**154.12-278 Department of Commercialization and Innovation -- Appointment of commissioner -- Duties of department -- High-tech construction pool and high-tech investment pool -- Duties of Kentucky Economic Development Finance Authority.**

(1) As used in this section, "cluster" and "knowledge-based" shall have the same meaning as in KRS 164.6011.

(2) There is established the Department of Commercialization and Innovation in the Cabinet for Economic Development. The department shall be headed by a commissioner appointed by the Governor under KRS 12.040.

(3) The duties of the Department of Commercialization and Innovation shall include but not be limited to:

(a) Implement the Kentucky Innovation and Commercialization Center Program as set forth in KRS 154.12-300 to 154.12-310;

(b) Monitor the return on investments and effectiveness of the Kentucky Innovation Act initiatives as set forth in the Strategic Plan for the New Economy as approved by the Kentucky Innovation Commission, January 7, 2002, or as revised, and report annually prior to November 1 to the Kentucky Innovation Commission, the Governor, and the General Assembly;

(c) Oversee the modernization initiative in KRS 154.12-274;

(d) Assist the cabinet in the recruitment of research and development companies;

(e) Assist the cabinet in the attraction of high-technology research and development centers;

(f) Support growth and creation of knowledge-based, innovative companies;

(g) Build the infrastructure for the new economy businesses and promote networks of technology-driven clusters and research intensive industries;

(h) Administer the high-tech construction pool and the high-tech investment pool;

(i) Recommend projects to the Kentucky Economic Development Finance Authority for funding through the high-tech construction pool and high-tech investment pool; and

(j) Review and approve the annual plan which details the annual allocation of funds from the Science and Technology Funding Program, prior to the Council on Postsecondary Education executing a contract with the science and technology organization to administer science and technology funding programs. As used in this paragraph, the Science and Technology Funding Program means the Kentucky Enterprise Fund Program, the Rural Innovation Program, the Kentucky Commercialization Program, The Regional Technology Corporations/Innovation and Commercialization Center Satellites, and the Experimental Program to Stimulate Competitive Research/Kentucky Science and Engineering Foundation.

(4) The high-tech construction pool shall be used for projects with a special emphasis on the creation of high-technology jobs and knowledge-based

companies. The commissioner, in administering the high-tech construction pool, shall recommend distribution of funds and projects to the Kentucky Economic Development Finance Authority for its approval. The commissioner shall recommend any designated amount of pool funds to be set aside for any match requirements. Any funds used for matching purposes may include public and private funds.

(5) The high-tech investment pool shall be used to build and promote technology-driven industries and research-intensive industries, as well as their related suppliers, with the goal of creating clusters of innovation-driven industries in Kentucky. The commissioner, in administering the high-tech investment pool, shall be authorized to recommend funds to be used to support loans and grants, or to secure an equity or related position.

(6) The Kentucky Economic Development Finance Authority shall assure in their approval of funding of projects that the highest priority is given to knowledge-based companies in fulfillment of the purposes and intentions of the purposes of this section.

**Effective:** July 15, 2008

**History:** Amended 2008 Ky. Acts ch. 98, sec. 1, effective July 15, 2008. -- Amended 2006 Ky. Acts ch. 210, sec. 6, effective July 12, 2006. -- Amended 2005 Ky. Acts ch. 181, sec. 10, effective June 20, 2005. -- Amended 2002 Ky. Acts ch. 230, sec. 16, effective July 15, 2002. -- Created 2000 Ky. Acts ch. 522, sec. 20, effective July 14, 2000.

**2014-2016 Budget Reference.** See State/Executive Branch Budget, 2014 Ky. Acts ch. 117, Pt. I, B, 1, (1) at 625.

**2014-2016 Budget Reference.** See State/Executive Branch Budget, 2014 Ky. Acts ch. 117, Pt. I, B, 1, (3) at 625.

**2014-2016 Budget Reference.** See State/Executive Branch Budget, 2014 Ky. Acts ch. 117, Pt. II, B, (3) at 670.