opportunities that impact Kentucky's talent attraction, and detailed six preliminary recommendations for the state.

## **Manufacturing**

Representative Patrick Flannery, the rapid response coordinator of United Steelworkers District 8, the president of Kentucky State AFL-CIO, and the CEO of MI2 discussed the proposed Kentucky Buy American Act, which would require state and local contracts to contain a provision that any iron, steel, aluminum, and manufactured goods used in state and local projects be manufactured in the United States unless a waiver is granted.

The associate vice president of research and innovation at the University of Louisville, the executive director of the Kentucky Manufacturing Extension Pipeline at the University of Louisville, and the operations manager at Anderson Forest Products Inc. discussed the problems facing Kentucky manufacturers. They explained their mission of solving these problems through operational efficiencies, automation technologies, development of leaders, and igniting innovative growth.

## **Tourism**

The CEO of CMH23 discussed leveraging the "Country Music Highway," which runs through seven counties in Eastern Kentucky, to drive economic growth. He proposed launching a syndicated radio-television channel focused on music of the region at no cost to broadcasters to help position the region as a major cultural and tourism destination.

Senator Funke Frommeyer, the president and CEO of meetNKY, and the owner of BB Riverboats provided an update on America's River Roots Festival that took place in October 2025. The 4-day event was hosted along the Ohio riverfronts of Cincinnati, Covington, and Newport, marking the kickoff to America's 250th celebration. The festival was projected to attract more than one million visitors with an estimated \$150 million economic impact.

## **Report Of The 2025 Interim Joint Committee On Education**

**Sen. Stephen West, Co-Chair**  
**Rep. Scott Lewis, Co-Chair**  
**Rep. James Tipton, Co-Chair**

Sen. Danny Carroll  
Sen. David P. Givens  
Sen. Jimmy Higdon  
Sen. Stephen Meredith  
Sen. Gerald A. Neal  
Sen. Steve Rawlings  
Sen. Aaron Reed  
Sen. Reginald L. Thomas  
Sen. Lindsey Tichenor  
Sen. Gex Williams  
Sen. Mike Wilson  
Sen. Max Wise  
Rep. Shane Baker  
Rep. Kim Banta  
Rep. Tina Bojanowski  
Rep. Steve Bratcher  
Rep. George Brown Jr.  
Rep. Emily Callaway  
Rep. Josh Calloway  
Rep. Adrielle Camuel

Rep. Mike Clines  
Rep. Jennifer Decker  
Rep. Steven Doan  
Rep. Ken Fleming  
Rep. Daniel Grossberg  
Rep. Vanessa Grossl  
Rep. David Hale  
Rep. Kevin Jackson  
Rep. Candy Massaroni  
Rep. Bobby McCool  
Rep. J.T. Payne  
Rep. Marianne Proctor  
Rep. Felicia Rabourn  
Rep. Steve Riley  
Rep. Rachel Roarx  
Rep. Sarah Stalker  
Rep. Aaron Thompson  
Rep. Timmy Truett  
Rep. Lisa Willner

LRC Staff: Yvette Perry, Lauren Busch, Josh Collins, Emily Wiley, Peter Wright, and Jay Harris

Jurisdiction: Matters pertaining to public elementary, secondary, and higher education; the State Board of Education; the State Department of Education; the powers and duties of local boards of education; conduct of schools; attendance; state support of education; operation of school districts, teachers' qualifications and tenure; the school curriculum; teachers' retirement; school employees; pupil transportation; school property and buildings; vocational education and rehabilitation; state universities and colleges; community colleges; regional education; and educational television.

## **Committee Activity**

The Interim Joint Committee on Education held seven meetings.

### **2022 RS HB 250 Update**

Representatives of the Council on Postsecondary Education (CPE) provided an update of the management improvement plan outlined in 2022 RS HB 250 for Kentucky State University (KSU). KSU representatives discussed implementation of the plan and noted conflicts with audits and budget deficits from the previous administration along with staffing issues.

### **2025 RS SB 253**

Senator Higdon, the director of workforce development for Nelson County Schools, and a representative from the Kentucky Department of Education (KDE) discussed 2025 RS SB 253 and teacher apprenticeships for K-12 teachers.

### **2026 RS BR 1149**

Senator Tichenor and a representative from the Kentucky Student Rights Coalition discussed 2026 RS BR 1149, which would prohibit diversity, equity, and inclusion spending and initiatives within K-12 institutions.

### **Assessment And Accountability Model Update**

The commissioner of KDE shared priorities for the new assessment and accountability system focused on vibrant learning experiences, encouraging innovation, especially around assessment, and creating a new future for Kentucky's schools through collaboration with their local communities.

The superintendent of the Bullitt County School District discussed Bullitt County's community-based accountability framework and the superintendent of the Fleming County School District shared aspirations and common expectations of the accountability model.

### **Computer Science And AI Literacy**

Representatives from Code.org, AdvanceKentucky, We Lead CS, and KDE discussed computer science education in Kentucky and highlighted the fundamentals of computer science and tie-ins with artificial intelligence.

### **Dual Credit Updates**

Representatives from CPE testified on Kentucky's national placement relating to retention and persistence rates within postsecondary education. They provided an overview of the dual credit program, including eligibility and teacher requirements.

## **Educational Cooperatives**

A representative from the Kentucky Educational Development Corporation and the Kentucky Educational Cooperative presented on what the education cooperatives provide as services to school districts.

## **Educational Leadership Training Opportunities In Kentucky**

Representatives from KDE shared information regarding leadership opportunities and standards KDE offers to schools and districts across the state. KDE also provides leadership opportunities specifically for educators in special education, literacy, and math.

Representatives from the Green River Regional Educational Cooperative presented their leadership coaching academy that provides evidence-based professional learning and coaching experiences to individuals serving in district and school leadership roles, including those who aspire to become highly effective educational leaders.

A representative from the Kentucky Chamber of Commerce and the superintendent of the Henderson School District discussed the Leadership Institute for School Principals program, which is an executive-level leadership program that focuses on developing and mastering key leadership dynamics for 45 principals annually presented on their academic leadership program.

Representatives from the Kentucky Association of School Administrators presented information on leadership development programming and equipping leaders in public education with enhanced skills.

## **Fayette County School District Budget Update**

Superintendent from Fayette County Public Schools (FCPS) presented and answered questions on the FCPS budget.

## **Federal Education Updates**

A representative from the National Conference of State Legislatures (NCSL) presented on H.R. 1 (Public Law 119-21) and discussed updated student loan and Pell Grant requirements.

## **Futuriti.org Update**

Representatives from CPE discussed Futuriti.org, a Kentucky specific web-based platform that offers career information using Kentucky data and links directly to educational opportunities for Kentuckians.

## **Kentucky Academic Standards For Reading And Writing**

Representatives from KDE presented Kentucky's standards for reading and writing and the standards process review timeline.

**Kentucky Association Of School Superintendents**

Representatives from the Kentucky Association of School Superintendents presented their legislative priorities and highlighted the need for public education funding.

**Kentucky Department Of Education Performance Review**

Representatives of the Auditor of Public Accounts (APA) presented a full fiscal controls and operational performance audit of KDE in accordance with 2024 RS HB 825. The audit included department operations, a fiscal overview, strategy and partnerships, state board oversight of the KDE commissioner, academic standards and model curriculum, the Kentucky School for the Blind, the Kentucky School for the Deaf, preschools, career and technical education, staffing and support of the Education Professional Standards Board, school athletics, and community education programs and services.

**Kentucky State University Doctoral Program Request**

Representatives from KSU presented a request for an agroecology and sustainability doctoral program and an aquaculture and aquatic science doctoral program at KSU.

**Math Improvement Committee Report**

Representatives from KDE presented the department's strategic plan for improving mathematic achievements. The plan included goals, recommended actions, and clarification and research to help inform shareholders and provide collaboration to improve math efficiency in Kentucky.

**Postsecondary Accreditation**

Representative from the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) presented on SACSCOC's role in and process for postsecondary education accreditation.

**Postsecondary Credit Alignment**

Representative Grossl and the general counsel for CPE presented on statewide transfer pathways to assist students with the transferring of college credits.

**Preschool Education**

Representatives from KDE presented on Kentucky's preschool education program, including eligibility requirements, funding, enrollment, and the Kentucky All STARS Quality Rating System.

## **Praxis Exam**

Representatives from the Educations Testing Service (ETS) presented on the Praxis test for teacher certification and included an overview of how those tests are developed.

## **Robotics Education**

Representative Chris Lewis, the executive director of KY FIRST Robotics, and student robotic team members discussed how robotic teams prepare students for tomorrow's manufacturing economy.

## **School Improvement Classifications**

Representatives from KDE presented on school improvement classifications and the support provided to schools identified as a Comprehensive Support and Improvement (CSI), Targeted Support and Improvement (TSI), or Additional Targeted Support and Improvement (ATSI) school.

## **School Safety Updates**

Representative of the Kentucky Center for School Safety discussed trainings provided for school resource officers (SROs) to help deter conflicts within schools and mitigate conflicts.

The president of the Kentucky School Counselor Association discussed a school counselor's role within a school and services provided to students.

The chief strategy officer for the Critical Response Group presented findings from real combat situations related to mapping that can be used by SROs and local police departments to make joint operations between law enforcement more unified.

## **United Way Of Southern Kentucky**

Representatives from the United Way of Southern Kentucky presented on readiness tools for kindergarteners that parents can use to teach their children early development skills to improve their learning capability.

## **University Presidents**

The new president of the University of Louisville discussed his vision for the university. He highlighted the university's strategic focus, enrollment, retention and persistence rates, student demographics, access and affordability initiatives, student success outcomes, and community outreach.

The new president of Murray State University (MSU) presented his strategic timeline for MSU.



## **Report Of The 2025 Interim Joint Committee On Families And Children**

**Sen. Danny Carroll, Co-Chair**  
**Rep. Samara Heavrin, Co-Chair**

Sen. Matthew Deneen	Rep. Stephanie Dietz
Sen. Shelley Funke Frommeyer	Rep. Steven Doan
Sen. Rick Girdler	Rep. Robert Duvall
Sen. Keturah J. Herron	Rep. Daniel Elliott
Sen. Amanda Mays Bledsoe	Rep. Kim Holloway
Sen. Stephen Meredith	Rep. Kimberly Poore Moser
Sen. Robby Mills	Rep. Michael Sarge Pollock
Sen. Robin L. Webb	Rep. Felicia Rabourn
Sen. Gex Williams	Rep. Steve Riley
Rep. Tina Bojanowski	Rep. Rachel Roarx
Rep. Emily Callaway	Rep. Sarah Stalker
Rep. Mike Clines	Rep. Nick Wilson

**LRC Staff:** Ben Payne, Logan Bush, Cameron Franey, and Becky Lancaster

**Jurisdiction:** Matters pertaining to child welfare; adoptions; assistance to children; children's homes; commitment and care of children and families; child protective services; adult protective services; state guardianship; caregiver support services; child support programs; support of dependents; family preservation programs; social service programs; child care; senior citizens and aging; disabilities; rape crisis centers; domestic violence shelters; sexual assault programs; and public assistance programs such as TANF, CCAP, SNAP, LIHEAP, and WIC.

## Committee Activity

The Interim Joint Committee on Families and Children held six meetings.

### Child Care

Representatives of the Cabinet for Health and Family Services (CHFS) detailed how child care is licensed and regulated in Kentucky, including civil penalties and adverse actions.

Representatives from the Kentucky Chamber of Commerce, Century Aluminum, and Metro United Way discussed the Kentucky Collaborative on Child Care, access to child care, adequate child care services, affordability challenges for families, positive workforce impacts of child care, and improving workforce participation. Presenters highlighted the collaborative's focus on building a stronger foundation for child care through public policy, philanthropy, nonprofits, and employers.

The secretary of the New Mexico Early Childhood Education and Care Department discussed the formation and composition of the department and the pre-kindergarten expansion process.

### Child Fatalities And Near Fatalities In The Commonwealth

The chairman of the External Child Fatality and Near Fatality Review Panel presented the *2024 Child Fatality and Near Fatality External Review Panel Report*. The presentation included detailed key findings, trends, plans of safe care, and panel recommendations, and highlighted data on the accidental ingestion of illegal drugs by children.

### Youth Residential And Support Programs

Representatives for Isaiah 117 House discussed their organization's origin, goals, and mission to assist foster children and families. They highlighted the Isaiah 117 House serving Logan, Simpson, and Butler Counties, including the provisions available at and layout of the house.

The director of the Unity in Action, Lexington Leadership Foundation discussed working with the Department for Community Based Services (DCBS) and faith-based initiatives for child welfare, his personal experience as part of the foster care system, and his aspirations for more Isaiah 117 Houses.

Representatives of the Ramey-Estep/Re-group discussed the Ramey-Estep/Re-group's commitment to investing in Kentucky's children and families; progression from an orphanage to residential, prevention, and foster care; evolution of programs from 2014 to 2025; treatment sites; and workforce data. Presenters also discussed the Kentucky Strengthening Ties and Empowering Parents (KSTEP) program and the Re-Group Specialized Treatment and Empowerment Program (RESTEP) for children in nontraditional placements.

Representatives from the Center for Courageous Kids provided an overview of the center, including background information, specialized camp programs, and family experiences. They

discussed their pillars of support, including financial support, medical volunteers from universities and medical institutions, and future projects for expansion that need funding.

### **Community Health For Improved Lives And Development (CHILD) Waiver**

Representatives from CHFS discussed the 1915(c) CHILD waiver, including targeted participants, waiver qualifications, covered services, trends and challenges of the waiver population, and youth experiencing prolonged stays in psychiatric hospital settings. Presenters also discussed the targeted approach to create and implement the 1915(c) CHILD waiver, the Department for Medicaid Services waiver application status, and resources for waiver information.

The state auditor highlighted the long wait lists for home and community-based services waiver programs, restrictions on the 1915(c) CHILD waiver, and waiver language regarding care providers. Representatives of the State Auditor's Office discussed the intended purpose of the appropriated funds in the state budget for the waiver.

The president of Children's Alliance discussed promising elements in the 1915(c) CHILD waiver proposal, the decline in in-home behavioral health services, and concerns about the waiver.

The executive director of Key Assets of Kentucky shared the provider perspective and highlighted concerns and challenges with waiver specifications for the needs of youth diagnosed with autism spectrum disorder, intellectual or developmental disabilities, or a serious emotional disturbance.

A parent advocate discussed their experience as a parent with a child diagnosed with a rare genetic syndrome, providing feedback to CHFS regarding challenges with care, and expressed disappointment that the 1915(c) CHILD waiver did not reflect feedback given by parents to CHFS.

### **Guardianship And Adult Protective Services**

Representatives from CHFS provided an overview of guardianship and highlighted the types of guardianships, the duties of guardians, and the average caseloads of state guardians. Presenters also discussed adult protective services, including pathways to services, services offered, and initiatives.

### **Domestic Violence**

The CEO of ZeroV provided an overview of its organization, including its statewide domestic violence programs, regional office information, number of individuals supported, and services offered to children.

The executive director of the Merryman House discussed the services offered by the Merryman House, the 2024 annual report highlights, and the rising demand and cost for services.

The CEO of the Center for Women and Families discussed the programs offered to survivors of domestic violence and the additional children-centered services provided. She highlighted the additional funding needed to sustain supportive services, maintain shelter support services, and for facility maintenance.

### **Referred Block Grant Applications**

Pursuant to KRS 45.353, the committee held legislative hearings on three block grant applications: the 2025 Preventive Health and Health Services Block Grant, the Maternal and Child Health Title V Block Grant, and the 2026-2027 Community Services Block Grant State Plan.

## **Report Of The 2025 Interim Joint Committee On Health Services**

**Sen. Stephen Meredith, Co-Chair**  
**Rep. Kimberly Poore Moser, Co-Chair**

Sen. Julie Raque Adams  
Sen. Karen Berg  
Sen. Danny Carroll  
Sen. Donald Douglas  
Sen. Keturah J. Herron  
Sen. Robby Mills  
Sen. Michael J. Nemes  
Sen. Steve Rawlings  
Sen. Craig Richardson  
Sen. Lindsey Tichenor  
Rep. Steve Bratcher  
Rep. Josh Bray  
Rep. Lindsey Burke  
Rep. Emily Callaway

Rep. Adrielle Camuel  
Rep. Ryan Dotson  
Rep. Robert Duvall  
Rep. Ken Fleming  
Rep. Deanna Gordon  
Rep. Kim Holloway  
Rep. Mary Lou Marzian  
Rep. Amy Neighbors  
Rep. Marianne Proctor  
Rep. Felicia Rabourn  
Rep. Rebecca Raymer  
Rep. Steve Riley  
Rep. Scott Sharp  
Rep. Lisa Willner

LRC Staff: DeeAnn Wenk, Chris Joffrion, Cameron Franey, and DJ Burns

Jurisdiction: Matters pertaining to health care and health care delivery; human development; health outcomes; disabled persons; mental health; health, medical, and dental scholarships; public health; local health departments; vital statistics; communicable diseases; epidemiology; certificate of need; hospitals, health clinics and long-term care facilities; substance abuse; maternal and child health; foods, drugs and poisons; hotel, restaurants, and trailer park regulations; sanitation plants; sanitation districts; suicide prevention; physicians, osteopaths, and podiatrists; chiropractors; dentists and dental specialists; nurses; pharmacists; embalmers and funeral directors; clinical psychologists; optometrists; ophthalmic dispensers; physical therapists; and Medicaid.

## **Committee Activity**

The Interim Joint Committee on Health Services held six meetings.

### **General Health Issues**

The superintendent of the Meade County Public School District discussed their partnership with Cumberland Family Medical Center to provide medical services within the schools.

Representatives of Cordata Healthcare Innovations discussed community engagement and quick response teams providing coordinated behavioral and physical health care.

Representatives of P&C Laboratories discussed the Rural Health Cancer Innovation Coalition.

Representative Nancy Tate and the executive director of Kentucky Right to Life discussed potential legislation relating to protecting vulnerable people.

### **Health Data**

The secretary of the Cabinet for Health and Family Services (CHFS) and the commissioner of the Department for Public Health provided an overview of the Kentucky Health Information Exchange.

Representatives of the University of Kentucky (UK) discussed integrating public health data sets and the Kentucky Cancer Registry.

### **Medicaid**

A representative of the National Conference of State Legislatures (NCSL) testified on federal changes affecting state Medicaid Programs.

The CHFS secretary discussed federal guidance on the Rural Health Transformation Fund and the state application for program funds.

The state auditor provided an overview of the 2025 report on the Medicaid program.

The president of the Kentucky Children's Alliance discussed 2025 RS HB 787 relating to Medicaid Managed Care Organizations' audit practices.

Representative Neighbors discussed 2025 RS HB 3 and SJR 26 relating to reimbursement for pharmaceutical services provided to Medicaid patients.

### **Medical Cannabis**

The director of the UK Cannabis Center presented on the center's research activities, grants, and publications.

Representatives of the Office of Medical Cannabis presented on the regulation of medical cannabis and the opening of medical cannabis dispensaries.

### **Physician Assistants**

Senator Scott Madon discussed 2026 RS BR 875 relating to changing the supervision model of practice for physician assistants to a collaboration model.

### **Substance Use And Regulation**

Senator Douglas discussed substance use disorder and ibogaine as a potential treatment for opioid dependency.

The executive director of the Kentucky Opioid Abatement Advisory Commission presented on grants aimed at prevention, research, and innovation.

Representative Moser discussed policies and procedures for the care of patients with sickle cell disease to avoid opioid dependence.

The CHFS secretary provided an update on regulation of Kratom and hemp-derived cannabinoid products.

The executive director of the Kentucky Office of Drug Control Policy and the director of the Department for Behavioral Health, Developmental and Intellectual Disabilities provided an overview of overdose prevention strategies.

Senator Gerald A. Neal and the CEO of People Advocating Recovery discussed 2026 RS BR 1027 relating to increasing access to nonopioid analgesics for those recovering from substance use disorders.

### **Trauma Care**

Representatives of Appalachian Regional Healthcare discussed Kentucky's Level IV Trauma Coordination in rural areas.

### **Youth Suicide**

The suicide prevention coordinator of the Department for Behavioral Health, Developmental and Intellectual Disabilities discussed suicide prevention, response, and support initiatives.

The education and outreach liaison of Mental Health America of Kentucky discussed the 2024 State of Mental Health Report.

A representative of the Office of Attorney General discussed consumer protection litigation related to social media influences on youth.

### **Referred Block Grant Applications**

Pursuant to KRS 45.353, the committee held legislative hearings on the Unified Community Mental Health and Substance Abuse Prevention and Treatment Block Grant application for federal FY 2026-2027 funds.

## **Report Of The 2025 Interim Joint Committee On Judiciary**

**Sen. Brandon J. Storm, Co-Chair**  
**Rep. Daniel Elliott, Co-Chair**

Sen. Danny Carroll	Rep. Peyton Griffee
Sen. Matthew Deneen	Rep. Nima Kulkarni
Sen. Gerald A. Neal	Rep. Chris Lewis
Sen. Michael J. Nemes	Rep. Derek Lewis
Sen. Aaron Reed	Rep. Savannah Maddox
Sen. Robert Stivers	Rep. Mary Lou Marzian
Sen. Reginald L. Thomas	Rep. Kimberly Poore Moser
Sen. Phillip Wheeler	Rep. Jason Nemes
Rep. Kim Banta	Rep. Jason Petrie
Rep. Jared Bauman	Rep. T.J. Roberts
Rep. John Blanton	Rep. Pamela Stevenson
Rep. Lindsey Burke	Rep. Mitch Whitaker
Rep. Jennifer Decker	Rep. Wade Williams
Rep. Stephanie Dietz	Rep. Nick Wilson
Rep. Patrick Flannery	

LRC Staff: Roberta Kiser, Stephanie Larkin, Matissa Robinson, Eric Rodenberg, Randall Roof, Joshua Shelepek, and Robert Wright

Jurisdiction: Matters pertaining to contracts; the Uniform Commercial Code; debtor-creditor relations; ownership and conveyance of property; private corporations and associations; competency proceedings; administration of trusts and estates of persons under disability; descent, wills, and administration of decedent's estates; domestic relations; support of dependents; statutory actions and limitations; eminent domain; arbitration; declaratory judgments; witnesses; evidence; legal notices; construction of statutes; civil procedure; the Supreme Court, the Court of Appeals, circuit courts, and district courts; family courts; jurisdiction, rules, terms, judges, commissioners, selections, districts, qualifications, compensation, and retirement; clerks of courts; juries; attorneys; receivers; court reporters; habeas corpus; crimes and punishments; criminal procedure; probation and parole; correctional facilities; civil rights; and juvenile matters.

## **Committee Activity**

The Interim Joint Committee on Judiciary held six meetings.

### **Disaster Response**

Representatives of the Administrative Office of the Courts (AOC) and a Circuit Court judge provided information regarding the impact of natural disasters on court facilities and court proceedings, including costs associated with relocations, rebuilding, and repairs. Information was also provided regarding the digitization of court records.

### **Domestic Violence And Kentucky's Justice Reinvestment Initiative**

Representatives of the State Initiatives Council with the Justice Center of the Council of State Governments provided statistical information relating to domestic violence in Kentucky and discussed available tools to assist in preventing domestic abuse. The representatives also offered their recommendations for reducing domestic violence in Kentucky.

### **Children's Advocacy Centers Of Kentucky**

The CEO of the Children's Advocacy Centers of Kentucky provided an overview of the services offered by children's advocacy centers across the state, including the number of children served. The representative discussed the Multidisciplinary Enhancement Project and the training the centers provide related to the prevention of child abuse.

### **Department Of Public Advocacy Update**

The public advocate and deputy public advocate detailed the work of Department of Public Advocacy (DPA) attorneys and discussed the programs and services DPA provides. They discussed challenges facing the agency and its personnel, and an agency reform plan.

### **Juvenile Justice And Mental Health Treatment**

Representatives of the Department of Juvenile Justice (DJJ) discussed the challenges faced in securing appropriate mental health treatment for juveniles in the custody of DJJ, particularly as it relates to inpatient care. A representative of the Kentucky Hospital Association described instances where juveniles receiving treatment in member hospitals caused disruptions in the treatment and safety of other patients. The disruptions often resulted in injuries to hospital staff, sometimes with permanent disabling effects. The presenters expressed the need for proposed changes to existing procedures and for a high-acuity youth facility dedicated to the treatment of juveniles with mental health concerns.

### **Involuntary Commitment Proceedings**

A Court of Appeals judge and a representative of the Office of the Attorney General (OAG) provided an overview of the involuntary commitment procedures under KRS Chapter 202C and

outlined the criteria required for commitment. The judge provided information relating to judicial considerations and the Kentucky Judicial Commission on Mental Health, and the OAG representative detailed the evidentiary hearing process.

### **Pretrial Release**

A District Court judge, a Circuit Court judge, and representatives of AOC provided information regarding pretrial release statutes and processes in Kentucky, including when pre-arraignment release is available. The District Court judge discussed conditions placed on defendants at release and the Circuit Court judge discussed setting bond.

### **Treatment Of Opioid Use Disorder For Incarcerated Individuals**

An assistant professor of the University of Kentucky, a jailer, and an outpatient services representative presented information regarding the use of the long-acting injectable buprenorphine for incarcerated individuals, including how the treatment is administered, the decrease in contraband attributed to use of this type of treatment, and post-incarceration outcomes for individuals receiving this treatment during incarceration.

### **Behavioral Health Conditional Dismissal Program**

Representatives of AOC provided an update on the Behavioral Health Conditional Dismissal Program Pilot Project established by 2022 RS SB 90, including the addition of several new counties that want to participate in the program. Representatives of AOC discussed eligibility criteria, data related to the program, recovery housing, the partnership with Kentucky Adult Education, and requested that the program be continued.

### **Department Of Corrections And KCTCS Reentry Program**

Co-Chair Storm, Representative Decker, the president of the Kentucky Community & Technical College System (KCTCS), and a representative of the Department of Corrections presented a proposal to expand reentry programming by offering a campus at a state correctional facility where inmates approaching their release date could attend classes, obtain a degree or certification, and further develop skills to prepare them for employment upon release. The KCTCS president provided statistics related to the labor market demand in Kentucky in support of the proposal and expressed belief that an existing facility site could accommodate the additional campus. He further stated the area where the existing site is located could provide the necessary staffing and program assistance.

### **State Of The Judiciary**

The Chief Justice of the Kentucky Supreme Court provided an overview of significant matters to the judicial branch, including the temporary location of the Supreme Court and the scheduling of oral arguments across the commonwealth arising from displacement of the

Supreme Court due to Capitol renovation. She discussed the financial status of the judicial branch, including disaster recovery efforts and the costs associated with upgrades to court technology and security systems. She also discussed the Kentucky Judicial Commission on Mental Health and emphasized the desire of the judicial branch to work with the legislative branch to strengthen the judicial system.

### **Proposed Legislation**

Several legislators discussed proposed legislation for the 2026 Regular Session. The discussion included proposals relating to the extension of aggravating circumstances to abuse of a corpse in specified circumstances, protection of property owners in eminent domain matters, banning machine gun conversion devices, adoption of the Uniform Partition of Heirs Property Act, enhancement of boating under the influence provisions, expungement of dismissed forcible entry and detainer actions, creation of the criminal offense of grooming with specified penalties, and funding for expanded reentry programming.

## **Report Of The 2025 Interim Joint Committee On Licensing, Occupations, And Administrative Regulations**

**Sen. Julie Raque Adams, Co-Chair**  
**Rep. Matthew Koch, Co-Chair**

Sen. Cassie Chambers Armstrong	Rep. Anne Gay Donworth
Sen. Karen Berg	Rep. Daniel Fister
Sen. Donald Douglas	Rep. Patrick Flannery
Sen. Jimmy Higdon	Rep. Al Gentry
Sen. Jason Howell	Rep. Tony Hampton
Sen. Amanda Mays Bledsoe	Rep. Samara Heavrin
Sen. Christian McDaniel	Rep. Thomas Huff
Sen. Stephen Meredith	Rep. Kevin Jackson
Sen. Michael J. Nemes	Rep. Nima Kulkarni
Sen. Matt Nunn	Rep. Michael Meredith
Rep. Chad Aull	Rep. Amy Neighbors
Rep. Kim Banta	Rep. Rebecca Raymer
Rep. Emily Callaway	Rep. Tom Smith
Rep. Mike Clines	Rep. Nick Wilson
Rep. Stephanie Dietz	

LRC Staff: Bryce Amburgey, Wendy Craig, CaraBell Preece, Jasmine Williams, and Lisa Moore

Jurisdiction: Matters pertaining to professional licensing not assigned specifically to another committee; racing; prize fighting and wrestling; places of entertainment; alcoholic beverage control; private corporations; cooperative corporations and marketing associations; religious, charitable, and educational societies; nonprofit corporations; professional service corporations; cemeteries; barbers and cosmetologists; professional engineers and land surveyors; architects; real estate brokers and agents; public accountants; detection of deception examiners; auctioneers; business schools; warehouses and warehousemen; partnerships; trade practices; and review of administrative regulations.

## **Committee Activity**

The Interim Joint Committee on Licensing, Occupations, and Administrative Regulations held six meetings.

## **Licensed Occupations**

### **Audiologists**

The executive director of the Academy of Doctors of Audiology and a representative from the Kentucky Academy of Audiology discussed audiology practice, stating that there are 320 practicing audiologists in Kentucky contributing to a wide range of professional settings, including private practice clinics, hospitals, military clinics, schools, universities, and industrial settings.

The requested legislation would update the definition of the practice of audiology to include many procedures already being performed by these practitioners.

### **Dietitian Licensure Compact**

The Department of Defense and the executive director of the Kentucky Commission on Military Affairs spoke in support of an interstate dietitian compact. They discussed how the compact will provide licensees with opportunities for multistate practice, improve public safety, and promote workforce development, while also providing financial stability to Kentucky's military service members and their spouses. As of October 2025, fifteen states have enacted the dietitian licensure compact, including Ohio and Tennessee. Representative Grossl intends to file a new bill in the 2026 Regular Session.

### **Employment And Occupational Licensing**

Representative Callaway discussed her proposed employment legislation that removes workforce barriers for individuals with criminal records. The bill's goal is to allow over 30,000 people to enter the workforce. It requires each licensing board to ensure due process for individual applicants.

### **Expanding Physician Access Act**

Healthcare staffing experts described the state's severe physician shortage, which is projected to worsen in the coming years. Their proposed legislation would address this shortage by opening pathways for experienced international physicians to practice in Kentucky under enhanced supervision without repeating a residency program in the United States.

## **Healthcare Workforce Data Reporting**

Representative Moser discussed the healthcare worker shortage in Kentucky. The proposed legislation based on 2025 RS HB 79 would allow the Council on Postsecondary Education to collect healthcare workforce data to provide a snapshot of Kentucky's medical needs and track licensees and their employment data.

## **Marriage And Family Therapists**

Representative Moser testified that the proposed legislation based on 2025 RS HB 79 would allow licensed out-of-state marriage and family therapists to practice in Kentucky. A professor of marriage and family therapy from Campbellsville University explained to the committee that the shortage of marriage and family therapists can cause gaps in services, particularly in rural areas. Members were advised that surrounding states have addressed these shortages through similar cost-saving measures, which would not diminish the quality of new professionals entering the field.

## **Medical Imaging**

Representative Neighbors discussed her bill to license MRI technologists and medical sonographers. The bill would expand the Board of Medical Imaging and Radiation Therapy by two members to add representatives of both professions. She believes that this legislation would increase accountability and enhance public safety.

## **Music Therapists**

Presenters from the music therapy business community discussed the benefits of music therapy. The presenters noted that the proposed legislation, which is similar to 2025 RS SB 42, creates a licensing board to license music therapists, which would help protect Kentuckians and provide them with more treatment options.

## **Physical Therapists**

Representative Neighbors discussed her intention to file a new version of 2025 RS HB 255/GA in the upcoming 2026 Regular Session of the General Assembly. The proposed legislation modernizes statutes surrounding physical therapists.

## **Psychologists**

Representatives Fleming and Willner discussed their bill to address psychologist workforce shortages to treat critical mental health issues in the state. The proposed legislation would require the psychologist board to disclose timeframes for licensing and resolution of disciplinary complaints and to quickly administer examinations after acceptance of an application. The sponsors were not aware of any objections or concerns relating to the proposed legislation.

## Respiratory Care Licensure Compact

Representative Bratcher and staff from the Kentucky Board of Respiratory Care spoke about the importance of joining a respiratory care interstate compact. They stated that it is similar to other existing allied health licensing compacts, offering advantages for patients, military families, state licensing boards, and the states themselves. They testified that these advantages include improved quality and continuity of care, licensure mobility, the ability to fill critical healthcare staffing gaps, and public safety. As of November 2025, the compact has been passed in four states. The board anticipates that seven additional states will be joining the compact by mid-2026.

## Occupational Board Updates

Several committee members reported on the occupational boards for architects, engineers and land surveyors, nurses, social workers, real estate brokers, alcohol and drug counselors, and marriage and family therapists.

## Racing And Gaming

### Kentucky Horse Racing And Gaming Corporation

Representatives from the Kentucky Horse Racing and Gaming Corporation (KHRGC) discussed the following.

**Effects of 2025 RS HB 566.** The bill added new board members representing charitable gaming and the quarter horse industry and required the KHRGC to propose its licensing structure to the committee. KHRGC processes over 30,000 license applications per year and recommended keeping the existing licensing structure in place for another year as the corporation continues to gather charitable gaming data.

**Pari-Mutuel Wagering Report.** KHRGC regulates all forms of pari-mutuel wagering on live, simulcast, and historical horse races. Pari-mutuel wagers for FY 2025 totaled more than \$11 billion. Historical horse races accounted for more than \$10.5 billion of that total, from which over \$9.5 billion was returned to players.

**Sports Wagering Report.** 2023 RS HB 551 legalized sports wagering and placed it under the jurisdiction of the KHRGC. Licensed racetracks and their affiliates may offer sports wagering at retail locations and through mobile applications. The total handle for FY 2024 and 2025 was over \$4.9 billion, from which \$4.4 billion was returned to players, \$73 million was added to the public pension fund, and \$2 million was transferred to the problem gambling assistance account.

### Quarter Horse Update

The president and executive director of the Kentucky Quarter Horse Racing Association provided an update on the quarter horse industry, which has grown over the past year. While construction of the new track in Ashland is on time and will be ready for racing in 2026, they

urged members to quickly approve administrative regulations that can provide further guidance. Additionally, presenters stated the creation of the Kentucky quarter horse development fund will bring more mares into the Commonwealth, further strengthening the industry.

### **Kentucky Lottery**

The chief financial officer and chief legal officer of the Kentucky Lottery Corporation provided an overview of the corporation and FY 2025. To date, the lottery has earned the state more than \$7.6 billion in proceeds and the lottery partnership with the Kentucky Distillers' Association yielded three Kentucky Bourbon Trail-themed lottery games resulting in over \$21.9 million in sales. By the end of 2024, over one million Kentuckians received educational funding from the lottery and in 2025, 19 percent of lottery proceeds were given to support education while 81 percent went to prizes and other costs. The lottery reported a record low operating expense of 1.8 percent, below the 2 percent expenditure of most lottery states. Retail and online sales increased in FY 2025, with online sales showing the greatest growth.

### **Problem Gambling**

According to the executive director of the Kentucky Council on Problem Gambling, access and availability are two risk factors for individuals forming a gambling problem. He noted gambling is available in every Kentucky county, nearly 80 percent of Kentucky adults gamble in some form each year, and approximately 165,000 Kentuckians meet one or more criteria for a gambling disorder. While there are not enough certified counselors in Kentucky to treat problem gambling, the problem gambling assistance fund is working to address the shortage. Gambling addictions are difficult to treat and relapse is common. He noted the best chance for success is the combination of counseling and self-help programs through gamblers anonymous.

## **Alcoholic Beverages And Other Regulated Products**

### **Department Of Alcoholic Beverage Control**

Co-Chair Koch discussed creating a new division of the Department of Alcoholic Beverage Control (ABC) to regulate cannabis-infused and other intoxicating products. The ABC commissioner noted the costs of additional investigation and enforcement may require more funding for the agency. If implemented, this approach could be the first of its kind in the country.

## **Other Areas Of Jurisdiction**

### **Northern Kentucky Economic Presentation**

The executive vice president of the Building Industry Association of Northern Kentucky presented possible solutions to offset increased housing regulatory costs, including income-aligned housing and construction workforce availability. The chairman of the Building Industry Association Land Development Council testified that regulatory cost increases, even when small, have a disproportionate impact on housing affordability.



## **Report Of The 2025 Interim Joint Committee On Local Government**

**Sen. Michael J. Nemes, Co-Chair**  
**Rep. Patrick Flannery, Co-Chair**

Sen. Julie Raque Adams	Rep. Ken Fleming
Sen. Cassie Chambers Armstrong	Rep. Chris Freeland
Sen. Greg Elkins	Rep. Peyton Griffiee
Sen. Keturah J. Herron	Rep. Tony Hampton
Sen. Scott Madon	Rep. Mark Hart
Sen. Amanda Mays Bledsoe	Rep. Mary Beth Imes
Sen. Christian McDaniel	Rep. Chris Lewis
Sen. Robby Mills	Rep. Savannah Maddox
Sen. Steve Rawlings	Rep. Michael Meredith
Sen. Lindsey Tichenor	Rep. Amy Neighbors
Rep. Jared Bauman	Rep. Rebecca Raymer
Rep. Josh Bray	Rep. Rachel Roarx
Rep. George Brown Jr.	Rep. Sarah Stalker
Rep. Beverly Chester-Burton	Rep. Susan Witten
Rep. Steven Doan	

LRC Staff: Mark Mitchell, Christopher Jacovitch, and Faithe Wheatley

Jurisdiction: Matters pertaining to the officers, organization, government, and financing of county and city governments; city and county imposed taxes and licenses; special purpose assessment and taxing districts within a city; financing of local government improvements; issuance of bonds for county, city, and special district projects; local government and special district indebtedness generally; compensation of county and city officers and employees; the imposition of duties and costs on local governments; interlocal government cooperation and consolidation of services; local government employees, civil service, and retirement; the powers, duties, and composition of fiscal courts and municipal legislative bodies; the offices of county judge/executive, magistrate, county attorney, sheriff, constable, jailer, coroner, surveyor, and county clerk; forms of local government; incorporation and classification of cities; housing projects; manufactured housing; urban renewal and redevelopment; planning and zoning; annexation of territory; public works; parks and playgrounds; police and fire departments and their retirement systems; county roads; city streets and sidewalks; local government utilities and waterworks; acquisition of waterworks and water districts by local governments; sewers; metropolitan sewer and sanitation districts; public road districts; water districts; fire protection districts; drainage districts and local flood control and water usage; local air pollution control districts; urban service districts; library districts; city and county libraries; and special districts not assigned to another committee.

## **Committee Activity**

The Interim Joint Committee on Local Government held six meetings.

### **Application Of Non-Traditional Instruction Days For Schools Designated By County Clerks As Polling Locations For Elections**

Co-Chair Nemes discussed Non-Traditional Instruction (NTI) days for schools designated by county clerks as polling locations for elections to spur discussion of possible solutions.

### **Area Development Districts**

The executive director of the Lincoln Trail Area Development District, the Webster County judge/executive, the mayor of Madisonville, and the Rowan County judge/executive, discussed the history, duties, success, and challenges of Area Development Districts.

### **Centralized Collection Of Net Profits And Occupational License Taxes**

The state executive director of the National Federation of Independent Business advocated for the centralized collection of net profits and occupational license taxes by small businesses.

The co-owner of ServePro, the general manager of Harrod Concrete and Stone, the CEO and president of Green Mechanical Construction Company, and the HR controller and manager of Vulcan Fire Systems, discussed their businesses' experiences with collecting net profits and occupational license taxes in multiple jurisdictions and advocated for the centralized collection system.

The executive director of the Kentucky League of Cities (KLC) and the director of government affairs of the Kentucky Association of Counties (KACo) opposed the adoption of a centralized system of collection of net profits and occupational license taxes, and discussed local occupational taxes' constitutional and statutory authority, a multiphase effort to simplify occupational license filing, the standardized form that all taxing jurisdictions must accept, steps to filing occupational business license taxes, and the status of occupational license taxes as vital sources of revenue for cities and counties.

### **County Clerks' Land Records**

The past president and an attorney from the Kentucky County Clerk's Association discussed the transition to electronic records in county clerk offices, including the status of meeting the statutory deadlines and the strategies and challenges remaining to doing so. She also discussed deed fraud, document storage fees, a stronger relationship between the Kentucky County Clerk's Association and the Land Title Association, and the question of public accessibility to physical records in county clerk offices once the electronic recording transition is complete.

## **County Jails**

The director of government affairs of KACo provided an overview of county jail finances that included a discussion of jail classification, jail population, county jail expenditures, county jail medical costs, and county general fund support for jails.

The Webster County judge/executive, Knox County judge/executive, Hardin County judge/executive, and Grant County magistrate discussed the unique concerns affecting the jails in their respective counties.

## **DNA Collection In Jails For Felony Arrests**

The founder of the DNA Justice Project advocated for the required collection of DNA during the booking and intake of felony arrestees in jails.

## **Housing And Land Use**

A research fellow from the Mercatus Center at George Mason University and a scholar from the Bluegrass Institute for Public Policy Solutions, discussed housing and land use issues, including categories of land use regulations, state involvement in zoning reform, state level responses to the housing crisis, recommendations for land use reforms, housing issues in other states, and zoning reforms other states have adopted.

## **Legislative Measure Proposals**

Senator Elkins discussed 2025 RS SB 37 that would have allowed local governments the authority to bury or cremate deceased indigent individuals under certain circumstances.

Senator Jimmy Higdon and Senator Herron discussed legislation for a constitutional amendment that would restore voting rights to felons.

Senator Mills discussed 2025 RS SB 50 that would have allowed for the creation of residential infrastructure development districts upon the request of local governments and property owners.

Representative Kim Banta and the legislative affairs and political director of Kentucky Professional Fire Fighters discussed proposed legislation that would add certain cancer diagnoses to allow firefighters to be eligible for state line-of-duty death benefits.

Representative Roarx discussed 2025 RS HB 367 that would have added Louisville Metro Code Enforcement Officers to the definition of “hazardous position” as used in the County Employees Retirement System. The chair of governmental affairs for the Kentucky State Fraternal Order of Police discussed the need for the bill and the local cost.

Representative T.J. Roberts discussed legislation proposing a task force model for the use of local law enforcement officers in federal immigration enforcement activities via contract with the federal government.

Representative Bray discussed 2025 RS HB 7 that would have allowed the creation of housing development districts.

Representative Raymer discussed 2025 RS HB 371 that would have added local permitting for the location of a landfill associated with an industry that is not presently required and not located within the same county.

Representative Doan discussed 2025 RS HB 806 that would have allowed homeowners to keep chickens on residential property. A resident of Elsmere, Kentucky shared their personal experience and the benefits of having chickens.

### **Legislative Platforms Of The Kentucky League Of Cities And Kentucky Association Of Counties**

The executive director and CEO, the director of government affairs, and president of KLC, along with the executive director and CEO, the director of government affairs, the president, and the immediate past president of KACo, presented their respective legislative platforms for the 2026 Regular Session.

### **Local Taxing Sources**

The executive director and the director of legislative affairs of KACo, along with the executive director and the director of government affairs of KLC, discussed local taxing sources, tax characteristics, and the use of these taxes among local governments.

### **Short-Term Rental Policies**

The policy manager of Airbnb and a lobbyist from Capitol Strategies representing Airbnb discussed short-term rental policies. Airbnb supports legislation that would create a statewide framework to ensure Kentucky homeowners have the right to benefit from home sharing. Airbnb does not support legislation that would ban or hinder short-term rentals.

### **Special Purpose Governmental Entity Reports**

Representatives from the Department of Local Government and the executive director and training records and compliance specialist from the Kentucky Fire Commission, presented their respective compliance reports.

## **Report Of The 2025 Interim Joint Committee On Natural Resources And Energy**

**Sen. Brandon Smith, Co-Chair**  
**Rep. Jim Gooch Jr., Co-Chair**

Sen. Gary Boswell  
Sen. Jared Carpenter  
Sen. Greg Elkins  
Sen. Rick Girdler  
Sen. Keturah J. Herron  
Sen. Scott Madon  
Sen. Robby Mills  
Sen. Robin L. Webb  
Sen. Stephen West  
Sen. Phillip Wheeler  
Sen. Gex Williams  
Rep. Shane Baker  
Rep. Jared Bauman  
Rep. John Blanton  
Rep. Adam Bowling  
Rep. Randy Bridges

Rep. Beverly Chester-Burton  
Rep. Myron Dossett  
Rep. Patrick Flannery  
Rep. Chris Fugate  
Rep. Erika Hancock  
Rep. DJ Johnson  
Rep. Bobby McCool  
Rep. Suzanne Miles  
Rep. Adam Moore  
Rep. Tom Smith  
Rep. Joshua Watkins  
Rep. Bill Wesley  
Rep. Mitch Whitaker  
Rep. Richard White  
Rep. Wade Williams

LRC Staff: Stefan Kasacavage, Kayla Carroway, Tanya Monsanto, and Rachel Hartley

Jurisdiction: Matters pertaining to forestry; mining; fish and wildlife resources; soil and water conservation; flood control and water usage; drainage and irrigation; geology and water resources; waterways and dams; oil, gas, and salt water wells; state and national parks; drainage districts; water pollution; noise pollution; air pollution; management of waste; protection of the environment; Energy and Environment Cabinet; privately-owned public utilities; rates, permits, and certifications of convenience and necessity; water district rates; utilities in cities; public utility cooperatives; electric and gas utilities and cooperatives; oil and gas transmission companies; telephone companies and cooperatives; municipal utilities and water works; energy and fuel development; energy waste disposal; the Public Service Commission; solar and other renewable energy; hydroelectric and thermonuclear energy; gasohol and other alternative fuels.

## Committee Activity

The Interim Joint Committee on Natural Resources and Energy held six meetings.

### **Economic Development Opportunities And Utilities' Plans To Meet Increased Demand For Electricity**

**Electric Cooperatives.** Representatives of Kentucky's electrical cooperatives, including East Kentucky Power Cooperative, Owen Electric Cooperative, and Big Rivers Electric Cooperative discussed their efforts to contribute to economic development across the state. Since 2015, Kentucky's electric cooperatives have invested over \$13 billion in energy infrastructure, resulting in 20,000 jobs in 89 counties. To meet growing energy demand, the electric cooperatives are investing in new power generation facilities and are incorporating natural gas into existing coal-fired power plants.

**Investor-Owned Utilities.** Representatives of LG&E/KU stated there has been a significant increase in potential economic development projects, with over 8,000 megawatts of potential opportunities, including 6,000 megawatts for data centers and 2,000 megawatts for non-data center development. To meet this demand, LG&E/KU plans to construct two new natural gas combined cycle generating units, as well as add environmental controls to an existing coal plant to enable its year-round use. The proposed strategy of using existing resources and limited battery storage is designed to be cost-effective and extend the life of the assets.

**Public Service Commission.** The chair of the Public Service Commission (PSC) discussed the volatility in the energy sector, which has made it increasingly difficult to predict demand and pricing. The historical stability of energy demand has shifted. Recent years show significant fluctuations due to factors like increased electrification across numerous sectors, the rise of data centers, and the impact of severe weather events. Kentucky's energy demand is expected to grow, at varying rates across different regions. PSC-regulated utilities are required to file integrated resource plans to address these changes. Kentucky's energy mix remains predominantly coal-based, which provides some insulation against market volatility that exists for other fuel sources. Kentucky's utility rates are generally lower than the national average.

### **Outdoor Recreation And Conservation Opportunities**

**Motorsports In Eastern Kentucky.** The executive director of the nonprofit organization Backroads of Appalachia discussed their efforts to promote motorsports-focused tourism in eastern Kentucky. The economic impact generated through motorsport events and outdoor activities has transformed the region into a multi-night destination for visitors, which has significantly increased local economic activity.

**Land Conservation Opportunities.** The director of external affairs for The Nature Conservancy (TNC) stated TNC recently completed a needs assessment report for Kentucky that identified gaps in conservation programs and funding compared to neighboring states. TNC recommended Kentucky consider adopting initiatives enacted in other states, including: levying an additional sales tax on sporting goods to be used to fund land conservation, creating a

conservation tax credit, promoting public-private conservation partnerships, and providing state incentives for local conservation efforts.

### **Nanotechnology In Energy Applications**

**Recent Research And Developments.** The director of the University of Kentucky Center for Applied Energy Research (UK CAER) explained the significance of nanotechnology in energy applications. Recent nanotechnology research at UK CAER has explored creating yarns from carbon nanotubes, which can offer high strength and conductivity for energy applications. Research is also being undertaken to explore the potential of nanotechnologies in thermoelectric devices, which can generate electricity from temperature differences.

### **Proposed Legislation**

**Geoengineering.** Representative Hodgson and Senator Rawlings discussed proposed legislation relating to geoengineering, which they defined as attempts by governmental and non-governmental actors to modify the climate, specifically through methods like solar radiation modification, stratospheric aerosol injection, and cloud seeding. Kentucky does not regulate such activities, and there is concern about the potential toxic effects of geoengineering on agriculture and public health. The proposed legislation aims to assert Kentucky's sovereignty by banning atmospheric interventions used in geoengineering.

**Reorganization Of The Kentucky Communications Network Authority.** Senator Williams discussed proposed legislation to make changes to the Kentucky Communications Network Authority (KCNA) and the Commonwealth Office of Technology (COT), including replacing the director of KCNA with the director of COT and replacing the KCNA board with Kentucky's constitutional officers. The goal of the proposed legislation is to streamline operations and maintain connectivity for rural customers while addressing budget impacts, ongoing lawsuits, and contracts.

**Prohibiting Utility Service Disconnections During Extreme Weather Conditions.** Senator Chambers Armstrong and the director of education and advocacy for the Coalition for the Homeless discussed proposed legislation to prohibit utility disconnections for non-payment during extreme weather conditions and highlighted the need for consistent disconnection standards across utilities in Kentucky. The proposed legislation would seek to protect vulnerable citizens during dangerous weather events, ensuring utility disconnections do not occur during extreme cold, excessive heat, or natural disasters.

### **Referred Block Grant Application**

Low Income Home Energy Assistance Program Block Grant Application, FY 2026



## **Report Of The 2025 Interim Joint Committee On State Government**

**Sen. Michael J. Nemes, Co-Chair**  
**Rep. David Hale, Co-Chair**  
**Rep. DJ Johnson, Co-Chair**

Sen. Julie Raque Adams	Rep. John Hodgson
Sen. Cassie Chambers Armstrong	Rep. Thomas Huff
Sen. Greg Elkins	Rep. Mary Beth Imes
Sen. Keturah J. Herron	Rep. Matthew Koch
Sen. Scott Madon	Rep. Matthew Lehman
Sen. Amanda Mays Bledsoe	Rep. Chris Lewis
Sen. Christian McDaniel	Rep. Scott Lewis
Sen. Robby Mills	Rep. Matt Lockett
Sen. Steve Rawlings	Rep. Savannah Maddox
Sen. Lindsey Tichenor	Rep. Mary Lou Marzian
Rep. Shane Baker	Rep. Marianne Proctor
Rep. Ryan Bivens	Rep. Rebecca Raymer
Rep. Josh Branscum	Rep. T.J. Roberts
Rep. Josh Calloway	Rep. Nancy Tate
Rep. Beverly Chester-Burton	Rep. Aaron Thompson
Rep. Jennifer Decker	Rep. James Tipton
Rep. Anne Gay Donworth	Rep. Joshua Watkins
Rep. Jim Gooch Jr.	Rep. Wade Williams
Rep. Peyton Griffee	Rep. Susan Witten
Rep. Erika Hancock	

**LRC Staff:** Daniel Carter, Michael Clancy, Jesse Farler, Christina Gordley, Brad Gross, Angela Rhodes, Shawn Sparks, Shannon Tubbs, and Peggy Sciantarelli

**Jurisdiction:** Matters pertaining to the sovereignty and jurisdiction of the commonwealth; the General Assembly, its committees, officers, and service agencies; redistricting; the Governor; the Lieutenant Governor; intergovernmental cooperation; state-federal relations; interstate compacts; administrative organization; administrative regulations; statutory administrative agencies; Department of Law; constitutional offices; state personnel; state retirement systems; public property and public printing; public officers, their terms, appointments, fees, compensation, removal, oaths, and bonds; public information; disaster and emergency services; state and regional planning; the libraries; archives and records; public corporations; commonwealth's attorneys; circuit clerks; the proposing of constitutional amendments and the calling of a constitutional convention; ratification of amendments to the United States Constitution; the election of officers to state, local, and school board positions; election commissioners, officers, and precincts;

qualifications, registration, and purging of voters; conduct of primary and regular elections; presidential and congressional elections; special elections to fill vacancies; contest of elections; corrupt practices and election financing; election offenses and prosecutions; voting machines; and absentee ballots.

### **Committee Activity**

The Interim Joint Committee on State Government held six meetings.

#### **Kentucky Center For Statistics**

The executive director of the Kentucky Center for Statistics (KYSTATS) stated KYSTATS was established in 2013 in KRS Chapter 151B to evaluate education and workforce efforts through data collection to assist policymakers, practitioners, and the general public. The agency is also charged with collecting data in the Kentucky Longitudinal Data System (KLDS) for improvement in the commonwealth's education system and training programs. KYSTATS has statutory authority to expand the KLDS and integrate new sources of data.

#### **Kentucky Libraries**

Officials of the Kentucky Department for Libraries and Archives (KDLA) and the Education and Labor Cabinet discussed state and federal funds distribution and reporting, and the types of assistance provided to local and state institutional libraries. KDLA provides access to library resources and services; guidance and training for library administrators and staff; governance for library operations, management, construction, technology, finance, data collection, policies, and programming; and ensures government records and activities are documented, preserved, and available to the public.

Members of the Kentucky Library Association (KLA) and the Kentucky Public Library Association (KPLA) discussed the mission, structure, and funding mechanisms of public libraries. KPLA's mission is to grow resilient communities by supporting the development of public library staff and services. Most public libraries are special purpose governmental entities governed by a board of trustees. Kentucky has 119 library districts, primarily funded at the local level with no direct federal or state funding.

#### **Voter List Maintenance – State Board Of Elections**

The State Board of Elections (SBE) executive director, assistant executive director, and general counsel gave an overview of voter list maintenance in the commonwealth; National Voter Registration Act (NVRA) requirements; the statutory voter registration purge program; and Kentucky's membership in the Electronic Registration Information Center (ERIC). Through membership in ERIC, SBE receives change-of-address information from USPS. Voter registration data does not include political party affiliation, and no voter registration is removed solely for failure to vote. Outside of ERIC, there is not an organized collaboration of states working toward NVRA list maintenance goals.

### **State Employee Health Insurance Plan**

The commissioner of the Department of Employee Insurance, Personnel Cabinet gave an overview of the Kentucky Employee Health Plan (KEHP), which administers health and flexible spending benefits for more than 300,000 people in Kentucky. He discussed enrollment and covered lives trends; net payments and claims by year; plan expenses; cancer screening compliance rates; medical and pharmacy trends; wellness fairs; cost prevention programs; and 2025 health plan premiums and options. He testified that claims payments to members represent 92.4 percent of KEHP expenses.

### **Campaign Finance Electronic Reporting System**

The general manager of Kentucky Interactive (KI) and the executive director of the Kentucky Registry of Election Finance (KREF) gave an update on the registry's campaign finance electronic reporting system. KI is billing monthly, based on elements completed. The original contract for the project was signed in 2017, but the system did not go live until September 2019. KI is doing business as Tyler Technologies, and the Commonwealth of Kentucky is its only customer.

### **Cabinet For Economic Development - Bluegrass State Skills Corporation**

The commissioner of the Department for Business and Community Development, Cabinet for Economic Development (CED), along with the general counsel of CED, provided an overview of the Bluegrass State Skills Corporation (BSSC), an independent corporation established in 1984 and administratively attached to CED. BSSC works with qualified companies and educational institutions to support skills and occupational upgrade training. The overview focused on its mission, purpose, primary responsibilities, funding, governance structure, grants and incentives award process, and activity for FY 2024 through YTD FY 2026. BSSC connects with the Kentucky Science and Technology Center and other commonwealth programs to provide employment opportunities to transitioning veterans.

### **Kentucky Department Of Parks**

The commissioner of the Department of Parks gave an overview of the department, including funding and status of authorized state park improvement projects. The department works with the Finance and Administration Cabinet to facilitate capital projects and provides quarterly reports on the progress and cost status of current capital projects. Parks consultants review each project for design and other elements impacting cost.

## Update On President Trump's Executive Order On Elections

Outside counsel and the executive director of the SBE gave an update on President Trump's March 25, 2025, executive order addressing federal elections. The executive order seeks to enact reforms in voter registration, ballot handling, and election security. Nineteen states have sued to enjoin the executive order, but the executive order does not affect Kentucky.

## Voting Systems

Officials of Elections Systems & Software (ES&S), Hart InterCivic, and Harp Enterprises Inc. presented an overview of their companies. They provided a display and demonstration of voting equipment used for Kentucky elections. ES&S is an American owned company that operates nationwide and serves 23 Kentucky counties. Hart InterCivic has more than 830 customers across the United States, and its Verity Voting System is designed and manufactured in Austin, Texas. Harp Enterprises Inc. is headquartered in Lexington, Kentucky and has served the commonwealth for 54 years.

## Proposed Legislation

### **2025 RS HB 622 - AN ACT relating to fiscal matters and declaring an emergency.**

Representative Shawn McPherson discussed 2025 RS HB 622, which he sponsored. The executive director and CEO of the Kentucky Nonprofit Network spoke in support of the legislation. Representative McPherson testified that provisions of HB 622 relating to government contracts were vetoed, and the enacted version did not accomplish the intended purpose of the bill as introduced. He stated he plans to refile the legislation in the 2026 Regular Session.

**2025 RS SB 126 - AN ACT proposing to amend Sections 77 and 240 of the Constitution of Kentucky relating to limiting the Governor's ability to grant pardons and commute sentences.** Senator McDaniel, primary sponsor, discussed 2025 RS SB 126, a proposed constitutional amendment to prohibit the Governor's ability to grant pardons or commute sentences beginning 60 days prior to a gubernatorial election and ending at the gubernatorial inauguration. The legislation passed the Senate and was discussed by a House committee, with no vote taken. The legislation would apply in the same manner to governors who are "termed out", mid-term, or "between two terms." Senator McDaniel confirmed his intention that the proposed amendment be included on the 2026 ballot.

### **2025 RS HB 16 and 2026 RS BR 161 - AN ACT relating to water fluoridation programs.**

Representative Mark Hart, primary sponsor, discussed 2025 RS HB 16 and 2026 RS BR 161, relating to water fluoridation programs. Supporting testimony was given by Senator Elkins, the executive chair of the International Academy of Oral Medicine & Toxicology, and a registered nurse representing Kentucky for Fluoride Choice. The legislation would remove an unfunded

mandate to require water producers to add fluoride to water. It would permit water districts, whether municipalities or private, to choose whether to include fluoride in the water supply. BR 161 is identical to the 2025 bill, with one exception. In response to concerns of water districts about possible litigation, an immunity clause was added.

The executive director of the Kentucky Dental Association (KDA) and a Louisville Water (LW) utility consultant testified in opposition. The LW consultant stated the EPA and the National Department of Health Services are studying the impact and toxicology of fluoride and suggested allowing that process to conclude before passing legislation relating to water fluoridation. The KDA executive director stated there is a preponderance of evidence that fluoride provides a positive effect.

**2026 RS BR 868 - AN ACT relating to the Kentucky Horse Park.** Representative Vanessa Grossl and the president of the Kentucky Horse Park (KHP) presented 2026 RS BR 868, which Representative Grossl plans to sponsor during the 2026 Regular Session. The legislation would establish powers for KHP similar to those granted to the Racing and Gaming Corporation in KRS 230.215. She stated it would not increase cost and would provide KHP the ability to police situations when needed.

**2026 RS BR 25 – AN ACT relating to prohibited uses of tax dollars and resources.**

Senator Rawlings presented 2026 RS BR 25, which he plans to file in the 2026 Regular Session. It would amend KRS 65.013 to prohibit local, state, and federal tax dollars from being used to advocate for or against a public question that appears on the ballot, including constitutional amendments. Representative Grossl and Representative Roberts testified in support of the legislation, and committee discussion included suggested changes. The executive director of the Kentucky Student Rights Coalition voiced support of BR 25 and urged extension of its provisions to benefit higher education.



**Report Of The 2025  
Interim Joint Committee On Tourism, Small Business,  
And Information Technology**

**Sen. Phillip Wheeler, Co-Chair  
Rep. Deanna Gordon, Co-Chair  
Rep. Kim King, Co-Chair**

Sen. Gary Boswell	Rep. William Lawrence
Sen. Shelley Funke Frommeyer	Rep. Matthew Lehman
Sen. Rick Girdler	Rep. Chris Lewis
Sen. Jason Howell	Rep. Mary Lou Marzian
Sen. Scott Madon	Rep. Shawn McPherson
Sen. Matt Nunn	Rep. Adam Moore
Sen. Reginald L. Thomas	Rep. Michael Sarge Pollock
Sen. Mike Wilson	Rep. Ashley Tackett Laferty
Sen. Max Wise	Rep. Nancy Tate
Rep. Shane Baker	Rep. Aaron Thompson
Rep. Beverly Chester-Burton	Rep. Timmy Truett
Rep. Ryan Dotson	Rep. Joshua Watkins
Rep. Daniel Fister	Rep. Bill Wesley
Rep. Chris Fugate	Rep. Mitch Whitaker
Rep. Daniel Grossberg	Rep. Richard White
Rep. Vanessa Grossl	Rep. Nick Wilson
Rep. John Hodgson	Rep. Susan Witten
Rep. Nima Kulkarni	

LRC Staff: Janine Coy, Austin Johnson, Christian Deeter, and Samantha Gerhart

Jurisdiction: Matters pertaining to commerce, industry, economic and industrial development, the workforce and the workplace, and tourism not specifically assigned to another committee; economic development planning, international trade and investment; investment companies and industrial loan corporations as they relate to economic and industrial development; recruitment of business and industry; small business matters relative to economic and industrial development; financing of business and industrial development; business regulatory matters, including the Uniform Commercial Code, relative to economic and industrial development; worker training; technology development and application; chambers of commerce; convention centers and publicly owned exhibition and parking facilities; arts and arts exhibition facilities; state, interstate, and national parks and historic sites; travel promotion and advertising; labor unions; collective bargaining; liquefied petroleum gas and other flammable liquids; electricians; plumbers and plumbing; wages and hours; garnishments; safety and health of employees; child labor; employment agencies; apprenticeship; unemployment compensation; workers'

compensation; consumer protection; industrial weights and measures; development and support of small businesses; job creation and job-training programs; federal, state and local regulations that impact small businesses and their employees; all other matters not specifically assigned to another committee relating to administrative, regulatory or operating issues which, because of their smaller size, uniquely impact small business; information technology planning; statewide standards related to information technology; broadband Internet; Internet service providers; tourism and travel promotion and development; state, interstate, and national parks and historic sites; fish and wildlife; small business matters relative to tourism development; hotels and motels generally; hotel and restaurant regulations; billboards; advertising related to tourism development; entertainment establishments; campgrounds; the Tourism Cabinet; hunting and fishing; boating; horseback riding; hiking; bird watching; rock climbing; recreational use of all-terrain vehicles; mountain biking; cycling; kayaking; and recreational land use.

### **Committee Activity**

The Interim Joint Committee on Tourism, Small Business, and Information Technology held six meetings.

#### **Tourism**

The executive director of the Powell County Tourism Commission, the county judge executive of Powell County, and a citizen of Powell County provided an update on tourism in Powell County. The presenters highlighted the Red River Gorge and Natural Bridge as premier outdoor recreation destinations that continue to attract many visitors, and noted the need for major infrastructure upgrades to support the county's water and utility systems. They requested legislative support to ensure these improvements can sustain visitor growth, protect natural resources, and expand tourism opportunities in the county.

Representative Moore, the executive director of Visit Jessamine, and the owner of 1922 House Vineyards & Winery discussed Jessamine County tourism. Presenters detailed statistics related to Jessamine County tourism, including economic impact and the process of rebranding Jessamine County as a premier Kentucky destination and tourist attraction. Jessamine County has the first commercial winery in the United States. The owner of 1922 House Vineyards & Winery outlined the tourism dollars impact on Jessamine County and surrounding areas.

#### **Economic Impact Of Tourism**

The CEO of CMH23 discussed leveraging the "Country Music Highway," which runs through seven counties in Eastern Kentucky, to drive economic growth. He proposed launching a syndicated radio-television channel focused on music of the region at no cost to broadcasters to help position the region as a major cultural and tourism destination.

Senator Funke Frommeyer, the president and CEO of meetNKY, and the owner of BB Riverboats provided an update on America's River Roots Festival that took place in October 2025. The 4-day event was hosted along the Ohio riverfronts of Cincinnati, Covington, and Newport, marking the kickoff to America's 250th celebration. The festival was projected to attract more than one million visitors with an estimated \$150 million economic impact.

The executive director of Backroads of Appalachia, a representative of King of the Hammers, and a representative of Rides 4 Fun presented on the economic impact of motorsports and adventure tourism, and discussed strategies to grow the sector as a driver of economic development.

The president and CEO of the Kentucky Travel Industry Association, along with the executive director of Visit Richmond, the executive director of the Henderson Tourism Commission, and the CEO of Rainmaker Hospitality, provided an update on the commonwealth's tourism sector. Tourism generates an estimated \$14 billion in economic impact, supports approximately 100,000 jobs, and contributes \$1 billion in state and local tax revenue. Rising expenses, interest rates, and construction costs were identified as current challenges. The executive director of Visit Richmond discussed the significance of the state's 1 percent transient room tax and highlighted the impact of American Rescue Plan Act funded advertising campaigns. The executive director of the Henderson Tourism Commission underscored the value of collaboration among local tourism offices, the Department of Tourism, and national media partners in promoting the commonwealth.

Representative Tate, along with the president and CEO of the Knox Regional Development Alliance, provided an update on Fort Knox and its impact on the communities of Bullitt, Hardin and Meade counties. The CEO read a prepared statement written by the Fort Knox Deputy Garrison Commander discussing Fort Knox's status as a driver of economic strength, community partnerships, and workforce development across the commonwealth. The presenters detailed the history of Ft. Knox and its tourism impact on the surrounding area and the state. Ft. Knox brings 35,000 people to Kentucky from May to November for summer cadet training.

A board member, the executive director, and the marketing director of Pikeville-Pike County Tourism discussed the need for strategic signage along the Hatfield-McCoy Feud Trail. They explained how tourism would impact local economies and how the signage would increase visitor engagement, dwell time, and tourist spending.

The president and the chief revenue officer of the Louisville Sports Commission explained the role of sports tourism and the importance of having venues to host sporting events in Louisville. The president detailed the growth of total revenue from 1999 to 2024, as well as the secondary impact of hosting events. Sports provide the largest economic driver for local tourism in the city, and generate an average of \$150 million every year in revenue. The chief revenue officer explained the implementation of different programs that promote healthy and active lifestyles for both children and adults.

## **Kentucky Forestry**

The director of the Division of Forestry, Energy and Environment Cabinet, discussed prescribed fire as a strategic land management tool used to protect, conserve, and enhance Kentucky's forest resources. Prescribed burning reduces hazardous fuel loads to lower wildfire intensity, promotes oak regeneration vital to Kentucky's \$9 billion bourbon industry, and protects the state's \$19 billion forest economy.

The commissioner of the Department of Fish and Wildlife Resources (DFWR), the director of wildlife for DFWR, and the legislative liaison for the DFWR detailed the structured process behind implementing prescribed burns, including planning, weather monitoring, safety protocols, interagency coordination, and trained personnel execution. Presenters emphasized prescribed burns are carefully controlled, science-based tools used to manage vegetation, restore native ecosystems, and reduce fuel loads that contribute to dangerous wildfires.

## **Small Business**

The executive director of Blue North testified on behalf of KY Innovation Hubs and other regional entrepreneurial partners. He discussed state-level initiatives and support systems to retain founders in the commonwealth, stressing ecosystem-building across capital, talent, and infrastructure. He also highlighted SparkHaus, an entrepreneurial hub under construction in Covington.

The director of public affairs at the Kentucky Chamber of Commerce (the Chamber) and the president and CEO of the Thoroughbred Hospitality Group discussed the Chamber's efforts to support small business. They noted recent pro-growth policies enacted by the General Assembly, including income tax reductions, regulatory modernization, and workforce development initiatives. The president emphasized the hospitality industry's contribution to economic development and noted a planned multimillion-dollar expansion in Frankfort. The director reiterated the Chamber's concerns regarding childcare access and housing availability and stated that the Chamber will prioritize legislation on these issues, along with workforce participation, during the upcoming session.

The executive director of the Office of Entrepreneurship and Innovation, Cabinet for Economic Development (CED), and the general counsel for CED presented an overview of the Kentucky Angel Investment Tax Credit program. The program encourages individual investors to provide capital to qualified small businesses to promote job creation and the development of new technologies. The credit equals 25 percent of the investment in non-enhanced counties and 40 percent in enhanced counties, with an annual program cap of \$3 million. Investors may claim up to \$200,000 in credits per year, and credits are nonrefundable but transferable with Department of Revenue approval and may be carried forward for up to 15 years. Businesses are subject to a 5-year reporting period.

## **Report Of The 2025 Interim Joint Committee On Transportation**

**Sen. Jimmy Higdon, Co-Chair**  
**Rep. John Blanton, Co-Chair**

Sen. Cassie Chambers Armstrong	Rep. Daniel Elliott
Sen. Karen Berg	Rep. David Hale
Sen. Jared Carpenter	Rep. Samara Heavrin
Sen. Donald Douglas	Rep. John Hodgson
Sen. Greg Elkins	Rep. Thomas Huff
Sen. Brandon Smith	Rep. Mary Beth Imes
Sen. Brandon J. Storm	Rep. Matthew Lehman
Sen. Phillip Wheeler	Rep. Derek Lewis
Sen. Gex Williams	Rep. Bobby McCool
Sen. Mike Wilson	Rep. Amy Neighbors
Rep. Ryan Bivens	Rep. Rachel Roarx
Rep. Josh Branscum	Rep. Tom Smith
Rep. Randy Bridges	Rep. Ashley Tackett Laferty
Rep. Anne Gay Donworth	Rep. Walker Thomas
Rep. Myron Dossett	Rep. Ken Upchurch

LRC Staff: John Snyder, Dana Fugazzi, Ashley Nash, and Christina Williams

Jurisdiction: Matters relating to airports and aviation; boats and boating; licensing of motor vehicles; operators and trailers; financial responsibility law; nonresident motorists; motor vehicle sales; railroad rates, service, and operating regulations; motor carriers; construction and maintenance of the state highway system; the Department of Transportation; state aid for local roads and streets; the State Police; the Federal Highway Safety law; turnpike authority; state and federal highways; limited access facilities; use of road bond moneys; automobile recyclers; highway beautification; bridges, tunnels, and ferries; traffic regulations; vehicle equipment and storage; driver training schools.

## Committee Activity

The Interim Joint Committee on Transportation held six meetings.

### **KYTC Response To Severe Weather In Southeastern Kentucky**

Representatives from the Kentucky Transportation Cabinet (KYTC) updated the committee on KYTC's response to the tornadic activity that hit Southeastern Kentucky on May 16, 2025.

### **Implementation Of Legislation And Project Updates From The 2025 Session**

**Work Zone Safety.** Co-Chair Blanton and representatives from KYTC and Kentucky State Police (KSP) provided updates on the implementation of 2025 RS HB 664, which allows the use of automated speed devices to transmit information to law enforcement officers to assist with speed enforcement in work zones. HB 664 seeks to slow traffic in work zones to improve work zone safety, enforce work zone speed limits, and have safer enforcement beyond the work zone. HB 664 combines cameras with on-scene law enforcement to issue citations in real time, and the automated speed devices will initially be rolled out in five locations. The implementation plan includes reviewing impact, developing policy, and expanding to more locations.

**Local Assistance Road Program.** The commissioner of KYTC's Department of Rural and Municipal Aid updated the committee on implementation of 2025 RS HJR 46, the County Priority Projects (CPPs) approved by the General Assembly for FY 2026, and implementation of the Local Assistance Road Program (LARP) established under 2025 RS HB 546. LARP replaces the CPPs and sets out requirements and guidelines for cities and counties to submit rehabilitation projects for the General Assembly to consider each year, beginning in FY 2027.

**I-69 Bridge Project, KYTC Report On Financing And Memo With Indiana.** Representatives from KYTC provided an update on the I-69 Bridge Project and Ohio River Crossing. The crossing will complete the I-69 connection between Evansville, Indiana and Henderson, Kentucky and includes more than 11 miles of new interstate and a four-lane river crossing. Construction is expected to begin in 2027 after funding is identified for the \$933 million project, of which Kentucky's share is \$508 million. Draft financial plans include tolling, GARVEE bonds, traditional federal revenues, Biennial Highway Construction Program funds, and a \$150 million appropriated from the general fund. Preliminary engineering is complete, development of an alternative delivery procurement and right of way activities have begun, the tolling agreement began due to 2025 RS HB 546, and the financial plan and bi-state development agreement are being finalized.

**SB 63 - Special Purpose Vehicle Registration.** Representatives from KYTC updated the committee on the implementation of 2025 RS SB 63, which created a special purpose vehicle registration. KYTC completed implementation of the new registration, including in Kentucky Automated Vehicle Information System (KAVIS), and the program is now fully operational. Ongoing communication has been maintained with county clerk leadership, and issues that arise during transactions are addressed in real-time.

**SB 43 - Medical Review Board Changes And Third-Party Driver's License Issuance.** The commissioner of KYTC's Department of Vehicle Regulation addressed the implementation of 2025 RS SB 43, involving Medical Review Board changes and third-party driver's license issuance. KYTC updated the structure and internal procedures of the Medical Review Board to align with the new statutory requirements, and built the framework for a significant expansion of driver's license issuance through authorized third-parties.

**KAVIS - Sheriff's Inspections.** Representative from KYTC provided an updated on integrating the sheriff's inspection process into KAVIS. The system is now fully operational and performing well. The update reduced paperwork, cut back on fraud, improved data integrity, and brought new levels of transparency and tracking to a process that previously relied heavily on manual steps.

**Driver's License Reports On Regional Offices And Testing.** Representatives from KSP and KYTC provided an update on the 35 driver's license regional offices and testing. Wait times have been cut by more than half since the spring through increased staffing, additional appointments, and line queue management improvements. A pilot program where skills tests are given in five counties without a regional licensing office was also discussed. The pilot allows residents of those counties under the age of 18 to take a skills test for an intermediate license in that county.

## Roads

**Road Fund Report.** Representatives from KYTC reported on the road fund. Actual FY 2025 road fund revenues were \$1.8653 billion, which exceeded the enacted estimate by \$38.5 million. Motor fuels tax revenues lagged behind estimates, while motor vehicle usage tax revenues exceeded estimates by \$69.4 million. The road fund surplus for FY 2025 was \$61.6 million and, in accordance with 2024 RS HB 6, monies in the road fund surplus account were appropriated to the highway construction program.

**Rural - Secondary Road Needs.** Representatives from KYTC briefed the committee on rural and secondary road needs, and the three major funds administered by the cabinet for the construction, reconstruction, and maintenance of those roads. Each of the funds are distributed to counties and cities.

## Aviation

**Commercial Airport Updates.** Representatives of Kentucky's Bluegrass Airport, Muhammad Ali International, and Cincinnati/Northern Kentucky International briefed the committee on airport operations, passenger numbers, economic development initiatives, and capital improvements associated with their airports and facilities.

**Kentucky Aviation Association.** The executive director, board chair, and legislative chair of the Kentucky Aviation Association (KAA) briefed the committee on KAA. Kentucky has more than 50 public use general aviation airports that support business, tourism, agriculture, medical and emergency services, and connect rural communities to state, national, and international markets.

Each year, aviation contributes over \$1.6 billion to Kentucky's economy, supports more than 9,400 jobs, provides over \$400 million in labor income, and generates vital tax revenue.

**Potential Aviation Impact Study.** A board member of the Aviation Museum of Kentucky discussed the need for an updated aviation impact study to determine the assets, shortfalls, and needs of aerospace manufacturing and aviation systems.

### **Proposed Legislation**

**Lighting Standard For Tow Trucks.** Representative Richard White discussed his legislative proposal regarding lighting standards for tow trucks. "Troy's Law" is in honor of Troy Caldwell, a tow truck operator killed at an accident scene in Bath County, and would allow wreckers to be equipped with a flashing, rotating, or oscillating blue light when the wrecker is stationary and is removing a vehicle or debris from the highway.

**Road Striping Reflectivity.** Representative Candy Massaroni discussed her legislative proposal, 2025 RS HB 431, concerning road striping reflectivity. HB 431 required KYTC to conduct a quality assurance test 6 months after each highway pavement marking and to repair the markings within 30 days of a failed quality assurance test. The executive director of KYTC's Office of Project Delivery and Preservation stated striping costs approximately \$25 million per year and re-striping is based on need and funding availability. Higher volume roads are striped yearly, and secondary and minor roads are striped every 3 years depending on funding. KYTC has started transitioning to thermoplastic paint on high volume roads, which is a more durable and has better reflective striping material, and striping width has increased to 6 inches to improve visibility.

**Sponsorship Agreements For Transportation Facilities.** Representative Peyton Griffiee discussed his legislative proposal, 2025 RS HB 112, which allowed KYTC to enter into agreements with private entities to sponsor welcome centers and rest areas on the interstate and state highway system. The bill directed all proceeds to be used on maintenance and upkeep of the welcome center or rest area.

**Control Of Vegetation At Rail Crossings.** Representative Josh Calloway discussed his legislative proposal, 2025 RS HB 407. HB 407 required railroad companies to destroy or remove obstructive vegetation at intersections with public roads or highways.

**Salvage Motor Vehicle Titles.** Representative Huff spoke on his legislative proposal, 2026 RS BR 279. The bill excluded the cost of parts and labor from the cost of repair calculation for the required surrender of the certificate of title for a motor vehicle or trailer that has been destroyed.

**Hands Free Legislation.** Co-Chair Higdon discussed his sponsored legislation, 2026 RS BR 238. With certain exceptions, the bill would prohibit the use of a mobile electronic device while operating a motor vehicle.

## Other Discussions

**Motor Vehicle Dealer Issues Ad Valorem Taxes.** Representative Smith appeared with a representative from Northern Kentucky Auto Sales to discuss issues with salvage vehicles flagged for delinquent ad valorem taxes, including backlogged notifications, notices on vehicles upon which taxes have already been paid, and a lack of communication from the Department of Revenue.

**Rest Areas.** A deputy state highway engineer from KYTC discussed the eight welcome centers, 14 rest areas, and four truck havens co-located with weigh stations in the commonwealth. Maintenance costs increased 46 percent since FY 2021, and a truck parking assessment showed an increase in parking demand spurred by hours-of-service limitations, electronic logging of driver's hours, and fewer truck drivers.

**Weigh Stations.** Representatives from KSP and KYTC discussed weigh stations. Kentucky's weigh stations are staffed with North American Standard Inspection trained personnel. Inspectors are critical to ensure highway safety, and detect cargo theft, illegal drug transportation, impaired driving, and human trafficking.

**KYTC's Property Procurement Process And Eminent Domain.** A deputy state highway engineer from KYTC briefed the committee on transportation rights-of-way and eminent domain. Right-of-way laws, regulations, and policies; the right-of-way guidance manual; appraisal guidelines manual; the relocation assistance manual; and the methods by which KYTC transfers ownership of property were all discussed. Presenters also highlighted how crucial the acquisition of right-of-way is to KYTC to build, expand, and maintain transportation facilities.



**Report Of The 2025  
Interim Joint Committee On Veterans, Military Affairs,  
And Public Protection**

**Sen. Matthew Deneen, Co-Chair  
Rep. Bobby McCool, Co-Chair**

Sen. Karen Berg  
Sen. Gary Boswell  
Sen. Jimmy Higdon  
Sen. Matt Nunn  
Sen. Aaron Reed  
Sen. Craig Richardson  
Sen. Brandon Smith  
Sen. Lindsey Tichenor  
Sen. Mike Wilson  
Rep. John Blanton  
Rep. Steve Bratcher  
Rep. Myron Dossett  
Rep. Ryan Dotson  
Rep. Chris Freeland  
Rep. Chris Fugate

Rep. Jim Gooch Jr.  
Rep. Mark Hart  
Rep. DJ Johnson  
Rep. Scott Lewis  
Rep. Savannah Maddox  
Rep. Candy Massaroni  
Rep. Adam Moore  
Rep. Marianne Proctor  
Rep. T.J. Roberts  
Rep. Scott Sharp  
Rep. Pamela Stevenson  
Rep. Ashley Tackett Laferty  
Rep. Walker Thomas  
Rep. Bill Wesley

LRC Staff: Mark Mitchell, Jessica Zeh, and Logan Schaaf

Jurisdiction: Matters pertaining to military affairs and civil defense; national guard; veterans; retention of military bases; veterans' rights, benefits, and education; veterans' nursing homes; military memorials and cemeteries; safety of citizens and security of public buildings and property; fire prevention and protection; foods, drugs, and poisons; pure foods and drugs; trailer park regulations; hotel and restaurant regulations as they pertain to public health; sanitation plants; and garbage and refuse disposal.

## **Committee Activity**

The Interim Joint Committee on Veterans, Military Affairs, and Public Protection held six meetings.

### **Distinguished Veterans, Guests, And Other Recognitions**

The committee honored Joe Masterson and Sergeant Major (Ret.) Jimmy Thorne as Distinguished Veterans, members of the Falmouth Police Department for their lifesaving actions, Lieutenant Brian Hatt of the Raywick Fire Department who died on duty on Monday, August 25, 2025, and the Missing in America veterans interred in Kentucky's veteran cemeteries.

### **Veteran Issues**

The executive director of the Office of Kentucky Veterans Centers within the Kentucky Department of Veterans Affairs (KDVA), along with the secretary of the Finance and Administration Cabinet, the executive director of the Division of Engineering and Contract Administration/Division of Facility Efficiency within the Finance and Administration Cabinet, and the deputy commissioner of KDVA, discussed the heating, ventilation, and air conditioning (HVAC) system replacement project at the Carl M. Brashear Veterans Home in Radcliff, KY, and staffing trends at the state veteran centers. They provided an overview of the Radcliff HVAC replacement project, including identification of problems with the old system, the replacement design process, budget request, and bidding process.

The president and CEO of USA Cares, the programs project manager of USA Cares, and a former mayor of Jeffersontown and current board member of USA Cares discussed the organization's work. They detailed the history of USA Cares, the factors that often contribute to veteran suicide, the sources of referral to their organization, and the services the organization has provided using the \$1 million appropriation received from the General Assembly in 2024.

The chief judge of the Hardin District Court and the executive officer of specialty courts with the Administrative Office of the Courts discussed Veterans Treatment Courts, which serve veterans and active-duty servicemembers, particularly those with behavioral health challenges.

### **Emergency Response And Search And Rescue Operations**

The executive director of the Department of Military Affairs (DMA), director of the Division of Emergency Management, the Urban Search and Rescue (USAR) program coordinator, and the legislative liaison and policy specialist for the DMA provided an overview of response efforts to recent natural disasters and updated the committee on the Commonwealth Sheltering Program, disaster recovery centers, and the USAR program. They detailed the USAR program's operations, staffing, and budget, and provided a timeline for the full activation of the program.

The chief and the public information officer of Wolfe County Search and Rescue discussed the group's rescue operations in the Red River Gorge, mutual aid agreements with other counties, and assistance to state police and Kentucky Emergency Management. Challenges include

inadequate funding, no space for equipment storage and training, retention and recruiting challenges, and the lack of line of duty death benefits.

The coroners of Daviess, Hardin, and Shelby counties discussed the work of county coroners in the aftermath of major natural disasters and requested the state fund five additional disaster response trailers, each covering approximately 12 counties.

### **Military Agency And Installation Updates**

The adjutant general of the Kentucky National Guard provided an update on the National Guard's activities, focusing primarily on cybersecurity, discussing new threats and recent training exercises, and highlighting the National Guard's emergency management and response capabilities, including its work in the aftermath of the UPS Airlines Flight 2976 crash in Louisville on November 4.

The Fort Knox garrison commander, the president and CEO of the Knox Regional Development Alliance (KRDA), and the director of military affairs for the Christian County Chamber of Commerce discussed recent operations at Fort Knox and Fort Campbell, connections to their surrounding communities, business partnerships, and future plans.

The executive director of the Kentucky Commission on Military Affairs and the president and CEO of KRDA provided an overview of the state's military community. They highlighted military installations, top defense contractors, recent legislative successes, and future legislative priorities.

### **Water Quality Issues**

The commissioner and deputy commissioner of the Department for Environmental Protection within the Energy and Environment Cabinet provided an overview of Kentucky's water systems, Division of Water programs, training, and challenges. They also discussed compliance with federal rules, future infrastructure needs, and regionalization efforts.

The executive director of the Kentucky Rural Water Association (KRWA) provided an overview of KRWA's mission, its compliance program, technical assistance, professional development, and the challenges facing various water systems, including: aging and inadequate infrastructure, regulatory compliance, funding and financial constraints, and the need for technical expertise.

The chairman of the Martin County Water and Sanitation Districts discussed the challenges facing the districts, including: lack of funding, inadequate revenue, poor infrastructure, and high monthly rates for customers. He highlighted the districts' strategic improvement plan and emphasized potential legislative and financial solutions.

The community care coordinator for the Livelihoods Knowledge Exchange Network (LiKEN), along with the president of Martin County Concerned Citizens, the impact director and co-director of the LiKEN water collaboratory program, and a staff attorney with the Appalachian Citizens Law Center, discussed the history and mission of the Friends of the Tug Fork River

organization, which works to clean up the Tug Fork, helps landowners manage and increase the value of their forests, connects Appalachian communities with supportive forest land-use agencies, and supports the growth of forest and river related livelihoods.

### **Drug Prevention**

The director of the Bowling Green-Warren County Drug Task Force, the director of the Greater Hardin County Narcotics Task Force, and the director of the Bluegrass Narcotics Drug Task Force - Bourbon and Harrison Counties provided an overview of anti-drug operations and discussed the disbursement of the Edward Byrne Justice Assistance Grant Program funds to various drug task forces in the state.

### **Proposed Legislation**

Representative Peyton Griffie discussed 2025 RS HB 113, his military vehicle tax exemption bill, which he plans to re-file in the upcoming session. There is a 6 percent tax on motor vehicle usage in Kentucky. The bill would add service members and retirees who purchase a vehicle on active orders to the list of exemptions.

Representative Tackett Laferty, the Floyd County sheriff, a former Floyd County sheriff's deputy, and the former Floyd County emergency management director discussed a bill allowing all first responders catastrophically injured in a hazardous duty situation to receive minimum benefits.

Representative Nancy Tate, the assistant chief/fire marshal with the Louisville Fire Department, the Frankfort fire marshal, and a registered builder and land developer discussed a bill requiring residences to possess a working smoke alarm.

Co-Chair Deneen discussed the Military Installations Protection Act, a bill he plans to introduce in the upcoming 2026 Regular Session. It would allow military installations to sit as ex officio, nonvoting members on planning and zoning boards.

## **Report Of The 2025 Administrative Regulation Review Subcommittee**

**Sen. Stephen West, Co-Chair**  
**Rep. Derek Lewis, Co-Chair**

Sen. Julie Raque Adams  
Sen. Cassie Chambers Armstrong  
Sen. Mike Wilson

Rep. Randy Bridges  
Rep. Deanna Gordon  
Rep. Mary Lou Marzian

LRC Staff: Karen Howard, Sarah Amburgey, Emily Harkenrider, Carrie Nichols, Stacy Auterson, Laura Begin, Emily Caudill, Ange Darnell, Anna Latek, and Callie Lewis

Jurisdiction: Review and comment upon emergency and proposed administrative regulations filed with the Legislative Research Commission; conduct informational review of ordinary, emergency, or effective administrative regulations; make deficiency determinations in accordance with KRS 13A.030(2); recommend amendment or deferral of emergency or proposed administrative regulations; recommend the amendment, repeal, or enactment of statutes relating to administrative regulations; and conduct a continuous study of the administrative regulations procedure and the needs of administrative bodies.

## Subcommittee Activity

The Administrative Regulation Review Subcommittee (ARRS) is a statutory committee of the Legislative Research Commission and is required to meet monthly. This report covers subcommittee activity between January 2025 and December 2025. Following are some of the topics that ARRS reviewed during 2025.

### Economic Development

**Kentucky Entertainment Incentive Program: 307 KAR 1:070E (August), 307 KAR 1:080E, 307 KAR 1:080 (October).** The subcommittee reviewed regulations from the Cabinet for Economic Development, Economic Development Finance Authority, relating to the production of films in Kentucky. These regulations were promulgated in response to 2025 RS SB 1, which created the Kentucky Film Office and the Kentucky Film Leadership Council. The regulations updated requirements on qualifying expenditures, application requirements, incentive awards, economic analysis, and fees.

### Education

**Designation Of Agent To Manage Middle And High School Interscholastic Athletics: 702 KAR 7:065 (September).** The subcommittee reviewed a regulation from the Education and Labor Cabinet, Board of Education, Department of Education, relating to the procedures and bylaws of the Kentucky High School Athletics Association (KHSAA), which is the agency designated by the board for managing interscholastic athletics at the middle and high school level. The agency explained the amendments were part of an annual review of KHSAA's bylaws and policies, and discussed local control over student reinstatement after failure on grade level and sufficient academic progress. The agency updated the subcommittee on start and end times of sports activities for purposes of catastrophic insurance coverage, heat injury procedures, Title IX, and statutory compliance.

**Full-Time Enrolled Online, Virtual, And Remote Learning Programs: 704 KAR 3:535 (February).** The subcommittee reviewed a regulation from the Education and Labor Cabinet, Board of Education, Department of Education, relating to enrollment in online, virtual, or remote learning courses. The agency requested the subcommittee to approve an amendment to place a 10% enrollment cap on these programs because data indicated many smaller districts might not be able to effectively implement standards. The agency explained a district could appear before the state board and request a waiver if it needed to exceed the 10% cap. Discussion included possible legislation to establish metrics and procedures, and the subcommittee declined approval of the agency amendment.

## Emergency Services

**Paramedics, Advanced Practice Paramedics, Scope Of Practice Matters: 202 KAR 7:401, 202 KAR 7:410, 202 KAR 7:701 (October).** The subcommittee conducted an informational review on regulations from the Kentucky Board of Emergency Medical Services (KBEMS), relating to the paramedic scope of practice. KBEMS described an incident involving a herpetologist who was conducting an experiment with antivenom and was bitten by an exotic snake. The attending paramedics administered antivenom, and the herpetologist was admitted to a hospital.

KBEMS' preliminary inquiry board dismissed a complaint against the paramedics for operating outside of their scope of practice. KBEMS explained the protocol authorized only a certified wilderness paramedic to administer antivenom. The board discussed the scope of practice, stating the current antivenom standards contemplated native snake bites and other likely situations, not a bite from a highly venomous African snake. The board assured the subcommittee they would develop an exception protocol within 4 to 6 months.

## Energy And Environment

**Definitions And General Bonding Provisions: 405 KAR 10:001, 405 KAR 10:015 (March).** The subcommittee reviewed regulations from the Energy and Environment Cabinet, Department for Natural Resources, Division of Mine Permits, relating to bonds required of coal companies for ongoing reclamation costs, which include backfilling of highwalls, grading, and installation of drainage. The agency explained the regulations required the approval of the US Secretary of the Interior, who denied approval in 2018 due to insufficient bonding requirements. To receive federal approval, the bond was required to cover treatment costs for 75 years.

Discussion included concerns about costs to the coal mining industry and 2025 RS SB 89, which had already passed one chamber. If enacted, it would negate the regulation. The agency affirmed it would comply with SB 89, if enacted, and conceded the new federal administration might have a different opinion on the bonding requirements. These proposed regulations were found deficient by the subcommittee and were subsequently nullified by 2025 RS SB 65.

**Access And Attachments To Utility Poles And Facilities: 807 KAR 5:015 (August).** The subcommittee reviewed a regulation from the Energy and Environment Cabinet, Public Service Commission, relating to broadband attachments to utility poles. The regulation was promulgated pursuant to 2024 RS SJR 175, which required expedited deployment of broadband and broadband attachments in unserved and underserved areas.

The subcommittee heard opposition testimony from the Kentucky Resources Council, which expressed concern that the rights of landowners were not being considered in the third-party attachment process. The agency indicated it does not have jurisdiction over broadband providers or disputes between utilities and property owners. All were in agreement about the importance of providing access to broadband across the state.

## Financial Institutions

**Conduct Of Credit Unions: 808 KAR 3:050 (March).** The subcommittee reviewed a regulation from the Public Protection Cabinet, Department of Financial Institutions, relating to low-income designation credit unions. The agency explained the National Credit Union Administration allowed this designation. The low-income designation meant 50% of members are below the 80% median income. Credit unions with this designation operated in over 30 states. The agency discussed exceptions to the statutory cap for member business to allow a credit union to increase business lending programs to underserved members, allow acceptance of supplemental capital from outside sources to augment retained earnings, as well as allow acceptance of non-member deposits.

The subcommittee heard opposition testimony from the Kentucky Bankers Association (KBA) stating KRS 286.6-335 limits credit unions to holding funds for its members or other credit unions, and legislation would be needed to allow the regulatory changes. The agency clarified that non-member deposits would still have to fall within the field of membership. The KBA committed to have continuing discussions with the agency during the interim. This proposed regulation was found deficient by the subcommittee and was subsequently nullified by 2025 RS SB 65.

## Fish And Wildlife

**Take Of Wildlife With Aircraft Prohibited: 301 KAR 3:140 (September).** The subcommittee reviewed regulations from the Tourism, Arts and Heritage Cabinet, Department of Fish and Wildlife Resources, relating to hunting with aircraft. The agency explained hunters had complained about the use of drones to take wildlife on public lands, which interfered with traditional hunting. Additionally, federal law prohibits the use of drones in this context, and the regulation would now be expressly in compliance with the federal prohibition.

## Health

**Professional Standards For Prescribing, Dispensing, Or Administering Buprenorphine-Mono-Product Or Buprenorphine-Combined-With-Naloxone: 201 KAR 9:270 (October and November).** The subcommittee reviewed a regulation from the Kentucky Board of Medical Licensure (KBML), relating to prescription requirements for buprenorphine and similar drugs, which are used to treat substance use disorder. KBML indicated these requirements were necessary to guide front-line physicians with little or no experience in providing this care. The regulation created exceptions to allow for use of the drug in particular circumstances, such as for emergency room care or cancer treatment.

The subcommittee heard opposition testimony from the Kentucky Society of Addiction Medicine (KYSAM), doctors, and other stakeholders. Complaints included excessive drug screens, rigid visit schedules, dosage limitations below FDA-approved thresholds, legal uncertainty for physicians who prescribe buprenorphine, and other difficult barriers to access. Stakeholders contended buprenorphine is considered a safe, proven, evidence-based medication that is integral to recovery from substance use disorder.

KBML explained suboxone, which is a combination of buprenorphine and naloxone, can cause substantial withdrawal, is frequently diverted, and can be unsafe in combination with other drugs. After deferral for an additional attempt at compromise, KBML amended the regulation further, but the stakeholders stated the new amendments were not sufficient to alleviate their concerns.

**Schedules Of Controlled Substances: 902 KAR 55:015E (November).** The subcommittee reviewed a regulation from the Cabinet for Health and Family Services, Office of the Inspector General (OIG), relating to controlled substances. The OIG proposed an agency amendment to add 7-hydroxymitragynine (7-OH), concentrated at a level above 400 ppm, to the list of Schedule I substances. The agency discussed the need for 7-OH to be scheduled, as the concentrated level in the regulation does not occur naturally in legal kratom, but is synthesized. It is 13 times more powerful than morphine, does not need a prescription, and is readily available to the public, e.g., at gas stations. The federal Food and Drug Administration has declared 7-OH to be a drug of concern.

Stakeholders explained the high rate of fentanyl overdose deaths and 7-OH as a promising, cheap, and effective option to treat addiction.

## Optometry

**Application For Licensure; Endorsement: 201 KAR 5:010 (April).** The subcommittee reviewed a regulation from the Kentucky Board of Optometric Examiners (KBOE), relating to the option to submit the written examination results of the Optometry Examining Board of Canada (OEBC) in lieu of results of Part One of the National Board of Examiners in Optometry (NBEO). The KBOE stated the intent was to provide an additional pathway to licensure and expand access to quality care.

The subcommittee heard opposition testimony from the NBEO that the OEBC examination was not equivalent, unqualified candidates could become licensed, the exam lacked security and integrity because of remote, online proctoring, and insurance companies might refuse to recognize alternative credentials. The NBEO explained other states did not accept this alternate exam, potentially affecting state reciprocity. The stakeholders further noted the advanced scope of practice applicable to Kentucky optometrists, as opposed to optometrists in Canada.

The discussion included concerns of constituent optometrists, who were both in support of the regulation and frustrated with the NBEO, complaining of data breaches, oversight concerns, significant increases in NBEO examination fees, and the decline of pass rates.

## Personnel

**Classified Compensation Administrative Regulations: 101 KAR 2:102 and 101 KAR 3:015 (June).** The subcommittee reviewed two regulations from the Personnel Cabinet, relating to paid parental leave. The regulations created an additional benefit of 6 weeks, per every 10 years, of paid leave for births, adoptions, or foster parents. The agency described the leave policies of state government as generous and considered the new leave benefit to be a great enhancement.

The subcommittee heard opposition testimony from the March of Dimes, Kentucky Voices for Health, and the ACLU of Kentucky. The stakeholders discussed the state's poor rating on pre-term birth rates; and the statistics on the positive effects of paid parental leave, such as lower neonatal and infant mortality rates, increases in cognitive development, and decreases in women leaving the workforce. Various situations could require more than 6 weeks' leave, such as needed recovery time, pre-term babies admitted to a neonatal intensive care unit, and pregnancy complications before birth. The 10-year limitation was unrealistic, and no other states had that kind of restriction. The stakeholders emphasized national best practices would align better with 12 weeks of paid leave. Paid parental leave was not a perk, but a public health intervention.

The agency welcomed feedback and assured the subcommittee it would continue to consider any concerns or suggestions.

## Transportation

**Access To Highways: 603 KAR 5:120 (July).** The subcommittee conducted an informational review for a Transportation Cabinet regulation, relating to procedures for designation or modification of access-by-permit, access for partially controlled or heavier-use roadways, and controlled access roadways. The agency explained if an access permit improves the value of the property, the property owner pays the commonwealth the fair market value difference between the pre-permit and post-permit property.

The subcommittee heard opposition testimony from Representative Jennifer Decker challenging the statutory authority for this requirement and objecting to requiring an individual landowner to pay the difference in fair market value, especially if a development would provide community benefits, such as jobs.

Discussions included the complexity and public policy concerns surrounding this issue and whether a legislative solution might be needed.

## **Report Of The 2025 Capital Planning Advisory Board**

**Sen. Gary Boswell, Co-Chair**  
**Rep. Ryan Dotson, Co-Chair**

Sen. Steve Rawlings  
Rep. William Lawrence  
Pat Abell  
Rocky Adkins  
Charles Byers  
Carole Henderson  
John Hicks

Bryan Hix  
Keith Jackson  
Patsy Jackson  
Holly McCoy Johnson  
Zach Ramsey  
Danny Rhoades  
David Rhodes

LRC Staff: Liz Columbia and Jennifer Luttrell

Jurisdiction: The 1990 General Assembly established the Capital Planning Advisory Board of the Kentucky General Assembly, composed of members representing the executive, judicial, and legislative branches of government. Pursuant to KRS Chapter 7A.120, the board is charged with creating a 6-year comprehensive statewide capital improvements plan encompassing state agencies and universities. The plan is to be submitted to the heads of the three branches of government by November 1 of each odd-numbered year. This schedule enables the comprehensive capital plan to be used in the subsequent budget process and legislative session.

## Board Activity

The Capital Planning Advisory Board held five meetings.

### Review Of Agency Capital Plans

The board received testimony from executive branch agencies, the Court of Justice, and postsecondary institutions on agency capital plans in preparation for the *2026–2032 Statewide Capital Improvements Plan*. Testimony included discussion of each agency’s capital construction, information technology (IT), and equipment needs. Several agencies discussed potential funding needs.

The 2026-2032 capital plans submitted by executive branch state agencies, the judicial branch, and postsecondary institutions reported the need for 1,863 projects totaling approximately \$101.3 billion from all fund sources over the next 6 years. General fund dollars represent approximately \$15 billion of the total need. Other funding sources include restricted, federal, and road funds; agency bonds; and cash or third-party financing arrangements.

For the 6-year period, approximately \$101.3 billion from all funding sources is needed. A total of \$45.7 billion is needed for new construction and expansion of existing facilities, plus \$49.1 billion for maintenance and renovation of existing facilities, \$1 billion for equipment, \$4 billion for IT projects, and \$1.5 billion for the grant and loan programs that assist nonstate entities for water and sewer infrastructure, schools, and economic development.

### Special Reports

The Commonwealth Office of Technology (COT) chief information officer and director presented a report regarding its review of executive branch IT projects. The COT review panel evaluated 18 qualifying IT projects for the 2026-2028 biennium valued at over \$375.7 million and recommended 16 projects valued at approximately \$330.4 million.

The Council on Postsecondary Education (CPE) assistance vice president, associate director, and technical advisor presented a report regarding its review of postsecondary capital projects. CPE staff reviewed various postsecondary new construction projects valued at \$12 billion, asset preservation projects valued at \$9.8 billion, equipment projects valued at \$247.6 million, and IT projects valued at \$1.3 billion for the 2026-2028 fiscal biennium.

CPE recommended over \$2.4 billion in general fund capital investment in the 2026-2028 fiscal biennium for postsecondary capital projects comprised of approximately \$1.7 billion in new construction and \$700 million in asset preservation. CPE did not include recommendations for postsecondary IT projects in their 2026-2028 budget recommendation in the interest of emphasizing asset preservation projects. However, all 48 IT projects were found to be reasonable and necessary for institutions to maintain and improve current services while ensuring the security of sensitive data.

### ***2026-2032 Statewide Capital Improvements Plan***

The board gave final approval to the *2026-2032 Statewide Capital Improvements Plan* at its October meeting, and the plan was transmitted to the heads of the three branches of government by as required by statute. The capital plan contained policy and project recommendations developed and approved by board members. Project recommendations encompassed state general fund projects for the first biennium sorted into three categories: construction (maintenance/renovation), construction (new), and IT.

The following policy recommendations were adopted in conjunction with the capital plan:

**Budget Reserve Trust Fund.** The board recommended that the Governor and the General Assembly prioritize maintaining budget reserve trust fund balances and consider linking deposits directly to revenues and statutory withdrawal provisions.

**CPE's Focus On Asset Preservation And Postsecondary Capital Projects.** The board endorsed CPE's multi-biennium strategy for financing the capital needs of postsecondary institutions. The board also recommended that the Governor and the General Assembly endorse CPE's proposed asset preservation investment framework and continue to provide funding in the 2026-2028 fiscal biennium and subsequent state budgets.

**State Agency Maintenance Pools.** The board recommended that, in each biennium, sufficient funding be appropriated for agency miscellaneous maintenance pools to address maintenance projects that would protect the state's significant investment in its physical plant. The board noted that the appropriation of bond funds for agency maintenance pools had positively allowed agencies to undertake needed maintenance projects that would have required line-item budget authorization. However, this funding reduces the flexibility of agencies to undertake small projects that do not meet the 20-year useful life requirement for bond funding. As such, the board encourages continued use of traditional cash financing for maintenance pools when funds are available, as done in the 2022-2024 and the 2024-2026 biennial budgets.

The following recommendations for authorization of capital projects funded with state funds were included:

**State Agency Maintenance Pools For Construction Needs.** The board has long recommended adequate amounts for agency miscellaneous maintenance pools as a top priority for funding in the biennial budget. In their 2026-2032 capital plan, state agencies have identified the need for approximately \$790.5 million for maintenance pools over the 6-year period and \$300.2 million in the first biennium. This is significantly more than what has been requested and appropriated for this purpose in past biennia.

**State Agency Equipment Maintenance Pools And Replacement Schedules.** The board recommended funds be provided, as appropriate, for equipment and systems maintenance pools. Similar to the need to protect the state's investment in facilities, agencies are responsible for major equipment assets of the state and need the ability to address ongoing maintenance needs of those items, including aircraft, communications, and wildland fire

equipment. The board recommended funding be appropriated regularly to allow agencies to establish and adhere to equipment replacement schedules so that replacement and upgrade needs can be addressed periodically, rather than accumulating until a significant infusion of funds is required.

**Long-Range Plan For Housing State Agencies In The Frankfort Area.** The board commended the Department for Facilities and Support Services on its continuing progress toward implementing the plan developed in response to KRS 42.425 to reduce the amount of space leased to house state agencies in Franklin County. This progress has been accomplished through a combination of approaches, including state-funded new construction, state-funded renovations, and long-term financing arrangements. The board requested that the department continue to address reducing the amount of space leased by state government in other locations around the state. This action is consistent with KRS 42.425(2)(b)2, which directs the development of long-range plans for housing state agencies in metropolitan areas.

**Grant And Loan Programs.** Various agencies proposed significant funding in 2026-2028 for programs that would assist nonstate entities through a competitive application process. Included are programs of the Cabinet for Economic Development, the Department for Local Government, the Kentucky Infrastructure Authority, and the School Facilities Construction Commission. Due to limited available resources and the significant needs in other areas of government, the board recommended that decision makers carefully analyze existing fund balances and carryforwards before authorizing additional appropriations for these programs.

Relative to projects proposed to be financed from state general funds in the 2026-2028 executive budget, board members recommended 45 projects in three areas: construction (maintenance/renovation), construction (new), and IT. The following projects were recommended:

- 15 maintenance and renovation construction projects;
- 15 new construction projects; and
- 15 information technology projects.

## **Report Of The 2025 Capital Projects And Bond Oversight Committee**

**Sen. Shelley Funke Frommeyer, Co-Chair**  
**Rep. Shawn McPherson, Co-Chair**

Sen. Rick Girdler  
Sen. Scott Madon  
Sen. Reginald L. Thomas

Rep. Jason Petrie  
Rep. Sarah Stalker  
Rep. Walker Thomas

LRC Staff: Katherine Halloran, Savannah Wiley, and Spring Emerson

Jurisdiction: The committee is a permanent subcommittee of the Legislative Research Commission and is charged with overseeing the expenditure of funds for state capital projects; the allotment of funds from the emergency repair, maintenance, and replacement account and the capital construction and equipment purchase contingency account; the state's acquisition of capital assets, including the lease of real property; the issuance of bonds by the commonwealth and related statutory entities; and the issuance of bonds by local school districts.

## Committee Activity

As a statutory committee, the Capital Projects and Bond Oversight Committee meets monthly. This report covers committee activity between January 1 and November 30, 2025, as well as projected December 2025 transactions.

The committee oversees the commonwealth’s capital construction, including KRS 45A.077 public-private partnership agreements, debt issuance, and real property leases. The committee also reviews KRS 224A.100 Kentucky Infrastructure Authority (KIA) assistance agreements and KRS 154.12-100(6) Kentucky Economic Development Finance Authority (KEDFA) economic development fund program grants. For this reporting period, executive branch agencies and postsecondary institutions submitted items requiring committee review.

**Table 1**  
**Approval Items Submitted From January 2025 To December 2025**

<b>KRS And Associated Approval Item</b>	<b>Total</b>
KRS 45A.077(6) and 45A.077(10)(a) Public Private Partnership Contracts	1
KRS 45.760(7) and KRS 164A.575(15) Interim Project Authorizations	12
KRS 45.760(6) Interim Project Appropriation Increases	9
KRS 56.823(12)(d) Tenant Improvement Fund Requests	2
KRS 48.111(6)(e) Lease Authorization	1
KRS 56.823(2)(4) and KRS 164A.575(7)(c) New Leases and Renewals	23
KRS 56.823(11)(a) Lease Modifications of at Least \$50,000	6
KRS 224A.100 Kentucky Infrastructure Authority Assistance Agreements	74
KRS 154.12-100(6) Kentucky Economic Development Finance Authority Economic Development Fund Projects	34
KRS 45.810(1) Appropriation Supported Debt Issues	8
KRS 45.810(1) Non-Appropriation Supported Debt Issues	4
KRS 45.810(1) Conduit Debt Issues	9
KRS 45.810(1) School District Debt Issues with School Facilities Construction Commission Debt Service Participation	49
<b>Total</b>	<b>232</b>

### Projects And Associated Agreements

The Finance and Administration Cabinet, through the Office of State Budget Director, submits and reports projects and associated agreements for executive branch agencies and Kentucky State University. The other postsecondary institutions submit and report individually.

### Lease Arrangements

The Finance and Administration Cabinet, through the Department for Facilities and Support Services, Division of Real Properties, submits and reports lease arrangements for executive branch agencies. All postsecondary institutions submit and report lease arrangements individually.

## Transactions Submitted Through The Office Of Financial Management

### Kentucky Infrastructure Authority

**KIA Loans, Loan Assumptions, And Loan Increases.** The committee approved KIA loans and loan increases to utilities for sewer and water projects, or planning and design loans for such projects, from the Fund A (federally assisted wastewater/clean water state revolving loan fund), Fund B (infrastructure revolving fund), Fund C (governmental agencies program loan fund), and Fund F (federally assisted drinking water/drinking water state revolving loan fund) programs. KIA funds the state match for the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) loan programs from general fund-supported State Properties and Buildings Commission (SPBC) bond proceeds, and KIA offers those loans based upon the utility's ranking in the intended use plans, developed with the Division of Water. Fund B and Fund C loans are allocated on a first-come, first-served basis. For the CWSRF and DWSRF loan programs, the Bipartisan Infrastructure Law provided supplemental base, emerging contaminants, and lead service line replacement (DWSRF only) funding.

**Cleaner Water Program Grants.** 2021 RS SB 36 appropriated \$250 million in American Rescue Plan Act of 2021 Coronavirus State Fiscal Recovery Funds to a newly established Drinking Water and Wastewater Grant Program (Cleaner Water Program). The three funding pools for the \$250 million are as follows: \$150 million based on each county's population; \$50 million for unserved drinking water rural customers or counties under a federal consent decree; and \$49.9 million to supplement project grants, allowing for cost escalations and changed conditions. 2022 RS HB 1 appropriated an additional \$250 million based on county population as well as line-item grants. The committee approved various grant reallocations.

**Kentucky Water And Wastewater Assistance For Troubled Or Economically Restrained Systems Program.** 2024 RS HB 1 appropriated \$150 million from the Budget Reserve Trust Fund to provide assistance for capital and non-capital expenditures, as well as emergency funding for projects relating solely to restoring or avoiding imminent interruption of utility service. The committee approved several emergency grants.

### KEDFA

**EDF Program.** KEDFA's Economic Development Fund (EDF) program, along with its High-Tech Construction/Investment and Loan Pools, is funded as needed from general fund-supported SPBC bond proceeds. The Cabinet for Economic Development (CED) may allocate EDF grant funds either up front, all or a portion to be repaid to the grantee if the beneficiary does not meet annual job and wage compliance benchmarks, or as the beneficiary meets those benchmarks.

2022 RS HB 745 codified the Kentucky Product Development Initiative (PDI) program to upgrade industrial sites. Recipients must match funds dollar-for-dollar. EDF annual compliance benchmarks do not apply to PDI program grants. CED disburses grant funds to the project applicant through the local government entity on a reimbursement basis after review and approval of supporting documentation including invoices, proof of payment, matching funds, and progress reports.

**Debt Issues**

KRS 45.810(1) requires submittal of the commonwealth's debt-issuing entities' proposed debt issues. The commonwealth's debt-issuing entities are SPBC, the Kentucky Asset/Liability Commission (ALCo), the Turnpike Authority of Kentucky (TAK), the School Facilities Construction Commission (SFCC) (local school districts issue the debt and SFCC pays a portion of the debt service), public postsecondary institutions, KIA, the Kentucky Higher Education Student Loan Corporation (KHESLC), the Kentucky Public Transportation Infrastructure Authority (KPTIA), the Kentucky Housing Corporation (KHC), and KEDFA.

**Appropriation-Supported And Non-Appropriation-Supported Debt Issues.** SPBC, ALCo, TAK, SFCC, and postsecondary institutions issue appropriation-supported debt. KHC, KIA, KHESLC, and KPTIA issue non-appropriation-supported debt.

**Conduit Debt Issues (KEDFA And KHC).** KEDFA acts as a conduit for hospital and industrial revenue debt issuance, as well as debt for approved companies and economic development projects. KHC issues multifamily tax-exempt conduit debt on behalf of housing developers that will receive a 4 percent tax credit. KEDFA and KHC have no legal obligation to repay the debt.

## **Report Of The 2025 Commission On Race And Access To Opportunity**

**Sen. Amanda Mays Bledsoe, Co-Chair**  
**Rep. Kevin Jackson, Co-Chair**

Sen. Karen Berg  
Sen. Keturah J. Herron  
Sen. Lindsey Tichenor  
Rep. George Brown Jr.  
Rep. Samara Heavrin  
Rep. Nima Kulkarni

Kimberly Baird  
Larry Forester  
Sonita Justice  
Evon Smith  
Katima Smith-Willis

LRC Staff: Brandon White and Logan Schaaf

Jurisdiction: The commission shall conduct studies and research issues where disparities may exist across the sectors of education equity, child welfare, health, economic opportunity, juvenile justice, criminal justice, and any other sectors that are deemed relevant in an effort to identify areas of improvement in providing services and opportunities for minority communities.

## Commission Activity

The Commission on Race and Access to Opportunity held six meetings.

### Education

The president of Kentucky State University (KSU), vice president of external relations and institutional advancement for KSU, and the senior vice president and chief operating officer for Simmons College of Kentucky provided an overview of the operations of KSU and Simmons College. Following the meeting, members of the commission were given a guided tour of the KSU campus by the president.

The superintendent of Warren County Public Schools (WCPS) and the WCPS assistant superintendent provided an overview of multilingual students in the district and program needs, including funding, more staff, translation services for students and families, and, on the testing and accountability side, additional years to learn, speak, read, and write in English.

The multilingual learner specialist from the Kentucky Department of Education (KDE) and the chief academic officer for KDE provided an overview of English and multilingual learner student populations across the state. They highlighted KDE strategies for strengthening support for schools and districts, including expansion of state-level staffing, streamlined communication from KDE to school districts, and state-level guidance promoting high quality instruction for English language development. The principal, dean, an instructor, and scholars of Carter G. Woodson Academy, along with the president/head of school for The West End School, provided overviews of their schools' operations and highlighted academic achievement statistics.

### Business

The president and chief executive officer of U.S. Black Chambers Inc. discussed challenges faced by minority business owners, including inequitable access to resources, financial institutions, education, and networking.

The senior vice president of Forcht Bank, senior vice president for community and minority business development with Commerce Lexington, Inc. along with the president and CEO of Commerce Lexington, Inc. discussed eight challenges facing minority businesses: limited access to capital, reduced access to networks and mentorship, discrimination and bias, bureaucratic hurdles, challenges in branding and visibility, stereotyping, generational business knowledge gaps, and a lack of financial literacy and business acumen. They detailed some of their programs and initiatives, including: the access loan program, minority business accelerator, opportunity exchange, financial literacy and business education, business recruitment, and partnerships and referral assistance.

The principal of 7PM Group provided an overview of national and state statistics on minority business ownership and reception of federal and state contracts. He also spoke against efforts to remove contracts from minority businesses through litigation. He said minority businesses do not trail in preparation and certification, but in access to opportunity. He requested the commission champion legislation that mandates monitoring, tracking, and reporting by a third-party entity on the awarding of contracts to minority businesses.

A consultant and an administrative assistant for the Minority Contractors Association of Kentuckiana (MCAK) discussed MCAK's mission, key statistics on minority business ownership, challenges faced by minority contractors, and support initiatives. Challenges faced by minority contractors include: limited access to capital and financing, barriers to contracting opportunities, limited capacity and technical resources, systemic barriers and discrimination, and limited access to mentorship and business networks.

The executive director of the Office of Equal Employment Opportunity and Contract Compliance (EEOCC) within the Finance and Administration Cabinet, along with a representative from the Office for Civil Rights and Small Business Development within the Transportation Cabinet (KYTC), discussed the mission and programs of the EEOCC and KYTC's Disadvantaged Business Enterprise (DBE) Program. They highlighted the Service-Disabled Veteran-Owned Small Business Certification Program and the Minority and Women Business Enterprise Certification Program, discussing common issues facing vendors, including limited access to capital and lending partners, and a lack of awareness regarding the certification process.

### **Immigration**

Representative Kulkarni, the executive director of New Americans Initiative, discussed issues relating to the integration of immigrant communities. She highlighted barriers to integration, including the complex legal status process, unrecognized credentials, high tuition costs, language barriers, and restricted access to certain careers.

The vice president and two outreach coordinators of the Community Response Coalition of Kentucky discussed the work of their organization, barriers to immigrant integration, and potential solutions to address these barriers. These solutions include more training for employees of the Department for Community Based Services, better employee training relating to immigrants for Department of Motor Vehicles employees, increased funding for English language learner programs, better planning for immigrant housing needs, and increased support for licensure in underserved professions.

### **Juvenile Justice**

Senator Herron discussed juvenile justice issues and a bill to create a juvenile justice fund. The bill addresses early intervention services and delinquency prevention and will be filed in the 2026 Regular Session.

**Arts**

The president of African American Forum Inc. discussed the organization's history and activities and detailed a \$3,000,000 funding request to underwrite the cost of purchasing a facility to become its headquarters.

**Legislative Recommendations**

During the 2025 Interim, presenters encouraged the commission to support legislation to:

- Ensure that all state agencies follow procurement policies as they relate to minority businesses;
- Encourage state procurement policies that continue to support low-income businesses and entrepreneurs;
- Fund colleges like Simmons, Kentucky Community and Technical College System (KCTCS), and KSU to provide prison education;
- Maximize the successes of K-12 gender specific education as evidenced by Carter G. Woodson and The West End School;
- Fund a nursing school building at KSU;
- Remove barriers to licensure in underserved professions in Kentucky;
- Invest in English Language Learner (ELL) programs in K-12; and
- Provide a longer period of time before ELL students' test scores are counted in the district performance data.

**Report Of The 2025  
Education Assessment And Accountability  
Review Subcommittee**

**Sen. Matthew Deneen, Co-Chair  
Rep. Timmy Truett, Co-Chair**

Sen. Gerald A. Neal  
Sen. Lindsey Tichenor  
Sen. Stephen West

Rep. Kim Banta  
Rep. Tina Bojanowski  
Rep. Steve Riley

LRC Staff: Peter Wright, Yvette Perry, Joshua Collins, Lauren Busch, Emily Wiley, and Jay Harris

Jurisdiction: To review administrative regulations and advise the Kentucky Board of Education concerning the implementation of the state system of assessment and accountability and to provide oversight and direction to the Office of Education Accountability (OEA).

## Subcommittee Activity

The Education Assessment and Accountability Review Subcommittee (EAARS) held three meetings.

### Review Of Administrative Regulations

The committee is charged with reviewing all administrative regulations related to Kentucky's assessment and accountability system. The following administrative regulations were considered by the subcommittee during the interim period and were presented by Kentucky Department of Education staff:

- 703 KAR 005:280 – School improvement procedures.

### Oversight Of The Office Of Education Accountability

As part of its duties to provide oversight and direction to the OEA, the subcommittee received and accepted the OEA's *2024 Annual Report* required by KRS 7.410(2)(c)8. The report is a summary of the status and results of the current year annual research agenda and a summary of completed investigative activity conducted during 2024. In 2024, the OEA received a total of 738 written complaints, 366 of which were anonymous. From these complaints, 31 cases were opened: 24 investigative cases and 7 school-based decision-making council cases. OEA closed 28 cases in 2024: 18 investigative cases and 10 school-based decision-making council cases. 26 cases remain pending: 22 investigate cases and 4 school-based decision-making council cases.

The subcommittee received and approved two OEA study reports.

- ***Kentucky District Data Profiles School Year 2024.*** An annual compilation of data collected from various sources on all school districts with an individual profile for the entire state, it includes student demographics and performance data, staffing data and related information, and district expenditure and revenue data.
- ***Kentucky's Early Childhood Regional Training Centers.*** An evaluation of early childhood regional training centers (RTCs), it examines RTC funding, operations, populations served, and alignment with state and federal requirements. The report identifies a number of issues that merit increased attention from the Kentucky Department of Education, including disparities in funding distribution and contract and expenditure concerns that suggest the need for additional oversight. The study concludes that while RTCs provide valuable training and resources, greater oversight by the Kentucky Department of Education is necessary to maximize equity, fiscal accountability, and program effectiveness.

The subcommittee was presented with one additional OEA study report, but no vote was made to receive and approve the report due to a lack of quorum.

- ***Analysis Of Student Discipline Data In Kentucky Schools And Challenges Associated With Addressing Persistent Or Severe Behaviors.*** A study analyzing behavior events in the student information system, in combination with principal, teacher and student survey data, seeking to identify the prevalence of student behavior-related challenges in Kentucky districts and schools. It also examines the degree to which local districts are implementing

statutes that address persistent or severe behaviors and identifies barriers faced by local districts and schools in addressing those behaviors. The report finds that student behavior is presenting at least moderate challenges to teaching, learning and staff morale in about one third of Kentucky schools and classrooms. The report also identifies state-level actions that can be taken to address barriers identified by principals in addressing persistent or severe behaviors.

The subcommittee approved the proposed 2026 OEA Study Agenda:

- *Kentucky District Data Profiles School Year 2025*;
- An analysis of facilities funding in Kentucky public schools; and
- A study on Kentucky districts' implementation of statutory provisions for early literacy in kindergarten through 3<sup>rd</sup> grade.

### **Education Professional Standards Board**

The policy advisor and counsel for the Education Professional Standards Board, as well as the deputy commissioner and general counsel for the Kentucky Department of Education, provided information on the Education Professional Standards Board and its responsibilities. They provided an overview of the Education Professional Standards Board's disciplinary authority and the process they follow upon receipt of a completed disciplinary complaint.



## **Report Of The 2025 Government Contract Review Committee**

**Sen. Donald Douglas, Co-Chair**  
**Rep. Mark Hart, Co-Chair**

Sen. Stephen Meredith  
Sen. Craig Richardson  
Sen. Reginald L. Thomas

Rep. Jared Bauman  
Rep. Bobby McCool  
Rep. Rachel Roarx

Rep. Jason Petrie, nonvoting ex officio

LRC Staff: Jarrod Schmidt and Kim Smith

Jurisdiction: Review of all nonexempt memoranda of agreement by and between state agencies, and review of all nonexempt personal service contracts by state agencies and by off-budget agencies, that include, but are not limited to, the Kentucky Lottery Corporation, the Kentucky Housing Corporation, state universities within the commonwealth, the Kentucky Employers' Mutual Insurance Corporation, the Kentucky Higher Education Assistance Authority, the Kentucky Student Loan Corporation, and the Kentucky Retirement Systems to examine the stated need for the service, whether the service could or should be performed by state personnel, the amount and duration of the contract or agreement, and the appropriateness of any exchange of resources or responsibilities; and review of all qualifying motion picture or entertainment production tax incentives.

### **Committee Activity**

The Government Contract Review Committee is a statutory committee of the Legislative Research Commission and is required to meet monthly. During FY 2025, beginning July 1, 2024, and ending June 30, 2025, the committee reviewed 1,200 personal service contracts and 823 amendments to personal service contracts. The committee also reviewed 193 personal service contracts for \$10,000 and less, which are submitted to the committee for informational purposes only.

During FY 2025, the committee reviewed 2,031 memoranda of agreement and 778 memoranda of agreement amendments. The committee also reviewed 834 memoranda of agreement for \$50,000 and less, which are submitted to the committee for informational purposes only.

During FY 2025, the committee reviewed 2,216 personal service contract items, 3,643 memoranda of agreement items, and 83 entertainment incentive program agreements for a total of 5,942 items.

Since the start of FY 2026 through November 10, 2025, the committee reviewed 273 personal service contracts and 407 amendments to personal service contracts. The committee also reviewed 53 personal service contracts for \$10,000 and less, which are submitted to the committee for informational purposes only.

Since the start of FY 2026 through November 10, 2025, the committee reviewed 716 memoranda of agreement and 260 memoranda of agreement amendments. The committee reviewed 181 memoranda of agreement for \$50,000 and less, which are submitted to the committee for informational purposes only. The committee also reviewed 26 entertainment incentive program agreements.

Note: The totals reflect all personal service contracts, memoranda of agreements, and film tax incentive agreements entered into eMARS procurement system by Government Contract Review Committee staff or other agencies, and captured by the LRC Contract Reporting Database.

## **Report Of The 2025 Information Technology Oversight Committee**

**Sen. Gex Williams, Co-Chair**  
**Rep. Matt Lockett, Co-Chair**

Sen. Keturah J. Herron  
Sen. Michael J. Nemes

Rep. Chad Aull  
Rep. John Hodgson

LRC Staff: Cynthia Brown, Katy Jenkins, Sarah Watts, and Heather Hamilton

Jurisdiction: The 2023 General Assembly established the Investments in Information Technology Improvement and Modernization Projects Oversight Board to review investment and funding strategies for projects to improve or modernize state agency information technology systems. This process includes reviewing legacy systems and cybersecurity projects, along with the current and ongoing operation and maintenance of state agency information resources, determining the appropriate organizational structure for deployment of technology across the commonwealth, and reviewing the latest information technology developments trending across the nation. The 2025 General Assembly amended the name of the board to the Information Technology Oversight Committee.

## **Committee Activity**

The Information Technology Oversight Committee held seven meetings.

### **2025 Regular Session Proposal**

Representative Hodgson provided an overview of revisions in 2025 RS BR 355. The bill was an act relating to information technology (IT) systems, which included definitions, a committee name change, and IT form submission guidelines. The acting commissioner of the Commonwealth Office of Technology (COT) and state budget director provided recommended changes to the bill.

### **Geographic Information Systems**

COT's geographic information systems (GIS) officer of the Division of Geographic Information discussed GIS enterprise databases in Kentucky, the GIS Advisory Council, and security access to GIS data layers. He shared that the Geographic Information Advisory Council has formed the Geospatial Artificial Intelligence (GeoAI) subcommittee which will investigate how artificial intelligence (AI) will affect GIS.

### **Information Technology Oversight Committee Form Submission**

The director of the Legislative Research Commission (LRC) and the deputy director of Computing and Information Technology for LRC discussed safety and security procedures in the agency along with preparations for redistricting.

The director of the Administrative Office of the Courts (AOC) provided an overview of IT services provided by AOC. The chief information officer of AOC discussed AOC's information security systems, legacy systems, development of a court designated worker evidence-based risk tool, and funding needs.

The executive director of Public Policy and State Government Audits and Technology discussed the investments in IT the auditor's office is considering. The ombudsman of the Commonwealth Office of the Ombudsman discussed 2025 RS SB 25. The deputy ombudsman of the Commonwealth Office of the Ombudsman discussed IT systems being used and new software being considered.

COT's chief information officer provided an overview of legacy applications, replacement of legacy mainframes, and legacy funding. Legacy funding includes a capital fund of \$10 million every biennium. COT's executive director of the Office of Architecture and Governance discussed the Kentucky aerial photography and elevation data program, which is part of the commonwealth's enterprise GIS. COT's deputy chief information officer discussed the citizen identity and access management program, known as the Kentucky online gateway (KOG). KOG allows citizens to use one username and password to log into various state websites.

The associate commissioner of the Office of Education Technology for the Kentucky Department of Education (KDE) discussed KDE's IT applications, cybersecurity, and service vendors, as well as the impact of KentuckyWired on Kentucky schools. All schools have been transitioned to next generation K-12 internet service for approximately 12 months. Schools use 25 times more internet service than state and local governments combined.

The Kentucky Transportation Cabinet's (KYTC's) executive director of the Office of Information Technologies discussed their legacy and cybersecurity projects. The information network for the driver licensing modernization project was highlighted, which will eliminate the need for driver's licenses on the mainframe. Additionally, the automated vehicle information system (AVIS) is being modernized as is the Department of Highways' right of way system. In-house system upgrade costs are covered within the cabinet's labor budget.

The assistant secretary of state and the senior IT engineer of the Secretary of State's Office (SOS) gave an overview of the IT form submission. All applications are web-based, developed in-house, and completely funded with SOS fees.

The executive director of the Office of Application Technology Services for the Cabinet for Health and Family Services (CHFS) discussed the cabinet's IT systems, projects, and modernization needs. CHFS uses KOG for identity and access management, and is transitioning to KY ID for a single sign in solution with multifactor authentication.

### **KentuckyWired Network**

The associate commissioner of the Office of Education Technology provided background information on internet access for students in schools. KDE's next generation K12 internet vendor is Education Networks of America owned by Zayo Education. The director of the Office of Education Technology spoke about design changes, build out challenges, and concerns with the Kentucky Communications Network Authority (KCNA) removing Accelecom as a contract provider.

The executive director of KCNA provided an update on the KentuckyWired network and discussed the disconnection notices sent to Accelecom customers.

The chief executive officer of Accelecom testified regarding their contract with KCNA and shared the difficulties Accelecom has experienced since the change of KCNA leadership in 2022.

Representatives for the KentuckyWired Operations Company (KWOC) provided an overview of the company and the relationship between KWOC, KCNA, and Open Fiber.

The director of state advocacy for the Wireless Internet Service Providers Association (WISPA), the owner of Kentucky Fi, and the CEO of Broadline discussed concerns among WISPA members and other internet service providers that use the KentuckyWired network.

The chief of staff and the general counsel for the Auditor of Public Accounts discussed the ongoing audit of KCNA and the KentuckyWired network.

Representatives for the Kentucky Managed Technical Services discussed Ledcor's role in the construction and ongoing maintenance of the KentuckyWired network.

The president of Zayo Education discussed its role in providing connectivity to Kentucky's K-12 students and its interest in the litigation between KCNA and Open Fiber.

Senator Williams, in a discussion on KCNA, included a proposed bill draft to restructure KCNA.

### **Managing Remote Work**

Representatives for the Kentucky Personnel Cabinet, KYTC, CHFS, Housing, Building and Construction, and COT discussed telecommuting policies, benefits, and tools used when telecommuting.

### **Water Resource Information System**

The executive director of the Bluegrass Area Development District shared the purpose and history of the Water Resource Information System (WRIS). He discussed the district's role in water management planning, future vision, and recommendations for WRIS.

## **Recommendations**

The committee discussed findings and recommendations for funding IT.

## **The Report Of The 2025 Juvenile Justice Oversight Council**

**Sen. Brandon J. Storm, Co-Chair**  
**Rep. Daniel Elliott, Co-Chair**

Sen. Danny Carroll	Steven Gold
Sen. Keturah J. Herron	Keith Jackson
Rep. Lisa Willner	Katie Marks
Rep. Nick Wilson	Damon Preston
John Adams	Zach Ramsey
Lesia Dennis	Tyra Walker
Robbie Fletcher	John Ward
Paula Garner	Randy White

**LRC Staff:** Roberta Kiser, Stephanie Larkin, Matissa Robinson, Randall Roof, Joshua Shelepak, and Robert Wright

**Jurisdiction:** The Juvenile Justice Oversight Council provides an independent review of the state juvenile justice system and provides recommendations to the General Assembly. The council shall actively review the implementation of all juvenile justice reforms enacted by the General Assembly, collect and review performance measurement data, and continue to review the juvenile justice system for changes that improve public safety, hold youth accountable, provide better outcomes for children and families, and control juvenile justice costs.

## **Council Activity**

The Juvenile Justice Oversight Council held three meetings.

### **Juvenile Justice Advisory Board**

The chair and a representative of the Juvenile Justice Advisory Board (JJAB) provided an overview of the operations of the JJAB, including the number of members, the meeting schedule, and the rotation of meeting locations. They discussed JJAB's grant awards, including the total grant funds awarded in 2025 and those estimated to be awarded in 2026.

### **Department Of Juvenile Justice**

The commissioner and representatives of the Department of Juvenile Justice (DJJ) provided a status report of the ongoing investigation by the United States Department of Justice. The commissioner discussed the impact of several pieces of legislation on DJJ's population and operations, including required emergency response training, efforts to bolster recruitment and retention of personnel, and the status of renovations to facilities. The commissioner also detailed DJJ's efforts to invest in mental health services for its youth population and stressed the need for a high-acuity mental health facility.

### **Truancy**

The director of Alabama's Helping Families Initiative (HFI) outlined the history and mission of the HFI and its impact on chronic absenteeism. He provided information regarding the number of students served, funding sources, and program results from the 2024-2025 school year.

A representative of the Administrative Office of the Courts (AOC) discussed truancy trends and data insights identified within AOC's Court Designated Worker (CDW) Program. She further provided a summary of statistics related to truancy complaints and discussed diversion agreement case plans in addition to court referrals.

The president of the Kentucky Directors of Pupil Personnel (DPP) discussed truancy and the role of a DPP in the schools in addressing truancy issues.

### **Juvenile Interrogation**

Representatives of Kentucky Youth Advocates (KYA) discussed the interrogation of juveniles and the lack of understanding of many juveniles regarding their legal rights and the legal process. The representatives provided a review of laws from other states related to juvenile interrogation practices and recommended that children be required to consult with an attorney to ensure they are aware of their legal rights before and during interrogation.

County attorneys from Marshall and Madison Counties discussed their experiences related to juvenile interrogation, including procedures when a juvenile's custodian cannot be located and

the information that may be produced at a hearing to determine the validity of any juvenile's confession.

Representatives of the Department of Public Advocacy (DPA) discussed their experiences related to juvenile interrogation, including how frequently statements made by juveniles are not deemed reliable. They discussed the feasibility of a DPA staffed hotline for juveniles requiring legal information and direction.



## **Report Of The 2025 Legislative Oversight And Investigations Committee**

**Sen. Greg Elkins, Co-Chair**  
**Rep. Scott Sharp, Co-Chair**  
**Sen. Jason Howell, Vice-Chair**

Sen. Danny Carroll  
Sen. Gerald A. Neal  
Sen. Matt Nunn  
Sen. Aaron Reed  
Sen. Reginald L. Thomas  
Sen. Phillip Wheeler  
Rep. John Blanton

Rep. Lindsey Burke  
Rep. Adrielle Camuel  
Rep. Matt Lockett  
Rep. Steve Riley  
Rep. Tom Smith  
Rep. Wade Williams

**LRC Staff:** William Spears, Jacob Blevins, Austin Fraley, Christopher T. Hall, Taylor Johnston, Maegan Mohr, Jonathan Rickett, Christopher Sierra, Austin Sprinkles, Shane Stevens, Joel S. Thomas, and Holly Tracy

**Jurisdiction:** The Legislative Oversight and Investigations Committee is a 16-member bipartisan committee authorized under KRS Chapter 6. The committee serves as the General Assembly's main investigative committee and is empowered to review the operations of state agencies and programs, determine whether funds are being spent for the purposes for which they were appropriated, evaluate the efficiency of program operations, and evaluate the impact of state government reorganizations. State agencies are obligated to correct operational problems identified by the committee and must implement the committee's recommendations or propose suitable alternatives.

Any official in the executive, judicial, or legislative branch of government may request a study. A majority vote of the committee is required to initiate research studies and to approve final reports. When the General Assembly is not in session, studies can be initiated by joint agreement of the co-chairs, initiated by a majority vote of the committee, or requested by the Legislative Research Commission or an interim joint committee thereof. Reports are based on staff research but represent the official opinion of the committee once approved. The committee issues a final report for a study after public deliberations that include the responses of officials of relevant agencies.

## Committee Activity

The Legislative Oversight and Investigations Committee (LOIC) held seven meetings.

### ***Fire Commission Minimum Training Standards And Administrative Spending***

The committee adopted *Fire Commission Minimum Training Standards And Administrative Spending*, which had two recommendations and one matter for legislative consideration. The report's objectives included evaluating the commission's training standards and determining statutory administrative spending limit compliance. LOIC staff found that the Fire Commission's certification program complies with national training standards but it does not have the legal authority to require local governments to certify their firefighters. The commission reduced the number of training hours for certification; it is allowed to reduce hours, but it did not follow all requirements for the hour reduction. Statutes limit administrative expenses of the Fire Commission but do not define "expenses." LOIC staff was unable to determine if the Fire Commission followed expense requirements because the community college accounting system does not account for administrative expenses by program.

### ***Kentucky Child Fatality And Near Fatality External Review Panel 2025 Update***

The committee adopted *Kentucky Child Fatality And Near Fatality External Review Panel 2025 Update*. KRS 6.922 requires LOIC to conduct an annual evaluation of the panel. Staff evaluated the panel in implementing the 2024 recommendations, progress in developing its new case management system, and its operations and procedures. The panel's 2024 findings and recommendations were supported by analysis and data, and addressed two of the three recommendations. The panel modified its notification letters to agencies that received recommendations but did not develop written procedures, hindering an analysis of its operations and procedures. The panel is working with the Commonwealth Office of Technology to design and build a new case management system.

### ***Kentucky Statewide Emergency Responder Voice System***

The committee adopted the *Kentucky Statewide Emergency Responder Voice System*, which reviewed planning, implementation, and oversight of the Statewide Emergency Responder Voice System (SERVS). The study had seven recommendations and four matters for legislative consideration. LOIC staff found that acquisition of real property is a significant barrier to the project, but the lack of a master plan, project milestones, and risk assessments contributed to setbacks. Additionally, the extensive use of master agreements during the procurement process resulted in minimal oversight and review of project expenditures. LOIC staff found that some payments to Motorola may have been late, though further documentation is needed to confirm. A survey of first responders found that a system like SERVS would be useful despite being left out of the planning process for the project.

### ***Kentucky Veterans' Centers***

The committee adopted the *Kentucky Veterans' Centers* report, which reviewed admission policy and procedures. Kentucky has four veteran centers, with a fifth opening in 2026. Veteran centers are long-term care facilities for veterans who reside in Kentucky and can be reasonably served by the facility. While the centers are under the authority of the Kentucky Department of Veterans Affairs (KDVA), they have authority to act independently. The centers' occupancy rate is typically reported as 56 percent, but this does not consider that some beds are not used so that facilities can transition from double-occupancy rooms to single-occupancy rooms. If intentionally unused beds are excluded, then the occupancy rate becomes approximately 85 percent. Each center has a different practice for recording admissions, preventing an accurate analysis of veterans waiting to enter and the demand for veteran center beds. Centers have varying structures, policies, and number of residents assigned to a room, so veterans may receive a different quality of care depending on where they reside in the state.

### **Child Removal And Reunification**

The Department for Community Based Services (DCBS) staff and the Pike County Family Court Judge gave testimony regarding the status of child removal and reunification in Kentucky. It is the judge's opinion that there is a disconnect between statute and the policies DCBS is implementing, particularly with central intake. The judge discussed data from Pike County which illustrates a recent increase in domestic violence cases while neglect and abuse cases are decreasing.

DCBS staff updated the committee on changes they made based on LOIC recommendations including: incorporating evidence-based safety and risk assessment tools to assist gauging the risk that a family will reengage with the child welfare system; completing three Structured Decision Making (SDM) tool evaluation reports; and reviewing instances a supervisor overrode SDM tool recommendations. Since DCBS has been reviewing their SDM tools, the intake assessment tool has remained consistent at 99 percent utilization, and DCBS has seen an increased use of both the safety assessment tool and the risk assessment tool. From 2023 to 2024, use of the safety assessment tool rose from 91 to 94 percent, use of the risk assessment tool rose from 88 to 92 percent, and the percentage of children found safe with a plan rose from 67 to 73 percent. DCBS also met with the Administrative Office of the Courts (AOC) to integrate data between the two agencies.

### **Staffing At Kentucky Veterans Centers**

Staff from KDVA testified on staffing at Kentucky's veterans care facilities. Recent changes that made pay more competitive among veteran center staff improved staff retention and allowed for more admissions. The four centers are Eastern Kentucky Veterans Center, Radcliffe Veterans Center, Western Kentucky Veterans Center, and Thomson-Hood Veterans Center. Radcliffe Veterans Center is undergoing an HVAC replacement which has reduced its capacity by 50 percent. Between 2019 and 2025, veterans came to the care facilities older and in more advanced stages of sickness than from between 2014 and 2018, which results in shorter lengths of stay.

The rate at which the facilities were able to hire more staff rose at the same rate the facilities were able to admit more veterans.

### **Status Of Kentucky Statewide Emergency Responder Voice System**

The Statewide Interoperability Coordinator (SWIC), the Finance Cabinet, and the State Budget Director testified on the status of SERVS. The SWIC gave updates on the progress of SERVS throughout the interim. Beginning in 2018, the Kentucky State Police has been working on a statewide interoperable radio system that will be free to first responders around the state. The project has been broken into phases based on budget biennia and progress has been mixed. Despite being funded in 2018, Phase I was just recently completed and is the only completed phase.

### **Investment Of State Funds**

The Office of Financial Management (OFM) staff testified on state investments. Within OFM, the State Investment Commission's three objectives include preserving principal, maintaining liquidity to meet cash needs of more than 3,500 accounts across the state, and maximizing return. The commission utilizes three investment funds that act as mutual funds. Its website posts authorization, membership, reports of approved brokers and the corporate credit list, and meetings.

### **Department Of Juvenile Justice Follow Up To *Kentucky Department Of Juvenile Justice Regional Juvenile Detention Centers***

The Department of Juvenile Justice (DJJ) staff discussed the impact of 2023 RS HB 3. The bill provided appropriations to reopen Louisville detention facilities, which positively impacted capacity issues regarding necessary population separation. Additionally, the executive branch addressed staffing, recruitment, and retention issues by facilitating raises for DJJ employees and improving mental health and medical staffing. Other changes included enhanced training for DJJ staff; reorganization of leadership structures; the addition of a Division of Transportation; improvements to internal finance tracking processes; improvements to the Internal Investigations Branch to handle complaints of abuse; ongoing upgrades to DJJ's offender management system; and legislative investment in mental health care. DJJ's attention is now focused on attaining funding for a high acuity mental health facility.

### **Shock Probation: Department Of Corrections Oversight**

Staff from AOC and the Department of Corrections (DOC) provided testimony regarding shock probation. Shock probation is a post-adjudication opportunity for non-violent criminals to be considered for probation via a motion made by their counsel and granted at the discretion of the sentencing judge. Authorized by KRS 439.265, the intent is to "shock" the person with a short experience of incarceration then allow them to return to the community under supervision. The court is responsible for granting shock probation and the DOC's Division of Probation and Parole then handles the supervision. Probation and shock probation are handled the same by DOC in terms of supervision.

### **Small Business Sales Tax Website**

Staff from the Department of Revenue (DOR) testified on DOR's new online tax portal for small businesses. DOR's new tax-paying portal, known as DORIS, allows small businesses to file and pay business taxes and manage their tax accounts. Outside of scheduled maintenance times, which are posted in advance, the site has maintained above 99 percent availability since it was launched in March 2025.

### **Senior Citizen Meal Programs**

Staff from the Department for Aging and Independent Living (DAIL) testified on recent cuts to the Kentucky senior citizen meal program. DAIL works in conjunction with 15 Area Development Districts (ADDs) to provide meals to Kentucky's seniors over the age of 60. The program outgrew the budget allocated in 2023, and the executive branch was no longer able to supplement the program. DAIL assisted ADDs by providing recommendations to support seniors in the months ahead.



## **Report Of The 2025 Medicaid Oversight And Advisory Board**

**Sen. Julie Raque Adams, Co-Chair**  
**Rep. Ken Fleming, Co-Chair**

Sen. Karen Berg  
Sen. Danny Carroll  
Sen. Stephen Meredith  
Sen. Craig Richardson  
Rep. Samara Heavrin  
Rep. Mary Lou Marzian

Rep. Kimberly Poore Moser  
Rep. Wade Williams  
Vickie Yates Glisson  
Hollie Harris  
Joe Petrey  
Steve Shannon

### **Ex Officio Members**

Sen. Donald Douglas  
Sen. Christian McDaniel  
Rep. Adam Bowling  
Rep. Jason Petrie  
William Baker  
Allison Ball

John Hicks  
Lisa Lee  
Sheila Schuster  
Steven Stack  
Tom Stephens

**LRC Staff:** Chris Joffrion, Cameron Franey, and DJ Burns

**Jurisdiction:** The purpose of the board is to optimize delivery of health services for continually improving health outcomes and doing so in a cost efficient and effective manner. The board shall review, analyze, study, evaluate, provide legislative oversight, and make recommendations to the General Assembly regarding any aspect of the Kentucky Medicaid program, including but not limited to benefits and coverage policies, access to services and network adequacy, health outcomes and equity, reimbursement rates, payment methodologies, delivery system models, financing and funding, and administrative regulations.

## **Board Activity**

The Medicaid Oversight and Advisory Board held nine meetings.

### **Certified Community Behavioral Health Centers**

The CEOs of Pathways, NorthKey, Seven Counties Services, and New Vista presented an overview of the federal Certified Behavioral Health Centers demonstration project and discussed the potential cost of expanding the demonstration statewide.

### **Health Delivery Models**

A representative of Medicaid Strategies discussed the Medicaid managed care delivery model, the role of managed care organizations (MCO), and alternative delivery models.

The president and CEO of the Foundation for a Healthy Kentucky presented on accountable care Medicaid delivery models.

Representatives from the Kentucky Association of Health Plans and WellCare Kentucky testified on behalf of Kentucky's five Medicaid MCOs and discussed MCO contract obligations, network adequacy, and health outcomes.

### **Nonemergency Medical Transportation Program**

The executive director of the Federated Transportation Services of the Bluegrass provided an overview of the Nonemergency Medical Transportation (NEMT) Program from the broker perspective and discussed scheduling and services provided by NEMT brokers.

The president of the Kentucky Association of Health Care Facilities, Kentucky Center for Assisted Living, and Kentucky Senior Living Associations discussed the NEMT scheduling process for long-term care facilities and challenges with the program.

### **Potential Medicaid-Related Legislation For The 2026 Regular Session**

The board heard testimony from sponsors of various Medicaid-related bills that may be filed during the 2026 Regular Session.

### **Program Overview And Changes**

A representative of the Legislative Research Commission (LRC) provided an overview of the Medicaid program.

A representative of the National Conference of State Legislatures (NCSL) discussed changes to the Medicaid program within federal H.R. 1 (Public Law 119-21), including new community engagement requirements, cost-sharing requirements, and limits on state directed payments.

The president and CEO of the Kentucky Hospital Association (KHA) discussed the Hospital Rate Improvement Program (HRIP) and the effects H.R. 1 will have on HRIP and hospitals. A representative from KHA discussed a hospital's role in presumptive eligibility.

Representatives from the Department of Medicaid Services (DMS) presented on Medicaid enrollment and redetermination trends, eligibility data sources, and oversight of eligibility activities.

The secretary of the Cabinet for Health and Family Services (CHFS) testified on the procedural process for administrative regulations and clarification on changes on Medicaid-related regulations in the open comment phase.

The state auditor provided an overview of the 2025 special examination of the Medicaid program and the concurrent enrollment of Medicaid members in more than one state.

### **Reimbursement Rates And Network Adequacy**

The CEO of Baldwin Consulting presented on network adequacy for behavioral health services, reimbursement rates, and policy recommendations.

The executive director of the Kentucky Dental Association presented on reimbursement rates, how rates insufficient rates lead to provider shortages, and policy recommendations.

A representative of Myers and Stauffer LC testified on federal requirements for provider reimbursement rates and the rate setting activities CHFS has contracted with Myers and Stauffer LC to complete.

### **Rural Health Transformation Fund**

The CHFS secretary discussed federal guidance on the Rural Health Transformation Fund and the state application for program funds.

### **State-Based and Federally-Facilitated Marketplaces**

The commissioner for the Department of Medicaid Services (DMS) gave an overview on the use of State-Based Marketplaces (SBM) and the Federally-Facilitated Marketplace (FFM).

A representative of the Division of Health Plan Oversight testified on the advantages of SBMs versus the FFM.

Representatives from Community Action Kentucky, Kentucky Primary Care Association, and the Kentuckiana Regional Planning and Development Agency discussed their contracts with CHFS to provider kynector and navigator services and their enrollment and outreach activities.

**University Directed Payment Program**

The vice president for health and public policy at the University of Kentucky and the chief administrative officer at the University of Louisville Health gave an overview of the Medicaid university directed payment program and the impact of H.R. 1 (Public Law 119-21) on Medicaid reimbursement rates for university hospitals.

**Waivers**

Representatives from DMS provided an overview of the Commonwealth's six 1915(c) Home and Community Based waivers.

Representative from the Kentucky Association of Regional Programs and the Kentucky Association of Private Providers discussed 1915(c) reimbursement rate studies and provided policy recommendations to eliminate waitlists.

## **Report Of The 2025 Public Pension Oversight Board**

**Sen. Jimmy Higdon, Co-Chair**  
**Rep. Walker Thomas, Co-Chair**

Sen. Cassie Chambers Armstrong	Rep. Robert Duvall
Sen. Greg Elkins	Rep. Ken Fleming
Sen. Shelley Funke Frommeyer	Rep. DJ Johnson
Sen. Christian McDaniel	Rep. Jason Petrie
Sen. Gerald A. Neal	Rep. James Tipton
Sen. Michael J. Nemes	Allison Ball
Sen. Mike Wilson	John Hicks
Rep. Tina Bojanowski	Victor Maddox
Rep. Adrielle Camuel	

Rep. David Hale, nonvoting ex officio

LRC Staff: Brad Gross, Michael Clancy, Shawn Sparks, and Angela Rhodes

Jurisdiction: Assists the General Assembly with its review, analysis, and oversight of the administration, benefits, investments, funding, laws and administrative regulations, and legislation pertaining to the state-administered retirement systems.

## **Board Activity**

The Public Pension Oversight Board held eight meetings.

### **Quarterly/Annual Investment And Actuarial Updates**

The board discussed and reviewed quarterly and annual investment performance, quarterly and annual plan asset and cash flow statistics, annual actuarial valuation audits and results, and budgetary needs of each of the retirement systems.

### **Teachers' Retirement System (TRS) Leave Audit Requirements And Process**

Representatives from the Auditor of Public Accounts provided an update on the audit mandated by 2025 RS SB 9 to evaluate TRS employer sick leave policies and procedures, usage, and costs as it pertains to TRS at the July meeting.

### **Overview Of 2025 RS SB 10**

Kentucky Public Pensions Authority (KPPA) representatives provided an overview and implementation update on 2025 RS SB 10 enacted during the 2025 Regular Session. The bill enhanced retiree health insurance benefits for members of the County Employees Retirement System who began participating on or after July 1, 2003, and included an increased employee contribution rate to help fund the enhancement. Benefit enhancements will impact eligible members and retirees at the start of the new plan year in January and employee contribution rate changes will impact employee rates paid on or after July 1, 2026.

### **Overview Of Retiree Health**

KPPA and TRS representatives provided information on retiree health benefits and funding including 2026 plan updates, cost impacts, current and historical premium subsidies, and other financial and actuarial statistics.

### **Deferred Compensation Authority**

The board invited the Kentucky Public Employees' Deferred Compensation Authority to give testimony of plan participation statistics and an update on the auto enrollment provisions established for new state employees hired after July 1, 2019.

### **Proposed Legislation**

The board discussed proposed legislation on various pension-related topics.

## **Report Of The 2025 Tobacco Settlement Agreement Fund Oversight Committee**

**Sen. Jason Howell, Co-Chair**  
**Rep. Michael Sarge Pollock, Co-Chair**

Sen. Cassie Chambers Armstrong	Rep. Daniel Fister
Sen. Keturah J. Herron	Rep. Erika Hancock
Sen. Aaron Reed	Rep. Kim King
Sen. Craig Richardson	Rep. Shawn McPherson
Sen. Robin L. Webb	Rep. Rachel Roarx

Rep. Myron Dossett, ex officio

LRC Staff: Stefan Kasacavage, Hillary Abbott, Kelly Ludwig, and Rachel Hartley

Jurisdiction: Matters pertaining to the Agricultural Development Board, including requests to the board for grants and loans; planning by the board to establish short-term and long-term goals, to devise strategies, and to make investments that will assist farmers, and the administrative, financial, and programmatic activities of the board; expenditures under the Early Childhood Development Fund and the Kentucky Health Care Improvement Fund; efforts of agencies and educational institutions to assist in the revitalization and diversification of tobacco farms; efforts of institutions of public postsecondary research in conducting alternative crop development research; review of county agricultural development council plans; review of the use of Tobacco Master Settlement Agreement funds.

## **Committee Activity**

The Tobacco Settlement Agreement Fund Oversight Committee held six meetings.

In accordance with statutory requirements, committee members received regular updates from the Kentucky Office of Agricultural Policy (KOAP) on project application funding decisions of the Kentucky Agricultural Development Board (KADB) and the Kentucky Agricultural Finance Corporation (KAFC). The committee received reports and testimony from executive branch agencies receiving tobacco settlement appropriations and various organizations that benefited from the availability of tobacco settlement funds.

### **Kentucky Office Of Agricultural Policy**

At each meeting, committee members asked the executive director and deputy executive director of KOAP for additional information on projects, sought clarification on funding decisions, and probed the rationale for those decisions. Committee members asked why some project applicants were denied funding; how KOAP is encouraging diversification of applicants; and about project monitoring, compliance, and reporting.

KOAP staff reviewed projects for single counties, regions, and the commonwealth at-large. KADB and KAFC programs for which applicants received funding included the County Agriculture Investment Program, the Next Generation Farmer Program, the Shared-Use Equipment Program, the Youth Agriculture Incentive Program, and the Deceased Farm Animal Program. In addition to these longstanding programs, KOAP reviewed projects funded through the new Meat Processing Investment Program, which provides financial incentives for Kentucky meat processors to expand operations to process more Kentucky beef, dairy, pork, lamb, sheep, goat, and poultry products.

Due to the current economic climate, KADB and KAFC are seeing a vast increase in program applications. To address the large animal/food animal veterinarian shortage, KADB and KAFC have been promoting the Master Settlement Agreement (MSA) funded Large Animal Veterinary Loan Program which helps veterinarians across the commonwealth expand their practices and purchase equipment to service large animals.

### **Kentucky Office For Drug Control Policy**

The Kentucky Office of Drug Control Policy (KODCP) presented an update on how MSA funds are being used to combat the ongoing drug crisis. KODCP noted that despite overdose deaths decreasing across Kentucky, there is still work to be done.

### **Impact Of MSA Funds On Children, Families, And Food Access**

Representatives from Community Farm Alliance (CFA) and Feeding Kentucky, which services the Kentucky Farms to Food Banks and Kentucky Double Dollars programs, provided an update on its outreach to local communities through farmers markets and cooperation with local food markets. The efforts of these programs have helped food deserts provide fresh food access for

low-income Kentuckians and those receiving Supplemental Nutritional Assistance Program (SNAP) benefits.

Representatives from CHFS provided an overview of the 25 percent allocated to improve and promote early childhood development. CHFS uses MSA funds for its Child Care and Development Fund (CCDF) and its Quality Rating Improvement System (QRIS). The CCDF promotes success for children, and employment and economic security for parents, by ensuring stable, high-quality child care.

### **Tobacco Use And The Master Settlement Agreement Fund**

The manager of the Tobacco Prevention and Cessation Program expressed concern over the rise in e-cigarettes and vaping, particularly among youths. The program's numerous initiatives to curb tobacco use among teenagers and adults include the Quit Now initiative. Kentucky has received a relatively stable amount of MSA funds in recent years, over \$110 million annually. It is to receive funds in perpetuity as long as cigarettes are sold in the US. However, revenues will likely decline as smokers increasingly substitute traditional cigarettes for e-cigarettes and other vaping products.

### **Cancer Research In Kentucky**

The committee received its annual update from the cancer research centers at the University of Kentucky and the University of Louisville on new and ongoing initiatives aimed at improving treatments for patients with cancer.



## **Report Of The 2025 Air Mobility And Aviation Economic Development Task Force**

**Sen. Brandon J. Storm, Co-Chair**  
**Rep. Stephanie Dietz, Co-Chair**

Sen. Greg Elkins

Sen. Stephen Meredith

Sen. Matt Nunn

Rep. John Hodgson

Rep. Michael Meredith

Rep. Rachel Roarx

Rep. Aaron Thompson

LRC Staff: Ashley Nash, John Snyder, Dana Fugazzi, Austin Johnson, and Christina Williams

Jurisdiction: Study and make recommendations regarding innovations in aviation and advanced air mobility, actions other states are taking, economic development opportunities surrounding advance air mobility and the aerospace industry, and actions and policies needed to support aviation-related economic development at both our large and regional airports across the state.

## **Task Force Activity**

The Air Mobility and Aviation Economic Development Task Force held six meetings.

### **Overview Of General Aviation In The Commonwealth**

The commissioner of the Kentucky Department of Aviation gave a brief overview of general aviation in the commonwealth. There are 58 public use airports, which include five commercial service airports and four state owned airports. General aviation airports have a complex safety infrastructure with investments in runways, approaches, lighting, weather, communications, and various airport equipment. The commissioner highlighted communication, specifically with the Federal Aviation Administration (FAA), and needed improvements, such as more investment in workforce.

### **Overview, General Updates, And Operations Of Commercial Airports**

The executive director of the Lexington Bluegrass Airport (LEX) gave a general overview and update on operations of LEX. He stated significant expansion is needed, including roadway, parking, and terminal expansion. LEX's annual economic impact is \$709 million.

The executive director of the Louisville Regional Airport Authority gave an update on the Louisville Muhammad Ali International Airport (SDF), the third busiest cargo airport in North America, and the fifth busiest cargo airport in the world. He also discussed Bowman Field, the busiest general aviation airport in the commonwealth with over 140,000 annual operations. The economic impact of both airports was discussed.

The CEO of the Cincinnati/Northern Kentucky International Airport (CVG) briefed the committee on CVG's operations as well as its economic impact, DHL and Amazon hubs, and maintenance hangar facilities. Capital projects and investments were discussed as well as the important role alternative jet fuels play in job creation and expansion, infrastructure modernization, and enhancing competitiveness of Kentucky airports.

### **Kentucky Aviation Association**

The executive director and legislative chair of the Kentucky Aviation Association (KAA) and the manager of the Owensboro/Daviess County Regional Airport briefed the committee on KAA. General aviation airports support business, tourism, agriculture, medical and emergency services, and connects rural communities to state, national, and international markets. Each year, aviation contributes over \$1.6 billion to Kentucky's economy, supports more than 9,400 jobs, provides over \$400 million in labor income, and generates vital tax revenue. The presenters requested funding for general aviation airports to ensure operational stability for small and rural airports, and to promote aviation accessibility, education, and safety statewide. They also endorsed long-term funding for general aviation and funding for the Kentucky Aerospace Reinvestment Opportunities (AERO) Act.

## **Eastern Kentucky University**

The chair and an aviation instructor for Eastern Kentucky University's (EKU's) School of Aviation and a government relations officer for ECU briefed the task force on ECU's aviation programs. ECU's aviation program enrollment is up over 150 percent since 2018. Of the enrollees, 85 percent are Kentuckians. The program has four main concentrations: professional flight, aerospace management, unmanned aircraft systems, and aerospace technology, which are all sectors that need support and workforce development in the national infrastructure. Future ECU programs include an aviation dispatch program, a minor in aviation safety, and a masters in aeronautical sciences.

## **Kentucky Community And Technical College System (KCTCS)**

The president of the KCTCS stated KCTCS is expanding their aviation education offerings across the state, including programs at Madisonville Community College (MCC), West Kentucky Community and Technical College, Somerset Community College (SCC), and Maysville Community and Technical College. Aviation programs are expensive technical programs to offer; however, enrollment is up nearly 25 percent. The president of SCC spoke about their aviation maintenance technology (AMT) 2-year program, and stated students typically start at a high rate of pay due to workforce demand for certified aircraft mechanics. The president of MCC discussed their fixed wing aviation program. MCC has the only associate degree flight and helicopter programs in the state, with a 95 percent first-time pass rate for first attempt check rides.

## **Aviation Museum Of Kentucky**

The director and chair of the Aviation Museum of Kentucky (AMK) discussed the museum's programming, education initiatives, and new museum location and concept. The importance of introducing the aviation industry to children to encourage interest in a potential career in aviation was stressed. The new museum building will become the Kentucky Aerospace Education Center, which will house the new educational hub, the aviation hall of fame, and the AMK.

## **FEAM Aero**

FEAM Aero's director of community affairs discussed their workforce development and training needs. FEAM Aero's largest facility is located at CVG airport, and their biggest issue is the lack of workforce availability and the average age of aircraft mechanics. Many aircraft mechanics are older and starting to retire in large numbers. The importance of starting education and presenting opportunities to children at a young age was emphasized. Another problem highlighted was a lack of FAA designated mechanic examiners. The FAA determines when and where these inspectors are certified; the delay in approval by the FAA is an issue, as are financial barriers to entry. FEAM Aero also noted a need for transitional housing for new mechanics looking to move to the commonwealth.

## **Commercial Aviation Operations**

The senior director of corporate public affairs for the DHL Group discussed the DHL Group's aviation operations and its impact on Kentucky's economic landscape and workforce development. In the United States, DHL employs approximately 65,000 associates in 45 states. Kentucky ranks as one of their largest in the United States with approximately 6,500 employees, 5,000 of those at the CVG DHL hub. He discussed the CVG DHL hub and its role as a strategic asset.

The corporate public affairs manager for UPS discussed UPS' aviation operations and its economic impact on Kentucky. UPS chose Louisville as the site for its global air hub due to its strategic location, and has 26,000 UPS employees within Louisville and 32,000 in Kentucky. Recent investments in the region include \$334 million for two new healthcare facilities in Jefferson and Bullitt counties and \$750 million in infrastructure upgrades, including a new aircraft maintenance hangar and expanded aviation training facilities. The Louisville sorting facility and UPS healthcare and supply chain solutions were discussed as well as the importance of the Metropolitan College Program through UPS and their workforce needs for the next 10 years.

The director of global aviation operations for Amazon Air discussed Amazon Air's aviation operations in the commonwealth. She highlighted facilities in Campbellsville, the CVG air hub in Boone County, 12 fulfillment facilities, and seven delivery stations. Amazon has invested more than \$60 billion in Kentucky since 2010, and more than 20,000 full and part time jobs have been created in Kentucky. The CVG Amazon Air Hub, a \$1.5 billion investment, is Amazon's largest field operation and includes robotics sortation technology, over 2,000 associates, and more than 30 daily flights. Alternative aviation fuel (AAF) and Amazon's Career Choice Program were also discussed.

## **Alternative Aviation Fuels**

WSP's director of advisory services discussed Alternative Aviation Fuels (AAF) framework; supply chain integration; forecasted volumes; regional review of production, including high supply costs for planned production locations at CVG airport; production opportunities in Kentucky; waterborne, rail, and policy and incentives for the use and production of AAF in Kentucky; and economic feasibility, price differential, incentives, production, and distribution investments of AAF.

## **Advanced Air Mobility**

A policy analyst from Utah's Office of Legislative Research and General Counsel discussed Utah's advanced air mobility (AAM) legislation.

The executive director for Kentuckians for Better Transportation, along with an advanced mobility advisor for HNTB, the advanced air mobility director of the Ohio Department of Transportation, and the executive director for the National Advanced Air Mobility Center of Excellence, discussed the AAM industry. Reasons for the use of AAM were highlighted as well

as an overview of air traffic management; shared ground infrastructure examples; and government roles in AAM on the federal, state, and local level.

The deputy commissioner of Kentucky Department of Aviation (KDA) for the Kentucky Transportation Cabinet (KYTC) discussed KYTC's AAM perspectives. While there are no commercial AAMs currently certified in the United States, the FAA is working to develop standards for certification and operation. The KDA is a participating member of several multi-state working groups discussing preparation for AAM, and outlined several AAM challenges.

### **Aviation Economic Development Plan**

The secretary for the Cabinet for Economic Development presented on aviation as a key driver of economic growth for the state. Aviation attracts new businesses, supports business retention and expansion, provides employment and workforce development opportunities, increases global reach of Kentucky businesses, and supports tourism and talent attraction. He stated Kentucky is number one in air cargo transported by weight, and in aerospace related exports. Investment in airports and airport infrastructure, aviation marketing, and aviation programs were highlighted.

### **Air Traffic Control Study**

Representatives from the Council on Postsecondary Education (CPE) discussed 2025 RS SB 87, which directed CPE, in coordination with KYTC, to conduct a study to identify the procedures and resources necessary to establish a program at public postsecondary education institutions that leads to FAA recognized credentials for employment within the field of air traffic control or traffic safety.

### **Kentucky National Guard**

A brigadier general from the Kentucky Air National Guard discussed the general operations of the 123rd Airlift Wing. He highlighted leadership positions, authorized manning and deployments, unit awards, aircraft utilized, and organizational structure.

The brigadier general and deputy adjutant general of the Kentucky Army National Guard and the colonel and commander for the 63rd Theater Aviation Brigade (TAB), provided an overview of TAB and discussed its mission, structure and resources, economic impact, airline pilots, civilian medevacs and aircraft mechanics, and federal budget.

### **UPS World Port Plane Crash**

The task force received an update on the UPS plane crash that occurred in early November 2025.

## **Final Report And Recommendation**

At the last meeting, the task force adopted a final report that contained findings and recommendations.



## **Report Of The 2025 Artificial Intelligence Task Force**

**Sen. Amanda Mays Bledsoe, Co-Chair**  
**Rep. Josh Bray, Co-Chair**

Sen. Michael J. Nemes  
Sen. Steve Rawlings  
Sen. Reginald L. Thomas  
Sen. Gex Williams

Rep. Matthew Lehman  
Rep. Derek Lewis  
Rep. Suzanne Miles  
Rep. J.T. Payne

LRC Staff: Janine Coy, Christina Gordley, Christian Deeter, and Lisa Moore

Jurisdiction: Study the use of artificial intelligence (AI) throughout Kentucky, to foster innovation and competitiveness, to promote AI literacy, and to ensure AI development and governance in Kentucky, including in the realm of datacenters.

## **Task Force Activity**

The Artificial Intelligence Task Force held six meetings.

### **Business Issues**

The senior vice president of the Kentucky Chamber of Commerce discussed the importance of artificial intelligence (AI) policies to businesses operating in Kentucky, and recent changes in AI policy at the federal level and in other states. The chamber stated that without a uniform federal policy on AI, a patchwork of AI laws at the state level could result in higher costs to Kentucky employers.

Representatives from the National Retail Federation (NRF) discussed NRF principles of AI in the retail sector and spoke in support of the use of AI in retail.

The director of public safety business development and the chief commercial officer of VIA Science (VIA) discussed how AI is being used to crack down on contraband entering prisons.

### **State Government**

The chief information officer and the chief information security officer of the Commonwealth Office of Technology (COT) discussed the implementation of 2025 RS SB 4, the agency's focus on security to protect state government information, and establishment of the AI governance committee that finalized and released its AI policies in October 2025.

Senator Williams explained his bill proposal to prevent AI from scraping or extracting a person's picture, address, and phone number from government websites. This would be phased in over a few years to allow for training of local officials. The bill would not restrict AI from collecting data. Rather, it would prevent the government from posting a person's address or phone number which could potentially be scraped by AI.

### **Education**

The policy director for the Southern Regional Education Board (SREB) provided an overview of SBEB's Commission on Artificial Intelligence (AI) in Education that evaluates research, industry data, and expertise on the adoption and integration of AI in education. The commission is developing recommendations for the use of AI in K-12 and postsecondary education.

The executive vice president of the Council on Postsecondary Education (CPE) gave an overview of AI initiatives happening in Kentucky's postsecondary public institutions. All Kentucky institutions surveyed reported AI-focused degrees or minors were available and AI concepts have been integrated into the general education curriculum and across disciplines.

The vice president for Workforce and Economic Initiatives for CPE described a CPE initiative to build a consortium for embedding AI into Kentucky's workforce-building strategies. CPE will collaborate with the University of Kentucky (UK) which received a grant award from the

National Science Foundation to create a consortium for AI implementation infrastructure to enable creation of shared information models.

The associate commissioner and CIO and the chief digital officer from the Office of Education Technology within the Kentucky Department of Education (KDE) provided an overview of AI use in Kentucky K-12. Kentucky is one of the first states to issue official AI guidance to K-12 schools. The chief digital officer explained there are two AI races happening in K-12, the race for AI technology between vendors and the use race to become good digital citizens in using technology responsibly and effectively.

Professors from UK explained how AI is used across multiple disciplines, particularly in healthcare. UK is teaching its students how humans and AI can work together to solve complex problems. UK aims to use AI to improve patient outcomes, reduce doctor shortages in rural areas, and make healthcare more efficient and effective by identifying patients at high risk for developing certain conditions.

### **Data Privacy**

Representative Lisa Willner and the executive director of the National Association of Social Workers discussed the risks of using AI in mental health therapy. While licensed therapists are required to follow a formal code of ethics, strict regulations, and mandatory reporting laws, AI chatbots are not. Recommendations for improving AI chatbots include a guarantee of patient privacy, no commercialization, no use of personal clinical content in training the AI model, transparent information on how the AI model is trained, and a requirement that the user give informed consent to use a mental health chatbot.

The chair of the Board of Social Work spoke in support of AI safety for behavioral health. Emphasis was placed on data security, the need for transparency, risk assessments for suicide, and the need for collaboration from all branches of government, especially those involved in social work and telehealth.

Representative Matt Lockett and the senior counsel from the Alliance Defending Freedom discussed the importance of protecting minors from social media harms. They discussed model legislation, the Stops Harms from Addictive Social Media Act (SHASM), that would protect minors online through age verification. The harm social media poses to children is its addictive design, which is causing a decline in mental health and an increase in self-harm and suicidality.

Co-Chair Mays Bledsoe discussed 2025 RS SB 7's impact and the philosophical differences involved in owning one's image and likeness. The bill would allow individuals to reclaim their images and force websites to take down their images upon request. She asked members for input on how best to implement this legislation.

### **Data Centers And Energy**

The senior director of business and economic development for the PPL Services Company provided an overview of LG&E and KU, and explained the energy and economic development

pipeline. The pipeline for Kentucky includes the need for approximately 8.5 GW of new load potential to facilitate industrial expansion, new manufacturing projects, public benefits and healthcare investments, and data centers. Data centers represent two-thirds of the capacity requests in the pipeline. LG&E and KU are increasing the transmission infrastructure to meet the increased and anticipated demand.

A partner of the Founders Fund provided an overview of powering AI and the surging demand from AI forecasted to cause grid stress. The US has a lagging ability to bring on new power, and AI power demand will increase over three times in the next 5 years. This coupled with reindustrialization, will lead to large supply and demand mismatches. Many states are supporting policy for AI, clean energy, and advanced manufacturing. States are also deregulating to speed up approval for power, provide energy subsidiaries, and offer workforce training programs.

The CEO and founder of General Matter explained how the company is restoring US leadership in nuclear fuel production. General Matter announced its first enrichment site in Paducah, Kentucky at the former Paducah Gaseous Diffusion Plant. The Paducah plant has most of the favorable attributes that AI data centers seek such as power, community support, water, and tax burden.

The general counsel and director of strategic initiatives for NetChoice discussed the need to build American data centers to meet consumer demand and create new technology jobs. Kentucky is an attractive place for new data centers as it treats data center equipment like it does other business machinery, has plenty of available land, and has strong community partners. He stated data centers would improve the Kentucky economy by providing new tax revenue and new jobs.

### **Recommendations**

The task force submitted its findings and recommendations to the Legislative Research Commission for consideration. Those findings and recommendations were based solely on testimony provided to the task force during the 2025 Interim. The findings do not include independent research by LRC staff.

## **Report Of The 2025 Disaster Prevention And Resiliency Task Force**

**Sen. Robin L. Webb, Co-Chair**  
**Rep. Chris Freeland, Co-Chair**

Sen. Keturah J. Herron  
Sen. Jason Howell  
Sen. Scott Madon  
Sen. Aaron Reed

Rep. John Blanton  
Rep. Mark Hart  
Rep. Ashley Tackett Laferty  
Rep. Mitch Whitaker

LRC Staff: Stefan Kasacavage, Kayla Carroway, Jesse Farler, and Logan Schaaf

Jurisdiction: Study, review, and make recommendations regarding current and future policy needs to address risk assessment, strategic planning, prevention of natural disasters, response efforts, temporary housing, and relief strategies in Kentucky.

## **Task Force Activity**

The Disaster Prevention and Resiliency Task Force held six meetings.

### **Disaster Forecasting And Readiness**

The vice chair for earth, environmental, and atmospheric sciences at Western Kentucky University (WKU), a Homeland Security science program graduate student at WKU, and the assistant vice president for government and external relations at WKU provided an overview of the Disaster Science Operations Center (DSOC), a weather intelligence operation specializing in student-centered experiential learning and applied research.

The director of Kentucky Mesonet provided an overview of the Mesonet, a network of 84 environmental monitoring stations based out of the Climate Center at WKU and operating across the state. He discussed recent upgrades to the Mesonet system, including soil moisture and temperature measurements, multi-level temperature and wind speed gauges, and new cameras.

The assistant director of the Division of Public Health Protection and Safety and the branch manager of the Emergency Preparedness and Response Branch outlined the mission of the Department for Public Health Emergency Preparedness and Response Branch and provided an overview of its responsibilities, capabilities, partnerships, training, and funding. They also discussed major disaster response efforts since 2021, including the eastern Kentucky floods, western Kentucky tornadoes, and the February and April 2025 floods.

The state veterinarian within the Department of Agriculture and the director of the Division of Emergency Preparedness and Response, Office of State Veterinarian, Department of Agriculture, discussed detection and responses to emerging foreign animal diseases. They highlighted emerging diseases of concern, including New World Screwworm, African Swine Fever, and Avian Influenza, and outlined biosecurity measures and challenges.

The director for urban extension and assistant professor with the Cooperative Extension Service at the University of Kentucky (UK) and the government relations director at UK discussed the Cooperative Extension Service's disaster response initiatives. They highlighted statewide workshops, state extension disaster preparedness conferences, and strike team workshops.

### **Disaster Recovery**

The executive director of the Mayfield Graves County Long Term Recovery Group provided an overview of disaster statistics in Kentucky, the recovery process, and the group's work in the aftermath of disasters, consisting of case management, spiritual and emotional care, volunteer coordination, and construction.

The founding principal of Blue Sky Global/Disaster Aware & Ready Communities (DARCI) and the director of long-term recovery with the American Red Cross discussed ongoing long-term recovery operations, disaster preparedness, and DARCI. DARCI is a virtual platform that

bolsters readiness and response and includes custom dashboards for managing casework and logistics and tools for volunteer coordination, housing, and other unmet needs.

The executive director of Community Action Kentucky (CAK) and the chief executive officer of Pennyryle Allied Community Services provided an overview of CAK's statewide disaster case management. After disasters, CAK provides transportation shuttles for supplies, impacted individuals, and volunteers; office space for West Kentucky Allied Services; storage and distribution of donations; and partnerships with long term recovery groups. They highlighted disaster case management efforts after the eastern Kentucky floods and western Kentucky tornadoes.

Representative Tackett Laferty, along with the executive vice president of the University of Pikeville, the assistant vice president of the University of Pikeville, and the CEO of Utility Management Group, discussed a proposal for the construction of an East Kentucky Disaster Relief Center at Bear Mountain.

### **Disaster Resilience**

A senior officer with Pew Charitable Trusts provided an overview of natural disasters in Kentucky and discussed resilience models and insights from other states. Resilience includes interagency coordination, strategic planning and risk assessment, capital planning and budget input, grants and funding alignment, and technical assistance and capacity building. It is distinct from, but complementary to, emergency management.

The executive director of Grant Ready Kentucky and the senior policy director with Babbage Cofounder discussed pathways for Kentucky to secure federal disaster funding. They highlighted three paths for federal grants: readiness, implementation, and industry transformation. Based on major disaster declarations from 2023 to 2024, there are 110 eligible counties in Kentucky.

A senior fellow and the state government relations associate director with the American Flood Coalition (AFC) provided an overview of AFC's mission and discussed models from other states for disaster resilience offices.

### **Disaster Insurance**

The vice president and counsel for the American Property Casualty Insurance Association provided an overview of disaster insurance and discussed challenges and potential solutions. Challenges include an increase in the number and severity of natural disasters; macroeconomic pressures like construction in high-hazard areas and inflation of repair and rebuild costs; the effects of climate change on atmospheric perils; and the impacts of man-made loss drivers like state coverage mandates, rate suppression, and legal system abuse.

### **Flooding And Wildfires**

The director of the Kentucky Division of Emergency Management provided an overview of the state's natural disasters and emergency management and response programs. He also discussed

the recent flooding in February and April, the Commonwealth Sheltering Program, disaster recovery centers, and urban search and rescue.

The state government relations director and the flood planning director for the AFC discussed AFC's four pillars for flood solutions and the two major categories Kentucky's floods can be grouped into: overbank river floods and flash floods.

The director of policy with the Appalachian Citizens' Law Center provided an overview of Appalachian flood resilience priorities, including investing in state and local capacity, assistance to low-income households, flood data and mapping, and nature-based hazard mitigation.

An emergency wildland firefighter discussed the challenges of wildland firefighting, including dangerous conditions, a lack of the same gear available to structure firefighters, and injuries. She cited low pay as a major factor for firefighters who quit their jobs.

### **Recommendations**

The task force adopted recommendations that encompassed establishing a state resilience office, continuing the task force, statewide standards, preparedness, non-rescue and rescue responses, recovery, mitigation, public education and awareness, and funding.

## **Report Of The 2025 Kentucky Housing Task Force**

**Sen. Robby Mills, Co-Chair**  
**Rep. Susan Witten, Co-Chair**

Sen. Jared Carpenter  
Sen. Matthew Deneen  
Sen. Jimmy Higdon  
Sen. Gerald A. Neal  
Sen. Brandon Smith

Rep. Mike Clines  
Rep. Jennifer Decker  
Rep. Kim Holloway  
Rep. Shawn McPherson  
Rep. Joshua Watkins

LRC Staff: Christopher Jacovitch, Mark Mitchell, Cynthia Brown, and Faithe Wheatley

Jurisdiction: Study and review the current and future policy needs of the state to address access and availability of housing to the citizens of the commonwealth, including but not limited to a demographic analysis of housing costs, population, and employment opportunities statewide and regionally in Kentucky; perform a comprehensive review of state and local laws, regulations, policies, and procedures that affect housing; analyze the availability and accessibility of housing to include examination of the costs of housing, utilities, and access to healthcare; evaluate land use, zoning, infrastructure, and community planning to identify barriers that impede the development and availability of accessible, adequate, and affordable housing; and examine efforts and policy changes in other states and municipalities to address increasing housing supply and encourage homeownership.

## **Task Force Activity**

The Kentucky Housing Task Force held five meetings.

### **Pro-Growth Housing Policies**

The executive director/CEO and the deputy executive director of housing programs of the Kentucky Housing Corporation (KHC) discussed updates on the housing landscape, current resources that support housing development in Kentucky, and recommended areas for the task force to focus.

A scholar of the Bluegrass Institute for Public Policy Solutions discussed zoning reforms in other states that Kentucky could implement to aid in the housing affordability crisis, including legalizing housing in commercial zones, permitting Accessory Dwelling Units, promoting cost containment, and allowing the issuance of permits by licensed third-party professionals.

The project director for housing policy of The Pew Charitable Trusts discussed Kentucky's housing shortage and affordability issues in comparison to the rest of the US, housing policy reforms implemented in other states, and the outcomes of those policy reforms.

The director of government affairs of the Kentucky Chamber of Commerce discussed the connection between housing and economic growth, a snapshot of Kentucky's current housing challenges, and policy solutions.

The general counsel and governmental affairs consultant with the Kentucky Bankers Association discussed an affordable housing proposal that would be funded with \$20 million from Kentucky banks and operated by Hope of the Midwest, and encouraged further discussions regarding potential matching funds from the state in the form of tax credits.

A research fellow from the Mercatus Center at George Mason University discussed land use reforms across the nation and made recommendations for state-level land use reforms that the General Assembly could pursue to spur housing development.

### **Historic Rehabilitation Tax Credit**

The senior policy director of Babbage Cofounder and the cofounder and partner of Antecedent Development discussed the historic rehabilitation tax credit program, how it is working to expand and preserve the housing supply, and potential changes to the historic tax credit program to improve its effectiveness.

### **Indiana Residential Infrastructure Fund**

The CEO of the Home Builders Association of Kentucky (HBAK), discussed the "Building a Foundation for Growth" report created by HBAK and the chamber. The report surveyed recent changes in other states regarding residential infrastructure funding and building code reforms.

Indiana’s Residential Infrastructure Fund (RIF) was discussed and its director gave a technical overview of the program.

### **Affordable Housing Trust Fund**

Representative Steven Bratcher discussed 2025 RS HB 588 and the Affordable Housing Trust Fund (AHTF). The executive director of the Homeless and Housing Coalition of Kentucky (HHCK) gave an overview of how the AHTF increases and preserves the housing supply, the way it is currently funded, how it is dispersed and leveraged, the impact of AHTF on housing construction, and how the AHTF can be modernized. The executive director of the Housing Development Alliance provided an overview of how the AHTF and his organization help build housing in eastern Kentucky.

### **Urban Infill**

Representative John Hodgson, Representative Jason Nemes, and Senator Julie Raque Adams discussed urban infill and housing and infrastructure challenges and opportunities in Jefferson County/Metro Louisville.

### **Lexington's Housing Affordability Partnership**

The chairman/president of Central Bank and Trust Co., the president of EHI Consultants, the owner/president of AU Associates, the chief policy officer/director of regional development at Commerce Lexington, along with the president/CEO/principal broker of Winterwood Development, provided an overview of Lexington’s Transformational Housing Affordability Partnership, including Lexington’s current housing challenges, participants in the unique housing partnership, timeline, and financial aspects of the project.

### **Northern Kentucky's Housing Blueprint**

The vice president of government relations and business advocacy of the Northern Kentucky Chamber of Commerce, the director of research and underwriting at The Catalytic Fund, and the executive vice president of the Building Industry Association of Northern Kentucky presented an overview of Northern Kentucky’s Housing Blueprint and its four business-focused priorities, which include creating a housing fund to support regional priorities, exploring innovative pilot programs, adding a variety of housing types, and increasing skilled labor through workforce development.

### **Religious Institution Land Use**

Senator Higdon and Representative Michael Sarge Pollock discussed proposed legislation that would allow religious institutions to bypass local planning and zoning in building affordable housing on their land.

### **Free-Market Solutions To Kentucky's Housing Crisis**

Representative Richard White, and the grassroots engagement director and the legislative director of Americans for Prosperity Kentucky discussed free-market solutions to Kentucky's housing crisis and shared stories highlighting the seriousness of Kentucky's housing crisis.

### **Final Report And Recommendations**

The task force adopted a final report and recommendations to be sent to the Legislative Research Commission.

**Report Of The 2025  
Make America Healthy Again Kentucky Task Force**

**Sen. Shelley Funke Frommeyer, Co-Chair  
Rep. Matt Lockett, Co-Chair**

Sen. Cassie Chambers Armstrong  
Sen. Donald Douglas  
Sen. Craig Richardson  
Sen. Phillip Wheeler

Rep. Emily Callaway  
Rep. Robert Duvall  
Rep. Adam Moore  
Rep. Marianne Proctor

LRC Staff: DeeAnn Wenk, Logan Bush, Cameron Franey, and Becky Lancaster

Jurisdiction: Explore ways to integrate the principles of the Make America Healthy Again (MAHA) movement to improve health outcomes in Kentuckians and review strategies that Kentucky may use to improve health outcomes throughout the state.

## **Task Force Activity**

The Make America Healthy Again Kentucky Task Force held seven meetings.

The *Make America Healthy Again (MAHA) Commission Report, May 22, 2025, Summary with State-Level Action Opportunities* was presented as an informational guide for the task force.

### **Food, Nutrition, And Health**

The commissioner of the Department for Community Based Services and the director of the Division of Family Support in the Cabinet for Health and Family Services (CHFS) discussed the Supplemental Nutrition Assistance Program (SNAP) and opportunities for SNAP to improve nutrition.

The CEO of End Chronic Disease discussed the causes of chronic disease that are related to nutritional deficiency.

A representative of the Global Alliance for Improved Nutrition discussed ultra-processed food health risks, unprocessed food benefits, and potential policy changes to regulate food processing practices.

A representative of Feeding Kentucky discussed types of food insecurity and options for accessing healthier food.

### **Food And Beverage Industry Discussion**

The CEO of C.C. Clark Inc. discussed the positive impact of the beverage industry in Kentucky and consumer beverage spending with SNAP dollars.

The senior vice president of government affairs of the Kentucky Retail Federation Inc. discussed the challenges a purchase restriction on SNAP dollars would pose for retailers.

### **School Meals And Nutrition Education**

The associate commissioner of the Office of Finance and Operations, Kentucky Department of Education (KDE), discussed the number of National School Lunch Program, School Breakfast Program, and summer program meals served, and how funds are reimbursed.

The division director of KDE's Office of Finance and Operations discussed national school lunch and breakfast meal patterns and standards, smart snack requirements, local purchasing efforts, and other grant opportunities.

The child nutrition program manager of KDE's Division of Community and School Nutrition discussed preschool meal pattern differences.

The executive director of the Office of Consumer and Environmental Protection, Kentucky Department of Agriculture (KDA), discussed KDA's school nutrition and distribution programs, the success of the Local Foods for Schools Cooperative Agreement, and barriers for schools when purchasing locally.

The general counsel of KDA discussed the restrictive and extensive state and local laws for schools regarding procurement, dietary guidelines, storage, and reimbursement.

The executive director of Kentucky SHAPE discussed statutes relating to physical activity policies and skills-based health instruction.

Representatives of the Martin-Gatton College of Agriculture, Food, and Environment at the University of Kentucky (UK) discussed education provided by the cooperative extension office, youth summer nutrition camps, and food insecurity.

Representative Doan discussed the origins of 2025 RS HB 439, the intent of the bill, and the food ingredients or additives prohibited by the bill.

### **Functional Medicine Approaches**

A representative of Huber Personalized Medicine discussed metabolic syndrome and the benefits of a whole foods diet.

A representative of Proactive Oral Wellness discussed the importance of oral health for systemic physical health.

A representative of One Cross Health Clinic discussed the importance of addressing the root causes of physical and behavioral health symptoms.

### **Nutrition Education For Healthcare Providers**

The director of Nutritional Sciences Education at the College of Medicine at UK discussed UK's nutrition specific medical curriculum, undergraduate and graduate programs with a focus on nutrition, supplemental nutrition education opportunities, and proposed nutrition competencies.

### **Food Is Medicine**

The senior vice president of policy and government relations for the Kentucky Hospital Association (KHA) discussed the Food Is Medicine program partnership between KHA, KDA, and Appalachian Regional Healthcare (ARH). The KDA commissioner discussed how the Food Is Medicine program is increasing rural prosperity and profitability through local farmer partnerships with hospitals. The ARH president and the CEO discussed improvements made for healthier meal choices for hospital staff and patients.

**Preventive Health Initiatives**

The president of the Kentucky Medical Association (KMA) provided an overview of the KMA's STEPS Campaign for improving health.

A representative of Anthem/Elevance Health presented preventative health initiatives for health plan members.

Representatives of WellCare of Kentucky, Humana, United Healthcare, Molina HealthCare, and Aetna Better Health of Kentucky presented preventive health initiatives for Medicaid Managed Care members.

**Recommendations**

The task force adopted recommendations to be sent to the Legislative Research Commission.

