

BUDGET REVIEW SUBCOMMITTEE ON GENERAL GOVERNMENT, FINANCE, PERSONNEL, AND PUBLIC RETIREMENT

Minutes of the 1st Meeting of the 2024 Interim

June 5, 2024

Call to Order and Roll Call

The 1st meeting of the Budget Review Subcommittee on General Government, Finance, Personnel, and Public Retirement was held on June 5, 2024, at 9:00 AM in Room 131 of the Capitol Annex. Representative Ken Fleming, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Ken Fleming Co-Chair; Senators Christian McDaniel, Robby Mills, and Reginald Thomas; Representatives Kevin D. Bratcher, Randy Bridges, Adam Bowling, Josh Bray, George Brown Jr., Mary Beth Imes, and DJ Johnson.

Guests: LRC Staff

LRC Staff: Jenny Bannister, Liz Columbia, Joseph Holt, Justin Perry, Jeremy Simpson, David Talley, and Jennifer Luttrell.

2024-2026 Fiscal Biennium Overview

General Government Cabinet

Ms. Bannister, Mr. Talley, and Mr. Holt gave an overview of the General Government Cabinet.

Representative Johnson requested the number of occupied beds at the Veterans' Centers be provided to the subcommittee.

In response to Chair Fleming's question about the Veterans Affairs budget, Ms. Bannister said the budget had increased due to fully funding the operations of the new Bowling Green Veterans' Center.

In response to Senator McDaniel's question concerning the Office of Broadband Deployment, Ms. Bannister stated that the spike in Federal Funds in year two was due to the IJJA Bead Program.

Ms. Bannister reported 18 employees in response to Senator Mill's question about the Kentucky Infrastructure Authority's total number of employees.

Ms. Bannister confirmed Senator Thomas' statement that the Commission on Human Rights budget had been flatlined for several years.

Mr. Talley and Ms. Bannister assured Representative Johnson that the LRC Budget Review staff provides contact information to all state agencies to ensure the nonprofit organizations receive all funds.

In response to questions from Chair Fleming, Ms. Bannister stated that a reorganization of the Cabinet for Health and Family Services (CHFS) and funding splits caused part of the appropriation fluctuation. Mr. Holt said that some fluctuations could also be settlement amounts in the restricted funds that are coming to a close. Mr. Talley affirmed that the Department for Local Government had changes in grant distribution. Ms. Bannister said no analysis of the cost per employee had been done because it would be labor-intensive.

In response to a question from Senator Thomas, Ms. Bannister said "other employee" refers to contract employees and interns.

Finance and Administration Cabinet

Mr. Simpson gave an overview of the Finance and Administration Cabinet.

Chair Fleming requested clarification from the subcommittee concerning the working relationships between historical properties' foundations.

In response to Representative Bratcher's questions, Ms. Bannister said the Rainy Day Fund will have \$5.2 billion at the end of Fiscal Year 2024. She said that the Office of Budget Review has little turnover and that the Legislative Research Commission experiences this at a smaller scale.

Senator Mills requested clarification be provided to the subcommittee concerning the Unemployment Insurance Software Upgrade.

In response to a question from Senator Mills, Ms. Bannister confirmed that the Secretary of State is the only constitutional officer that has a dedicated revenue stream and is self-sustaining.

Chair Fleming requested that the subcommittee be provided with the authorized personnel cap for the Department of Revenue for the past three to five years.

Adjournment

There being no further business before the subcommittee, the meeting was adjourned at 9:57 AM.