

**A VERY SHORT HISTORY AND STATUS REPORT OF
PLANNING, RESEARCH, POLICY AND EVALUATION
IN KENTUCKY STATE GOVERNMENT**

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HISTORY

The history of planning, research, policy and evaluation activities in Kentucky State Government is at once varied and consistent: varied in the sense that many different functional frameworks have been tried; consistent in that nothing has worked, or been allowed to work, for very long.

The accompanying timeline chart (see page 11) notes some of the major activities associated with state government since the 1930s, except those considered university-related. A glance at the chart shows, as one might suspect, that activities tend to rise and fall within the four-year span of gubernatorial administrations. Some may survive this time frame but tend to languish before being formally terminated, usually by executive order followed by legislative ratification. A brief explanation of the activities on the chart follows.

Kentucky Progress Commission

The Kentucky Progress Commission seems to have been created by legislation in the late 1920s for the purpose of promoting the development of the Commonwealth, making a general study of its resources, commercial and industrial development, and for promoting tourism. All departments of state government were obliged to cooperate in every way with the Commission. A voluminous report was published. The Commission stayed on the books until 1966, by which time its work was largely forgotten.

Committee for Kentucky

In 1943, a private, Louisville-based Committee For Kentucky was formed. The Committee published a "Blueprint for a Great Kentucky" around 1947. This blueprint embodied numerous recommendations to the General Assembly and others for combatting the problems of the time. The committee was dissolved in 1950.

Department of Commerce

The Department of Commerce evolved through various stages. Its genesis was from a planning effort and it has always had a planning component in its organization. In 1948, the Agricultural and Industrial Development Board was created based on one of the recommendations from the Blueprint report. In 1956 it was renamed the Department of Economic Development. In 1962 it became the Department of Commerce. The State Planning Section, as it was known then, was located within the Department's Division of Community Planning and Development.

In 1980 the Development Cabinet was formed. This included the Department of Commerce and the Department for Local Government, which had its genesis in the Kentucky Program Development Office. The Development Cabinet became the Commerce Cabinet, but was renamed the Economic Development Cabinet in July, 1988. It still has a Research and Planning Division which compiles economic and statistical data and publishes information on financing, taxes, transportation, industrial services, manufacturers, economic

statistics and natural resources. It also operates a maps and publications office, which serves as a sales outlet for U.S. Geological Survey and Kentucky Geological Survey maps and publications.

Spindletop Research

Spindletop Research, Inc., was established as an independent, not-for-profit applied research corporation in 1961. It was created primarily to stimulate the economic and industrial development of Kentucky as part of an extensive effort by government, industry and university leaders. Start-up funds were appropriated by the Commonwealth.

Although the original idea included close ties to the University of Kentucky and the business community, these ties gradually weakened. It then fell on state government, during Governor Nunn's term, to bail out the fledgling institution with a fundraising effort to pay off its debt, plus a new executive policy of requiring state agencies to have their planning and research needs taken care of by Spindletop Research. Toward this end an annual "retainer" of some \$800,000 per year was arranged through the Governor's contingency fund. This did not survive very long after the change in administrations and Spindletop was once again left to fend for itself. It was unable to do so, and was soon defunct. The building and remaining assets were deeded back to the state around 1978.

Eastern Kentucky Regional Planning Commission

Established in the late 1950s, during the Chandler administration, the Eastern Kentucky Regional Planning Commission addressed the problems of Eastern Kentucky. It was attached to the Department of Economic Development for administrative purposes and later became the Economic Development Commission. The executive director was John Whisman. Governor Combs transferred Whisman's effort to the Governor's Office, renaming it the Program Evaluation Group. Much of the emphasis for the Appalachian Regional Commission and other regional development activities came from this Group.

Governor's Program Evaluation Group

The task of the Program Evaluation Group during the Combs administration was to survey state government's efforts to overcome the problems of underdevelopment and devise a comprehensive approach to meeting the state's needs. A main outgrowth of this effort was agreement on the need for a comprehensive approach that was coupled with significant accomplishments, such as building a highway in an economically stagnant area. The Group disbanded in 1963 after publishing a report, Kentucky: Beyond the Crossroads. This report established the rationale for Governor Combs' development policies, particularly bond financing for roads.

State Planning Committee

The State Planning Committee was formed within the Governor's Office by executive order on December 11, 1964, shortly after the

dissolution of the Program Evaluation Group, to carry out the functions of state planning delegated to the Governor by KRS 147.070. The Committee consisted of the Adjutant General and the Commissioners of the Department of Finance, Department of Parks, Department of Natural Resources, Department of Commerce, Department of Revenue, Department of Highways, and Department of Public Information. The Governor was Chairman and the Commissioner of Finance acted as Secretary. In 1966, work on a comprehensive state planning program was begun, with the help of a federal Department of Housing and Urban Development 701 Planning Grant. The State Planning Committee was enacted into law in 1974 (KRS 147.075).

Much of the planning legislation in KRS 147.010 to 147.570 has been repealed over the years. Although little information is available about the Committee's recent history, it apparently hasn't met in years for the purposes described in KRS 147.070-147.120.

Area Development Districts (ADDs)

In 1967 Governor Breathitt issued an executive order establishing multi-county boundaries for planning and development purposes. It wasn't until 1972, however, that these entities became formalized in the KRS as Area Development Districts. The ADDs were designed to strengthen the local planning assistance programs authorized under HUD's 701 funding grants. The development of the statewide planning structure was strengthened by the appointment of liaison officers in most state agencies and the hiring of ADD

staffs. Their role in state planning was enhanced by federal requirements mandating regional planning and input in the preparation of state plans for both the Appalachian Regional Commission (ARC) and the Economic Development Administration (EDA).

Kentucky Program Development Office

In 1968 Governor Nunn established a central state planning agency called the Kentucky Program Development Office (KPDO), within the Office of the Governor. This office was made up largely of the Governor's Area Programs Office and other agencies pulled together from state departments.

As the state planning agency, KPDO was given liaison responsibilities for numerous federal programs which were proliferating at the time. Much of the state planning work started by the Division of Community Planning and Development when it was within the Department of Commerce was continued and strengthened within KPDO. One of KPDO's most important accomplishments was helping the Area Development Districts become established and viable.

Beginning in 1972, Governor Ford reorganized state government into seven large program departments and program cabinets, plus the Executive Department of Finance and Administration. The functions and responsibilities of KPDO were decentralized and transferred to Finance and the Office for Local Government and other program departments and cabinets. Plans for such federal programs as the Appalachian Regional Commission, Economic Development

Administration, Bureau of Outdoor Recreation, HUD 701 State Planning Component, and the OMBA-95 Federal Programs Clearinghouse were transferred in 1978 and 1982 to the Department for Local Government.

Governor's Efficiency Task Force

At the beginning of his administration, Governor Nunn formed a task force made up of business executives and other experts from the private sector to look at the workings of state government for the purpose of suggesting improvements. They did this and published a report with many recommendations, some of which were included in Governor Ford's reorganization.

Kentucky Science and Technology Commission

In 1966 the name of the Kentucky Atomic Energy Authority was changed to the Kentucky Science and Technology Commission, and its makeup was changed considerably. Whereas the Governor, the Lieutenant Governor, the Commissioner of Economic Development, the Commissioner of Health, the Attorney General and five citizens constituted the Authority, the renamed entity was made up solely of five citizens appointed by the Governor and Lieutenant Governor. These moves effectively made the Commission a holding company overseeing the contractor responsible for operating and managing the Maxey Flats disposal facility. Appointments to the Commission were not filled and it was finally crossed off the books by the General Assembly in 1976. Responsibility for Maxey Flats first fell to the

Executive Department for Finance and Administration (1976 Acts, Chapter 299), and then, in 1979, to the Department (now Cabinet) for Natural Resources and Environmental Protection (Executive Order 79-170).

Office of State Planning

In 1975, Governor Carroll established an Office of State Planning within the Governor's Office. The Executive Order effecting this creation observed that the State Planning Committee requires the services of professional staff in carrying out its duties for the state planning functions authorized and required by KRS 147.070 to 147.120.

Office for Program Administration

The Office of State Planning was renamed the Office for Program Administration by Governor Carroll in 1976 (Executive Order 76-624). One of the main goals of the Office under Governor Brown was to establish a more uniform organizational structure for the executive branch. Cabinets were asked to construct and submit organizational charts. These became the basis for determining areas of commonality, so as to propose certain titles and structures to be used in state agencies. An expected outcome of this effort was a framework upon which to develop budgets, personnel management systems, and cost accounting systems at the departmental, division, branch or office level.

While the organizational location of this office has been changed several times, an Office for Program Administration lives on in the current administration.

Kenton Center Proposal

In 1982 the General Assembly created the Select Committee for the William G. Kenton Center for Governmental and Political Studies. The Committee's aim was to study proposals for establishing a Center that would provide technical, academic, research and advisory assistance to government and its officials at all levels. A report was published recommending a Center that would, among other things, examine emerging strategic issues facing Kentucky through research, public forums, education and information dissemination. No action was taken on the report recommendations.

Kentucky Tomorrow

Kentucky Tomorrow was a study group created in 1984 by Lieutenant Governor Steve Beshear to look at the immediate and intermediate future of Kentucky. This group consisted of a wide spectrum of individuals from business, universities and government working in committee fashion for four years. The main objective was to recommend governmental policies that would position the Commonwealth to meet the challenges posed by expected social, educational, economic and technological trends. A report was published. Kentucky Tomorrow's Science and Technology Committee has

enjoyed a reincarnation of sorts in that its membership is substantially the same as the Governor's Council on Science and Technology created by Governor Collins at the end of her administration. This Council has since been privatized as the Kentucky Science and Technology Council, Inc.

1934 36 38 40 42 44 46 48 50 52 54 56 58 60 62 64 66 68 70 72 74 76 78 80 82 84 86 88
 CHANDLER COMBS BREATHITT MUNN FORD CARROLL BROWN COLLINS

KENTUCKY PROGRESS COMMISSION V

POSTWAR PLANNING AGRICULTURAL AND INDUS- DEPARTMENT OF COMMERCE
 ADVISORY COMM. TRIAL DEVELOPMENT BOARD ECONOMIC DEVELOPMENT
 V V V (STATE PLANNING SECTION)

COMMITTEE FOR KENTUCKY V

KY SCIENCE & TECH. COMM. V

KY SCI/TECH COUNCIL V

V SPINDLETOP RESEARCH, INC. V

GOVERNOR'S PROGRAM STATE PLANNING COMMITTEE
 EVALUATION GROUP V V

ADD BOUNDARIES
 ESTABLISHED V
 ADDs OPERATIONAL V

EASTERN KENTUCKY REGIONAL V KENTUCKY PROGRAM DEV. OFFICE
 PLANNING COMMISSION V V

GOVERNOR'S EFFICIENCY TASK FORCE V V

GOVERNOR'S EXEC. MGT. COMMISSION V V

OFFICE FOR PROGRAM
 ADMINISTRATION

OFFICE OF STATE PLANNING V V (Repealed - -

KENTON CENTER PROPOSAL V V

KENTUCKY TOMORROW V V

STATUS REPORT

In considering the subjects of planning, research, policy analysis and evaluation in state government, it is important to keep in mind that there is little common ground for understanding and agreement. Different managers see these functions in different ways. With such diversity of character it becomes difficult to describe planning, research, evaluation and policy analysis in a simple and coherent fashion. Nevertheless, a short status report at the cabinet level follows, starting with the Governor's Office.

Governor's Office

The Governor's Office consists of two groupings. One, reporting to the Secretary of the Executive Cabinet, includes the:

- o Department of Personnel;
- o Governor's Office for Program Administration; and
- o Governor's Office for Policy and Management.

The other reports directly to the Governor and includes the:

- o Office of Early Childhood Education and Development;
- o Commission on Human Rights;
- o Commission on Women;
- o Department for Local Government;
- o Department of Military Affairs; and
- o Council on Higher Education.

The Department of Personnel and Council on Higher Education have undertaken major project planning efforts from time to time. The

Commission on Human Rights analyzes such subjects as minority salaries and publishes findings in annual reports. The Council on Higher Education adopted a systemwide Strategic Plan for Higher Education in 1985 and is currently requesting academic plans from the state universities. The Office for Program Administration keeps track of the organizational charts for all state agencies.

Office for Policy and Management (OPM)

The Office for Policy and Management (OPM) is presently the main focal point for planning and policy analysis within the Governor's Office. In this capacity, the Office works with all cabinets, "independent" commissions and agencies in preparing the biennial budget.

Although the main focus of OPM is budgetary, it also encompasses two-way planning. Agencies submit budget requests to OPM and in turn respond to guidance from OPM which reflects feedback on policies coming from the Governor's office. In 1977 OPM published an "Agency Planning Guide" for all agency heads and program managers. This guide was intended as a technical assistance manual to promote a more meaningful and standardized planning process for state government. It was constructed to complement the budget process and to require "clear evidence of sound program planning." It fell into disuse after the change in administration in 1980.

Department for Local Government

This department is responsible for providing wide ranging technical assistance to units of local government. Subjects include personnel administration, economic development, land and water conservation and area development. The Department is also the liaison and state planning agency for certain federal programs operated by Housing and Urban Development, the Economic Development Administration, Farmers Home Administration, the Veterans Administration, the Appalachian Regional Commission, the Intergovernmental Personnel Act and the Land and Water Conservation Fund. The department also serves as the state's OMBA-95 federal programs clearinghouse.

General Government Cabinet

This is a cabinet in name only, consisting of smaller agencies headed by a constitutional officer or others not attached to the Finance and Administration Cabinet. The agencies in this cabinet typically engage in project research and planning. The Department of Law, for instance, might be asked to look into legal questions on such specific issues as state ownership boundaries of the Ohio River. These tasks can lead to research and planning on how best to respond to or resolve the question. The State Auditor is obliged to continually analyze the fiscal policies, balance sheets and management soundness of agencies receiving state monies. That office publishes regular reports of its findings. The Department of

Agriculture is involved in budget planning and legislative needs analysis. In February, 1989, they also put on a conference on Kentucky agriculture in the 21st century, which took a long-range look at Kentucky agriculture. A follow-up conference is planned for 1990.

Justice Cabinet

The Justice Cabinet is made up primarily of the Department of State Police and support agencies such as the Department of Criminal Justice Training. Planning and research in this cabinet is problem specific on such subjects as marijuana identification and eradication. Some research and analysis projects have had a broader and more introspective nature; for instance, a master plan completed for State Police some years ago.

Revenue Cabinet

The Revenue Cabinet, like most state agencies, has an operational and task-oriented emphasis. It is responsible for collecting, processing and enforcing. There is some tax policy analysis going on; however, this has a legal bent. The office of revenue forecasting was recently moved to the Finance and Administration Cabinet.

Education and Humanities Cabinet

The Department of Education is by far the largest component of this cabinet. Other agencies, such as Kentucky Educational

Television or Libraries and Archives, operate quite independently, but are grouped together under the Office of the Secretary of the Education and Humanities Cabinet for administrative purposes and because of the general subject of their programs.

Because of this there is no substantive research or planning done by or for the cabinet as a whole. However, there is a lot done within some of the individual agencies, especially the Department of Education. Formal plans include the Biennium Report, annual Progress Status Report, Department Plan, Planning Document and Legislative Priorities Package. The Planning Document is a biennial mission statement prepared from scratch.

The Department of Education has a strong research and planning activity, headed by a Deputy Superintendent. This is equivalent to a department level function in other cabinets. Aside from a variety of ongoing research and planning programs, there is continuing evaluation and accreditation of school systems throughout the state.

Natural Resources and Environmental Protection Cabinet

At present, planning and research activities within this cabinet are conducted primarily at the division level. For instance, the Division of Water has just completed a comprehensive water management plan which defines goals, priorities, and budget requirements and serves as a vehicle for management and legislative review. The Department for Environmental Protection is now working on the first state comprehensive plan that will integrate planning for air, water and waste.

Transportation Cabinet

The Transportation Cabinet is an agency with a single primary focus. It consists of the Department of Highways and other departments which are primarily support agencies and the Department of Vehicle Regulation.

Planning and research is a long recognized function carried out primarily within the Department of Highways, Division of Planning. This function, like many others within the agency, is required as part of federal law. The trend is to an increasing amount of project planning being required by the federal government. The Air Transportation Division develops the Airport Master Plan, which coordinates size and location of present and proposed airports throughout the state. This planning program is also required under federal law.

There is also an Assistant State Highway Engineer for Planning, who reports to the State Highway Engineer, who in turn reports to the Commissioner of the Department of Highways. Planning is full range, both long and short term, urban and rural.

Economic Development Cabinet

The Economic Development Cabinet, the old Commerce Cabinet, contains the Department of Business Development. Within this department is the Research and Planning Division, which has existed for many years and performs the bulk of planning and research for the Cabinet. This division gathers employment, tax and other data of

interest to industrial and business prospects who might locate in the Commonwealth and includes a maps and publications office.

The cabinet contracts with the Kentucky Council of Science and Technology, Inc. for planning in the area of technology development and policy directions. Aside from this, the Cabinet is developing an internal survey of division needs.

Public Protection and Regulation Cabinet

This cabinet is a conglomeration of small agencies with varied missions. Therefore, planning or research relating to the cabinet as a whole is not really feasible. The following agencies do annual, quarterly or monthly planning: Public Advocacy; Financial Institutions; Mines and Minerals; Housing, Buildings and Construction; and the Public Service Commission. Planning is pretty much spelled out for these agencies by law and regulation. One exception to this is the Department for Mines and Minerals, which gathers data on such things as mine safety and production.

Human Resources Cabinet

The Human Resources Cabinet is a large and cohesive cabinet. The upper level support staff includes an Office of Policy and Budget of approximately 20 people.

Planning, research and policy analysis in this cabinet takes place primarily at the Secretary's level. These activities are conducted in conjunction with the six departmental commissioners and

other agency heads within the cabinet. Activities include many of the federal block grants that require evaluation and program planning functions. The cabinet is developing a six-year program plan to present as part of the biennial budget process. Also, due to the size and nature of agencies making up the cabinet, the Office of Policy and Budget is the liaison point with the Governor's Office of Policy and Management for budget purposes.

Finance and Administration Cabinet

This cabinet contains most of the so-called support functions for the program cabinets, such as facilities management and information systems. It also houses many small commissions and authorities for administrative purposes only. The secretary of this cabinet has traditionally been heavily involved in policy making for state government as a whole.

The Office of Management Services is meeting with other agencies within the Cabinet to plan an automated budget down to the branch level. This will allow branch managers to be directly involved in planning the budget. The Department of Information Systems is involved in long-range planning for computer acquisition and management throughout state government.

The Office of Investment and Debt Management and the newly acquired (from the Department of Revenue) Office of Revenue Estimating and Economic Analysis also engage in continuing top level planning, research and policy analysis for the Office of the Secretary of the Finance and Administration Cabinet.

Energy Cabinet/Office of Coal

When the Energy Cabinet, or Office of Coal as it is now called, was first created during the energy crisis it had a heavy emphasis on energy production and utilization. This quasi-regulatory responsibility has faded in recent years.

One of the original ideas behind the creation of an energy agency was to promote alternate uses of coal. With initial support from federal and state government and the University of Kentucky, a basic research laboratory was constructed to look at better ways to burn coal and to refine it into oil, gas, and other chemicals. There is still work going on in this area, in addition to projects aimed at reducing acid rain.

The Department of Energy and Research has two major plans, in addition to its biennium budget plan. These are the recently formalized Energy Plan and the formalized Energy Conservation Program Plan, required and largely paid for by the federal government.

Corrections Cabinet

The Corrections Cabinet's primary role is to administer the state's correctional institutions. There is a Planning and Evaluation Branch within the Secretary's Office of Administrative Services, which is a support function for Cabinet agencies. Records are kept on offenders. Also, a five-year computerized plan is being developed which will help project the need for beds and other

accommodations for the growing prison population. This model will be adjusted as the prison population changes.

Tourism Cabinet

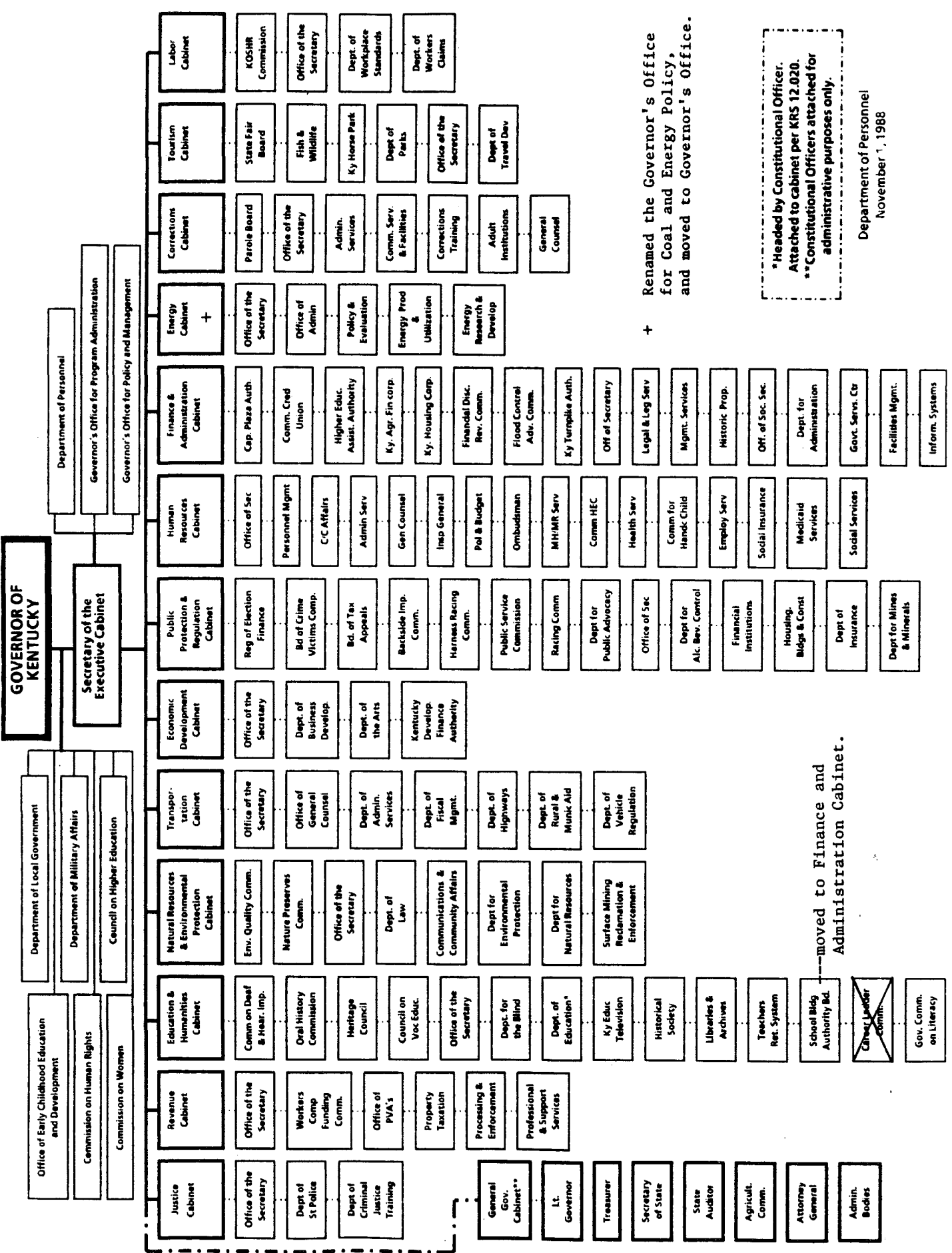
The Parks Department is the big component of the Tourism Cabinet. There are many staff support agencies that help administer the state parks system, including a Division of Planning, Construction, and Maintenance within the Parks Department, which deals primarily with the physical plants of the state parks.

There is also a Department of Travel Development in the Tourism Cabinet that has a Division of Marketing and Advertising Services. In this Division research is aimed at gathering information on the nature of Kentucky's tourist population and available tourist facilities.

Labor Cabinet

The Labor Cabinet administers the workers' compensation claims program, occupational safety and health compliance and workplace standards. Aside from some education programs, most planning is tied to ongoing research and training.

Each division submits work projects to the Labor Secretary at the beginning of each year. These focus on emerging issues, including Occupational Safety and Health Administration (OSHA) requirements. These issues are discussed internally and taken to the governor in the form of policy recommendations.



+ Renamed the Governor's Office for Coal and Energy Policy, and moved to Governor's Office.

*Headed by Constitutional Officer.
 Attached to cabinet per KRS 12.020.
 **Constitutional Officers attached for administrative purposes only.

---moved to Finance and Administration Cabinet.

Department of Personnel
 November 1, 1988

