

**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.

CHANDLER COMBS BREATHITT NUNN FORD CARROLL BROWN COLLINS WILKINSON

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 90

KENTUCKY PROGRESS COMMISSION V

POSTWAR PLANNING  
ADVISORY COMM.

V V

AGRICULTURAL AND INDUS-  
TRIAL DEVELOPMENT BOARD

V

DEPARTMENT OF  
ECONOMIC DEVELOPMENT

V

DEPARTMENT OF COMMERCE  
(STATE PLANNING SECTION)

V

COMMITTEE FOR KENTUCKY  
V V

KY SCIENCE & TECH. COMM.  
V V

KY SCI/TECH COUNCIL  
V

V SPINDLETOP RESEARCH, INC. V

GOVERNOR'S PROGRAM  
EVALUATION GROUP V V

STATE PLANNING COMMITTEE

ADD BOUNDARIES  
ESTABLISHED  
V V

ADDs OPERATIONAL

EASTERN KENTUCKY REGIONAL  
PLANNING COMMISSION V V

KENTUCKY PROGRAM DEV. OFFICE  
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 in January, 1988 requested academic plans from the state universities. The 1985 Strategic Plan is currently being revised with the inclusion of more specific strategies, goals and timetables. The Office for Program Administration keeps track of the organizational charts for all state agencies.

#### **Governor's Office for Policy and Management (OPM)**

The Governor's Office for Policy and Management (OPM) is presently the main focal point for budgetary 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.

### **Governor's Office for Coal and Energy Policy**

This Office used to be the Energy Cabinet, first created during the energy crisis during the mid-seventies. Initially, it had a heavy emphasis on energy production and utilization, but this quasi-regulatory responsibility has faded in recent years.

One of the original ideas behind the creation of an energy agency was the long-range view of promoting 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.

### **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.

### **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.

The Kentucky Crime Commission recommends policy and direction for departmental long-range planning regarding all elements of the criminal justice system (KRS 15A.040).

### **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.

The Department for Libraries and Archives is directed to prepare a plan for a comprehensive records management system for Kentucky state government.

#### **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 has finished the first state comprehensive plan integrating 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 (KRS 61.945).

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

## **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.

### **Cabinet for Workforce Development**

The 1990 General Assembly enacted HB 814, creating the Cabinet for Workforce Development. This new Cabinet is made up primarily of agencies that used to be attached to the Education and Humanities Cabinet plus new councils, committees, boards and foundations. On July 2, 1990, Executive Order 90-604 expanded the Office of the Secretary to include an:

- o Office of General Counsel;
- o Office of Communication Services;
- o Office of Development and Industry Relations;
- o Office of Workforce Analysis and Research; and
- o Office of Administration and Policy Support.

The Office of Administration and Policy Support contains various subgroups to handle personnel, fiscal services, budget, computer services and client assistance. The Office of Workforce Analysis and Research is directed to collect data, conduct analytical research and further the mission of the Cabinet, as appropriate. Planning per se is not mentioned in the enacting legislation and executive order.

## **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.

**GOVERNOR OF KENTUCKY**

**Secretary of the Executive Cabinet**

Department of Personnel

Governor's Office for Policy and Management

Governor's Office for Program Administration

Governor's Office for Coal and Energy Policy

Office of Early Childhood Education and Development

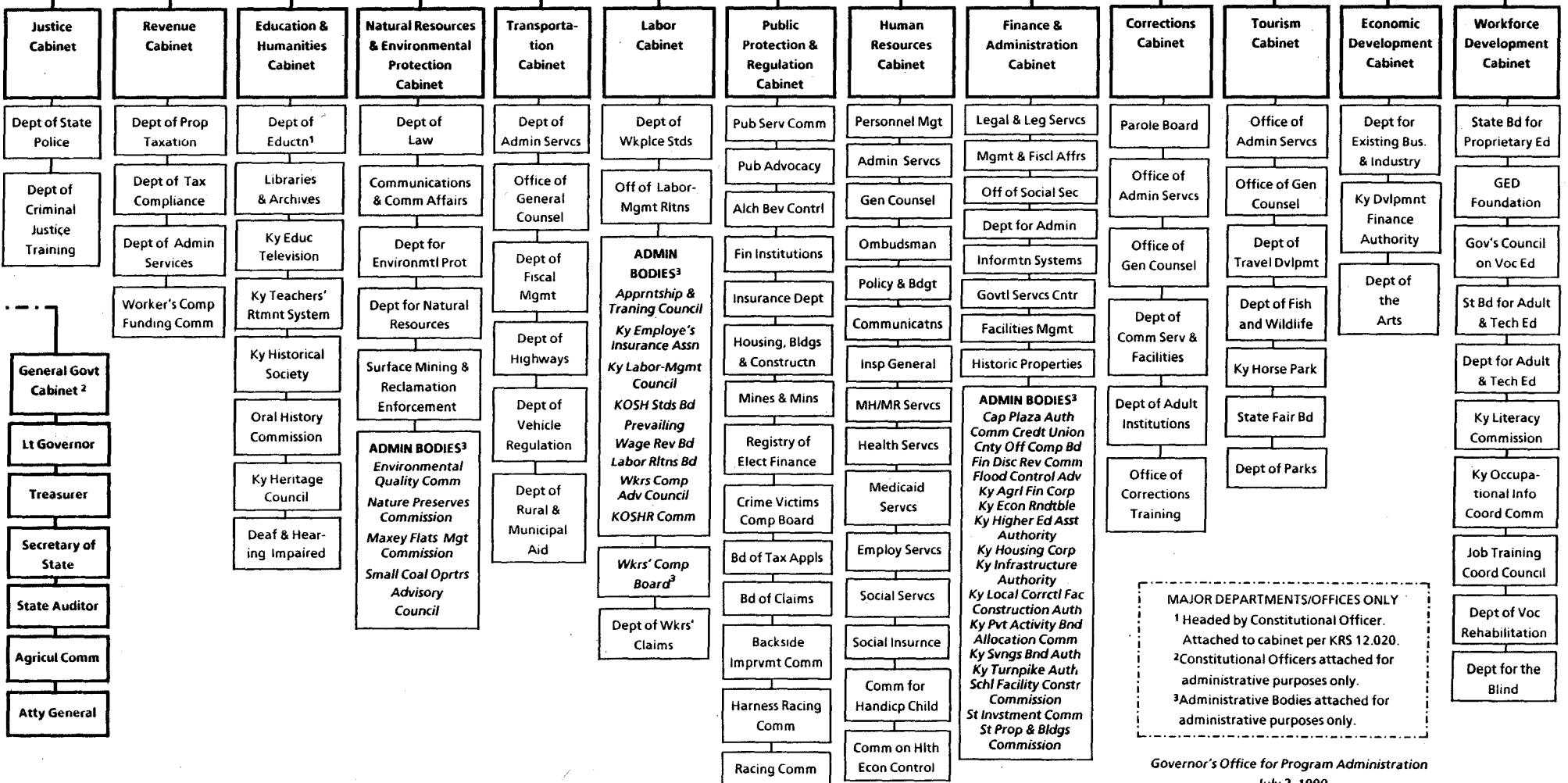
Department of Local Government

Department of Military Affairs

Commission on Human Rights

Council on Higher Education

Commission on Women



**MAJOR DEPARTMENTS/OFFICES ONLY**  
<sup>1</sup> Headed by Constitutional Officer. Attached to cabinet per KRS 12.020.  
<sup>2</sup> Constitutional Officers attached for administrative purposes only.  
<sup>3</sup> Administrative Bodies attached for administrative purposes only.

**APPENDIX A**

**BILLS ENACTED BY THE 1990 GENERAL ASSEMBLY  
RELATED TO POLICY PLANNING**

## **Capital Planning Advisory Board**

SB 46 created KRS Chapter 7A to establish the Capital Planning Advisory Board of the Kentucky General Assembly. The bill specified that the Board include members representing the executive, judicial and legislative branches of state government, as well as three citizen members. It authorized the Board to prepare every two years a state capital improvement plan containing its proposals for state spending for capital projects, including a list of capital projects which the Board recommend be undertaken or continued during the next six fiscal years. SB 46 excluded the projects in the six-year road plan from the list of all capital projects which the Board recommends to be undertaken and excluded the Division of Highways from state agencies that are required to submit projects to the Board by April 15. Finally, SB 46 required state agencies to provide certain information to the Board.

## **Transportation Cabinet**

HB 929 amended KRS 175.780 to authorize the Turnpike Authority to issue revenue bonds or notes in the amount of \$600 million, subject to the limitations contained in the biennial appropriation acts. It specified that projects to be financed shall be those economic development road projects included in the biennial construction program and in the biennial program of preconstruction projects and in the four-year planning document submitted to the General Assembly. HB 929 also required proceeds to be used solely for the payment of the cost of economic development road projects, and specified that any proceeds remaining after the completion of the projects be transferred to the bond service account. Other provisions of HB 929 include requiring the Turnpike Authority to furnish to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue, and to make available to the public, a listing of all costs associated with the issuance of the revenue bonds or notes authorized by the Act; requiring the listing to be itemized as to the amount and name of payee; defining costs to be included; requiring changes in amounts or names of payees to be furnished within three days following the change; excluding wages or expenses paid to full-time, permanent employees of the Commonwealth from the listing of costs; creating new section of KRS Chapter 45 relating to highway construction; requiring the Governor to include the recommended state highway construction program in the draft budget bill which the executive branch submits to each Regular Session of the General Assembly; requiring specific information to be submitted on each highway construction project; prohibiting expenditure on any project which exceeds the estimated cost shown in the biennial highway construction budget; establishing a highway construction contingency account, which shall consist of money to be appropriated by the General Assembly; establishing a procedure for money in the highway construction contingency account to be transferred to the highway construction account; permitting money in the construction

contingency fund to be used for matching funds from federal highway administration as a result of other states not utilizing their total federal obligation; amending KRS 176.420 to require the Department of Highways to submit a biennial construction program to the General Assembly at the same time of submission of the executive budget, pursuant to KRS 48.100; requiring submission of an additional four-year preconstruction plan; requiring computer tape and file layout for each plan; amending KRS 176.430 to require all preconstruction projects to have a fiscal year designated for each project phase, a cost estimate for each project phase, and a projected construction date; requiring the cabinet to submit monthly to the Legislative Research Commission specific project information; amending KRS 176.440 to require computer tapes and file layout of the six-year plan being submitted six months prior to the Regular Session of the General Assembly; amending KRS 176.460 to require a construction project which has been delayed to be reinstated in the next biennial construction program, when the delaying factors have been overcome; and repealing KRS 176.450.

#### **Education and Humanities Cabinet**

HB 378 created a new section of KRS Chapter 157 to establish an environmental council, to be attached to the Education and Humanities Cabinet, to provide leadership and planning for environmental education. This bill also defined environmental education and environmental literacy, and directed the Governor to appoint nine members. Finally, HB 378 outlined the duties and functions of the council.

#### **Natural Resources and Environmental Protection Cabinet**

HB 419 amended KRS 151.110 to require long-range water supply planning by local communities, and created new sections of KRS Chapter 151 to require the Cabinet to administer a program for the purpose of developing long-range water supply plans for each county and its municipalities and public water systems. HB 419 encourages multicounty planning by area development district or watershed, and requires approval of plans by the Cabinet. It also required consultation with the Economic Development Cabinet in development of regulations, set deadlines and made provisions for financial assistance.

#### **Governor's Office**

HB 560 amended KRS 100.187 to allow regional impact and historic preservation elements as part of the comprehensive plan; amended KRS 100.193 to require planning commissions to notify certain public

officials in adjacent areas regarding adoption, amendment or re-adoption of the comprehensive plan; amended KRS 100.209 to provide that procedures for land use regulations be established prior to adoption of an ordinance of annexation; amended KRS 100.212 to require notice to certain public officials in areas adjoining property where re-zoning has been proposed; and created a new section of KRS Chapter 147A to require certain area development districts to create regional planning councils.

HB 560 also amended KRS 100.237 to require boards of adjustment to notify certain public officials in adjacent areas regarding hearings on conditional use permits, and amended KRS 81A.420 to require an annexation ordinance to include a zoning map for territory being annexed by a city, if the city has elected to establish the zoning prior to the completion of the annexation. Further, KRS 82.400 was amended to provide for automatic acceptance by the city of dedicated streets which have been approved in accordance with subdivision regulations, and KRS 100.277 was amended to provide for automatic acceptance by a legislative body of streets or public grounds which have been dedicated and for streets which have been built in accordance with subdivision regulations or ordinances.

HB 560 requires findings of facts and recommendations of a planning commission, relating to a proposed zoning map amendment, to include a summary of the evidence and testimony presented by both proponents and opponents of the proposed amendment, and requires independently budgeted planning commissions to annually publish financial statements.

### **Corrections Cabinet**

HB 603 amends and creates various sections of KRS Chapters 196, 197, 439, 440, 520 and 534, relating to corrections administration and programs, to clarify peace officer status. It also updates definition of penitentiary and classification; creates a new type of good time, contingent on educational program completion; establishes a uniform expiration process; establishes an inmate property control procedure; restricts, with cause, distribution of certain inmate records; increases the range of time during which shock probation may be imposed; clarifies that detention facility includes both buildings and grounds; includes in the definition of dangerous contraband "any" quantity of marijuana; clarifies that contraband laws apply to penitentiaries as well as detention facilities; and specifies that presentence investigation reports cannot be waived and that a copy be given to defense counsel.

This bill encourages use of sentencing alternative programs; requires fine levy on persons convicted of a felony, other than

indigents; requires fine levy for persons convicted of a misdemeanor, other than indigents; requires a Corrections Projections Report on July 1, rather than January 1, and for a period to cover six years rather than five; repeals KRS 440.455, relating to the use of affidavits and warrants for interstate detainer processes.

HB 603 creates the Kentucky State Corrections Commission, establishes members' terms of service and duties; requires the Commission to prepare a six-year corrections plan in cooperation with criminal justice agencies; requires the judge to consider sentencing all convictees of a felony to a term of community service and establishes procedures; allows the Cabinet to contract with a county fiscal court or local or regional correctional authority for services; deletes the requirement that a convict be released to the county from which he was sent; repeals KRS 211.940, relating to confinement facility inspections; allows all wardens to serve on canteen board; and allows corrections secretary's designee to sign jail standards violation orders.

### **Kentucky Coal Authority**

SB 218 creates new sections of KRS Chapter 152A to establish the Kentucky Coal Authority to protect and expand markets for Kentucky coal. The membership of the Authority is composed of the Secretary of the Governor's Cabinet as chair, the Governor's Special Assistant for Coal and Energy Policy as vice-chair, the secretaries of Transportation, Natural Resources, and Economic Development, and twelve members representing a variety of interests appointed by the Governor for staggered four-year terms. This bill directs the Authority to ensure that coal-related state government programs are consistent with the goals of coal development, economic development and environmental protection; ensure integration of coal-related research programs; promote coal markets and develop public information, and recommend programs to the Governor; participate in projects to improve coal markets; issue revenue bonds, with the approval of the State Property and Buildings Commission, to meet its obligations toward a project it has approved.

**APPENDIX B**

**EXISTING KRS SECTIONS  
RELATING TO STATE PLANNING**

Existing KRS sections relating to state planning:

KRS 11.068 Relates to the office of the special assistant to the governor for budget and management. He shall serve as state budget director and secretary of the state planning committee. He shall be involved in economic forecasting, and staff planning functions of the state planning committee and evaluation of statewide management and administrative practices and procedures.

The Governor's Office for Policy and Management and the Office for Program Administration report to the secretary of the cabinet through the special assistant for budget and management.

KRS 15A.040 The Kentucky Crime Commission shall advise and recommend to the secretary policies and direction for departmental long-range planning regarding all elements of the criminal justice system.

KRS 42.410 The Office of Financial Management and Economic Analysis shall develop a long-term debt plan including criteria for the issuance of debt and an evaluation of how much total state debt is justified.

KRS 61.945 The Kentucky information systems commission shall coordinate, on a statewide level, strategic planning for computerized information systems in state government.

KRS 61.950 The Kentucky information Systems Commission shall formulate a statewide electronic data processing plan consisting of input from the three branches and constitutional offices of government.

KRS 147.070 The state planning functions of the governor's cabinet shall be to prepare and adopt plans for complete systems of state or regional highways, expressways, parkways, parks, water supply and forest reservations, airways and air terminals, and other things of significance in furthering a well balanced development of the state. The Cabinet shall cooperate with planning boards of other states and the national planning board and act as a research broker in assisting state government to meet its research needs and to perform such functions also upon request from local governments.

The cabinet shall have such powers as are necessary to promote state planning and to enable it to carry out the purposes of KRS 147.070 to 147.100.

KRS 147.075 The governor shall serve as chair of the state planning committee which is composed of the governor's executive cabinet and such other persons as the governor may designate. The secretary of the Commerce Cabinet shall serve as vice-chair, and the special assistant to the governor shall serve as secretary.

KRS 147.090 The governor's cabinet may make maps, planning studies, and surveys relating to any subjects affecting the general health and welfare of the Commonwealth.

KRS 152.020 The department of business development shall be organized into several divisions including a division of research and planning. The division of research and planning shall be headed by a director appointed pursuant to KRS 12.050. KRS 152.060 states that the department shall assemble and keep in the offices of the department such information relating to natural resources, industrial sites, labor supply, water, fuel, power, wage rates, taxation and assessments, transportation and communication facilities and such other information as may be useful in executing the provisions of KRS 152.010 to 152.080.

KRS 171.520 The Department of Libraries and Archives, pursuant to their role in the supervision of state and local agencies, shall prepare a plan for a comprehensive records management system for Kentucky state government.

