

STEVEN L. BESHEAR  
GOVERNOR

EXECUTIVE ORDER

Secretary of State  
Frankfort  
Kentucky

2008-454

May 27, 2008

RELATING TO STANDARDS OF ETHICAL CONDUCT  
IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT

**WHEREAS**, the proper operation of democratic government requires that a public official or employee shall not use public office to obtain private benefits and that the public must have confidence in the integrity of its government and public officials; and

**WHEREAS**, it is time to strengthen the integrity of state government and to insure that those who serve in the public sector are accountable to the people of the Commonwealth:

**NOW, THEREFORE**, I, STEVEN L. BESHEAR, Governor of the Commonwealth of Kentucky, by virtue of the authority vested in me by Sections 69, 79 and 81 of the Kentucky Constitution, and KRS 12.080, do hereby Declare, Order and Direct the following pertaining to standards of ethical conduct in the Executive Branch of state government:

1. All Executive Branch state agencies and department heads shall establish and implement, in coordination and consultation with the Executive Branch Ethics Commission, the Finance and Administration Cabinet and the Personnel Cabinet, mandatory ethics training for all major management personnel as defined in KRS 11A.010(7) in the Executive Branch of state government. A voluntary annual ethics training program also shall be established, implemented and made available for Executive Branch lobbyists by the Commission. Training on the Executive Branch Code of Ethics as authorized by this section shall be either



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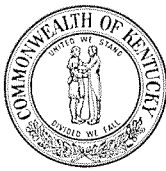
through classroom training or through educational materials. Agency-designated ethics officers shall provide assistance as needed in effecting this training.

2. The Executive Branch Ethics Commission, created under KRS 11A.060, is composed of five (5) members appointed the Governor. Beginning with the terms of the commission members whose appointments expire after the effective date of this Order, members shall be appointed on a rotating basis, as follows:

- A. The first member to be appointed after the effective date of this Order shall be appointed by the Governor;
- B. The next member to be appointed after the effective date of this Order shall be appointed by the Governor from a list of three (3) nominees submitted by the Attorney General;
- C. The next member to be appointed after the effective date of this Order shall be appointed by the Governor from a list of three (3) nominees submitted by the Auditor of Public Accounts.
- D. The annual appointment of members shall then be repeated in accordance with the same nomination and appointment rotation procedure established in this subsection. A vacancy in an unexpired term shall be filled for the remainder of the term in the same manner as the vacating member's position was filled under this section.

3. No executive branch public servant, by himself or through others, shall knowingly:

- A. Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in



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derogation of the public interest at large, including but not limited to the following:

- i. Seeking other employment or contracting for services for oneself by the use or attempted use of the employee's office or position;
  - ii. Misuse of state time, equipment, personnel, facilities, or other state resources for private business purposes;
  - iii. Use of state time, equipment, personnel, facilities, or other state resources for political campaign purposes; and
  - iv. Soliciting, selling to, or otherwise engaging in a financial transaction with a subordinate or a person the employee supervises, or with a person or business that is doing business with or is regulated by the state agency by which the employee is employed, if the economic benefit to the employee is greater than fifty dollars (\$50) in a single calendar year.
4. An executive branch public servant shall not negotiate for future employment with a person or business that does business with or is regulated by the agency for which he works if the public servant is directly involved in matters regarding the prospective employer. If an employee wishes to abstain from direct involvement in matters regarding a employee that does business with or is regulated by the employee's agency, the employee shall disclose such abstention in writing to his or her superior.



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5. An executive branch public servant who wishes to accept donations to a legal defense fund established on behalf of the public servant to assist in defraying costs and expenses related to litigation or pending criminal charges shall:
- A. Before accepting any contributions register with the Executive Branch Ethics Commission that the legal defense fund exists;
  - B. Not accept donations from:
    - i. Any person or business that does business with, is regulated by, is seeking grants from, is involved in litigation against, or is lobbying or attempting to influence the actions of any state agency; or
    - ii. Any group or association which has as its primary purpose the representation of those persons or businesses; and
  - C. File quarterly reports with the Executive Branch Ethics Commission at the end of each calendar quarter identifying the donors to the legal defense fund and listing the amounts donated by each.
6. No member of a state policy-making or regulatory board or commission, shall himself or herself or through a business in which the member owns or controls an interest of more than five percent (5%), or by any other person for the member's use or benefit or on the member's account, undertake, execute, hold, or enjoy, in whole or in part, any contract, agreement, lease, sale, or purchase made, entered into, awarded, or granted by the board, commission, authority, council, or committee of which he or she is a member. This prohibition shall not apply to



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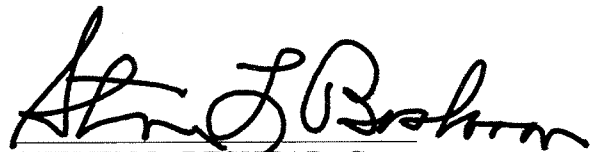
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purchases that are available on the same terms to the general public or which are made at public auction.

7. A state policy-making or regulatory board or commission member shall disclose to the other members of the board, commission, authority, council or committee of which he or she is a member, any direct or indirect interest in any undertaking that puts the member's personal interest in conflict with that of the agency. This disclosure shall be made in writing or shall be recorded in the minutes of a formal meeting. A member who is required to publicly disclose a direct or indirect interest shall abstain from all decisions concerning his or her interest if the decision should affect him or her as a member of a business, profession, occupation, or group in a manner different from other members of the business, profession, occupation, or group.

8. Members of policy-making or regulatory boards and commissions members shall be subject to the gift rules for executive branch public servants set forth in KRS Chapter 11A.

9. Attached hereto is a list of all policy-making and regulatory boards or commissions covered by this Executive Order.

  
STEVEN L. BESHEAR, Governor  
Commonwealth of Kentucky

  
TREY GRAYSON  
Secretary of State



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**Regulatory and Policy-Making Boards and Commissions**

1. Accountancy
2. Agriculture Development Board
3. Athletic Commission
4. Alcohol and Drug Counselors
5. Alcoholic Beverage Control Board
6. Architects
7. Arts Council
8. Art Therapists
9. Auctioneers Board
10. Barbering
11. Bluegrass State Skills Corporation
12. Boxing and Wrestling Authority
13. Center for the Arts Board of Directors
14. Chiropractic Examiners
15. Commission for Children with Special Health Care Needs
16. Counselors
17. Deaf and Hard of Hearing Commission
18. Dentistry
19. Dieticians and Nutritionists
20. Education Professional Standards Board
21. Elections, Board of
22. Embalmers and Funeral Directors
23. Emergency Medical Services
24. Engineers and Land Surveyors
25. Executive Branch Ethics Commission
26. Fee-Based Pastoral Counselors
27. Fish and Wildlife Resources Commission
28. Geologists
29. Hairdressers and Cosmetologists
30. Hearing Instruments
31. Heating, Ventilation and Air Conditioning Contractors
32. Heritage Council
33. Higher Education Assistance Authority
34. Higher Education Student Loan Corporation
35. Horse Park Commission
36. Horse Racing Authority
37. Human Rights Commission



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38. Infrastructure Authority
39. Interpreters for the Deaf and Hard of Hearing
40. Kentucky Educational Television Authority
41. Kentucky Housing Corporation Board of Directors
42. Kentucky River Authority
43. Landscape Architects
44. Marriage and Family Therapists
45. Massage Therapy
46. Medical Licensure
47. Military Affairs, Commission on
48. Mine Safety Review Commission
49. Nursing
50. Nursing Home Administrators
51. Occupational Therapy
52. Ophthalmic Dispensers
53. Optometric Examiners
54. Personnel Board
55. Pharmacy
56. Physical Therapy
57. Podiatry
58. Private Investigators
59. Psychology
60. Real Estate Appraisers
61. Real Estate Commission
62. Registry of Election Finance
63. Respiratory Care
64. School Facilities Construction Commission
65. Social Work
66. Speech-Language Pathology and Audiology
67. State Fair Board
68. State Investment Commission
69. State Property and Buildings Commission
70. Teachers Retirement Systems Board of Trustees
71. Turnpike Authority
72. Unemployment Insurance Commission
73. Veterinary Examiners
74. Commission on Women