

CHAPTER 156**(HB 269)**

AN ACT relating to appropriations and revenue measures providing financing for the operations, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state-supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I

OPERATING BUDGET

There is appropriated out of the General Fund, Road Fund, Restricted Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1, 2002, and ending June 30, 2003, and for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the following discrete sums, or so much thereof as may be necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710. Each appropriation is made by source of respective fund or funds accounts. Appropriations for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and budget units of the state government, and any and all other activities of the government of the Commonwealth, are subject to the provisions of Chapters 12, 42, 45, and 48 of the Kentucky Revised Statutes and compliance with the conditions and procedures set forth in this Act.

Appropriations identified as General Fund (Tobacco) in Part I, Operating Budget, are representative of the amounts provided in Part XI, Phase I Tobacco Settlement, and are not to be appropriated in duplication.

In the event that appropriations in this Act are less than annual allotments assigned to a budget unit for fiscal year 2002-2003 in July 2002 by the Finance and Administration Cabinet, the cabinet secretary or constitutional officer with authority over the budget unit shall have the discretion to apply or distribute the reduction, including personnel reductions, to programs, accounts, or activities within the budget unit.

A. GOVERNMENT OPERATIONS

Budget Units

1. EXECUTIVE OFFICE OF THE GOVERNOR

a. Office of the Governor

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 7,452,100 | 7,093,900 |
| Restricted Funds | 2,231,000 | 1,298,200 |
| Federal Funds | 71,000 | 71,000 |
| TOTAL | 9,754,100 | 8,463,100 |

Included in the above General Fund appropriation is \$750,000 in fiscal year 2003-2004, which shall lapse to the credit of the General Fund, effective December 1, 2003. Included in the above General Fund appropriation is \$250,000 in fiscal year 2003-2004 which shall be utilized to provide the state's share of federal matching requirements for a grant from the U.S. Department of

Energy to the Purchase Area in Western Kentucky to support land use and development in the Purchase Regional Industrial Park Authority.

Included in the above General Fund appropriation is \$417,500 in fiscal year 2003-2004, in the Office of the Lieutenant Governor for personnel and operating expenses, including the Lieutenant Governor's expense allowance. Included in the above General Fund appropriation is \$18,000 in fiscal year 2002-2003 and \$18,000 in fiscal year 2003-2004 for the Governor's expense allowance and \$10,000 in fiscal year 2002-2003 and \$10,000 in fiscal year 2003-2004 for the Lieutenant Governor's expense allowance to meet additional expenses associated with the position of Governor of Kentucky and the position of Lieutenant Governor as specified in KRS 64.710.

Notwithstanding KRS 42.037, effective December 8, 2003, the Secretary of the Finance and Administration Cabinet shall expend no state funds for a residence for the Lieutenant Governor, except for expenses necessary to maintain property owned by the Commonwealth. Notwithstanding KRS 42.037, 30 days after the effective date of this Act, the Secretary of the Finance and Administration Cabinet shall expend no state funds for staff or services for the residence of the Lieutenant Governor, other than expenses necessary to maintain property owned by the Commonwealth.

The Governor shall provide the Lieutenant Governor a vehicle pursuant to KRS 44.045(1).

The Department of State Police shall not provide security or transportation services to the Lieutenant Governor unless the Commissioner of the Department of State Police makes a determination that specific security measures are warranted or the Governor allocates executive security to the Lieutenant Governor from the current complement of the Kentucky State Police sworn officers assigned directly to the Governor.

Notwithstanding KRS 132.020(9), effective July 1, 2003, funds are not provided to the Coal Marketing and Export Council from the property tax on unmined coal. Included in the above Restricted Funds appropriation is \$300,000 in fiscal year 2002-2003 and \$300,000 in fiscal year 2003-2004 from the multi-county coal severance tax receipts fund. Notwithstanding KRS 45.229, any General Fund or Restricted Funds support for the operations of the Coal Marketing and Export Council that are included in the above appropriations and remaining in the balance at the end of fiscal year 2002-2003 shall not be carried forward into fiscal year 2003-2004 but shall lapse to the credit of the General Fund.

Effective September 1, 2003, funds are not provided for the operations of the Washington, D.C. Office. Any General Fund or Restricted Funds support for the operations of the Washington, D.C. Office that are included in the above appropriations and remaining in the balance at the end of fiscal year 2002-2003 shall not be carried forward into fiscal year 2003-2004 but shall lapse to the credit of the General Fund.

b. Office of State Budget Director

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 3,365,000 | 3,365,000 |
| Restricted Funds | 923,000 | 1,318,000 |
| TOTAL | 4,288,000 | 4,683,000 |

c. State Planning Fund

| | 2002-03 | 2003-04 |
|--|---------|---------|
|--|---------|---------|

| | | |
|--------------|---------|---|
| General Fund | 477,000 | 0 |
|--------------|---------|---|

The Governor is authorized to expend funds for the improvement and advancement of governmental purposes and activities. Included in the above General Fund appropriation is a grant of \$25,000 in fiscal year 2002-2003 to be awarded to the Bluegrass State Games to assist with planning and production of the games.

TOTAL - EXECUTIVE OFFICE OF THE GOVERNOR

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 11,294,100 | 10,458,900 |
| Restricted Funds | 3,154,000 | 2,616,200 |
| Federal Funds | 71,000 | 71,000 |
| TOTAL | 14,519,100 | 13,146,100 |

2. GOVERNOR'S OFFICE FOR TECHNOLOGY

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 300,000 | 300,000 |
| Restricted Funds | 60,092,500 | 59,718,000 |
| Federal Funds | 1,225,000 | 0 |
| Road Fund | 125,000 | 125,000 |
| TOTAL | 61,742,500 | 60,143,000 |

Included in the above Restricted Funds appropriation is \$536,000 in fiscal year 2002-2003 and \$536,000 in fiscal year 2003-2004 to fund the operating costs of the Office for Geographic Information Systems. These receipts will be derived from any state agency or university that benefits from the implementation of the Geographic Information Systems basemap technology. The Office of Geographic Information Systems shall recommend, and the Chief Information Officer (CIO) shall approve, the cost allocation plan. Upon approval by the CIO, the agencies and universities shall pay their proportional share of the plan.

3. DEPARTMENT OF VETERANS' AFFAIRS

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 14,072,800 | 15,163,700 |
| Restricted Funds | 18,609,100 | 19,332,000 |
| TOTAL | 32,681,900 | 34,495,700 |

4. GOVERNOR'S OFFICE OF EARLY CHILDHOOD DEVELOPMENT

| | 2002-03 | 2003-04 |
|------------------------|-----------|-----------|
| General Fund (Tobacco) | 2,188,400 | 2,188,400 |
| General Fund | 213,500 | 213,500 |
| Restricted Funds | 50,000 | 0 |
| Federal Funds | 175,000 | 175,000 |

| | | |
|--------------------------------------|------------|------------|
| TOTAL | 2,626,900 | 2,576,900 |
| 5. KENTUCKY INFRASTRUCTURE AUTHORITY | | |
| | 2002-03 | 2003-04 |
| General Fund (Tobacco) | 0 | 5,000,000 |
| General Fund | 0 | 8,311,000 |
| Restricted Funds | 6,067,500 | 2,568,000 |
| Federal Funds | 50,313,000 | 50,312,000 |
| TOTAL | 56,380,500 | 66,191,000 |

Included in the above General Fund appropriation is \$3,311,000 in fiscal year 2003-2004 for debt service, including \$2,283,000 for the Kentucky Pride Program.

Included in the above General Fund appropriation is \$5,000,000 in fiscal year 2003-2004 for debt service provided from Coal Severance Tax Receipts for the Water and Sewer Resources Development Fund for Coal Producing Counties Bond Pool Project in Part II, Capital Projects Budget.

Included in the above General Fund (Tobacco) appropriation is \$5,000,000 in fiscal year 2003-2004 for debt service for the Water and Sewer Resources Development Fund for Tobacco Counties Bond Pool Project in Part II, Capital Projects Budget. Future debt service payments for the Water and Sewer Resources Development Fund for Tobacco Counties shall be provided from the General Fund. Notwithstanding any other provision in this Act, any unneeded debt service up to \$2,282,500 for this project shall lapse to the credit of the General Fund.

6. GOVERNOR'S OFFICE OF AGRICULTURAL POLICY

| | | |
|------------------------|------------|------------|
| | 2002-03 | 2003-04 |
| General Fund (Tobacco) | 47,688,000 | 34,434,000 |
| Restricted Funds | 155,900 | 161,000 |
| TOTAL | 47,843,900 | 34,595,000 |

7. KENTUCKY AGENCY FOR SUBSTANCE ABUSE POLICY

| | | |
|------------------------|-----------|-----------|
| | 2002-03 | 2003-04 |
| General Fund (Tobacco) | 2,574,800 | 2,236,600 |
| General Fund | 1,250,000 | 1,250,000 |
| Federal Funds | 111,700 | 111,700 |
| TOTAL | 3,936,500 | 3,598,300 |

Included in the above General Fund appropriation is \$225,000 in fiscal year 2002-2003 to be transferred to the Department for Medicaid Services to partially offset the costs of the projected Medicaid budget deficit.

8. SECRETARY OF STATE

| | | |
|--------------|-----------|-----------|
| | 2002-03 | 2003-04 |
| General Fund | 2,260,100 | 2,260,100 |

| | | |
|------------------|-----------|-----------|
| Restricted Funds | 878,500 | 1,006,600 |
| TOTAL | 3,138,600 | 3,266,700 |

Notwithstanding KRS 14.140, the above Restricted Funds appropriations shall be used for the continuation of current activities within the General Administration unit and for the operations and staff of the Uniform Commercial Code Branch.

9. BOARD OF ELECTIONS

| | | |
|------------------|-----------|-----------|
| | 2002-03 | 2003-04 |
| General Fund | 5,880,000 | 4,925,800 |
| Restricted Funds | 108,600 | 116,900 |
| TOTAL | 5,988,600 | 5,042,700 |

Included in the above General Fund appropriation in fiscal year 2002-2003 is \$1,100,000 state matching funds required to access Federal Funds made available by Congress under the Help America Vote Act of 2002, and notwithstanding KRS 45.229, any funds unexpended by the State Board of Elections for this purpose at the close of the fiscal year for which the funds were appropriated and otherwise made available shall not lapse but shall be carried forward into the following fiscal year, and shall be used solely for the purposes specified in Section 1 of the Help America Vote Act. Amounts in excess of those included in the above General Fund appropriation for this purpose, not to exceed \$1,000,000, shall be deemed necessary governmental expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

Included in the above General Fund appropriation is \$3,412,100 in fiscal year 2002-2003 and \$3,557,900 in fiscal year 2003-2004 to pay the state's share of county election expenses (KRS 117.345) and the state's share of voter registration expenses (KRS 116.145 and 117.343).

Notwithstanding KRS 117.345(2), the maximum state payment rate is increased from the current statutory level of \$255 to \$300 per precinct per election to each precinct using voting machines. Any amount that the state is required to pay under the provisions of KRS 116.145, 117.343, and 117.345 shall be deemed necessary governmental expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

Notwithstanding KRS 116.055, 117.066, 117.275, 118.025(4), 118.215, 118.225, 118.245, 121.180, 121A.030, 121A.060, 121A.080, or any other provision of law to the contrary, no runoff primary election shall be held for slates of candidates for Governor and Lieutenant Governor, and the slate of candidates for Governor and Lieutenant Governor receiving the highest number of votes in a primary election shall be the nominees of that party for Governor and Lieutenant Governor, and that slate of candidates shall receive the certificate of nomination.

10. TREASURY

| | | |
|------------------|-----------|-----------|
| | 2002-03 | 2003-04 |
| General Fund | 2,216,700 | 2,216,700 |
| Restricted Funds | 815,700 | 834,500 |
| TOTAL | 3,032,400 | 3,051,200 |

Included in the Restricted Funds appropriation above is a recurring transfer from the Unclaimed Property Fund. In each respective fiscal year of the 2002-2004 biennium, \$807,900 and \$834,500 is appropriated to provide funding for services performed by the Unclaimed Property Division of the Treasury Department.

11. ATTORNEY GENERAL

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 12,954,900 | 12,932,500 |
| Restricted Funds | 6,747,400 | 7,269,900 |
| Federal Funds | 2,351,400 | 2,351,400 |
| TOTAL | 22,053,700 | 22,553,800 |

The \$30,000 continuing General Fund appropriation from fiscal year 2001-2002 is for the purpose of notifying consumers, not otherwise notified by Ford Motor Company, of their eligibility for possible restitution as a result of the multistate settlement agreement with Ford Motor Company. Since the settlement award was not deposited prior to the end of fiscal year 2001-2002, the General Fund appropriation for the notification of consumers regarding the Ford Motor Company settlement did not lapse, notwithstanding KRS 45.229, and was carried forward into fiscal year 2002-2003 for the same purpose. If the settlement award is deposited subsequent to fiscal year 2002-2003, the General Fund appropriation for the notification of consumers regarding the Ford Motor Company settlement shall not lapse, notwithstanding KRS 45.229, and shall be carried forward into fiscal year 2003-2004 for the same purpose.

12. UNIFIED PROSECUTORIAL SYSTEM

a. Commonwealth's Attorneys

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 25,108,000 | 26,545,300 |
| Restricted Funds | 843,300 | 200,000 |
| Federal Funds | 976,300 | 739,300 |
| TOTAL | 26,927,600 | 27,484,600 |

Included in the above General Fund appropriation is \$258,400 in fiscal year 2002-2003 and \$259,400 in fiscal year 2003-2004 to support a Commonwealth's Attorney and staff to service the 57th Judicial Circuit as authorized by the 2001 General Assembly.

Notwithstanding KRS 218A.435(12), second sentence, which reads, "The moneys are intended to supplement any funds appropriated to the recipient and shall not supplant other funding of any recipient.", funds are recommended for appropriation to support the operations of the Commonwealth's Attorneys.

Included in the above General Fund appropriation are funds to provide each full-time Commonwealth's Attorney the sum of \$1,000 each month, which is declared to be the equivalent of the minimum sum that the Commonwealth's Attorney will expend each month in the performance of the official duties directed to be performed for the Commonwealth.

Included in the above General Fund appropriation is \$116,200 in fiscal year 2002-2003 and \$106,400 in fiscal year 2003-2004 to provide funding for a full-time Commonwealth's Attorney office in the 40th Judicial Circuit.

Notwithstanding KRS 15.247, 15.705, and 15.750 funds are authorized to support the operations of the Commonwealth's Attorneys.

b. County Attorneys

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 21,179,900 | 22,177,500 |
| Restricted Funds | 62,300 | 4,800 |
| Federal Funds | 414,700 | 434,800 |
| TOTAL | 21,656,900 | 22,617,100 |

Notwithstanding KRS 218A.435(12), second sentence, which reads, "The moneys are intended to supplement any funds appropriated to the recipient and shall not supplant other funding of any recipient.", funds are recommended for appropriation to support the operations of the County Attorneys.

Included in the above General Fund appropriation are funds to provide each County Attorney the sum of \$500 each month, which is declared to be the equivalent of the minimum sum that each County Attorney will expend each month in the performance of the official duties directed to be performed for the Commonwealth.

Notwithstanding KRS 15.247 and 15.705, funds are authorized to support the operations of the County Attorneys.

TOTAL - UNIFIED PROSECUTORIAL SYSTEM

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 46,287,900 | 48,722,800 |
| Restricted Funds | 905,600 | 204,800 |
| Federal Funds | 1,391,000 | 1,174,100 |
| TOTAL | 48,584,500 | 50,101,700 |

13. AUDITOR OF PUBLIC ACCOUNTS

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 5,260,000 | 5,235,000 |
| Restricted Funds | 3,940,500 | 4,377,100 |
| TOTAL | 9,200,500 | 9,612,100 |

Notwithstanding KRS 43.200, no funding is provided for Auditor's scholarships.

14. AGRICULTURE

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 19,249,900 | 19,484,900 |
| Restricted Funds | 3,506,200 | 3,573,800 |

| | | |
|---------------|------------|------------|
| Federal Funds | 2,955,000 | 2,130,000 |
| TOTAL | 25,711,100 | 25,188,700 |

Included in the above General Fund appropriation is \$50,000 in fiscal year 2002-2003 for West Nile Virus program mosquito eradication. Included in the above General Fund appropriation is \$478,500 in fiscal year 2002-2003 and \$478,500 in fiscal year 2003-2004 for the Breathitt Veterinary Center and \$370,000 in fiscal year 2002-2003 and \$370,000 in fiscal year 2003-2004 for the University of Kentucky for the diagnostic laboratories.

Included in the above General Fund appropriation is \$100,000 in each fiscal year for the Agriculture/Economic Development joint trade office in Mexico. Notwithstanding KRS 45.229, any unexpended General Fund moneys appropriated for the Mexico Trade Office shall be continued into the succeeding fiscal year, and the Cabinet for Economic Development shall assist in seeking and obtaining matching funds for the joint trade office.

Included in the above General Fund appropriation is \$250,000 in fiscal year 2002-2003 and \$250,000 in fiscal year 2003-2004 to carry out the provisions of KRS 438.335. Included in the above General Fund appropriation is \$285,000 in fiscal year 2003-2004 for debt service for animal shelter projects.

Included in the General Fund appropriation for the Department of Agriculture is \$10,000 in fiscal year 2002-2003 and \$10,000 in fiscal year 2003-2004 to support the costs associated with preparing reports for the Kentucky Aquaculture Task Force as directed in Part IX, Special Provisions, Government Operations, Department of Agriculture, in this Act. Notwithstanding KRS 45.229, any unexpended amount at the end of fiscal year 2002-2003 shall not lapse, but shall carry forward to fiscal year 2003-2004. Any unexpended amount remaining following the completion of the reports shall lapse to the credit of the General Fund.

15. MILITARY AFFAIRS

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 10,694,400 | 10,694,400 |
| Restricted Funds | 18,680,500 | 18,796,200 |
| Federal Funds | 40,720,900 | 18,187,800 |
| TOTAL | 70,095,800 | 47,678,400 |

There is appropriated from the General Fund the necessary funds to be expended, subject to the conditions and procedures provided in this Act, which are required as a result of the Governor's call of the Kentucky National Guard to active duty when an emergency or exigent situation has been declared to exist by the Governor. These necessary funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

There is appropriated from the General Fund the necessary funds, subject to the conditions and procedures in this Act, which are required to match federal aid to which the state would be eligible in the event of a presidentially declared disaster or emergency. These necessary funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

Included in the above General Fund appropriation is \$420,000 in each fiscal year for the Youth Challenge Program.

16. PERSONNEL BOARD

| | 2002-03 | 2003-04 |
|------------------|---------|---------|
| General Fund | 578,500 | 578,500 |
| Restricted Funds | 1,700 | 1,700 |
| TOTAL | 580,200 | 580,200 |

17. LOCAL GOVERNMENT

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 8,773,900 | 9,623,800 |
| Restricted Funds | 2,235,800 | 902,400 |
| Federal Funds | 52,433,900 | 52,430,800 |
| TOTAL | 63,443,600 | 62,957,000 |

Included in the above General Fund appropriation is \$1,086,000 in fiscal year 2003-2004 for debt service.

18. SPECIAL FUNDS

a. Local Government Economic Assistance Fund

| | 2002-03 | 2003-04 |
|--------------|------------|------------|
| General Fund | 32,866,200 | 31,184,100 |

b. Local Government Economic Development Fund

| | 2002-03 | 2003-04 |
|--------------|------------|------------|
| General Fund | 40,028,300 | 41,208,400 |

The above appropriations from the General Fund are based on the official estimate presented by the Office of State Budget Director for coal severance tax collections during the biennium, distributed in accordance with KRS 42.450 to 42.495. Notwithstanding KRS 42.4582, moneys transferred from the General Fund to the Local Government Economic Development Fund shall be calculated at the percentage of 47 percent effective July 1, 2002. Moneys transferred from the General Fund to the Local Government Economic Development Fund shall be calculated at 50 percent effective July 1, 2003. If actual coal severance tax receipts are different from the official estimate, the amount to be allotted to the Local Government Economic Assistance Fund shall be determined in accordance with KRS 42.450 to 42.495 and the amount to be allotted to the Local Government Economic Development Fund shall continue to be calculated at the percentages specified in this paragraph and otherwise in accordance with KRS 42.450 to 42.495.

Notwithstanding KRS 42.4585, the quarterly calculation and transfer of the funds pursuant to KRS 42.4585 shall be made only after each quarterly installment of the annual appropriation of \$1,000,000 in fiscal year 2002-2003 and \$1,000,000 in fiscal year 2003-2004 has been credited to the Trover Clinic Grant within the Department for Local Government.

Notwithstanding KRS 42.4582, the quarterly calculation and transfer of moneys from the General Fund to the Local Government Economic Development Fund pursuant to KRS 42.4582 shall be made only after each quarterly installment of the annual appropriation of \$1,407,100 in

fiscal year 2002-2003 and \$1,480,200 in fiscal year 2003-2004 has been credited to the Osteopathic Scholarship Program within the Kentucky Higher Education Assistance Authority.

Notwithstanding KRS 42.4585, the amount transferred annually from the Local Government Economic Development Fund into the Local Government Economic Assistance Fund under the provisions of KRS 42.4585 shall not be less than an amount equal to 14.5 percent in fiscal year 2002-2003. In fiscal year 2003-2004 the amount shall be equal to 15 percent of the severance and processing taxes on coal collected annually and otherwise in accordance with KRS 42.450 to 42.495.

Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund pursuant to KRS 42.4592 shall be made only after each quarterly installment of the annual appropriation of \$472,000 in fiscal year 2002-2003 has been transferred as Restricted Funds to the East Kentucky Corporation through a grant from the Cabinet for Economic Development in each year of the biennium.

Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund pursuant to KRS 42.4592 shall be made only after each quarterly installment of the annual appropriation of \$467,000 in fiscal year 2002-2003 has been transferred as Restricted Funds to the West Kentucky Corporation through a grant from the Cabinet for Economic Development in each year of the biennium.

Notwithstanding KRS 42.4588, funds totaling \$467,000 in fiscal year 2003-2004 shall be transferred from the Local Government Economic Development Fund Multi-County Fund to the West Kentucky Corporation.

Notwithstanding KRS 42.4588, funds totaling \$300,000 in fiscal year 2002-2003 and \$300,000 in fiscal year 2003-2004 shall be transferred from the Local Government Economic Development Fund Multi-County Fund to the Coal Export Council.

Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund pursuant to KRS 42.4592 shall be made only after each quarterly installment of the annual appropriation of \$770,500 in fiscal year 2002-2003 and \$783,600 in fiscal year 2003-2004, has been transferred as Restricted Funds to the Department for Regional Development within the Cabinet for Economic Development.

Notwithstanding KRS 42.4592, the quarterly calculation for the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund pursuant to KRS 42.4592 shall be made only after each quarterly installment of the annual appropriation of \$550,000 in fiscal year 2002-2003 and \$550,000 in fiscal year 2003-2004 has been credited to the Kentucky Appalachian Commission and Appalachian Regional Commission for related expenditures.

Notwithstanding KRS 42.4586, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund pursuant to KRS 42.4592 shall be made only after each quarterly installment of the annual appropriation of \$960,800 in fiscal year 2002-2003 has been credited to the Secondary Wood Products Development Fund. The Kentucky Wood Products Competitiveness Corporation shall emphasize job creation in the Eastern and Western Kentucky Coal Regions. The Kentucky Wood Products

Competitiveness Corporation Board, as established pursuant to KRS 154.47-015, shall direct that all available liquid assets be utilized to pay debts of the Corporation.

Any equipment of the Kentucky Wood Products Competitiveness Corporation in use at a public institution shall be transferred to that institution.

Notwithstanding KRS 342.122(1)(c), \$19,000,000 from the General Fund shall not be credited to the benefit reserve fund within the Kentucky Workers' Compensation Funding Commission in fiscal year 2002-2003 and fiscal year 2003-2004.

Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund pursuant to KRS 42.4592 shall be made only after each quarterly installment of the annual appropriation of \$100,000 in fiscal year 2002-2003 has been credited to the Kentucky Coal Coalition from funds available to the Department for Local Government.

Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund pursuant to KRS 42.4592 shall be made only after each quarterly installment of the annual appropriation of \$1,035,000 in fiscal year 2002-2003 and \$1,250,000 in fiscal year 2003-2004 that shall be reserved for the high-tech construction/investment pools created under KRS 154.12-278. Notwithstanding KRS 42.4588(4) and 42.4588(5), these funds will be used for projects and programs recommended by the Office of the Commissioner for the New Economy in the Cabinet for Economic Development and approved by the Commissioner of the Department for Regional Development in the Cabinet for Economic Development. The projects identified are limited to research and development, commercialization, or work-related initiatives consistent with the character of the high-tech construction and high-tech investment pools administered by the Office for the New Economy. Investment and construction pool projects shall be targeted solely to Kentucky's Local Government Economic Development Fund eligible counties.

Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund pursuant to KRS 42.4592 in fiscal year 2003-2004 shall be made only after funds totaling \$2,290,000 are transmitted to the School Facilities Construction Commission to provide debt service to support Bond Funds for "Category 5" school buildings (poorest condition) in accordance with the Kentucky Department of Education's Building Assessment document of March 4, 2003. All necessary debt service amounts shall be appropriated from the General Fund and shall be fully paid regardless of whether there are sufficient moneys available to be transferred from coal severance tax supported funding program accounts to other accounts of the General Fund. Debt service assistance to each district shall be determined by funding based on unmet need pursuant to KRS 157.620, calculated utilizing Cash Balances and Bonding Potential available for the project with the Kentucky Department of Education's Building Assessment document of March 4, 2003. These offers shall be administered in accordance with 750 KAR 1:010 where not in conflict with the language in this paragraph.

Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund pursuant to KRS 42.4592 shall be made only after each quarterly installment of the annual appropriation of \$1,999,800 in fiscal year 2003-2004 has been lapsed to the General Fund to be used by the Kentucky Infrastructure Authority to provide General Fund debt service to support Bond Funds for the Water and Sewer Resources Development Fund for Coal Producing Counties.

Notwithstanding KRS 42.4588, funds totaling \$3,000,200 in fiscal year 2003-2004 shall be lapsed from the Local Government Economic Development Fund Multi-County Fund to the General Fund to be used by the Kentucky Infrastructure Authority to provide General Fund debt service to support Bond Funds for the Water and Sewer Resources Development Fund for Coal Producing Counties.

All necessary debt service amounts shall be appropriated from the General Fund and shall be fully paid regardless of whether there are sufficient moneys available to be transferred from coal severance tax supported funding program accounts to other accounts of the General Fund.

Notwithstanding KRS 42.4588, funds totaling \$1,474,000 in fiscal year 2002-2003 shall be transferred from the Local Government Economic Development Fund Multi-County Fund to the Cabinet for Health Services, Department for Public Health, for the Kentucky All Schedule Prescription Electronic Reporting System.

Notwithstanding KRS 42.4588, the Commissioner of the Department for Regional Development, in consultation with affected counties, shall be authorized to approve Local Government Economic Development Fund grants for job training and telecommunications infrastructure projects. The Commissioner is further authorized to prioritize funding of projects in the following order: industrial development projects, job training projects, and any other eligible projects or projects funded out of the Local Government Economic Development Fund.

Notwithstanding KRS 42.4588, the Cabinet for Economic Development is authorized to provide, in fiscal year 2002-2003, \$1,000,000 for the East Kentucky Development Alliance to support a revolving loan fund, \$1,000,000 to support the Appalachian Regional Hospital Project, and \$2,000,000 for the Appalachia Bus Program from the Local Government Economic Development Fund Multi-County Fund.

Pursuant to the authority given in KRS 42.485, the continuing appropriation amount from fiscal year 2001-2002 to fiscal year 2002-2003 and from fiscal year 2002-2003 to fiscal year 2003-2004 shall equal the dollar amount that the Local Government Economic Development and Local Government Economic Assistance Funds have the statutory authority to expend.

c. Area Development Fund

| | 2002-03 | 2003-04 |
|--------------|---------|---------|
| General Fund | 830,500 | 830,500 |

Notwithstanding KRS 48.185, funds appropriated from the General Fund for the Area Development Fund shall be limited to these amounts.

TOTAL - SPECIAL FUNDS

| | 2002-03 | 2003-04 |
|--------------|------------|------------|
| General Fund | 73,725,000 | 73,223,000 |

19. COMMISSION ON HUMAN RIGHTS

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 1,926,800 | 1,926,800 |
| Restricted Funds | 24,000 | 24,000 |
| Federal Funds | 572,600 | 170,800 |

| | | |
|---|------------|------------|
| TOTAL | 2,523,400 | 2,121,600 |
| 20. COMMISSION ON WOMEN | | |
| | 2002-03 | 2003-04 |
| General Fund | 269,900 | 269,900 |
| Restricted Funds | 0 | 4,600 |
| Federal Funds | 0 | 200 |
| TOTAL | 269,900 | 274,700 |
| 21. COMMISSION ON SMALL BUSINESS ADVOCACY | | |
| | 2002-03 | 2003-04 |
| General Fund | 75,000 | 75,000 |
| Restricted Funds | 45,000 | 45,000 |
| TOTAL | 120,000 | 120,000 |
| 22. KENTUCKY RETIREMENT SYSTEMS | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 14,980,500 | 15,847,500 |
| 23. REGISTRY OF ELECTION FINANCE | | |
| | 2002-03 | 2003-04 |
| General Fund | 1,436,800 | 1,436,800 |
| Restricted Funds | 202,800 | 203,200 |
| TOTAL | 1,639,600 | 1,640,000 |

Notwithstanding KRS 118.255(3), 121.150, 121A.015(5), 121A.020, 121A.030, 121A.040, 121A.060, and 121A.080, no funds shall be appropriated to or received into the election campaign fund established by KRS 121A.020, and the Registry of Election Finance shall make no transfer of funds to any slate of candidates from the election campaign fund for any election. Notwithstanding KRS 121.150(24) and 121A.030(5), slates of candidates may accept contributions within the last 28 days immediately preceding a primary or general election, and in addition to the provisions of KRS 121A.020(5), all contributions to slates of candidates made within the last 28 days immediately preceding a primary or general election shall be reported to the Registry of Election Finance within 24 hours of receipt. All other statutes contained in KRS Chapter 121A shall remain in effect for all slates of candidates, except that KRS 121A.080(6) shall not apply, and slated candidates shall be governed instead by KRS 121.180(10), and KRS 121A.030(4) shall not apply, and all slated candidates may receive contributions from permanent committees which, in the aggregate, shall not exceed 25 percent of the contributions received by the slate in any one election up to a maximum of \$300,000 in any one election.

24. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

a. Board of Accountancy

| | | |
|------------------|---------|---------|
| | 2002-03 | 2003-04 |
| Restricted Funds | 752,700 | 782,100 |

| | | | |
|----|--|-----------|-----------|
| b. | Alcohol and Drug Counselors | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 62,000 | 65,000 |
| c. | Board of Architects | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 272,000 | 258,300 |
| d. | Board of Art Therapists | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 11,300 | 11,400 |
| e. | Kentucky Athletic Commission | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 158,500 | 167,300 |
| f. | Board of Auctioneers | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 360,200 | 370,500 |
| g. | Board of Barbering | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 225,600 | 231,500 |
| h. | Board of Chiropractic Examiners | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 182,800 | 191,400 |
| i. | Board of Dentistry | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 474,400 | 504,400 |
| j. | Board of Dietitians and Nutritionists | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 67,900 | 71,500 |
| k. | Board of Embalmers and Funeral Directors | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 240,400 | 249,100 |
| l. | Board of Engineers and Land Surveyors | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 1,291,800 | 1,354,100 |
| m. | Board of Fee-Based Pastoral Counselors | | |

| | | | |
|--|--|-----------|-----------|
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 6,000 | 6,000 |
| n. | Board of Geologists | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 133,000 | 135,000 |
| o. | Board of Hairdressers and Cosmetologists | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 998,900 | 705,600 |
| p. | Board of Hearing Instrument Specialists | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 50,700 | 52,700 |
| q. | Board of Interpreters for Deaf and Hard of Hearing | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 25,000 | 25,000 |
| r. | Board of Landscape Architects | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 55,300 | 57,800 |
| s. | Board of Marriage and Family Therapists | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 79,200 | 83,200 |
| t. | Board of Medical Licensure | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 1,992,500 | 2,099,900 |
| u. | Board of Nursing | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 4,695,300 | 4,268,900 |
| Included in the above Restricted Funds appropriation is \$175,000 in each fiscal year for the Nursing Incentive Scholarship Program. | | | |
| v. | Nursing Home Administrators Licensure Board | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 69,000 | 76,200 |
| w. | Board of Occupational Therapy | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 76,600 | 86,000 |

| | | | |
|-----|----------------------------------|-----------|-----------|
| x. | Board of Ophthalmic Dispensers | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 57,600 | 62,900 |
| y. | Board of Optometric Examiners | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 152,400 | 157,000 |
| z. | Board of Pharmacy | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 835,000 | 876,000 |
| aa. | Board of Physical Therapy | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 263,400 | 280,000 |
| ab. | Board of Podiatry | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 14,500 | 15,500 |
| ac. | Board of Professional Counselors | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 49,700 | 51,700 |
| ad. | Board of Proprietary Education | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 123,000 | 134,300 |
| ae. | Board of Psychology | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 169,600 | 176,100 |
| af. | Real Estate Appraisers Board | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 614,900 | 631,900 |
| ag. | Real Estate Commission | | |
| | | 2002-03 | 2003-04 |
| | Restricted Funds | 2,003,100 | 2,302,900 |

Included in the above Restricted Funds appropriation is \$966,700 in fiscal year 2002-2003 and \$1,224,000 in fiscal year 2003-2004 for Real Estate Education and Recovery.

| | | | |
|-----|---------------------------|---------|---------|
| ah. | Board of Respiratory Care | | |
| | | 2002-03 | 2003-04 |

| | | |
|--|------------|------------|
| Restricted Funds | 182,700 | 188,600 |
| ai. Board of Social Workers | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 141,300 | 145,300 |
| aj. Board of Speech Pathologists and Audiologists | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 83,000 | 86,000 |
| ak. Board of Veterinary Examiners | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 228,300 | 237,800 |
| TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 17,199,600 | 17,198,900 |

25. EDUCATION PROFESSIONAL STANDARDS BOARD

| | | |
|------------------|------------|------------|
| | 2002-03 | 2003-04 |
| General Fund | 12,433,800 | 10,679,000 |
| Restricted Funds | 1,378,500 | 829,600 |
| Federal Funds | 3,020,300 | 4,379,200 |
| TOTAL | 16,832,600 | 15,887,800 |

Notwithstanding KRS 161.134, \$800,000 in fiscal year 2002-2003 and \$800,000 in fiscal year 2003-2004 is provided for National Board of Teaching Standards Certification from the General Fund.

Notwithstanding KRS 161.028(1)(o) and (q), the above Restricted Funds appropriation may be used for the operations of the Board.

Notwithstanding KRS 161.027, no funds are provided in the above appropriations for the operational costs of the Kentucky Principal Internship Program in fiscal year 2003-2004.

Included in the above General Fund appropriation is \$2,000,000 in fiscal year 2002-2003 for the establishment of the Teacher Education Model Program.

Notwithstanding KRS 45.229, the above General Fund support appropriated for the Teacher Education Model Program shall not lapse in fiscal year 2002-2003, but be carried forward to fiscal year 2003-2004 for the purposes of providing program services in fiscal year 2003-2004.

26. BOARD OF EMERGENCY MEDICAL SERVICES

| | | |
|------------------|-----------|-----------|
| | 2002-03 | 2003-04 |
| General Fund | 2,504,300 | 2,504,300 |
| Restricted Funds | 168,300 | 171,700 |
| Federal Fund | 362,800 | 100,000 |

| | | |
|--|-----------|-----------|
| TOTAL | 3,035,400 | 2,776,000 |
| 27. GOVERNMENTAL SERVICES CENTER | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 1,462,000 | 1,516,000 |
| 28. EXECUTIVE BRANCH ETHICS COMMISSION | | |
| | 2002-03 | 2003-04 |
| General Fund | 325,900 | 325,900 |
| Restricted Funds | 300 | 2,400 |
| TOTAL | 326,200 | 328,300 |
| 29. MISCELLANEOUS APPROPRIATIONS | | |
| a. Judgments | | |
| | 2002-03 | 2003-04 |
| General Fund | 0 | 0 |

The above appropriation is for the payment of judgments as may be rendered against the Commonwealth by courts and orders of the State Personnel Board and, where applicable, shall be subject to the provisions of KRS Chapter 45, and for the payment of medical malpractice judgments against the University of Kentucky and the University of Louisville in accordance with KRS 164.941 and 164.892. Notwithstanding KRS 45.229, any remaining appropriation in the Judgments account at the end of fiscal year 2001-2002 or fiscal year 2002-2003 shall not lapse but shall be carried forward into fiscal years 2002-2003 and 2003-2004, respectively.

| | | |
|-----------------------------|---------|---------|
| b. Attorney General Expense | | |
| | 2002-03 | 2003-04 |
| General Fund | 225,000 | 225,000 |
| c. Board of Claims Awards | | |
| | 2002-03 | 2003-04 |
| General Fund | 600,000 | 600,000 |

Funds are appropriated from the General Fund for the repayment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund. However, awards under \$2,000, in cases where the operating agency admits negligence, shall be paid from funds available for the operations of the agency.

| | | |
|----------------------|-----------|-----------|
| d. Guardian Ad Litem | | |
| | 2002-03 | 2003-04 |
| General Fund | 3,200,000 | 3,400,000 |

Included in the above appropriation is funding for fees to be paid to the guardian ad litem appointed by the court pursuant to KRS 311.732. The fee shall be fixed by the court and shall not exceed \$500.

| | | | |
|----|----------------------------|-----------|-----------|
| e. | Prior Year Claims | | |
| | | 2002-03 | 2003-04 |
| | General Fund | 400,000 | 400,000 |
| f. | Unredeemed Checks Refunded | | |
| | | 2002-03 | 2003-04 |
| | General Fund | 1,000,000 | 1,000,000 |

Checks written by the State Treasurer and not cashed within the statutory period may be presented to the State Treasurer for reissuance in accordance with KRS 41.370.

| | | | |
|----|--|---------|---------|
| g. | Involuntary Commitments ICF/MR | | |
| | | 2002-03 | 2003-04 |
| | General Fund | 60,000 | 60,000 |
| h. | Frankfort in Lieu of Taxes | | |
| | | 2002-03 | 2003-04 |
| | General Fund | 195,000 | 195,000 |
| i. | Frankfort Cemetery | | |
| | | 2002-03 | 2003-04 |
| | General Fund | 2,500 | 2,500 |
| j. | Police Officers and Firefighters--Life Insurance | | |
| | | 2002-03 | 2003-04 |
| | General Fund | 250,000 | 250,000 |

Funds are appropriated for payment of benefits for state and local police officers and firefighters in accordance with KRS 61.315.

| | | | |
|----|--|---------|---------|
| k. | Master Commissioners--Employers Retirement | | |
| | | 2002-03 | 2003-04 |
| | General Fund | 200,000 | 200,000 |
| l. | Master Commissioner--Social Security | | |
| | | 2002-03 | 2003-04 |
| | General Fund | 313,000 | 343,000 |
| m. | Workers' Compensation | | |
| | | 2002-03 | 2003-04 |
| | General Fund | 502,000 | 532,000 |

Funds are appropriated for workers' compensation premiums for fee officers in counties over 70,000 in population.

| | | | |
|----|--|---------|---------|
| n. | Medical Malpractice Liability Insurance Reimbursements | | |
| | | 2002-03 | 2003-04 |

| | | |
|----------------------------------|-----------|---------|
| General Fund | 60,000 | 60,000 |
| o. Blanket Employee Bonds | | |
| | 2002-03 | 2003-04 |
| General Fund | 100,000 | 100,000 |
| p. Necessary Government Expenses | | |
| | 2002-03 | 2003-04 |
| General Fund | 5,629,000 | 0 |

Included in the above appropriation for fiscal year 2002-2003 is \$29,000 authorized for the Commonwealth's Attorneys budget unit, \$1,000,000 authorized for the ANOC-Unredeemed Checks budget unit, \$3,950,000 authorized for the Military Affairs budget unit, \$50,000 authorized for the Executive Branch Ethics Commission, and \$600,000 authorized for the Board of Claims.

TOTAL - MISCELLANEOUS APPROPRIATIONS

| | | |
|--------------|------------|-----------|
| | 2002-03 | 2003-04 |
| General Fund | 12,736,500 | 7,367,500 |

Included in the above appropriations is \$0 in fiscal year 2002-2003 and \$0 in fiscal year 2003-2004 for refunding money paid into the State Treasury, which may later be determined not to be a lawful collection by the state. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Secretary of the Finance and Administration Cabinet, subject to the conditions and procedures provided in this Act.

Funds required to pay the costs of items included within the Miscellaneous Appropriations category are appropriated, and any required expenditure over the above amounts is to be paid first from the General Fund Surplus Account (KRS 48.700) if available or from any available balance in either the Judgments budget unit appropriation or the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

30. KENTUCKY RIVER AUTHORITY

Budget Units

| | | |
|------------------|-----------|-----------|
| | 2002-03 | 2003-04 |
| General Fund | 379,000 | 379,000 |
| Restricted Funds | 3,266,000 | 3,698,000 |
| TOTAL | 3,645,000 | 4,077,000 |

TOTAL - GOVERNMENT OPERATIONS

| | | |
|------------------------|-------------|-------------|
| | 2002-03 | 2003-04 |
| General Fund (Tobacco) | 52,451,200 | 43,859,000 |
| General Fund | 247,099,700 | 250,558,800 |
| Restricted Funds | 164,676,500 | 161,020,000 |
| Federal Funds | 155,703,600 | 131,594,000 |

| | | |
|-----------|-------------|-------------|
| Road Fund | 125,000 | 125,000 |
| TOTAL | 620,056,000 | 587,156,800 |

B. CABINET FOR ECONOMIC DEVELOPMENT

31. CABINET FOR ECONOMIC DEVELOPMENT

Budget Units

a. Office of the Secretary

| | 2002-03 | 2003-04 |
|------------------|-----------|------------|
| General Fund | 1,392,700 | 7,862,300 |
| Restricted Funds | 3,093,200 | 4,140,800 |
| TOTAL | 4,485,900 | 12,003,100 |

Included in the above Restricted Funds appropriation is \$472,000 in fiscal year 2002-2003 for the East Kentucky Jobs Creation Corporation and \$467,000 in fiscal year 2002-2003 and \$467,000 in fiscal year 2003-2004 for the West Kentucky Jobs Creation Corporation. Also included in the above Restricted Funds appropriation is \$770,500 in fiscal year 2002-2003 and \$783,600 in fiscal year 2003-2004 for the Regional Development Office. Notwithstanding KRS 42.4592, the Restricted Funds appropriations for the East Kentucky Corporation, the West Kentucky Corporation, and the Regional Development Office shall be funded from the Local Government Economic Development Fund prior to any other statutory distribution from the Local Government Economic Development Fund.

Included in the above Restricted Funds appropriation is \$300,000 in fiscal year 2002-2003 and \$300,000 in fiscal year 2003-2004 for the Kentucky Technology Service Grant administered by the Kentucky Manufacturing Assistance Center.

Included in the above Restricted Funds appropriation is \$420,800 in fiscal year 2002-2003 and \$420,800 in fiscal year 2003-2004 for the Louisville Waterfront Development Corporation.

Included in the above Restricted Funds appropriation is \$2,144,900 in fiscal year 2002-2003 and \$2,169,400 in fiscal year 2003-2004 for the Office of the Commissioner for the New Economy, including up to \$1,300,000 in each year for Innovation and Commercialization Centers. Notwithstanding KRS 164.6019, 164.6021, 164.6027, 164.6029, 164.6035, and 164.6037, the unobligated balance of fiscal year 2001-2002 appropriations and a portion of the appropriations, as necessary but not to exceed \$1,969,400 in fiscal year 2002-2003 and \$1,000,000 in fiscal year 2003-2004 from the Council on Postsecondary Education, Science and Technology Funding Program, shall be transferred to the Office of the Commissioner for the New Economy. The Office of State Budget Director shall certify the transfer. Included in the above General Fund appropriation for fiscal year 2003-2004 is \$1,482,000 for debt service.

Included in the above General Fund appropriation is \$5,000,000 in fiscal year 2003-2004 for the New Economy High-Tech Construction and High-Tech Investment Pools. The Commissioner of the Office of the New Economy shall determine the amounts to be apportioned between the High-Tech Investment and High-Tech Construction Pools.

b. Administration and Program Support

| | 2002-03 | 2003-04 |
|--------------|-----------|-----------|
| General Fund | 2,179,900 | 2,111,100 |

| | | |
|-------------------------|-----------|------------|
| Restricted Funds | 29,800 | 45,900 |
| TOTAL | 2,209,700 | 2,157,000 |
| c. Business Development | | |
| | 2002-03 | 2003-04 |
| General Fund | 2,517,900 | 2,475,500 |
| Restricted Funds | 248,800 | 290,600 |
| TOTAL | 2,766,700 | 2,766,100 |
| d. Financial Incentives | | |
| | 2002-03 | 2003-04 |
| General Fund | 3,343,800 | 8,500,800 |
| Restricted Funds | 2,182,700 | 2,227,300 |
| TOTAL | 5,526,500 | 10,728,100 |

Included in the above General Fund appropriation is \$5,275,000 in fiscal year 2003-2004 for debt service for new bonds. Included in this amount is \$1,400,000 for debt service for the Rupp Arena/Lexington Civic Center project identified in Part II, Capital Projects Budget.

Notwithstanding KRS 45.229, the General Fund appropriation for fiscal year 2001-2002 and for fiscal year 2002-2003 for the Bluegrass State Skills Corporation shall be continued and not lapse to the General Fund Surplus Account.

Notwithstanding KRS 154.12-207, the Secretary is directed to take such action as may be necessary to execute contractual agreements for designated skills training and education projects for which funds have been specifically appropriated.

No commitment for employee training shall be made beyond the ability of the Cabinet to fund the project within the appropriation for the current biennium.

Balances remaining in the Special Revenue Fund accounts after all appropriations authorized in this bill are funded shall lapse to the Deferred Maintenance Account at the end of each fiscal year.

The Bluegrass State Skills Corporation shall submit a quarterly financial report to the Governor's Office for Policy and Management, the Legislative Research Commission, and the Interim Joint Committee on Appropriations and Revenue.

Notwithstanding KRS 154.12-278 by which the Kentucky Economic Development Finance Authority (KEDFA) authorized a grant of up to \$1,300,000 in fiscal year 2001-2002 to the Kentucky Science and Technology Corporation, a maximum of \$900,000 of the authorized amount shall be conveyed for expenditure. The remaining funding shall be retained and shall be appropriated to the Office of the Commissioner for the New Economy to be used to fund Innovation and Commercialization grants.

| | | |
|--------------------------|-----------|-----------|
| e. Community Development | | |
| | 2002-03 | 2003-04 |
| General Fund | 2,855,900 | 2,879,100 |
| Restricted Funds | 440,100 | 454,000 |

| | | |
|---------------|-----------|-----------|
| Federal Funds | 157,100 | 155,400 |
| TOTAL | 3,453,100 | 3,488,500 |

TOTAL - CABINET FOR ECONOMIC DEVELOPMENT

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 12,290,200 | 23,828,800 |
| Restricted Funds | 5,994,600 | 7,158,600 |
| Federal Funds | 157,100 | 155,400 |
| TOTAL | 18,441,900 | 31,142,800 |

C. EDUCATION

32. EDUCATION

Budget Units

a. Support Education Excellence in Kentucky (SEEK) Program

| | 2002-03 | 2003-04 |
|--------------|---------------|---------------|
| General Fund | 2,295,592,100 | 2,372,391,000 |

Accumulated earnings for the Common School Fund shall be transferred in each fiscal year to the Support Education Excellence in Kentucky Program.

The above appropriations include \$1,800,114,900 in fiscal year 2002-2003 and \$1,882,389,800 in fiscal year 2003-2004 for the base SEEK Program as defined by KRS 157.360. Funds appropriated to the Support Education Excellence in Kentucky Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. Notwithstanding KRS 157.360(2)(c), included in the appropriation for base SEEK is \$202,216,300 in fiscal year 2002-2003 and \$212,106,200 in fiscal year 2003-2004 for pupil transportation.

Included in the above appropriation is \$136,184,400 in fiscal year 2002-2003 and \$136,088,100 in fiscal year 2003-2004 for the Tier I component as established by KRS 157.440.

Included in the above appropriation is \$14,700,000 in fiscal year 2002-2003 for one-time Support Education Excellence in Kentucky (SEEK) payments to local school districts. These funds shall be allotted in accordance with KRS 157.310 to 157.440 and shall be separate from and in addition to moneys appropriated for the base guarantee for the SEEK Program at the \$3,081 per pupil level in fiscal year 2002-2003. These additional moneys shall not become part of the continuing appropriation for base SEEK.

Included in the above appropriation is \$2,416,900 in fiscal year 2002-2003 and \$2,416,900 in fiscal year 2003-2004 for vocational transportation.

Included in the above appropriation is \$21,452,600 in fiscal year 2002-2003 and \$21,452,600 in fiscal year 2003-2004 to provide secondary vocational education in state-operated vocational schools.

Included in the above appropriation is \$58,759,400 in fiscal year 2002-2003 and \$56,253,600 in fiscal year 2003-2004 to provide facilities equalization funding pursuant to KRS 157.440 and 157.620.

Included in the above General Fund appropriation is \$3,000,000 in fiscal year 2003-2004 to provide facilities equalization funding for debt service, new facilities, and major renovations of existing facilities pursuant to KRS 157.440, 157.620, and 157.621(2) and (3) as provided for in Part IX, Special Provisions, 14.g., of this Act.

Included in the above appropriation is \$261,363,900 in fiscal year 2002-2003 and \$270,190,000 in fiscal year 2003-2004 to enable local school districts to provide the employer match for qualified employees as provided for by KRS 161.550.

Notwithstanding KRS 157.395, included in the above appropriation is \$600,000 in each fiscal year to assist local school districts in providing salary supplements for teachers attaining certification by the National Board of Professional Teaching Standards.

b. Executive Policy and Management

| | 2002-03 | 2003-04 |
|--------------|---------|-----------|
| General Fund | 696,800 | 1,184,900 |

c. Operations and Support Services

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 11,341,800 | 10,532,300 |
| Restricted Funds | 2,187,900 | 2,264,400 |
| Federal Funds | 562,500 | 573,800 |
| TOTAL | 14,092,200 | 13,370,500 |

Included in the above General Fund appropriation is \$2,503,800 in fiscal year 2002-2003 and \$2,553,900 in fiscal year 2003-2004 to enable the Department of Education to provide the employer match for the teacher retirement contribution for qualified employees as provided by KRS 161.550.

No funds are provided in the above appropriations for the operational costs of the Division of Management Assistance Programs in fiscal year 2003-2004.

Included in the above General Fund appropriation in fiscal year 2003-2004 is \$143,000 to provide for debt service for Bond Funds totaling \$1,517,000 for capital projects relating to the Kentucky School for Deaf and the Kentucky School for the Blind as provided in Part II, Capital Projects Budget, in this Act.

d. Learning and Results Services

| | 2002-03 | 2003-04 |
|------------------|---------------|---------------|
| General Fund | 558,512,500 | 573,902,900 |
| Restricted Funds | 5,850,700 | 5,851,200 |
| Federal Funds | 491,060,800 | 497,995,000 |
| TOTAL | 1,055,424,000 | 1,077,749,100 |

Included in the above General Fund appropriation is \$15,000,000 in fiscal year 2002-2003 and \$18,693,600 in fiscal year 2003-2004 for the education technology escrow account.

Included in the above General Fund appropriation is \$10,800,000 in fiscal year 2002-2003 and \$10,800,000 in fiscal year 2003-2004 for reimbursement to local school districts for the education of state agency children as defined by KRS 158.135.

Included in the above General Fund appropriation is \$267,397,000 in fiscal year 2002-2003 and \$309,119,400 in fiscal year 2003-2004 to provide health insurance and life insurance coverage for employees of local school districts.

Included in the above General Fund appropriation is \$3,045,000 in fiscal year 2002-2003 for the school rewards escrow account. This amount is included in the sum of \$10,955,200 that is transferred to the General Fund in fiscal year 2002-2003 in Part V, Funds Transfer, of this Act.

Included in the above General Fund appropriation is \$5,421,100 in fiscal year 2002-2003 and \$5,659,500 in fiscal year 2003-2004 for the Kentucky School for the Blind, and \$9,139,800 in fiscal year 2002-2003 and \$9,559,300 in fiscal year 2003-2004 for the Kentucky School for the Deaf.

Notwithstanding KRS 156.017 and 156.095(4), no funds are provided in the above appropriations for the operational costs of Regional Service Centers in fiscal year 2003-2004. However, the Kentucky Department of Education shall provide the same types and levels of services to all local school districts that had been previously provided by the Regional Service Centers.

Included in the above General Fund appropriation is \$1,750,000 in fiscal year 2002-2003 and \$1,750,000 in fiscal year 2003-2004 for the Community Education Program; \$1,750,000 is established as the base level budget for the Community Education Program within the Kentucky Department of Education. Included in the \$1,750,000 appropriation in fiscal year 2002-2003 is \$1,700,000 for community education grants to support community education director salaries and \$50,000 to support community education director training and the state advisory council. Included in the \$1,750,000 appropriation in fiscal year 2003-2004 is \$1,700,000 for community education grants to support community education director salaries and \$50,000 to support community education director training and the state advisory council.

TOTAL - EDUCATION

| | 2002-03 | 2003-04 |
|------------------|---------------|---------------|
| General Fund | 2,866,143,200 | 2,958,011,100 |
| Restricted Funds | 8,038,600 | 8,115,600 |
| Federal Funds | 491,623,300 | 498,568,800 |
| TOTAL | 3,365,805,100 | 3,464,695,500 |

D. EDUCATION, ARTS, AND HUMANITIES CABINET

Budget Units

33. OFFICE OF THE SECRETARY

| | 2002-03 | 2003-04 |
|--------------|-----------|-----------|
| General Fund | 3,351,300 | 3,151,300 |

| | | |
|------------------|-----------|-----------|
| Restricted Funds | 448,900 | 236,700 |
| TOTAL | 3,800,200 | 3,388,000 |

Included in the above General Fund appropriation is \$1,470,900 in each fiscal year for the Governor's Scholars Program.

Included in the above General Fund appropriation is \$405,000 in fiscal year 2002-2003 and \$405,000 in fiscal year 2003-2004 for the Governor's School for the Arts.

Included in the above Restricted Funds appropriation is \$400,000 in fiscal year 2002-2003 and \$200,000 in fiscal year 2003-2004 for the Kentucky Pride Program.

Up to \$30,000 in General Fund support each year is available to be transferred to the Environmental Education Council for additional support.

Notwithstanding KRS 48.605, the Secretary of the Education, Arts, and Humanities Cabinet is authorized to revise allotments within appropriations of the Office of the Secretary for the purpose of providing maximum public services.

34. KENTUCKY ARTS COUNCIL

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 4,523,800 | 4,523,800 |
| Restricted Funds | 782,800 | 612,500 |
| Federal Funds | 692,800 | 621,100 |
| TOTAL | 5,999,400 | 5,757,400 |

35. TEACHERS' RETIREMENT SYSTEM

| | 2002-03 | 2003-04 |
|------------------|------------|-------------|
| General Fund | 90,113,200 | 97,489,000 |
| Restricted Funds | 7,330,100 | 7,571,900 |
| TOTAL | 97,443,300 | 105,060,900 |

General Fund moneys are appropriated to comply with the obligations of the state under the Teachers' Retirement System statutes as provided in KRS 161.220 to 161.716.

The above General Fund appropriation, in conjunction with those included elsewhere within this Act for the Teachers' Retirement System, is based upon estimated funds needed to meet the requirements of KRS 161.220 to 161.716. If these combined General Fund appropriations are in excess of these requirements, the excess funds shall lapse to the credit of the General Fund.

In accordance with KRS 161.420, in each fiscal year an amount not greater than four percent of the receipts of the state accumulation fund shall be set aside into the expense fund or expended for the administration of the retirement system. No General Fund moneys are provided in fiscal year 2002-2003 or fiscal year 2003-2004 for the cost of administration.

Included in the above General Fund appropriation is \$3,668,400 in fiscal year 2002-2003 and \$7,636,700 in fiscal year 2003-2004 to provide the cost of amortizing the requirements of KRS 161.155 (sick leave) for members retiring during the 2002-2004 biennium.

Included in the above General Fund appropriation is \$694,800 in fiscal year 2002-2003 and \$1,451,800 in fiscal year 2003-2004 to increase minimum value payments for members qualifying under provisions of KRS 161.620(3).

Included in the above General Fund appropriation is \$1,179,900 in fiscal year 2003-2004 to make up for an underappropriation during fiscal year 2000-2001 under the provisions of KRS 161.550.

Included in the above General Fund appropriation is \$4,406,000 in fiscal year 2002-2003 and \$9,213,400 in fiscal year 2003-2004 to provide, when combined with the annual one and one-half percent retirement allowance increase as provided for under KRS 161.620, a total increase in retirement allowances of eligible system members and beneficiaries of two and nine-tenths percent in fiscal year 2002-2003 and an additional three percent in fiscal year 2003-2004.

Given enactment of 2002 Ky. Acts ch. 275, the amount of \$1,652,000 from the above General Fund appropriation shall lapse to the credit of the General Fund at the end of fiscal year 2002-2003.

36. SCHOOL FACILITIES CONSTRUCTION COMMISSION

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 75,821,400 | 84,928,600 |
| Restricted Funds | 0 | 2,290,000 |
| TOTAL | 75,821,400 | 87,218,600 |

Included in the above General Fund appropriation is \$75,553,100 in fiscal year 2002-2003 and \$77,476,500 in fiscal year 2003-2004 for debt service for bonds previously issued.

Included in the above General Fund appropriation is \$2,092,500 in fiscal year 2003-2004 for first year debt service for bonds authorized by the 2000 Regular Session of the General Assembly.

Included in the above General Fund appropriation is \$96,200 in fiscal year 2003-2004 for debt service for \$4,600,000 in new bonding authority to be provided to public school district 165 in fiscal year 2002-2003.

Included in the above General Fund appropriation is \$2,313,100 in fiscal year 2003-2004 for first-year debt service for \$55,284,000 in new bonding authority as provided in Part II, Capital Projects Budget, to support the Urgent Need School Trust Fund as established in Part IX, Special Provisions, of this Act.

Notwithstanding KRS 157.611 to 157.640, 157.650, 157.655, 157.660, or 157.665, the School Facilities Construction Commission is authorized to make an additional \$100,000,000 in offers of assistance during the 2002-2004 biennium in anticipation of debt service availability during the 2004-2006 biennium. Included in the above General Fund appropriation is \$2,700,000 in fiscal year 2003-2004 for debt service on \$32,265,000 of these bonds. No additional bonded indebtedness based on the above amount is to be incurred during the 2002-2004 biennium.

Included in the above Restricted Funds appropriation is \$2,290,000 in fiscal year 2003-2004 for first-year debt service provided from Coal Severance Tax Receipts for \$54,730,900 in new bonding authority as provided in Part II, Capital Projects Budget, to support "Category 5" school buildings (poorest condition) in accordance with the Kentucky Department of Education's Building Assessment document of March 4, 2003.

37. DEAF AND HARD OF HEARING

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 885,500 | 885,500 |
| Restricted Funds | 281,500 | 260,000 |
| TOTAL | 1,167,000 | 1,145,500 |

38. KENTUCKY HERITAGE COUNCIL

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 921,100 | 921,100 |
| Restricted Funds | 785,700 | 227,500 |
| Federal Funds | 766,100 | 766,100 |
| TOTAL | 2,472,900 | 1,914,700 |

39. KENTUCKY EDUCATIONAL TELEVISION

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 14,548,100 | 14,548,100 |
| Restricted Funds | 1,106,400 | 1,075,700 |
| Federal Funds | 700,000 | 700,000 |
| TOTAL | 16,354,500 | 16,323,800 |

40. KENTUCKY HISTORICAL SOCIETY

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 5,985,200 | 6,185,200 |
| Restricted Funds | 627,200 | 571,400 |
| Federal Funds | 486,800 | 381,600 |
| TOTAL | 7,099,200 | 7,138,200 |

Included in the above General Fund appropriation is \$200,000 in fiscal year 2003-2004 for support of the Military History Museum.

41. LIBRARIES AND ARCHIVES

a. General Operations

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 7,257,400 | 7,257,400 |
| Restricted Funds | 1,795,200 | 1,830,800 |
| Federal Funds | 1,807,600 | 1,836,800 |
| TOTAL | 10,860,200 | 10,925,000 |

b. Direct Local Aid

| | 2002-03 | 2003-04 |
|--------------|-----------|-----------|
| General Fund | 5,966,700 | 6,380,200 |

| | | |
|------------------|-----------|-----------|
| Restricted Funds | 9,000 | 9,000 |
| Federal Funds | 424,000 | 424,000 |
| TOTAL | 6,399,700 | 6,813,200 |

Notwithstanding KRS 171.201, included in the above General Fund appropriation is \$3,669,500 in each fiscal year to award per capita grants at the rate of \$0.73.

Included in the above General Fund appropriation is \$400,000 in fiscal year 2003-2004 for design, site acquisition, and site preparation for construction of a new Jackson County Library.

TOTAL - LIBRARIES AND ARCHIVES

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 13,224,100 | 13,637,600 |
| Restricted Funds | 1,804,200 | 1,839,800 |
| Federal Funds | 2,231,600 | 2,260,800 |
| TOTAL | 17,259,900 | 17,738,200 |

42. KENTUCKY CENTER FOR THE ARTS

| | 2002-03 | 2003-04 |
|--------------|---------|---------|
| General Fund | 603,700 | 603,700 |

43. ENVIRONMENTAL EDUCATION COUNCIL

| | 2002-03 | 2003-04 |
|------------------|---------|---------|
| Restricted Funds | 167,000 | 150,000 |

TOTAL - EDUCATION, ARTS, AND HUMANITIES CABINET

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 209,977,400 | 226,873,900 |
| Restricted Funds | 13,333,800 | 14,835,500 |
| Federal Funds | 4,877,300 | 4,729,600 |
| TOTAL | 228,188,500 | 246,439,000 |

E. CABINET FOR FAMILIES AND CHILDREN

Budget Units

44. COMMUNITY BASED SERVICES

| | 2002-03 | 2003-04 |
|------------------------|-------------|-------------|
| General Fund (Tobacco) | 7,262,800 | 3,581,300 |
| General Fund | 280,666,700 | 284,364,400 |
| Restricted Funds | 104,134,700 | 123,639,600 |
| Federal Funds | 489,678,800 | 476,832,800 |
| TOTAL | 881,743,000 | 888,418,100 |

The Department for Community Based Services shall reimburse citizen members of the Public Assistance Appeals Board an amount not to exceed \$75 per day plus travel expenses.

45. ADMINISTRATION SERVICES

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 27,660,400 | 29,162,700 |
| Restricted Funds | 4,390,100 | 4,501,800 |
| Federal Funds | 37,311,900 | 38,458,800 |
| TOTAL | 69,362,400 | 72,123,300 |

46. DISABILITY DETERMINATIONS

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| Restricted Funds | 62,700 | 65,800 |
| Federal Funds | 40,129,800 | 42,376,900 |
| TOTAL | 40,192,500 | 42,442,700 |

TOTAL - CABINET FOR FAMILIES AND CHILDREN

| | 2002-03 | 2003-04 |
|------------------------|-------------|---------------|
| General Fund (Tobacco) | 7,262,800 | 3,581,300 |
| General Fund | 308,327,100 | 313,527,100 |
| Restricted Funds | 108,587,500 | 128,207,200 |
| Federal Funds | 567,120,500 | 557,668,500 |
| TOTAL | 991,297,900 | 1,002,984,100 |

F. FINANCE AND ADMINISTRATION CABINET

47. FINANCE AND ADMINISTRATION CABINET

Budget Units

a. General Administration

| | 2002-03 | 2003-04 |
|------------------|-----------|------------|
| General Fund | 5,832,300 | 8,632,300 |
| Restricted Funds | 2,737,000 | 2,870,000 |
| TOTAL | 8,569,300 | 11,502,300 |

Included in the above General Fund appropriation is \$200,000 in fiscal year 2002-2003 and \$3,000,000 in fiscal year 2003-2004 for the Affordable Housing Trust Fund~~[which shall be matched equally from the Kentucky Housing Corporation Housing Assistance Fund].~~

Included in the above General Fund appropriation is \$220,000 in fiscal year 2003-2004 for Gubernatorial transition costs.

b. Office of the Controller

| | 2002-03 | 2003-04 |
|--|---------|---------|
|--|---------|---------|

| | | |
|------------------------|-------------|-------------|
| General Fund | 5,939,400 | 5,939,400 |
| Restricted Funds | 396,000 | 414,000 |
| Federal Funds | 4,000,000 | 4,000,000 |
| TOTAL | 10,335,400 | 10,353,400 |
| c. Debt Service | | |
| | 2002-03 | 2003-04 |
| General Fund (Tobacco) | 6,112,000 | 6,116,000 |
| General Fund | 245,498,000 | 248,758,000 |
| Road Fund | 3,668,000 | 3,664,000 |
| TOTAL | 255,278,000 | 258,538,000 |

Included in the above General Fund appropriation is \$986,000 in fiscal year 2003-2004 for debt service for Coal Severance Tax Projects funded with Bond Funds.

| | | |
|--------------------------|------------|------------|
| d. Administration | | |
| | 2002-03 | 2003-04 |
| General Fund | 3,542,400 | 3,513,000 |
| Restricted Funds | 9,180,800 | 9,567,000 |
| Road Fund | 283,000 | 283,000 |
| TOTAL | 13,006,200 | 13,363,000 |
| e. Facilities Management | | |
| | 2002-03 | 2003-04 |
| General Fund | 7,875,800 | 7,589,500 |
| Restricted Funds | 25,116,000 | 25,821,000 |
| TOTAL | 32,991,800 | 33,410,500 |

Notwithstanding KRS 42.037, effective December 8, 2003, the Secretary of the Finance and Administration Cabinet shall expend no state funds for a residence for the Lieutenant Governor, except for expenses necessary to maintain property owned by the Commonwealth. Notwithstanding KRS 42.037, 30 days after the effective date of this Act, the Secretary of the Finance and Administration Cabinet shall expend no state funds for staff or services for the residence of the Lieutenant Governor, other than expenses necessary to maintain property owned by the Commonwealth.

| | | |
|------------------|------------|------------|
| f. County Costs | | |
| | 2002-03 | 2003-04 |
| General Fund | 22,631,000 | 21,926,600 |
| Restricted Funds | 1,425,000 | 1,425,000 |
| TOTAL | 24,056,000 | 23,351,600 |

Included in the above General Fund appropriation is \$5,431,000 in fiscal year 2002-2003 for base court revenue. Notwithstanding KRS 24A.190 to 24A.193, included in the above General Fund appropriation is \$2,715,500 in fiscal year 2003-2004 for base court revenue to provide payments to cities and counties that had a local court system as of June 30, 1976. The payments are based on 50 percent of the average net court revenue earned by the city during 1973-1974, 1974-1975, and 1975-1976 fiscal years. For the eligible local governments who receive base court revenue under KRS 24A.191 to 24A.193, the fee provided in Section 2 of 2003 HB 162/SCS is intended to replace that revenue.

Funds required to pay county costs other than base court revenue funded by the General Fund are appropriated and additional funds may be allotted from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705) by the Secretary of the Finance and Administration Cabinet, subject to the conditions and procedures provided in this Act.

g. County Fees

| | 2002-03 | 2003-04 |
|--|------------|------------|
| Restricted Funds | 85,145,600 | 80,760,800 |
| TOTAL - FINANCE AND ADMINISTRATION CABINET | | |

| | 2002-03 | 2003-04 |
|------------------------|-------------|-------------|
| General Fund (Tobacco) | 6,112,000 | 6,116,000 |
| General Fund | 291,318,900 | 296,358,800 |
| Restricted Funds | 124,000,400 | 120,857,800 |
| Federal Funds | 4,000,000 | 4,000,000 |
| Road Fund | 3,951,000 | 3,947,000 |
| TOTAL | 429,382,300 | 431,279,600 |

G. CABINET FOR HEALTH SERVICES

Budget Units

48. MEDICAID SERVICES

a. Administration

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 17,848,000 | 18,028,200 |
| Restricted Funds | 20,624,400 | 20,806,000 |
| Federal Funds | 44,009,800 | 44,741,900 |
| TOTAL | 82,482,200 | 83,576,100 |

If any portion of the General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the Department, the amount may be used for Medicaid Benefits, in accordance with statutes governing the functions and activities of the Department for Medicaid Services. In no instance shall these excess funds be used without prior written approval of the State Budget Director to:

- (1) Establish a new program;
- (2) Expand the services of an existing program; or
- (3) Increase rates or payment levels in an existing program.

Any transfer authorized under this section shall be approved by the Secretary of the Finance and Administration Cabinet upon recommendation of the State Budget Director.

b. Benefits

| | 2002-03 | 2003-04 |
|------------------|---------------|---------------|
| General Fund | 752,373,700 | 761,755,500 |
| Restricted Funds | 200,011,300 | 201,949,400 |
| Federal Funds | 2,245,464,700 | 2,270,733,300 |
| TOTAL | 3,197,849,700 | 3,234,438,200 |

These funds are to be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Medicaid Services.

Included in the above appropriation is \$1,200,000 in General Fund support and \$4,800,000 Federal Funds in each fiscal year to support the Breast and Cervical Cancer Treatment Program.

Included in the above appropriation is \$1,970,300 in General Fund support and \$4,575,500 in Federal Funds in fiscal year 2002-2003 to support 250 additional Supports for Community Living slots and \$6,690,100 in General Fund support, \$3,800,800 in Restricted Funds, and \$24,351,100 in Federal Funds in fiscal year 2003-2004 to support 500 additional Supports for Community Living slots.

Notwithstanding KRS 45.229, any General Fund appropriation unexpended in fiscal year 2002-2003 shall not lapse, but shall be carried forward into the next fiscal year.

49. PUBLIC HEALTH

| | 2002-03 | 2003-04 |
|------------------------|-------------|-------------|
| General Fund (Tobacco) | 21,738,800 | 20,882,800 |
| General Fund | 55,693,300 | 56,081,700 |
| Restricted Funds | 65,849,000 | 65,914,100 |
| Federal Funds | 141,120,500 | 127,620,500 |
| TOTAL | 284,401,600 | 270,499,100 |

Included in the above appropriation is \$50,000 in General Fund support in each fiscal year to support hospital-based hospice services in Louisville, Kentucky.

Notwithstanding KRS 211.090 or 211.160, the Secretary shall promulgate such administrative regulations as may be required to prescribe such user fees as are necessary to support the Restricted Funds appropriations above.

50. MENTAL HEALTH/MENTAL RETARDATION

| | 2002-03 | 2003-04 |
|------------------------|-----------|-----------|
| General Fund (Tobacco) | 1,000,000 | 1,000,000 |

| | | |
|------------------|-------------|-------------|
| General Fund | 168,530,000 | 172,521,900 |
| Restricted Funds | 190,820,600 | 206,415,200 |
| Federal Funds | 41,724,800 | 41,355,900 |
| TOTAL | 402,075,400 | 421,293,000 |

Included in the above General Fund appropriation is \$275,000 in fiscal year 2002-2003 and \$275,000 in fiscal year 2003-2004 to implement a training program relating to mental health consultation and education to jails, as identified in Part IX, Special Provisions, of this Act (Part IX, Special Provisions, 27. Department for Mental Health/Mental Retardation, e. Mental Health Consultation and Education to Jails). No funds shall be disbursed by the Cabinet for Health Services until all plans for training programs have been approved by the Kentucky Commission on Services and Supports to Individuals with Mental Illness, Alcohol and Other Drug Abuse Disorders, and Dual Diagnoses.

Also included in the above General Fund appropriation is \$635,000 in fiscal year 2003-2004 for debt service to support new bonds.

51. CHILDREN WITH SPECIAL HEALTH CARE NEEDS

| | 2002-03 | 2003-04 |
|------------------------|------------|------------|
| General Fund (Tobacco) | 1,600,000 | 1,600,000 |
| General Fund | 16,709,500 | 16,709,500 |
| Restricted Funds | 22,089,000 | 23,262,900 |
| Federal Funds | 10,053,700 | 9,822,800 |
| TOTAL | 50,452,200 | 51,395,200 |

52. CERTIFICATE OF NEED

| | 2002-03 | 2003-04 |
|------------------|---------|---------|
| General Fund | 131,500 | 134,100 |
| Restricted Funds | 234,200 | 251,100 |
| TOTAL | 365,700 | 385,200 |

The Secretary shall be authorized to promulgate such administrative regulations as may be required to prescribe user fee amounts which are reflected in the Restricted Funds appropriations above.

53. AGING SERVICES

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 26,421,800 | 26,821,800 |
| Restricted Funds | 760,400 | 761,600 |
| Federal Funds | 18,885,300 | 18,885,300 |
| TOTAL | 46,067,500 | 46,468,700 |

54. ADMINISTRATIVE SUPPORT

| | 2002-03 | 2003-04 |
|--|---------|---------|
|--|---------|---------|

| | | |
|------------------|------------|------------|
| General Fund | 9,866,000 | 9,875,000 |
| Restricted Funds | 8,154,000 | 8,806,700 |
| Federal Funds | 12,729,200 | 13,254,500 |
| TOTAL | 30,749,200 | 31,936,200 |

Notwithstanding KRS 211.090 or 211.160, the Secretary shall promulgate such administrative regulations as may be required to prescribe such user fees as are necessary to support the Restricted Funds appropriations above.

TOTAL - CABINET FOR HEALTH SERVICES

| | 2002-03 | 2003-04 |
|------------------------|---------------|---------------|
| General Fund (Tobacco) | 24,338,800 | 23,482,800 |
| General Fund | 1,047,573,800 | 1,061,927,700 |
| Restricted Funds | 508,542,900 | 528,167,000 |
| Federal Funds | 2,513,988,000 | 2,526,414,200 |
| TOTAL | 4,094,443,500 | 4,139,991,700 |

H. JUSTICE CABINET

55. JUSTICE OPERATIONS

Budget Units

a. Justice Administration

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 8,017,000 | 7,826,000 |
| Restricted Funds | 1,908,100 | 2,164,200 |
| Federal Funds | 13,433,500 | 13,384,700 |
| TOTAL | 23,358,600 | 23,374,900 |

Included in the above General Fund appropriation is \$1,316,000 in fiscal year 2002-2003 and \$1,350,000 in fiscal year 2003-2004 to provide free civil legal services for indigents.

Included in the above General Fund appropriation is \$1,096,700 in fiscal year 2002-2003 and \$1,152,200 in fiscal year 2003-2004 for the operation of the State Parole Board.

Included in the above General Fund appropriation is \$70,000 in fiscal year 2002-2003 for a grant to continue the Urban League of Lexington-Fayette County Construction Training Program.

Included within the above Restricted Funds appropriation is \$375,600 in fiscal year 2002-2003 and \$363,700 in fiscal year 2003-2004 to support the Criminal Justice Council. Notwithstanding KRS 15.440, 15.460, and 15.470, these Restricted Funds shall come from the Kentucky Law Enforcement Foundation Program Fund (KLEFPF).

b. State Police

| | 2002-03 | 2003-04 |
|--------------|------------|------------|
| General Fund | 78,074,900 | 82,074,900 |

| | | |
|------------------|-------------|-------------|
| Restricted Funds | 7,870,800 | 7,621,200 |
| Federal Funds | 9,772,600 | 10,261,300 |
| Road Fund | 35,000,000 | 35,000,000 |
| TOTAL | 130,718,300 | 134,957,400 |

There is appropriated from the General Fund to the Department of State Police, subject to the conditions and procedures provided in this Act, funds which are required as a result of the Governor's call of the Kentucky State Police to extraordinary duty when an emergency situation has been declared to exist by the Governor. Funding is authorized to be provided from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

Included in the above General Fund appropriation is \$1,500,000 in fiscal year 2003-2004 to support salary enhancements in the State Police as defined in Part IX, Special Provisions, of this Act.

c. Criminal Justice Training

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| Restricted Funds | 39,077,100 | 37,941,400 |
| Federal Funds | 2,700,000 | 2,700,000 |
| TOTAL | 41,777,100 | 40,641,400 |

Included in the above Restricted Funds appropriation is \$22,167,300 in fiscal year 2002-2003 and \$22,915,000 in fiscal year 2003-2004 for training incentive payments in accordance with KRS 15.430 and 15.440.

Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is \$3,100 in fiscal year 2002-2003 and \$3,100 in fiscal year 2003-2004 for training incentive payments for each participant.

d. Juvenile Justice

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 82,611,600 | 83,790,100 |
| Restricted Funds | 14,015,000 | 15,691,600 |
| Federal Funds | 17,300,000 | 17,250,000 |
| TOTAL | 113,926,600 | 116,731,700 |

Included in the above General Fund appropriation is \$4,940,000 in fiscal year 2002-2003 and \$3,735,500 in fiscal year 2003-2004 to support detention subsidies to counties of \$94 per day per juvenile each fiscal year and to support the provisions included in Part IX, Special Provisions, Juvenile Justice.

Included in the above General Fund appropriation is \$350,000 in fiscal year 2002-2003 and \$350,000 in fiscal year 2003-2004 for the operation of the Gateway Juvenile Diversion Center.

Included in the above General Fund appropriation is \$300,000 in fiscal year 2002-2003 and \$300,000 in fiscal year 2003-2004 for the operation of the Mary Kendall Homes.

TOTAL - JUSTICE OPERATIONS

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 168,703,500 | 173,691,000 |
| Restricted Funds | 62,871,000 | 63,418,400 |
| Road Fund | 35,000,000 | 35,000,000 |
| Federal Funds | 43,206,100 | 43,596,000 |
| TOTAL | 309,780,600 | 315,705,400 |

56. CORRECTIONS

Budget Units

a. Corrections Management

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 15,222,900 | 16,331,800 |
| Restricted Funds | 15,799,700 | 15,583,900 |
| Federal Funds | 1,743,100 | 800,000 |
| TOTAL | 32,765,700 | 32,715,700 |

Included in the above General Fund appropriation is \$508,000 in fiscal year 2003-2004 to provide for debt service payments to support new bonds.

b. Community Services and Local Facilities

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 67,374,000 | 81,400,400 |
| Restricted Funds | 15,623,400 | 629,900 |
| Federal Funds | 51,000 | 0 |
| TOTAL | 83,048,400 | 82,030,300 |

Notwithstanding KRS 441.605 to 441.695 for fiscal year 2002-2003, funds in the amount of \$15,000,000 shall be expended from the Kentucky Local Correctional Facilities Construction Authority for local correctional facility and operational support consistent with contractual covenants in accordance with bond indentures of the Authority.

In accordance with KRS 196.076(1) to (8), funding is provided for the Probation and Parole Salary Improvement Program.

Included in the above General Fund appropriation is \$46,512,900 in fiscal year 2002-2003 and \$46,354,800 in fiscal year 2003-2004 to support payments to county jails for state inmates.

c. Adult Correctional Institutions

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 189,290,800 | 197,583,900 |
| Restricted Funds | 6,526,100 | 6,588,500 |
| Federal Funds | 328,700 | 215,200 |
| TOTAL | 196,145,600 | 204,387,600 |

d. Local Jail Support

| | 2002-03 | 2003-04 |
|--------------|------------|------------|
| General Fund | 15,276,100 | 15,276,100 |

Included in the General Fund appropriation is \$931,100 in fiscal year 2002-2003 and \$931,100 in fiscal year 2003-2004 for medical care contracts to be distributed, upon approval of the Department of Corrections, to counties by the formula codified in KRS 441.206; \$400,000 in fiscal year 2002-2003 and \$400,000 in fiscal year 2003-2004 is provided, on a partial reimbursement basis, for medical claims in excess of the statutory threshold pursuant to KRS 441.045. The funding support for medical contracts and catastrophic medical expenses for indigents shall be maintained in discrete accounts. Any medical claim which exceeds the statutory threshold may be reimbursed for that amount in excess of the statutory threshold. In no event shall this apply to expenses of an elective, as opposed to emergency, basis, and expenses shall be paid according to the Kentucky Medical Assistance Schedule.

TOTAL - CORRECTIONS

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 287,163,800 | 310,592,200 |
| Restricted Funds | 37,949,200 | 22,802,300 |
| Federal Funds | 2,122,800 | 1,015,200 |
| TOTAL | 327,235,800 | 334,409,700 |

TOTAL - JUSTICE CABINET

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 455,867,300 | 484,283,200 |
| Restricted Funds | 100,820,200 | 86,220,700 |
| Federal Funds | 45,328,900 | 44,611,200 |
| Road Fund | 35,000,000 | 35,000,000 |
| TOTAL | 637,016,400 | 650,115,100 |

I. LABOR

LABOR CABINET

57. Budget Units

a. General Administration and Support

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 404,200 | 422,000 |
| Restricted Funds | 5,652,600 | 5,897,300 |
| TOTAL | 6,056,800 | 6,319,300 |

Funds lapsed in Part V include no employer benefit premiums or liability payments and are Restricted Funds used for General Administration and Support operations.

b. Workplace Standards

| | 2002-03 | 2003-04 |
|--|-------------|-------------|
| General Fund | 2,031,100 | 2,013,300 |
| Restricted Funds | 124,275,500 | 124,691,000 |
| Federal Funds | 3,280,500 | 3,280,500 |
| TOTAL | 129,587,100 | 129,984,800 |
| c. Workers' Claims | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 16,397,700 | 17,093,300 |
| d. Kentucky Occupational Safety and Health Review Commission | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 476,800 | 479,300 |
| TOTAL - LABOR CABINET | | |
| | 2002-03 | 2003-04 |
| General Fund | 2,435,300 | 2,435,300 |
| Restricted Funds | 146,802,600 | 148,160,900 |
| Federal Funds | 3,280,500 | 3,280,500 |
| TOTAL | 152,518,400 | 153,876,700 |

Budget Unit

58. KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| Restricted Funds | 151,812,000 | 153,419,000 |

Notwithstanding KRS 342.122, the Kentucky Workers' Compensation Funding Commission is authorized to finance a portion of the Mines and Minerals budget through Special Fund assessments. Funds in the amount of \$850,000 in fiscal year 2002-2003 and \$850,000 in fiscal year 2003-2004 shall be transferred to the Department of Mines and Minerals.

Notwithstanding KRS 342.122(1)(c), no General Fund appropriation is provided to the Workers' Compensation Funding Commission in fiscal year 2002-2003 and fiscal year 2003-2004.

Notwithstanding KRS 342.122(1)(b), the workers' compensation assessment rate shall remain at 11.5 percent for the biennium.

Funds lapsed in Part V include no employer benefit premiums or liability payments and are the recapture of fiscal year 2001-2002 General Fund transfers to the Benefit Reserve Fund.

TOTAL - LABOR

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 2,435,300 | 2,435,300 |
| Restricted Funds | 298,614,600 | 301,579,900 |

| | | |
|---------------|-------------|-------------|
| Federal Funds | 3,280,500 | 3,280,500 |
| TOTAL | 304,330,400 | 307,295,700 |

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

59. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

Budget Units

a. General Administration and Support

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 9,445,900 | 9,505,900 |
| Restricted Funds | 331,900 | 277,300 |
| Federal Funds | 1,585,200 | 1,596,300 |
| TOTAL | 11,363,000 | 11,379,500 |

b. Environmental Protection

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 22,886,100 | 22,924,500 |
| Restricted Funds | 27,442,300 | 34,481,700 |
| Federal Funds | 19,457,000 | 19,661,900 |
| TOTAL | 69,785,400 | 77,068,100 |

Notwithstanding KRS 224.43-320, no funds are provided in the above appropriations for the assignment of full-time inspectors to each municipal solid waste landfill operating in the Commonwealth.

Included in the above General Fund appropriation is \$96,000 in fiscal year 2003-2004 for debt service to support bonds for the state-owned dam repair project.

Included in the above Restricted Funds appropriation is \$7,400,000 in fiscal year 2002-2003 and \$12,132,000 in fiscal year 2003-2004 for the Kentucky Pride Program.

c. Natural Resources

| | 2002-03 | 2003-04 |
|------------------------|------------|------------|
| General Fund (Tobacco) | 9,000,000 | 9,000,000 |
| General Fund | 12,930,400 | 12,961,300 |
| Restricted Funds | 4,583,700 | 3,809,900 |
| Federal Funds | 6,283,300 | 4,914,700 |
| TOTAL | 32,797,400 | 30,685,900 |

Not less than \$240,000 of the General Fund appropriation for each fiscal year shall be set aside for emergency forest fire suppression. There is appropriated from the General Fund the necessary funds, subject to the conditions and procedures provided in this Act, which are required as a result of emergency fire suppression activities in excess of the \$240,000 amount. Fire suppression costs in excess of \$240,000 annually shall be deemed necessary governmental

expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

d. Surface Mining Reclamation and Enforcement

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 10,051,400 | 10,831,400 |
| Restricted Funds | 6,157,800 | 6,484,100 |
| Federal Funds | 17,243,300 | 17,390,000 |
| TOTAL | 33,452,500 | 34,705,500 |

Included in the General Fund appropriation is \$675,000 in each fiscal year for the return of permit and acreage fees under KRS 350.139; any required expenditure for this purpose in excess of this amount in either fiscal year is appropriated to the department.

e. Abandoned Mine Land Reclamation Projects

| | 2002-03 | 2003-04 |
|---------------|------------|------------|
| Federal Funds | 22,000,000 | 22,000,000 |

The above appropriations represent estimates of the funds to be received and expended for this program. If additional funds become available, the funds are appropriated subject to the conditions and procedures provided in this Act.

TOTAL - NATURAL RESOURCES AND

ENVIRONMENTAL PROTECTION CABINET

| | 2002-03 | 2003-04 |
|------------------------|-------------|-------------|
| General Fund (Tobacco) | 9,000,000 | 9,000,000 |
| General Fund | 55,313,800 | 56,223,100 |
| Restricted Funds | 38,515,700 | 45,053,000 |
| Federal Funds | 66,568,800 | 65,562,900 |
| TOTAL | 169,398,300 | 175,839,000 |

60. ENVIRONMENTAL QUALITY COMMISSION

| | 2002-03 | 2003-04 |
|------------------|---------|---------|
| General Fund | 253,700 | 0 |
| Restricted Funds | 2,000 | 0 |
| TOTAL | 255,700 | 0 |

61. KENTUCKY NATURE PRESERVES COMMISSION

| | 2002-03 | 2003-04 |
|------------------|---------|-----------|
| General Fund | 980,900 | 1,053,100 |
| Restricted Funds | 314,700 | 298,700 |
| Federal Funds | 25,000 | 25,000 |

| | | |
|--|-------------|-------------|
| TOTAL | 1,320,600 | 1,376,800 |
| TOTAL - NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION | | |
| | 2002-03 | 2003-04 |
| General Fund (Tobacco) | 9,000,000 | 9,000,000 |
| General Fund | 56,548,400 | 57,276,200 |
| Restricted Funds | 38,832,400 | 45,351,700 |
| Federal Funds | 66,593,800 | 65,587,900 |
| TOTAL | 170,974,600 | 177,215,800 |

K. PERSONNEL CABINET

62. PERSONNEL CABINET

Budget Units

a. General Operations

| | | |
|------------------|------------|------------|
| | 2002-03 | 2003-04 |
| General Fund | 1,507,400 | 3,257,400 |
| Restricted Funds | 14,972,000 | 14,223,200 |
| TOTAL | 16,479,400 | 17,480,600 |

Notwithstanding KRS 18A.015(2), (3), and (4), the Personnel Cabinet shall collect a benefits assessment per month per employee eligible for health insurance coverage in the state group as contained in Appendix B of the budget instructions promulgated by the Legislative Research Commission and communicated to agencies by the Office of State Budget Director for duly authorized use by the Personnel Cabinet in administering its statutory and administrative responsibilities, including but not limited to administration of the Commonwealth's health insurance program.

b. Public Employees Deferred Compensation Authority

| | | |
|------------------|-----------|-----------|
| | 2002-03 | 2003-04 |
| Restricted Funds | 5,183,300 | 5,622,100 |

c. Workers' Compensation Benefits and Reserve

| | | |
|------------------|------------|------------|
| | 2002-03 | 2003-04 |
| Restricted Funds | 17,269,200 | 18,138,200 |

The above appropriations represent estimates of the funds necessary to operate this program. If additional funds are required to adequately maintain this program, the necessary Restricted Funds are appropriated, subject to the conditions and procedures provided in this Act.

d. State Salary Compensation Fund

| | | |
|--------------|---------|------------|
| | 2002-03 | 2003-04 |
| General Fund | 0 | 11,490,000 |

The above General Fund appropriation in fiscal year 2003-2004 is provided to fund a cost-of-living adjustment for state employees as provided in Part IV of this Act.

TOTAL - PERSONNEL CABINET

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 1,507,400 | 14,747,400 |
| Restricted Funds | 37,424,500 | 37,983,500 |
| TOTAL | 38,931,900 | 52,730,900 |

L. POSTSECONDARY EDUCATION

Budget Units

63. COUNCIL ON POSTSECONDARY EDUCATION

| | 2002-03 | 2003-04 |
|------------------------|-------------|-------------|
| General Fund (Tobacco) | 6,280,000 | 5,455,000 |
| General Fund | 99,177,400 | 114,229,400 |
| Restricted Funds | 14,536,800 | 4,707,700 |
| Federal Funds | 4,260,000 | 3,161,200 |
| TOTAL | 124,254,200 | 127,553,300 |

Included in the above General Fund appropriation is \$80,270,900 in fiscal year 2002-2003 and \$95,135,600 in fiscal year 2003-2004 for the Strategic Investment and Incentive Funding Program. The following trust funds and funding programs make up the Strategic Investment and Incentive Funding Program for fiscal year 2002-2003 and for fiscal year 2003-2004. Included in the above General Fund appropriation is \$9,871,000 in fiscal year 2003-2004 for the Research Challenge Trust Fund. Included in the above General Fund appropriation is \$1,975,000 in fiscal year 2003-2004 for the Regional University Excellence Trust Fund. Included in the above General Fund appropriation is \$1,300,000 in fiscal year 2002-2003 and \$500,000 in fiscal year 2003-2004 for the Technology Initiative Trust Fund. Included in the above General Fund appropriation is \$60,431,300 in fiscal year 2002-2003 and \$63,000,000 in fiscal year 2003-2004 for the Student Financial Aid and Advancement Trust Fund. Included in the above Restricted Funds appropriation is \$750,000 in fiscal year 2002-2003 for the Student Financial Aid and Advancement Trust Fund. Included in the above General Fund appropriation is \$11,768,000 in fiscal year 2002-2003 and \$11,018,000 in fiscal year 2003-2004 for the Adult Education and Literacy Funding Program. Included in the above General Fund appropriation is \$6,771,600 in fiscal year 2002-2003 and \$8,771,600 in fiscal year 2003-2004 for the Science and Technology Funding Program. Included in the above Restricted Funds appropriation is \$4,000,000 in fiscal year 2002-2003 and \$2,000,000 in fiscal year 2003-2004 for the Science and Technology Funding Program.

Included in the above General Fund appropriation for the Research Challenge Trust Fund is \$9,871,000 in fiscal year 2003-2004 for debt service to support the Research Challenge Trust Fund-Endowment Match capital project appropriation authorized in Part II, Capital Projects Budget, in this Act.

Included in the above General Fund appropriation for the Regional University Excellence Trust Fund is \$1,975,000 in fiscal year 2003-2004 for debt service to support the Regional

University Excellence Trust Fund-Endowment Match capital project appropriation authorized in Part II, Capital Projects Budget, in this Act.

Included in the above General Fund appropriation for the mathematics testing program is \$100,000 each fiscal year.

Included in the above General Fund appropriation for the P-16 program is \$100,000 each fiscal year.

Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2002-2003 to the Adult Education and Literacy Funding Program shall not lapse.

Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2002-2003 to the Science and Technology Funding Program shall not lapse.

64. KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

| | 2002-03 | 2003-04 |
|------------------------|-------------|-------------|
| General Fund (Tobacco) | 750,000 | 750,000 |
| General Fund | 45,860,000 | 71,828,300 |
| Restricted Funds | 86,352,500 | 97,352,600 |
| Federal Funds | 868,700 | 890,000 |
| TOTAL | 133,831,200 | 170,820,900 |

Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$28,885,800 for the College Access Program in fiscal year 2002-2003 and \$42,504,400 in fiscal year 2003-2004.

Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$12,288,400 for the Kentucky Tuition Grant Program in fiscal year 2002-2003 and \$23,216,200 in fiscal year 2003-2004.

Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation for the Teacher Scholarship Program is \$976,600 in fiscal year 2002-2003 and \$2,279,400 in fiscal year 2003-2004.

Included in the above Restricted Funds appropriation is \$742,800 in fiscal year 2002-2003 and \$765,100 in fiscal year 2003-2004 for the administration of the Kentucky Educational Excellence Scholarship Program.

65. EASTERN KENTUCKY UNIVERSITY

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 71,668,300 | 73,515,900 |
| Restricted Funds | 83,158,600 | 87,603,100 |
| Federal Funds | 44,454,400 | 46,665,700 |
| TOTAL | 199,281,300 | 207,784,700 |

Included in the above General Fund appropriation is \$3,700,400 in fiscal year 2002-2003 and \$3,712,100 in fiscal year 2003-2004 for debt service for previously issued bonds.

Included in the above General Fund appropriation is \$200,000 each fiscal year for maintenance and operation support of the university farm and which shall be expended for no other purpose.

66. KENTUCKY STATE UNIVERSITY

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 22,412,400 | 22,631,500 |
| Restricted Funds | 16,446,900 | 17,699,000 |
| Federal Funds | 11,500,400 | 11,730,400 |
| TOTAL | 50,359,700 | 52,060,900 |

Included in the above General Fund appropriation is \$2,247,600 in fiscal year 2002-2003 and \$2,252,000 in fiscal year 2003-2004 for debt service for previously issued bonds.

67. MOREHEAD STATE UNIVERSITY

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 41,729,800 | 42,738,200 |
| Restricted Funds | 46,293,500 | 47,104,600 |
| Federal Funds | 46,570,500 | 51,207,100 |
| TOTAL | 134,593,800 | 141,049,900 |

Included in the above General Fund appropriation is \$1,543,700 in fiscal year 2002-2003 and \$1,452,600 in fiscal year 2003-2004 for debt service for previously issued bonds.

Included in the above General Fund appropriation is \$200,000 each fiscal year for maintenance and operation support of the university farm and which shall be expended for no other purpose.

68. MURRAY STATE UNIVERSITY

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 50,388,100 | 51,472,900 |
| Restricted Funds | 68,752,700 | 72,256,200 |
| Federal Funds | 10,646,700 | 10,906,800 |
| TOTAL | 129,787,500 | 134,635,900 |

Included in the above General Fund appropriation is \$1,880,700 in fiscal year 2002-2003 and \$1,884,500 in fiscal year 2003-2004 for debt service for previously issued bonds.

Included in the above General Fund appropriation is \$200,000 each fiscal year for maintenance and operation support of the university farm and which shall be expended for no other purpose.

69. NORTHERN KENTUCKY UNIVERSITY

| | 2002-03 | 2003-04 |
|--------------|------------|------------|
| General Fund | 45,257,600 | 47,092,700 |

| | | |
|------------------|-------------|-------------|
| Restricted Funds | 66,180,400 | 69,535,800 |
| Federal Funds | 7,422,000 | 7,669,100 |
| TOTAL | 118,860,000 | 124,297,600 |

Included in the above General Fund appropriation is \$5,019,600 in fiscal year 2002-2003 and \$5,033,300 in fiscal year 2003-2004 for debt service for previously issued bonds.

70. UNIVERSITY OF KENTUCKY

| | 2002-03 | 2003-04 |
|------------------|---------------|---------------|
| General Fund | 304,755,700 | 308,519,200 |
| Restricted Funds | 858,999,900 | 873,254,500 |
| Federal Funds | 126,193,600 | 128,053,100 |
| TOTAL | 1,289,949,200 | 1,309,826,800 |

Included in the above General Fund appropriation is \$6,461,300 in fiscal year 2002-2003 and \$5,848,900 in fiscal year 2003-2004 for debt service for previously issued bonds.

Included in the above General Fund appropriation is \$9,081,500 in fiscal year 2002-2003 and \$9,444,700 in fiscal year 2003-2004 to support the operations of the Lexington Community College, of which \$988,100 in fiscal year 2002-2003 and \$732,700 in fiscal year 2003-2004 is for debt service for previously issued bonds.

Included in the above General Fund appropriation is \$300,000 in fiscal year 2002-2003 and \$300,000 in fiscal year 2003-2004 to support medical residency positions at Morehead and Corbin.

Included in the above General Fund appropriation is \$275,500 in fiscal year 2003-2004 to support a domestic violence program.

Included in the above Restricted Funds appropriation is \$14,424,900 in fiscal year 2002-2003 and \$15,388,100 in fiscal year 2003-2004 to support the operations of the Lexington Community College.

Included in the above Federal Funds appropriation is \$5,923,500 in fiscal year 2002-2003 and \$5,923,500 in fiscal year 2003-2004 to support the operations of the Lexington Community College. Included in the above General Fund appropriation is \$103,000 in fiscal year 2002-2003 and \$103,000 in fiscal year 2003-2004 for the Ovarian Cancer Screening Program. Also, notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917, 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, General Fund (Tobacco) moneys in the amount of \$700,000 each fiscal year shall be transferred from the Research Challenge Trust Fund's Lung Cancer Research Program and allotted to the Ovarian Cancer Screening Outreach Program at the University of Kentucky as specified in Part IX, Special Provisions, of this Act.

71. UNIVERSITY OF LOUISVILLE

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 172,352,500 | 174,950,000 |
| Restricted Funds | 293,702,300 | 302,317,400 |
| Federal Funds | 49,334,100 | 50,789,900 |

| | | |
|-------|-------------|-------------|
| TOTAL | 515,388,900 | 528,057,300 |
|-------|-------------|-------------|

Included in the above General Fund appropriation is \$11,330,000 in fiscal year 2002-2003 and \$9,504,900 in fiscal year 2003-2004 for debt service for previously issued bonds. Also included in the above General Fund appropriation is \$17,052,900 in fiscal year 2002-2003 and \$17,500,300 in fiscal year 2003-2004 to fulfill the Commonwealth's contractual obligation relating to indigent care furnished via the Quality and Charity Care Trust Agreement. Included in the above Restricted Funds appropriation is \$50,000 in fiscal year 2002-2003 for the Quality and Charity Trust Agreement.

Notwithstanding KRS 45.229, the General Fund appropriation related to the Quality and Charity Trust Agreement in fiscal year 2001-2002 shall not lapse. Notwithstanding KRS 45.229, the General Fund appropriation related to the Quality and Charity Care Trust Agreement in fiscal year 2002-2003 shall continue into fiscal year 2003-2004 for this purpose. Any unused portion of the General Fund appropriation relating to the Quality and Charity Care Trust Agreement shall lapse to the credit of the General Fund at the end of fiscal year 2003-2004.

72. WESTERN KENTUCKY UNIVERSITY

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 69,025,000 | 72,040,100 |
| Restricted Funds | 81,837,400 | 85,598,400 |
| Federal Funds | 30,444,000 | 32,444,000 |
| TOTAL | 181,306,400 | 190,082,500 |

Included in the above General Fund appropriation is \$3,295,900 in fiscal year 2002-2003 and \$3,114,500 in fiscal year 2003-2004 for debt service for previously issued bonds.

Included in the above General Fund appropriation is \$200,000 each fiscal year for maintenance and operation support of the university farm and which shall be expended for no other purpose.

73. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 185,313,100 | 189,097,700 |
| Restricted Funds | 177,568,900 | 185,450,000 |
| Federal Funds | 68,053,500 | 71,735,500 |
| TOTAL | 430,935,500 | 446,283,200 |

Included in the above General Fund appropriation is \$10,726,000 in fiscal year 2002-2003 and \$10,765,800 in fiscal year 2003-2004 for debt service for previously issued bonds.

Notwithstanding KRS 95A.250(1), or the provisions of any other law, supplemental payments for each qualified professional firefighter under the Firefighters Foundation Fund shall be \$3,100 in fiscal year 2002-2003 and \$3,100 in fiscal year 2003-2004.

Notwithstanding KRS 95A.262(3), \$500,000 is provided each fiscal year of the 2002-2004 biennium for the firefighters training center fund.

TOTAL - POSTSECONDARY EDUCATION

| | 2002-03 | 2003-04 |
|------------------------|---------------|---------------|
| General Fund (Tobacco) | 7,030,000 | 6,205,000 |
| General Fund | 1,107,939,900 | 1,168,115,900 |
| Restricted Funds | 1,793,829,900 | 1,842,879,300 |
| Federal Funds | 399,747,900 | 415,252,800 |
| TOTAL | 3,308,547,700 | 3,432,453,000 |

M. PUBLIC PROTECTION AND REGULATION CABINET

Budget Units

74. BOARD OF CLAIMS/CRIME VICTIMS' COMPENSATION

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 635,000 | 857,300 |
| Restricted Funds | 2,539,000 | 2,936,900 |
| Federal Funds | 546,900 | 557,800 |
| TOTAL | 3,720,900 | 4,352,000 |

75. ALCOHOLIC BEVERAGE CONTROL

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 250,000 | 1,663,000 |
| Restricted Funds | 5,637,600 | 4,295,200 |
| TOTAL | 5,887,600 | 5,958,200 |

Included in the above General Fund appropriation is \$250,000 in fiscal year 2002-2003 and \$250,000 in fiscal year 2003-2004 to carry out the provisions of KRS 438.337.

76. FINANCIAL INSTITUTIONS

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| Restricted Funds | 8,993,100 | 9,329,700 |

77. KENTUCKY RACING COMMISSION

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 509,200 | 522,800 |
| Restricted Funds | 15,002,600 | 13,664,500 |
| TOTAL | 15,511,800 | 14,187,300 |

78. HOUSING, BUILDINGS AND CONSTRUCTION

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 1,718,300 | 2,318,300 |
| Restricted Funds | 12,826,500 | 12,287,600 |
| TOTAL | 14,544,800 | 14,605,900 |

79. INSURANCE

General Operations

| | 2002-03 | 2003-04 |
|------------------------|------------|------------|
| General Fund (Tobacco) | 19,405,200 | 16,855,900 |
| Restricted Funds | 22,851,900 | 24,162,100 |
| TOTAL | 42,257,100 | 41,018,000 |

80. MINES AND MINERALS

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 9,365,000 | 9,365,000 |
| Restricted Funds | 2,261,100 | 2,043,200 |
| Federal Funds | 599,300 | 598,500 |
| TOTAL | 12,225,400 | 12,006,700 |

Notwithstanding KRS 342.122, the Kentucky Workers' Compensation Funding Commission will finance a portion of the Mines and Minerals budget through Special Fund assessments. Funds in the amount of \$850,000 in fiscal year 2002-2003 and \$850,000 in fiscal year 2003-2004 shall be transferred to Mines and Minerals.

81. PUBLIC ADVOCACY

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 23,925,300 | 25,389,800 |
| Restricted Funds | 3,025,900 | 3,077,900 |
| Federal Funds | 1,569,300 | 1,384,500 |
| TOTAL | 28,520,500 | 29,852,200 |

82. PUBLIC SERVICE COMMISSION

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 11,527,900 | 11,752,100 |
| Restricted Funds | 2,524,000 | 24,000 |
| Federal Funds | 259,800 | 272,200 |
| TOTAL | 14,311,700 | 12,048,300 |

Included in the above General Fund appropriation is \$589,000 in fiscal year 2002-2003 and \$589,000 in fiscal year 2003-2004 for debt service on bonds for the new office building authorized by the 1996 General Assembly.

Notwithstanding KRS 278.150(3), \$793,000 from the General Fund moneys carried forward from fiscal year 2001-2002 into fiscal year 2002-2003 shall lapse to the credit of the General Fund Surplus Account within 30 days of the effective date of this Act.

83. SECRETARY

a. General Operations

| | | |
|---|-------------|-------------|
| | 2002-03 | 2003-04 |
| General Fund | 261,200 | 261,200 |
| Restricted Funds | 2,036,900 | 2,095,700 |
| TOTAL | 2,298,100 | 2,356,900 |
| b. Petroleum Storage Tank Environmental Assurance Fund | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 32,103,700 | 29,660,600 |
| TOTAL - SECRETARY | | |
| | 2002-03 | 2003-04 |
| General Fund | 261,200 | 261,200 |
| Restricted Funds | 34,140,600 | 31,756,300 |
| TOTAL | 34,401,800 | 32,017,500 |
| 84. BOARD OF TAX APPEALS | | |
| | 2002-03 | 2003-04 |
| General Fund | 478,100 | 498,600 |
| 85. CHARITABLE GAMING | | |
| | 2002-03 | 2003-04 |
| Restricted Funds | 3,460,800 | 3,603,800 |
| Notwithstanding KRS 238.570, the gross receipts fee for fiscal year 2002-2003 and fiscal year 2003-2004 shall be fifty-three one-hundredths of one percent. | | |
| TOTAL - PUBLIC PROTECTION AND REGULATION CABINET | | |
| | 2002-03 | 2003-04 |
| General Fund (Tobacco) | 19,405,200 | 16,855,900 |
| General Fund | 48,670,000 | 52,628,100 |
| Restricted Funds | 113,263,100 | 107,181,200 |
| Federal Funds | 2,975,300 | 2,813,000 |
| TOTAL | 184,313,600 | 179,478,200 |
| N. REVENUE | | |
| Budget Units | | |
| 86. REVENUE CABINET | | |
| | 2002-03 | 2003-04 |
| General Fund | 66,587,800 | 66,032,000 |
| Restricted Funds | 4,519,000 | 4,149,200 |
| Road Fund | 1,418,000 | 1,418,000 |

| | | |
|-------|------------|------------|
| TOTAL | 72,524,800 | 71,599,200 |
|-------|------------|------------|

Pursuant to KRS 136.392, the insurance surcharge rate shall be calculated at a rate to provide sufficient funds in the 2002-2004 fiscal biennium for the Firefighters Foundation Program Fund and the Kentucky Law Enforcement Foundation Program Fund, including the administration of training programs, pay supplements prescribed by statute, and debt service for the respective program funds specified in KRS 15.410 to 15.510, 42.190, 95A.220, and 95A.262 in fiscal year 2002-2003 and fiscal year 2003-2004. The calculation of sufficient funds for the above-named programs shall include any Restricted Funds carried forward from fiscal years 2002-2003 and 2003-2004 provided by the General Assembly in this Act.

The above Road Fund appropriation represents the cost of the Road Fund Compliance and Motor Vehicle Property Tax Programs within the Revenue Cabinet and is to be used exclusively for that purpose.

Notwithstanding KRS 134.400, the administration of the Delinquent Tax Fund is in the Department of Property Valuation. Proceeds shall be deposited to this account, except that the first \$100,000 shall be deposited exclusively to the General Fund. The Revenue Cabinet may retain and expend funds from the accumulated balance in the Delinquent Tax Fund account for the administrative activities of the Revenue Cabinet.

Included in the above General Fund appropriation is \$500,000 in fiscal year 2002-2003 and \$1,000,000 in fiscal year 2003-2004 for personnel and operating costs to support tax compliance efforts to enhance compliance and efficiency in collections.

87. PROPERTY VALUATION ADMINISTRATORS

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 27,431,800 | 28,222,300 |
| Restricted Funds | 3,894,100 | 4,464,100 |
| TOTAL | 31,325,900 | 32,686,400 |

Notwithstanding KRS 132.590(3)(c) and (4) and 132.597, the property valuation administrators are authorized to take necessary actions to manage expenditures within the appropriated amounts contained in this Act.

TOTAL - REVENUE CABINET

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 94,019,600 | 94,254,300 |
| Restricted Funds | 8,413,100 | 8,613,300 |
| Road Fund | 1,418,000 | 1,418,000 |
| TOTAL | 103,850,700 | 104,285,600 |

O. TOURISM DEVELOPMENT CABINET

Budget Units

88. OFFICE OF THE SECRETARY

| | 2002-03 | 2003-04 |
|--------------|-----------|-----------|
| General Fund | 4,023,800 | 1,673,800 |

| | | |
|------------------|-----------|-----------|
| Restricted Funds | 119,000 | 1,200,000 |
| TOTAL | 4,142,800 | 2,873,800 |

Included in the above General Fund appropriation is \$2,350,000 in fiscal year 2002-2003 for the purpose of supporting expenditures relating to agencies and programs within the Tourism Development Cabinet. Any funds transferred to other agencies within the Tourism Development Cabinet shall be designated as Restricted Funds and may be used to support the activities, programs, and operations of the agency receiving the respective funds.

89. BREAKS INTERSTATE PARK

| | | |
|--------------|---------|---------|
| | 2002-03 | 2003-04 |
| General Fund | 196,000 | 196,000 |

90. TRAVEL DEVELOPMENT

| | | |
|------------------|-----------|-----------|
| | 2002-03 | 2003-04 |
| General Fund | 6,900,200 | 6,900,200 |
| Restricted Funds | 2,000,000 | 0 |
| TOTAL | 8,900,200 | 6,900,200 |

Included in the above Restricted Fund appropriation is \$2,000,000 in fiscal year 2002-2003 for the Appalachia Bus Program from the Local Government Economic Development Fund Multi-County Fund.

91. PARKS

| | | |
|------------------|------------|------------|
| | 2002-03 | 2003-04 |
| General Fund | 28,857,100 | 28,857,100 |
| Restricted Funds | 50,998,000 | 52,400,000 |
| Federal Funds | 14,000 | 0 |
| TOTAL | 79,869,100 | 81,257,100 |

Notwithstanding KRS 148.800, 148.805, and 148.810 or any other statute or provision of law to the contrary, the General Assembly authorizes the use of the Park Capital Maintenance and Renovation Fund for any ongoing cost of the Department of Parks.

Included in the above Restricted Fund appropriation is \$923,000 in fiscal year 2002-2003 and \$1,069,000 in fiscal year 2003-2004 for the purpose of providing custodial maintenance and ongoing costs of newly constructed golf courses at Dale Hollow Lake State Park, Yatesville Lake State Park, Grayson Lake State Park, Mineral Mounds State Park, Pennyriple State Park, and Kincaid Lake State Park. If, upon completing the cost/benefit analysis directed in Part IX, Special Provisions, of this Act, the Secretary of the Tourism Development Cabinet determines that completing the newly constructed courses is the most cost-effective option, these funds shall be used to support debt service on new bonds. All necessary debt service amounts shall be appropriated from the General Fund and shall be fully paid regardless of whether there are sufficient moneys available to be transferred from Restricted Fund supported funding program accounts to other accounts of the General Fund.

92. KENTUCKY HORSE PARK

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 1,750,000 | 1,650,000 |
| Restricted Funds | 5,942,000 | 5,632,000 |
| TOTAL | 7,692,000 | 7,282,000 |

93. KENTUCKY STATE FAIR BOARD

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 407,000 | 712,000 |
| Restricted Funds | 30,163,000 | 30,059,500 |
| TOTAL | 30,570,000 | 30,771,500 |

Included in the Restricted Funds appropriation is \$371,000 in fiscal year 2002-2003 and \$371,000 in fiscal year 2003-2004 for debt service for Project 55.

Any available Restricted Funds included in the State Fair Board's Capital Budget Account may be transferred to the operating budget to support personnel and operating expenses of the State Fair Board.

Included in the above General Fund appropriation in fiscal year 2003-2004 is \$305,000 for debt service to support Bond Funds totaling \$3,300,000 for the purchase of a Department of Transportation Building adjacent to the property owned by the State Fair Board and to replace roofs.

94. FISH AND WILDLIFE RESOURCES

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| Restricted Funds | 27,381,000 | 28,658,000 |
| Federal Funds | 7,850,000 | 7,650,000 |
| TOTAL | 35,231,000 | 36,308,000 |

TOTAL-TOURISM DEVELOPMENT CABINET

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 42,134,100 | 39,989,100 |
| Restricted Funds | 116,603,000 | 117,949,500 |
| Federal Funds | 7,864,000 | 7,650,000 |
| TOTAL | 166,601,100 | 165,588,600 |

P. TRANSPORTATION CABINET

95. TRANSPORTATION CABINET

Budget Units

a. Air Transportation

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| Restricted Funds | 4,817,200 | 4,817,900 |
| Federal Funds | 13,800 | 9,400 |

| | | |
|-------|-----------|-----------|
| TOTAL | 4,831,000 | 4,827,300 |
|-------|-----------|-----------|

Notwithstanding KRS 183.525(5), the Restricted Funds appropriation above includes operational costs of the program.

b. Revenue Sharing

| | 2002-03 | 2003-04 |
|-----------|-------------|-------------|
| Road Fund | 220,520,900 | 224,762,500 |

1. Included in the above Road Fund appropriation is \$83,411,500 in fiscal year 2002-2003 and \$85,021,900 in fiscal year 2003-2004 for the County Road Aid Program in accordance with KRS 177.320, 179.410, 179.415, and 179.440. Notwithstanding KRS 177.320(2), the above amount has been reduced by \$38,000 in fiscal year 2002-2003 and \$38,000 in fiscal year 2003-2004 which has been appropriated to the Highways appropriation unit for the support of the Kentucky Transportation Center.

2. Included in the above Road Fund appropriation is \$101,187,800 in fiscal year 2002-2003 and \$103,141,400 in fiscal year 2003-2004 for the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340, 177.350, and 177.360. Notwithstanding KRS 177.320(1), the above amount has been reduced by \$46,000 in fiscal year 2002-2003 and \$46,000 in fiscal year 2003-2004 which has been appropriated to the Highways appropriation unit for the support of the Kentucky Transportation Center.

3. Included in the above Road Fund appropriation is \$35,096,600 in fiscal year 2002-2003 and \$35,774,200 in fiscal year 2003-2004 for the Municipal Road Aid Program in accordance with KRS 177.365, 177.366, and 177.369. Notwithstanding KRS 177.365(1), the above amount has been reduced by \$16,000 in fiscal year 2002-2003 and \$16,000 in fiscal year 2003-2004 which has been appropriated to the Highways appropriation unit for the support of the Kentucky Transportation Center.

4. Included in the above Road Fund appropriation is \$825,000 in fiscal year 2002-2003 and \$825,000 in fiscal year 2003-2004 for the Energy Recovery Road Fund in accordance with KRS 177.977, 177.9771, 177.9772, 177.978, 177.979, and 177.981.

c. Public Transportation

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 5,520,300 | 4,875,300 |
| Restricted Funds | 2,506,100 | 874,100 |
| Federal Funds | 28,864,900 | 27,517,000 |
| TOTAL | 36,891,300 | 33,266,400 |

Included in the above General Fund appropriation is \$2,500,000 in fiscal year 2002-2003 and \$2,500,000 in fiscal year 2003-2004 for nonpublic school transportation.

Included in the above General Fund appropriation is \$645,000 in fiscal year 2002-2003 to match federal grants for the TARC Transportation Tomorrow Rapid Transit Study.

d. Highways

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| Restricted Funds | 61,627,300 | 61,633,800 |

| | | |
|---------------|---------------|---------------|
| Federal Funds | 495,939,000 | 496,114,400 |
| Road Fund | 586,293,600 | 597,113,200 |
| TOTAL | 1,143,859,900 | 1,154,861,400 |

1. Included in the above Road Fund appropriation is \$225,082,700 in fiscal year 2002-2003 and \$218,103,800 in fiscal year 2003-2004 for the State Funded Construction Program.

Included in the State Funded Construction Program is \$66,000,000 in fiscal year 2002-2003 and \$67,320,000 in fiscal year 2003-2004 from the Road Fund for the State Resurfacing Program.

Included in the State Funded Construction Program is \$500,000 in fiscal year 2002-2003 and \$500,000 in fiscal year 2003-2004 from the Road Fund for the Specialized Contracts Account.

Included in the State Funded Construction Program is \$121,582,700 in fiscal year 2002-2003 and \$112,543,800 in fiscal year 2003-2004 from the Road Fund for state construction projects in the 2002-2004 Biennial Highway Construction Program. Included within the above Road Fund appropriation is \$2,500,000 in fiscal year 2002-2003 and \$2,500,000 in fiscal year 2003-2004 to support the Kentucky Pride Fund created in KRS 224.43-505.

Included in the State Funded Construction Program is \$37,000,000 in fiscal year 2002-2003 and \$37,740,000 in fiscal year 2003-2004 for the Highway Construction Contingency Account. From the effective date of this Act, there is included within the Highway Construction Contingency Account \$1,000,000 in fiscal year 2002-2003 beyond any dollars expended, encumbered, or committed prior to the effective date of this Act; and \$2,000,000 in fiscal year 2003-2004 to be deposited to the Industrial Road Access Account within the Transportation Cabinet. The Industrial Road Access Account funds are designated to be used solely by the Secretary of the Economic Development Cabinet. These funds may be expended, encumbered, or committed only upon the direction of the Secretary of the Economic Development Cabinet to the Secretary of the Transportation Cabinet. The Secretary of the Economic Development Cabinet may request from the Secretary of the Transportation Cabinet additional funds to be deposited to the Industrial Road Access Account if the funds are necessary to meet specific economic development opportunities in a local community. Any funds not expended from the Industrial Road Access Account prior to June 30, 2003, shall not lapse to the State Highway Construction Program but will remain in the Industrial Road Access Account and carry forward into fiscal year 2003-2004. Included within the above Road Fund appropriation is \$2,500,000 in fiscal year 2002-2003 and \$2,500,000 in fiscal year 2003-2004 to support the Kentucky Pride Fund created in KRS 224.43-505.

2. Projects in the enacted 2000-2002 Biennial Highway Construction Plan are authorized to continue their current authorization into the 2002-2004 biennium.

3. Notwithstanding KRS 177.320(4), included in the above Road Fund appropriation is \$290,000 in fiscal year 2002-2003 and \$290,000 in fiscal year 2003-2004 for the Kentucky Transportation Center.

4. Notwithstanding KRS 48.710, Restricted Funds are appropriated in the amount of \$1,500,000 in fiscal year 2002-2003 and \$1,500,000 in fiscal year 2003-2004 from the sale of surplus equipment to purchase new highway equipment.

e. Vehicle Regulation

2002-03

2003-04

| | | |
|------------------|------------|------------|
| Restricted Funds | 7,001,700 | 6,699,300 |
| Federal Funds | 2,786,600 | 2,826,200 |
| Road Fund | 30,031,700 | 31,333,800 |
| TOTAL | 39,820,000 | 40,859,300 |

f. Debt Service

| | | |
|-----------|-------------|-------------|
| | 2002-03 | 2003-04 |
| Road Fund | 167,660,900 | 161,312,100 |

1. Included in the above Road Fund appropriation is \$620,600 in fiscal year 2002-2003 and \$620,600 in fiscal year 2003-2004 for toll road lease-rental payments.

2. Included in the above Road Fund appropriation is \$26,334,900 in fiscal year 2002-2003 and \$38,889,500 in fiscal year 2003-2004 for Resource Recovery Road lease-rental payments. The Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease-rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Transportation Cabinet, pursuant to KRS 143.090. However, if Road Fund resources are not sufficient to meet lease-rental payments, the additional amount required to meet the obligation shall be transferred from the proceeds of the tax levied on the severance or processing of coal by KRS 143.020.

3. Included in the above Road Fund appropriation is \$140,705,400 in fiscal year 2002-2003 and \$121,802,000 in fiscal year 2003-2004 for Economic Development Road lease-rental payments relating to projects financed by Economic Development Road Revenue Bonds previously issued by the Turnpike Authority of Kentucky.

4. Any moneys not required to meet lease-rental payments or to meet the administrative costs of the Turnpike Authority shall be transferred to the State Construction account.

5. Notwithstanding KRS 175.505, no portion of the revenues to the state Road Fund provided by the adjustments in KRS 138.220(2), excluding KRS 177.320 and 177.365, shall accrue to the Debt Payment Acceleration Fund account during the 2002-2004 biennium.

g. General Administration and Support

| | | |
|------------------|------------|-------------|
| | 2002-03 | 2003-04 |
| Restricted Funds | 29,050,000 | 29,050,000 |
| Road Fund | 70,288,300 | 75,914,900 |
| TOTAL | 99,338,300 | 104,964,900 |

Included in the above Road Fund appropriation is \$7,165,600 in fiscal year 2002-2003 and \$7,335,500 in fiscal year 2003-2004 for debt service for previously authorized bonds to construct a new Transportation Cabinet Office Building and parking structure.

h. Judgments

Road Fund resources required to pay judgments shall be transferred from the State Construction Account at the time when actual payments must be disbursed from the State Treasury.

Notwithstanding KRS 45.229, any funds not expended by June 30, 2002, and June 30, 2003, shall not lapse and shall carry forward to the next fiscal year.

TOTAL - TRANSPORTATION CABINET

| | 2002-03 | 2003-04 |
|------------------|---------------|---------------|
| General Fund | 5,520,300 | 4,875,300 |
| Restricted Funds | 105,002,300 | 103,075,100 |
| Federal Funds | 527,604,300 | 526,467,000 |
| Road Fund | 1,074,795,400 | 1,090,436,500 |
| TOTAL | 1,712,922,300 | 1,724,853,900 |

Q. WORKFORCE DEVELOPMENT CABINET

Budget Units

96. GENERAL ADMINISTRATION AND PROGRAM SUPPORT

| | 2002-03 | 2003-04 |
|------------------|-----------|-----------|
| General Fund | 1,116,100 | 1,116,100 |
| Restricted Funds | 6,661,200 | 6,696,400 |
| Federal Funds | 190,300 | 175,400 |
| TOTAL | 7,967,600 | 7,987,900 |

97. TECHNICAL EDUCATION

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 23,150,300 | 23,150,300 |
| Restricted Funds | 20,637,400 | 19,672,600 |
| Federal Funds | 13,037,200 | 13,037,200 |
| TOTAL | 56,824,900 | 55,860,100 |

Included in the above General Fund appropriation is \$1,600,000 in fiscal year 2002-2003 and \$521,000 in fiscal year 2003-2004 to provide for start-up costs for the Lincoln County and Jackson County vocational technical schools. In addition, the above General Fund appropriation includes \$644,800 in fiscal year 2002-2003 and \$344,600 in fiscal year 2003-2004 to support the ongoing operational costs of the Lincoln County and Jackson County vocational technical schools. Notwithstanding KRS 45.229, funds allocated for the ongoing operational costs remaining at the end of fiscal year 2002-2003 shall not lapse but shall be carried forward to fiscal year 2003-2004.

Notwithstanding KRS 341.835, up to \$550,000 from the Unemployment Insurance Penalty and Interest Account in the Department for Employment Services shall be transferred in fiscal year 2002-2003 to the Department for Technical Education to operate training programs.

98. ADULT EDUCATION AND LITERACY

| | 2002-03 | 2003-04 |
|--------------|------------|------------|
| General Fund | 10,807,600 | 10,807,600 |

| | | |
|------------------|------------|------------|
| Restricted Funds | 11,104,300 | 11,104,300 |
| Federal Funds | 12,624,500 | 15,149,400 |
| TOTAL | 34,536,400 | 37,061,300 |

99. VOCATIONAL REHABILITATION

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 11,045,200 | 11,236,400 |
| Restricted Funds | 2,911,100 | 2,955,100 |
| Federal Funds | 43,328,800 | 44,193,800 |
| TOTAL | 57,285,100 | 58,385,300 |

100. DEPARTMENT FOR THE BLIND

| | 2002-03 | 2003-04 |
|------------------|------------|------------|
| General Fund | 1,282,800 | 1,492,600 |
| Restricted Funds | 1,948,800 | 1,979,000 |
| Federal Funds | 7,484,600 | 7,636,700 |
| TOTAL | 10,716,200 | 11,108,300 |

101. TEACHERS' RETIREMENT-EMPLOYER'S CONTRIBUTION

| | 2002-03 | 2003-04 |
|--------------|-----------|-----------|
| General Fund | 4,627,700 | 4,743,400 |

The above General Fund appropriation includes the employer match for salaries paid to Workforce Development Cabinet employees who participate in the Teachers' Retirement System. This match shall be forwarded to the Teachers' Retirement System pursuant to KRS 161.560.

102. TRAINING AND REEMPLOYMENT

| | 2002-03 | 2003-04 |
|---------------|------------|------------|
| Federal Funds | 48,530,400 | 49,350,300 |

103. EMPLOYMENT SERVICES

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 69,000 | 69,000 |
| Restricted Funds | 6,051,700 | 7,443,500 |
| Federal Funds | 617,825,500 | 509,917,900 |
| TOTAL | 623,946,200 | 517,430,400 |

Notwithstanding KRS 341.835, funds from the Unemployment Insurance Penalty and Interest Account in the Unemployment Compensation Administration Fund shall be used during each fiscal year by the Department for Employment Services to operate employment and training programs and up to \$550,000 in fiscal year 2002-2003 shall be transferred to the Department for Technical Education to operate training programs.

In addition to supplementing the Unemployment Insurance Trust Fund, Federal Funds available to Kentucky as a result of the Reed Act distribution under Section 903(d) of the Social Security Act, as amended, may be used for the administration of the unemployment compensation law and the public employment offices for costs allowable under the Unemployment Insurance and Wagner-Peyser Programs, subject to the provisions of KRS 48.630.

TOTAL - WORKFORCE DEVELOPMENT CABINET

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 52,098,700 | 52,615,400 |
| Restricted Funds | 49,314,500 | 49,850,900 |
| Federal Funds | 743,021,300 | 639,460,700 |
| TOTAL | 844,434,500 | 741,927,000 |

R. BUDGET RESERVE TRUST FUND

| | 2002-03 | 2003-04 |
|--------------|-----------|------------|
| General Fund | 5,087,400 | 25,921,800 |
| TOTAL | 5,087,400 | 25,921,800 |

PART II

CAPITAL PROJECTS BUDGET

Moneys in the Capital Construction Fund are appropriated for the following capital projects subject to the conditions and procedures in this Act. Items listed without appropriated amounts are previously authorized for which no additional amount is required. These items are listed in order to continue their current authorization into the 2002-2004 biennium. Unless otherwise specified, reauthorized projects shall conform to the original authorization enacted by the General Assembly.

A. GOVERNMENT OPERATIONS

| Budget Unit | 2002-03 | 2003-04 |
|-------------|---------|---------|
|-------------|---------|---------|

1. Governor's Office for Technology

For the major equipment purchases displayed in this section as funded from Restricted Funds, it is anticipated that these funds shall be transferred from the Operating Budget as funds are available and needed.

- | | | |
|--|-----------|--|
| a. Statewide Microwave Network Maintenance | | |
| Investment Income | 1,500,000 | |
| b. Unified Criminal Justice Information System | | |
| Reauthorization | | |
| Capital Construction Surplus - Additional | 1,000,000 | |
| Restricted Funds | 805,000 | |
| TOTAL | 1,805,000 | |
| c. KY Information Highway Upgrade Expansion - Additional | | |

| | | | |
|----|--|-----------|-----------|
| | Restricted Funds | 1,750,000 | 1,750,000 |
| d. | Enterprise Server Complex Upgrade - Additional | | |
| | Restricted Funds | 2,370,000 | 2,370,000 |
| e. | Disk Storage Upgrade - Additional | | |
| | Restricted Funds | 887,000 | 887,000 |
| f. | Tape Storage Upgrade - Additional | | |
| | Restricted Funds | 645,000 | 645,000 |
| g. | Enterprise Messaging | | |
| | Restricted Funds | 660,000 | |
| h. | Franklin County - Lease | | |
| 2. | Department of Veterans' Affairs | | |
| a. | New State Veterans' Cemetery-Northern KY | | |
| | General Fund | 50,000 | |
| | Federal Funds | 9,500,000 | |
| | TOTAL | 9,550,000 | |
| b. | New State Veterans' Cemetery-Central KY | | |
| | General Fund | 50,000 | |
| | Federal Funds | 8,900,000 | |
| | TOTAL | 8,950,000 | |
| 3. | Kentucky Infrastructure Authority | | |
| a. | KIA Fund A - Federally Assisted Wastewater Program | | |
| | Bond Funds | 6,200,000 | |

The Bond Funds appropriated above are the required state match for the federal program. The Federal Funds associated with the program are appropriated in the operating budget to comply with the Federal Cash Management Act.

Included in the above Bond Funds appropriation is the funding required in each fiscal year for the state match necessary to receive Federal Funds for the Rural Communities Hardship Grants Program administered by the Natural Resources and Environmental Protection Cabinet.

The Kentucky Infrastructure Authority is authorized to expend the cash balances from loan repayments on deposit at the trustee bank for financial assistance, in the form of low-interest loans, to governmental agencies for professional planning and preliminary engineering design work required for eligible Fund A wastewater projects.

| | | | |
|----|--|-----------|--|
| b. | KIA Fund F - Drinking Water Revolving Loan Program | | |
| | Bond Funds | 5,000,000 | |

The Bond Funds appropriated above are the required state match for the federal program. The Federal Funds associated with the program are appropriated in the operating budget to comply with the Federal Cash Management Act.

| | | | |
|----|---|------------|------------|
| c. | Kentucky Pride Fund Projects | | |
| | Bond Funds | 25,000,000 | |
| d. | Water and Sewer Resources Development Fund for Tobacco Counties | | |
| | Bond Funds | | 54,765,000 |
| e. | Water and Sewer Resources Development Fund for Coal Producing Counties | | |
| | Bond Funds | | 54,765,000 |
| 4. | Treasury Department | | |
| a. | Checksealer Equipment - Lease - Additional | | |
| | Capital Construction Surplus | 63,000 | 63,000 |
| b. | Laser Check Printers - Lease - Additional | | |
| | Capital Construction Surplus | 257,000 | 256,000 |
| 5. | Attorney General | | |
| a. | Franklin County - Lease | | |
| 6. | Unified Prosecutorial System - Commonwealth's Attorneys | | |
| a. | Jefferson County - Lease | | |
| 7. | Department of Agriculture | | |
| a. | Large Scale Tractor | | |
| | Restricted Funds | 175,000 | |
| b. | Purchase of Agriculture Conservation Easements | | |
| | Federal Funds | 460,000 | |
| c. | Livestock Scale Testing Unit | | |
| | Restricted Funds | 100,000 | |
| d. | Franklin County - Lease | | |
| e. | Animal Shelters | | |
| | Bond Funds | 1,600,000 | |
| 8. | Department of Military Affairs | | |
| a. | Construct Maintenance Shop- London | | |
| | Federal Funds | 3,640,000 | |
| b. | Construct Combined Support Maintenance Shop | | |

| | | | |
|-----|--|------------|---------|
| | Federal Funds | 10,465,000 | |
| c. | Construct Army Aviation Support Facility | | |
| | Federal Funds | 17,500,000 | |
| d. | Construct Fixed Wing Aviation Facility | | |
| | Federal Funds | 4,000,000 | |
| e. | Upgrade HVAC Ashland Armory (Guaranteed Energy Performance Contract) | | |
| f. | Upgrade HVAC Owensboro Armory (Guaranteed Energy Performance Contract) | | |
| g. | Construct Addition to Facilities Building | | |
| | Federal Funds | 911,000 | |
| h. | Maintenance Pool | | |
| | Investment Income | 743,400 | 742,900 |
| i. | Maintenance Pool - Air Transportation | | |
| | Investment Income | 400,000 | 371,400 |
| j. | Maintenance Pool - Bluegrass Station | | |
| | Restricted Funds | 500,000 | 500,000 |
| k. | Franklin County - Lease | | |
| 9. | Department for Local Government | | |
| a. | Flood Control Matching Fund | | |
| | Bond Funds | 3,000,000 | |
| | Capital Construction and Equipment | | |
| | Purchase Contingency Fund | 300,000 | |
| | TOTAL | 3,300,000 | |
| b. | Renaissance Kentucky | | |
| | Bond Funds | 6,000,000 | |
| 10. | Morgan County - Park Development - Caney Creek Reauthorization and Reallocation (\$30,709 - Bond Funds) | | |

The project cited immediately above is authorized from a reallocation of the available balance of the Morgan County Bridge Project appropriated by the 2000 General Assembly in the amount \$200,000 in Bond Funds (2000 Ky. Acts ch. 549, Part II, R. Community Development Projects, 1. Finance and Administration Cabinet, item number 556, Morgan County Bridge Project). In accordance with the provisions of Capital Projects Budget Provisions for Part II, Capital Projects, 1., of this Act, this project is reauthorized and reallocated to provide for development of a park at the mouth of Caney Creek.

11. Fleming County Fiscal Court - Fire Departments

Reauthorization and Reallocation (\$100,000 - General Fund)

The project cited immediately above is authorized from a reallocation of the available balance of the Fleming County Fiscal Court - Environmental Program project appropriated by the 2000 General Assembly in the amount of \$100,000 from the General Fund (2000 Ky. Acts ch. 549, Part II, R. Community Development Projects 1. Finance and Administration Cabinet, General Administration, item number 188, Fleming County Fiscal Court - Environmental Program.) In accordance with the provisions of Capital Projects Budget Provisions for Part II, Capital Projects, 1., of this Act, this project is reauthorized and \$100,000 is reallocated to Fleming County Fiscal Court and entitled Fleming County Fiscal Court - Volunteer Fire Departments to be distributed equally among the five Fleming County Volunteer Fire Departments.

12. Kentucky Retirement Systems

- a. Franklin County - Lease
- b. Franklin County - Lease

13. Board of Nursing

- a. Jefferson County – Lease

14. Kentucky River Authority

- a. Kentucky River Storage Enhancements

| | | |
|------------------|--------|-----------|
| Restricted Funds | 30,000 | 2,500,000 |
|------------------|--------|-----------|

B. CABINET FOR ECONOMIC DEVELOPMENT

| Budget Unit | 2002-03 | 2003-04 |
|-------------|---------|---------|
|-------------|---------|---------|

1. Economic Development Projects

- a. Kentucky Economic Development Finance

Authority Bond Pool

| | | |
|------------|------------|--|
| Bond Funds | 30,000,000 | |
|------------|------------|--|

- b. Economic Development Bond Pool

| | | |
|------------|------------|--|
| Bond Funds | 10,000,000 | |
|------------|------------|--|

- c. New Economy High-Tech Investment/Construction Pool

| | | |
|------------------|------------|--|
| Restricted Funds | 10,000,000 | |
|------------------|------------|--|

The Commissioner of the Office for the New Economy shall determine the amounts to be apportioned between the High-Tech Investment Pool and the High-Tech Construction Pool.

Moneys available to the Kentucky Economic Development Finance Authority (KEDFA) under KRS 154.20-010 to 154.20-180 shall be used exclusively for the purposes of those statutes or as expressly provided for in this Act. Nothing in this Act shall prohibit the transfer of funds from KEDFA to the New Economy Program as set out in this Act.

- d. Rupp Arena/Lexington Civic Center

| | | |
|------------|------------|--|
| Bond Funds | 15,000,000 | |
|------------|------------|--|

- e. New Economy Bond Pool

| | | |
|------------|------------|--|
| Bond Funds | 15,000,000 | |
|------------|------------|--|

C. EDUCATION

| | | |
|-------------|---------|---------|
| Budget Unit | 2002-03 | 2003-04 |
|-------------|---------|---------|

1. Department of Education

a. Security, Fire Alarm, & Energy Systems - Kentucky School for the Blind

| | | |
|------------|---------|--|
| Bond Funds | 450,000 | |
|------------|---------|--|

b. Replace Kerr Hall HVAC - Kentucky School for the Deaf

| | | |
|------------|-----------|--|
| Bond Funds | 1,067,000 | |
|------------|-----------|--|

c. Maintenance Pool

| | | |
|-------------------|---------|---------|
| Investment Income | 557,600 | 557,100 |
|-------------------|---------|---------|

d. Roof Repair - Kentucky School for the Deaf

| | | |
|------------------------------|---------|--|
| Capital Construction Surplus | 520,000 | |
|------------------------------|---------|--|

D. EDUCATION, ARTS, AND HUMANITIES CABINET

| | | |
|-------------|---------|---------|
| Budget Unit | 2002-03 | 2003-04 |
|-------------|---------|---------|

1. School Facilities Construction Commission

a. Reauthorization (\$28,000,000 Bond Funds)

| | | |
|-------------------------|-------------|--|
| Bond Funds - Additional | 136,865,000 | |
|-------------------------|-------------|--|

b. Urgent Need School Trust Fund

| | | |
|------------|------------|--|
| Bond Funds | 55,284,000 | |
|------------|------------|--|

c. Category 5 Buildings

| | | |
|------------|------------|--|
| Bond Funds | 54,730,900 | |
|------------|------------|--|

2. Kentucky Educational Television

a. Camera Replacement

| | | |
|------------------|---------|--|
| Restricted Funds | 445,000 | |
|------------------|---------|--|

3. Kentucky Center for the Arts

a. Maintenance Pool

| | | |
|-------------------|---------|---------|
| Investment Income | 150,000 | 139,400 |
|-------------------|---------|---------|

b. Chiller Replacement

| | | |
|-------------------|---------|--|
| Investment Income | 250,000 | |
|-------------------|---------|--|

c. Water Leak and Window Repair

| | | |
|----------------------|---------|--|
| Deferred Maintenance | 957,000 | |
|----------------------|---------|--|

E. CABINET FOR FAMILIES AND CHILDREN

| | | |
|-------------|---------|---------|
| Budget Unit | 2002-03 | 2003-04 |
|-------------|---------|---------|

1. Administration Services

- a. Lease - Disability Determinations Franklin County
- b. Lease - Fayette County
- c. Lease - Warren County
- d. Lease - Kenton County
- e. Lease including expansion - Jefferson County
- f. Lease - Hardin County
- g. Lease - Kenton County
- h. Lease - Campbell County
- i. Lease - Child Support Franklin County
- j. Lease including expansion - Letcher County
- k. Lease - OTS Franklin County
- l. Lease including expansion - Harlan County
- m. Lease including expansion - Henderson County
- n. Lease including expansion - Perry County
- o. Lease - Shelby County
- p. Lease including expansion - Fayette County
- q. Lease - Johnson County
- r. Lease including expansion - Boyd County
- s. Lease including expansion - Boone County

F. FINANCE AND ADMINISTRATION CABINET

| Budget Unit | 2002-03 | 2003-04 |
|----------------------------|---------|---------|
| 1. Office of the Secretary | | |

- a. Hardin County - Elizabethtown - Children's Science and Learning Center
Reauthorization and Reallocation (\$367,057.67 - General Fund)

The project cited immediately above is authorized from a reallocation of available balance of the Hardin County - Elizabethtown - Children's Science and Learning Center project appropriated by the 1998 General Assembly from the General Fund in the amount of \$500,000 (1998 Ky. Acts ch. 615, Part II, Capital Projects Budget, F. Finance and Administration Cabinet, 4. Office of the Secretary Community Infrastructure Projects, item k. Elizabethtown - Children's Science and Learning Center). This project is reauthorized and \$100,000 is reallocated to the Hardin County Fiscal Court for the Community Health Clinic of Hardin and Larue Counties, \$48,000 is reallocated to the Hardin County Fiscal Court for the Spring Haven, Inc. Domestic Violence Center in Elizabethtown, \$35,000 is reallocated to the Hardin County Fiscal Court for the Advocacy and Support Center for Sexual Assault and Abuse in Elizabethtown, \$167,057.67 is reallocated to the City of Elizabethtown for the renovation of the Historic State Theatre Project, and \$17,000 is reallocated to the Hardin County Fiscal Court for the Regional Farmers Market Feasibility Study in Elizabethtown. The Farmers Market Feasibility Study will be sponsored by the Elizabethtown and Hardin

County Chamber of Commerce. The Secretary of the Finance and Administration Cabinet may reassign projects to another appropriate state agency by Administrative Order after notification has been made to the Interim Joint Committee on Appropriations and Revenue and to the Capital Projects and Bond Oversight Committee.

2. Department for Administration
 - a. Franklin County - Lease
3. Department for Facilities Management
 - a. Capitol Historic Restoration/Asbestos Removal/Repair - State Office Building
Reauthorization/Reallocation
(6,000,000 - Bond Funds)
 - b. Energy Efficiency in State Government Buildings

| | | |
|------------------|-----------|--|
| Restricted Funds | 1,075,000 | |
|------------------|-----------|--|
 - c. Replace Roof - Civic Center

| | | |
|-------------------|-----------|--|
| Investment Income | 1,200,000 | |
|-------------------|-----------|--|
 - d. Maintenance Pool

| | | |
|-------------------|------------------|------------------|
| Investment Income | 3,386,400 | 3,250,000 |
| Restricted Funds | 240,000 | 100,000 |
| TOTAL | 3,626,400 | 3,350,000 |
 - e. Modernize Elevators/Escalators - Various Buildings

| | | |
|-------------------|-----------|--|
| Investment Income | 1,300,000 | |
|-------------------|-----------|--|
 - f. Install Building Security Systems - Various Buildings

| | | |
|------------------|---------|--|
| Restricted Funds | 750,000 | |
|------------------|---------|--|
 - g. Capital Construction and Equipment Purchase Contingency Fund

| | | |
|------------------|-----------|--|
| Restricted Funds | 3,350,000 | |
|------------------|-----------|--|
 - h. Emergency Repair, Maintenance and Replacement Fund

| | | |
|------------------|-----------|--|
| Restricted Funds | 4,195,000 | |
|------------------|-----------|--|
 - i. Guaranteed Energy Performance Projects Pool
4. Lottery Corporation
 - a. Network Storage and Associated Infrastructure

| | | |
|-------------|---------|--|
| Other Funds | 930,000 | |
|-------------|---------|--|
 - b. Contingency on Property Adjacent to New Headquarters

| | | |
|-------------|-----------|--|
| Other Funds | 3,500,000 | |
|-------------|-----------|--|
 - c. Data Processing, Telecommunication, and Related Equipment

| | | |
|-------------|-----------|--|
| Other Funds | 3,500,000 | |
|-------------|-----------|--|
 - d. Potential Buyout of On-Line Gaming System

| | | | |
|----|----------------------------------|------------|-----------|
| | Other Funds | 18,450,000 | |
| e. | Instant Ticket Vending Machine | | |
| | Other Funds | 900,000 | 900,000 |
| f. | Pull Tab Ticket Vending Machines | | |
| | Other Funds | 1,500,000 | 1,500,000 |

The Kentucky Lottery Corporation may acquire properties related to the consolidation of the Kentucky Lottery's facilities assuming one or more of the properties becomes available for purchase. The purchase price of the properties shall not exceed \$2,500,000 in the aggregate.

G. CABINET FOR HEALTH SERVICES

| Budget Unit | | 2002-03 | 2003-04 |
|-------------|--|-----------|-----------|
| 1. | Public Health | | |
| a. | Kentucky All Schedule Prescription Electronic Reporting | | |
| | Restricted Funds | 1,474,000 | |
| 2. | Department for Mental Health/Mental Retardation Services | | |
| a. | Miscellaneous Roof Replacement/Repair Pool | | |
| | Bond Funds | 700,000 | |
| b. | Statewide Chiller Replacement Pool | | |
| | Bond Funds | 612,000 | |
| c. | Franklin County - Lease | | |
| d. | Maintenance Pool | | |
| | Investment Income | 1,301,000 | 1,300,000 |
| e. | Water Piping Replacement System - Eastern State Hospital/Veterans Hospital Relocation | | |
| | Reauthorization & Reallocation - Additional | | |
| | Bond Funds | 250,000 | |
| f. | Sprinkler System/Ward Renovation - Western State Hospital | | |
| | Bond Funds | 2,200,000 | |
| g. | Structural Repair/Renovation - Oakwood | | |
| | Bond Funds | 2,009,000 | |
| h. | Sprinkler System - Central State Hospital | | |
| | Bond Funds | 850,000 | |
| i. | Veterans Administration Hospital - Lease | | |

H. JUSTICE CABINET

| Budget Unit | | 2002-03 | 2003-04 |
|-------------|--|---------|---------|
|-------------|--|---------|---------|

| | | | |
|----|---|-----------|---------|
| 1. | Justice Administration | | |
| a. | Purchase 2 Gas/Liquid Chromatograph Mass/Spectrometers | | |
| | Capital Construction Surplus | 250,000 | |
| 2. | Department of State Police | | |
| a. | Purchase of Equipment for DNA Analysis | | |
| | Restricted Funds | 136,000 | 136,000 |
| b. | Maintenance Pool | | |
| | Investment Income | 232,300 | 232,100 |
| 3. | Department of Juvenile Justice | | |
| a. | Combined Residential/Detention Facility - Hardin -Additional | | |
| | Federal Funds | 1,000,000 | |
| b. | Secure Juvenile Detention Facility #3 - Boyd - Additional | | |
| | Federal Funds | 500,000 | |
| c. | Maintenance Pool | | |
| | Investment Income | 371,700 | 371,400 |
| d. | Purchase Land/Build Gym/Class Cadet Leadership/Education Program | | |
| | Restricted Funds | 130,000 | |
| | Federal Funds | 1,170,000 | |
| | TOTAL | 1,300,000 | |
| e. | Add Classrooms - Green River Youth Development Center | | |
| | Restricted Funds | 60,000 | |
| | Federal Funds | 540,000 | |
| | TOTAL | 600,000 | |
| 4. | Corrections Management | | |
| a. | Replace/Repair Roofs - Green River Correctional Complex | | |
| | Bond Funds | 2,500,000 | |
| b. | Replace Underground Steam & Condensate Lines - Blackburn Correctional Complex | | |
| | Bond Funds | 1,260,000 | |
| c. | Replace Fire Alarm System - Luther Lockett Correctional Complex | | |
| | Bond Funds | 1,000,000 | |
| d. | Replace Dorm Roofs - Northpoint Training Center | | |
| | Bond Funds | 600,000 | |
| e. | Replace Four Color Heidelberg Printing Press | | |

| | | | |
|----|---|-----------|-----------|
| | Restricted Funds | 900,000 | |
| f. | Purchase Plascon Bagmaking Machine | | |
| | Restricted Funds | 160,000 | |
| g. | Various Adult Correctional Institutions (Guaranteed Energy Performance Contract) | | |
| h. | Maintenance Pool | | |
| | Investment Income | 1,672,700 | 1,671,400 |
| i. | New Medium Security Facility/Design Elliott County Phase II Reauthorization and Reallocation (1,800,000 - Bond Funds) | | |
| j. | Fayette County - Lease | | |
| k. | Boot Camp/Substance Abuse Treatment Center-Roederer Correctional Complex Reauthorization and Reallocation (1,004,000 - Bond Funds) | | |

I. LABOR CABINET

| Budget Unit | 2002-03 | 2003-04 |
|---------------------------------------|---------|---------|
| 1. General Administration and Support | | |
| a. Franklin County - Lease | | |
| 2. Workers' Claims | | |
| a. Franklin County - Lease | | |

J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

| Budget Unit | 2002-03 | 2003-04 |
|---|-----------|-----------|
| 1. General Administration and Support | | |
| a. KY Heritage Land Conservation | | |
| Restricted Funds | 3,000,000 | 3,000,000 |
| Federal Funds | 1,000,000 | 1,000,000 |
| TOTAL | 4,000,000 | 4,000,000 |
| b. Maintenance Pool | | |
| Investment Income | 93,000 | 92,900 |
| 2. Department for Environmental Protection | | |
| a. Hazardous Waste Management Fund | | |
| Restricted Funds | 2,100,000 | 2,100,000 |
| b. Leaking Underground Storage Tanks | | |
| Restricted Funds | 500,000 | 500,000 |
| c. State-Owned Dam Construction/Renovation - City of Franklin | | |
| Bond Funds | | 1,000,000 |

- d. Franklin County - Lease (Water)
- e. Franklin County - Lease (Air Quality)
- f. Construct Deep Well Monitoring - Maxey Flats
 - Capital Construction and Equipment
 - Purchase Contingency Fund 500,000
- 3. Department for Surface Mining Reclamation and Enforcement
 - a. Franklin County - Lease
- 4. Kentucky Nature Preserves Commission
 - a. KY Nature Preserves Acquisition
 - Other Funds 300,000 300,000

K. PERSONNEL CABINET

- | | | |
|-------------|---------|---------|
| Budget Unit | 2002-03 | 2003-04 |
|-------------|---------|---------|
- 1. Personnel
 - a. Franklin County - Lease
 - b. Computer Equipment - Kentucky Employees' Self-Service Project
 - Capital Construction Surplus 200,000

L. POSTSECONDARY EDUCATION

- | | | |
|-------------|---------|---------|
| Budget Unit | 2002-03 | 2003-04 |
|-------------|---------|---------|
- 1. Council on Postsecondary Education
 - a. Fire/ Life Safety/ Infrastructure - Agency Bond Pool
 - Agency Bonds 80,000,000
 - b. Franklin County - Lease
 - c. Research Challenge Trust Fund - Endowment Match
 - Bond Funds 100,000,000
 - d. Regional University Excellence Trust Fund - Endowment Match
 - Bond Funds 20,000,000
 - e. Renovation/ Infrastructure/ New Construction - Agency Bond Pool
 - Agency Bonds 75,000,000
 - 2. Kentucky Higher Education Assistance Authority
 - a. Upgrade Information Technology Systems
 - Restricted Funds 650,000
 - b. Franklin County - Lease
 - c. KY Higher Education Student Loan Corporation
 - Lease - Jefferson County

3. Eastern Kentucky University
 - a. Maintenance Pool

| | |
|------------------|------------|
| Restricted Funds | 10,000,000 |
|------------------|------------|
 - b. E & G Life Safety Begley Elevator

| | |
|------------------|---------|
| Restricted Funds | 750,000 |
|------------------|---------|
 - c. Various Buildings
(Guaranteed Energy Savings Project)
 - d. Expand, Upgrade Campus Data Network

| | |
|------------------|-----------|
| Restricted Funds | 1,000,000 |
|------------------|-----------|
 - e. Purchase Network Education System Component

| | |
|------------------|-----------|
| Restricted Funds | 2,050,000 |
|------------------|-----------|
 - f. Upgrade Academic Computing

| | |
|------------------|-----------|
| Restricted Funds | 1,000,000 |
|------------------|-----------|
 - g. Upgrade Administrative Computing System

| | |
|------------------|-----------|
| Restricted Funds | 1,100,000 |
|------------------|-----------|
 - h. Property Acquisition

| | |
|------------------|-----------|
| Restricted Funds | 3,000,000 |
|------------------|-----------|
 - i. Replace Student Housing, Brockton

| | |
|------------------|-----------|
| Restricted Funds | 8,250,000 |
|------------------|-----------|
 - j. Expand and Renovate Presnell Building

| | |
|------------------|-----------|
| Restricted Funds | 2,000,000 |
|------------------|-----------|
 - k. Expand Indoor Tennis Facility

| | |
|------------------|-----------|
| Restricted Funds | 1,000,000 |
|------------------|-----------|
 - l. Watts Property (Elmwood) Renovation

| | |
|------------------|-----------|
| Restricted Funds | 2,000,000 |
|------------------|-----------|
 - m. Greek Row
Reauthorization
 - n. Construction of New Water Line -
Corbin Campus/Reauthorization and Reallocation
Bond Funds (422,000)
 - o. High Voltage Electrical Distribution System

| | |
|------------------|------------|
| Restricted Funds | 10,500,000 |
|------------------|------------|
4. Kentucky State University
 - a. Renovate and Expand Student Center

| | | | |
|----|---|-----------|-----------|
| | Reauthorization | | |
| | Restricted Funds - Additional | 4,400,000 | |
| b. | Young Hall Renovation | | |
| | Reauthorization | | |
| | Restricted Funds - Additional | 6,214,000 | |
| c. | Capital Renewal and Deferred Maintenance Pool | | |
| | Restricted Funds | 1,500,000 | |
| d. | Migrate to Client-Server and Laptop Campus Technology | | |
| | Restricted Funds | 860,000 | |
| e. | Enhance Distance Education | | |
| | Restricted Funds | 560,000 | |
| f. | Extend Fiber Network to South Campus | | |
| | Restricted Funds | 806,000 | |
| g. | Enhance Web Site | | |
| | Restricted Funds | 410,000 | |
| h. | Implement Smart Card Technology | | |
| | Restricted Funds | 1,120,000 | |
| i. | Various Buildings | | |
| | (Guaranteed Energy Savings Project) | | |
| j. | Cooperative Extension Building Expansion | | |
| | Reauthorization | | |
| | Restricted Funds - Additional | 3,224,000 | |
| 5. | Morehead State University | | |
| a. | Capital Renewal and Deferred Maintenance Pool | | |
| | Restricted Funds | 3,414,000 | 3,414,000 |
| b. | Life Safety: Auxiliary Facilities | | |
| | Restricted Funds | 3,800,000 | |
| c. | Parking Structure | | |
| | Restricted Funds | 6,000,000 | |
| d. | Life Safety: E & G Facilities | | |
| | Restricted Funds | 1,350,000 | |
| e. | Life Safety: Claypool-Young Building | | |
| | Restricted Funds | 500,000 | |
| f. | Americans with Disabilities Act - E & G | | |

| | | | |
|----|--|-----------|---------|
| | Restricted Funds | 600,000 | 600,000 |
| g. | Combs Theatre Area Reclamation | | |
| | Restricted Funds | 1,100,000 | |
| h. | Button Auditorium Renovation | | |
| | Restricted Funds | 3,000,000 | |
| i. | Various Buildings (Guaranteed Energy Savings Project) | | |
| j. | Americans with Disabilities Act - Auxiliary | | |
| | Restricted Funds | 600,000 | 600,000 |
| k. | Land Acquisitions Related to Master Plan | | |
| | Restricted Funds | 2,000,000 | |
| l. | Instructional Technology Initiatives | | |
| | Restricted Funds | 2,159,000 | |
| m. | HPLC-Mass Spectrometer | | |
| | Restricted Funds | 140,000 | |
| n. | Instructional and Support Equipment | | |
| | Restricted Funds | 1,334,000 | |
| o. | Nuclear Magnetic Resonance Equipment | | |
| | Restricted Funds | 210,000 | |
| p. | Network/Infrastructure Resources | | |
| | Restricted Funds | 2,250,000 | |
| q. | Library Automation Resources | | |
| | Restricted Funds | 750,000 | |
| r. | Distance Learning Systems | | |
| | Restricted Funds | 2,500,000 | |
| s. | Compressed Video Resources | | |
| | Restricted Funds | 1,891,000 | |
| t. | Instructional PC's/LANS/Peripherals | | |
| | Restricted Funds | 2,500,000 | |
| u. | Administrative Office Systems | | |
| | Restricted Funds | 2,000,000 | |
| v. | Central Campus Reconstruction | | |
| | Restricted Funds | 780,000 | |
| w. | Student Wellness Center Expansion | | |

| | | |
|----|--|------------|
| | Restricted Funds | 700,000 |
| x. | Kentucky Center for Traditional Music - Phase I | |
| | Restricted Funds | 1,000,000 |
| y. | Construction of Family Housing Complexes - Phase II | |
| | Restricted Funds | 4,000,000 |
| z. | Tour Bus | |
| | Restricted Funds | 400,000 |
| 6. | Murray State University | |
| a. | Construct Recreation/Wellness Center | |
| | Restricted Funds | 10,000,000 |
| b. | Equine Instruction Facility Addition | |
| | Restricted Funds | 920,600 |
| c. | Various Buildings (Guaranteed Energy Savings Project) | |
| d. | Campus Electrical Distribution System Upgrade | |
| | Restricted Funds | 10,765,000 |
| e. | Construct New Dormitories | |
| | Restricted Funds | 10,154,000 |
| f. | Woods Hall Mechanical and HVAC System Upgrade | |
| | Restricted Funds | 2,000,000 |
| g. | Land Acquisition | |
| | Restricted Funds | 500,200 |
| h. | Elizabeth Hall Asbestos Ceilings | |
| | Restricted Funds | 450,000 |
| i. | Hester Hall Asbestos Ceilings | |
| | Restricted Funds | 450,000 |
| j. | College Courts Renovation | |
| | Restricted Funds | 3,636,000 |
| k. | College Courts Interiors (12 Buildings) Renovation | |
| | Restricted Funds | 2,000,000 |
| l. | Clark Hall Replacement | |
| | Restricted Funds | 8,000,000 |
| m. | Clark Hall Water Piping, Fixtures Replacement | |
| | Restricted Funds | 600,000 |

| | | |
|-----|--|-----------|
| n. | Replace Richmond Hall | |
| | Restricted Funds | 8,000,000 |
| o. | College Courts Electrical System Upgrade | |
| | Restricted Funds | 1,200,000 |
| p. | Franklin Hall Replacement | |
| | Restricted Funds | 8,000,000 |
| q. | Heating and Cooling Plant Boiler Replacement | |
| | Restricted Funds | 666,000 |
| r. | Sparks Hall Electrical System Upgrade | |
| | Restricted Funds | 952,000 |
| s. | Wells Hall Electrical System Upgrade | |
| | Restricted Funds | 600,000 |
| t. | Applied Science Electrical System Upgrade | |
| | Restricted Funds | 850,000 |
| u. | Renovate Sparks Hall HVAC System | |
| | Restricted Funds | 500,000 |
| v. | Special Education HVAC System | |
| | Restricted Funds | 500,000 |
| w. | Pogue Library Electric and HVAC Renovation | |
| | Restricted Funds | 750,000 |
| x. | Business Building Electricity, HVAC and Classrooms Phase I | |
| | Restricted Funds | 1,530,000 |
| y. | General Services HVAC System Renovation | |
| | Restricted Funds | 500,000 |
| z. | E & G Chiller/CFC Compliance Replacement | |
| | Restricted Funds | 585,000 |
| aa. | Doyle Fine Arts HVAC and Energy Replacement/Retrofit | |
| | Restricted Funds | 750,000 |
| ab. | Richmond Hall (Residential College) Renovation | |
| | Restricted Funds | 2,500,000 |
| ac. | Richmond Hall Interior Renovation | |
| | Restricted Funds | 500,000 |
| ad. | Richmond Hall Water Piping/Fixtures Replacement | |
| | Restricted Funds | 600,000 |

| | | |
|-----|---|-----------|
| ae. | Clark Hall Interior Renovation | |
| | Restricted Funds | 500,000 |
| af. | Clark Hall Electrical System Renovation | |
| | Restricted Funds | 400,000 |
| ag. | Clark Hall HVAC System Renovation | |
| | Restricted Funds | 1,000,000 |
| ah. | Franklin Hall HVAC System Renovation | |
| | Restricted Funds | 1,000,000 |
| ai. | Franklin Hall Electrical System Renovation | |
| | Restricted Funds | 400,000 |
| aj. | Franklin Hall Water Piping, Fixtures Replacement | |
| | Restricted Funds | 600,000 |
| ak. | Franklin Hall Interior Renovation | |
| | Restricted Funds | 600,000 |
| al. | Springer Hall HVAC and Electrical System Renovation | |
| | Restricted Funds | 2,000,000 |
| am. | Richmond Hall Electrical System Renovation | |
| | Restricted Funds | 400,000 |
| an. | Springer Hall Water Piping, Fixtures Replacement | |
| | Restricted Funds | 800,000 |
| ao. | Springer Hall Interior Renovation | |
| | Restricted Funds | 600,000 |
| ap. | Hart Hall Renovation | |
| | Restricted Funds | 5,000,000 |
| aq. | Hart Hall Chiller, Boilers, Towers Replacement | |
| | Restricted Funds | 1,200,000 |
| ar. | Hart Hall Electrical System Renovation | |
| | Restricted Funds | 650,000 |
| as. | Elizabeth Hall Electrical System Renovation | |
| | Restricted Funds | 550,000 |
| at. | Hester Hall HVAC System Renovation | |
| | Restricted Funds | 1,000,000 |
| au. | Hester Hall Interior Renovation | |
| | Restricted Funds | 700,000 |

| | | |
|-----|--|------------|
| av. | Hester Hall Boiler, Water Heater Replacement | |
| | Restricted Funds | 600,000 |
| aw. | Hester Hall Electrical System Renovation | |
| | Restricted Funds | 580,000 |
| ax. | Winslow Cafeteria Mechanical Equipment Replacement | |
| | Restricted Funds | 500,000 |
| ay. | Winslow Cafeteria Exterior Repair | |
| | Restricted Funds | 500,000 |
| az. | Elizabeth Hall HVAC System Renovation | |
| | Restricted Funds | 1,200,000 |
| ba. | White Hall Domestic Water Piping Replacement | |
| | Restricted Funds | 500,000 |
| bb. | White Hall HVAC System Renovation | |
| | Restricted Funds | 1,000,000 |
| bc. | White Hall Electrical System Renovation | |
| | Restricted Funds | 600,000 |
| bd. | White Hall Interior Renovation | |
| | Restricted Funds | 700,000 |
| be. | Regents Hall Domestic Water Piping Replacement | |
| | Restricted Funds | 500,000 |
| bf. | Regents Hall HVAC System Renovation | |
| | Restricted Funds | 1,000,000 |
| bg. | Regents Hall Electrical System Renovation | |
| | Restricted Funds | 650,000 |
| bh. | Regents Hall Interior Renovation | |
| | Restricted Funds | 800,000 |
| bi. | Hart Hall Interior Renovation | |
| | Restricted Funds | 1,200,000 |
| bj. | Elizabeth Hall Interior Renovation | |
| | Restricted Funds | 700,000 |
| bk. | Capital Renewal and Deferred Maintenance Pool | |
| | Restricted Funds | 16,885,000 |
| bl. | Telephone Switching System Replacement | |
| | Restricted Funds | 1,000,000 |

| | | |
|-----|--|-----------|
| bm. | Waterfield Library HVAC and Mechanical Replacement | |
| | Restricted Funds | 500,000 |
| bn. | Campus Network to Gigabit Ethernet Upgrade | |
| | Restricted Funds | 1,000,000 |
| bo. | Lovett Auditorium Shell/Seats Replacement and Repair | |
| | Restricted Funds | 550,000 |
| bp. | 350-Ton Chiller - Regional Special Events Center | |
| | Restricted Funds | 400,000 |
| bq. | COLT Ubiquitous Computing | |
| | Restricted Funds | 434,000 |
| br. | Baseball Field and Stadium Sidewalk Light | |
| | Restricted Funds | 600,000 |
| bs. | BVC Electron Microscope - Scanning | |
| | Restricted Funds | 300,000 |
| bt. | BVC Electron Microscope - Transmission | |
| | Restricted Funds | 250,000 |
| bu. | Broadcasting Education Lab Equipment | |
| | Restricted Funds | 200,000 |
| bv. | Business and Public Affairs Equipment | |
| | Restricted Funds | 300,000 |
| bw. | Central On-Line Storage System | |
| | Restricted Funds | 966,000 |
| bx. | College of Science Instructional/Research Equipment | |
| | Restricted Funds | 300,000 |
| by. | Fine Arts Studio Equipment | |
| | Restricted Funds | 419,000 |
| bz. | ICP-MS Fisions Instruments | |
| | Restricted Funds | 142,000 |
| ca. | Music Computer Equipment | |
| | Restricted Funds | 250,000 |
| cb. | Optics Lab Equipment | |
| | Restricted Funds | 170,000 |
| cc. | Recording/Playback Lab & Instrument | |
| | Restricted Funds | 188,000 |

| | | |
|-----|---|-----------|
| cd. | Regional Center for Emerging Technology | |
| | Other Funds | 3,000,000 |
| ce. | Winslow Dining Hall Renovation | |
| | Restricted Funds | 2,500,000 |
| 7. | Northern Kentucky University | |
| a. | New Student Union Design | |
| | Restricted Funds | 1,200,000 |
| b. | Power Distribution Infrastructure Replacement | |
| | Restricted Funds | 700,000 |
| c. | AS and T Center Classroom Conversion | |
| | Restricted Funds | 1,500,000 |
| d. | Welcome Center Renovation | |
| | Restricted Funds | 700,000 |
| e. | Capital Renewal and Maintenance Projects | |
| | Restricted Funds | 2,315,000 |
| f. | Land Acquisition | |
| | Restricted Funds | 2,500,000 |
| g. | Central Plaza Reconstruction | |
| | Restricted Funds | 900,000 |
| h. | Digital Telecom System | |
| | Restricted Funds | 1,900,000 |
| i. | Baseball Field Relocation | |
| | Restricted Funds | 1,500,000 |
| j. | Information Technology Infrastructure | |
| | Restricted Funds | 2,700,000 |
| k. | Administrative Application System | |
| | Restricted Funds | 2,500,000 |
| l. | Intramural Sports Field | |
| | Restricted Funds | 750,000 |
| m. | Coach Bus | |
| | Restricted Funds | 375,000 |
| n. | Color Press | |
| | Restricted Funds | 235,000 |
| o. | NMR Spectrometer | |

| | | | |
|----|--|-----------|-----------|
| | Restricted Funds | 385,000 | |
| p. | Various Buildings (Guaranteed Energy Savings Project) | | |
| q. | New Residence Hall Reauthorization | | |
| r. | Construct Parking Deck Restricted Funds | 9,100,000 | |
| s. | Metropolitan Education and Training Center - Lease | | |
| t. | Fitness Room Renovation Restricted Funds | 850,000 | |
| 8. | University of Kentucky | | |
| a. | Early Childhood Education Lab Restricted Funds | 8,000,000 | |
| b. | Replace Oswald Building Roof Restricted Funds | 1,089,000 | |
| c. | Improve Storm Sewer Funkhouser Restricted Funds | 1,003,000 | |
| d. | Renovate Agriculture Building North Facade Restricted Funds | 3,820,000 | |
| e. | Renovate King South Building I Restricted Funds | | 8,025,000 |
| f. | Upgrade Vivarium, I Restricted Funds | | 4,000,000 |
| g. | Replace Central Fire Alarm System Restricted Funds | | 3,000,000 |
| h. | Replace Central Facilities Management System Restricted Funds | | 3,000,000 |
| i. | Replace Steam and Condensate Pipe Restricted Funds | | 5,350,000 |
| j. | Improve Central Heating Plant Restricted Funds | | 2,750,000 |
| k. | Replace Master Clock and Bell System Restricted Funds | | 1,500,000 |
| l. | Replace High Voltage Wiring | | |

| | | |
|-----|--|------------|
| | Restricted Funds | 441,000 |
| m. | Replace Three Elevators MIK Library South | |
| | Restricted Funds | 742,000 |
| n. | Abate Mercury Lexington Campus - Life Safety | |
| | Restricted Funds | 1,000,000 |
| o. | Upgrade Fume Hoods -LC - Life Safety | |
| | Restricted Funds | 7,015,000 |
| p. | Upgrade Pharmacy Fume Hood I - Life Safety | |
| | Restricted Funds | 4,300,000 |
| q. | Abate Asbestos LC II - Life Safety | |
| | Restricted Funds | 500,000 |
| r. | Improve Indoor Air Quality - Phase I - Life Safety | |
| | Restricted Funds | 500,000 |
| s. | Upgrade HVAC - CAER Ph. III - Life Safety | |
| | Restricted Funds | 450,000 |
| t. | Improve Barker Hall - Life Safety | |
| | Restricted Funds | 500,000 |
| u. | Improve Life Safety, Project Pool | |
| | Restricted Funds | 3,708,000 |
| v. | Renovate Livestock Disease Diagnostics Laboratory | |
| | Restricted Funds | 2,800,000 |
| w. | Improve Handicapped Access, Project Pool | |
| | Restricted Funds | 1,908,000 |
| x. | Improve Plant - Capital Renewal Pool | |
| | Restricted Funds | 16,388,000 |
| y. | Construct Environmental Institute | |
| | Restricted Funds | 12,604,000 |
| z. | Renovate the COHR in the Dental Building | |
| | Restricted Funds | 1,875,000 |
| aa. | Install Chilled Water Pipe-Clg 2 to Pit | |
| | Restricted Funds | 1,300,000 |
| ab. | Install Cooling Secondary Pumping | |
| | Restricted Funds | 2,250,000 |
| ac. | Renovate Medical Center Library | |

| | | |
|-----|---|------------|
| | Restricted Funds | 2,000,000 |
| ad. | Install Medical Center Chilled Water Loop | |
| | Restricted Funds | 625,000 |
| ae. | Expand Plant Capacity/Infrastructure | |
| | Restricted Funds | 15,000,000 |
| af. | Renovate Education Space in Medical Science | |
| | Restricted Funds | 2,300,000 |
| ag. | Renovate Outpatient Clinic in Kentucky Clinic | |
| | Restricted Funds | 2,000,000 |
| ah. | Replace Cooling Plant Chillers | |
| | Restricted Funds | 5,000,000 |
| ai. | Install HVAC in Keeneland Hall | |
| | Restricted Funds | 2,962,000 |
| aj. | Renovate Cooperstown - Phase IVA | |
| | Restricted Funds | 1,279,000 |
| ak. | Install HVAC in Jewell Hall | |
| | Restricted Funds | 1,290,000 |
| al. | Install HVAC in Boyd Hall | |
| | Restricted Funds | 1,715,000 |
| am. | Renovate Labs in the Pharmacy Building | |
| | Restricted Funds | 1,400,000 |
| an. | Renovate Cooperstown - Phase IV | |
| | Restricted Funds | 426,000 |
| ao. | Renovate Parking Structure #1 | |
| | Restricted Funds | 7,714,000 |
| ap. | Replace Holmes Elevator | |
| | Restricted Funds | 585,000 |
| aq. | Construct Parking Structure | |
| | Restricted Funds | 16,280,000 |
| ar. | Expand Patient Parking in Structure #3 | |
| | Restricted Funds | 7,000,000 |
| as. | Install HVAC in Holmes Hall | |
| | Restricted Funds | 1,700,000 |
| at. | Acquire Land | |

| | | | |
|-----|--|------------|------------|
| | Restricted Funds | 15,000,000 | |
| au. | Renovate Running Track | | |
| | Restricted Funds | 2,500,000 | |
| av. | Renovate Research Labs in Medical Center, I | | |
| | Restricted Funds | | 750,000 |
| aw. | Fit-up Research Labs - Allied Health Building | | |
| | Restricted Funds | | 7,000,000 |
| ax. | Renovate Research Labs in Medical Center, II | | |
| | Restricted Funds | | 900,000 |
| ay. | Renovate Research Space-Nursing Building | | |
| | Restricted Funds | | 540,000 |
| az. | Upgrade Communication Infrastructure, II | | |
| | Restricted Funds | | 450,000 |
| ba. | Renovate Research Space Medical Center, I | | |
| | Restricted Funds | | 800,000 |
| | Federal Funds | | 700,000 |
| | TOTAL | | 1,500,000 |
| bb. | Lease Purchase Campus Infrastructure Upgrade | | |
| | Restricted Funds | | 3,500,000 |
| bc. | Lease Purchase High Performance Research Computer | | |
| | Restricted Funds | 5,000,000 | |
| bd. | Lease Purchase Computing Facility Uninterruptable Power Supply | | |
| | Restricted Funds | 400,000 | |
| be. | Lease Purchase Large Scale Computing | | |
| | Restricted Funds | 3,500,000 | |
| bf. | Lease Purchase Networked Printer | | |
| | Restricted Funds | 200,000 | |
| bg. | Lease Purchase Pool | | |
| | Restricted Funds | | 10,401,000 |
| bh. | Lease Purchase Telephone Switch | | |
| | Restricted Funds | | 3,000,000 |
| bi. | Lease Purchase Video Switch | | |
| | Restricted Funds | 250,000 | |
| bj. | 3-D Scaling Device | | |

| | | |
|-----|---|---------|
| | Federal Funds | 100,000 |
| bk. | ABI Prism Sequence Detection System | |
| | Restricted Funds | 100,000 |
| bl. | Analytical Biosensor | |
| | Restricted Funds | 275,000 |
| bm. | Area Detector Diffractometer | |
| | Restricted Funds | 155,000 |
| | Federal Funds | 155,000 |
| | TOTAL | 310,000 |
| bn. | Automated DNA Sequencer | |
| | Restricted Funds | 130,000 |
| bo. | Behavioral Monitoring & Analysis System | |
| | Restricted Funds | 150,000 |
| bp. | Campus Call Auto Dial | |
| | Restricted Funds | 125,000 |
| bq. | Capillary Genetic Analyzers | |
| | Restricted Funds | 800,000 |
| br. | Chain Reaction Analyzer | |
| | Restricted Funds | 150,000 |
| bs. | Chromatograph Mass Spectrometer, I | |
| | Restricted Funds | 250,000 |
| bt. | Chromatograph Mass Spectrometer, II | |
| | Restricted Funds | 258,000 |
| bu. | Combination Metabolic Analyzer | |
| | Restricted Funds | 123,000 |
| bv. | Compressed Video-Hazard | |
| | Restricted Funds | 141,000 |
| bw. | Confocal Microscope | |
| | Restricted Funds | 325,000 |
| bx. | Confocal Microscope | |
| | Restricted Funds | 200,000 |
| by. | Database Testbed | |
| | Restricted Funds | 225,000 |
| bz. | Digital Router | |

| | | | |
|-----|---------------------------------------|---------|---------|
| | Restricted Funds | 100,000 | |
| ca. | DNA Chip Analysis System | | |
| | Restricted Funds | | 160,000 |
| cb. | DNA Microarray Chip Reader | | |
| | Federal Funds | | 450,000 |
| cc. | DNA Microarray Facility | | |
| | Restricted Funds | 300,000 | |
| cd. | DNA Microarray System | | |
| | Restricted Funds | | 285,000 |
| ce. | DNA Sequencer | | |
| | Restricted Funds | 135,000 | |
| cf. | DNA Sequencer | | |
| | Restricted Funds | 125,000 | |
| cg. | DNA Sequencer, I | | |
| | Restricted Funds | 134,000 | |
| ch. | DNA Sequencer, II | | |
| | Restricted Funds | 158,000 | |
| ci. | DNA Sequencer/Genetic Analyzer | | |
| | Restricted Funds | 110,000 | |
| cj. | DNA Synthesizer | | |
| | Restricted Funds | 103,000 | |
| ck. | Electron Spin Resonance Instrument | | |
| | Restricted Funds | 100,000 | |
| | Federal Funds | 100,000 | |
| | TOTAL | 200,000 | |
| cl. | Electrophysiologic Analysis System | | |
| | Restricted Funds | 207,000 | |
| cm. | Encapsulator | | |
| | Restricted Funds | 151,000 | |
| cn. | Environmental Test System | | |
| | Restricted Funds | 125,000 | |
| co. | Epi-Fluorescence Microscope | | |
| | Restricted Funds | 134,000 | |
| cp. | ESCA-X-Ray Photoelectron Spectroscopy | | |

| | | | |
|-----|--|---------|---------|
| | Restricted Funds | 400,000 | |
| cq. | Flow Cytometer | | |
| | Restricted Funds | 108,000 | |
| cr. | Flow Cytometry Lab Equipment | | |
| | Restricted Funds | 375,000 | |
| cs. | Fluorescent Microscope & Image Analyzer | | |
| | Restricted Funds | 150,000 | |
| ct. | Fluorescent (Luminescent) Imaging System | | |
| | Restricted Funds | 105,000 | |
| cu. | Fluorescence Activated Cell Sorter | | |
| | Restricted Funds | 200,000 | |
| cv. | Fluorescent Analyzer | | |
| | Restricted Funds | 109,000 | |
| cw. | Fluorescent Activated Cell Sorter | | |
| | Restricted Funds | 237,000 | |
| cx. | Fluorescent Cell Sorter | | |
| | Restricted Funds | 200,000 | |
| cy. | Forage Harvester System | | |
| | Restricted Funds | 150,000 | |
| cz. | Freeze-Thaw Apparatus | | |
| | Restricted Funds | | 100,000 |
| da. | Garbage Truck Front Loader | | |
| | Restricted Funds | 165,000 | |
| db. | Gas Analyzer | | |
| | Restricted Funds | 100,000 | |
| dc. | Gas Chromatograph Mass Spectrometer | | |
| | Restricted Funds | | 101,000 |
| dd. | Gas Chromatograph/MSD | | |
| | Restricted Funds | 110,000 | |
| de. | Gas Chromatograph Mass Spectrograph | | |
| | Restricted Funds | | 186,000 |
| df. | Gene Chip Analysis Machine | | |
| | Restricted Funds | | 250,000 |
| dg. | Gene Chip Instrument System | | |

| | | | |
|-----|--|---------|---------|
| | Restricted Funds | 450,000 | |
| dh. | Genetic Analyzer | | |
| | Restricted Funds | | 140,000 |
| di. | GIS Teaching Lab | | |
| | Restricted Funds | 160,000 | |
| dj. | GVG Video Switch | | |
| | Restricted Funds | 250,000 | |
| dk. | High Performance Liquid Chromatography | | |
| | Restricted Funds | 131,000 | |
| dl. | High Power CO2 Laser | | |
| | Restricted Funds | | 250,000 |
| dm. | High Pressure Liquid Chromatograph | | |
| | Restricted Funds | | 100,000 |
| | Federal Funds | | 100,000 |
| | TOTAL | | 200,000 |
| dn. | High Resolution Optical Microscope | | |
| | Restricted Funds | 110,000 | |
| do. | High Resolution Phosphor Imager | | |
| | Restricted Funds | 206,000 | |
| dp. | High Temperature Optical Microscope | | |
| | Restricted Funds | | 105,000 |
| dq. | High-Speed Signal Processor | | |
| | Federal Funds | 150,000 | |
| dr. | Holographic System/Image Analyzer | | |
| | Restricted Funds | | 110,000 |
| ds. | HPLC Mass Spectrophotometer | | |
| | Restricted Funds | 220,000 | |
| dt. | Image Analysis System | | |
| | Restricted Funds | 206,000 | |
| du. | Image Analyzer System | | |
| | Restricted Funds | 206,000 | |
| dv. | Inductive Coupled Plasma Spectrometer | | |
| | Restricted Funds | | 110,000 |
| dw. | Inductive Coupled Plasma Unit | | |

| | | | |
|-----|--|---------|---------|
| | Restricted Funds | 110,000 | |
| dx. | Inductive Coupled Spectrometer System | | |
| | Restricted Funds | | 120,000 |
| dy. | Interaction Analyzer | | |
| | Restricted Funds | 150,000 | |
| dz. | Inverted Microscope-Fluoroscope | | |
| | Restricted Funds | 155,000 | |
| ea. | Inverted Scope | | |
| | Restricted Funds | | 100,000 |
| eb. | Laser Confocal Microscope | | |
| | Restricted Funds | 312,000 | |
| ec. | Laser System | | |
| | Restricted Funds | 125,000 | |
| | Federal Funds | 125,000 | |
| | TOTAL | 250,000 | |
| ed. | LCT Flight Mass Spectrometer | | |
| | Restricted Funds | 220,000 | |
| ee. | LIMS Bioinformatics Equipment | | |
| | Federal Funds | | 136,000 |
| ef. | Liquid Chromatograph | | |
| | Restricted Funds | | 105,000 |
| eg. | Liquid Chromatograph-Mass Spectrometer | | |
| | Restricted Funds | | 320,000 |
| eh. | Liquid Filling/Stoppering Line | | |
| | Restricted Funds | 351,000 | |
| ei. | Mass Spectrometer | | |
| | Restricted Funds | | 400,000 |
| ej. | MB Ultracentrifuge | | |
| | Restricted Funds | 354,000 | |
| ek. | MB/GT Phospho-Imager | | |
| | Restricted Funds | 128,000 | |
| el. | Multiphoton Imaging System | | |
| | Restricted Funds | 505,000 | |
| em. | Multiphoton Scanning Microscope | | |

| | | | |
|-----|--|---------|-----------|
| | Restricted Funds | 300,000 | |
| en. | Multiunit Microbial Chamber | | |
| | Restricted Funds | 250,000 | |
| eo. | NIR Spectrophotometer | | |
| | Restricted Funds | 125,000 | |
| ep. | Open MRI Unit | | |
| | Restricted Funds | | 1,000,000 |
| eq. | Optical Disk Server | | |
| | Restricted Funds | | 180,000 |
| er. | Patient Classification Equipment | | |
| | Restricted Funds | | 260,000 |
| es. | Physiology Workstation | | |
| | Restricted Funds | 101,000 | |
| et. | Protein Synthesizer | | |
| | Restricted Funds | | 206,000 |
| eu. | Quadrapole Mass Spectrometer | | |
| | Restricted Funds | 360,000 | |
| ev. | Rapid Scanning Monochrometer | | |
| | Restricted Funds | | 130,000 |
| ew. | Research Grade Light Microscope | | |
| | Restricted Funds | | 103,000 |
| ex. | Scanning Electron Microscope | | |
| | Restricted Funds | 175,000 | |
| ey. | Semi-solid Manufacturing Equipment | | |
| | Restricted Funds | | 211,000 |
| ez. | Sequence Detection System | | |
| | Restricted Funds | | 100,000 |
| fa. | Spectograph for Oligonucleotide Analysis | | |
| | Restricted Funds | 250,000 | |
| fb. | Studio Recording Equipment | | |
| | Restricted Funds | | 113,000 |
| fc. | Telemedicine Rural Health | | |
| | Restricted Funds | | 416,000 |
| fd. | Telemedicine Systems | | |

| | | |
|-----|--|-----------|
| | Restricted Funds | 600,000 |
| fe. | Terminal Sterilizing Autoclave | |
| | Restricted Funds | 221,000 |
| ff. | Ultracentrifuge | |
| | Restricted Funds | 117,000 |
| fg. | Virtual Environment Simulator | |
| | Restricted Funds | 125,000 |
| fh. | X-Ray Defractometer | |
| | Federal Funds | 700,000 |
| fi. | Upgrade Scanner System | |
| | Restricted Funds | 500,000 |
| fj. | Upgrade HVAC II - Hospital | |
| | Restricted Funds | 3,500,000 |
| fk. | Renovate Roach Building 4th Floor - Hospital | |
| | Restricted Funds | 3,990,000 |
| fl. | Consolidate Imaging Services - Hospital | |
| | Restricted Funds | 3,675,000 |
| fm. | Construct Storage/Distribution Center - Hospital | |
| | Restricted Funds | 1,019,000 |
| fn. | Construct Limited-Stay Facility - Hospital | |
| | Restricted Funds | 5,460,000 |
| fo. | Renovate Kitchen I - Hospital | |
| | Restricted Funds | 1,050,000 |
| fp. | Implement Land Use Plan III - Hospital | |
| | Restricted Funds | 2,625,000 |
| fq. | Construct Parking Structure III - Hospital | |
| | Restricted Funds | 7,350,000 |
| fr. | Protect Environment II - Hospital | |
| | Restricted Funds | 1,575,000 |
| fs. | Upgrade Transport Systems IV - Hospital | |
| | Restricted Funds | 735,000 |
| ft. | Modify Nursing Unit XI - Hospital | |
| | Restricted Funds | 1,100,000 |
| fu. | Modify Nursing Unit XII - Hospital | |

| | | |
|-----|--|------------|
| | Restricted Funds | 3,500,000 |
| fv. | Upgrade Diagnostic Services XI - Hospital Restricted Funds | 1,500,000 |
| fw. | Construct Outpatient Services III - Hospital Restricted Funds | 4,700,000 |
| fx. | Upgrade Diagnostic Services XII - Hospital Restricted Funds | 1,000,000 |
| fy. | Implement Land Use Plan IV - Hospital Restricted Funds | 2,500,000 |
| fz. | Upgrade Transport Systems V - Hospital Restricted Funds | 800,000 |
| ga. | Expand Data Systems III - Hospital Restricted Funds | 700,000 |
| gb. | Upgrade Support Services II - Hospital Restricted Funds | 1,172,000 |
| gc. | Upgrade Nutrition Services II - Hospital Restricted Funds | 1,000,000 |
| gd. | Upgrade Utility Systems VI - Hospital Restricted Funds | 1,500,000 |
| ge. | Upgrade Building/Site IV - Hospital Restricted Funds | 800,000 |
| gf. | Expand Parking II - Hospital Restricted Funds | 3,200,000 |
| gg. | Construct Patient Care Facility II - Hospital Restricted Funds | 7,638,000 |
| gh. | Construct Primary Care Center II - Hospital Restricted Funds | 10,172,000 |
| gi. | Construct Building Connectors III - Hospital Restricted Funds | 3,000,000 |
| gj. | Construct Outpatient Diagnostic/Treatment Facility II - Hospital Restricted Funds | 12,672,000 |
| gk. | Construct Outpatient Care Facility II - Hospital Restricted Funds | 6,172,000 |
| gl. | Upgrade Communication Services - Hospital | |

| | | |
|-----|---|------------|
| | Restricted Funds | 1,000,000 |
| gm. | Construct Business Facility II - Hospital | |
| | Restricted Funds | 9,000,000 |
| gn. | Create Universal Nursing Unit - Hospital | |
| | Restricted Funds | 1,000,000 |
| go. | Design Patient Bed Tower - Hospital | |
| | Restricted Funds | 10,000,000 |
| gp. | Expand Surgical Services - Hospital | |
| | Restricted Funds | 3,200,000 |
| gq. | Accelerator | |
| | Restricted Funds | 1,600,000 |
| gr. | Angiography Unit | |
| | Restricted Funds | 1,740,000 |
| gs. | Angiography Unit | |
| | Restricted Funds | 1,276,000 |
| gt. | ATL Ultrasound | |
| | Restricted Funds | 220,000 |
| gu. | Biplane Angiography | |
| | Restricted Funds | 1,160,000 |
| gv. | Cardiac Catheterization Image Management System | |
| | Restricted Funds | 957,000 |
| gw. | Cardiac Ultrasound | |
| | Restricted Funds | 1,600,000 |
| gx. | C-Arm X-Ray Unit | |
| | Restricted Funds | 350,000 |
| gy. | C-Arm X-Ray Unit | |
| | Restricted Funds | 440,000 |
| gz. | C-Arm X-Ray Unit | |
| | Restricted Funds | 275,000 |
| ha. | Clinical System Enterprise | |
| | Restricted Funds | 5,800,000 |
| hb. | Computing Infrastructure Update | |
| | Restricted Funds | 2,500,000 |
| hc. | CR PAC Server | |

| | | |
|-----|----------------------------------|-----------|
| | Restricted Funds | 275,000 |
| hd. | CT Scanner | |
| | Restricted Funds | 1,914,000 |
| he. | CT Scanners | |
| | Restricted Funds | 3,480,000 |
| hf. | CT Simulator | |
| | Restricted Funds | 1,160,000 |
| hg. | CT Simulator | |
| | Restricted Funds | 1,200,000 |
| hh. | Data Storage Facility | |
| | Restricted Funds | 750,000 |
| hi. | Diagnostic Radiology Unit | |
| | Restricted Funds | 330,000 |
| hj. | Digital Medical Record Expansion | |
| | Restricted Funds | 4,640,000 |
| hk. | Digital Enhancement | |
| | Restricted Funds | 1,085,000 |
| hl. | Digital Imaging | |
| | Restricted Funds | 957,000 |
| hm. | Digital Orbitor Camera | |
| | Restricted Funds | 275,000 |
| hn. | Digital Radiology | |
| | Restricted Funds | 4,060,000 |
| ho. | Digital Radiology | |
| | Restricted Funds | 1,020,000 |
| hp. | EKG Unit | |
| | Restricted Funds | 400,000 |
| hq. | EKG Unit | |
| | Restricted Funds | 440,000 |
| hr. | Electrophysiology Lab | |
| | Restricted Funds | 5,800,000 |
| hs. | EMG Unit | |
| | Restricted Funds | 250,000 |
| ht. | Endoscopic Ultrasound | |

| | | |
|-----|-------------------------------------|-----------|
| | Restricted Funds | 440,000 |
| hu. | Endoscopic Video System | |
| | Restricted Funds | 300,000 |
| hv. | Endoscopic Video Ultrasound | |
| | Restricted Funds | 275,000 |
| hw. | Filmless System | |
| | Restricted Funds | 150,000 |
| hx. | Fluoroscopy Unit | |
| | Restricted Funds | 550,000 |
| hy. | General Radiology/Fluoroscopic Unit | |
| | Restricted Funds | 550,000 |
| hz. | General Radiology/Fluoroscopic Unit | |
| | Restricted Funds | 500,000 |
| ia. | Intracardiac Laser | |
| | Restricted Funds | 500,000 |
| ib. | Intracardiac Laser | |
| | Restricted Funds | 550,000 |
| ic. | Intraoperative Radiation Therapy | |
| | Restricted Funds | 1,300,000 |
| id. | Laboratory Analyzer | |
| | Restricted Funds | 500,000 |
| ie. | Linear Accelerator | |
| | Restricted Funds | 2,050,000 |
| if. | Managed Care Enterprise | |
| | Restricted Funds | 1,160,000 |
| ig. | Minimally Invasive Room | |
| | Restricted Funds | 1,700,000 |
| ih. | Mobile CT | |
| | Restricted Funds | 1,100,000 |
| ii. | Mobile CT | |
| | Restricted Funds | 1,000,000 |
| ij. | Mobile Fluoroscopic Unit | |
| | Restricted Funds | 250,000 |
| ik. | Mobile Radiology Unit | |

| | | |
|-----|--|-----------|
| | Restricted Funds | 250,000 |
| il. | MRI Upgrade | |
| | Restricted Funds | 500,000 |
| im. | Nuclear Medicine Camera | |
| | Restricted Funds | 1,000,000 |
| in. | OB Ultrasound | |
| | Restricted Funds | 350,000 |
| io. | OR Perioperative IS Document Systems Upgrade | |
| | Restricted Funds | 150,000 |
| ip. | Patient System Enterprise | |
| | Restricted Funds | 4,640,000 |
| iq. | Portal Imaging System | |
| | Restricted Funds | 200,000 |
| ir. | Portal Imaging System | |
| | Restricted Funds | 250,000 |
| is. | QuadRIS Upgrade | |
| | Restricted Funds | 300,000 |
| it. | Rad. Med. Software/System | |
| | Restricted Funds | 350,000 |
| iu. | Radiation Therapy Unit Upgrade | |
| | Restricted Funds | 400,000 |
| iv. | Radiographic Fluoroscopic Unit | |
| | Restricted Funds | 200,000 |
| iw. | Radiographic Fluoroscopic Unit | |
| | Restricted Funds | 150,000 |
| ix. | Radiographic Unit | |
| | Restricted Funds | 400,000 |
| iy. | Radiographic Unit | |
| | Restricted Funds | 350,000 |
| iz. | Radiology Ultrasound | |
| | Restricted Funds | 440,000 |
| ja. | SPECT System | |
| | Restricted Funds | 1,000,000 |
| jb. | Steam Autoclave | |

| | | |
|-----|--|-----------|
| | Restricted Funds | 450,000 |
| jc. | Sterrad Sterilizer | |
| | Restricted Funds | 450,000 |
| jd. | Surgical C-Arm (ISS) System | |
| | Restricted Funds | 650,000 |
| je. | Surgical Laser | |
| | Restricted Funds | 500,000 |
| jf. | Surgical Microscope | |
| | Restricted Funds | 500,000 |
| jg. | Teleradiology | |
| | Restricted Funds | 200,000 |
| jh. | Ultrasound Image Management | |
| | Restricted Funds | 800,000 |
| ji. | Upgrade - HIS Computing Facility | |
| | Restricted Funds | 2,900,000 |
| jj. | Upgrade for Servers | |
| | Restricted Funds | 800,000 |
| jk. | Vascular Ultrasound | |
| | Restricted Funds | 300,000 |
| jl. | Vascular Ultrasound | |
| | Restricted Funds | 900,000 |
| jm. | Washer | |
| | Restricted Funds | 350,000 |
| jn. | Various Buildings | |
| | (Guaranteed Energy Savings Project) | |
| jo. | Center for Rural Health | |
| | Reauthorization (\$10,100,000 - Bond Funds) | |
| | Federal Funds - Additional | 2,000,000 |
| jp. | College of Medicine - Lease | |
| jq. | Medical Center Contract Sponsored Programs - Lease | |
| jr. | Medical Center Patient Facility - Lease | |
| js. | Medical Center Research Grants Projects - Lease | |
| jt. | Pharmacy Contracted Programs - Lease | |
| ju. | Center for Rural Health - Lease | |

| | | |
|-----|---|------------|
| jv. | Kentucky Utilities Building - Lease | |
| jw. | Agricultural Plant Science Facility | |
| | Reauthorization | |
| | Restricted Funds - Additional | 1,300,000 |
| jx. | Business and Economic Complex | |
| | Restricted Funds | 1,000,000 |
| jy. | Student Housing Apartment Complex - Lease Purchase | |
| | Restricted Funds | 13,000,000 |
| jz. | Enterprise Resource Planning System - Lease Purchase | |
| | Restricted Funds | 30,000,000 |
| ka. | UK/UL/Frankfort Research Planning System - Lease-Purchase | |
| | Restricted Funds | 6,000,000 |
| kb. | University Housing - Lease | |
| | Restricted Funds | 1,650,000 |
| kc. | Center for Pharmaceutical and Science Technology | |
| | Restricted Funds | 14,000,000 |
| kd. | Student Housing Facility | |
| | Restricted Funds | 46,000,000 |
| 9. | University of Louisville | |
| a. | Expand - Research Resources Center | |
| | Restricted Funds | 2,596,000 |
| | Other Funds | 7,787,000 |
| | TOTAL | 10,383,000 |
| b. | Property Acquisition | |
| | Restricted Funds | 1,300,000 |
| c. | Construct - Boathouse for Women's Rowing | |
| | Other Funds | 2,488,000 |
| d. | Field Turf - Practice Field Facility | |
| | Other Funds | 750,000 |
| e. | Expand-Oppeneheimer Hall for Social Work | |
| | Other Funds | 5,450,000 |
| f. | Expand - Cardinal Arena in Student Activities Center | |
| | Other Funds | 4,000,000 |
| g. | Renovate - Dental Clinic and Sterilization | |

| | | |
|----|---|------------|
| | Other Funds | 3,637,000 |
| h. | Renovate - K-Wing 2nd and 4th Floors | |
| | Restricted Funds | 1,040,000 |
| i. | Expand - Ekstrom Library - New Wing | |
| | Federal Funds | 14,000,000 |
| j. | Construct - Residence Hall - 400 Beds, Phase I | |
| | Other Funds | 19,718,000 |
| k. | Parking Spaces - Health Sciences | |
| | Restricted Funds | 825,000 |
| l. | Renovate - MDR Building, Phase IV | |
| | Restricted Funds | 2,530,000 |
| m. | Renovate - Stoddard Johnston - Married Students | |
| | Other Funds | 5,829,000 |
| n. | Plasmon Resonance Instrument | |
| | Restricted Funds | 250,000 |
| o. | High Resolution Mass Spectrometer | |
| | Federal Funds | 1,150,000 |
| p. | Flow Fluorescence Activated Cell | |
| | Restricted Funds | 130,000 |
| q. | Microcalorimeter | |
| | Restricted Funds | 140,000 |
| r. | Confocal Microscope | |
| | Restricted Funds | 280,000 |
| s. | Neuro Scan ESI - 128:128 Channel | |
| | Restricted Funds | 100,000 |
| | Federal Funds | 40,000 |
| | TOTAL | 140,000 |
| t. | Laser Microfabrication Lab | |
| | Restricted Funds | 275,000 |
| | Federal Funds | 250,000 |
| | TOTAL | 525,000 |
| u. | X-Ray Diffraction Module | |
| | Restricted Funds | 500,000 |
| | Federal Funds | 250,000 |

| | | |
|-----|--|-----------|
| | TOTAL | 750,000 |
| v. | Particle Imaging Velocimetry (PIV) | |
| | Restricted Funds | 167,000 |
| w. | Confocal Laser Scanning Microscope | |
| | Restricted Funds | 400,000 |
| x. | CNC Grinding Machine | |
| | Restricted Funds | 164,000 |
| y. | Load Application System | |
| | Restricted Funds | 240,000 |
| z. | Axis (5) CNC Machining | |
| | Restricted Funds | 150,000 |
| aa. | Color Digital Output Engine | |
| | Restricted Funds | 700,000 |
| ab. | High Volume Output Devices Duplicator | |
| | Restricted Funds | 876,000 |
| ac. | High Speed Graphics Imaging System | |
| | Restricted Funds | 200,000 |
| ad. | Digital Communication Network | |
| | Restricted Funds | 2,000,000 |
| ae. | Network Switching System | |
| | Restricted Funds | 2,000,000 |
| af. | Electronic Research Information System | |
| | Restricted Funds | 2,000,000 |
| ag. | Computer Workstations for Libraries | |
| | Restricted Funds | 466,000 |
| ah. | High Availability Enterprise System | |
| | Restricted Funds | 1,430,000 |
| ai. | Client Server System - File Server | |
| | Restricted Funds | 1,100,000 |
| aj. | Computer Processing System | |
| | Restricted Funds | 2,000,000 |
| ak. | Engineering Scientific Processor | |
| | Restricted Funds | 1,100,000 |
| al. | Supercomputing System | |

| | | |
|-----|---|-----------|
| | Restricted Funds | 1,500,000 |
| am. | Upgrade Supercomputer | |
| | Restricted Funds | 400,000 |
| an. | Autonomous Mobility Platform | |
| | Restricted Funds | 400,000 |
| | Federal Funds | 60,000 |
| | TOTAL | 460,000 |
| ao. | Concave Reality Unit | |
| | Restricted Funds | 250,000 |
| ap. | High Energy Physics Data Analysis | |
| | Restricted Funds | 175,000 |
| | Federal Funds | 175,000 |
| | TOTAL | 350,000 |
| aq. | Gel Blot Image Analysis System | |
| | Restricted Funds | 145,000 |
| ar. | High Resolution Hybrid Mass Spectrometer | |
| | Restricted Funds | 500,000 |
| | Federal Funds | 100,000 |
| | TOTAL | 600,000 |
| as. | Digital Micro-Luminography System | |
| | Restricted Funds | 120,000 |
| at. | Electronic Darkroom | |
| | Restricted Funds | 193,000 |
| au. | Laser Desorption/Ionization Mass Spectrometer | |
| | Restricted Funds | 200,000 |
| av. | Molecular Tagging Velocimetry | |
| | Restricted Funds | 245,000 |
| aw. | Peak 3D Equipment | |
| | Restricted Funds | 120,000 |
| ax. | Deposition Attachment - UHV Facility | |
| | Restricted Funds | 500,000 |
| ay. | Electric Injection Molding Machine | |
| | Restricted Funds | 110,000 |
| az. | Materials Testing System | |

| | | |
|-----|--|------------|
| | Restricted Funds | 218,000 |
| ba. | Specialized Central Processing Unit | |
| | Restricted Funds | 500,000 |
| bb. | Protein Chip Analyzer | |
| | Restricted Funds | 200,000 |
| bc. | Nucleic Acid Microchip Analyzer | |
| | Restricted Funds | 200,000 |
| bd. | Analytical Ultracentrifuge | |
| | Restricted Funds | 145,000 |
| be. | High Resolution SEM | |
| | Restricted Funds | 360,000 |
| bf. | Intermediate Voltage Transmission Electronmicroscope | |
| | Restricted Funds | 550,000 |
| bg. | Micro-Computed Tomography Imager | |
| | Restricted Funds | 480,000 |
| bh. | Automated Synthesizer | |
| | Restricted Funds | 95,000 |
| | Federal Funds | 95,000 |
| | TOTAL | 190,000 |
| bi. | EPR Spectrometer Update | |
| | Restricted Funds | 60,000 |
| | Federal Funds | 65,000 |
| | TOTAL | 125,000 |
| bj. | Virtual Reality Display System | |
| | Restricted Funds | 90,000 |
| | Federal Funds | 90,000 |
| | TOTAL | 180,000 |
| bk. | Various Buildings (Guaranteed Energy Savings Project) | |
| bl. | Cardinal Park - Natatorium | |
| | Restricted Funds | 7,335,000 |
| | Other Funds | 12,489,000 |
| | TOTAL | 19,824,000 |

| | | |
|-----|--|------------|
| bm. | Expand HSC Parking Garage - Two Additional Floors | |
| | Restricted Funds | 4,794,000 |
| bn. | Baseball Stadium | |
| | Other Funds | 5,900,000 |
| bo. | Cardinals' Nest - Housing | |
| | Other Funds | 6,500,000 |
| bp. | Land Purchase and Construction of Floyd Street Parking Lot | |
| | Other Funds | 2,290,000 |
| bq. | UL and UK Fiber Optics Purchase | |
| | Restricted Funds | 4,650,000 |
| br. | Biomedical Research Building - Phase III Planning | |
| | Restricted Funds | 4,835,100 |
| bs. | Cardiovascular Innovation Institute | |
| | Restricted Funds | 20,000,000 |
| | Federal Funds | 1,500,000 |
| | TOTAL | 21,500,000 |
| 10. | Western Kentucky University | |
| a. | Various Buildings | |
| | (Guaranteed Energy Savings Project) | |
| b. | Capital Renewal and Deferred Maintenance Pool | |
| | Restricted Funds | 10,000,000 |
| c. | Electrical Distribution Phase IV and V Renovation | |
| | Restricted Funds | 4,284,000 |
| d. | Digital Television Transmission System | |
| | Restricted Funds | 1,993,000 |
| | Federal Funds | 1,328,000 |
| | TOTAL | 3,321,000 |
| e. | Renovate/Construct Telephone Infrastructure | |
| | Restricted Funds | 3,000,000 |
| f. | Van Meter Hall Renovation - Design | |
| | Restricted Funds | 688,000 |
| g. | Central Heat Plant Renovation - Phase I | |
| | Restricted Funds | 1,273,000 |
| h. | Garrett Conference Center Renovation - Design | |

| | | |
|-----|--|------------|
| | Restricted Funds | 858,000 |
| i. | Server | |
| | Restricted Funds | 880,000 |
| j. | Video Server | |
| | Restricted Funds | 800,000 |
| k. | Downing University Center Renovation | |
| | Restricted Funds | 7,000,000 |
| l. | Land Acquisition | |
| | Restricted Funds | 400,000 |
| m. | Materials Characterization Center | |
| | Restricted Funds | 3,000,000 |
| n. | Student Parking Structure | |
| | Restricted Funds | 10,000,000 |
| 11. | Kentucky Community and Technical College System | |
| a. | KCTCS System Office - Lease-Purchase with the City of Versailles | |
| b. | Capital Renewal and Deferred Maintenance Pool | |
| | Restricted Funds | 13,444,000 |
| c. | Upgrade for ADA/Fire Safety - Somerset Community College | |
| | Restricted Funds | 4,585,000 |
| d. | Master Plan Development and Upgrade Pool | |
| | Restricted Funds | 650,000 |
| e. | HVAC System Renovation - Daviess Co. Campus | |
| | Restricted Funds | 2,440,000 |
| f. | Install FiberOptics, Allied Health Building | |
| | Restricted Funds | 558,000 |
| g. | Campus HVAC System Renovation - Somerset Community College | |
| | Restricted Funds | 2,173,000 |
| h. | Replace HVAC System, 77 Addit, Laurel TC | |
| | Restricted Funds | 1,280,000 |
| i. | Enclose Courtyard/Roof - Falkenstine Hall | |
| | Restricted Funds | 1,359,000 |
| j. | Computer Interfaced Distillation Column | |
| | Restricted Funds | 114,000 |

- k. Helicopter for Aircraft Tech Program - JTC
 - Restricted Funds 271,000
- l. New Telephone System Owensboro - CC & TC
 - Restricted Funds 340,000
- m. Multi-engine Turbine Power Aircraft
 - Restricted Funds 300,000
- n. Diagnostic Medical Sonography Unit
 - Restricted Funds 110,000
- o. Various Buildings
(Guaranteed Energy Savings Project)
- p. Henderson Community College - Lease
- q. Jefferson Community College - Lease

M. PUBLIC PROTECTION AND REGULATION CABINET

| Budget Unit | 2002-03 | 2003-04 |
|--|---------|---------|
| 1. Housing, Buildings and Construction | | |
| a. Franklin County - Lease | | |
| 2. Department of Insurance | | |
| a. Franklin County - Lease | | |
| 3. Public Advocacy | | |
| a. Franklin County - Lease | | |

N. REVENUE

| Budget Unit | 2002-03 | 2003-04 |
|----------------------------|---------|---------|
| 1. Office of the Secretary | | |
| a. Franklin County - Lease | | |
| b. Franklin County - Lease | | |
| c. Franklin County - Lease | | |

O. TOURISM DEVELOPMENT CABINET

| Budget Unit | 2002-03 | 2003-04 |
|-------------|---------|---------|
|-------------|---------|---------|

The total non-General Fund project costs shown do not reflect additions to the operating budget appropriations.

| | | |
|--|--|---------|
| 1. Department of Parks | | |
| a. Improve Water System - Natural Bridge Emergency Repair, Maintenance, and Replacement Fund | | 500,000 |

| | | | |
|----|---|-----------|-----------|
| b. | Maintenance Pool | | |
| | Investment Income | 3,438,400 | 3,435,700 |
| c. | Campground Electrical/Life Safety Upgrade and Reconstruction | | |
| | Investment Income | | 2,100,000 |
| d. | Construct Wave Barrier - Jenny Wiley | | |
| | Reauthorization | | |
| e. | Kincaid Lake Golf Course | | |
| | Reauthorization | | |
| f. | Ben Hawes State Park Project/Various Improvements | | |
| | Reauthorization and Reallocation | | |
| 2. | Kentucky Horse Park | | |
| a. | Maintenance Pool | | |
| | Investment Income | 441,400 | 441,400 |
| b. | Painting, Fencing, and Infrastructure Repair | | |
| | Investment Income | 225,000 | |
| c. | Design and Infrastructure of a New Indoor Arena and Campground Expansion | | |
| | General Fund | | 400,000 |
| 3. | Kentucky State Fair Board | | |
| a. | Purchase DOT Building | | |
| | Bond Funds | 500,000 | |
| b. | Replace Roofs | | |
| | Bond Funds | 2,800,000 | |
| c. | Maintenance Pool | | |
| | Restricted Funds | 1,500,000 | 1,500,000 |
| d. | Teleconference Center - KICC | | |
| | Reauthorization and Reallocation (250,000 - Restricted Funds) | | |

The above Restricted Funds, as appropriated in accordance with 2000 Ky. Acts ch. 549, Part II, O. Tourism Development Cabinet, 2. Kentucky State Fair Board, c. Freedom Hall-Portable Trailers, are reauthorized and reallocated to provide for the completion of the Kentucky International Convention Center Teleconferencing Center.

| | | | |
|----|---|---------|---------|
| 4. | Department of Fish and Wildlife Resources | | |
| a. | Land Acquisition Pool | | |
| | Restricted Funds | 500,000 | 500,000 |
| b. | Maintenance Pool | | |

| | | |
|------------------|---------|---------|
| Restricted Funds | 300,000 | 300,000 |
|------------------|---------|---------|

P. TRANSPORTATION CABINET

| | | |
|-------------|---------|---------|
| Budget Unit | 2002-03 | 2003-04 |
|-------------|---------|---------|

1. Highways

a. TRNSPRT System

| | | |
|-----------|-----------|--|
| Road Fund | 3,500,000 | |
|-----------|-----------|--|

b. Statewide Transportation Operations Center

| | | |
|---------------|--|-----------|
| Federal Funds | | 5,680,000 |
|---------------|--|-----------|

| | | |
|-----------|--|-----------|
| Road Fund | | 1,420,000 |
|-----------|--|-----------|

| | | |
|-------|--|-----------|
| TOTAL | | 7,100,000 |
|-------|--|-----------|

2. General Administration and Support

a. Construct Martin County Maintenance Facility and Salt Dome

| | | |
|-----------|--|---------|
| Road Fund | | 845,000 |
|-----------|--|---------|

b. Replace HVAC System - Franklin County Materials Lab

| | | |
|-----------|--|---------|
| Road Fund | | 600,000 |
|-----------|--|---------|

c. Construct and Repair Various Salt Storage Structures

| | | |
|-----------|--|---------|
| Road Fund | | 813,000 |
|-----------|--|---------|

d. Asbestos Survey/Abatement/Air Monitoring

| | | |
|-----------|--|---------|
| Road Fund | | 100,000 |
|-----------|--|---------|

e. Building Renovation and Emergency Repairs

| | | |
|-----------|---------|--|
| Road Fund | 840,000 | |
|-----------|---------|--|

f. Conduct Paving and Landscaping

| | | |
|-----------|--|---------|
| Road Fund | | 600,000 |
|-----------|--|---------|

g. Wastewater Treatment/Water Projects

| | | |
|-----------|--|---------|
| Road Fund | | 200,000 |
|-----------|--|---------|

h. HVAC Maintenance and Repair

| | | |
|-----------|--|---------|
| Road Fund | | 800,000 |
|-----------|--|---------|

i. Hydraulic Hoists-Heavy Equipment

| | | |
|-----------|--|---------|
| Road Fund | | 300,000 |
|-----------|--|---------|

j. Purchase of High Speed Duplicators (Two)

| | | |
|-----------|--|---------|
| Road Fund | | 600,000 |
|-----------|--|---------|

k. Purchase Electrical Digital Surveying System

| | | |
|-----------|--|---------|
| Road Fund | | 150,000 |
|-----------|--|---------|

l. Purchase Concrete and Geotech Testing System

| | | | |
|----|------------------------|-----------|-----------|
| | Road Fund | | 146,000 |
| m. | Purchase of Core Drill | | |
| | Road Fund | | 210,000 |
| n. | Various Parks Roads | | |
| | Road Fund | 1,500,000 | 1,500,000 |

Q. WORKFORCE DEVELOPMENT CABINET

| Budget Unit | | 2002-03 | 2003-04 |
|-------------|---|---------|---------|
| 1. | General Administration and Program Support | | |
| a. | Implement Guaranteed Energy Savings (Guaranteed Energy Performance Contract) | | |
| b. | Implement ADA Barrier Removal Pool | | |
| | Investment Income | 125,000 | |
| c. | Maintenance Pool | | |
| | Investment Income | 395,000 | 394,600 |
| 2. | Vocational Rehabilitation | | |
| a. | Construct New Sewage Treatment Plant-Perkins Rehabilitation Center | | |
| | Bond Funds | 265,000 | |
| b. | Franklin County - Lease | | |
| c. | Fayette County - Lease | | |
| 3. | Employment Services | | |
| a. | DES Facility Renovation Pool | | |
| | Reauthorization | | |

The General Assembly authorizes the Department to develop and implement a facility replacement and renovation program to improve the quality of Workforce Development Cabinet facilities used by the Department and its clients, and to reduce departmental reliance on lease/rental properties. The Department is directed to coordinate this program with the Secretary of the Finance and Administration Cabinet. Proceeds acquired from the sale, transfer, or other disposition of existing facilities may be expended toward the purchase, construction, renovation, and equipping and furnishing of replacement facilities. Expenditures authorized by this provision are limited to the use of funds solely derived from the sale of Cabinet-owned facilities, which equity rights are shared between both the state and the federal government. Any project estimated to cost over \$400,000 shall be reported to the Capital Projects and Bond Oversight Committee by the Secretary of the Finance and Administration Cabinet.

R. COAL SEVERANCE TAX PROJECTS

Notwithstanding KRS 42.4588(2) and (4), the following projects are authorized and appropriated from Local Government Economic Development Fund moneys from the respective single county fund pursuant to KRS 42.4592 or General Fund supported Bond Funds for public purposes in the following coal-producing counties in the manner and amounts enumerated. These

projects are determined by the General Assembly to be important to the furtherance of the public policy objectives and economic development purposes for which the Local Government Economic Development Program was established. The amounts appropriated are estimates. Actual expenditures and encumbrances shall be limited to the actual receipts realized and available in the respective single county fund. These amounts are comprised of estimated receipts for fiscal year 2002-2003 and fiscal year 2003-2004 in combination with prior unobligated balances in the respective single county funds. To the extent that a county that is authorized to proceed with a project enumerated below receives more single county Local Government Economic Development Fund moneys than are appropriated in this Act, the county may direct those funds to offset a cost overrun on any of the projects enumerated below upon approval of the Commissioner of the Coal County Development Office.

Notwithstanding KRS 42.4592, funds from each single county fund that equals the amount of Bond Funds for the respective county shall be deposited to the General Fund in fiscal year 2003-2004. The Coal Severance Tax Projects Bonds shall not be issued prior to September 1, 2003. The Bond Funds totaling \$10,663,480 are supported with General Fund debt service of \$986,000 which is included in the Department for Local Government Debt Service appropriation.

(1) GOVERNMENT OPERATIONS

| a. Budget Unit | Local Government | 2002-03 | 2003-04 |
|---|------------------|---------|---------|
| Bell County | | | |
| 1. Bell County Animal Shelter - Improvements | | | |
| Restricted Funds | | 5,000 | |
| 2. Bell County Fiscal Court - Ambulance and Equipment | | | |
| Restricted Funds | | 75,000 | |
| 3. Bell County Fiscal Court - Bell County 4-H Club - Operations | | | |
| Restricted Funds | | | 1,000 |
| 4. Bell County Fiscal Court - City of Middlesboro - Equipment and Projects | | | |
| Restricted Funds | | | 85,000 |
| 5. Bell County Fiscal Court - City of Pineville - Equipment and Projects | | | |
| Restricted Funds | | | 30,000 |
| 6. Bell County Fiscal Court - Equipment and Projects | | | |
| Restricted Funds | | | 600,000 |
| 7. Bell County Fiscal Court - Frakes Senior Citizens - Operations | | | |
| Restricted Funds | | | 5,000 |
| 8. Bell County Fiscal Court - Frakes Volunteer Fire Department Equipment and Operations | | | |
| Restricted Funds | | | 6,250 |
| 9. Bell County Fiscal Court - Little League - Improvements | | | |
| Restricted Funds | | 25,000 | 5,000 |

| | | | |
|-----|--|---------|--------|
| 10. | Bell County Fiscal Court - Middlesboro Airport - Operations | | |
| | Restricted Funds | 50,000 | |
| 11. | Bell County Fiscal Court - Middlesboro Fire Department - equipment | | |
| | Restricted Funds | | 15,000 |
| 12. | Bell County Fiscal Court - Middlesboro Rescue Squad - Equipment and Operations | | |
| | Restricted Funds | 12,500 | 6,250 |
| 13. | Bell County Fiscal Court - Pineville Fire Department - Equipment | | |
| | Restricted Funds | | 5,000 |
| 14. | Bell County Fiscal Court - Red Bird Senior Citizens - Operations | | |
| | Restricted Funds | | 2,500 |
| 15. | Bell County Fiscal Court - Senior Citizens - Operations | | |
| | Restricted Funds | 25,000 | 7,500 |
| 16. | Bell County Fiscal Court - Water Project - Wx2101 3907 Earmarked | | |
| | Restricted Funds | 222,000 | |
| 17. | Bell County Fiscal Court- Interfaith Operations | | |
| | Restricted Funds | 5,000 | |
| 18. | Bell County Fiscal Court- Middlesboro History Museum - Operations | | |
| | Restricted Funds | 7,500 | 5,000 |
| 19. | Bell County Fiscal Court- Middlesboro Little League/Senior League - T-ball Improvements | | |
| | Restricted Funds | 12,500 | |
| 20. | Bell County Fiscal Court- P-38 Museum at Middlesboro - Operations | | |
| | Restricted Funds | 150,000 | |
| 21. | Bell County Fiscal Court- Pineville School - Divided Evenly Among Each Site Based Council | | |
| | Restricted Funds | 25,000 | |
| 22. | Bell County Fiscal Court- Senior Citizens Ctr - For Their Share of Pineville City School Wellness Center | | |
| | Restricted Funds | 50,000 | |
| 23. | Bell County Health Department - Operations | | |
| | Restricted Funds | 5,000 | |
| 24. | Bell County Jail - Repairs | | |
| | Restricted Funds | 50,000 | |
| 25. | Bell County Public Library - Operations | | |
| | Restricted Funds | 5,000 | |

| | | | |
|-----|---|---------|--|
| 26. | Bell County Veterans Park - Improvements | | |
| | Restricted Funds | 5,000 | |
| 27. | Bell County Volunteer Fire Department | | |
| | Restricted Funds | 25,000 | |
| 28. | Bell County Volunteer Fire Department - Generator at Central | | |
| | Restricted Funds | 25,000 | |
| 29. | Bell County Volunteer Fire Department - Lone Jack Co. for Repairs | | |
| | Restricted Funds | 25,000 | |
| 30. | City of Middlesboro - Various Projects | | |
| | Restricted Funds | 200,000 | |
| 31. | City of Pineville - Various Projects | | |
| | Restricted Funds | 75,000 | |
| 32. | Frakes Volunteer Fire Department - Operations | | |
| | Restricted Funds | 12,500 | |
| 33. | Middlesboro City Schools - Divided Evenly Among Each Site Based Council | | |
| | Restricted Funds | 25,000 | |

Boyd County

| | | | |
|-----|---|--------|--------|
| 34. | Ashland Independent Board of Education - Ashland Independent School Facility Improvements | | |
| | Restricted Funds | 9,000 | 10,000 |
| 35. | Boyd County Board of Education – Boyd County Schools Facility Improvements | | |
| | Restricted Funds | 9,000 | 10,000 |
| 36. | Boyd County Board of Education – Cannonsburg Elementary Playground Equipment and Improvements | | |
| | Restricted Funds | 10,000 | |
| 37. | Boyd County Fiscal Court – AABC Baseball Equipment and Facility Improvements | | |
| | Restricted Funds | 10,000 | |
| 38. | Boyd County Fiscal Court – Boyd County Fair Operations and Improvements | | |
| | Restricted Funds | 10,000 | 10,000 |
| 39. | Boyd County Fiscal Court – Catlettsburg Senior Center Vehicle Enhancements | | |
| | Restricted Funds | 1,000 | |
| 40. | Boyd County Fiscal Court – Community Hospice - Construction and Improvements | | |
| | Restricted Funds | 20,000 | 30,000 |
| 41. | Boyd County Fiscal Court – Durbin Community Outreach | | |

| | | |
|---|---------|---------|
| Restricted Funds | | 1,800 |
| 42. Boyd County Fiscal Court – Hopes Place Operations, Materials, Equipment and Improvements | | |
| Restricted Funds | 11,000 | |
| 43. Boyd County Fiscal Court – National Little League – Equipment and Facility Improvements | | |
| Restricted Funds | 10,000 | |
| 44. Boyd County Fiscal Court – Optimist Softball and Soccer – Equipment, Facility, and Grounds Improvements | | |
| Restricted Funds | 10,000 | |
| 45. Boyd County Fiscal Court – Safe Harbor Operations, Materials, Equipment and Improvements | | |
| Restricted Funds | 11,000 | |
| 46. Boyd County Fiscal Court – Volunteer Fire Departments - to be shared equally | | |
| Restricted Funds | | 30,000 |
| 47. City of Ashland – Ashland American Little League – Facility Improvement and Acquisitions | | |
| Restricted Funds | 10,000 | |
| 48. City of Ashland – Summer Motion Operations and Improvements | | |
| Restricted Funds | 10,000 | 10,000 |
| 49. City of Catlettsburg - Downtown Development | | |
| Restricted Funds | 13,500 | |
| 50. Fairview Independent Board of Education – Fairview Independent Schools Facility Improvement | | |
| Restricted Funds | 9,000 | 10,000 |
| Breathitt County | | |
| 51. Breathitt County School Board - Breathitt County High School Athletic Fields and Field House | | |
| Restricted Funds | 250,000 | |
| 52. Breathitt County Water District - Water Line Extensions | | |
| Restricted Funds | 297,500 | |
| 53. Breathitt County Water District - Water Line Extensions | | |
| Restricted Funds | | 781,804 |
| 54. City of Jackson - Water Treatment Plant Expansions | | |
| Restricted Funds | 397,500 | |
| Butler County | | |

55. Butler County Fiscal Court - GPS/GIS Mapping for 911 System and Emergency Generator

| | | |
|------------------|---------|--------|
| Restricted Funds | 114,000 | 10,000 |
|------------------|---------|--------|

56. Butler County Fiscal Court - Repeater System for Fire, Ambulance, Sheriff, and EMS Response

| | | |
|------------------|--------|--|
| Restricted Funds | 15,000 | |
|------------------|--------|--|

57. Butler County Fiscal Court - Various Projects

| | | |
|------------------|--|--------|
| Restricted Funds | | 10,000 |
|------------------|--|--------|

Carter County

58. Carter County Fiscal Court Recreational/Park - Feasibility, Planning, Property Acquisition, or Improvements

| | | |
|------------------|--------|--|
| Restricted Funds | 33,916 | |
|------------------|--------|--|

59. Carter County Fiscal Court- Fire Departments

| | | |
|------------------|--|--------|
| Restricted Funds | | 60,000 |
|------------------|--|--------|

60. Carter County Fiscal Court- Mt. Savage Furnace Historic Marker Replacement

| | | |
|------------------|-------|--|
| Restricted Funds | 1,600 | |
|------------------|-------|--|

61. Grayson Utility Commission - Water Treatment Plant

| | | |
|------------------|--|---------|
| Restricted Funds | | 107,018 |
|------------------|--|---------|

Christian County

62. Christian County Fiscal Court - Trail of Tears

| | | |
|------------------|--------|--|
| Restricted Funds | 22,000 | |
|------------------|--------|--|

63. Christian County Fiscal Court - Visitors Center

| | | |
|------------------|--------|--|
| Restricted Funds | 18,000 | |
|------------------|--------|--|

64. Christian County Water District

| | | |
|------------------|--|---------|
| Restricted Funds | | 150,000 |
|------------------|--|---------|

Clay County

65. Clay County Fiscal Court - Purchase Vehicles for Sheriff and Jailer

| | | |
|------------------|--------|--|
| Restricted Funds | 75,000 | |
|------------------|--------|--|

66. Clay County Fiscal Court- Administrative Office Construction

| | | |
|------------------|--|-----------|
| Restricted Funds | | 1,008,700 |
|------------------|--|-----------|

Daviess County

67. Daviess County Fiscal Court - Fire Station

| | | |
|------------------|---------|--|
| Restricted Funds | 240,000 | |
|------------------|---------|--|

68. Daviess County Fiscal Court- H. L. Neblett Center Capital Project

| | | |
|------------------|---------|---------|
| Restricted Funds | 150,000 | 116,000 |
|------------------|---------|---------|

Elliott County

69. City of Sandy Hook-Downtown Beautification, Parks, Festival Operations, and Street Repairs

| | | |
|------------------|--------|-------|
| Restricted Funds | 12,000 | 9,000 |
|------------------|--------|-------|

70. Elliott County Board of Education-Athletic Dept. - Equipment, Operations, and Improvements

| | | |
|------------------|--------|--------|
| Restricted Funds | 10,000 | 10,000 |
|------------------|--------|--------|

71. Elliott County Fiscal Court - County Public Library - Operations and Equipment Improvements.

| | | |
|------------------|--------|--------|
| Restricted Funds | 25,000 | 25,000 |
|------------------|--------|--------|

72. Elliott County Fiscal Court - Elliott County Ambulance Dept. - Equipment, Improvements, and Operations.

| | | |
|------------------|--------|--------|
| Restricted Funds | 20,000 | 25,000 |
|------------------|--------|--------|

73. Elliott County Fiscal Court - Elliott County Fire Department Construction, Equipment, and Operations

| | | |
|------------------|--------|--------|
| Restricted Funds | 40,000 | 35,000 |
|------------------|--------|--------|

74. Elliott County Fiscal Court-Various Economic Development, Recreation, Parks, County Building Operations and Ground Improvements

| | | |
|------------------|--------|--------|
| Restricted Funds | 30,000 | 40,000 |
|------------------|--------|--------|

Floyd County

75. Floyd County Fiscal Court - Allen Central

| | | |
|------------------|--|--------|
| Restricted Funds | | 50,000 |
|------------------|--|--------|

76. Floyd County Fiscal Court - Betsy Layne

| | | |
|------------------|--|--------|
| Restricted Funds | | 50,000 |
|------------------|--|--------|

77. Floyd County Fiscal Court - City of Prestonsburg Mountain Top Recreational Areas

| | | |
|------------------|--|---------|
| Restricted Funds | | 500,000 |
|------------------|--|---------|

78. Floyd County Fiscal Court - Courthouse Renovations

| | | |
|------------------|--|---------|
| Restricted Funds | | 162,500 |
|------------------|--|---------|

79. Floyd County Fiscal Court - Fire Hydrants

| | | |
|------------------|--|--------|
| Restricted Funds | | 40,000 |
|------------------|--|--------|

80. Floyd County Fiscal Court - Fire Protection

| | | |
|------------------|---------|--|
| Restricted Funds | 100,000 | |
|------------------|---------|--|

81. Floyd County Fiscal Court - Landfill

| | | |
|------------------|--|---------|
| Restricted Funds | | 125,000 |
|------------------|--|---------|

82. Floyd County Fiscal Court - Martin City Flood Control

| | | |
|------------------|--|--------|
| Restricted Funds | | 20,000 |
|------------------|--|--------|

| | | |
|-----|---|---------|
| 83. | Floyd County Fiscal Court - Martin Community Center - operations Restricted Funds | 25,000 |
| 84. | Floyd County Fiscal Court - Prestonsburg Field House Restricted Funds | 200,000 |
| 85. | Floyd County Fiscal Court - Service Project - Elkhorn Recreational and Educational Park Restricted Funds | 40,000 |
| 86. | Floyd County Fiscal Court - South Floyd Restricted Funds | 50,000 |
| 87. | Floyd County Fiscal Court - Parks Improvements Restricted Funds | 150,000 |
| 88. | Floyd County Fiscal Court - Senior Citizens Center - To be divided equally among the following seven centers - Wheelwright, Martin, McDowell, Betsy Layne, Mud Creek, Prestonsburg, and Wayland Restricted Funds | 112,000 |
| 89. | Southern Water and Sewer District - Water Line Extensions Restricted Funds | 50,000 |
| 90. | Southern Water and Sewer District - Water Line Extensions at Beaver Creek - Water Bond Payoff Restricted Funds | 491,419 |

Greenup County

| | | |
|-----|---|-------|
| 91. | Argillite Elementary School, Equipment Restricted Funds | 2,000 |
| 92. | Campbell Elementary School, Equipment Restricted Funds | 2,000 |
| 93. | City of Flatwoods - Senior Citizens Center Restricted Funds | 8,000 |
| 94. | Greenup County Fiscal Court - City of Greenup, Sidewalks Restricted Funds | 5,000 |
| 95. | Greenup County Fiscal Court - City of Raceland Restricted Funds | 5,000 |
| 96. | Greenup County Fiscal Court - City of Russell, Sewer and Storm Drains Restricted Funds | 5,000 |
| 97. | Greenup County Fiscal Court - City of South Shore, Park Improvements Restricted Funds | 5,000 |

| | | |
|------|---|--------|
| 98. | Greenup County Fiscal Court - City of Worthington | |
| | Restricted Funds | 5,000 |
| 99. | Greenup County Fiscal Court - City of Wurtland | |
| | Restricted Funds | 5,000 |
| 100. | Greenup County Fiscal Court – Fire Departments | |
| | Restricted Funds | 29,000 |
| 101. | Greenup County Fiscal Court - Flatwoods City Park | |
| | Restricted Funds | 5,000 |
| 102. | Greenup County Fiscal Court - Fraternal Order of Police | |
| | Restricted Funds | 500 |
| 103. | Greenup County Fiscal Court - Greenup County Fairgrounds / Park Board | |
| | Restricted Funds | 10,000 |
| 104. | Greenup County Fiscal Court - Greenup County Little League Ballfield | |
| | Restricted Funds | 1,000 |
| 105. | Greenup County Fiscal Court - Greenup County Tourism Committee Multiple Welcome Signs | |
| | Restricted Funds | 7,000 |
| 106. | Greenup County Fiscal Court - Greenup County War Memorial | |
| | Restricted Funds | 5,000 |
| 107. | Greenup County Fiscal Court - Greenup Fairgrounds Ballfield | |
| | Restricted Funds | 1,000 |
| 108. | Greenup County Fiscal Court - Helping Hands | |
| | Restricted Funds | 1,000 |
| 109. | Greenup County Fiscal Court - Our Lady of Bellefonte Hospital, Mobile Health Clinic | |
| | Restricted Funds | 5,000 |
| 110. | Greenup County Fiscal Court - Russell-Flatwoods Little League Ballfield | |
| | Restricted Funds | 1,000 |
| 111. | Greenup County Fiscal Court - Russell-Flatwoods Women’s Softball Field | |
| | Restricted Funds | 1,000 |
| 112. | Greenup County Fiscal Court - South Shore, Stan Spence Little League Ballfield | |
| | Restricted Funds | 1,000 |
| 113. | Greenup County Fiscal Court - Worthington Little League Ballfield | |
| | Restricted Funds | 1,000 |
| 114. | Greenup County Fiscal Court - Blacktop | |

| | | |
|--|--------|--------|
| Restricted Funds | 20,000 | |
| 115. Greenup County Fiscal Court - Fire Departments | | |
| Restricted Funds | 24,777 | 30,000 |
| 116. Greenup County High School, Running Track and Fields | | |
| Restricted Funds | | 8,466 |
| 117. Greysbranch Elementary School, Playground | | |
| Restricted Funds | | 2,000 |
| 118. McDowell Intermediate School, Equipment | | |
| Restricted Funds | | 2,000 |
| 119. McKell Elementary School, Computers and Printers | | |
| Restricted Funds | | 2,000 |
| 120. McKell Intermediate School, Computer Equipment | | |
| Restricted Funds | | 2,000 |
| 121. McKell Middle School, Library and Other Supplies | | |
| Restricted Funds | | 2,000 |
| 122. Raceland-Worthington High School, Equipment | | |
| Restricted Funds | | 8,466 |
| 123. Russell High School | | |
| Restricted Funds | | 8,466 |
| 124. Russell Middle School, Equipment | | |
| Restricted Funds | | 2,000 |
| 125. Russell Primary School, Equipment | | |
| Restricted Funds | | 2,000 |
| 126. Worthington Elementary School, Equipment | | |
| Restricted Funds | | 2,000 |
| 127. Wurtland Elementary School, Equipment | | |
| Restricted Funds | | 2,000 |
| 128. Wurtland Middle School, Supplies and Equipment | | |
| Restricted Funds | | 2,000 |
| Harlan County | | |
| 129. Harlan County Fiscal Court- \$7,500 for equipment to each of the following Volunteer Fire Departments - Holmes Mill, Yocum Creek, Lower Clover Fork, Bledsoe, Putney, Wallins, Coldiron, Sunshine, Martins Fork, Evarts, Loyall, Upper Cloverfork, and Benham | | |
| Restricted Funds | | 91,000 |

| | | |
|--|-----------|---------|
| 130. Black Mountain Utility District - Putney - Totz/Water Line Extension | | |
| Bond Funds | 1,250,000 | |
| 131. Black Mountain Utility District - Water Line Extension to Molus/Treatment Plant | | |
| Bond Funds | 250,000 | |
| 132. City of Benham - Purchase of Equipment for Water/Sewer Service and Fire Protection | | |
| Restricted Funds | | 20,000 |
| 133. City of Cumberland – Purchase or construction of a tourism center and welcome information center for Appalachian Frontier Homestead | | |
| Restricted Funds | | 25,000 |
| 134. City of Harlan – Downtown Revitalization Program and/or improvements | | |
| Restricted Funds | | 100,000 |
| 135. City of Harlan – Fire Station South | | |
| Restricted Funds | | 100,000 |
| 136. City of Harlan – Little League | | |
| Restricted Funds | | 5,000 |
| 137. City of Harlan - Water Treatment Plant | | |
| Bond Funds | 500,000 | |
| 138. City of Loyall - Equipment and Repair for Fire, Police, and Sewer Departments | | |
| Restricted Funds | | 74,200 |
| 139. City of Wallins Creek - City Equipment Purchase | | |
| Restricted Funds | | 20,000 |
| 140. Cranks Volunteer Fire Department - Start-up Expenses | | |
| Restricted Funds | | 14,000 |
| 141. Harlan County Fiscal Court – ARH Substance Abuse Detox Program | | |
| Restricted Funds | | 100,000 |
| 142. Harlan County Fiscal Court – Bledsoe Community Center Construction of Building | | |
| Restricted Funds | | 20,000 |
| 143. Harlan County Fiscal Court – Cawood Ledford Harlan County Boys and Girls Club | | |
| Restricted Funds | | 250,000 |
| 144. Harlan County Fiscal Court - Cloverfork Rescue Squad, Building Construction | | |
| Restricted Funds | | 50,000 |
| 145. Harlan County Fiscal Court – County Clerk’s Office – Electronic Document System | | |
| Restricted Funds | | 150,000 |
| 146. Harlan County Fiscal Court - East Kentucky Corporation | | |

| | |
|---|---------|
| Restricted Funds | 100,000 |
| 147. Harlan County Fiscal Court - Evarts Train Depot, Renovation of Building | |
| Restricted Funds | 50,000 |
| 148. Harlan County Fiscal Court – Harlan and Tri-County Rescue Squads to be divided equally | |
| Restricted Funds | 10,000 |
| 149. Harlan County Fiscal Court - Harlan County Tri-Cities Coordination for Community Development | |
| Restricted Funds | 35,000 |
| 150. Harlan County Fiscal Court – Joshua’s Dream Foundation- Long-term Drug Rehab Center | |
| Restricted Funds | 21,527 |
| 151. Harlan County Fiscal Court – Pathfork Community Park | |
| Restricted Funds | 5,000 |
| 152. Harlan County Fiscal Court – Smith Park, Smith Kentucky – New Program Development and Repair | |
| Restricted Funds | 5,000 |
| 153. Harlan County Fiscal Court – Southeast Community College Paramedic Training | |
| Restricted Funds | 50,000 |
| 154. Harlan County Fiscal Court – The Laurels, Inc. – Renovation | |
| Restricted Funds | 40,000 |
| 155. Harlan County Fiscal Court – Water Line Extension for Ages | |
| Restricted Funds | 400,000 |
| 156. Harlan County Fiscal Court – Water Line Extension for Clover Lick | |
| Restricted Funds | 300,000 |
| 157. Harlan County Fiscal Court – Water Line Extension Highway 38 to State Line | |
| Restricted Funds | 250,000 |
| 158. Harlan County PVA - Digital/Mapping | |
| Restricted Funds | 35,000 |
| 159. Southeast Community College Foundation - Mine Museum, Golf Course, and Mine Tour | |
| Restricted Funds | 250,000 |
| 160. Southeast Community College Foundation - Underground Mine Tour | |
| Restricted Funds | 500,000 |

Henderson County

161. Henderson County Fiscal Court - Highway 60 E Water Line Extensions or Replacements

Restricted Funds 142,785

162. Henderson County Fiscal Court - McDonald Landing Road Water Line Extensions or Replacements

Restricted Funds 217,215

163. Henderson County Water District - Fulton-Yates/Mt. Zion Church Road Loop Water Line

Restricted Funds 125,000

164. Henderson County Water District - Posey-Ball Road Water Line

Restricted Funds 121,381

165. Henderson County Water District - Tank Repair

Restricted Funds 350,000

166. Henderson County Water District - Various Extensions

Restricted Funds 230,000

167. Henderson County Water District - Water Line Extension to Kings Mill Road, Birk City Road, and Green River Road

Restricted Funds 83,655

168. Henderson Water Utility - Interconnection with Evansville Water

Restricted Funds 100,000

Hopkins County

169. Hopkins County Fiscal Court- Volunteer Fire Departments - (\$10,000 each to Anton, Charleston, Dawson Springs, Earlington, Grapevine, Hanson, Manitou, Mortons Gap, Nebo, Nortonville, Richland, St. Charles, South Hopkins, and White Plains for Fire Equipment)

Restricted Funds 140,000

170. Hopkins County Fiscal Court - Economic Development - Spec Building

Restricted Funds 400,000

171. Hopkins County Fiscal Court - Economic Development Projects

Restricted Funds 900,000

172. Hopkins County Fiscal Court - Water Projects

Restricted Funds 630,000

173. Hopkins County Fiscal Court- Adult Education Initiative

Restricted Funds 100,000 100,000

174. Hopkins County Fiscal Court- Land Acquisition -Economic Development

Restricted Funds 1,000,000 500,000

Jackson County

| | | |
|---|-----------|---------|
| 175. Jackson County Fiscal Court - Buncomb Road Water Line | | |
| Restricted Funds | 108,100 | |
| 176. Jackson County Water Association - Water Supply Lake | | |
| Restricted Funds | | 88,256 |
| 177. Jackson County Water Association - Water Supply Lake | | |
| Restricted Funds | 62,000 | |
| Johnson County | | |
| 178. Johnson County Fiscal Court - Fire Departments | | |
| Restricted Funds | 35,000 | 35,000 |
| 179. Paintsville Utility Commission - New Water Treatment Plant | | |
| Restricted Funds | 20,757 | |
| Knott County | | |
| 180. Kentucky School of Craft - KCTCS - Operating | | |
| Restricted Funds | | 500,000 |
| 181. Knott County Fiscal Court - Beaver Park Expansions | | |
| Restricted Funds | 100,000 | |
| 182. Knott County Fiscal Court - Fire Departments | | |
| Restricted Funds | 100,000 | 50,000 |
| 183. Knott County Fiscal Court - Jail | | |
| Restricted Funds | 600,000 | 600,000 |
| 184. Knott County Fiscal Court - Knott County Incubator Project | | |
| Restricted Funds | 500,000 | 559,200 |
| 185. Knott County Fiscal Court - Senior Center Building Repairs | | |
| Restricted Funds | | 75,000 |
| 186. Knott County Fiscal Court - Sheriff - Purchase Vehicles | | |
| Restricted Funds | 60,000 | |
| 187. Knott County Fiscal Court - Youth Development Center | | |
| Restricted Funds | 800,987 | 800,000 |
| 188. Knott County/City of Hazard - Water Line Extension | | |
| Bond Funds | 661,746 | |
| 189. Southern Water and Sewer District - Water Line Extension on Right Beaver Creek | | |
| Bond Funds | 3,348,903 | |
| Knox County | | |
| 190. Barbourville Utility Commission - Water Tank and Pump Station HWY 229 | | |

| | |
|--|---------|
| Restricted Funds | 175,000 |
| 191. Knox County Fiscal Court- Southeast Ky. Rehabilitation Industries (SEKRI) - Renovation of Warner Building | |
| Restricted Funds | 330,189 |
| 192. Knox County Fiscal Court – Ambulance Service Equipment | |
| Restricted Funds | 38,000 |
| 193. Knox County Fiscal Court – Barbourville Pentecostal Children's Home | |
| Restricted Funds | 20,000 |
| 194. Knox County Fiscal Court – Barbourville Police Department Equipment | |
| Restricted Funds | 20,000 |
| 195. Knox County Fiscal Court – Barbourville Senior Citizens Center – Equipment | |
| Restricted Funds | 10,000 |
| 196. Knox County Fiscal Court – Corbin Senior Citizens Center – Equipment | |
| Restricted Funds | 10,000 |
| 197. Knox County Fiscal Court – Eight Fire Departments to be Divided Equally | |
| Restricted Funds | 160,000 |
| 198. Knox County Fiscal Court – Fire Hydrant 223 next to Dewitt School | |
| Restricted Funds | 1,500 |
| 199. Knox County Fiscal Court – Fire Hydrant 830 next to West Knox School | |
| Restricted Funds | 1,500 |
| 200. Knox County Fiscal Court – Health Department - Equipment | |
| Restricted Funds | 40,000 |
| 201. Knox County Fiscal Court – Irene Cheek Emergency Fund Service, Inc. – Computer Monogramming Sewing Machine | |
| Restricted Funds | 10,000 |
| 202. Knox County Fiscal Court – Public Library to Update Equipment | |
| Restricted Funds | 15,000 |
| 203. Knox County Fiscal Court – Woodbine Fire Department Substation at New Covenant Highway 6 | |
| Restricted Funds | 50,000 |
| 204. Knox County Sheriff Department – Equipment | |
| Restricted Funds | 40,000 |
| Laurel County | |
| 205. Wood Creek Water District - Water Line Extensions or Plant Upgrade | |
| Restricted Funds | 48,600 |

| | | |
|---|---------|---------|
| 206. Wood Creek Water District - Water Tank and Pump Station | | |
| Restricted Funds | 105,943 | |
| 207. Wood Creek Water District - Water Tank and Pump Station | | |
| Restricted Funds | | 111,800 |
| Lawrence County | | |
| 208. City of Louisa Downtown Beautification and City Park Improvements | | |
| Restricted Funds | | 50,000 |
| 209. Lawrence County Board of Education - Blaine Elementary Playground Equipment and Improvements | | |
| Restricted Funds | | 40,000 |
| 210. Lawrence County Board of Education - Community Wellness Center | | |
| Restricted Funds | 50,000 | 150,000 |
| 211. Lawrence County Board of Education - Lawrence County High School Ground Improvements and Lights - Girls Softball Field | | |
| Restricted Funds | | 45,000 |
| 212. Lawrence County Fiscal Court - Boones Landing Recreation Area - Facility and Ground Improvements | | |
| Restricted Funds | | 53,000 |
| 213. Lawrence County Fiscal Court - Community Center | | |
| Restricted Funds | 200,000 | |
| 214. Lawrence County Fiscal Court - Seven Volunteer Fire Departments to be Shared Equally | | |
| Restricted Funds | | 105,000 |
| 215. Lawrence County Fiscal Court - Stella Moore Field Recreation Area - Lights and Grounds Improvements | | |
| Restricted Funds | | 50,000 |
| 216. Lawrence County Fiscal Court - Volunteer Fire Departments | | |
| Restricted Funds | 10,078 | |
| Lee County | | |
| 217. City of Beattyville - Water Line Extension | | |
| Restricted Funds | 505,000 | |
| 218. Lee County Fiscal Court - Library Renovation at Old Jail | | |
| Restricted Funds | 150,000 | |
| 219. Lee County Fiscal Court - Renovate Ambulance Building | | |
| Restricted Funds | | 65,000 |

220. Lee County Fiscal Court - Ambulance Service ALS Enhancement

Restricted Funds 75,000

221. Lee County Fiscal Court - New Ambulance Building

Restricted Funds 135,000

Leslie County

222. Leslie County - Campus of Hazard Community College

Restricted Funds 290,000

223. Leslie County Fiscal Court - Bobs Fork, Sizerock Water Extensions

Restricted Funds 1,378,890

224. Leslie County Fiscal Court - Coon Creek Fire Department

Restricted Funds 10,000

225. Leslie County Fiscal Court - Cutshin Fire Department

Restricted Funds 10,000

226. Leslie County Fiscal Court - Drug Awareness Programs

Restricted Funds 25,000

227. Leslie County Fiscal Court - E911 Equipment and Operations

Restricted Funds 500,000

228. Leslie County Fiscal Court - East Kentucky Corporation

Restricted Funds 75,000

229. Leslie County Fiscal Court - Funds to be divided equally among six local Volunteer Fire Departments

Restricted Funds 150,000

230. Leslie County Fiscal Court - George Wooten Park

Restricted Funds 5,000

231. Leslie County Fiscal Court - Greasy Creek Park

Restricted Funds 5,000

232. Leslie County Fiscal Court - Grover Sizemore Park

Restricted Funds 5,000

233. Leslie County Fiscal Court - Hyden Fire Department

Restricted Funds 10,000

234. Leslie County Fiscal Court - Jail Improvements

Restricted Funds 250,000

235. Leslie County Fiscal Court - Leco Road Power Extension - Economic Development

Restricted Funds 35,000

| | | |
|---|-----------|---------|
| 236. Leslie County Fiscal Court - Leslie County Little League | | |
| Restricted Funds | | 20,000 |
| 237. Leslie County Fiscal Court - Pines Park | | |
| Restricted Funds | | 5,000 |
| 238. Leslie County Fiscal Court - Sheriff's Department Cruiser | | |
| Restricted Funds | | 25,000 |
| 239. Leslie County Fiscal Court - Stinnett Area Community Center | | |
| Restricted Funds | | 500,000 |
| 240. Leslie County Fiscal Court - Stinnett Fire Department | | |
| Restricted Funds | | 10,000 |
| 241. Leslie County Fiscal Court - Thousandsticks Fire Department | | |
| Restricted Funds | | 10,000 |
| 242. Leslie County Fiscal Court - Transportation Improvements | | |
| Restricted Funds | | 286,000 |
| 243. Leslie County Fiscal Court - Wooton Fire Department | | |
| Restricted Funds | | 10,000 |
| 244. Leslie County Water District - Water Line Extension and System Telemetry | | |
| Bond Funds | 1,030,000 | |

Letcher County

| | | |
|---|---------|---------|
| 245. City of Jenkins - City Hall Expansion | | |
| Restricted Funds | | 85,346 |
| 246. City of Jenkins - Downtown Revitalization | | |
| Restricted Funds | | 120,000 |
| 247. Letcher County Fiscal Court - New Fire Department Headquarters - Jenkins | | |
| Restricted Funds | 30,000 | |
| 248. Letcher County Board of Education - Central High School Construction Project | | |
| Restricted Funds | 300,000 | 500,000 |
| 249. Letcher County Domestic Violence Council - Construction Project | | |
| Restricted Funds | 100,000 | 100,000 |
| 250. Letcher County Fiscal Court - Campbells Branch Line Fork Community Center | | |
| Restricted Funds | 10,000 | |
| 251. Letcher County Fiscal Court - Eola Recreation Center | | |
| Restricted Funds | | 15,000 |
| 252. Letcher County Fiscal Court - Expansion of Senior Citizens Centers | | |

| | | |
|--|---------|---------|
| Restricted Funds | 100,000 | |
| 253. Letcher County Fiscal Court - Hemphill Community Center Construction | | |
| Restricted Funds | 10,000 | |
| 254. Letcher County Fiscal Court - Jenkins Baseball Park | | |
| Restricted Funds | 100,000 | |
| 255. Letcher County Fiscal Court - Letcher County Medical Evacuation Helicopter/Office and Dorm at Whitesburg Appalachian Regional Hospital. | | |
| Restricted Funds | 250,000 | 100,000 |
| 256. Letcher County Fiscal Court - Lights for Neon Little League Field | | |
| Restricted Funds | 160,000 | |
| 257. Letcher County Fiscal Court - McRoberts Community Center Property Design and Construction | | |
| Restricted Funds | 35,000 | 200,000 |
| 258. Letcher County Fiscal Court - Various Parks in Letcher County | | |
| Restricted Funds | 100,000 | 100,000 |
| 259. Letcher County Fiscal Court - Water Line Extension - Sandlick Water and Sewer Authority | | |
| Restricted Funds | 800,000 | |
| 260. Letcher County Fiscal Court - Whitesburg Recreation Center | | |
| Restricted Funds | 35,000 | |
| 261. Letcher County Fiscal Court - Provide funds to be shared equally among ten Volunteer Fire Departments | | |
| Restricted Funds | 200,000 | |
| 262. Letcher County Water and Sewer - Water Line Extension Crafts Colly | | |
| Restricted Funds | 800,000 | |

Magoffin County

| | | |
|--|-----------|---------|
| 263. Magoffin County Fiscal Court - Administrative Office Building | | |
| Restricted Funds | 1,000,000 | |
| 264. Magoffin County Fiscal Court - Fire Departments | | |
| Restricted Funds | 100,000 | |
| 265. Magoffin County Rescue For Purchase of Truck | | |
| Restricted Funds | 50,000 | |
| 266. Magoffin County Water District - Line Extension and Plant Upgrade | | |
| Restricted Funds | | 187,954 |
| 267. Royallton Fire Department | | |

| | | |
|-----------------|---|-----------|
| | Restricted Funds | 10,000 |
| 268. | Salyersville Fire Department | |
| | Restricted Funds | 10,000 |
| Martin County | | |
| 269. | City of Warfield - Community Center | |
| | Restricted Funds | 25,000 |
| 270. | Martin County Fiscal Court - Roy F. Collier Community Center - Furnishings and Equipment | |
| | Restricted Funds | 500,000 |
| 271. | Martin County Fiscal Court - Fire Department/Rescue Squad - Equipment and Fire House Improvements | |
| | Restricted Funds | 75,000 |
| 272. | Martin County Fiscal Court - Martin County Health Care Clinic | |
| | Restricted Funds | 400,000 |
| 273. | Martin County Fiscal Court - Roy F Collier Community Center Completion | |
| | Restricted Funds | 200,000 |
| 274. | Martin County Fiscal Court - Senior Citizens Center - Equipment | |
| | Restricted Funds | 20,000 |
| 275. | Martin County Sheriff's Office - Equipment | |
| | Restricted Funds | 22,000 |
| 276. | Martin County Volunteer Fire Departments | |
| | Restricted Funds | 28,000 |
| 277. | Martin County Water District - Upgrade/Expansion Water Treatment Plant | |
| | Bond Funds | 3,122,831 |
| 278. | Martin Fiscal Court - Emergency Management - Enhanced 911/GIS | |
| | Restricted Funds | 100,000 |
| McCreary County | | |
| 279. | McCreary County Fiscal Court - Industrial Park | |
| | Restricted Funds | 375,000 |
| McLean County | | |
| 280. | McLean County Fiscal Court - City of Island Water Department - Debt Service on 10" Line | |
| | Restricted Funds | 70,000 |
| 281. | McLean County Fiscal Court - City of Sacramento - Water System Improvements | |
| | Restricted Funds | 50,000 |

| | | |
|---|---------|---------|
| 282. McLean County Fiscal Court - Extension of Water Lines at Pone River | | |
| Restricted Funds | | 50,000 |
| 283. McLean County Fiscal Court - Fire Departments | | |
| Restricted Funds | 80,000 | |
| 284. McLean County Fiscal Court - Fire/Rescue Equipment or Vehicle | | |
| Restricted Funds | | 70,000 |
| 285. McLean County Fiscal Court - High Speed Data/E-Government | | |
| Restricted Funds | 30,000 | 35,000 |
| 286. McLean County Fiscal Court - Rumsey Sewer | | |
| Restricted Funds | | 250,000 |
| 287. McLean County Fiscal Court - Water Line Improvements and Fire Hydrants | | |
| Restricted Funds | 120,000 | |

Menifee County

| | | |
|---|--------|---------|
| 288. Menifee County Fiscal Court - Fire Departments - Divided Equally | | |
| Restricted Funds | 40,000 | 26,000 |
| 289. Menifee County Fiscal Court - Menifee County Water Line and Water Tank | | |
| Restricted Funds | | 150,000 |
| 290. Menifee County Youth Center | | |
| Restricted Funds | 50,000 | |
| 291. Walking Trail Park | | |
| Restricted Funds | 40,000 | |

Morgan County

| | | |
|--|---------|--------|
| 292. Morgan County Fiscal Court - (Six Local Volunteer Fire Departments to be shared equally) | | |
| Restricted Funds | 60,000 | 30,000 |
| 293. Morgan County Fiscal Court - Development of Park at the Mouth of Caney Creek | | |
| Restricted Funds | 50,000 | |
| 294. Morgan County Fiscal Court - Industrial Road Development - Spec Building Construction and Industrial Site Development | | |
| Restricted Funds | 750,000 | |
| 295. Morgan County Fiscal Court - Morgan County Memory Hill | | |
| Restricted Funds | 10,000 | |
| 296. Morgan County Fiscal Court - ARH Hospital for diabetes program | | |
| Restricted Funds | | 50,000 |

| | | |
|--|---------|---------|
| 297. Morgan County Fiscal Court - Veterans Memorial Park | | |
| Restricted Funds | | 79,000 |
| Muhlenberg County | | |
| 298. Muhlenberg County Fiscal Court - Adult Education Initiative | | |
| Restricted Funds | 100,000 | |
| 299. Muhlenberg County Fiscal Court - Agricultural and Convention Center Building Expansion | | |
| Restricted Funds | 50,000 | |
| 300. Muhlenberg County Fiscal Court Purchase Eight Thermal Imaging Devices, One for Each Fire Department (Central City, Bremen, Graham, Greenville, Dunmore, Beechmont, Drakesboro, and Nelson) | | |
| Restricted Funds | 80,000 | |
| 301. Reauthorize Muhlenberg County Construction of Interstate Ramp at Highway 175 and Western Parkway at Graham and Redirect to the City of Greenville for Green Space, Sidewalks, and Curbing around New Judicial Center (Restricted Funds - \$200,000) | | |
| Restricted Funds | 0 | |
| Ohio County | | |
| 302. Ohio County Fiscal Court - Bluegrass Memorial/Music | | |
| Restricted Funds | 234,517 | 64,640 |
| 303. Ohio County Water District - Transmission Main | | |
| Restricted Funds | 232,260 | |
| Owsley County | | |
| 304. Owsley County Board of Education - WOCS Equipment | | |
| Restricted Funds | | 15,000 |
| 305. Owsley County Fiscal Court - Economic Development Initiatives | | |
| Restricted Funds | | 150,000 |
| 306. Owsley County Fiscal Court - Senior Citizen Center Construction and Renovation Project | | |
| Restricted Funds | | 50,000 |
| 307. Owsley County Fiscal Court - Sewer Lines | | |
| Restricted Funds | 150,000 | |
| 308. Owsley County Fiscal Court - Vincent/Island City Volunteer Fire Department | | |
| Restricted Funds | 50,000 | |
| 309. Owsley County Fiscal Court - City of Booneville Park Department | | |
| Restricted Funds | 75,000 | |
| 310. Owsley County Fiscal Court - Purchase of Industrial Spec Building | | |

| | | |
|--|-----------|---------|
| Restricted Funds | 445,000 | |
| Perry County | | |
| 311. City of Hazard – Extension of Water Line through Rowdy and Ary | | |
| Restricted Funds | 500,000 | |
| 312. City of Vicco – Test City’s Water System for Leaks and Repair | | |
| Restricted Funds | 150,000 | |
| 313. Hazard Community College | | |
| Restricted Funds | 88,605 | |
| 314. Perry County Court Clerk – Virtual Courthouse Hardware/Software | | |
| Restricted Funds | 150,000 | |
| 315. Perry County Fiscal Court – ARH Substance Abuse Detox Program | | |
| Restricted Funds | | 500,000 |
| 316. Perry County Fiscal Court – East Kentucky Corporation | | |
| Restricted Funds | | 100,000 |
| 317. Perry County Fiscal Court – Josh Dream Foundation – Long-Term Drug Abuse Treatment Center | | |
| Restricted Funds | | 100,000 |
| 318. Perry County Fiscal Court – Krypton and Willard Water Line Extension Project | | |
| Restricted Funds | | 300,000 |
| 319. Perry County Fiscal Court – Park Maintenance | | |
| Restricted Funds | | 51,636 |
| 320. Perry County Fiscal Court – Payment for roads that have been bonded in order to pave | | |
| Restricted Funds | 448,000 | |
| 321. Perry County Fiscal Court – South Perry Water Line Extension to Cornettsville | | |
| Restricted Funds | | 900,000 |
| Pike County | | |
| 322. Breaks Interstate Park - Improvement Project | | |
| Restricted Funds | 500,000 | 500,000 |
| 323. City of Pikeville - Underground Utilities | | |
| Restricted Funds | 1,000,000 | |
| 324. Elkhorn City - Construction of Fair Grounds | | |
| Restricted Funds | 50,000 | |
| 325. Fishtrap State Park - Expansion Project | | |
| Restricted Funds | 500,000 | 300,000 |

| | | |
|--|---------|---------|
| 326. Mountain Water District - Miscellaneous Water Projects | | |
| Restricted Funds | | 6,500 |
| 327. Pike County Fiscal Court - Black Gem Park - Belfry | | |
| Restricted Funds | | 50,000 |
| 328. Pike County Fiscal Court - Blackberry Senior Citizens Center | | |
| Restricted Funds | 100,000 | |
| 329. Pike County Fiscal Court - Chisholm Park Project Feasibility Study | | |
| Restricted Funds | 100,000 | 100,000 |
| 330. Pike County Fiscal Court - City of Phelps - Phelps area Habitat for Humanity | | |
| Restricted Funds | 100,000 | 100,000 |
| 331. Pike County Fiscal Court - Construction of New Fire Station at Island Creek | | |
| Restricted Funds | 50,000 | |
| 332. Pike County Fiscal Court - Construction of New Fire Station at Virgie | | |
| Restricted Funds | 50,000 | |
| 333. Pike County Fiscal Court - Construction on Feds Creek Fire Department | | |
| Restricted Funds | | 50,000 |
| 334. Pike County Fiscal Court - Dorton Community Park | | |
| Restricted Funds | 50,000 | |
| 335. Pike County Fiscal Court - Drug Rehabilitation Center Feasibility Study | | |
| Restricted Funds | 50,000 | |
| 336. Pike County Fiscal Court - For Hope, Inc. - to be divided equally among three Centers | | |
| Restricted Funds | 90,000 | 90,000 |
| 337. Pike County Fiscal Court - Freeburn Park Project | | |
| Restricted Funds | 50,000 | |
| 338. Pike County Fiscal Court - Grapevine Park Project | | |
| Restricted Funds | 25,000 | |
| 339. Pike County Fiscal Court - Hope Incorporated - Phelps - for new vehicle purchase. | | |
| Restricted Funds | | 60,000 |
| 340. Pike County Fiscal Court - KY Appalachian Center Project | | |
| Restricted Funds | | 50,000 |
| 341. Pike County Fiscal Court - Lick Creek Park | | |
| Restricted Funds | 25,000 | |
| 342. Pike County Fiscal Court - Long Fork Community Park at Virgie, KY | | |
| Restricted Funds | 50,000 | |

| | | |
|--|-----------|---------|
| 343. Pike County Fiscal Court - Majestic Community Park | | |
| Restricted Funds | | 50,000 |
| 344. Pike County Fiscal Court - Mountain Water District - 50 New Fire Hydrants | | |
| Restricted Funds | | 81,500 |
| 345. Pike County Fiscal Court - Sycamore Park Project | | |
| Restricted Funds | 100,000 | 100,000 |
| 346. Pike County Fiscal Court - To be divided equally among all Pike County Fire Departments | | |
| Restricted Funds | | 100,000 |
| 347. Pike County Fiscal Court - To be divided equally among all Senior Citizens Centers | | |
| Restricted Funds | 100,000 | |
| 348. Pike County Fiscal Court - East Kentucky Exposition Center - Facility Construction | | |
| Restricted Funds | 2,000,000 | |
| 349. Pike County Fiscal Court - East Kentucky Exposition Center - Operations | | |
| Restricted Funds | 150,000 | 250,000 |
| 350. Pike County Fiscal Court - Elkhorn City Heritage Council - Operations and Project Development | | |
| Restricted Funds | 10,000 | |

Rockcastle County

| | | |
|--|--|---|
| 351. Rockcastle County Fiscal Court - Reauthorize the Match for Appalachia Community Initiative Project and Redirect to the Rockcastle County Industrial Authority for Land Acquisition and Job Creation or Expansion (Restricted Funds - \$245,000) | | |
| Restricted Funds | | 0 |

Union County

| | | |
|---|--|---------|
| 352. Union County - City of Morganfield - Morganfield Pedestrian Destination: Land Acquisition, Site Development, and Professional Services | | |
| Restricted Funds | | 371,500 |
| 353. Union County - City of Sturgis - Purchase Property and Building, Renovation, and Construction | | |
| Restricted Funds | | 100,000 |
| 354. Union County Fiscal Court - Fairgrounds and Convention Center - Blacktop Parking Lot, Construct Horse Bath, and Provide Lighting | | |
| Restricted Funds | | 360,000 |
| 355. Union County Fiscal Court - Fire and Rescue Service | | |
| Restricted Funds | | 200,000 |
| 356. Union County Fiscal Court - Moffit Lake Recreational Facility | | |

| | |
|---|-----------|
| Restricted Funds | 150,000 |
| 357. Union County Fiscal Court - Paul Herron Technical Center Equipment | |
| Restricted Funds | 100,000 |
| 358. Union County Fiscal Court - Senior Citizens Centers | |
| Restricted Funds | 150,000 |
| 359. Union County Fiscal Court - Sewer Line | |
| Restricted Funds | 700,000 |
| 360. Union County Fiscal Court - Flood Plain Study | |
| Restricted Funds | 60,000 |
| 361. City of Morganfield - Raw Water Main | |
| Restricted Funds | 700,000 |
| Webster County | |
| 362. Webster County Fiscal Court - South Sebree Industrial Park Sewer Line to Treatment Plant | |
| Restricted Funds | 850,000 |
| 363. Webster County Fiscal Court - City of Providence Solid Waste Program Equipment | |
| Restricted Funds | 100,000 |
| 364. Webster County Fiscal Court - Economic Development Initiative and Matching Grant | |
| Restricted Funds | 200,000 |
| 365. Webster County Fiscal Court - Economic Development Marketing | |
| Restricted Funds | 300,000 |
| 366. Webster County Fiscal Court - Fire, EMS and Rescue | |
| Restricted Funds | 140,000 |
| 367. Webster County Fiscal Court - Providence Sewer Line Upgrade | |
| Restricted Funds | 100,000 |
| 368. Webster County Fiscal Court - Spec Building Design and Construction | |
| Restricted Funds | 1,000,000 |
| 369. Webster County Fiscal Court - Training for Displaced Coal Miners | |
| Restricted Funds | 150,000 |
| 370. Webster County Water District - Water Line Extension | |
| Restricted Funds | 500,000 |
| 371. Webster County Water District - Water Line Extensions | |
| Restricted Funds | 600,000 |
| 372. Webster County Water District - Water Tank | |

| | | |
|---|---------|--------|
| Bond Funds | 500,000 | |
| Whitley County | | |
| 373. City of Corbin - Incline Road Water Line Extension | | |
| Restricted Funds | 179,098 | |
| 374. Whitley County Fiscal Court - 911 Equipment Upgrade | | |
| Restricted Funds | | 50,000 |
| 375. Whitley County Fiscal Court - Animal Shelter | | |
| Restricted Funds | 50,000 | |
| 376. Whitley County Fiscal Court - Repair and Purchase Equipment for Sheriff Department | | |
| Restricted Funds | | 50,000 |
| 377. Whitley County Fiscal Court - Trenching and Sewer Cleaning Machines | | |
| Restricted Funds | | 47,600 |
| 378. Whitley County Fiscal Court - Fire Protection | | |
| Restricted Funds | 180,730 | |
| 379. Whitley County Fiscal Court - Senior Citizens Center | | |
| Restricted Funds | 96,000 | |
| 380. Whitley County Library Board - Book Refurbishing and Replacement | | |
| Restricted Funds | 50,000 | |
| Wolfe County | | |
| 381. Wolfe County Fiscal Court - Backhoe | | |
| Restricted Funds | 50,000 | |
| 382. Wolfe County Fiscal Court - Dump Truck | | |
| Restricted Funds | 20,000 | |
| 383. Wolfe County Fiscal Court - Hazel Green Fire Truck Purchase | | |
| Restricted Funds | 158,000 | |
| 384. Wolfe County Fiscal Court - Mowing Machines | | |
| Restricted Funds | | 35,000 |
| 385. Wolfe County Fiscal Court - Service Truck | | |
| Restricted Funds | | 50,000 |

CAPITAL PROJECTS BUDGET PROVISIONS

FOR PART II, CAPITAL PROJECTS

1. All appropriations to existing line-item capital construction projects expire on June 30, 2002, unless reauthorized in this Act with the following exceptions: (1) A construction contract for the project shall have been awarded by June 30, 2002; (2) Permanent financing or a short-term line of credit sufficient to cover the total authorized project scope shall have been obtained in the

case of projects authorized for bonds; (3) Grant or loan agreements, if applicable, shall have been finalized and properly signed by all necessary parties; and (4) Any capital construction project authorized pursuant to actions approved by the 2000 General Assembly House Bill 507 (2000 Ky. Acts ch. 549, Part II, R. Community Development Projects or S. Coal Severance Tax Projects), unless expressly reauthorized or reallocated in this Act. Any capital construction project authorized pursuant to actions approved by the 2000 General Assembly House Bill 507 (2000 Ky. Acts ch. 549, Part II, R. Community Development Projects or S. Coal Severance Tax Projects), that is not expressly reauthorized or reallocated in this Act is deemed to be reauthorized. Notwithstanding the criteria set forth in this section, the disposition of 2000-2002 biennium nonstatutory appropriated maintenance pools funded from Capital Construction Investment Income shall remain subject to the provisions of KRS 45.770(4)(c) and (d) with the exception of the Cabinet for Families and Children. To facilitate the transfer of five buildings from the Cabinet for Families and Children to the Finance and Administration Cabinet, it is the intent of the General Assembly that any remaining balance in any currently authorized Cabinet for Families and Children non-bond funded project be credited to the Finance and Administration Cabinet Maintenance Pool. Purchases of major items of equipment require reauthorization if a purchase order has not been executed by June 30, 2002.

2. Bond projects authorized for the first time in this section which have debt service supported by state General Fund appropriations are authorized in the first year of the biennium. Debt service has been included at the beginning of fiscal year 2003-2004. However, the sale of any bonds to finance these projects shall occur after August 1, 2003.

3. If any authorized capital construction or major equipment projects are canceled, any General Fund appropriated debt service for those same projects shall lapse to the credit of the General Fund.

4. Notwithstanding KRS 45.750 to 45.810, the General Assembly has determined that certain individual capital projects identified in this Act as eligible for funding from the Emergency Repair, Maintenance, and Replacement Fund, the Capital Construction and Equipment Purchase Contingency Fund, or the Deferred Maintenance Fund require a direct appropriation from the Emergency Repair, Maintenance, and Replacement Fund, the Capital Construction and Equipment Purchase Contingency Fund, or the Deferred Maintenance Fund in this Act.

5. Investment income earned from bond proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage rebates and penalties and excess bond proceeds upon the completion of a bond-financed capital project may be used to pay debt service according to the Internal Revenue Service Code and accompanying regulations. Notwithstanding KRS 48.010(13)(b), 48.720, or any section of this Act, any funds appropriated but not required to pay debt service because of this fund source substitution shall be credited to the Deferred Maintenance Pool Account each year. Unneeded debt service resulting from any other circumstance shall lapse in accordance with KRS 48.010(13)(b), 48.720, and other provisions of this Act except for the following: if the fund balance in the Emergency Repair, Maintenance, and Replacement Fund falls below \$5,000,000 in fiscal year 2002-2003, any debt service lapse necessary to bring the fund balance to \$5,000,000 in that fiscal year shall be credited to the Emergency Repair, Maintenance, and Replacement Fund. If the Emergency Repair, Maintenance, and Replacement Fund remains at \$5,000,000 or above, the first \$2,000,000 in fiscal year 2002-2003 in debt service lapse shall be deposited to the General Fund Surplus Account for the purpose of paying unbudgeted Necessary Government Expenses. No transfer to the Emergency Repair, Maintenance, and Replacement Fund, Deferred Maintenance Pool Account, or the General Fund Surplus

Account shall be made based on the above provisions if the lapse from other General Fund accounts is insufficient to meet appropriations approved in other parts of this Act.

6. Investment income earned from funds credited to the Technology Trust Fund account in the Finance and Administration Cabinet shall accrue to the Capital Construction and Equipment Purchase Contingency Account established in KRS 45.770.

7. Notwithstanding KRS 45.750 to 45.810, 45.812, 45.814, 45.816, and 45.818, capital construction projects at institutions of postsecondary education involving no state or Federal Funds may be authorized between regular sessions of the General Assembly if the projects receive prior approval from both the Council on Postsecondary Education and the Secretary of the Finance and Administration Cabinet, and the Capital Projects and Bond Oversight Committee receives prior notification.

8. The Research Challenge Trust Fund-Endowment Match capital project appropriation under the Council on Postsecondary Education (L.1.c.) shall be transferred to the Research Challenge Trust Fund as established in KRS 164.7911 and 164.7917.

9. The Regional University Excellence Trust Fund-Endowment Match capital project appropriation under the Council on Postsecondary Education (L.1.d.) shall be transferred to the Regional University Excellence Trust Fund as established in KRS 164.7911 and 164.7919.

10. Notwithstanding 2000 Ky. Acts ch. 549, Capital Projects Budget Provisions for Part II, Capital Projects, 10., pertaining to the Capital Renewal and Maintenance Pool, the matching requirement is extended until June 30, 2004. Each postsecondary education institution may access any unmatched funds allocated from the Capital Renewal and Maintenance Pool to that institution after entering into an agreement with the Council on Postsecondary Education agreeing to fulfill the matching requirement by June 30, 2004. The Council on Postsecondary Education shall develop guidelines for the agreements.

11. Before any economic development bonds are issued, the proposed bond issue shall be approved by the Secretary of the Finance and Administration Cabinet and the State Property and Buildings Commission under KRS 56.440 to 56.590. In addition to the terms and conditions of KRS 154.12-100, administration of the Economic Development Bond Program by the Secretary of the Cabinet for Economic Development is subject to the following guideline: project selection shall be documented when presented to the Secretary of the Finance and Administration Cabinet. Included in the documentation shall be the rationale for selection and expected economic development impact.

12. Inasmuch as the identification of specific projects in a variety of areas of the state government cannot be ascertained with absolute certainty at this time, amounts are appropriated for specific purposes to projects which are not individually identified in this Act in the following areas: Kentucky Infrastructure Authority Water and Sewer Projects Pool, Repair of State-Owned Dams, Land Acquisition, Property Demolition, Guaranteed Energy Savings projects, Purchase of Agricultural Conservation Easements (PACE), Wetland and Stream Mitigation, Phase I Tobacco Settlement Agricultural Development Initiative, Economic Development projects which shall include authorization for the High-Tech Construction Pool and the High-Tech Investment Pool, Infrastructure projects, Employment Services facilities projects authorized in this part of this Act, Asbestos Abatement projects, Technology Trust Fund projects, systems, initiatives, and the Council on Postsecondary Education Fire/Life Safety/Infrastructure Agency Bond Pool and the Renovations/Infrastructure/New Construction Agency Bond Pool. Any projects estimated to cost over \$400,000 and equipment estimated to cost over \$100,000 shall be reported to the Capital

Projects and Bond Oversight Committee. All moneys transferred to the Finance and Administration Cabinet for capital construction from any appropriations, including income from investments, shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Finance and Administration Cabinet for capital construction.

13. Notwithstanding KRS 42.560 or any other statute or provision of law to the contrary, all undisbursed funds in the Energy Assistance Trust Fund, the expenditure authority for which expired February 19, 1998, are hereby transferred and appropriated to the Energy Efficiency in State Government Buildings Revolving Loan Fund (KRS 56.783). These funds represent receipts and accumulated interest thereon from the Stripper Well Settlement Agreement under the U.S. Department of Energy Stripper Well Exemption Litigation, as provided in KRS 42.560 to 42.566. These funds are appropriated as Restricted Funds in the Finance and Administration Cabinet's Capital Budget.

14. Notwithstanding KRS 154.33-600 to 154.33-609 or any other statute or provision of law to the contrary, all Restricted Funds appropriated by the 1998 General Assembly and added to or reauthorized by the 2000 General Assembly for the Red Fox golf course are hereby reauthorized and reallocated to a new entity entitled "The Perry/Knott County Recreational Authority" (PKCRA) with the following exception: the \$700,000 originally appropriated by the 1998 General Assembly from the Letcher County/Single County Coal Severance tax money is hereby directed to be returned to Letcher County. The balance of Restricted Funds remaining in the heretofore entitled Red Fox/Carr Fork golf course project are authorized to be directed to a public recreational project or projects including but not limited to a public golf course at a site or sites to be determined by the Authority. The recreational project or projects supported by these funds shall be administered through a new bi-county cooperative authority comprised of one member from each of Knott and Perry Counties who shall be appointed by the respective County Judge/Executive and three members who shall be appointed by the Governor. The new five member Board of the Authority shall develop, operate, and manage the project. This authorization shall supersede any previous authorization by the General Assembly and any memorandum of agreement or understanding that has been entered into among the Commonwealth, Perry, Knott, and Letcher counties.

15. The appropriation by the 2000 General Assembly in the amount of \$2,000,000 in Bond Funds for fiscal year 2001-2002 (2000 Ky. Acts ch. 549, Part II, R. Community Development Projects, 1. Finance and Administration Cabinet, number 661, Aquaculture Infrastructure Components), in accordance with the provisions of Capital Projects Budget Provisions for Part II, Capital Projects, 4., of this Act, is reauthorized and reallocated in fiscal year 2002-2003 to be appropriated to Kentucky State University as follows: \$600,000 to the Purchase Area Aquaculture Cooperative of which \$450,000 is to be used for operating costs on the existing facility, education, initiatives to promote marketing and quality control, and other expenditures deemed appropriate under the Cooperative Agreement between Kentucky State University and the Purchase Area Aquaculture Cooperative and the remaining \$150,000 is to be used to complete the Pond Cost Share Program for farmers that were deemed qualified but due to rankings did not get funded; \$900,000 to the Kentucky State University Aquaculture Program of which \$800,000 is to be used for shrimp research and development, and the remaining \$100,000 is to be used for bass research and development; \$400,000 to the Montgomery County Aquaculture Cooperative, to be spent on the purchase and installation of aquaculture processing equipment, education, and other expenditures deemed appropriate under the Cooperative Agreement between Kentucky State University and the Montgomery County Aquaculture Cooperative; and \$100,000 to the Thoroughbred Shrimp Company in Franklin County for support and enhancement of its shrimp

hatchery operations, including the purchase and installation of equipment and other expenditures deemed appropriate under the Cooperative Agreement between Kentucky State University and the Thoroughbred Shrimp Company in Franklin County.

16. It is the intent of the General Assembly that the Council on Postsecondary Education, in consultation with the conference of presidents, identify projects for funding from the Council's Agency Bond Pools. The highest priority should be afforded those projects which address the Commonwealth's commitment to the Partnership agreement with the Office for Civil Rights, student housing fire safety, and other life safety projects. Any unused authority should be used to address renovations, infrastructure, and new facilities. The Council on Postsecondary Education shall report disbursements from the Agency Bond Pools to the Interim Joint Committee on Appropriations and Revenue, the Interim Joint Committee on Education, the Secretary of the Finance and Administration Cabinet, and the Capital Projects and Bond Oversight Committee.

17. The State Budget Director is authorized to review and realign the appropriations made in Part II, Capital Projects Budget, in fiscal year 2002-2003 to the agency maintenance pools identified below in this section, to provide funding for any purchases that have been initiated prior to the effective date of this Act. The State Budget Director is required to report to the Interim Joint Committee on Appropriations and Revenue within 30 days of any realignment of these appropriations.

- a. Department of Military Affairs Maintenance Pool
- b. Department of Military Affairs - Maintenance Pool - Air Transportation
- c. Department of Education Maintenance Pool
- d. Kentucky Center for the Arts Maintenance Pool
- e. Department of Facilities Management Maintenance Pool
- f. Department for Mental Health/Mental Retardation Services
Maintenance Pool
- g. Department of State Police Maintenance Pool
- h. Department of Juvenile Justice Maintenance Pool
- i. Corrections Management Maintenance Pool
- j. Kentucky Heritage Land Conservation Maintenance Pool
- k. Department of Parks Maintenance Pool
- l. Kentucky Horse Park Maintenance Pool
- m. Workforce Development Cabinet - General Administration and Program
Support Maintenance Pool

18. The Guaranteed Energy Performance Projects Pool shall serve as a central project pool for Guaranteed Energy Savings Performance Contracts in any state-owned building. These contracts will function as lease-purchase procurements, using energy savings as payment for improvements, as provided by KRS 56.770 to 56.784. The Finance and Administration Cabinet is authorized to enter into various guaranteed energy performance contracts for facilities in any state agency up to a total amount of \$37,500,000. Included in this authorization are \$1,160,000 for HVAC upgrades for Ashland and Owensboro Armories, \$3,000,000 for energy improvements for

various institutions in the Department of Corrections, and \$2,540,000 for energy improvements in the Department for Employment Services facility located in Louisville.

19. Included in the Economic Development Bond Pool authorization is \$5,000,000 to be used for a regional industrial development project with an existing multicounty agreement that is not eligible for funding under KRS 42.4588 issued subject to terms established by the Kentucky Economic Development Finance Authority (KEDFA). This \$5,000,000 of bond proceeds shall be issued prior to June 30, 2004, and the bond proceeds shall not be substitutable for another project.

20. If, upon conducting the cost/benefit analysis directed in Part IX, Special Provisions, of this Act, the Secretary of the Tourism Development Cabinet determines that completing the newly constructed courses is the most cost-effective option, bonds are authorized for the newly constructed golf course completion projects not to exceed the amount of bond proceeds supported by \$1,069,000 Restricted Funds debt in fiscal year 2003-2004 to complete the following golf course projects at the specified funding levels. If the amount of bond proceeds supported by \$1,069,000 is not sufficient to meet the specified funding levels below, the Secretary shall divide the proceeds among the projects based on a pro rata share of the specified amount. In the event there are excess funds from one project, the excess funds may be expended on any of the specified projects.

- a. Dale Hollow Lake State Park (\$3,000,000)
- b. Yatesville Lake State Park (\$3,000,000)
- c. Grayson Lake State Park (\$3,900,000)
- d. Mineral Mounds State Park (\$2,700,000)
- e. Pennyrile State Park (\$1,900,000)
- f. Kincaid Lake State Park (\$3,000,000)

The Secretary of the Finance and Administration Cabinet shall execute the bond sale according to KRS 56.440 to 56.590.

21. Bond funds authorized in Part II, Capital Projects Budget, of this Act, for the Rupp Arena/Lexington Civic Center project shall not exceed the amount of bond proceeds supported by \$1,400,000 of General Fund debt service as provided in Part I, Operating Budget, Economic Development, Financial Incentives. Notwithstanding KRS 56.870 to 56.871 and any other statute or provision of this Act to the contrary, the amount of bond proceeds may exceed \$15,000,000 to the extent the total amount of bonds is supported by \$1,400,000 of General Fund debt service.

22. Notwithstanding KRS 45.229 and 48.720, unneeded debt service appropriated in Part I, L. Postsecondary Education, 67., 70., 71., and 72. in the amount of \$2,892,000 in fiscal year 2003-2004 shall be credited to the General Fund for use in fiscal year 2003-2004.

PART III

GENERAL PROVISIONS

1. Restricted Funds designated in the biennial budget bills are classified in the state financial records and reports as the Agency Revenue Fund, State Enterprise Funds (State Parks, State Fair Board, Insurance Administration, and Kentucky Horse Park), Internal Services Funds (Fleet Management, Computer Services, Correctional Industries, Central Printing, Risk Management, and Property Management), and selected Fiduciary Funds (Unemployment

Compensation and Other Expendable Trust Funds). Separate funds records and reports shall be maintained in a manner consistent with the branch budget bills.

The sources of Restricted Funds appropriations in this Act shall include all fees (which includes fees for room and board, athletics, and student activities) and rentals, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments, and other miscellaneous receipts produced or received by a budget unit, except as otherwise specifically provided, for the purposes, use, and benefit of the budget unit as authorized by law. Restricted Funds receipts shall be credited and allotted to the respective fund or account out of which a specified appropriation is made in this Act. All receipts of Restricted Funds shall be deposited in the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42, 45, and 48.

The sources of Federal Funds appropriations in this Act shall include federal subventions, grants, contracts, or other Federal Funds received, income from investments, and other miscellaneous federal receipts received by a budget unit, except as otherwise provided, for the purposes, use, and benefit of the budget unit as authorized by law. Federal Funds receipts shall be credited and allotted to the respective fund account out of which a specified appropriation is made in this Act. All Federal Funds receipts shall be deposited in the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42, 45, and 48.

2. If receipts received or credited to the Restricted Funds accounts or Federal Funds accounts of a budget unit during fiscal year 2002-2003 or fiscal year 2003-2004, and any balance forwarded to the credit of these same accounts from the previous fiscal year, exceed the appropriation made by specific sum for these accounts of the budget unit as provided in Part I, Operating Budget, of this Act for the fiscal year in which the excess occurs, the excess funds in the accounts of the budget unit shall become available for expenditure for the purpose of the account during the fiscal year only upon compliance with the conditions and procedures specified in KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810 and this Act, and with the authorization of the State Budget Director and approval of the Secretary of the Finance and Administration Cabinet.

Prior to authorizing the appropriation of any excess, unbudgeted Restricted Funds pursuant to this section, the State Budget Director and the Secretary of the Finance and Administration Cabinet shall review the adequacy of the General Fund Surplus Account with respect to its availability to support Necessary Government Expenses. In the event that General Fund Surplus Account moneys are determined by this review to be adequate to meet known or anticipated Necessary Government Expenses during fiscal year 2002-2003 or fiscal year 2003-2004, respectively, then the appropriation increase may be approved. In the event that the review contemplated in this section indicates that there are insufficient funds available or reasonably estimated to become available to the General Fund Surplus Account to meet known or projected Necessary Government Expenses for the fiscal years enumerated above, the State Budget Director, with the concurrence of the Secretary of the Finance and Administration Cabinet, may disapprove the request for additional Restricted Funds expenditure authority and may direct the excess Restricted Funds identified to the General Fund Surplus Account in order to meet Necessary Government Expense obligations. The results of any review shall be reported to the Interim Joint Committee on Appropriations and Revenue in accordance with KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810.

On or before the beginning of each fiscal year, and, if applicable, during each fiscal year, each budget unit shall document and submit to the Finance and Administration Cabinet, the Governor's Office for Policy and Management, and the Legislative Research Commission a record of Restricted Funds and Federal Funds for each budget unit showing the most current estimates of receipts by sources and expenditures by uses, a comparative statement of any revised estimated receipts and proposed expenditures with appropriation sums specified in the enacted Budget of the Commonwealth, and statements which explain the cause, source, and use for any variance which may exist.

Each budget unit shall submit its reports in print and electronic format consistent with the Restricted Funds and Federal Funds records contained in the fiscal biennium 2002-2004 Branch Budget Request Manual and according to the following schedule in each fiscal year: (1) On or before the beginning of each fiscal year; (2) On or before October 1; (3) On or before January 1; and (4) On or before April 1.

3. Funds appropriated in this Act shall not be expended for any purpose not specifically authorized by the General Assembly in this Act nor shall funds appropriated in this Act be transferred to or between any cabinet, department, board, commission, institution, agency, or budget unit of state government unless specifically authorized by the General Assembly in this Act and the provisions of KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810. Compliance with the provisions of this subsection shall be reviewed and determined by the Interim Joint Committee on Appropriations and Revenue.

4. No state agency, cabinet, department, office, or program shall incur any obligation against the General Fund or Road Fund appropriations contained in this Act unless the obligation may be reasonably determined to have been contemplated in the enacted budget and is based upon supporting documentation considered by the General Assembly, legislative and executive records, and the statutory budget memorandum.

5. Any General Fund or Road Fund appropriation made in anticipation of a lack, loss, or reduction of Federal Funds shall lapse to the General Fund or Road Fund Surplus Account respectively to the extent the Federal Funds otherwise become available.

6. A state agency entitled to Federal Funds which would represent 100 percent of the cost of a program shall conform to KRS 48.730.

7. Pursuant to KRS 48.720, any excess General Fund or Road Fund debt service shall lapse to the respective surplus account unless otherwise directed in this Act.

8. No appropriation from any fund source shall exceed the sum specified in this Act until the agency has documented the necessity, purpose, use, and source, and the documentation has been submitted to the Interim Joint Committee on Appropriations and Revenue for its review and action in accordance with KRS 48.630. Proposed revisions to an appropriation contained in the enacted State/Executive Budget or allotment of an unbudgeted appropriation shall conform to the conditions and procedures of KRS 48.630 and this Act.

Notwithstanding KRS 48.630(3), (4), and (5), any proposed and recommended actions to increase appropriations for funds specified in Section 2 of this Part shall be scheduled consistent with the timetable contained in that section in order to provide continuous and timely budget information.

9. Allotments within appropriated sums for the activities and purposes contained in the enacted State/Executive Budget shall conform to KRS 48.610 and may be revised pursuant to KRS 48.605 and this Act.

10. All statutory continuing appropriations in existence at the time this Act takes effect are discontinued and suspended by this Act except as provided by Chapters 42, 96A, 164, 183, 278, and 441 of the Kentucky Revised Statutes. All statutes and portions of statutes in conflict with any of the provisions of this section, to the extent of the conflict, are suspended unless otherwise provided by this Act.

11. Except as otherwise explicitly authorized by this Act, nothing in this Act shall be construed to repeal any appropriation made heretofore or hereafter for the fiscal year ending June 30, 2002, and nothing in this Act is to be construed as amending or altering the provisions of Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the duties and powers of the Secretary of the Finance and Administration Cabinet except as otherwise provided in this Act.

12. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which the appropriation may be expended shall be decided by the Secretary of the Finance and Administration Cabinet pursuant to KRS 48.500, and the decision of the Secretary of the Finance and Administration Cabinet shall be final and conclusive.

13. The State Budget Director shall cause the Governor's Office for Policy and Management, within 60 days of adjournment of the 2003 Regular Session of the General Assembly, to publish a final enacted budget document, styled the Budget of the Commonwealth, based upon the recommended Legislative Budget as enacted by the 2002 Regular Session of the General Assembly and the recommended State/Executive Budget and Judicial Budget as enacted by the 2003 Regular Session of the General Assembly as well as other Acts which contain appropriation provisions for the 2002-2004 biennium, and based upon supporting documentation and legislative records as considered by the 2002 Regular Session of the General Assembly, the 2003 Regular Session of the General Assembly, and the statutory budget memorandum. This document shall include, for each agency and budget unit, a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by principal budget class and for the State/Executive Budget, and any other fiscal data and commentary considered necessary for budget execution by the Governor's Office for Policy and Management and oversight by the Interim Joint Committee on Appropriations and Revenue. The enacted State/Executive Budget shall be revised or adjusted only upon approval by the Governor's Office for Policy and Management as provided in each part of this Act and by KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810, and upon review and action by the Interim Joint Committee on Appropriations and Revenue.

14. Pursuant to KRS 48.400, the State Budget Director shall monitor and report on the financial condition of the Commonwealth.

15. The Secretary of the Finance and Administration Cabinet is authorized to establish a system or formula or a combination of both for prorating the administrative costs of the Finance and Administration Cabinet, the Department of Treasury, and the Office of the Attorney General relative to the administration of programs in which there is joint participation by the state and federal governments for the purpose of receiving the maximum amount of participation permitted under the appropriate federal laws and regulations governing the programs. The receipts and

allotments under this section shall be reported to the Interim Joint Committee on Appropriations and Revenue prior to any transfer of funds.

16. The Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease-rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Secretary of the Transportation Cabinet. However, if Road Fund resources are not sufficient to meet lease-rental payments, the additional amount required for meeting lease-rental payments as certified by the Secretary of the Transportation Cabinet under KRS 143.090 shall be transferred from coal severance tax receipts to meet the obligation.

17. Nothing in this Act shall be construed to confirm or ratify, under KRS 12.027 or 12.028, any executive reorganization order unless the executive order was confirmed or ratified by appropriate amendment to the Kentucky Revised Statutes in an Act of the 2002 Regular Session of the General Assembly or another Act of the 2003 Regular Session of the General Assembly. If any executive reorganization order issued from sine die adjournment of the 2001 Regular Session to sine die adjournment of the 2002 Regular Session was not confirmed by the 2002 Regular Session of the General Assembly, the Secretary of the Finance and Administration Cabinet shall, in consultation with agency heads and with notification to the Legislative Research Commission, transfer the balance of funds for any affected program or function for fiscal year 2001-2002 and any related appropriations and funds for each of the next two fiscal years from the budget unit in which the program or function was placed by the executive reorganization order to the budget unit in which the program or function resided prior to the reorganization action or in which it was placed by action of the 2002 Regular Session of the General Assembly. If any executive reorganization order issued from sine die adjournment of the 2002 Regular Session to sine die adjournment of the 2003 Regular Session was not confirmed by the 2003 Regular Session of the General Assembly, the Secretary of the Finance and Administration Cabinet shall, in consultation with agency heads and with notification to the Legislative Research Commission, transfer the balance of funds for any affected program or function for fiscal year 2002-2003 and any related appropriations and funds for the next fiscal year from the budget unit in which the program or function was placed by the executive reorganization order to the budget unit in which the program or function resided prior to the reorganization action or in which it was placed by action of the 2003 Regular Session of the General Assembly. The Legislative Research Commission shall forward the documentation to the appropriate committees.

18. Notwithstanding KRS 61.565, the employer contribution rate for the Kentucky Employees Retirement System shall be as follows: the General Assembly has determined that the employer contribution rate for the Kentucky Employees Retirement System for fiscal year 2002-2003 shall take appropriate notice of the additional revenues credited to the system as a result of the Anthem Blue Cross Blue Shield demutualization agreement. Therefore, from July 1, 2002, through June 30, 2003, the contribution rates shall be no more than three and seventy-six hundredths percent for nonhazardous duty employees, 17.6 percent for hazardous duty employees, and 17.37 percent for employees of the State Police Retirement System, except that the employer contribution rates established by KRS 61.565 shall be paid by employers who pay employer contributions with funding sources other than the General Fund. From July 1, 2003, through June 30, 2004, the employer contribution rate shall be no more than five and eighty-nine hundredths percent for nonhazardous duty employees, 18.84 percent for hazardous duty employees, and 21.58 percent for employees of the State Police Retirement System.

19. By August 15, 2003, the State Budget Director, in conjunction with the Consensus Forecasting Group, shall provide to each branch of government, pursuant to KRS 48.117, a budget planning report.

20. By October 15, 2003, the Office of State Budget Director shall provide to each branch of government detailed estimates for the General Fund and Road Fund for the current and next two fiscal years of the revenue loss effected by tax expenditures. The Revenue Cabinet shall provide assistance and furnish data which is not restricted by KRS 131.190. "Tax expenditure" means an exemption, exclusion, or deduction from the base of a tax, a credit against the tax, a deferral of a tax, or a preferential tax rate. The estimates shall include for each tax expenditure the amount of revenue loss, a citation of the legal authority for the tax expenditure, the year in which it was enacted, and the tax year in which it became effective.

21. Any appropriation item and sum in Parts I to XI and XIII of this Act and in an appropriation provision in another Act of the 2002 or 2003 Regular Session which constitute a duplicate appropriation shall be governed by KRS 48.312.

22. KRS 48.313 shall control when a total or subtotal figure in this Act conflicts with the sum of the appropriations of which it consists.

23. Appropriation items and sums in Parts I to XI and XIII of this Act shall conform to KRS 48.311. If any section, any subsection, or any provision is found by a court of competent jurisdiction in a final, unappealable order to be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions.

24. For fiscal year 2002-2003, the first \$6,000,000 of any unclaimed prize money held in the corporate operating account of the Kentucky Lottery Corporation shall be added to the pool from which future prizes are to be awarded or used for special prize promotions. For fiscal year 2002-2003, any amount in excess of \$6,000,000, but not to exceed \$3,300,000, shall be transferred to the Affordable Housing Trust Fund established by KRS 198A.710. For fiscal year 2002-2003, any amount in excess of \$9,300,000 shall be credited to the Kentucky Excellence in Education Scholarship (KEES) Program Reserve Account established by this section. The Finance and Administration Cabinet shall establish the Kentucky Excellence in Education Scholarship (KEES) Program Reserve Account as a restricted funds account to be used solely for the purposes of KRS 164.7871 to 164.7885. Moneys in this account shall not lapse and shall be carried forward into the next fiscal year.

For fiscal year 2003-2004, all unclaimed lottery prize money under KRS 154A.130 shall be credited to the Kentucky Excellence in Education Scholarship (KEES) Program Reserve Account. In addition to the General Fund appropriation to the Student Financial Aid and Advancement Trust Fund contained in Part I of this Act, an appropriation of \$5,000,000 is made from the Reserve Account to the Trust Fund for the KEES Program as provided in KRS 164.7871 to 164.7885. If the Kentucky Higher Education Assistance Authority certifies to the State Budget Director that the appropriations in this Act for the KEES Program under the existing award schedule are insufficient to meet funds required for eligible applicants, then the State Budget Director shall provide the necessary allotment of funds in the balance of the Reserve Account to fully fund the KEES Program. Actions taken under this section shall be reported to the Interim Joint Committee on Appropriations and Revenue on a timely basis.

25. The Technology Trust Fund is the Technology Trust Fund established by 1996 Ky. Acts ch. 380, Part X, to empower Kentucky state government through technology and redesigned

business systems, and additional amounts made available and appropriated to it by the 1998 Regular Session in House Bill 321 (1998 Ky. Acts ch. 615, Part X).

Appropriations allotted from the Technology Trust Fund for each project, initiative, or system, as well as all other associated resources made available from regular appropriations for the same purpose from a budget unit shall be transferred and credited to, and accounted for and expended from, a discrete account established for the individual project, initiative, or system item. In addition to the General Fund appropriations for the Technology Trust Fund, Restricted Funds, Federal Funds, the Road Fund, private funds, and any matching fund appropriations required are appropriated in support of the projects and priorities identified by the Empower Kentucky Steering Committee. However, notwithstanding KRS 45.760(14), 45.770, 45.780, and 45.800, no funds from the Emergency Repair, Maintenance, and Replacement Account shall be used for Technology Trust Fund projects, systems, or initiatives.

26. The General Assembly acknowledges that during fiscal year 2000-2001 the General Fund revenues were less than the enacted estimates pursuant to KRS 48.120(3) and that the 2000 General Assembly had enacted the branch budget bills in 2000 Ky. Acts chs. 544, 545, and 549 as contained in KRS Chapter 47 based upon the anticipated revenue estimates.

The 2000 General Assembly enacted the 2000-2002 biennium General Fund Budget Reduction Plan for fiscal year 2000-2001 in 2000 Ky. Acts ch. 549, Part VI, for state government pursuant to KRS 48.130(1) and (3). These statutes and Acts provide direction and authority by which the heads of the executive, judicial, and legislative branches shall revise and reduce appropriations and allotments and other deficit alleviation actions for their respective branch budget units under KRS 48.130(4).

Notwithstanding KRS 48.130 and 48.600, the General Assembly confirms, adopts, and enacts the revised General Fund appropriation levels for the budget units of the Executive Branch identified in General Fund Budget Reduction Order 01-01 and General Fund Budget Reduction Order 01-02 and confirms and enacts the advances, transfers, and lapses to the General Fund of non-General Fund moneys identified in General Fund Budget Reduction Order 01-01 and General Fund Budget Reduction Order 01-02.

The General Assembly acknowledges that during fiscal year 2001-2002 the General Fund revenues were less than the enacted estimates pursuant to KRS 48.120(3) and that the 2000 General Assembly had enacted the branch budget bills in 2000 Ky. Acts chs. 544, 545, and 549 as contained in KRS Chapter 47 based upon the anticipated revenue estimates.

The 2000 General Assembly enacted the 2000-2002 biennium General Fund Budget Reduction Plan for fiscal year 2001-2002 in 2000 Ky. Acts ch. 549, Part VI, for state government pursuant to KRS 48.130(1) and (3). These statutes and Acts provide direction and authority by which the heads of the executive, judicial, and legislative branches shall revise and reduce appropriations and allotments and other deficit alleviation actions for the Executive Branch budget units under KRS 48.130(4).

Notwithstanding KRS 48.130 and 48.600, the General Assembly confirms, adopts, and enacts the revised General Fund appropriations levels for budget units of the Executive Branch contained in General Fund Budget Reduction Order 02-01, General Fund Budget Reduction Order 02-02, General Fund Budget Reduction Order 02-03, and General Fund Budget Reduction Order 02-04, and confirms and enacts the advances, transfers, and lapses to the General Fund of non-General Fund moneys identified in General Fund Budget Reduction Order 02-01, General Fund

Budget Reduction Order 02-02, General Fund Budget Reduction Order 02-03, and General Fund Budget Reduction Order 02-04.

The 2000 General Assembly enacted the 2000-2002 biennium Road Fund Budget Reduction Plan for fiscal year 2000-2001 in 2000 Ky. Acts ch. 549, Part VII, for state government pursuant to KRS 48.130(1) and (3). These statutes and Acts provide direction and authority by which the head of the Executive Branch shall revise and reduce appropriations and allotments and other deficit alleviation actions for the Executive Branch budget units under KRS 48.130(4).

Notwithstanding the provisions of KRS 48.130 and 48.600, the General Assembly confirms, adopts, and enacts the revised Road Fund appropriation levels for the budget units of the Executive Branch identified in Road Fund Budget Reduction Order 01-01 and Road Fund Budget Reduction Order 01-02 and confirms and enacts the advances, transfers, and lapses to the Road Fund of non-Road Fund moneys identified in Road Fund Budget Reduction Order 01-01 and Road Fund Budget Reduction Order 01-02.

The General Assembly acknowledges that during fiscal year 2001-2002 the Road Fund revenues were less than the enacted estimates in accordance with KRS 48.120(3) and that the 2000 General Assembly had enacted the branch budget bills in 2000 Ky. Acts ch. 549 as contained in KRS Chapter 47 based upon the anticipated revenue estimates.

The 2000 General Assembly enacted the 2000-2002 biennium Road Fund Budget Reduction Plan for fiscal year 2001-2002 in 2000 Ky. Acts ch. 549, Part VII, for state government in accordance with KRS 48.130(1) and (3). These statutes and Acts provide direction and authority by which the head of the Executive Branch shall revise and reduce appropriations and allotments and other deficit alleviation actions for the Executive Branch budget units under KRS 48.130(4).

Notwithstanding KRS 48.130 and 48.600, the General Assembly confirms, adopts, and enacts the revised Road Fund appropriations levels for budget units of the Executive Branch contained in Road Fund Budget Reduction Order 02-01 and Road Fund Budget Reduction Order 02-02, and confirms and enacts the advances, transfers, and lapses to the Road Fund of non-Road Fund moneys identified in Road Fund Budget Reduction Order 02-01 and Road Fund Budget Reduction Order 02-02.

27. Notwithstanding any provision of the Kentucky Revised Statutes, to the extent that any governmental agency purchases motor vehicle liability insurance, sovereign immunity shall be waived to the extent of the insurance coverage.

28. Notwithstanding KRS 97.035(1), (2), and (3), when a city of the first class and a county containing a city of the first class have in effect a compact under KRS 79.310 to 79.330, such city and county shall by joint action create a joint city/county department to maintain and conduct a park and recreational system or systems. In such event, the board shall be dissolved as a corporate entity and all assets and liabilities of the board shall be transferred to the joint department. An advisory board may be established by joint agreement of such city and county. Notwithstanding KRS 97.035(1), (2), and (3), any city, except a city of the first class, and a county, except a county containing a city of the first class, operating a joint system under KRS 97.035 may by joint action create a joint city/county department to maintain and conduct a park and recreational system or systems. In such event, the board shall be dissolved as a corporate entity and all assets and liabilities of the board shall be transferred to the joint department. An advisory board may be established by joint agreement of such city and county.

29. As provided in Part V, Funds Transfer, of this Act, any funds remaining in flexible spending accounts of employees of local school districts for calendar year 2003 shall also be transferred to the credit of the General Fund.

30. Notwithstanding KRS 139.340, a commercial printer or mailer engaged in business in this state shall not be required to collect use tax on sales of printing or direct mail advertising materials that are both printed out of state and delivered out of state to the United States Postal Service for mass mailing to third-party Kentucky residents who are not purchasers of the advertising materials if the commercial printers or mailers:

(a) Maintain records relating to these sales to assist in the collection of the use tax owed; and

(b) File reports as provided in KRS 139.730 if requested by the Revenue Cabinet.

If the commercial printer or mailer complies with these reporting provisions, the purchaser of the printing or direct mail advertising materials described in this section shall have sole responsibility for payment of the use tax imposed in KRS 139.310.

31. Notwithstanding KRS 48.705(2)(a), within 30 days of the end of fiscal year 2002-2003, the Secretary of the Finance and Administration Cabinet shall cause to be deposited to the Budget Reserve Trust Fund Account 100 percent of all General Fund revenue receipts in excess of the revenue estimates determined under KRS 48.120(3), or the amount subsequently certified by the State Budget Director pursuant to KRS 48.400(3) for the fiscal year just ended, and 100 percent of the unexpended balance of all General Fund appropriations for the fiscal year just ended that would otherwise lapse to the General Fund Surplus Account under KRS 45.229. The deposit to the Budget Reserve Trust Fund shall exclude the amount of General Fund surplus designated for budgeted purposes. Notwithstanding provisions in Part X, General Fund Surplus Expenditure Plan, and other parts of this Act, the amount from the undesignated fiscal year 2002-2003 General Fund balance (General Fund Surplus Account, KRS 48.700) that is designated and carried forward to fiscal year 2003-2004 for budgeted purposes shall be determined by the State Budget Director during the close of fiscal year 2002-2003. This determination shall be based upon supporting documentation and legislative records and the statutory budget memorandum and shall be reported to the Interim Joint Committee on Appropriations and Revenue within 30 days of the close of the fiscal year.

32. Notwithstanding KRS 248.654, all Master Settlement Agreement - Phase I payments in excess of the amounts appropriated in Part I of this Act shall be retained in the General Fund.

33. The General Assembly declares that the financial condition of the Commonwealth requires the following fiscal policies to be implemented and administered during the 2002-2004 fiscal biennium:

a. Notwithstanding KRS 18A.115, the Secretary of the Personnel Cabinet shall not approve any additional principal assistants or deputies above the number employed on December 1, 1995.

b. Effective September 16, 2003, the number of principal assistants shall not exceed the number employed on December 1, 1995. The Governor shall direct all agencies of the Executive Branch, including constitutional officers, as to the number to be reduced in each agency.

c. Effective December 1, 2003, the number of unclassified employees shall be 250 fewer than the number employed as of the effective date of this Act. The Governor shall direct all agencies of the Executive Branch, including constitutional officers, as to the number to be

reduced in each agency. For purposes of this provision, unclassified employees shall be defined as Cabinet Secretaries, Deputy Secretaries, Commissioners, Deputy Commissioners, Executive Directors, Deputy Executive Directors, Division Directors, Principal Assistants, General Counsels, or any other position subject to the provisions of KRS 12.050 or KRS 11.040(1).

d. Notwithstanding KRS 12.027 and 12.028, no Executive Order shall create any additional unclassified positions. For purposes of this provision, unclassified employees shall be defined as Cabinet Secretaries, Deputy Secretaries, Commissioners, Deputy Commissioners, Executive Directors, Deputy Executive Directors, Division Directors, Principal Assistants, General Counsels, or any other position subject to the provisions of KRS 12.050 or KRS 11.040(1).

e. The Personnel Cabinet shall monitor the number of total employees in the Executive Branch and report to the Interim Joint Committee on Appropriations and Revenue on a monthly basis regarding the targeted reduction of 1,000 employees from the state workforce by December 13, 2003, as set forth in Executive Order 2002-1334.

~~f. Prior to July 1, 2004, no KRS Chapter 18A unclassified employee shall be appointed to a KRS Chapter 18A classified position, unless the employee has reversion rights under KRS 18A.115 or has career employee status under KRS 18A.005(4). For purposes of this provision, unclassified employees shall be defined as Cabinet Secretaries, Deputy Secretaries, Commissioners, Deputy Commissioners, Executive Directors, Deputy Executive Directors, Division Directors, Principal Assistants, General Counsels, or any other position subject to the provisions of KRS 12.050 or KRS 11.040(1).]~~

34. The General Assembly declares that the financial condition of the Commonwealth requires the following fiscal policies to be implemented and administered during the 2002-2004 fiscal biennium:

a. The Finance and Administration Cabinet shall report to the Interim Joint Committee on Appropriations and Revenue on a monthly basis regarding the number and encumbered dollar amounts of personal service contracts and memorandums of agreements approved for Executive Branch agencies. For fiscal year 2002-2003, the moratorium as set forth in Executive Order 2002-1334 shall remain in effect. For fiscal year 2003-2004, the total amount of funds encumbered for personal services contracts and memorandums of agreements reportable to the Government Contract Review Committee pursuant to KRS 45A.705 shall not exceed the total expended in fiscal year 2001-2002, less \$100,000,000. This maximum shall only be exceeded if the contract is for an emergency related to public health or safety, legal defense, or other extraordinary circumstance. The Secretary of the Finance and Administration Cabinet shall notify the Interim Joint Committee on Appropriations and Revenue, in writing, prior to the approval of an exception to this provision. At least \$50,000,000 of the reduction specified in this provision shall be in personal service contracts.

b. The Secretary of the Finance and Administration Cabinet shall implement actions necessary to reduce the number of sole source contracts and require open competition for all personal service contracts, carefully scrutinize the necessity for all contracts to ensure that services cannot be provided by existing agency staff, and develop a process to evaluate the effectiveness of each contract as to performance and delivery of services. Open competition shall include a reasonable time for bids to be submitted and documentation on how the contract price was determined.

c. Prior to July 1, 2004, the Secretary of the Finance and Administration Cabinet shall not approve or make payment for any personal service contract or memorandum of agreement to a person who was employed in a KRS Chapter 18A unclassified position as of the effective date of this Act. For purposes of this provision, unclassified employees shall be defined as Cabinet Secretaries, Deputy Secretaries, Commissioners, Deputy Commissioners, Executive Directors, Deputy Executive Directors, Division Directors, Principal Assistants, General Counsels, or any other position subject to the provisions of KRS 12.050 or KRS 11.040(1).

d. The Secretary of the Finance and Administration Cabinet, pursuant to KRS 44.045, shall further reduce the number of state vehicles assigned to agencies by an additional 500 vehicles beyond the number of vehicles directed to be reduced under Executive Order 2002-1334.

35. Except in the case of a declared emergency, the Governor, all agency heads, and all other constitutional officers shall not expend or encumber in the aggregate more than 55 percent of the funds appropriated by this Act during the first half of fiscal year 2003-2004.

36. The General Assembly declares that the financial condition of the Commonwealth requires the following fiscal policies to be implemented and administered during the 2002-2004 fiscal biennium:

a. The Transportation Cabinet shall downsize the State Motor Vehicle Fleet by 500 vehicles as set forth in Executive Order 2002-1334. In addition, the Secretary of the Finance and Administration Cabinet and the Secretary of the Transportation Cabinet shall restrict permanently assigned vehicles to only the Court of Justice, Secretaries of the Executive Cabinet, law enforcement, or other public safety purposes.

b. The Finance and Administration Cabinet shall continue actions set forth in Executive Order 2002-1334 to reduce energy costs.

c. All state agencies shall continue to monitor all travel expenditures as set forth in Executive Order 2002-1334. In addition, all state agencies shall utilize state parks or other state facilities to the fullest extent feasible.

d. All state agencies shall continue to adhere to printing guidelines as set forth in Executive Order 2002-1334.

37. The General Assembly declares that the financial condition of the Commonwealth requires the following fiscal policies to be implemented and administered during the 2002-2004 fiscal biennium: Notwithstanding KRS 56.803, 56.813, and 56.823, no state agency shall request any new lease space unless a lower annual cost, including utilities, can be documented. No additional space or lease improvements shall be approved.

38. The General Assembly declares that the financial condition of the Commonwealth requires the following fiscal policies to be implemented and administered during the 2002-2004 fiscal biennium:

a. Notwithstanding KRS 45.760(12) and (14), no state agency shall purchase new equipment or furniture unless the item must be replaced due to damage or loss, unless the Secretary of the Finance and Administration Cabinet approves the equipment or furniture purchase based on documentation of the necessity and impact on government services if the purchase is not made. If a purchase is authorized, the Division of Correctional Industries or the Division of Surplus Property shall be utilized whenever possible.

b. Any equipment or furniture purchase approved by the Secretary of the Finance and Administration Cabinet in excess of \$5,000 shall be reported to the Interim Joint Committee on Appropriations and Revenue.

39. The Secretary of the Finance and Administration Cabinet shall direct all state agencies to review all discretionary expenditures, including but not limited to telecommunications (including cellular telephones and other wireless devices), supplies, commodities, dues, and subscriptions, and implement cost savings actions as may be warranted.

40. Notwithstanding KRS 138.146(4), after June 30, 2003, the compensation allowed shall be equal to \$0.15 face value for each \$3 of cigarette tax evidence purchased at face value.

41. Notwithstanding KRS 139.570, after June 30, 2003, the total reimbursement allowed shall not exceed \$1,500. Notwithstanding KRS 139.250 or 139.700, after the effective date of this Act, separate permit numbers for a taxpayer with different business locations shall not be issued.

42. It is the intent of the General Assembly that the Executive Branch implement appropriate actions necessary to operate within the appropriations authorized in this Act. The General Assembly recognizes that Executive Branch agency heads may determine it to be necessary to modify the actual budget unit expenditure totals within each cabinet and agency in order to best achieve the management savings and fiscal policies required by this Act in order to execute prescribed administrative and program directives. The Secretary of any cabinet, the Commissioner of the Department of Education, and other agency heads are authorized to request revisions in appropriation authority among budget units under their administrative authority for the sole purpose of implementing the directives prescribed in this Act. Prior to requesting any reallocation between appropriation units, the Secretary of any cabinet, the Commissioner of the Department of Education, and other agency heads shall submit a request to the Office of State Budget Director to transfer General Fund authority within their respective cabinet or agency. Such requests shall specify the need for the transfer of the authority. Any transfers made under this section for any cabinet, agency, or the Department of Education shall result in no change to the total amount of General Fund appropriated to budget units within that cabinet or agency. Any transfers made under this section shall be made pursuant to KRS 48.500 and shall be reported, in writing, to the Interim Joint Committee on Appropriations and Revenue at least 30 days prior to the proposed transfer. ~~[No transfer may be authorized to reduce funding for programs or services prescribed in this Act.]~~

43. Notwithstanding 2002 Ky. Acts ch. 172, Part I, Operating Budget, 1., and KRS 6.190 and 6.213, the daily compensation provided by KRS 6.190 and the interim expense allowance provided by KRS 6.213 for members of the General Assembly shall be as authorized for the 2000-2002 biennium and shall be paid as adjusted on January 1, 2003, by the all urban consumer price index (CPI-U), but shall not be adjusted on January 1, 2004, by the all urban consumer price index (CPI-U).

44. In accordance with the provisions of KRS 27A.630 as amended by House Bill 163 of the 2003 Regular Session of the General Assembly, an amount not to exceed \$200,000 from the fee imposed under KRS 27A.630(1) shall be appropriated to the Children's Law Center.

45. Notwithstanding KRS 230.3771, any allocation of commissions on interstate wagering payable to the purse program of the host thoroughbred track from quarter horse races received at the thoroughbred tracks licensed to conduct horse racing in Kentucky shall be allocated to the Kentucky Quarter Horse Purse Program.

46. Notwithstanding KRS 138.510, tracks with an average daily handle of \$1,200,000 or more shall be allowed a tax credit equal to \$12,000 multiplied by the number of racing days at the track for the fiscal year beginning after June 30, 2003, and ending June 30, 2004, if an amount equal to at least 50 percent of the credit is used for capital improvements and at least 50 percent is used for horsemen's incentives. "Capital improvement" means any addition, replacement, or remodeling of a structural unit of the track, including but not limited to the construction of barns used for the track, backstretch facilities for horsemen, paddock facilities, new pari-mutuel and totalizator equipment, new access roads, new parking facilities, the reconstruction, reshaping, or leveling of the racetrack, the installation of permanent new heating or air conditioning, and installations of a permanent nature forming part of the track structure. Fifty percent of the amount of the tax credit for the horsemen's incentives shall be allocated to purses at the track and 50 percent allocated for stabling and transportation costs. The method of disbursement of the stabling and transportation costs shall be agreed upon by the track receiving the tax credit and the horsemen's group or groups contracting with the track. If a track fails to complete a qualifying capital improvement or make qualifying expenditures for horsemen's incentives, the Kentucky Economic Development Finance Authority as created under KRS 154.20-010 shall order the track to repay to the state all or any portion of the amount of the tax credit received by the track. The track receiving the credit shall report quarterly to the Interim Joint Committee on Appropriations and Revenue on the amounts of qualifying capital improvements and expenditures for horsemen's incentives made for which the credit is claimed.

47. Notwithstanding KRS 138.510, for fiscal year 2003-2004, all harness racetracks licensed by the Kentucky Racing Commission shall not be required to pay the excise tax imposed under KRS 138.510(2) and that amount that would have been paid shall be retained by the track to promote and maintain its facilities and its live meet.

PART IV

STATE SALARY/COMPENSATION AND EMPLOYMENT POLICY

1. Notwithstanding KRS 18A.010(2), for the 2002-2004 fiscal biennium, the total number of filled permanent positions in the agencies of the Executive Branch is limited to the number authorized in the enacted State/Executive Budget of the Commonwealth for the 2002-2004 fiscal biennium. The provisions of this section do not apply to the employees of the General Assembly, the Legislative Research Commission, or the Court of Justice.

2. On July 1, 2002, the Personnel Cabinet shall establish a record of budgeted permanent and other equivalent positions based upon the enacted State/Executive Budget of the Commonwealth and any adjustments authorized by provisions in this Act. The total number of filled and vacant positions of full-time, part-time, and interim employees shall not exceed the authorized complements pursuant to this section. When an agency head certifies that an emergency employment situation exists for a limited time within a fiscal year, the State Budget Director may approve, and the Secretary of Personnel may authorize, the employment of individuals in addition to the authorized complement for the duration of the limited time period so authorized within the fiscal year. A copy of records, certifications, and actions authorized in this section shall be provided to the Interim Joint Committee on Appropriations and Revenue on a monthly basis.

3. Notwithstanding KRS 18A.355(1), a cost-of-living adjustment of two and seven-tenths percent is provided in fiscal year 2002-2003 on the base salary or wages of each eligible state employee on their anniversary date. Notwithstanding KRS 18A.355(1) and 151B.035, a cost-of-

living adjustment amounting to an annualized value of \$1,080 is provided in fiscal year 2003-2004 on the base salary or wages of each eligible permanent full-time state employee on their anniversary date. Commencing with an eligible employee's anniversary date, the cost-of-living adjustment shall be disbursed by payroll period in a one-twenty-fourth installment for the duration of the employment. The Secretary of the Personnel Cabinet, in consultation with the State Budget Director, shall determine the pro rata amount of the cost-of-living adjustment to be provided to permanent part-time employees. The cost-of-living adjustment shall be part of the salary or compensation base of the employee. A salary increase shall not be authorized for the following KRS Chapter 18A or 151B unclassified positions after June 30, 2003: Cabinet Secretary, Deputy Secretary, Commissioner, Deputy Commissioner, Executive Director, Deputy Executive Director, Division Director, Principal Assistant, General Counsel, or any other position subject to the provisions of KRS 12.050. No salary increase shall be authorized, after June 30, 2003, for any employee appointed pursuant to KRS 11.040(1).

There is appropriated from the General Fund in fiscal year 2003-2004 \$11,490,000 to the State Salary Compensation Fund in the Personnel Cabinet. The Secretary of the Personnel Cabinet, in consultation with the State Budget Director, shall determine the amount of the funds necessary by budget unit to provide for this cost-of-living adjustment. The State Salary Compensation Fund shall be supplemented by Restricted Agency Funds, Federal Funds, the Road Fund, and other General Fund amounts otherwise appropriated to state agencies in order to provide for this cost-of-living adjustment.

The Secretary of the Personnel Cabinet, upon approval by the State Budget Director, shall notify the Secretary of the Finance and Administration Cabinet of the respective amount of General Fund from the State Salary Compensation Fund to transfer to each affected budget unit and such funds shall be transferred. The Secretary of the Personnel Cabinet and the State Budget Director shall report to the Interim Joint Committee on Appropriations and Revenue regarding the implementation of this provision on a timely basis.

4. Each budget unit with an authorized personnel complement in excess of the number of positions funded in this Act shall submit a plan to the Office of State Budget Director for approval identifying any adequate appropriate funding source prior to filling any positions above the funded number. Upon approval of the State Budget Director, the agency budget may fill the authorized number of positions.

5. The General Assembly declares that the financial condition of the Commonwealth requires the following fiscal policies to be implemented and administered during the 2002-2004 fiscal biennium:

a. For purposes of this section:

(1) "Appointing authority" means the agency head as defined in KRS 18A.005(1) and 151B.010(1);

(2) A "furlough" or "reduction in hours" means that an appointing authority may temporarily reduce the number of hours that an employee is scheduled to work within a pay period if the Budget Reduction Plan or cost savings contemplated in this Act are not achieved. In the case of an employee who is considered "salaried" or "exempt" from the coverage of the Fair Labor Standards Act, 29 U.S.C. sec. 201, et seq., the length of a furlough shall not be less than a work week;

(3) A "lack of funds" means an appointing authority has a current or projected deficiency of funding to maintain current, or to sustain projected, levels of staffing and operations; and

(4) A "lack of work" means an operating authority has a current or projected decrease in the workload, which requires a reduction of current or projected staffing levels.

b. Notwithstanding any other provision of law, an appointing authority, with the approval of the Secretary of the Personnel Cabinet or, in the case of employees governed by KRS Chapter 151B, the State Board for Adult and Technical Education, may temporarily reduce the hours of work assigned to employees due to:

(1) Lack of work;

(2) Seasonal changes in demand for services; or

(3) A current or projected deficiency of funding necessary to maintain current, or to sustain projected, levels of staffing and operations.

c. An employee whose hours of work are temporarily reduced by the appointing authority pursuant to this section shall be notified in writing of the reduced schedule of work, the reasons for the reduction, and the reasons for the employee's selection.

d. Notwithstanding any other provision of law, an employee whose hours of work are temporarily reduced by the appointing authority pursuant to this section:

(1) Shall remain eligible for state-paid benefits during the temporary reduction of hours; and

(2) Shall not be entitled to appeal the reduction to the Personnel Board or, in the case of employees governed by KRS Chapter 151B, the State Board for Adult and Technical Education, unless the length of the furlough exceeds ten consecutive working days.

e. Whenever a furlough is necessary, the appointing authority of an agency shall decide in which county or facility and within which classifications the furlough will occur, and the number of employees to be furloughed within each affected county, facility, or classification. The order of furlough shall be based on length of service and relative qualifications to perform the essential functions of any positions that remain in operation within the agency, county, or facility.

f. An employee subject to KRS Chapter 18A who has been furloughed for more than ten consecutive working days, and who believes that the furlough was unwarranted under the provisions of this section or that the appointing authority failed to properly apply the criteria established by this section in determining the order of furlough, may appeal to the Personnel Board within 30 days of the date the notice of furlough was mailed or delivered by the appointing authority. An employee shall not have the right to appear before the appointing authority prior to furlough. In all other respects, the provisions of KRS 18A.095 shall govern appeals based on furloughs.

g. An employee subject to KRS Chapter 151B who has been furloughed more than ten consecutive working days, and who believes that the furlough was unwarranted under the provisions of this section or that the appointing authority failed to properly apply the criteria established in this section in determining the order of furlough, may appeal to the State Board for Adult and Technical Education within 30 days of the date the notice of furlough was mailed or delivered by the appointing authority. An employee shall not have the right to appear before the

appointing authority prior to furlough. In all other respects, the provisions of KRS 151B.060 shall govern appeals based on furlough.

h. Notwithstanding any other provision of law, an employee participating in one of the state retirement systems who is furloughed to the extent of working less than 100 hours per month shall, upon return to regular hours, have the right to purchase service credit by paying the employee contributions on the difference between the creditable compensation that would have been paid had the employee not been furloughed and the actual compensation received for the period the employee was placed on furlough and worked less than 100 hours. If the employee elects to purchase service credit, the employing agency shall pay the employer contributions for the period purchased by the employee.

i. The Secretary of the Personnel Cabinet shall promulgate an administrative regulation to implement a furlough program. The administrative regulation shall include a provision authorizing employees to elect to voluntarily participate in a furlough program.

~~{ — 6. — The General Assembly declares that the financial condition of the Commonwealth requires the following fiscal policies to be implemented and administered during the 2002-2004 fiscal biennium: Immediately upon the effective date of this Act, the Secretary of the Personnel Cabinet shall effect a hiring freeze for all KRS Chapter 18A positions, including constitutional officers. The Secretary may approve exceptions only if the Secretary determines, in writing, that the position is necessary for public safety, health, emergency, or other extraordinary, critical, or compelling circumstance. The Secretary of the Personnel Cabinet may request the Secretary of the Finance and Administration Cabinet, pursuant to KRS 48.500, to interpret the exceptions to the hiring freeze. The Secretary shall report any positions authorized to be filled, including the written determination, to the Interim Joint Committee on Appropriations and Revenue on the fifteenth day of the month for all positions filled during the previous month. The hiring freeze shall remain in effect until the total number of permanent full-time employees complies with KRS 18A.010(2), but not beyond June 30, 2004, unless extended by action of a future General Assembly. The Department of Veterans' Affairs shall be exempt from the hiring freeze for employees to provide staffing for the Nursing Facilities and field services administered by the Department. The Revenue Cabinet shall be exempt from the hiring freeze as necessary to ensure full staffing for Cabinet operations and the tax compliance initiative funded in this Act. The Department of State Police is exempted from the hiring freeze pertaining to sworn officers, as defined in KRS 16.010, to reach an authorized strength of 1,070. The Department of Fish and Wildlife Resources shall be exempt from the hiring freeze to hire interim employees to staff summer conservation camping programs. }~~

PART V

FUNDS TRANSFER

1. It is the finding of the General Assembly of the Commonwealth of Kentucky that the financial condition of state government requires the following action.

2. Notwithstanding the requirements of the statutes set forth below, there is transferred from the Restricted Funds enumerated below to the General Fund the following amounts in fiscal year 2002-2003 and fiscal year 2003-2004.

| | 2002-03 | 2003-04 |
|---------------------------|---------|---------|
| A. GOVERNMENT OPERATIONS | | |
| 1. Office of the Governor | 250,000 | |

| | | | |
|-----|--|-----------|-----------|
| | Agency Revenue Funds | | |
| 2. | Office of the Governor (KRS 132.020(9)) | | 271,900 |
| 3. | Office of State Budget Director Agency Revenue Funds | 550,000 | |
| 4. | Governor's Office for Technology Other Special Revenue Funds | 377,300 | |
| 5. | Department of Veterans' Affairs Agency Revenue Funds | 830,300 | |
| 6. | Governor's Office of Early Childhood Development (KRS 200.151) | 1,861,800 | |
| 7. | Kentucky Infrastructure Authority Other Special Revenue Funds (KRS 224A.112) | 1,000,000 | 1,000,000 |
| 8. | Governor's Office of Agricultural Policy Tobacco Funds (KRS 248.703(2)(b)2.) | 611,200 | 513,300 |
| 9. | KY Agency for Substance Abuse (KRS 194A.055) | 1,500,000 | 1,500,000 |
| 10. | Secretary of State (KRS 14.140) | 200,000 | |
| 11. | Secretary of State Trust Funds | 2,000 | |
| 12. | Board of Elections Other Special Revenue Funds | 23,300 | |
| 13. | Attorney General Agency Revenue Funds | 562,500 | |
| 14. | Attorney General Other Special Revenue Funds | 16,800 | |
| 15. | County Attorneys Agency Revenue Funds | 28,900 | |
| 16. | Auditor of Public Accounts Agency Revenue Funds | 300,000 | |

| | | | |
|-----|--|---------|------------|
| 17. | Military Affairs Agency Revenue Funds | 500,000 | |
| 18. | Local Government Economic Development Fund (KRS 42.4592) | | 10,663,500 |
| 19. | Commission on Human Rights Agency Revenue Funds | 1,500 | |
| 20. | Registry of Election Finance Election Campaign Fund (KRS 121A.020) | | 469,800 |
| 21. | Board of Accountancy (KRS 325.250) | 300,000 | |
| 22. | Board of Architects (KRS Chapter 323) | 60,900 | |
| 23. | Board of Auctioneers (KRS 330.050 and 330.192) | 476,400 | |
| 24. | Board of Chiropractic Examiners (KRS 312.019) | 49,500 | |
| 25. | Board of Dentistry (KRS 313.350) | 56,000 | |
| 26. | Board of Dietitians and Nutritionists (KRS 310.041) | 79,900 | |
| 27. | Board of Embalmers and Funeral Directors (KRS Chapter 316) | 74,000 | |
| 28. | Board of Engineers and Land Surveyors (KRS 322.420) | 544,700 | |
| 29. | Board of Geologists (KRS 322A.050) | 40,000 | |
| 30. | Board of Landscape Architects (KRS Chapter 323) | 14,000 | |
| 31. | Board of Marriage and Family Therapists (KRS 335.342) | 8,600 | |
| 32. | Board of Medical Licensure (KRS 311.610) | 794,000 | |

| | | |
|-----|--|-----------|
| 33. | Board of Nursing (KRS 314.027 and 314.161) | 1,574,700 |
| 34. | Board of Occupational Therapy (KRS 319A.050) | 168,600 |
| 35. | Board of Ophthalmic Dispensers (KRS 326.120) | 14,500 |
| 36. | Board of Optometric Examiners (KRS 320.360) | 32,600 |
| 37. | Board of Pharmacy (KRS 315.195) | 811,700 |
| 38. | Board of Physical Therapy (KRS 327.080) | 77,400 |
| 39. | Board of Podiatry (KRS 311.450) | 65,500 |
| 40. | Board of Professional Counselors (KRS 335.520) | 47,500 |
| 41. | Board of Proprietary Education (KRS 165A.380) | 263,200 |
| 42. | Real Estate Appraisers Board (KRS 324A.065) | 206,600 |
| 43. | Real Estate Commission (KRS 324.286 and 324.410) | 853,600 |
| 44. | Board of Respiratory Care (KRS 314A.215) | 3,600 |
| 45. | Board of Social Workers (KRS 335.140) | 163,400 |
| 46. | Board of Speech Pathologists and Audiologists (KRS 334A.120) | 68,100 |
| 47. | Board of Veterinary Examiners (KRS 321.320) | 82,900 |

B. CABINET FOR ECONOMIC DEVELOPMENT

| | | | |
|----|--|------------|------------|
| 1. | Kentucky Economic Development Finance Authority | 13,327,000 | 16,895,000 |
|----|--|------------|------------|

| | | | |
|----|--|------------|------------|
| | (KRS 154.20-010 to 154.20-150) | | |
| 2. | Financial Incentives | 6,600 | |
| | Other Special Revenue Funds | | |
| 3. | Office of the New Economy | 1,482,000 | |
| | (Part I, 31.a. and KRS 164.6019, 164.6021, 164.6027, 164.6029, 164.6035, and 164.6037) | | |
| C. | EDUCATION | | |
| 1. | Operations and Support Services | 50,000 | |
| | Agency Revenue Funds | | |
| 2. | School Districts Flexible | 14,000,000 | 14,000,000 |
| | Spending Accounts | | |
| 3. | Learning and Results Services – Kentucky | 10,955,200 | |
| | Successful School Trust Fund | | |
| | (KRS 157.067) | | |
| D. | EDUCATION, ARTS, AND HUMANITIES CABINET | | |
| 1. | Kentucky Arts Council | 57,200 | |
| | (KRS 153.210 to 153.235) | | |
| 2. | Libraries and Archives - General Operations | 33,900 | |
| | Agency Revenue Funds | | |
| 3. | Libraries and Archives - Direct Local Aid | 14,400 | |
| | Agency Revenue Funds | | |
| E. | CABINET FOR FAMILIES AND CHILDREN | | |
| 1. | Community Based Services | 15,000,000 | |
| | Agency Revenue Funds | | |
| F. | FINANCE AND ADMINISTRATION CABINET | | |
| 1. | General Administration | 340,600 | |
| | Asbestos Litigation Fund | | |
| 2. | General Administration | 184,900 | |
| | Other Special Revenue Funds | | |
| 3. | General Administration | 508,700 | |
| | Other Expendable Trust Funds | | |
| 4. | Office of the Controller | 2,847,900 | |
| | Other Special Revenue Funds | | |
| 5. | Debt Service | 12,300 | |
| | (KRS 248.655) | | |

| | | | |
|---------------|---|----------------------|-----------|
| 6. | Capital Construction Investment Income | 6,311,100 | 4,000,000 |
| 7. | Capital Construction and Equipment Purchase Contingency Fund (KRS 45.770) | 16,928,000 | |
| 8. | Emergency Repair, Maintenance, and Replacement Fund (KRS 45.780)} | 5,500,000 | |
| 9. | Statewide Deferred Maintenance Fund | 1,000,000 | |
| 10. | Capital Construction Surplus Account (KRS 45.775) | 2,259,000 | |
| 11. | Technology Trust Fund (1998 Ky. Acts ch. 615, Part X, Sec. 5, II., 5) | 12,743,800 | |
| 12. | Tobacco Settlement - Phase I - Excess Fiscal Year 2001-2002 Payments Above Budgeted - Rural Development Trust Fund (KRS 248.654) | 2,023,700 | |
| 13. | Tobacco Settlement - Phase I - Excess Fiscal Year 2001-2002 Payments Above Budgeted - Early Childhood Development Trust Fund (KRS 200.151 and 248.654) | 1,556,700 | |
| 14. | Tobacco Settlement - Phase I - Excess Fiscal Year 2001-2002 Payments Above Budgeted - Health Care Improvement Trust Fund (KRS 194A.055 and 248.654) | 1,556,700 | |
| 15. | Rural Development Trust Fund Interest Income (KRS 248.654 and 248.655) | 973,300 | |
| 16. | Early Childhood Development Trust Fund Interest Income (KRS 200.151 and 248.654) | 163,600 | |
| 17. | Health Care Improvement Trust Fund Interest Income (KRS 194A.055 and 248.655) | 145,700 | |

| | | | |
|---|---|-----------|-----------|
| 18. | Red Fox Golf Course (1998 Ky. Acts ch. 615, Part X, Sec. 5, IV., 77) | 2,016,700 | |
| G. CABINET FOR HEALTH SERVICES | | | |
| 1. | Public Health (KRS 200.151) | 299,000 | |
| 2. | Mental Health/Mental Retardation (KRS 200.151) | 18,500 | |
| 3. | Children With Special Health Care Needs (KRS 200.151) | 131,700 | |
| 4. | Aging Services Other Special Revenue Funds | 50,000 | |
| 5. | Administrative Support Other Special Revenue Funds | 238,000 | |
| H. JUSTICE CABINET | | | |
| 1. | State Police Agency Revenue Funds | 1,250,000 | |
| 2. | Criminal Justice Training Kentucky Law Enforcement Foundation Program Fund (KRS 15.430 and 136.392(2)) | 3,600,000 | |
| 3. | Juvenile Justice Agency Revenue Funds | 6,000,000 | 4,000,000 |
| 4. | Juvenile Justice Other Special Revenue Funds | 39,600 | |
| I. LABOR CABINET | | | |
| 1. | General Administration and Support Agency Revenue Funds | 250,000 | |
| 2. | Workers' Compensation Funding Commission Agency Revenue Funds (KRS 342.122 and 342.1223) | 4,750,000 | |
| J. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET | | | |
| 1. | Environmental Protection Agency Revenue Funds | 1,100,000 | |

| | | | |
|----|--|------------|-----------|
| 2. | Environmental Protection Waste Tire Trust Fund (KRS 224.50-870) | | 500,000 |
| 3. | Natural Resources Agency Revenue Funds | 900,000 | |
| 4. | Surface Mining Reclamation and Enforcement Agency Revenue Funds | 1,500,000 | |
| 5. | Surface Mining Reclamation and Enforcement - Bond Pool Fund (KRS 350.700) | 3,000,000 | |
| 6. | Kentucky Pride Trust Fund (KRS 224.43-505) | | 2,468,000 |
| K. | PERSONNEL CABINET | | |
| 1. | Flexible Spending Account (KRS 18A.225(2)(g)) | 13,000,000 | 1,326,000 |
| 2. | Health Purchasing Alliance Refund (KRS 304.17A-071) | 3,630,200 | |
| 3. | State Employees Workers' Compensation Reserve (KRS 18A.370 to 18A.385) | 4,000,000 | |
| 4. | Personnel - General Operations Trust Funds | 347,600 | |
| 5. | General Operations Agency Revenue Funds | 50,000 | |
| 6. | General Operations Insurance Administration Funds | 60,000 | |
| L. | POSTSECONDARY EDUCATION | | |
| 1. | Council on Postsecondary Education Agency Revenue Funds | 92,100 | |
| 2. | Council on Postsecondary Education Student Financial Aid and Advancement Trust Fund (KRS 164.7911 and 164.7927) | 406,200 | |

| | | | |
|----|---|------------|-----------|
| 3. | Council on Postsecondary Education Adult Education and Literacy Funding Program (KRS 164.041) | 245,000 | |
| 4. | Council on Postsecondary Education University Equine Program Trust Fund (KRS 138.510(6)) | 48,500 | |
| 5. | Council on Postsecondary Education Strategic Investment and Incentive Funding Program Trust Fund - Interest Income (2000 Ky. Acts ch. 549, Part I, L., 56) | 2,200,000 | |
| 6. | Kentucky Higher Education Assistance Authority (KRS 200.151) | 193,000 | |
| 7. | Kentucky Higher Education Assistance Authority (KRS 164A.010 to 164A.240) | 450,000 | |
| 8. | Kentucky Community and Technical College System Kentucky Firefighters Foundation Program Fund (KRS 95A.220, 95A.262, and 136.392(2)) | 1,400,000 | |
| M. | PUBLIC PROTECTION AND REGULATION CABINET | | |
| 1. | Alcoholic Beverage Control (KRS 243.025) | 2,250,000 | 250,000 |
| 2. | Financial Institutions (KRS 287.485) | 3,700,000 | 2,000,000 |
| 3. | Insurance (KRS 304.2-400) | 6,000,000 | 6,000,000 |
| 4. | Insurance Fire and Tornado Insurance Fund (KRS 56.095, 56.150, and 56.180) | 500,000 | 500,000 |
| 5. | Insurance Kentucky Access | 56,000,000 | |

(KRS 304.17B-001 to 304.17B-031)

| | | | |
|----|--|-------------|------------|
| 6. | Secretary - General Operations Agency Revenue Funds | 300,000 | |
| 7. | Secretary - Petroleum Storage Tank Environmental Assurance Fund (KRS 224.60-100 to 224.60-160) | 74,100,000 | 26,500,000 |
| N. | TOURISM DEVELOPMENT CABINET | | |
| 1. | Kentucky State Fair Board Freedom Hall Portable Trailers (2000 Ky. Acts ch. 549, Part II, Sec. O., 2., c) | 300,000 | |
| 2. | Kentucky State Fair Board Agency Revenue Funds | 1,500,000 | 2,413,500 |
| O. | TRANSPORTATION CABINET | | |
| 1. | Air Transportation Kentucky Aviation Economic Development Fund (KRS 183.525(3), (4), and (5)) | 2,900,000 | |
| 2. | General Administration and Support Fleet Management Fund | 6,000,000 | |
| P. | WORKFORCE DEVELOPMENT CABINET | | |
| 1. | Technical Education Agency Revenue Funds | 100,000 | |
| 2. | Employment Services Unemployment Insurance Penalty and Interest (KRS 341.835) | 2,250,000 | |
| | TOTAL | 331,213,900 | 96,753,000 |

PART VI

GENERAL FUND BUDGET REDUCTION PLAN

Pursuant to KRS 48.130 and 48.600, a General Fund Budget Reduction Plan is enacted for state government in the event of an actual or projected deficit in estimated General Fund revenue receipts of \$6,989,500,000 in fiscal year 2002-2003 and \$7,168,700,000 in fiscal year 2003-2004 as modified by related Acts and actions of the General Assembly in an extraordinary or regular session. Direct services, obligations essential to the minimum level of constitutional functions,

and other items that may be specified in this Act, are exempt from the requirements of this Plan. Each branch head shall prepare a specific plan to address a proportionate share of the General Fund revenue shortfall applicable to the respective branch. No budget revision action shall be taken by a branch head in excess of the actual or projected deficit.

The Governor, the Chief Justice, and the Legislative Research Commission shall direct and implement reductions in allotments and appropriations only for their respective branch budget units as may be necessary as well as take other measures which shall be consistent with the provisions of this Part and general branch budget bills.

In the event of a revenue shortfall under the provisions of KRS 48.120, General Fund budget reduction actions shall be implemented in the following sequence:

(1) The Local Government Economic Assistance and the Local Government Economic Development Funds shall be adjusted by the Secretary of the Finance and Administration Cabinet to equal revised estimates of receipts pursuant to KRS 42.4582 as modified by the provisions of this Act.

(2) Transfers of excess unappropriated and unbudgeted Restricted Funds other than fiduciary funds shall be applied as determined by the head of each branch for its respective budget units.

(3) Excess General Fund appropriations which accrue as a result of personnel vacancies and turnover, and reduced requirements for operating expenses, grants, and capital outlay shall be determined and applied by the heads of the executive, judicial, and legislative departments of state government for their respective branches. The branch heads shall certify the available amounts which shall be applied to budget units within the respective branches and shall promptly transmit the certification to the Secretary of the Finance and Administration Cabinet and the Legislative Research Commission. The Secretary of the Finance and Administration Cabinet shall execute the certified actions as transmitted by the branch heads.

Branch heads shall take care, by their respective actions, to protect, preserve, and advance the fundamental health, safety, legal and social welfare, and educational well-being of the citizens of the Commonwealth.

(4) Funds available in the Budget Reserve Trust Fund shall be applied in an amount not to exceed 25 percent of the trust fund balance in fiscal year 2002-2003 and 50 percent of the trust fund balance in fiscal year 2003-2004.

(5) Notwithstanding the provisions of KRS 48.130 and 48.600, if the actions contained in subsections (1) to (4) of this section are insufficient to eliminate an actual or projected revenue shortfall in the enacted General Fund revenue receipts, then the Governor is empowered and directed to take necessary actions with respect to the Executive Branch budget units to balance the budget by such actions conforming with the criteria expressed in the preceding subsection.

PART VII

ROAD FUND BUDGET REDUCTION PLAN

There is established a Road Fund Budget Reduction Plan for fiscal year 2002-2003 and fiscal year 2003-2004. Notwithstanding KRS 48.130, in the event of an actual or projected shortfall in estimated Road Fund revenue receipts of \$1,121,129,400 in fiscal year 2002-2003 and \$1,139,210,500 in fiscal year 2003-2004 as determined by KRS 48.120(3), the Governor shall

implement sufficient reductions as may be required to protect the highest possible level of service. No budget revision action shall be taken in excess of the actual or projected deficit.

PART VIII

ROAD FUND SURPLUS EXPENDITURE PLAN

Notwithstanding KRS 48.140 and pursuant to KRS 48.710, there is established a plan of expenditures from the Road Fund Surplus Account. All moneys in the Road Fund Surplus Account shall be deposited in the State Construction Account and utilized to support projects in the 2002-2004 Biennial Highway Construction Program.

PART IX

SPECIAL PROVISIONS

GOVERNMENT OPERATIONS

1. GOVERNOR'S OFFICE FOR TECHNOLOGY

a. Office of Statewide 911 Coordination: The Office of Statewide 911 Coordination is established within the Governor's Office for Technology. The Office of Statewide 911 Coordination shall have the responsibility for monitoring, enforcing, and coordinating 911 and enhanced 911 system compliance and implementation statewide. The office shall include a statewide 911 coordinator along with appropriate staff to accomplish the objectives as stated in this section. The office shall provide education, training, and technical assistance for public safety answering points and private telephone system owners and operators. The 911 coordinator shall collect data from public safety answering points and private telephone system owners and operators and shall make a report to the Legislative Research Commission in August of each year preceding the regular session. The report shall contain recommendations concerning necessary modifications to compliance requirements occasioned by technological and other advances or changes in telephone system equipment.

b. Electronic Health Network Feasibility Study: The Legislative Research Commission shall direct the Interim Joint Committee on Health and Welfare to study the feasibility of implementing an electronic health network in this Commonwealth using federal and voluntarily contributed private funds. The committee shall report its findings to the Legislative Research Commission no later than December 1, 2003.

c. CMRS Board: Notwithstanding KRS 65.7639, no information provided to the CMRS Board under KRS 65.7639 shall be disclosed other than to the submitting CMRS provider, the administrator, the board, and the independent certified public accountant retained by the Board under KRS 65.7629(13) without the express permission of the submitting CMRS provider unless ordered by a court of competent jurisdiction.

2. DEPARTMENT OF VETERANS' AFFAIRS

a. Weekend and Holiday Premium Pay Incentive: The Kentucky Veterans' Center at Wilmore is authorized to continue the weekend and holiday premium pay incentive component of the Personnel Pilot Program for the fiscal biennium 2002-2004.

b. General Fund Operating Support: Notwithstanding KRS 45.229, the unexpended balance of the General Fund appropriation provided to the Eastern Kentucky Veterans' Center, the Western Kentucky Veterans' Center, and the Thompson/Hood Veterans' Center in fiscal year 2001-2002 shall not lapse and shall be carried forward into fiscal year 2002-2003; the unexpended

balance of the General Fund appropriation in fiscal year 2002-2003 shall not lapse and shall be carried forward into fiscal year 2003-2004.

c. Congressional Medal of Honor Recipients: Travel and Per Diem: The Commissioner of the Department of Veterans' Affairs may approve travel and per diem expenses incurred when Kentucky residents who have been awarded the Congressional Medal of Honor attend veterans, military, or memorial events in the Commonwealth of Kentucky.

d. Personnel: The Kentucky Department of Veterans' Affairs (KDVA) shall be exempt from the personnel reduction target set forth in Executive Order 2002-1334. Furthermore, KDVA's personnel cap shall be increased by 30 full-time employees to support full operation of its Nursing Homes and Field Services.

3. TREASURY

a. Kentucky's Affordable Prepaid Tuition (KAPT): As provided in Part IX, Special Provisions, Postsecondary Education, 46. Kentucky Higher Education Assistance Authority (KHEAA), the KAPT program is transferred to Postsecondary Education, KHEAA.

4. ATTORNEY GENERAL

a. Deputy and Assistant Attorneys General Salaries: Notwithstanding KRS 15.100, the Attorney General may set the salary for the deputy attorney general and the salary for the two assistant deputy attorneys general at a rate less than that required in KRS 15.100.

b. Health Care Rate Intervention: In addition to such funds as may be appropriated, this Office may request from the Finance and Administration Cabinet, as a necessary government expense, such funds as may be necessary for expert witnesses pursuant to KRS 304.17A-095. The Finance and Administration Cabinet shall approve up to \$175,000 for the 2002-2004 biennium for this purpose to the Office of the Attorney General. The Department of Insurance shall provide the Office of the Attorney General any available information to assist in the preparation of a rate hearing pursuant to KRS 304.17A-095.

c. Annual and Sick Leave Service Credit: Notwithstanding any statutory or regulatory restrictions to the contrary, any former employee of the Unified Prosecutorial System who has been appointed to a permanent full-time position under KRS Chapter 18A shall be credited annual and sick leave based on service credited under the Kentucky Retirement System solely for the purpose of computation of sick and annual leave. This provision shall only apply to any new appointment or current employee as of July 1, 1998.

d. Child Sexual Abuse Exams: Notwithstanding KRS 186.1867, the Transportation Cabinet shall review the costs related to the distribution of child victim's license plates. Any revenue received from the sale or renewal of these plates in excess of actual costs shall be transferred to the Child Victims Trust Fund on an annual basis.

e. Legal Services Contracts: The Attorney General may present proposals to state agencies specifying legal work that is presently accomplished through Personal Service Contracts that indicate the Office of the Attorney General's capacity to perform the work at a lesser cost. State agencies may agree to make arrangements with the Attorney General to perform the legal work and compensate the Attorney General for the legal services.

f. Public Funds: Notwithstanding KRS 48.005(5)(b), up to \$2,200,000 in funds collected pursuant to KRS 48.005(5) shall be deposited in an off-budget account and transferred to the Historic Cemetery Preservation Program Fund in accordance with Part IX, Special Provisions,

Government Operations, 9.b., of this Act. Notwithstanding KRS 48.005(5)(b), any amounts in excess of \$2,200,000 shall be deposited in the General Fund Surplus Account. The Attorney General shall provide notice to the Governor's Office for Policy and Management and the Legislative Research Commission of the nature of any funds deposited in this account and no funds shall be disbursed without a specific legislative appropriation by the General Assembly while in a regular or special legislative session. This provision shall not apply to any funds or other assets recovered by judgment, settlement, or legal action by or on behalf of the Commonwealth, or other actions filed by a duly elected statewide public official, if the recovery sought and received is for specific individuals, identified as parties to the action, or persons for whom the recovery is received if identified specifically. Identification includes but is not limited to identification either by individual Social Security numbers, by other identifying number, or by proper name.

5. UNIFIED PROSECUTORIAL SYSTEM

a. Prosecutors Advisory Council Administrative Functions: The Prosecutors Advisory Council shall approve compensation for employees of the Unified Prosecutorial System subject to the appropriation in this Act.

b. Rape Victim Assistance Fund: Notwithstanding KRS 216B.400(8), the Rape Victim Assistance Fund and the responsibility for claims payments made from the fund shall be transferred to the Board of Claims/Crime Victims' Compensation Board in fiscal year 2003-2004.

6. AUDITOR OF PUBLIC ACCOUNTS

a. State Agencies Audit Services Contracts: No state agency shall enter into any contract with a nongovernmental entity for an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within 30 days of receipt of a written request. The agency requesting the audit shall furnish the Auditor of Public Accounts a comprehensive statement of the scope and nature of the proposed audit.

b. Audit Records and Status Reports: The Auditor of Public Accounts shall report in writing each 60 days to the Interim Joint Committee on Appropriations and Revenue the progress of all state audits, together with copies of all completed audits. The auditor shall maintain a record of all time and expenses for each audit or investigation.

c. Charges for Federal, State, and Local Audits: Any additional expense incurred by the Auditor of Public Accounts for auditing Federal Funds, when the audits are mandated by a cognizant federal audit agency, shall be charged to the audited agency when the costs may be charged against Federal Funds. The Auditor of Public Accounts is authorized to increase the audit fees for conducting county audits if additional revenues are needed to continue the operation of the office. The Auditor shall maintain a record of all costs and expenditures associated with this provision.

Each quarter, the Auditor of Public Accounts shall notify the Finance and Administration Cabinet concerning the collection status of the fees charged for county audits. If a county government is delinquent in its payment to the Auditor of Public Accounts, the Finance and Administration Cabinet shall withhold any moneys due that county government for the term of 120 days or until the Auditor of Public Accounts has received full payment from the county. The Auditor of Public Accounts is authorized to increase the audit fees for conducting county audits if additional revenues are needed to continue the operations of the office.

The "Single Audit Act of 1984" and the "Single Audit Act Amendments of 1996" (OMB Circular No. A-133) have changed the method by which federal moneys to state agencies are audited. As a result of this federal change, the Auditor of Public Accounts is budgeted to receive additional agency receipts which shall be allotted by the Governor's Office for Policy and Management for programs authorized in the enacted budget for the Auditor of Public Accounts by the 2003 General Assembly, subject to the conditions and procedures provided in this Act.

Any expenses incurred by the Auditor of Public Accounts for auditing a state or local government agency or other entity upon its request, or for performing an audit required by statute unless the audit is required by those standards governing the audit of the Commonwealth's Comprehensive Financial Report or the provisions contained in the "Single Audit Act of 1984" and the "Single Audit Act Amendments of 1996," shall be charged to the agency or entity audited.

Any expense incurred by the Auditor of Public Accounts for auditing individual governmental entities shall be charged to the agency receiving audit services when expenses are mutually agreed upon or when a legislatively mandated study by the Auditor of Public Accounts has determined the need for the audit.

7. DEPARTMENT OF AGRICULTURE

a. Agriculture - PACE Program: The PACE board may contract directly with land surveyors, real estate appraisers, and other licensed professionals as necessary.

b. Reauthorization of the Kentucky Aquaculture Task Force: The Kentucky Aquaculture Task Force is reauthorized and attached to the Department of Agriculture for administrative purposes. The membership, duties, and responsibilities of the Task Force shall be identical to those enacted by the 2000 Kentucky General Assembly, 2000 Ky. Acts ch. 77, except the Task Force shall develop an interim report by September 1, 2002, and a final report by September 1, 2003, with respect to the implementation of the State Aquaculture Plan recommendations and other recommendations that the Task Force may support relating to the aquaculture industry in the Commonwealth. The reports shall be submitted to the Governor and to the Legislative Research Commission.

Notwithstanding the provisions of this section, the Legislative Research Commission shall have the authority to alternatively assign the directives identified in this section to an interim joint committee or subcommittee thereof, and to designate a study completion date. In the event the Legislative Research Commission assigns the responsibilities and duties relating to the Kentucky Aquaculture Task Force to an interim joint committee or subcommittee thereof, any funds remaining from the amounts provided in Part I, Operating Budget, of this Act for the purpose of preparing the reports to be completed by the Task Force shall be transferred to the Legislative Research Commission.

8. PERSONNEL BOARD

a. Administrative Hearings Notice: Notwithstanding KRS 13B.050(2), the Personnel Board shall send notices of administrative hearings by first-class mail.

9. LOCAL GOVERNMENT

a. Flood Control Matching Fund Project Review: The Department for Local Government shall transmit a copy of the application for a flood-related project to be funded from the flood control matching fund to the Natural Resources and Environmental Protection Cabinet with a request for a review of the project pursuant to KRS Chapter 151.

b. Cemetery Preservation: Restricted Funds totaling \$2,200,000 attributable to funds collected pursuant to KRS 48.005(5) shall be transferred to the County Cemetery Fund pursuant to KRS 67.682. An amount of \$1,450,000 is appropriated from these funds in fiscal year 2002-2003, with the remaining \$750,000 appropriated in fiscal year 2003-2004. Restricted funds transferred to the County Cemetery Fund shall not lapse and shall carry forward from each fiscal year to the succeeding fiscal year. Included within the above appropriated amounts is \$1,100,000 to be made available to the Louisville/Jefferson County Cemetery Preservation Initiative prior to June 30, 2004, subject to a one-to-one dollar local cash match certified to the Department for Local Government. Also included within the above appropriated amounts is \$20,000 in each fiscal year for grant funds to the Fayette County African Cemetery #2, subject to a one-to-one dollar local cash match certified to the Department for Local Government. The remaining \$1,060,000 of these restricted funds shall be made available for grants for cemetery preservation initiatives, subject to a one-to-one dollar local cash match certified to the Department for Local Government. Grant applications may be made by an agency of the Commonwealth; a city, county, urban-county, charter county, or consolidated local government; a not-for-profit cemetery; a not-for-profit historical or genealogical organization; or a not-for-profit local community or civic group. If the Louisville/Jefferson County Cemetery Preservation Initiative fails to raise local cash matching resources, funds not appropriated to it shall be retained to the credit of the County Cemetery Fund and made available for grants for cemetery preservation initiatives, in addition to those funds otherwise appropriated for that purpose under this paragraph. Notwithstanding KRS 42.500, the Department for Local Government may expend interest earnings from the County Cemetery Fund for program administration upon application to and approval from the State Budget Director whose approval shall be reported to the Interim Joint Committee on Appropriations and Revenue in accordance with KRS 48.630. Funds credited to the County Cemetery Fund shall be invested by the Finance and Administration Cabinet according to existing law.

10. EDUCATION PROFESSIONAL STANDARDS BOARD

a. Employment of Leadership Personnel: Notwithstanding KRS 18A.005 to 18A.200, the Education Professional Standards Board shall have the sole authority to determine the employees of the Education Professional Standards Board staff who are exempt from the classified service and to set their compensation comparable to the competitive market.

b. Teacher Education Model Program: Funding in the amount of \$2,000,000 shall be provided during fiscal year 2002-2003 for a Teacher Education Model Program to be administered by the Education Professional Standards Board. The purposes of the program shall be to:

(1) (a) Support model teacher education programs that demonstrate effective research-based instruction and assessment practices, involve the entire university community in teacher education, demonstrate collaboration and partnerships between elementary, secondary, and postsecondary education, facilitate the recruitment and retention of talented people in the teaching profession through innovative, nontraditional programs and multiple certification routes, require high-quality, extensive field experiences and practicums in addition to ongoing classroom observations as an essential element at all stages of the Teacher Preparation Program, and raise the existing and prospective teachers' professional knowledge in content and pedagogy.

(b) Provide incentives to teacher education and other university faculty to increase service activities beyond the usual field observations and supervision of teacher education students to include mentoring and guiding of prospective teacher education students, of beginning teachers in

the induction stage, and of experienced teachers in continuous improvement activities; conducting training and professional development activities which may include funding stipends to teachers for participation; providing funding and supervision for paid sabbaticals for a selected number of local school district teachers; assisting teachers with evaluation and revision of curricula and instruction to improve student achievement; and other innovative strategies to improve the quality of teaching.

(2) By October 15, 2002, the Board shall identify two or more public or independent teacher education institutions or consortia of institutions that meet the criteria in subsection (1)(a) of this section and are eligible to make applications for funds under this section.

(3) By November 1, 2002, the Board shall establish the grant request process, the time frame, and the system for determining the size of the grants. In determining the size of the grants, the Board shall consider the scope of the Teacher Education Program, the number of undergraduate and graduate students enrolled, the number of teacher and administrator interns, the extent of university-wide faculty involvement in induction and in-service activities with teachers in local school districts, and other data as deemed appropriate by the Board. By January 1, 2003, all eligible institutions shall be notified of the request for proposals.

(4) The Board shall make the grant awards prior to the start of the 2003-2004 fiscal year.

11. KENTUCKY RIVER AUTHORITY

a. Water Withdrawal Fees: The water withdrawal fees imposed by the Kentucky River Authority shall not be subject to state and local taxes. Notwithstanding that portion of the provision of KRS 151.710(10) that directs the Finance and Administration Cabinet to provide administrative services for the Kentucky River Authority, Tier I water withdrawal fees shall be used to support the operations of the Authority and for contractual services for water supply and quality studies.

ECONOMIC DEVELOPMENT

12. OFFICE OF THE SECRETARY

a. New Economy: Funding for the New Economy: Notwithstanding Subtitle 20 of KRS Chapter 154, interest income earned on balances in the High-Technology Construction Pool and the High-Technology Investment Pool shall be used to support the Office of the New Economy within the Department of Economic Development. Upon the recommendation of the Commissioner, these funds are authorized and appropriated to fund High-Technology Construction/Investment Pool projects. Loan repayments received by the High-Technology Construction and High-Technology Investment Pools are appropriated in addition to amounts specified in Part II, Capital Projects Budget.

Notwithstanding KRS 164.6017, the Kentucky Science and Technology Corporation shall submit an annual plan dealing with the allocation of funds from the Science and Technology Funding Program, excluding funds for the Knowledge-Based Economy Academic Programs, for review and approval by the Council on Postsecondary Education and the Office of the New Economy prior to the Council on Postsecondary Education executing a contract with the Corporation to administer Science and Technology Funding Programs.

b. New Economy Women and Minority Programs: The Commissioner of the Office for the New Economy shall develop a New Economy Role Model Program and Entrepreneurial Educational Program that will encourage the participation of women and minorities in the

knowledge-based economy. Such activity shall be reported within the Annual Report to the Governor and General Assembly as prescribed by KRS 164.6015(9)(d).

13. FINANCIAL INCENTIVES

The total amount of Kentucky Investment Fund Act (KIFA) tax credits available to any single investment fund shall not exceed, in aggregate, \$1,000,000 for all investors and all taxable years. The total Kentucky Investment Fund Act (KIFA) tax credits available for all investors in all investment funds shall not exceed \$3,000,000 per fiscal year.

DEPARTMENT OF EDUCATION

14. SUPPORT EDUCATION EXCELLENCE IN KENTUCKY (SEEK) PROGRAM

a. Allocation of Support Education Excellence in Kentucky Funds: Notwithstanding KRS 157.360(2)(c), the General Fund appropriations to the base Support Education Excellence in Kentucky (SEEK) Program are intended to provide a base guarantee of \$3,081 per student in average daily attendance in fiscal year 2002-2003 and \$3,191 per student in average daily attendance in fiscal year 2003-2004 as well as to meet the other requirements of KRS 157.360.

Nothing in this legislation shall be construed as prohibiting the contracting out of pupil transportation services.

Funds appropriated to the Support Education Excellence in Kentucky Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. The total appropriation for the Support Education Excellence in Kentucky (SEEK) Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 to 157.440. If the required expenditures exceed these estimates, the Secretary of the Finance and Administration Cabinet, upon the written request of the Commissioner of Education and with approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the cited sections of the Kentucky Revised Statutes, but any increase of the total appropriation to the Support Education Excellence in Kentucky Program is subject to Part III, General Provisions, of this Act, and the provisions of KRS Chapter 48. If funds appropriated to the Support Education Excellence in Kentucky Program are insufficient to provide the amount of money required under KRS 157.310 to 157.440, allotments to local school districts may be reduced in accordance with KRS 157.430.

b. Certified Staff Cost-of-Living Adjustments: Notwithstanding KRS 157.420(2), all certified staff employed by local boards of education shall receive a cost-of-living adjustment totaling at least \$1,080 in fiscal year 2003-2004. The cost-of-living adjustment shall be at least \$1,080 for every certified staff member employed by a local board of education regardless of the individual length of the staff member's employment contract or annual base salary. Certified staff employed by a local board of education that work less than full-time shall receive a pro rata share of the \$1,080 cost-of-living adjustment based on terms of their employment. The cost-of-living adjustment totaling at least \$1,080 in fiscal year 2003-2004 shall be in addition to the normal rank and step increases attained by certified personnel employed in local school districts.

c. Final SEEK Calculation: Notwithstanding KRS 157.410, on or before March 1 of each year the chief state school officer shall determine the exact amount of the public common school fund to which each district is entitled and the remainder of the amount due each district for the year shall be distributed in equal installments beginning the first month after completion of final calculation and for each successive month thereafter.

d. Local Revenue: For calendar year 2003, a district board of education may levy a general rate that will produce revenue from real property, exclusive of revenue from new property that is up to four percent over the amount of the revenue produced by the compensating rate as defined in KRS 132.010.

e. SEEK Adjustment Factors: Funds allocated for the SEEK base and its adjustment factors that are not needed for the base or a particular adjustment factor may be allocated to other adjustment factors, if funds for that adjustment factor are not sufficient.

f. Use of Local District Capital Outlay Funds: Notwithstanding KRS 157.420(4) and (6), a local district may submit a request to the Commissioner of Education to use capital outlay funds for maintenance expenditures or for the purchase of property insurance in fiscal year 2002-2003 and fiscal year 2003-2004 without forfeiture of the district's participation in the School Facility Construction Commission.

g. Equalized Growth Nickel: Notwithstanding KRS 157.621(1), local school districts shall receive state equalization facilities funding on the existing additional tax levy pursuant to KRS 157.621, if they have: (1) Previously levied the additional tax pursuant to KRS 157.621 for debt service and new facilities prior to fiscal year 2003-2004; (2) Levied the five cents (\$0.05) under the provisions of KRS 157.440; (3) Met the growth requirements in KRS 157.621(2) in fiscal year 2002-2003; and (4) Levied an additional nickel tax pursuant to KRS 157.621 in addition to (1) and (2) of this paragraph.

h. Classified Staff Cost-of-Living Adjustments: The General Assembly directs local school districts to provide not less than a two and seven-tenths percent cost-of-living adjustment to classified employees in fiscal year 2003-2004.

15. EXECUTIVE POLICY AND MANAGEMENT

a. Employment of Personnel: Notwithstanding KRS 18A.115, the Department of Education may fill, through memoranda of agreement, not more than 50 percent of its existing authorized positions below the division director level with individuals employed as school administrators and educators in Kentucky.

b. Employment of Leadership Personnel: Notwithstanding KRS 18A.005 to 18A.200, the Kentucky Board of Education shall continue to have sole authority to determine the employees of the Department of Education who are exempt from the classified service and to set their compensation comparable to the competitive market.

c. Medicaid Reimbursement Funds: The Department of Education is authorized to implement a strategy, in conjunction with local school districts and the Department for Medicaid Services within the Cabinet for Health Services, to maximize federal reimbursement under the Medicaid Program for Medicaid eligible administrative functions performed by elementary and secondary school faculty, staff, and administrators. Any increase in federal reimbursement attributable to such a strategy shall not be expended by the Department of Education or Cabinet for Health Services, Medicaid Services prior to review and approval by the Governor's Office of Policy and Management and submission to the Interim Joint Committee on Appropriations and Revenue at least 60 days prior to any distribution of federal funds.

d. Elementary Arts and Language Education: The Department of Education shall establish a program that promotes the integration of the arts and foreign languages in the elementary school program. A school must submit any application through the district superintendent, with the agreement of the school council or of the principal, if a council does not

exist. Out of any moneys made available for this purpose in fiscal year 2003-2004, the department shall award a grant to at least one school per region based on the quality of the application in meeting the criteria established in this section. Special consideration shall be given but not limited to a school that does not have an existing comprehensive arts and foreign language program.

School programs under this section must include, at a minimum, the following components: (1) Instruction in each of the four disciplines of dance, drama, music, and the visual arts that includes the core content skills and knowledge taught in a sequential manner and includes all students in the elementary school; (2) Intense instruction in at least one foreign language and culture taught and including all students in the elementary school; (3) Integration of arts and foreign language instruction across the curriculum; (4) Coordination of the programs by teachers with appropriate arts and foreign language certification; (5) Professional development for teachers and administrators designed to facilitate the effective teaching of arts and foreign language; (6) An effective monitoring and evaluation system that includes student performance assessment; (7) Partnerships with parents, local cultural agencies, individual artists, and native speakers of the foreign language who work in collaboration with classroom teachers; (8) Support from the local school board, the school council, and teachers; and (9) Student attendance at one or more live performance or visual art exhibition each school year.

The Department of Education shall report annually on the implementation of the program to the Governor and the Legislative Research Commission.

e. Kentucky Board of Education Membership: Notwithstanding KRS 156.029(2), no Kentucky Board of Education member at the time of the member's appointment or during the term of service shall be engaged as a professional educator in elementary or secondary education.

16. LEARNING AND RESULTS SERVICES

a. Funding for Employer Health and Life Insurance and Retirement Contributions: If the costs for health insurance or life insurance coverage for employees of local school districts exceed the levels of appropriated funds, any unexpended Support Education Excellence in Kentucky appropriations may be used to offset the unbudgeted costs. Any transfer shall be subject to approval of the Governor upon the written recommendation of the Secretary of the Finance and Administration Cabinet pursuant to the written request of the Commissioner of Education. If the appropriations for either local school district teachers' retirement employer match or local district health and life insurance fall short of statutory requirements, any surplus funds from the other appropriation unit may be transferred to the appropriation unit experiencing the shortfall. Any transfer shall be subject to approval of the Governor upon the written recommendation of the Secretary of the Finance and Administration Cabinet pursuant to the written request of the Commissioner of Education. Notwithstanding KRS 45.229, any unexpended local school district teachers' retirement employer match funds shall not lapse at the end of fiscal year 2002-2003 but shall be available if needed in fiscal year 2003-2004. Included within the General Fund appropriation for local school district employee health and life insurance is funding to cover costs associated with the Personnel Cabinet's administrative activities including providing life and health insurance for local school district employees. Accordingly, the per month per employee assessment as contained in Appendix B of the budget instructions promulgated by the Legislative Research Commission and communicated to agencies by the Office of State Budget Director shall be remitted to the Personnel Cabinet by the Department of Education from the General Fund appropriation for local school district health and life insurance.

b. Kentucky Education Technology System:

(1) Area Vocational Education Centers shall be fully eligible to participate in the Kentucky Education Technology System. Notwithstanding KRS 157.650, 157.655, 157.660, and 157.665, the School Facilities Construction Commission, in consultation with the Kentucky Board of Education and the Kentucky Department of Education, shall develop administrative regulations which identify a methodology by which the average daily attendance for Area Vocational Education Centers may be equated to the average daily attendance of other local school districts in order that they may receive their respective distributions of these funds.

(2) The School for the Deaf and the School for the Blind shall be fully eligible, along with local school districts, to participate in the Kentucky Education Technology System in a manner that takes into account the special needs of the students of these two schools.

c. Family Resource and Youth Services Centers: Funds appropriated to establish and support Family Resource and Youth Services Centers shall be transferred in fiscal year 2002-2003 and in fiscal year 2003-2004 to the Cabinet for Families and Children consistent with the intent of KRS 156.497. The Cabinet for Families and Children is authorized to use, for administrative purposes, no more than three percent of the total funds transferred from the Department of Education for the Family Resource and Youth Services Centers. If a certified person is employed as a director or coordinator of a Family Resource or Youth Services Center, that person shall retain his or her status as a certified employee of the school district.

If 70 percent or more of the funding level provided by the state is utilized to support the salary of the director of a center, that center shall provide a report to the Cabinet for Families and Children identifying the salary of the director. The Cabinet for Families and Children shall transmit any reports received from Family Resource and Youth Services Centers pursuant to this provision to the Legislative Research Commission.

d. Area Centers and Vocational Departments Funding Formula: All funds appropriated in the budget for supplementing the programs and operations of the area centers and vocational departments of the following districts shall be distributed by a weighted formula that is promulgated in an administrative regulation by the Kentucky Board of Education: Allen County, Ballard County, Bowling Green Independent, Boyd County, Carter County, Christian County, Covington Independent, Edmonson County, Fayette County, Fleming County, Franklin County, Grayson County, Henderson County, Lawrence County, Lewis County, Livingston County, Magoffin County, Marshall County, McCreary County, Newport Independent, Powell County, Simpson County, Trigg County, Union County, and Jefferson County. The weighted formula shall take into consideration the different costs of programs based on requirements for facilities, materials, and equipment to meet program standards, the number of students enrolled, and the number of hours students are enrolled. If the funding formula results in a reduction of funds from the fiscal year 2001-2002 allocation for a center or department that has maintained the same number and category of programs and meets all other criteria, the center shall receive no less than 70 percent of its fiscal year 2001-2002 allocation.

e. School Rewards Trust Fund: Distribution of rewards to local schools shall be based on policy established by the Kentucky Board of Education.

Any amount that the state is required to pay under the provisions of KRS 157.067 and 158.6455(1)(a) shall be deemed necessary governmental expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

f. Allocation of Safe School Funds: Notwithstanding KRS 158.446, the Center for School Safety shall develop and implement allotment policies for all moneys received for the purposes of KRS 158.440, 158.441, 158.442, 158.445, and 158.446.

g. Gifted and Talented Funds: All moneys appropriated for the Gifted and Talented Program shall be expended by local school districts solely for purposes and activities relating to the Gifted and Talented Program.

h. Fund Transfers: The Commissioner of the Department of Education may transfer any available funds between the Professional Growth Fund and the Professional Development Leadership Mentor Fund as needed to satisfy the demand and need to support respective teacher programs.

i. Program Flexibility: Notwithstanding KRS 157.226(2) and (3), 157.3175(3) and (4), and 160.345(8) with regards to the state allocation, five programs (Professional Development, Extended School Services, Preschool, Textbooks, and Safe Schools) shall be modified to permit the state and local school districts additional flexibility in the distribution of program funds while still addressing the governing statutes and serving the need and the intended student population.

j. Advisory Council for Gifted and Talented Education: Notwithstanding KRS 158.648(1), a member of the Advisory Council for Gifted and Talented Education may be reappointed but may not serve more than three consecutive terms.

k. Publishing Requirements: Notwithstanding KRS 158.6453(7), 160.463, and 424.220, public availability of the school district's complete annual financial statement and the school report card shall be made by publishing the documents in the newspaper of the largest general circulation in the county, electronically on the Internet, or by printed copy at a prearranged site at the main branch of the public library within the school district. If publication on the Internet or by printed copy at the public library is chosen, the superintendent shall be directed to publish notification in the newspaper of the largest circulation in the county as to the location where the document can be viewed by the public. The notification shall include the address of the library or the electronic address of the Web site on the Internet where the documents can be viewed.

l. Director of Pupil Personnel: Notwithstanding KRS 159.140, a local district superintendent may employ the Director of Pupil Personnel less than full-time upon approval of a request submitted to the Commissioner of Education. The Commissioner shall take into consideration the size of the school district, the attendance and dropout rate of the district, and the district's supports to assure student attendance and school completion in approving a request.

m. Textbook Adoption: Notwithstanding KRS 156.400, the Commissioner of Education may delay the adoption of textbooks or combine two groups for adoption.

n. Local District Grant Fund Carry Forward: Notwithstanding KRS 45.229, up to ten percent of any state grant fund to a local district that is unexpended for fiscal year 2002-2003 may be carried forward to fiscal year 2003-2004 without a reduction in the fiscal year 2003-2004 allocation.

o. Surplus Property: Notwithstanding KRS 45A.045, 45.777, and 56.463, any funds received by the Commonwealth from the disposal of any surplus property at the Kentucky School for the Blind and the Kentucky School for the Deaf shall be deposited in a restricted account for the sole use by those schools in accordance with all other applicable statutes.

p. Reserve Officers Training Corps: Under the provisions of KRS 156.160, the Kentucky Board of Education shall include in the courses of study for students provisions that participation

in the Reserve Officers Training Corps shall meet the physical education requirement for high school graduation.

q. Highly Skilled Educators: Notwithstanding KRS 158.6455(3)(d), 158.782, and 160.350(3), the Kentucky Department of Education shall have the authority to expend moneys appropriated for the Highly Skilled Education Assistance Program on intervention services that may be required by the Federal No Child Left Behind Act of 2001 (Pub. L. 107-110).

r. Commonwealth School Improvement Fund: Notwithstanding KRS 158.805, the Commissioner of Education shall be authorized to use the Commonwealth School Improvement Fund to provide support services to schools needing assistance under KRS 158.6455 or in order to meet the requirements of No Child Left Behind.

EDUCATION, ARTS, AND HUMANITIES

17. KENTUCKY ARTS COUNCIL

a. Open Meetings: Any entity involved in producing or financing arts on a local or statewide basis, which receives funds from the Kentucky Arts Council or from grants from local governmental authorities, shall be required to conduct its business as a public agency pursuant to KRS 61.800 to 61.848 and KRS 61.870 to 61.884.

18. TEACHERS' RETIREMENT SYSTEM

a. Highly Skilled Educators' Retirement Benefits: Notwithstanding KRS Chapters 158 and 161, salary supplements received by persons selected as highly skilled educators on or after July 1, 2000, shall not be included in the total salary compensation for any retirement benefits to which the employee may be entitled.

b. Critical Shortage Positions: Effective July 1, 2003, and subject to the conditions of this provision, local school districts may employ retired members of Kentucky Teachers' Retirement System in full-time or part-time positions without limitation on the compensation of the retired members that is otherwise required by subsections (1) and (2) of KRS 161.605. The number of retired members that a local school district may employ under this provision shall be no more than two members per local school district or one percent of the total active members employed by the local school district on a full-time basis as defined under KRS 161.220(21), whichever number is greater. A local school district may employ retired members of the retirement system only if the Commissioner of the Department of Education has determined that the position is a critical shortage position as defined under KRS 156.106. Retired members returning to work under this provision shall be subject to the separation-from-service requirements set forth in KRS 161.605(7). Retired members returning to work under this subsection shall waive their medical insurance coverage with the retirement system during their period of reemployment and receive medical insurance coverage that is offered to other full-time members employed by the local school district. Retired members returning to work under this subsection shall make contributions to the retirement system as required by KRS 161.540 and start a second retirement account under the conditions set forth in KRS 161.605(5). The employer shall make employer contributions as required by KRS 161.550. Local school districts shall make annual payments to the retirement system on the compensation paid to the reemployed retirees at the rates determined by the retirement system's actuary that reflect any accrued liability resulting from the reemployment of these members. This provision shall sunset effective June 30, 2005, and is not subject to the provisions of KRS 161.714.

The number of retired members that an employer may employ full-time pursuant to KRS 161.605(4) as a percentage of the membership actively employed full-time by the employer shall be reduced from four percent to three percent.

19. SCHOOL FACILITIES CONSTRUCTION COMMISSION

a. Local Districts Facilities Plans: Notwithstanding KRS 157.622(3), funds allocated by the School Facilities Construction Commission to local school districts for fiscal year 2002-2003 and fiscal year 2003-2004 shall be applied to the projects listed in the most current facility plan approved for the district by the Kentucky Board of Education and the funds shall be applied to projects in the priority order listed in the plan.

b. Offers of Assistance: Notwithstanding KRS 157.622, a local school district may accumulate credit, subject to the availability of funds, for its unused state allocation for a period not to exceed eight years.

c. Growth Nickel Levy: The Facilities Support Program of Kentucky is fully funded in fiscal biennium 2002-2004. Notwithstanding KRS 157.621(3), local school districts may exercise authority expressed in KRS 157.621(1) and (2).

d. Facilities Plans: Notwithstanding KRS 157.620(5), any school district that did not receive an offer of assistance during the 2000-2002 biennium that resulted from the \$100,000,000 authorization of the 2000 General Assembly, that has an unmet need established based on the facility plan in effect on June 30, 2002, shall receive an offer of assistance based on any increase to the above-referenced authorization made by the 2003 General Assembly that is not specifically designated for another purpose.

e. Escrowed Offers of Assistance: Notwithstanding 750 KAR 1:010, Section 5, the 2000 Kentucky School Facilities Construction Commission offer of assistance for Public School District 221 shall be reinstated.

f. Accumulated Credits: Notwithstanding 750 KAR 1:010, Section 9, Public School District 235 shall not forfeit fund credit accumulated.

g. School Facility Revenue: A local board of education may commit an equivalent tax rate not to exceed five cents (\$0.05) in addition to the taxes levied in KRS 157.440(1)(b). Receipts from the levy shall be committed to debt service, new facilities, or major renovations of existing school facilities. The tax rate levied by the local board of education under this provision shall be made no later than October 1 of each odd-numbered year, and shall not be equalized with state funding. The levy shall be subject to recall.

h. Urgent Need School Trust Fund: The Urgent Need School Trust Fund is established in the Finance and Administration Cabinet for the purpose of assisting school districts that have urgent and critical construction needs. The Urgent Need School Trust Fund shall be administered by the School Facilities Construction Commission. The fund may receive state appropriations, contributions, and grants from any source which shall be credited to the trust fund and invested until needed. All interest earned on the fund shall be retained in the trust fund. Notwithstanding KRS 45.229, moneys in the trust fund shall not lapse, but shall carry forward at the end of each fiscal year.

To be eligible to participate in the Urgent Need School Trust Fund Program in fiscal year 2003-2004, a local school district shall have a project that is: (1) Identified on the district's Facility Plan; (2) A "Category 5" school (poorest condition) in accordance with the Kentucky Department of Education's Building Assessment document of February 20, 2003; and (3) For a

school with or including enrollment based on best practices outlined in 702 KAR 1:001, The Kentucky School Planning Manual.

The Kentucky Board of Education shall certify the eligibility of a school district to participate in the Urgent Need School Trust Fund Program to the School Facilities Construction Commission by June 15, 2003.

Debt service assistance to each district shall be determined by funding based on unmet need pursuant to KRS 157:620, calculated utilizing Cash Balances and Bonding Potential available for the project as of February 20, 2003. These offers shall be administered in accordance with 750 KAR 1:010 where not in conflict with the language in this paragraph.

i. School Operations: School #840, a historical community school in district #175, shall not be closed or substantially changed.

j. Category 5 Buildings: Debt service assistance to each eligible district, as provided for in Part I, Operating Budget, of this Act, shall be determined by funding based on unmet need pursuant to KRS 157.620, calculated utilizing Cash Balances and Bonding Potential available for the project with the Kentucky Department of Education's Building Assessment document of March 4, 2003. These offers shall be administered in accordance with 750 KAR 1:010 where not in conflict with the language in this paragraph.

20. DEPARTMENT FOR LIBRARIES AND ARCHIVES

a. Undistributed moneys: Notwithstanding KRS 48.005, undistributed moneys received by a result of litigation with a book supplier shall be appropriated to the Department of Libraries and Archives for the benefit of libraries in the Commonwealth.

CABINET FOR FAMILIES AND CHILDREN

21. CABINETWIDE

a. Maximizing Federal Funds: Pursuant to compliance with the State/Executive Budget Bill and the Statutory Budget Memorandum, the Cabinet shall maximize all Federal Funds for programs within the Cabinet. Phase I Tobacco Settlement Funds appropriated to the Cabinet may be used as state match to maximize Federal Funds available through the Child Care Development Fund.

b. Human Services Transportation Delivery: Notwithstanding KRS 281.014, 281.870, 281.872 or any other statute or provision of law to the contrary, the Cabinet for Families and Children shall not participate in the Human Services Transportation Delivery Program or the Coordinated Transportation Advisory Committee effective July 1, 2002.

c. Funds Transfer: The Cabinet for Families and Children shall transfer in fiscal year 2003-2004 to the Department for Medicaid Services \$4,000,000 in Restricted Funds to expand the Supports for Community Living Program and \$9,700,000 in Restricted Funds to partially offset the projected Medicaid budget deficit.

22. COMMUNITY BASED SERVICES

a. Education for Recipients of Public Assistance: The Department for Community Based Services shall make available to a minimum of seven percent of total adult public assistance recipients placements in postsecondary or vocational education. The recipients shall receive all support services provided to employed public assistance recipients including transportation and child care. The funding source shall be determined by the Cabinet for Families and Children.

Work requirements shall include those required by the postsecondary or vocational educational placement as part of the required program of study or financial assistance. If allowable by Federal regulations related to Welfare Reform work participation rates, work requirements shall be limited to those required by the postsecondary or vocational educational placement as part of the required program of study or financial assistance.

b. Severely Emotionally Disturbed Children: Included in the General Fund appropriation is \$600,000 in fiscal year 2002-2003 and \$600,000 in fiscal year 2003-2004 to provide services for state-committed severely emotionally disturbed children.

c. Child Support Contracting Officials: Included in the General Fund and Federal Funds appropriations for Community Based Services is support for Child Support Contracting Officials to be maintained at the fiscal year 2001-2002 total contracted level of \$33,185,100. Up to \$1,000,000 in fiscal year 2002-2003 and \$1,000,000 in fiscal year 2003-2004 of Child Support Performance Award Funds may be utilized in the Child Support Contracting Officials Contracts to maximize Federal Funds. Funds for individual contracts shall be allocated based on spending and performance patterns utilizing an equity plan negotiated between the Cabinet for Families and Children and the County Attorney Association.

d. Adoptions: In addition to the required health history, the Cabinet for Families and Children or child-placing agency shall provide to adoptive parents or adopted person and to the Circuit Court in writing on a standardized form other nonidentifying background information of the biological parents and blood relatives of the adopted person. The information shall be provided in accordance with KRS 199.520.

e. Children's Advocacy Centers: Included in the General Fund appropriation for the Department for Community Based Services is \$100,000 in fiscal year 2003-2004 for child sexual abuse exams.

f. Guardianship Program: Pursuant to KRS 210.290 and 387.600, the Cabinet for Families and Children may be appointed guardian only when no other suitable person or entity is available or willing to be appointed.

HEALTH SERVICES

23. CABINET FOR HEALTH SERVICES

a. Maximizing Federal Funds: Pursuant to compliance with the State/Executive Budget Bill and the Statutory Budget Memorandum, the Cabinet shall maximize all Federal Funds for programs within the Cabinet.

b. Funds Transfer: The Cabinet for Families and Children shall transfer in fiscal year 2003-2004 to the Department for Medicaid Services \$4,000,000 in Restricted Funds to expand the Supports for Community Living Program and \$9,700,000 in Restricted Funds to partially offset the projected Medicaid budget deficit.

24. MEDICAID ADMINISTRATION

a. Transfer of General Fund or Restricted Funds from Medicaid Benefits to Medicaid Administration: It is the intent of the General Assembly that the Secretary of the Cabinet for Health Services be permitted to transfer from Medicaid Benefits to Medicaid Administration a total of up to \$3,500,000 over the biennium of the General Fund or Restricted Funds appropriations from the Medicaid Benefits budget to the Medicaid Administration budget to be used for technical assistance and costs associated with achieving Health Insurance Portability and

Accountability Act (HIPAA) compliance for the Medicaid Management Information System. The Secretary shall recommend any proposed transfer to the State Budget Director for review and concurrence prior to transfer. Upon concurrence of the State Budget Director, and prior to the transfer, the Secretary shall present the proposed plan to the Interim Joint Committee on Appropriations and Revenue.

b. **Kentucky Patient Access to Care (KenPAC) Program Reimbursement:** The Medicaid Benefits Budget includes funds to continue an Enhanced Kentucky Patient Access to Care (KenPAC) Program with reimbursement to gatekeeper providers on a sliding scale of \$3 to \$9 per member per month based upon performance and quality criteria. The Department for Medicaid Services shall promulgate administrative regulations which reflect this Act.

c. **Medicaid Service Category Expenditure Information:** No Medicaid managed care contract shall be valid, and no payment to a Medicaid managed care vendor by the Finance and Administration Cabinet or Cabinet for Health Services shall be made, until the Medicaid managed care contract contains a provision that the contractor shall collect Medicaid expenditure data by the categories of services paid for by the Medicaid Program. Actual statewide Medicaid expenditure data by all categories of Medicaid services, including mandated and optional Medicaid services, special expenditures/offsets, and Disproportionate Share Hospital payments by type of hospital, shall be compiled by the Department for Medicaid Services for all Medicaid providers and forwarded to the Interim Joint Committee on Appropriations and Revenue on a quarterly basis. Projections of Medicaid expenditures by categories of Medicaid services shall be provided to the Interim Joint Committee on Appropriations and Revenue upon request.

d. **Administrative Service Organization:** The Department for Medicaid Services shall evaluate and conduct cost-benefit and budget analysis on the possibility of entering into a contract with an Administrative Service Organization (ASO) during fiscal year 2003-2004. Such an organization would assist the Department in utilization management, data collection, recipient education, prior authorization and other similar services. The ASO would provide support services for Kentucky Patient Access to Care (KenPAC) Program physicians including, as necessary, disease management, data on emergency room utilization and drug utilization review.

e. **Nursing Facility Reimbursement Review:** The Cabinet for Health Services shall review the current reimbursement methodology for nursing facility services to determine if current price-based methodology reflects actual direct nursing care costs and promotes quality long term care. The Cabinet shall include the following organizations in this study panel: Kentucky Hospital Association, Kentucky Association of Homes and Services for the Aging, and the Kentucky Association of Health Care Facilities. The report shall be due to the Legislative Research Commission, Interim Joint Committee on Appropriations and Revenue, and Interim Joint Committee on Health and Welfare by December 1, 2003.

25. MEDICAID SERVICES - BENEFITS

a. **Disproportionate Share Program:** Hospitals shall report indigent inpatient and outpatient care for which, under federal law, the hospital is eligible to receive disproportionate share payments.

b. **Hospital Indigent Patient Billing:** Hospitals shall not bill patients for services where the services have been reported to the Cabinet and the hospital has received disproportionate share payments for the specific services.

c. **Provider Tax Information:** Any provider who posts a sign or includes information on customer receipts or any material distributed for public consumption indicating that they have

paid provider tax shall also post, in the same size typeset as the provider tax information, the amount of payment received from the Department for Medicaid Services during the same period the provider tax was paid. Providers who fail to meet this requirement shall be excluded from the Disproportionate Share Hospital and Medicaid Program. The Office of Inspector General, Division of Community Health Services, shall include this provision in facilities' annual licensure inspection.

d. Disproportionate Share Hospital Payments: Disproportionate Share Hospital payments shall not exceed the maximum amounts established in the federal law.

e. Quality and Charity Care Trust Fund: No hospital may be reimbursed from both the Quality and Charity Care Trust Fund and the Disproportionate Share Program (DSH) for the same service to the same patient. Any hospital that willfully violates this provision shall be subject to a penalty equal to three times the amount of the improper charge to the funds, which amount shall be credited to the General Fund. The Secretary of the Cabinet for Health Services shall have the authority to secure the patient information as needed from the participating facilities in order to determine compliance and enforce this provision. Each facility billing and receiving reimbursements from the Quality and Charity Care Trust Fund shall be required to identify each patient by Social Security number and indicate whether the patient is classified as indigent or medically needy. Notwithstanding any other provision of this Act or law, in any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement so agree, the General Fund appropriation to fulfill the Commonwealth's contractual obligation relating to the Quality and Charity Care Trust Agreement or any portion thereof, together with any other funds paid to the Quality and Charity Care Trust contractual obligation of the parties, or any portion thereof, shall be transferred to the Department for Medicaid Services as part of its Restricted Funds appropriation for Benefits. In any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement do not agree to transfer all or any portion of the Trust's revenues to the Department for Medicaid Services for Benefits, the Quality and Charity Care Trust shall operate pursuant to its contractual provisions.

f. Kentucky Children's Health Insurance Program: It is the intent of the General Assembly that the Secretary of the Cabinet for Health Services be permitted to transfer from the Medicaid Benefits to the Kentucky Children's Health Insurance Program (KCHIP) General Fund or Restricted Funds appropriations to be used to match the Federal allocation. These transfers may be made to cover both additional regular allocations and redistribution from the federal government. The Secretary shall recommend any proposed transfer to the State Budget Director for review and concurrence prior to transfer. Upon concurrence of the State Budget Director and prior to the transfer, the Secretary shall make the appropriate appropriation increase request.

g. Intergovernmental Transfers (IGT's): It is the intent of the General Assembly that any funds received through an intergovernmental transfer agreement between the Department for Medicaid Services and other governmental entities, in accordance with a federally approved state plan amendment, shall be used to provide for the health and welfare of the citizens of the Commonwealth through the provision of Medicaid benefits. This allocation shall include but not be limited to funds generated through transfer agreements with county-owned nursing homes, county-owned hospitals, state universities, and other governmental agencies. The Secretary shall recommend any proposed transfer to the State Budget Director for review and concurrence prior to transfer. Revenues from Intergovernmental Transfers are contingent upon agreement by the parties and, when negotiated, the Secretary shall make the appropriations increase requests pursuant to KRS 48.630.

h. **Child Sexual Abuse Exams:** The Department for Medicaid Services shall develop a reimbursement schedule to compensate participating health care providers for the full cost of providing child sexual abuse examinations for eligible children to the extent funds are available. The provisions of this section shall not mandate any services or payments that are not otherwise provided in the Medicaid Benefits budget in Part I, Operating Budget. The reimbursement schedule shall not be reduced under any Managed Care Agreement. The Department may require participating health care providers to meet specific training and experience requirements.

i. **Medicaid Budget Analysis Reports:** The Department for Medicaid Services shall submit a quarterly budget analysis report to the Interim Joint Committee on Appropriations and Revenue. The report shall provide monthly detail of actual expenditures, eligibles, and average monthly cost per eligible by eligibility category along with current trailing 12-month averages for each of these figures. The report shall also provide actual figures for all categories of noneligible-specific expenditures such as Supplemental Medical Insurance premiums, Kentucky Patient Access to Care (KenPAC), nonemergency transportation, drug rebates, cost settlements, and Disproportionate Share Hospital payments by type of hospital. The report shall compare the actual expenditure experience with those underlying the enacted or revised enacted budget and explain any significant variances which may occur.

j. **Medicaid Benefits Budget Deficit:** In the event Medicaid Benefits expenditures are projected to exceed available funds, the Secretary of the Cabinet for Health Services shall be empowered to recommend that reimbursement rates, optional services, eligibles, or programs be reduced or maintained at levels existing at the time of the projected deficit in order to avoid a budget deficit. The projected deficit shall be confirmed by the Governor's Office of Economic Analysis. No service, eligible, or program reductions shall be implemented by the Cabinet for Health Services without written notice of such action to the Interim Joint Committee on Appropriations and Revenue and the State Budget Director. Such actions taken by the Cabinet for Health Services shall be reported, upon request, at the next meeting of the Interim Joint Committee on Appropriations and Revenue. Objections to the actions by the Committee shall be responded to in writing in detail, by the Secretary for Health Services within 30 days of such objections.

k. **Medicaid Benefits Budget Surplus:** In the event Medicaid Benefits expenditures are less than available funds, the Secretary of the Cabinet for Health Services may recommend the utilization of available funds to increase reimbursement rates, expand the Medicaid Program or the number of eligibles, or transfer General Fund up to the amount of the excess Restricted Funds to other agencies within the Cabinet to be utilized for direct services to eligibles or clients. No reimbursement rate, service, eligible or program shall be increased without prior communication to the Medicaid Steering Committee and written approval of the State Budget Director and review by the Interim Joint Committee on Appropriations and Revenue. If the Interim Joint Committee on Appropriations and Revenue objects to the recommendations of the Secretary of the Cabinet for Health Services, the recommendations shall be invalid unless:

- (1) They are revised to comply with the objections of the committee; or
- (2) The committee is informed in writing, in detail, within 30 days of the committee's objections that a determination has been made not to comply with the objections of the committee.

l. **Breast and Cervical Cancer Treatment Program:** The Department for Medicaid Services shall request a plan amendment from the Centers for Medicare and Medicaid Services to

extend coverage to uninsured women who are under age 65, not otherwise eligible for Medicaid, have breast or cervical cancer as diagnosed through a recognized screening program, need treatment for breast or cervical cancer and meet any other eligibility criteria established under the Federal Breast and Cervical Prevention and Treatment Act of 2000. Medical assistance for breast or cervical cancer, or precancerous conditions, shall be limited to treatment until a cure or remission is achieved. Medical assistance shall be reinstated for any subsequent periods of recurrence or metastasis or any future conditions establishing eligibility under this Act. This program may accept gifts, grants, and bequests in support of its mission and duties specified in this Act. All money received shall be administered by the Cabinet, which shall administer these funds through appropriate trust and agency accounts. The Department for Medicaid Services shall promulgate administrative regulations to implement this program within three months of federal approval of the state plan amendment.

m. Pervasive Developmental Disorders: As used in this Act, "pervasive developmental disorders" has the same meaning as in the Diagnostic and Statistical Manual of Mental Disorders, fourth edition (DSM-IV). The term includes five diagnostic subcategories: (1) Autistic disorder; (2) Pervasive disorder not otherwise specified; (3) Asperger's disorder; (4) Rett's disorder; and, (5) Childhood disintegrative disorder. The Department for Medicaid Services shall make application, within three months of the effective date of this Act, to the Centers for Medicare and Medicaid Services for a waiver to provide services and supports to individuals who: (1) Are Medicaid eligible; (2) Have an Axis I diagnosis of a pervasive developmental disorder; (3) Are institutionalized or at risk for institutionalization; and (4) Require a coordinated plan of medically necessary community-based behavioral health services. The waiver application shall include services that are documented to be effective in the treatment of pervasive developmental disorders and consistent with clinical best practices. The waiver application shall specify the required credentials for the providers of each service. The Cabinet for Health Services shall capitate the number of children served under the Waiver Program to ensure budget neutrality based upon the expenditures for children with pervasive developmental disorders that were served under the IMPACT Plus Program during fiscal year 2001-2002. The Cabinet shall include in the waiver application those items that are necessary to ensure the waiver operates within the designated moneys including but not limited to a maximum number of individuals to be served and a maximum dollar amount that can be expended for an individual. The waiver shall be coordinated with and shall not supplant services provided by schools under KRS Chapter 157 or services provided under KRS Chapters 200 and 347. Nothing in this section shall affect or limit a school district's ability to obtain Medicaid reimbursement for school-related health services. The Department for Medicaid Services shall report by December 1, 2003, to the Governor, the Legislative Research Commission, and the Interim Joint Committee on Health and Welfare on the number of individuals receiving services under the waiver, the cost and type of services received, and any available nonidentifying information pertaining to individual outcomes.

n. Supports for Community Living Waiver: Supports for Community Living Waiver funds shall be appropriated only for direct services to qualified Supports for Community Living Waiver recipients, and any unexpended funds shall not lapse but shall be carried forward to the next fiscal year for the same purpose.

26. DEPARTMENT FOR PUBLIC HEALTH

a. Abstinence Education: The Department shall use Federal Funds and state matching funds under Title V of the Federal Social Security Act, 42 U.S.C. sec. 710, in the following manner: 95 percent shall be used for community-based grants to institute abstinence education

programs; five percent shall be used to administer and evaluate the effectiveness of the program; and, if funds are available after funding community-based programs, the remainder shall be used to promote abstinence education by other means, including an advertising and marketing campaign.

27. DEPARTMENT FOR MENTAL HEALTH/MENTAL RETARDATION

a. Disproportionate Share Hospital Funds: Mental health disproportionate share funds are budgeted at the maximum amounts permitted by the Balanced Budget Act of 1997, as amended by the Benefits Improvements and Protection Act of 2000, in the amount of \$36,620,100 in fiscal year 2002-2003 and \$37,718,700 in fiscal year 2003-2004.

b. Restricted Funds Carry Forward: Any unbudgeted Restricted Funds which carry forward in fiscal year 2002-2003 or fiscal year 2003-2004 in the Department for Mental Health/Mental Retardation may be used for grants to Community Mental Health Centers.

c. Kentucky Commission on Services and Supports for Individuals with Mental Illness, Alcohol and Other Drug Abuse Disorders and Dual Diagnoses: Notwithstanding KRS 210.504, the Department for Mental Health/Mental Retardation shall provide at least \$12,500 each fiscal year to be distributed to support the continued operation of the 14 regional planning councils and Commission activities relating to the mandates of KRS 210.500, 210.502, 210.504, 210.506, and 210.509, through June 30, 2004. The regional planning councils shall make recommendations for, and the Commission shall develop, a two year work plan for specifying goals and strategies relating to services and supports for individuals with mental illness and alcohol and other drug disorders and dual diagnoses, and efforts to reduce the stigma associated with mental illness and other substance abuse disorders. The Commission shall report workgroup activities and findings to the Governor and Interim Joint Committee on Health and Welfare by December 1 of each year.

d. Jailor Mental Health Screening Training: The Kentucky Commission on Services to Individuals with Mental Illness, Alcohol and Other Drug Related Disorders, and Dual Diagnoses shall, in its annual review of the Commission plan, include in its duties the development of recommendations for identifying, treating, housing, and transporting prisoners in jails and juveniles in detention centers with mental illness. Items to be reviewed shall include but not be limited to recommendations for statutory and regulatory changes, training and treatment funding, cost sharing, housing and transportation costs, appropriate treatment sites, and training requirements for local jailers and other officers of the court who may come in contact with persons incarcerated or in detention but deemed mentally ill. The Department for Mental Health/Mental Retardation, Department for Juvenile Justice, and Department for Corrections shall collaborate with the Commission to recommend guidelines and practices to be implemented in regard to training local jailers and appropriate staff on identifying conditions which may require the screening of prisoners or juveniles by appropriate mental health professionals. The Commission shall submit its reports and findings to the Kentucky Jailers' Association, Jail Standards Commission, and Legislative Research Commission, to be distributed to appropriate committees, by December 1, 2003.

e. Mental Health Consultation and Education to Jails: The Department for Mental Health/Mental Retardation Services shall develop a training curriculum and allocate funds to Regional Mental Health/Mental Retardation Boards for training, consulting with, and educating jailers and jail staff on screening and responding to the needs of individuals with mental illness in jails. The training curriculum shall be based on national best practices and include a model working agreement between a Regional Mental Health/Mental Retardation Board and a jail. The

training shall be delivered by Regional Mental Health/Mental Retardation Board staff to jailers and jail staff on screening and responding to the needs of inmates with mental illness. Jailers and each jail staff, except administrative support, shall attend the training the first year of the program or within six months of employment. Remaining funds shall defray costs of the Regional Mental Health/Mental Retardation Board for entering into working agreements with the region's jails for: (1) Delivery of the training curriculum to jailers and jail staff; and (2) Consultation and education on individual inmate's needs to jailers and jail staff in accordance with a working agreement. The specific arrangements in a working agreement shall be based on the needs and capacities of the jail. Treatment services may also be provided for in a working agreement, but the cost of treatment is beyond the scope of this appropriation.

f. Castlewood Prader Willis Syndrome Group Home: The contract for the operation of the Castlewood Prader Willis Syndrome Group Home shall equal at least \$233,000 in each fiscal year, absent any pass-throughs to any other entities.

g. Narcotic Treatment Program: The goal of a Narcotic Treatment Program (NTP) shall be to gradually lower doses to get the patient off narcotics or illegal drugs, and to allow maintenance as necessary when documented by the NTP physician. The dispensing of a scheduled drug to a patient at a NTP shall be reported by the attending physician to the Cabinet for Health Services as part of the Kentucky All Schedule Prescription Electronic Reporting (KASPER) system.

28. COMMISSION FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS

a. Kentucky Early Intervention System Analysis Reports: The Commission for Children with Special Health Care Needs shall submit a quarterly budget analysis report for the Kentucky Early Intervention Services Program to the Interim Joint Committee on Appropriations and Revenue. The report shall provide the number of children enrolled, the average number of service units by category of service, and the average cost per service, by category of services, and compare actual expenditure experience with those underlying the enacted or revised enacted budget and explain any significant variances which may occur.

29. CERTIFICATE OF NEED

a. Voluntary Relinquishment of a Certificate of Need or Licensure: For 48 months following the voluntary closure, revocation of a certificate of need, or the revocation of licensure, the beds, equipment, and services provided by the closed facility shall be reserved for applications for any certificate of need to reestablish the same services, in whole or part, in the same county as the closed health facility.

30. AGING SERVICES

a. Local Match Requirements: Notwithstanding KRS 205.460, entities contracting with the Cabinet for Health Services to provide essential services under KRS 205.455 and this provision shall provide local match equal to or greater than the amount in effect during fiscal year 2001-2002. Local match may include any combination of materials, commodities, transportation, office space, personal services, or other types of facility services or funds. The Secretary of the Cabinet for Health Services shall prescribe the procedures to certify the local match assurance.

JUSTICE

31. JUSTICE ADMINISTRATION

a. Construction Training Program: General Fund moneys appropriated to the Urban League of Lexington-Fayette County Construction Training Program in fiscal year 2002-2003 shall be used to match Federal Byrne Grant Funds. The Secretary of Justice shall supplement the General Fund appropriation with Federal Funds up to a combined total of \$300,000 in fiscal year 2002-2003 if the program meets the federal grant guidelines of grants administered by the Justice Cabinet. All moneys appropriated that cannot be utilized to match federal grants moneys shall be provided to the Urban League of Lexington-Fayette County Construction Training Program in the form of a grant to continue its activities. The Urban League of Lexington-Fayette County shall report annually on the expenditures of state and federal funds provided through this Act to the Interim Joint Committee on Appropriations and Revenue and the Office of the Secretary in the Justice Cabinet. The Urban League of Lexington-Fayette County shall be subject to any federal grant requirements that are required upon receiving federal moneys.

b. Contingent upon the passage of enabling legislation relating to the expansion of the Parole Board by the 2003 Regular Session of the General Assembly, the Secretary of the Justice Cabinet shall determine the source and amount of funding necessary to support the expansion for fiscal year 2003-2004 from appropriations otherwise available to the Justice Cabinet for fiscal year 2003-2004. Such funds are hereby appropriated to support that legislation.

32. STATE POLICE

a. State/Local Emergency Phone Service Agreement: The Department of State Police may enter into agreements with the governing body of the city, county, urban-county government, charter county government, consolidated local government, or any combination thereof, to provide 911 emergency telephone service.

b. Executive Security Detail for Lieutenant Governor: The State Police shall not provide executive security or transportation to the Lieutenant Governor unless the Commissioner of the Department of State Police makes a determination that specific security measures are warranted or the Governor allocates executive security to the Lieutenant Governor from the current complement of the Kentucky State Police sworn officers assigned directly to the Governor. The Department of State Police shall report to the Interim Joint Committee on Appropriations and Revenue at the end of each quarter of each fiscal year, the expenditure of any moneys on security for the Lieutenant Governor.

c. State Police Authorized Strength: The State Police sworn officer, as defined in KRS 16.010, authorized strength is 1,070 and shall be exempt from any personnel cap imposed on other state employees.

d. State Police Salary and Investigation Enhancements: All KRS Chapter 16 sworn officers, dispatchers, arson investigators, and hazardous device bomb technicians whose salary is less than \$60,000 shall receive a \$1,000 salary increase in fiscal year 2003-2004. This increase shall be added to the base salary and shall be in addition to any salary increase offered to all state employees in Part IV of this Act. Any moneys remaining after the payment of salary increases shall be used to enhance investigation of criminal activity, including but not limited to the following: General criminal investigation; controlled substances investigation; terrorism and counterterrorism; organized crime investigation; fraud investigation; and such other investigations as may be assigned.

e. Boyd County Crime Lab: The crime lab and its operations located in Boyd County, if moved from its current location, shall be relocated within Boyd County. This directive shall expire June 30, 2004.

33. CRIMINAL JUSTICE TRAINING

a. Kentucky Law Enforcement Foundation Program Fund Incentive Payments: Notwithstanding KRS 136.392, the Revenue Cabinet shall not increase the insurance premium surcharge rate. Training incentive payments paid from the Kentucky Law Enforcement Foundation Program Fund to eligible law enforcement officers as prescribed by KRS 15.460 shall be exempted from any budget reduction actions imposed on the Department of Criminal Justice Training.

34. JUVENILE JUSTICE

a. Juvenile Detention: Madison County shall be placed in the Fayette Juvenile Detention region under the statewide detention plan. The Madison County juvenile detention facility may remain open to hold juveniles from Madison County until the state-operated facility in Fayette County opens, and the county shall receive the detention subsidy provided for in KRS 635.060(3) and in Part I of this Act.

b. Juvenile Detention: Clark County shall be placed in the Fayette Juvenile Detention region under the statewide detention plan. The Clark County juvenile detention facility may remain open to hold juveniles from Clark County and other counties until the state-operated facility in Fayette County opens, and the county shall receive the detention subsidy provided for in KRS 635.060(3) and in Part I of this Act.

c. Juvenile Justice Grant: Included in the General Fund appropriations in Part I, Operating Budget, Section H. Justice Cabinet, Juvenile Justice is \$35,000 in fiscal year 2002-2003 and \$35,000 in fiscal year 2003-2004 to support the Survivor's II Program in Fayette County. General Fund moneys provided for the Survivors II Grant shall not be taken from any moneys or grants that would otherwise be awarded to Prevention Council funds of Lexington-Fayette County nor any other Prevention Council funds and shall come from the Support Services unit of the Juvenile Justice Budget.

d. Gateway Juvenile Diversion Center and Mary Kendall Homes: All general fund appropriations provided in Part I of this Act for the Gateway Juvenile Diversion Center and Mary Kendall Homes shall be allotted and expended exclusively to these respective entities.

35. CORRECTIONS MANAGEMENT

a. Appropriation Adjustments: The General Assembly has determined that the Department of Corrections shall be permitted to adjust appropriations between and among the following appropriation units in fiscal year 2002-2003 and in fiscal year 2003-2004; community services and local facilities and adult correctional institutions unless otherwise directed in this Act. Only adjustments necessary to manage the diverse mix of inmate classifications, custody levels, probation and parole caseloads, and population increases and/or decreases shall be permitted. Any appropriations transferred or otherwise directed between and among these appropriation units shall be documented and justified in writing. No adjustments may be made except upon the prior written justification to the Interim Joint Committee on Appropriations and Revenue and written concurrence of the State Budget Director. The State Budget Director shall report such adjustments and the necessity of the adjustment to the Interim Joint Committee on Appropriations and Revenue.

b. Jailer Mental Health Screening Training: The Kentucky Commission on Services to Individuals with Mental Illness, Alcohol, and Other Drug Related Disorders, and Dual Diagnoses shall, in its annual review of the Commission plan, include in its duties the development of

recommendations for identifying, treating, housing and transporting prisoners in jails and juveniles with mental illness in detention centers. Items to be reviewed shall include but not be limited to recommendations for statutory and regulatory changes, training and treatment funding, cost sharing, housing and transportation costs, appropriate treatment sites, and training requirements for local jailers and other officers of the court who may come in contact with persons incarcerated or in detention but deemed mentally ill. The Department for Mental Health/Mental Retardation, Department for Juvenile Justice and Department for Corrections shall collaborate with the Commission to recommend guidelines and practices to be implemented in regard to training local jailers and appropriate staff on identifying conditions which may require the screening of prisoners or juveniles by appropriate mental health professionals. The Commission shall submit its reports and findings to the Legislative Research Commission, to be distributed to appropriate committees, by November 1, 2002. The report shall also be provided to the Jail Standards Commission.

c. Green River Correctional Complex - Fencing: The Department of Corrections shall erect a fence around the minimum security facility at the Green River Correctional Complex.

36. COMMUNITY SERVICES AND LOCAL FACILITIES

a. Probation and Parole Credit: Notwithstanding KRS 439.344, the period of time spent on parole shall count as a part of the prisoner's remaining unexpired sentence, when it is used to determine a parolee's eligibility for a final discharge from parole as set out in KRS 439.354, or when a parolee is returned as a parole violator for a violation other than a new felony conviction.

b. County Jail Housing Per Diem: The county jail per diem for housing state inmates shall be reduced by \$1.00 to \$24.60 upon passage of this Act.

c. Early Release of State Felons: The Governor shall not implement, through Executive Order or otherwise, an early release program for state felons upon passage of this Act.

d. Excess Local Jail Per Diem Costs: Local jail per diem payments in excess of amounts necessary to support the budgeted average daily population of state felons in county jails of 4,126 for fiscal year 2002-2003 and 4,575 in fiscal year 2003-2004 shall be deemed necessary governmental expenses and may be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705) subject to notification as to necessity and amount by the State Budget Director who shall report any certified expenditure to the Interim Joint Committee on Appropriations and Revenue; provided, however, that no General Fund appropriations to the Community Services and Local Facilities appropriation unit shall be transferred to other appropriation units and shall be expended exclusively for purposes currently assigned within this appropriation unit.

37. ADULT CORRECTIONAL INSTITUTIONS

a. Educational Services: General Fund moneys in the amount of \$2,000,000 are provided in fiscal year 2002-2003 for educational services. Notwithstanding KRS 45.229, any unexpended General Fund appropriations in Corrections Management and Adult Correctional Institutions appropriation units shall not lapse, but continue into fiscal year 2003-2004 to support educational services in the Adult Correctional Institutions appropriation unit. The Department of Corrections shall maintain the current level of educational services.

38. CORRECTIONS

a. Governmental Services Program: Notwithstanding any provision of KRS Chapter 197, the Department of Corrections shall implement the Governmental Services Program under the following directives:

(1) (a) As used in this section, "Governmental Services Program related project" means a project involving work for:

1. The Commonwealth or an agency of the Commonwealth; or
2. A county, urban-county, charter county, city, consolidated local government, special district, or an agency of any of these entities.

(b) Work on a Governmental Services Program shall not confer private benefit on a person except as may be incidental to the public benefit.

(2) The Department shall promulgate an administrative regulation governing prisoners working on Governmental Services Program related projects.

(3) A prisoner shall not begin work on a particular Governmental Services Program related project without the approval of the director of the relevant entity referred to in subsection (1)(a) of this section, or the director's designee.

(4) Participation in Governmental Services Program related projects shall not be deemed employment for any purpose, and a prisoner shall not be deemed an employee or agent of the entity for which he or she performs the community service work.

(5) The Department of Corrections administrative regulation shall set forth the amount of compensation a prisoner shall earn for any work-related project, and any prisoner who works on a Governmental Services Program shall receive an amount equal to one-half of the established compensation for such work and shall be eligible to receive a sentence credit as provided in subsection (8) of this section.

(6) The sentence credit provisions of this section shall not apply to a prisoner who is serving a:

- (a) Sentence of imprisonment for life without possibility of parole;
- (b) Sentence for a violent offense as defined in KRS 439.3401;
- (c) Sentence for escape or attempted escape; or
- (d) Sentence for a sex crime as defined in KRS 17.500.

(7) The Department may grant sentence credits to inmates confined in a detention facility for labor performed in a Governmental Services Program or within a detention facility for the maintenance of the facility or for the operation of facility services such as food service.

(8) Credit, if granted, shall be uniform and shall be based on the following:

- (a) For every eight full hours of work, one sentence credit shall be earned;
- (b) For every five sentence credits earned, one day of the sentence to be served by the inmate shall be deducted; and
- (c) Sentence credits shall be deducted from the maximum expiration date of the sentence.

(9) The Department may forfeit any credit previously earned by the prisoner or deny the prisoner the right to earn this work credit or the right to earn work credit in any amount if during the term of imprisonment a prisoner commits any offense or violates the rules of the institution.

(10) Notwithstanding any other provision of law to the contrary, the labor of state inmates shall not be used on any construction, building, or building maintenance project outside the prison where use of such labor would reduce skilled employment opportunities of citizens of the Commonwealth. Skilled employment includes but is not limited to labor ordinarily performed by skilled tradespersons.

This section shall become effective on the effective date of this Act.

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

39. CABINETWIDE

~~{ a. Environmental Quality Commission: Included in the General Fund appropriation for the Natural Resources and Environmental Protection Cabinet is \$253,700 in fiscal year 2003-2004 to support the personnel and operating expenses of the Environmental Quality Commission. }~~

40. GENERAL ADMINISTRATION AND SUPPORT

a. Budget Administration: If the Secretary determines that the functions and responsibilities of the Surface Mining Reclamation and Enforcement budget unit can be performed with fewer positions than budgeted for the biennium, the positions and associated costs may be transferred to the General Administration and Support, Natural Resources, Environmental Protection, and Surface Mining Reclamation and Enforcement budget units for the purpose of employing essential positions, replacing or upgrading information technology equipment, and the replacement of vehicles. The Secretary shall present the proposed plan to the State Budget Director and the Interim Joint Committee on Appropriations and Revenue prior to transferring any positions and funding.

b. NO_x Credits: Within ten days of the Natural Resources and Environmental Protection Cabinet's receipt of U.S. Environmental Protection Agency's approval of a revised State Implementation Plan complying with 40 C.F.R. 51.121 and authorizing the sale of NO_x allowances, the Natural Resources and Environmental Protection Cabinet shall notify the Finance and Administration Cabinet. Upon such notification, the Finance and Administration Cabinet shall have the authority to execute the sale of the NO_x allowances. The proceeds from the sale shall be credited to the General Fund and deposited into the State Treasury.

41. DEPARTMENT FOR ENVIRONMENTAL PROTECTION

a. Hazardous Waste Fund: Notwithstanding KRS 224.46-580, the Department is authorized to expend up to \$25,000 from the Hazardous Waste Management Fund for the purposes of conducting an audit of the sources and amounts of income and expenditures from the fund.

b. Solid Waste Enforcement Activity: In accordance with KRS 224.43-505, the Natural Resources and Environmental Protection Cabinet shall suspend until July 2006 enforcement activity regarding landfill closure, maintenance, monitoring, and remediation obligations against formerly permitted municipal solid waste disposal and water facilities owned by a city or county that ceases accepting waste prior to July 1, 1992, except as necessary to abate and environmental emergency.

42. DEPARTMENT FOR SURFACE MINING RECLAMATION AND ENFORCEMENT

a. Surface Coal Mining Permits: The permit block provisions of KRS 350.085(6) shall apply both to surface coal mining and reclamation operations owned or controlled by the applicant, and those operations owning or controlling the applicant. The Cabinet shall continue in effect the current state regulations regarding ownership and control provided that a due process hearing shall be afforded at the time that the Cabinet makes a preliminary determination to impose a permit block.

The Cabinet shall conditionally issue a permit, permit renewal, or authorization to conduct surface coal mining and reclamation operations, if the Cabinet finds that a direct administrative or judicial appeal is presently being pursued, in good faith, to contest the validity of the determination of ownership and control linkage. The Cabinet shall conditionally issue permits where the applicant submits proof, including a settlement agreement, that the violation is being abated to the satisfaction of the issuing state or federal agency. Where the initial judicial appeal affirms the ownership or control linkage, the applicant shall have 30 days to submit proof that the violation has been or is in the process of being corrected. Nothing herein shall preclude the applicant from seeking further judicial relief. The reporting requirements of KRS 350.060(3) shall not extend to persons at the level above a publicly traded corporation who own or control the applicant.

43. ENVIRONMENTAL QUALITY COMMISSION

a. Administrative Accountability: The Environmental Quality Commission shall be attached to the Secretary's Office, but shall remain a separate budget unit. The Secretary, with the approval of the Commissioners of the Environmental Quality Commission, shall employ a director and other necessary Commission staff who shall serve at the pleasure of the Commission and the Secretary.

44. KENTUCKY NATURE PRESERVES COMMISSION

a. Minor Use or Development: Notwithstanding KRS 146.410 to 146.535, the Kentucky State Nature Preserves Commission may allow a minor use or development upon or near the property boundary of a nature preserve when the minor use or development results in the addition of acreage to the preserve, furthers the goal of encouraging land use adjacent to the preserve which can help protect the character of the preserve, furthers an important public purpose identified by another state or local public agency, and does not substantially or fundamentally alter the character of the preserve.

POSTSECONDARY EDUCATION

45. COUNCIL ON POSTSECONDARY EDUCATION

a. Research Challenge Trust Fund Account: The proceeds of the Endowment Match Program authorized in Part II, under the Council on Postsecondary Education budget unit, project L.1.c., shall be invested at the direction of the Council on Postsecondary Education until such time as the Council receives a certification from the President of the University of Kentucky or from the President of the University of Louisville stating that formal commitments have been secured by the respective universities to provide the matching requirements as determined by the Council. Upon receipt of the certification, the Council shall transfer the endowment funds from the account to the respective universities for management and investment by the university foundations if the foundations have been previously created to manage and invest private gifts and donations on behalf of the universities over time, otherwise by the university itself. The proceeds of the Research Challenge Trust Fund Account transferred to the universities shall not be managed or invested by an independent board or foundation separate from the foundations

previously created to manage and invest funds on behalf of the respective universities. Only the investment earnings from the endowments created or expanded with funds from the Research Challenge Trust Fund and any required matching funds may be expended.

b. Regional University Excellence Trust Fund: The proceeds of the Endowment Match Program authorized in Part II, Capital Projects Budget, under the Council on Postsecondary Education, budget unit, project L.1.d., shall be deposited in the Regional University Trust Fund Account and invested at the direction of the Council on Postsecondary Education until such time as the Council receives a certification from the Presidents of Eastern Kentucky University, Kentucky State University, Morehead State University, Murray State University, Northern Kentucky University, and Western Kentucky University stating that formal commitments have been secured by the respective universities to provide the matching requirements as determined by the Council. Upon receipt of the certification, the Council shall transfer the endowment funds from the account to the respective universities for management and investment by the university foundations if the foundations have been previously created to manage and invest private gifts and donations on behalf of the universities over time, otherwise by the university itself. The proceeds of the Regional Excellence Trust Fund transferred to the universities shall not be managed or invested by an independent board or foundation separate from the foundations previously created to manage and invest funds on behalf of the respective universities. Only the investment earnings from the endowments created or expanded with funds from the Regional University Excellence Trust Fund and any required matching funds may be expended.

c. Enrollment Growth and Retention Funding Program: The Council on Postsecondary Education (CPE) shall, by July 1, 2003, develop guidelines for the distribution of Enrollment Growth and Retention Funding Program funds that may be requested during the 2004-2006 biennial budget request process. The CPE shall develop the guidelines in collaboration with the university presidents to ensure a fair and equitable plan for distribution that promotes the implementation of the Postsecondary Education Act of 1997. The guidelines shall be presented to the Strategic Committee on Postsecondary Education (SCOPE) for prior review before the final adoption by CPE.

d. Strategic Investment and Incentive Trust Funds Interest Income: Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917, 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, interest earnings in the amount of \$6,581,700 shall be transferred from Strategic Investment and Incentive Trust Funds included under these statutes and the trust funds created by 2000 Ky. Acts ch. 549, Part I, L., 56, to Agency Revenue accounts within the Council on Postsecondary Education budget unit in the following amounts and for the following specified purposes. Included in the Restricted Funds appropriation for the Council on Postsecondary Education in Part I is \$100,800 in fiscal year 2002-2003 and \$105,500 in fiscal year 2003-2004 for the Minority Student Preparation Program; \$187,000 in fiscal year 2002-2003 and \$188,400 in fiscal year 2003-2004 for the Southern Regional Education Board Doctoral Scholars Program; \$1,000,000 each year of the biennium for the Rural Innovation Program; \$1,000,000 in each year of the biennium for the Knowledge-Based Economy Academic Programs; and \$2,000,000 in fiscal year 2002-2003 for the Experimental Program to Stimulate Competitive Research (EPSCoR) Program/Science and Engineering Foundation.

e. Kentucky Science and Technology Funding Program: Notwithstanding KRS 164.6027 and 164.6029, included in the General Fund and Restricted Funds appropriations to the Science and Technology Funding Program in Part I, Operating Budget, is \$4,521,600 in each year of the biennium for the Experimental Program to Stimulate Competitive Research (EPSCoR) Program

and the Science and Engineering Foundation; \$3,000,000 in each year of the biennium for the Kentucky Research and Development Voucher Program; \$750,000 in each year of the biennium for the Kentucky Commercialization Fund; \$500,000 in each year of the biennium for the Regional Technology Corporations and Satellite Innovation and Commercialization Centers; and \$1,000,000 in each year of the biennium for the Rural Innovation Program.

f. Lung Cancer Research Fund Interest Transfer: Notwithstanding KRS 164.476, interest earnings up to \$300,000 from the Lung Cancer Research Fund may be transferred to the Agency Revenue accounts of the Council on Postsecondary Education to support the Knowledge-Based Economy Academic Program included in the Restricted Funds appropriation for the Council on Postsecondary Education in Part I, Operating Budget.

g. Science and Technology Trust Fund: Notwithstanding KRS 164.6019, 164.6027, and 164.6035, the unobligated balance of fiscal year 2001-2002 appropriations and a portion of the appropriation in fiscal year 2002-2003 and fiscal year 2003-2004 as necessary from the Council on Postsecondary Education, Science and Technology Funding Program shall be transferred to the Office of the Commissioner for the New Economy within the Cabinet for Economic Development. The unobligated balance shall be certified by the Council on Postsecondary Education and submitted to the State Budget Director for final approval prior to the transfer.

h. Interest Earnings Transfer from the Strategic Investment and Incentive Trust Fund accounts: Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917, 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, the Council on Postsecondary Education may transfer interest earnings from the Strategic Investment and Incentive Trust Fund accounts to the Agency Revenue accounts of the Council, and expend them upon application to and approval from the State Budget Director, and reported to the Interim Joint Committee on Appropriations and Revenue in accordance with KRS 48.630.

i. Kentucky Science and Technology Corporation: Notwithstanding KRS 164.6017, the Kentucky Science and Technology Corporation shall submit an annual plan detailing the annual allocation of funds from the Science and Technology Funding Program, excluding funds for the Knowledge-Based Economy Academic Programs, for review and approval by the Council on Postsecondary Education and the Office of the Commissioner for the New Economy within the Cabinet for Economic Development, prior to the Council on Postsecondary Education executing a contract with the Corporation to administer Science and Technology Funding programs.

j. Student Financial Aid and Advancement Trust Fund: The Council on Postsecondary Education shall transfer \$750,000 in interest income from the Student Financial Aid and Advancement Trust Fund to the Kentucky Higher Education Assistance Authority in fiscal year 2002-2003 to assist in the financing of the Kentucky Educational Excellence Scholarship (KEES) Program.

k. Concept Phase Funding Pool: Notwithstanding KRS 164.6021, the funds appropriated in Part I, Operating Budget, to the Council on Postsecondary Education for the Research and Development Voucher Program may be used to fund the Concept Phase Funding Pool.

l. Regional Postsecondary Education Centers: The Council on Postsecondary Education shall resolve any disputes between or among institutions in the design, planning, or use of each Regional Postsecondary Education Center previously authorized by the General Assembly.

m. Postsecondary Education Employment Status: Notwithstanding KRS 164.225, 164.360, and 164.830, the appointment of a relative to the governing board of a public postsecondary education institution, as defined under KRS 164.001, shall not affect the

employment status of any related person employed at least 36 months prior to the appointment of the relative.

n. Efficient Facilities: The General Assembly directs that the Hunt Morgan Addition and Pharmacy Building Addition endorsed for construction by the Council on Postsecondary Education in its 2002-2004 fiscal biennial budget recommendation to the General Assembly, both being designed for wet lab research and having similar requirements for support facilities that can be shared to maximize research space and operational efficiency, shall be constructed as one building.

o. Endowment Match Program - Recruitment and Retention: The universities shall develop and implement specific strategies and plans calculated to achieve reasonable diversity in the recruitment and retention of women, African Americans, and other underrepresented minorities for positions funded by the Endowment Match Program, including fellowship, scholarship, and graduate assistantship recipients. With regard to endowed chairs and endowed professorships funded by the Endowment Match Program, the universities shall report annually to the Council on Postsecondary Education the race and gender of all faculty and their full-time professional staff. The reports shall also include the race and gender of all fellowship, scholarship, and graduate assistantship recipients funded by the Endowment Match Program. The University of Louisville's Annual Report shall include a status report on Our Highest Potential program.

p. Endowment Match Program: Notwithstanding KRS 164.7919(1)(c), the permissible uses of the Regional University Excellence Trust Fund Endowment Match program shall be consistent with guidelines issued by the Council on Postsecondary Education.

46. KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

a. Commonwealth Postsecondary Education Prepaid Tuition Trust Fund: Notwithstanding KRS 164A.700 to 164A.709 and 393.015, the Commonwealth Postsecondary Education Prepaid Tuition Trust Fund shall be governed and administered by the board of directors of the Kentucky Higher Education Assistance Authority.

The Prepaid Postsecondary Tuition Administrative account established according to KRS 164A.701(6) and all funds, assets, and deposits therein shall be transferred to the Administrative Fund of the Kentucky Educational Savings Plan Trust (KRS 164A.310).

Beginning on the effective date of this Act, no new prepaid tuition contracts shall be entered into. Purchasers of prepaid tuition contracts may continue to make contributions to prepaid tuition accounts according to the provisions of the contract entered into with the Board of Directors of the Commonwealth Postsecondary Education Prepaid Tuition Trust Fund.

The board of directors of the Kentucky Higher Education Assistance Authority shall promulgate administrative regulations, set fees, and adopt procedures as are necessary to implement this provision.

The State Budget Director and the Secretary of the Finance and Administration Cabinet shall jointly provide the direction and oversight necessary to implement this provision in an expeditious and efficient manner. The Secretary of the Finance and Administration Cabinet shall report the progress of implementation to the Legislative Research Commission and the Interim Joint Committee on the Appropriation and Revenue upon request.

47. EASTERN KENTUCKY UNIVERSITY

a. Capital Renewal and Maintenance Pool: Notwithstanding the provisions of 2000 Ky. Acts ch. 549, Part II, 10., pertaining to eligible projects and matching requirements, and notwithstanding the provisions of Capital Projects Budget Provisions for Part II, Capital Projects, 10., of this Act, pertaining to the matching requirement, \$422,000 in bond funds out of Eastern Kentucky University's 2000-2002 Capital Renewal and Maintenance Pool allocation are reauthorized and reallocated for new construction of water lines to provide water service for the Corbin Campus.

48. KENTUCKY STATE UNIVERSITY

a. Non-Federal Matching Requirement: Included in the Restricted Funds appropriation to Kentucky State University in Part I, Operating Budget, is \$487,800 in fiscal year 2002-2003 and \$502,400 in fiscal year 2003-2004 to enable Kentucky State University to fully fund the non-federal matching requirement under the provisions of the Federal Agriculture Research, Extension, and Education Reform Act of 1998. Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917, 164.7919, 164.7921, 164.7923, and 164.7925, interest income in the amount of \$487,800 in fiscal year 2002-2003 and \$502,400 in fiscal year 2003-2004 shall be transferred to Kentucky State University by the Council on Postsecondary Education.

49. MURRAY STATE UNIVERSITY

a. Breathitt Veterinary Center: Included in the General Fund appropriation is \$2,383,800 in fiscal year 2002-2003 and \$2,383,800 in fiscal year 2003-2004 for the Breathitt Veterinary Center. Included in the Restricted Funds appropriation is \$242,700 in each fiscal year for the Breathitt Veterinary Center. Notwithstanding KRS 48.130 and 48.600, there shall be no reduction in funding for these programs. These funds shall be expended solely for the programs of the Breathitt Veterinary Center.

50. UNIVERSITY OF KENTUCKY

a. Interest Income: Notwithstanding the provisions of KRS 164.7911, 164.7913, 164.7915, 164.7917, 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, interest income in the amount of \$234,800 shall be transferred to the University of Kentucky from the Council on Postsecondary Education in fiscal year 2002-2003.

b. University of Kentucky Center for Rural Health: This facility shall be financed by the issuance of tax-exempt bonds by the State Property and Buildings Commission. Lease-rental payments from the University of Kentucky to the Appalachian Regional Hospital Corporation in the amount of \$383,000 per year and lease-rental payments by Hazard Community College to the Appalachian Regional Hospital Corporation in the amount of \$145,000 per year provide the fund source of lease-rental payment to the State Property and Buildings Commission for the purpose of providing debt service for bonds to fund the facility. It is recognized that the lease-rental payments by the University of Kentucky and by Hazard Community College to Appalachian Regional Hospital Corporation are necessary to provide the space needs of the University of Kentucky and Hazard Community College until the completion of the new building facility. Therefore, these lease-rental payments are not available for lease-rental payments to the State Property and Buildings Commission for the issuance of the tax exempt bonds to be used to finance the project until the completion of the new building. The Office for Financial Management within the Finance and Administration Cabinet shall work with the Council on Postsecondary Education to provide an interim financing program to allow for the construction of the new facility, without diversion of the lease-rental payments by the University of Kentucky and

the Hazard Community College, to the Appalachian Regional Hospital Corporation, and to the State Property and Buildings Commission until such time as the new facility is completed.

c. Ovarian Cancer Screening Outreach Program: Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917, 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, General Fund (Tobacco) dollars in the amount of \$700,000 each fiscal year shall be transferred from the Research Challenge Trust Fund's Lung Cancer Research Program and allotted to the Ovarian Cancer Screening Outreach Program at the University of Kentucky. The Ovarian Cancer Screening Outreach Program may accept gifts, grants, and bequests in support of its mission and duties. All funds received shall be administered by the University of Kentucky through appropriate trust and agency accounts.

51. UNIVERSITY OF LOUISVILLE

a. Quality and Charity Care Trust Agreement: Notwithstanding the provisions of KRS 164.7911, 164.7913, 164.7915, 164.7917, 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, interest income in the amount of \$50,000 shall be transferred to the University of Louisville from the Council on Postsecondary Education in fiscal year 2002-2003 for the Quality and Charity Care Trust Agreement.

b. Property Transfer: Notwithstanding KRS 45.760, the University of Louisville is authorized to exchange real property on the east side of Hurstbourne Lane on its Shelby Campus for real property at the northeast corner of Third Street and Central Avenue adjacent to the Belknap Campus, only if: (1) The Shelby Campus parcel is utilized in a manner consistent with the Shelby Campus Technology Park plan approved by its Board of Trustees in September 2001; (2) The Secretary of the Finance and Administration Cabinet determines that the use of the Shelby Campus parcel is consistent with the approved Shelby Campus Technology Park plan; (3) Any capital project built on the exchanged parcel near the Belknap Campus receives authorization by the General Assembly prior to the property exchange; (4) The Secretary of the Finance and Administration Cabinet approves the exchange transaction; and (5) The proposal is submitted to the Capital Projects and Bond Oversight Committee for its consideration prior to the exchange.

52. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM

a. Postsecondary Workforce Training Program: Included in the General Fund appropriation to the Kentucky Community and Technical College System in Part I, Operating Budget, is \$6,000,000 each year of the biennium for the Postsecondary Workforce Training Program. These funds shall be used for worker training programs on a nonrecurring basis and shall not be used to establish permanent Kentucky Community and Technical College program offerings. Up to \$2,100,000 of the Postsecondary Workforce Training Program each year of the biennium may be transferred to the Bluegrass State Skills Corporation within the Cabinet for Economic Development upon a determination by the State Budget Director that other sources of funds are insufficient to meet the employment retention and training needs of the Commonwealth as certified by the Secretary of the Economic Development Cabinet.

b. Land Proceeds: Notwithstanding KRS 45.777, proceeds in the amount of \$225,600 for the sale of KCTCS property located at Lincoln Park, 1501 Bland Street, Louisville, Kentucky 40217 to the Jefferson County Public School System shall be retained by KCTCS for Jefferson Community College.

c. Faculty and Staff Salaries: Kentucky Community and Technical College System Faculty and Staff Salaries: The number one budget request priority of the Kentucky Community and Technical College System is to correct the historically low salaries of the faculty and staff.

The average 2000-01 salary of a community college faculty member is approximately \$2,700 less than the midpoint between the average 2000-01 salary of a Kentucky K-12 teacher and the average salary of a faculty member in Kentucky's other state-supported higher education institutions. The Kentucky Community and Technical College System shall place the highest priority on improving the salaries of the Kentucky Community and Technical College System faculty and nonexecutive and nonmanagement staff.

d. Property Transfer: Notwithstanding KRS 45.760 and in accordance with KRS 164A.575, the Board of Regents of the Kentucky Community and Technical College System (KCTCS) may exchange real property at Gateway Community and Technical College for real property of equal, or greater, fair market value owned by the Saint Elizabeth's Medical Center, Inc., provided that: (1) The Secretary of the Finance and Administration Cabinet approves the exchange transaction; and (2) The proposal is submitted to the Capital Projects and Bond Oversight Committee for its consideration prior to the exchange.

PUBLIC PROTECTION AND REGULATION

53. BOARD OF CLAIMS

a. Notwithstanding KRS 216B.400, in fiscal year 2003-2004 examinations for reported victims of sexual assault shall be paid by the Crime Victims' Compensation Board in a manner consistent with KRS Chapter 346, at a rate determined by the Board. The Board shall reimburse the hospital or sexual assault examination facility as provided in administrative regulations promulgated by the Board.

54. DEPARTMENT OF INSURANCE

a. Risk-based Capital: A corporation, partnership, or limited liability corporation applying for and holding a certificate of authority as a health maintenance organization, which by contract manages care and processes health care claims solely for Medicaid-eligible enrollees and the Kentucky Children's Health Insurance Program, shall comply with risk-based capital (RBC) requirements as follows: (1) For purposes of this subsection, risk-based capital shall be determined in accordance with 806 KAR 38:100. Except for subsection (11)(c) of Section 1. and Section 11. of 806 KAR 38:100, a corporation, partnership, or limited liability corporation applying for and holding a certificate of authority as a health maintenance organization, which by contract manages care and processes health care claims solely for Medicaid-eligible enrollees and the Kentucky Children's Health Insurance Program, shall comply with 806 KAR 38:100; (2) For the risk-based capital reports required to be filed by health maintenance organizations which manage care and process health care claims solely for Medicaid-eligible enrollees and the Kentucky Children's Health Insurance Program, the risk-based capital levels shall be defined as follows: (a) "Company Action Level RBC" means the product of two and its Authorized Control Level RBC; (b) "Regulatory Action Level RBC" means the product of one and five-tenths and its Authorized Control Level RBC; (c) "Authorized Control Level RBC" means the product of four-tenths and the risk-based capital after covariance determined under the risk-based capital formula in accordance with the RBC instruction; and (d) "Mandatory Control Level RBC" means the product of seven-tenths and the Authorized Control Level RBC; and (3) A corporation, partnership, or limited liability corporation applying for and holding a certificate of authority as a health maintenance organization managing care, processing health care claims, or providing health benefits to groups or individuals in addition to Medicaid-eligible and Kentucky Children's Health Insurance Program enrollees shall comply with the risk-based capital requirements of

subsection (1) of this paragraph and 806 KAR 38:100 and shall not be eligible to calculate its risk-based capital according to this subsection.

55. PUBLIC ADVOCACY

a. Compensatory Leave Conversion to Sick Leave: In the event that the Department of Public Advocacy has determined that a budget shortfall may occur, the Public Advocate is authorized to institute a policy to suspend payment of 50 hours of compensatory leave and convert these hours to sick leave for those Attorneys who have accumulated 240 hours of compensatory time.

56. OFFICE OF THE SECRETARY-GENERAL OPERATIONS

a. Funds lapsed in Part V in fiscal year 2002-2003 shall not be replaced through additional administrative fees assessed the agencies.

REVENUE CABINET

57. REVENUE

a. Sales Tax on Communications Services: Notwithstanding of KRS 139.505, all applicants filing on or after June 1, 2003, for the refundable credit for sales tax paid on communications services shall comply with the following: any business whose interstate communications services, subject to the sales tax imposed under KRS Chapter 139 and deducted for federal income tax purposes, exceeds five percent of the business's Kentucky gross receipts during the preceding calendar year is entitled to a refundable credit if the business's annual Kentucky gross receipts are equal to or more than \$1,000,000, and the majority of the interstate communications service billed to a Kentucky service address for the annual period is for communications service originating outside of this state and terminating in this state.

The refundable credit shall be equal only to the sales tax paid on the difference by which the interstate communications service purchased by the business exceeds five percent of the business's Kentucky gross receipts.

To facilitate the administration of the refundable tax credit, the Revenue Cabinet shall grant eligible businesses which apply for the tax credit permission to directly report and pay the sales tax applicable to the purchase of communications service. Once the business receives permission to directly report and pay the tax, refunds of the tax paid on communications service shall not include any sales tax collected and paid by a communications service provider to the Cabinet.

b. Deduction for Taxes Paid to Foreign Countries: Notwithstanding KRS 141.010(11)(a), effective for taxable years beginning after December 31, 2002, the deduction for taxes paid to foreign countries is not allowable.

c. Natural Gas Distribution Services: Notwithstanding KRS 139.100, effective June 1, 2003, the furnishing of natural gas distribution services or natural gas transmission or transportation services shall be retail sales subject to sales and use tax except for the furnishing of those services to residential customers as defined in KRS 139.470(8).

TOURISM DEVELOPMENT CABINET

58. DEPARTMENT OF PARKS

a. Golf Courses: The Secretary of the Tourism Development Cabinet shall complete an analysis to determine whether it is more cost-effective to maintain the unfinished golf courses at Dale Hollow Lake State Park, Yatesville Lake State Park, Grayson Lake State Park, Mineral

Mounds State Park, Pennyryle State Park, and Kincaid Lake State Park in their current condition or to finish and open the courses. In completing this analysis, the Secretary shall consider the current cost of maintaining the courses, the cost to open the courses, and the annual revenue expected from these courses once they are opened. The Secretary shall engage the services of an independent consulting agent to assist in the analysis of the data. The Secretary shall report the results of the analysis to the Capital Projects and Bond Oversight Committee within 30 days of completion.

If, upon completion of the study, the Secretary of the Tourism Development Cabinet determines that completion of the golf course projects is the most cost-effective option, bond funds are authorized for this purpose. The bond proceeds shall not exceed the amount supported by \$1,069,000 of General Fund debt service in fiscal year 2003-2004 and as provided in Part I, Operating Budget, Tourism Development Cabinet, Department of Parks.

59. STATE FAIR BOARD

a. Bond Authority: The Kentucky State Fair Board is authorized to issue up to \$52,000,000 in revenue bonds provided agency revenue can be identified in an amount sufficient to support debt service payments. In accordance with KRS 56.450, bonds for this project shall be issued by the State Property and Buildings Commission.

TRANSPORTATION CABINET

60. CABINETWIDE

a. Biennial Highway Construction Programs: The Secretary of Transportation is directed to produce a single document that contains two separately identified sections, as follows:

Section 1 shall detail the enacted fiscal biennium 2002-2004 Biennial Highway Construction Program and Section 2 shall detail the Highway Preconstruction Program Plan for fiscal year 2004-2005 through fiscal year 2007-2008 as identified by the 2002 General Assembly. This document shall mirror in data type and format the fiscal year 2002-2008 Recommended Six Year Highway Plan as submitted to the 2002 General Assembly. The document shall be published and distributed to members of the General Assembly and the public within 60 days of adjournment of the 2003 Regular Session of the General Assembly.

No executive authority shall expend, or otherwise commit in any manner, available fiscal biennium 2002-2004 Road Fund resources for a project designated as a State Project in the fiscal year 2004-2005 through fiscal year 2007-2008 Highway Preconstruction Program Plan. In the event that federally funded projects contained in the enacted fiscal biennium 2002-2004 Biennial Highway Construction Program are delayed due to unforeseen circumstances, or if additional federal funds are received in excess of the amounts contemplated in this Act, the Transportation Cabinet may advance projects from the Highway Preconstruction Program Plan only to the extent required to assure that the Commonwealth makes full use of all available federal funds.

The Secretary of Transportation is further directed to report monthly to the Legislative Research Commission of all activity, as prescribed by KRS 176.430, relating to all projects with open activity conducted by the Transportation Cabinet during the biennium including the year each project phase was enacted in a Six Year Highway Plan. Pursuant to KRS 48.800(5), the Transportation Cabinet shall submit the electronic monthly report in a format prescribed by the Legislative Research Commission.

Notwithstanding KRS 176.440(2), any project additions or modifications that the 2002 General Assembly may make to the fiscal year 2002-2008 Recommended Six Year Road Plan

shall carry the same force of law as projects that were included in the fiscal year 2002-2008 Recommended Six Year Road Plan as submitted by the Executive Branch.

61. AIR TRANSPORTATION

a. Bluegrass Field Airport: No appropriations to the Air Transportation Budget shall be utilized for the purpose of studying, planning, or construction of an additional runway at Bluegrass Field Airport.

b. Certified Air Carriers and Cap on Sales and Use Tax: The sales and use tax credit shall be an amount equal to the Kentucky sales and use tax otherwise applicable to aircraft fuel, including jet fuel, purchased by the certificated air carrier for its storage, use, or other consumption during the annual period, less \$1,000,000. The \$1,000,000 amount shall be increased to reflect the Kentucky sales and use tax on aviation fuel attributable to operations of any other company purchased, merged, acquired, or otherwise combined with the certificated air carrier after the base period. The amount of the increase shall be based on the Kentucky sales and use tax applicable to such aircraft fuel purchased during the 12-month period immediately preceding the purchase, merger, or other acquisition by or combination with the certificated air carrier.

62. PUBLIC TRANSPORTATION

a. Federal Transit Administration Match: Included in the fiscal year 2002-2003 Restricted Fund appropriation is \$1,650,000 to match Federal Transit Administration discretionary capital grants to purchase buses and vans for public transit entities. To the extent that these Restricted Funds are not necessary to match additional Federal Funds for the Federal Transit Administration discretionary capital grants for buses and vans, the Restricted Funds shall revert to the Capital Construction and Equipment Purchase Contingency Account at the close of fiscal year 2003-2004.

b. Human Services Transportation Delivery Program: Consistent with other provisions of this Act, the Human Services Transportation Delivery Program shall continue to be operated under KRS 281.870, 281.872, 281.873, 281.874, 281.875, 281.876, 281.877, 281.878, and 281.879.

63. HIGHWAYS

a. State Match Provisions: The Transportation Cabinet is authorized to utilize state construction moneys to match federal highway moneys in the event that unanticipated additional Federal Funds are provided to Kentucky and the state match appropriations have been exhausted.

b. Excess Debt Service/Lease-Rental Appropriations: Any Road Fund appropriations that are not needed to pay lease-rental payments to the Kentucky Turnpike Authority or debt service on the new Transportation Cabinet Office Building shall be credited to the State Construction Account.

c. Federal Aid Highway Funds: If additional federal highway moneys are made available to Kentucky by the United States Congress, the funds shall be used according to the following priority: (1) Any demonstration-specific or project-specific money shall be used on the project identified; and (2) All other funds shall be used to insure that projects in the 2002-2004 Biennial Highway Construction Plan are funded. If additional federal moneys remain after these priorities are met, the Transportation Cabinet may select projects from the Four Year Preconstruction Program.

d. Demonstration Projects: The Transportation Cabinet is authorized to select up to five design/build demonstration road related projects. For procurement purposes, the Transportation Cabinet shall utilize a qualifications-based bidding process within the context of the provisions of KRS Chapter 176, notwithstanding any conflicting provisions of KRS Chapters 45A, 176, and 177. The Secretary of Transportation shall determine the nature and scope of each design/build project.

e. Prefinancing Road Projects: The Secretary is directed to develop and implement a program to address the policy of the General Assembly to expeditiously initiate and complete projects in the 2002-2004 Biennial Highway Construction Plan. Notwithstanding KRS Chapter 45, specifically including KRS 45.242 and 45.244, the Secretary may concurrently advance projects in the Biennial Highway Construction Plan by employing management techniques that maximize the Cabinet's ability to contract for and effectively administer the project work. The Secretary is directed to continuously ensure that the unspent project and Road Fund balances available to the Transportation Cabinet are sufficient to meet expenditures consistent with appropriations provided. The Transportation Cabinet shall maintain a minimum Road Fund cash management target of \$100,000,000. The Secretary may seek approval to spend Road Fund moneys below \$100,000,000 by submitting a recommended spending plan to the Secretary of Finance and Administration Cabinet for approval. A copy of the approved spending plan shall be transmitted to the Interim Joint Committee on Appropriations and Revenue.

f. Miscellaneous Road Fund Expenditures: A turning lane shall be constructed at KY 1958 and the New Retirement Center in Clark County. The cost related to the construction of the turning lane shall be funded from Road Fund resources.

Luminaries shall be installed at South Williamson to KY 308 in Pike County. The cost related to the installation of the luminaries shall be funded from Road Fund resources.

A stop light shall be installed at the intersection of 55th Street and US 23 in Boyd County. The cost related to the installation of the stop light shall be funded from Road Fund resources.

A stop light shall be installed at the intersection of US 421 and US 62 in Woodford County. The cost related to the installation of the stop light shall be funded from Road Fund resources.

Two flashing school zone lights shall be installed for Fairview High School. The cost related to the installation shall be funded from Road Fund resources. The cost to operate the lights shall be the responsibility of the Boyd County Fiscal Court.

Guardrails shall be installed at the following locations: KY 32 from the Rowan/Elliott County Line to the Junction of KY 32 and KY 7; KY 1620 between MP 2 and MP 4 in Elliott County; KY 1426 between MP 8.263 and MP 8.819 in Floyd County; KY 1231 between MP 2.6 and MP 4.6 in Knott County; KY 1697 between MP 1.7 and MP 3.7 in Knott County; KY 550 between MP 16.8 and MP 18.0 in Knott County; KY 582 between MP 7.9 and MP 10.3 in Knott County; and KY 3419 between MP 9.509 and MP 12.014 in Pike County. The cost related to the installation of the guardrails shall be funded from the maintenance account.

Directional signs to the Aviation Museum of Kentucky shall be installed on US 60 near the intersection of Man-of-War and US 60 in Fayette County. The cost related to the installation of the signs shall be funded from Road Fund resources.

The Transportation Cabinet shall resurface KY 181 from MP 5.8 to MP 10.5 in Muhlenburg County. The costs related to the resurfacing of KY 181 shall be funded from the maintenance account.

The Transportation Cabinet shall resurface KY 1002 from MP 0.638 to MP 1.1 in Wolfe County. The costs related to the resurfacing of KY 1002 shall be funded from the maintenance account.

The Transportation Cabinet shall establish KY 1336 as an access point to the relocated new KY 11 in the Community of Tilton.

Spot improvements shall be made at the intersection of KY 550 and KY 1103 in Knott County to increase site distance. The cost related to the spot improvements shall be funded from Road Fund resources.

Sight distance improvements shall be made from the intersection of KY 645 and KY 581 in Lawrence County extending 2,000 feet south along KY 581 towards Paintsville. The cost related to the sight distance improvement shall be funded from Road Fund resources.

~~Any entrance or access used for residential purposes in existence as of February 1, 2003, off Highway 60 in Clark County northeast of Winchester shall be deemed to be a legal entrance.~~

~~The Transportation Cabinet shall extend access by permit about 1,500 feet north of KY 911 along the proposed US 41A project in Christian County.~~

Kentucky 2053, Mt. Washington Road in Jefferson County shall be upgraded from a Rural Secondary road to a State Secondary road.

A stop light and turning lane shall be installed at US 31W at Dart Container World in Hart County. The cost related to the installation of the stop light and turning lane shall be funded from Road Fund resources.

Bloomington Road shall be resurfaced from MP 0.0 to MP 2.0 in Grayson County. The cost related to the resurfacing of the road shall be funded from Road Fund resources.

The Transportation Cabinet shall build and surface two and forty-five one hundredths miles of the Brammer Hill-Delta Road (County Road 1030) in Wayne County. The cost related to building and surfacing the road shall be funded from Road Fund resources.

Included in the State Funded Construction Program is \$2,000,000 in fiscal year 2002-2003 and \$2,000,000 in fiscal year 2003-2004 for concrete intersections.

The Transportation Cabinet shall repave one and six-tenths miles of the Paint Creek Road beginning at the juncture of KY 92 W and the Tacket Creek Road shall be repaved from the juncture of Sevoy Clear Creek Road South in Whitley County. The cost related to the repaving shall be funded from Road Fund resources.

Traffic lights shall be installed at the following locations: on US 60 at the Olive Hill Elementary School entrance east of Olive Hill in Carter County; South Dixie Fire Department on US 31W at Valley Station in Jefferson County; at the intersection of KY 490 and US 25 in Laurel County; at the intersection of KY 68 and Warehouse Drive in the City of Lebanon in Marion County; at the intersection of AA Highway and KY 57 in Mason County; and at the intersection of US 42 and Ridgemoor Drive in Oldham County. The cost related to the installation of the traffic lights shall be funded from the Road Fund resources.

Bridges shall be reconstructed at the following locations: Roaring Paunch Creek Bridge, off KY 1470 on Kingtown Road in McCreary County; Old Sano Road Bridge two miles north of KY 80 in Russell County; Dry Hollow Road Bridge (County Road 1213) in Wayne County; Verne Road Bridge near the junction of Verne Road with KY 1064 in Whitley County; and Keswick

Road Bridge in Whitley County. The cost related to the reconstruction of the bridges shall be funded from Road Fund resources.

Guardrails shall be installed at the following locations: Green Briar Road beginning 2 miles east and ending eight miles east of KY 615 in Adair County; Milltown Road (KY 768) one and two-tenths miles north of KY 61 in Adair County; Elmore Hill Road one-tenth of a mile south of KY 70 in Casey County; Thomas Ridge Spur one-tenth of a mile east of KY 910 in Casey County; Patsy Riffe Ridge two-tenths of a mile east of KY 127 in Casey County; Dishman Springs Road in Barbourville from Helton Branch Road to Emanuel Road in Knox County; Parrot Hollow Road from MP 2.386 to MP 3.225 in Knox County; Artemus/Flat Lick Road from MP 1.1 to MP 1.336 in Knox County; on the left side of KY 1003 one mile east of KY 80 in Pulaski County; and on the left side of KY 1003 four miles east of KY 80 across Buck Creek Bridge in Pulaski County. The cost related to the installation of the guardrails shall be funded from the maintenance account.

Street signs shall be replaced throughout the City of Edgewood in Kenton County. The cost related to replacing the street signs shall be funded from Road Fund resources.

Road improvements shall be made along US 29 from the Railroad Bridge to Lexington Road in Jessamine County. The cost related to the road improvements shall be funded from Road Fund resources.

A sound barrier shall be installed on the north side of Watterson Expressway from the west side of the Newburg Interchange going 1,000 feet west.

A sound barrier shall be installed on I-64 for the St. Regis neighborhood. The cost related to the installation of the sound barrier shall be funded from Road Fund resources.

Luminaries shall be installed on KY 11 from the Main Street Intersection going north in Owsley County. The cost related to the installation of the luminaries shall be funded from Road Fund resources.

A traffic study shall be conducted of the intersection of US 60 and Carroll Road in Clark County. The cost of the study shall be funded from Road Fund resources.

Signs designating the location of the St. John's School shall be installed on US 45 in McCracken County. The cost related to the installation of the signs shall be funded from Road Fund resources.

Provide Road Fund support for the installation of the Douglas Avenue Bridge over Bacon Creek in Whitley County.

The Highway Construction Contingency Fund shall fund the following projects:

(a) Replacement of the Aiken Road Bridge in Jefferson County, project number 5-409.20, \$1,500,000; and

(b) Kentucky 177, Arch Floor Replacement at railroad underpass, \$93,200.

g. Location of proposed I-66: The location of proposed I-66 in the South Central Kentucky Area shall be limited to alternative highway corridors extending from the Cumberland Parkway to the Natcher Parkway north of the City of Bowling Green.

h. Toll Road Facilities: If Federal Funds become available to the state to support the retirement of toll roads debt, then each affected toll road facility within the Commonwealth shall close and all affected toll road employees shall be reassigned within the Transportation Cabinet.

i. Demonstration Project: The Transportation Cabinet shall request a waiver from the Federal Highway Administration to establish a demonstration project that uses pigmented binder materials in the construction of school crosswalks in Hardin County.

j. Notwithstanding KRS 45.750(3)(a), the Secretary of the Transportation Cabinet shall not expend, encumber, or commit more than 50 percent of the funds from the Highway Construction Contingency Fund appropriation for fiscal year 2003-2004 prior to December 9, 2003, except for an emergency project as defined in KRS 45.750(1)(g). This language shall not apply to Part I, Operating Expenses, P. Transportation Cabinet, 95.d.1. This limitation shall not apply to a request from the Secretary of the Economic Development Cabinet for additional funds for the Industrial Road Access Account.

64. VEHICLE REGULATION

a. Motorcycle Education Program: Notwithstanding KRS 186.890(1) and (2), all revenues from the collection of fees relating to the Motorcycle Safety Education Program Fund shall be utilized to provide motorcycle safety programs. No administrative costs for other programs or budget units within the Transportation Cabinet shall be deducted from the Motorcycle Safety Education Program. The Transportation Cabinet shall report biennially to the Interim Joint Committee on Appropriations and Revenue of the revenues deposited to the Fund, the expenditures incurred, and available balances. In addition, the Cabinet shall identify the safety programs provided, the cost of the programs, location, and number of attendees.

65. GENERAL ADMINISTRATION AND SUPPORT

a. Adopt-A-Highway Litter Program: The Transportation and Natural Resources and Environmental Protection Cabinets may receive, accept, and solicit grants, contributions of money, property, labor, or other things of value from any governmental agency, individual, nonprofit organization, or private business to be used for the Adopt-a-Highway Litter Program or other statewide litter programs. Any contribution of this nature shall be deemed to be a contribution to a state agency for a public purpose and shall be treated as Restricted Funds under KRS Chapter 45 and reported according to KRS Chapter 48, and shall not be subject to restrictions set forth under KRS Chapter 11A.

b. Transportation Cabinet Office Building: The new Transportation Cabinet Office Building shall be owned by the Transportation Cabinet and any revenue generated from the leasing of office space in the new Transportation Cabinet Office Building shall be deposited in the Road Fund.

WORKFORCE DEVELOPMENT CABINET

66. GENERAL ADMINISTRATION AND PROGRAM SUPPORT

a. Maintenance Pool: Included in the Capital Budget appropriation is Investment Income Funds totaling \$395,000 in fiscal year 2002-2003 and \$394,600 in fiscal year 2003-2004 for a cabinetwide maintenance pool.

67. DEPARTMENT FOR TECHNICAL EDUCATION

a. Participation in the Education Technology Program by Area Vocational Education Centers: Area Vocational Education Centers shall be fully eligible to participate in the Kentucky Education Technology System. Notwithstanding KRS 157.650, 157.655, 157.660, and 157.665, the School Facilities Construction Commission, in consultation with the Kentucky Board of Education and the Kentucky Department of Education, shall develop administrative regulations

which identify a methodology by which the average daily attendance for Area Vocational Education Centers may be equated to the average daily attendance of other local school districts in order that they may receive their respective distributions of these funds. The School Facilities Construction Commission shall include Area Vocational Education Centers in any offers of assistance to local school districts for technology assistance during the 2002-2004 fiscal biennium.

b. Area Technology Centers: General Fund dollars for operations and equipment and SEEK dollars for the state-run vocational schools are maintained at current levels.

68. DEPARTMENT FOR VOCATIONAL REHABILITATION

a. Personnel Cap: A personnel cap of 504 positions (484 full time, 19 part time, and one interim) is authorized.

b. Debt Service: Included in the General Fund appropriation is \$30,000 debt service to support Bond Funds totaling \$265,000 to construct a sewage treatment plant at the Carl D. Perkins Rehabilitation Center.

69. DEPARTMENT FOR EMPLOYMENT SERVICES

a. Facility Replacement and Renovation Program: The General Assembly authorizes the Department to develop and implement a Facility Replacement and Renovation Program to improve the quality of Workforce Development Cabinet facilities used by the Department and its clients, and to reduce departmental reliance on lease-rental properties.

Proceeds from the sale, transfer, or other disposition of existing facilities may be expended toward the purchase, construction, renovation, equipping, and furnishing of replacement facilities. Additionally, funds received from the Reed Act distribution under Section 903(d) of the Social Security Act, as amended, may be used for the purpose of acquiring property and constructing a building and such improvements, facilities, paving, landscaping, and fixed equipment as may be required for use by the Cabinet for Workforce Development. Expenditures authorized by this provision are limited to the use of funds derived from the sale of Cabinet-owned facilities, which equity rights are shared between both the state and national government, and funds received from the Reed Act distribution.

b. Operating Costs and Mobile Vehicle: Additionally, Reed Act distribution may be used for continued operating costs at the Department for Employment Services facilities as well as for the acquisition and equipping of a mobile vehicle for use in providing timely on-site deployment of services to remote locations or to meet extraordinary service requirements subject to applicable statutory and regulatory requirements of the Commonwealth.

The Department is directed to coordinate this program with the Secretary of the Finance and Administration Cabinet and the sale, transfer, or other disposition of existing facilities may be expended toward the purchase, construction, renovation, equipping, and furnishing of replacement facilities. Any project estimated to cost over \$400,000 and any mobile vehicle costing more than \$100,000 shall be reported to the Capital Projects and Bond Oversight Committee by the Secretary of the Finance and Administration Cabinet.

PART X

GENERAL FUND SURPLUS EXPENDITURE PLAN

1. Pursuant to KRS 48.700 and notwithstanding KRS 48.140, there is established a plan for the expenditure of General Fund surplus moneys pursuant to a General Fund Surplus Plan contained

in this Part for fiscal years 2002-2003 and 2003-2004. Pursuant to the enactment of the Surplus Expenditure Plan, General Fund moneys in the General Fund undesignated fund balance are appropriated to the Budget Reserve Trust Fund established in KRS 48.705.

2. The Secretary of the Finance and Administration Cabinet shall determine, within 30 days after the close of fiscal year 2002-2003, based on the official financial records of the Commonwealth, the amount of actual General Fund undesignated fund balance for the General Fund Surplus Account that may be available for the Budget Reserve Trust Fund pursuant to the Plan in fiscal year 2003-2004.

The Secretary of the Finance and Administration Cabinet shall certify the amount of actual General Fund undesignated fund balance available for expenditure to the Legislative Research Commission.

Subsequent to June 30, 2002, funds in excess of those appropriated in this Act that are certified as being available in the actual General Fund undesignated fund balance for the General Fund Surplus Account are appropriated for the Budget Reserve Trust Fund in fiscal year 2002-2003 pursuant to the Plan.

PART XI

PHASE I TOBACCO SETTLEMENT

This section of the Act prescribes the policy implementing aspects of the national settlement agreement between the tobacco industry and the collective states as described in KRS 248.701 to 248.727. In furtherance of that agreement, the General Assembly recognizes that the Commonwealth of Kentucky is a party to the Phase I Master Settlement Agreement (MSA) between the Participating Tobacco Manufacturers and 46 Settling States which provides reimbursement to states for smoking-related expenditures made over time.

1. The Commonwealth's share of the MSA is equal to 1.7611586 percent of the total settlement amount. Payments under the MSA are to be made to the states in January and April of each year.

2. The total settlement amount to be distributed each payment date is subject to change pursuant to several variables provided in the MSA, including inflation adjustments, volume adjustments, previously settled states adjustments, and the nonparticipating manufacturers adjustment.

3. The General Assembly has determined that it shall be the policy of the Commonwealth that all Phase I Tobacco Settlement payments shall be deposited to the credit of the General Fund and shall maintain a distinct identity as Phase I Tobacco Settlement payments that shall not lapse to the credit of the General Fund surplus, but shall continue forward from each fiscal year to the next fiscal year to the extent that any balance is unexpended.

4. Based on the current estimates as reviewed by the Consensus Revenue Forecasting Group, the amount of MSA payments expected to be received in fiscal year 2002-2003 is \$125,407,000 and in fiscal year 2003-2004 is \$109,100,000. It is recognized that payments to be received by the Commonwealth are estimated and are subject to change. Any appropriations made from the estimated receipts are subject to adjustments based on actual receipts as received and certified by the Secretary of the Finance and Administration Cabinet.

a. Early Childhood Development Initiatives: Twenty-five percent of the MSA payments received in fiscal year 2002-2003, estimated to be \$31,400,000, and in fiscal year 2003-2004,

estimated to be \$27,275,000, is appropriated for Early Childhood Development Initiatives as specified below.

b. Health Care Initiatives: Twenty-five percent of the MSA payments received in fiscal year 2002-2003, estimated to be \$31,400,000, and in fiscal year 2003-2004, estimated to be \$27,275,000, is appropriated to the Kentucky Health Care Improvement Fund for health care initiatives as specified below.

c. Agricultural Development Initiatives: Fifty percent of the MSA payments received in fiscal year 2002-2003, estimated to be \$62,800,000, and in fiscal year 2003-2004, estimated to be \$54,550,000, is appropriated to the Kentucky Agricultural Development Fund to be used for agricultural development initiatives.

A. AGRICULTURAL DEVELOPMENT APPROPRIATIONS

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

1. GOVERNMENT OPERATIONS

| Budget Unit | 2002-03 | 2003-04 |
|-----------------------------------|---------|-----------|
| Kentucky Infrastructure Authority | | 5,000,000 |

Notwithstanding KRS 248.703(2)(b)2., and from the allocation provided therein, included in the above appropriation is \$5,000,000 in fiscal year 2003-2004 for debt service for Water and Sewer Resources Development Bond Funds for Tobacco Counties Project provided in the Part II, Capital Projects Budget. All necessary debt service amounts shall be appropriated from the General Fund and shall be fully paid regardless of whether there is sufficient moneys available to be transferred from tobacco supported funding program accounts to other accounts of the General Fund. Future debt service payments for the Water and Sewer Resources Development Fund for Tobacco Counties shall be provided from the General Fund. Notwithstanding any other provision in this Act, any unneeded debt service up to \$2,282,500 for this project shall lapse to the credit of the General Fund.

| Budget Unit | 2002-03 | 2003-04 |
|--|------------|------------|
| Governor's Office of Agricultural Policy | 47,688,000 | 34,434,000 |

Notwithstanding KRS 248.703(2)(b)2., and from the allocation provided therein, included in the above appropriation is \$611,200 in fiscal year 2002-2003 and \$513,300 in fiscal year 2003-2004 which shall be transferred to the credit of the General Fund. Notwithstanding KRS 248.703(2)(b)2., and from the allocation provided therein, included in the above appropriation is up to \$1,600,000 in fiscal year 2002-2003 and \$1,600,000 in fiscal year 2003-2004 for the University of Kentucky Cooperative Extension Service to support the cost of providing a one-time bonus in each fiscal year for county extension agents in addition to any salary adjustments which may be made.

Notwithstanding KRS 248.703(2)(b)1., and from the allocation provided therein, counties that are allocated in excess of \$20,000 annually may provide up to four percent of the individual county allocation, not to exceed \$15,000 annually, to the county council in that county for administrative costs.

2. FINANCE AND ADMINISTRATION CABINET

| Budget Unit | 2002-03 | 2003-04 |
|--------------|-----------|-----------|
| Debt Service | 6,112,000 | 6,116,000 |

To the extent that revenues sufficient to support the required debt service appropriations are received from the Tobacco Settlement Program, those revenues shall be transferred from those accounts to the appropriate account of the General Fund to fully fund the aggregate debt service obligation of the General Fund. All necessary debt service amounts shall be appropriated from the General Fund and shall be fully paid regardless of whether there is a sufficient amount available to be transferred from tobacco supported funding program accounts to other accounts of the General Fund.

3. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION

| Budget Unit | 2002-03 | 2003-04 |
|-------------------|-----------|-----------|
| Natural Resources | 9,000,000 | 9,000,000 |

These funds are appropriated for the Environmental Stewardship Program within the Department for Natural Resources.

| | | |
|-----------------------------------|------------|------------|
| TOTAL AGRICULTURAL APPROPRIATIONS | 62,800,000 | 54,550,000 |
|-----------------------------------|------------|------------|

B. EARLY CHILDHOOD DEVELOPMENT

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

1. GOVERNMENT OPERATIONS

| Budget Unit | 2002-03 | 2003-04 |
|---|-----------|-----------|
| Governor's Office of Early Childhood Development | 2,188,400 | 2,188,400 |

2. CABINET FOR FAMILIES AND CHILDREN

| Budget Unit | 2002-03 | 2003-04 |
|--------------------------|-----------|-----------|
| Community Based Services | 7,262,800 | 3,581,300 |

Included in the above appropriation is \$7,023,300 in fiscal year 2002-2003 and \$3,023,300 in fiscal year 2003-2004 for the Early Childhood Development Program, and \$239,500 in fiscal year 2002-2003 and \$558,000 in fiscal year 2003-2004 for Child Advocacy Centers. Phase I Tobacco Settlement funds totaling \$4,000,000 in fiscal year 2002-2003 shall not be expended, but shall carry forward into fiscal year 2003-2004 to sustain operations of fully implemented child care programs. These represent funds from fiscal year 2000-2001 which were reserved by the Early Childhood Authority in anticipation of the reduced Phase I Tobacco Settlement payments in fiscal year 2003-2004.

3. CABINET FOR HEALTH SERVICES

| Budget Unit | 2002-03 | 2003-04 |
|---------------|------------|------------|
| Public Health | 18,598,800 | 18,155,300 |

Included in the above appropriation is \$11,948,800 in each fiscal year for the HANDS Program; \$2,200,000 in fiscal year 2002-2003 and \$2,010,300 in fiscal year 2003-2004 for Healthy Start initiatives; \$2,000,000 in each fiscal year for Universal Children's Immunizations; \$1,200,000 in fiscal year 2002-2003 and \$946,200 in fiscal year 2003-2004 for the Folic Acid Program; \$1,000,000 in each fiscal year for Early Childhood Mental Health; and \$250,000 in fiscal year 2003-2004 for Early Childhood Oral Health. Also included in the above appropriation is \$250,000 in fiscal year 2002-2003 to be transferred to the General Fund. Additionally,

\$543,500 in Phase I Tobacco Settlement funds is budgeted to continue from fiscal year 2001-2002 into fiscal year 2002-2003 and from fiscal year 2002-2003 into fiscal year 2003-2004 to sustain operations of the fully implemented Healthy Start (\$289,700) and Folic Acid (\$253,800) Programs. These amounts represent funds from fiscal year 2000-2001 which were reserved by the Early Childhood Authority in anticipation of the reduced Phase I Tobacco Settlement payments in fiscal year 2003-2004.

| Budget Unit | 2002-03 | 2003-04 |
|--------------------------------------|-----------|-----------|
| Mental Health and Mental Retardation | 1,000,000 | 1,000,000 |
| Children with Special Health Care | | |
| Needs | 1,600,000 | 1,600,000 |

Included in the above appropriation is \$550,000 in each fiscal year for Universal Newborn Hearing Screening; \$50,000 in each fiscal year for Vision Screening; and \$1,000,000 each fiscal year for the Kentucky Early Intervention Services First Steps Program.

4. POSTSECONDARY EDUCATION

| Budget Unit | 2002-03 | 2003-04 |
|---------------------------|---------|---------|
| Kentucky Higher Education | | |
| Assistance Authority | 750,000 | 750,000 |

Included in the above appropriation is \$750,000 in fiscal year 2002-2003 and \$750,000 in fiscal year 2003-2004 for Early Childhood Scholarships.

| | | |
|--------------------------------------|------------|------------|
| TOTAL EARLY CHILDHOOD APPROPRIATIONS | 31,400,000 | 27,275,000 |
|--------------------------------------|------------|------------|

C. HEALTH CARE IMPROVEMENT APPROPRIATIONS

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 304.17B-003(5), appropriations for health care improvement shall be as follows:

1. GOVERNMENT OPERATIONS

| Budget Unit | 2002-03 | 2003-04 |
|-------------------------------|-----------|-----------|
| Kentucky Agency for Substance | | |
| Abuse Policy | 2,574,800 | 2,236,600 |

Notwithstanding KRS 12.330, included in the above appropriation is \$844,100 in fiscal year 2002-2003 and \$489,300 in fiscal year 2003-2004 which shall be transferred to the Endowment Fund. This Endowment Fund shall be created as a Restricted Funds account in the state accounting system. Included in the above appropriation is \$225,000 in fiscal year 2003-2004 to be transferred to the Department for Public Health for operating costs associated with the upgrade of the Kentucky All Schedule Prescription Electronic Reporting (KASPER) system. Included in the above appropriation is \$1,500,000 in fiscal year 2002-2003 and \$1,500,000 in fiscal year 2003-2004 which shall be transferred to the credit of the General Fund.

2. CABINET FOR HEALTH SERVICES

| Budget Unit | 2002-03 | 2003-04 |
|---------------|-----------|-----------|
| Public Health | 3,140,000 | 2,727,500 |

These funds are appropriated for the Smoking Cessation Program within the Department for Public Health.

3. POSTSECONDARY EDUCATION

| Budget Unit | 2002-03 | 2003-04 |
|------------------------------------|-----------|-----------|
| Council on Postsecondary Education | 6,280,000 | 5,455,000 |

These funds are appropriated for the Lung Cancer Research Program within the Council on Postsecondary Education.

4. PUBLIC PROTECTION AND REGULATION CABINET

| Budget Unit | 2002-03 | 2003-04 |
|-------------------------|------------|------------|
| Department of Insurance | | |
| General Operations | 19,405,200 | 16,855,900 |

These funds are appropriated for the Kentucky Access Program.

| | 2002-03 | 2003-04 |
|---|-------------|-------------|
| TOTAL HEALTH CARE APPROPRIATIONS | 31,400,000 | 27,275,000 |
| | 2002-03 | 2003-04 |
| TOTAL PHASE I TOBACCO SETTLEMENT FUNDING PROGRAM | 125,407,000 | 109,100,000 |

PART XII

STATE/EXECUTIVE BRANCH BUDGET SUMMARY

OPERATING BUDGET

| | 2002-03 | 2003-04 |
|------------------------|----------------|----------------|
| General Fund - Tobacco | 125,600,000 | 109,100,000 |
| General Fund | 6,854,558,700 | 7,128,228,200 |
| Restricted Funds | 3,595,291,900 | 3,669,046,800 |
| Federal Funds | 5,533,885,800 | 5,428,253,600 |
| Road Fund | 1,115,289,400 | 1,130,926,500 |
| Subtotal | 17,224,625,800 | 17,465,555,100 |

CAPITAL PROJECTS BUDGET

| | 2002-03 | 2003-04 |
|------------------|-------------|-------------|
| General Fund | 100,000 | 400,000 |
| Restricted Funds | 842,747,031 | 246,972,750 |
| Federal Funds | 81,219,000 | 8,866,000 |
| Road Fund | 5,840,000 | 8,284,000 |
| Bond Funds | 511,406,380 | 110,530,000 |

| | | |
|--|---------------|-------------|
| Agency Bonds | 155,000,000 | 0 |
| Capital Construction Surplus | 2,290,000 | 319,000 |
| Investment Income | 17,782,900 | 15,100,000 |
| Other Funds | 108,918,000 | 2,700,000 |
| Deferred Maintenance | 957,000 | 0 |
| Emergency Repair, Replacement and Maintenance | 0 | 500,000 |
| Capital Construction Contingency | 800,000 | 0 |
| Subtotal | 1,727,060,311 | 393,671,750 |

TOTAL-STATE/EXECUTIVE BUDGET

| | 2002-03 | 2003-04 |
|---|----------------|----------------|
| General Fund - Tobacco | 125,600,000 | 109,100,000 |
| General Fund | 6,854,658,700 | 7,128,628,200 |
| Restricted Funds | 4,438,038,931 | 3,916,019,550 |
| Federal Funds | 5,615,104,800 | 5,437,119,600 |
| Road Fund | 1,121,129,400 | 1,139,210,500 |
| Bond Funds | 511,406,380 | 110,530,000 |
| Agency Bonds | 155,000,000 | 0 |
| Capital Construction Surplus | 2,290,000 | 319,000 |
| Investment Income | 17,782,900 | 15,100,000 |
| Other Funds | 108,918,000 | 2,700,000 |
| Deferred Maintenance | 957,000 | 0 |
| Emergency Repair, Replacement, and Maintenance | 0 | 500,000 |
| Capital Construction Contingency | 800,000 | 0 |
| TOTAL FUNDS | 18,951,686,111 | 17,859,226,850 |

The above capital projects are directly funded in Part II, Capital Projects Budget, of this Act.

PART XIII

WATER AND SEWER RESOURCES DEVELOPMENT BOND POOLS

A. WATER AND SEWER RESOURCES DEVELOPMENT

FOR COAL PRODUCING COUNTIES

Bond Funds in the amount of \$54,765,000 are authorized for projects within the Water and Sewer Resources Development Fund for Coal Producing Counties. The Bond Pool authorization identified in Part II, Capital Projects Budget, and the Project list as identified in Part XIII, Water and Sewer Resources Development Bond Pools, shall be placed under the jurisdiction of the

Kentucky Infrastructure Authority (KIA). There is \$5,000,000 in fiscal year 2003-2004 appropriated from Restricted Funds for debt service. From the effective date of this Act, interest earnings and/or investment income earned on bond proceeds shall be retained by the Water and Sewer Resources Development Fund for Coal Producing Counties. Any interest earnings and/or investment income shall be made available for approved projects. The Executive Director of KIA, the Secretary of the Finance and Administration Cabinet, and Bond Counsel shall determine the most permissive cost-advantageous method for issuing the bonds, including using an existing bond indenture, creating a new bond indenture, and utilizing the State Property and Buildings Commission or the Kentucky Asset/Liability Commission for the issuance of the bonds.

(1) GOVERNMENT OPERATIONS

a. Budget Unit Kentucky Infrastructure Authority 2002-03 2003-04

Bell County

- | | | | |
|----|---|---------|--|
| 1. | Bell County Fiscal Court - Chichester Sewer Line | | |
| | Bond Funds | 150,000 | |
| 2. | Bell County Fiscal Court - Sam's Mountain Pump Station and Storage Tank | | |
| | Bond Funds | 175,000 | |
| 3. | Bell County Fiscal Court - Upper-Lower Christy, Don Green Brownies Creek Pump Station, Storage Tank | | |
| | Bond Funds | 320,000 | |
| 4. | Bell County Fiscal Court - Water Line Projects on George Neal Road, Premier Road, and Hances Creek Road | | |
| | Bond Funds | 225,000 | |
| 5. | Bell County Fiscal Court - Whitmer Industrial Park Water Line | | |
| | Bond Funds | 130,000 | |

Boyd County

- | | | | |
|----|---|---------|--|
| 6. | Boyd County Fiscal Court - Big Sandy Water District System Improvements | | |
| | Bond Funds | 350,000 | |
| 7. | Boyd County Fiscal Court - Cannonsburg Water District | | |
| | Bond Funds | 350,000 | |
| 8. | Boyd County Fiscal Court - City of Ashland Water Treatment Plant Improvements | | |
| | Bond Funds | 47,000 | |
| 9. | Boyd Sanitation District #2 | | |
| | Bond Funds | 250,000 | |

Breathitt County

- | | | | |
|-----|---|-----------|--|
| 10. | Breathitt County Water District - Water Line Extensions | | |
| | Bond Funds | 2,726,804 | |

Butler County

| | | |
|----------------|---|-----------|
| 11. | Butler County Fiscal Court - Water/Sewer Infrastructure | |
| | Bond Funds | 1,000,000 |
| Carter County | | |
| 12. | Carter County Fiscal Court - Olive Hill Water Improvements and Line Extensions | |
| | Bond Funds | 600,000 |
| 13. | Grayson Utility Commission - Water Treatment Plant and Line Extension | |
| | Bond Funds | 600,000 |
| 14. | Rattlesnake Ridge Water District - Water Line Extension | |
| | Bond Funds | 600,000 |
| Clay County | | |
| 15. | City of Manchester - Sewer Line Replacement | |
| | Bond Funds | 300,000 |
| 16. | City of Manchester - Sewer Pumps | |
| | Bond Funds | 100,000 |
| 17. | Clay County Fiscal Court - Water Line Extension | |
| | Bond Funds | 2,000,000 |
| 18. | North Manchester Water District - Tank Construction and Water Line Extension | |
| | Bond Funds | 1,000,000 |
| Daviess County | | |
| 19. | City of Whitesville - Water Line Extension and Tank | |
| | Bond Funds | 100,000 |
| 20. | Philpot Water System - Water Pump and Line Extension | |
| | Bond Funds | 250,000 |
| 21. | West Daviess Water District - Water Storage Tank | |
| | Bond Funds | 350,000 |
| Elliott County | | |
| 22. | City of Sandy Hook Water District - Water System Improvements | |
| | Bond Funds | 800,000 |
| 23. | Sandy Hook Sewer Department | |
| | Bond Funds | 250,000 |
| Floyd County | | |
| 24. | Floyd County Fiscal Court - City of Prestonsburg for Water Tower Replacement for Martin County Prison Project | |
| | Bond Funds | 400,000 |

25. Southern Water and Sewer District - Water Line Extensions in Southern Floyd County
Bond Funds 1,250,000

Greenup County

26. City of Greenup - Water Expansion
Bond Funds 500,000
27. City of Greenup - Water System Phase VII Expansion Project
Bond Funds 100,000
28. City of Worthington - Well Head Project and Water System
Bond Funds 155,000
29. Greenup County Fiscal Court - Raceland/ Poplar Highlands Water Extensions
Bond Funds 400,000
30. Greenup County Fiscal Court - Russell/Flatwoods - Russell Heights Sewer
Bond Funds 60,000
31. Greenup County Fiscal Court - Storm Drainage
Bond Funds 100,000
32. Greenup County Fiscal Court - Water and Sewer Projects for Cities of Wurtland,
Worthington, Raceland, Russell, and Greenup
Bond Funds 113,554
33. Greenup County Fiscal Court - Water Line Projects
Bond Funds 125,000

Hancock County

34. East Daviess County Water Association - Water Line Extension and Storage Tank
Bond Funds 250,000
35. Hancock County Fiscal Court - Lewisport Industrial Park Water Projects
Bond Funds 91,219

Harlan County

36. Green Hills Water District - Water Line Little Shepherd Trail
Bond Funds 160,000
37. Green Hills Water District - Water Tank Construction
Bond Funds 125,000
38. Harlan County Fiscal Court - City of Evarts - Line Extension with Black Mountain
Utility District
Bond Funds 800,000
39. Harlan County Fiscal Court - City of Lynch Water Line Upgrade

| | |
|---|-----------|
| Bond Funds | 616,027 |
| Hopkins County | |
| 40. Hopkins County Fiscal Court - Water Projects | |
| Bond Funds | 370,000 |
| Jackson County | |
| 41. Jackson County Fiscal Court - Water Line Extensions | |
| Bond Funds | 435,000 |
| Johnson County | |
| 42. Paintsville Utility Commission - Water Line Extensions in Scattered Locations | |
| Bond Funds | 613,435 |
| Knott County | |
| 43. Knott County Fiscal Court - Water Line Extension | |
| Bond Funds | 1,000,000 |
| 44. Southern Water and Sewer District - Water Line Extensions on Right Beaver Creek | |
| Bond Funds | 674,090 |
| Knox County | |
| 45. Barbourville Utility Commission - Master Meter and Line Connect on Highway 11 | |
| Bond Funds | 180,000 |
| 46. Barbourville Utility Commission - Water Tank, Pump Station HWY 229, and Water Line Extensions | |
| Bond Funds | 500,000 |
| 47. Knox County Fiscal Court - Water Projects | |
| Bond Funds | 1,178,400 |
| 48. Knox County Fiscal Court - Water Tank | |
| Bond Funds | 150,000 |
| Laurel County | |
| 49. Woods Creek Water District - Sewer and Water Upgrades | |
| Bond Funds | 2,000,000 |
| Lawrence County | |
| 50. Big Sandy Water District Interconnection and Water System Improvements | |
| Bond Funds | 500,000 |
| 51. Lawrence County Fiscal Court - City of Louisa Water System Improvements | |
| Bond Funds | 391,520 |
| 52. Lawrence County Fiscal Court - Louisa Sewer - High Bottom Lift Station | |

| | | |
|-----------------|--|-----------|
| | Bond Funds | 150,000 |
| Lee County | | |
| 53. | City of Beattyville - Tillage Loop | |
| | Bond Funds | 58,000 |
| 54. | City of Beattyville - Water Treatment Plant | |
| | Bond Funds | 1,000,000 |
| 55. | Lee County Fiscal Court - City of Beattyville Water Line Extension | |
| | Bond Funds | 500,000 |
| 56. | Lee County Fiscal Court - Happy Top Sewer Expansion and Other Sewer Expansions | |
| | Bond Funds | 150,000 |
| Leslie County | | |
| 57. | Leslie County Fiscal Court - State Route 699 Cutshin Area | |
| | Bond Funds | 650,000 |
| 58. | Leslie County Water District - SIMMs Branch and Stone Coal Water Line Extensions | |
| | Bond Funds | 250,000 |
| 59. | Leslie County Water District - Water Line Extension on Camp Creek Road | |
| | Bond Funds | 500,000 |
| Letcher County | | |
| 60. | Letcher County Fiscal Court - City of Fleming-Neon Water Line Extension | |
| | Bond Funds | 180,000 |
| 61. | Letcher County Fiscal Court - City of Jenkins Water Line Extension | |
| | Bond Funds | 223,466 |
| 62. | Letcher County Fiscal Court - Mountain Water District Water Line Extension | |
| | Bond Funds | 450,000 |
| 63. | Letcher County Fiscal Court - Whitesburg Water Line Extension to Dry Fork-Uz | |
| | Bond Funds | 400,000 |
| 64. | Letcher County Water and Sewer District - Water Line Extension Route 7 and 317 | |
| | Bond Funds | 2,000,000 |
| Magoffin County | | |
| 65. | Magoffin County Fiscal Court - Water/Sewer Expansion | |
| | Bond Funds | 1,800,000 |
| Martin County | | |
| 66. | Martin County Water District - Eastern Area Water Line Extensions | |
| | Bond Funds | 470,034 |

| | | |
|-------------------|---|-----------|
| 67. | Martin County Water District - Side Hollow Water Line Extensions | |
| | Bond Funds | 1,033,289 |
| McCreary County | | |
| 68. | McCreary County Fiscal Court - Industrial Park Water and Sewer Infrastructure | |
| | Bond Funds | 80,000 |
| 69. | McCreary County Water District - Water Line Extensions | |
| | Bond Funds | 920,000 |
| Menifee County | | |
| 70. | Cave Run Water Commission - Water Plant | |
| | Bond Funds | 176,700 |
| 71. | Cave Run Water Commission - Water Plant | |
| | Bond Funds | 176,700 |
| 72. | Menifee County Fiscal Court - Water Line Extension and Water Tank | |
| | Bond Funds | 550,000 |
| Morgan County | | |
| 73. | City of West Liberty - Water Tank Construction | |
| | Bond Funds | 400,000 |
| 74. | Morgan County Fiscal Court - Water Line Extensions | |
| | Bond Funds | 500,000 |
| 75. | Morgan County Water District Board - Water Line Extensions | |
| | Bond Funds | 500,000 |
| Muhlenberg County | | |
| 76. | Muhlenberg County Fiscal Court - Paradise Industrial Park - Water and Sewer Utilities | |
| | Bond Funds | 500,000 |
| Ohio County | | |
| 77. | Ohio County Water District - Water Line Extension | |
| | Bond Funds | 241,500 |
| Owsley County | | |
| 78. | City of Booneville - Sewer Expansion | |
| | Bond Funds | 600,000 |
| Perry County | | |
| 79. | City of Hazard - South Perry County Water Line | |
| | Bond Funds | 1,280,800 |

- | | | |
|-----|--|-----------|
| 80. | City of Hazard - South Perry County Water Line | |
| | Bond Funds | 769,702 |
| 81. | Perry County Fiscal Court - City of Hazard - Robinson - Rowdy Water Line | |
| | Bond Funds | 1,099,134 |

Pike County

- | | | |
|-----|--|---------|
| 82. | Mountain Water District - Chloe Connector Shelbianna Water | |
| | Bond Funds | 197,000 |
| 83. | Mountain Water District - Feds Creek Extension | |
| | Bond Funds | 911,747 |
| 84. | Mountain Water District - Lower Shelby Valley Sewer Project | |
| | Bond Funds | 800,000 |
| 85. | Mountain Water District - Phelps Water Line Extensions | |
| | Bond Funds | 151,000 |
| 86. | Mountain Water District - Fords Mountain Connector | |
| | Bond Funds | 366,000 |
| 87. | Pike County Fiscal Court - City of Elkhorn - Beaver Creek Water Line Extension | |
| | Bond Funds | 363,204 |
| 88. | Pikeville Water Department - Water Treatment Improvements | |
| | Bond Funds | 174,000 |

Union County

- | | | |
|-----|---|---------|
| 89. | Union County Fiscal Court - Sewer Line | |
| | Bond Funds | 300,000 |
| 90. | Union County Fiscal Court - Uniontown Sewer Facility | |
| | Bond Funds | 150,000 |
| 91. | Union County Water District - Water Line Extension | |
| | Bond Funds | 50,000 |
| 92. | Union Fiscal Court - City of Morganfield - Raw Water Main | |
| | Bond Funds | 300,000 |

Webster County

- | | | |
|-----|---|---------|
| 93. | Sebree South Industrial Park - Sewer Line Extension | |
| | Bond Funds | 850,000 |

Whitley County

- | | | |
|-----|--|-----------|
| 94. | City of Williamsburg - Water Treatment Plant | |
| | Bond Funds | 3,000,000 |

| | |
|--|---------|
| 95. Cumberland Falls Water District - System Expansion and Improvements | |
| Bond Funds | 500,000 |
| 96. Whitley County Water District - Jellico Community Water Line Improvement/Expansion | |
| Bond Funds | 600,000 |
| 97. Whitley County Water District - Nevisdale Water Line Extension | |
| Bond Funds | 170,000 |
| 98. Whitley County Water District - Water/ Sewer Extension to Jail | |
| Bond Funds | 790,000 |
| 99. Whitley County Water District - Woodbine Highway 26 Water Line Replacement/Improvement | |
| Bond Funds | 700,000 |

Wolfe County

| | |
|---|---------|
| 100. City of Campton - Dam Repair | |
| Bond Funds | 250,000 |
| 101. City of Campton - Hazel Green Line Extension | |
| Bond Funds | 300,000 |
| 102. City of Campton - Maytown Tar Ridge | |
| Bond Funds | 200,000 |
| 103. City of Campton - Water Line Extension | |
| Bond Funds | 217,673 |

**B. WATER AND SEWER RESOURCES DEVELOPMENT FUND
FOR TOBACCO COUNTIES**

Bond Funds in the amount of \$54,765,000 are authorized for projects within the Water and Sewer Resources Development Fund for Tobacco Counties. The Bond Pool authorization identified in Part II, Capital Projects Budget, and the Project list as identified in Part XIII, Water and Sewer Resources Development Bond Pools, shall be placed under the jurisdiction of the Kentucky Infrastructure Authority (KIA). There is \$5,000,000 in fiscal year 2003-2004 appropriated from the General Fund for debt service. From the effective date of this Act, interest earnings and/or investment income earned on bond proceeds shall be retained by the Water and Sewer Resources Development Fund for Tobacco Counties. Any interest earnings and/or investment income shall be made available for approved projects. The Executive Director of KIA, the Secretary of the Finance and Administration Cabinet, and Bond Counsel shall determine the most permissive cost-advantageous method for issuing the bonds including using an existing bond indenture, creating a new bond indenture, and utilizing the State Property and Buildings Commission or the Kentucky Asset/Liability Commission for the issuance of the bonds.

(1) GOVERNMENT OPERATIONS

| | | | |
|----------------|-----------------------------------|---------|---------|
| a. Budget Unit | Kentucky Infrastructure Authority | 2002-03 | 2003-04 |
|----------------|-----------------------------------|---------|---------|

Adair County

1. Adair County Water District - Ozark Water Expansion
Bond Funds 413,000

Allen County

2. Allen County Fiscal Court - Industrial Sewer Line Extension
Bond Funds 500,000

Anderson County

3. Anderson County Fiscal Court - South Anderson Water Expansion - Phase VI
Bond Funds 750,000

Barren County

4. City Of Glasgow - Sewer Line Extension To Industrial Park
Bond Funds 250,000
5. City Of Glasgow - Water And Sewer Line Extension To Barren River State Park
Bond Funds 1,400,000
6. Glasgow Water Company - Line Extension & Storage Tank
Bond Funds 340,000

Bath County

7. Bath County Water District - Expansion Phase I
Bond Funds 850,000

Bourbon County

8. City Of Millersburg Water Expansion
Bond Funds 320,000
9. City Of Paris Water Line Extension
Bond Funds 650,000

Boyle County

10. Boyle County Fiscal Court - Perryville Replacement Sewer And Water Line
Bond Funds 35,000
11. City Of Danville Wastewater Treatment Plant Upgrade
Bond Funds 400,000
12. Junction City Water And Sewer Upgrade
Bond Funds 70,000

Bracken County

13. Bracken County Fiscal Court - Augusta 201 Study
Bond Funds 50,000

| | | |
|---------------------|---|---------|
| 14. | Bracken County Fiscal Court - Augusta Lagoons | |
| | Bond Funds | 200,000 |
| 15. | Bracken County Fiscal Court - Sewer Upgrades | |
| | Bond Funds | 80,000 |
| 16. | Bracken County Water District - Southwestern Bracken Water | |
| | Bond Funds | 360,000 |
| 17. | Bracken County Water District Berlin - Lenoxburg Upgrade | |
| | Bond Funds | 360,000 |
| Breckinridge County | | |
| 18. | Hardinsburg Regional Water Treatment | |
| | Bond Funds | 500,000 |
| Bullitt County | | |
| 19. | Louisville Water Company - Brooks Hill Road | |
| | Bond Funds | 126,000 |
| 20. | Louisville Water Company - Lebanon Junction Project | |
| | Bond Funds | 383,000 |
| 21. | Louisville Water Company Lake Elmo | |
| | Bond Funds | 80,000 |
| 22. | Louisville Water Company-East Highway 480 | |
| | Bond Funds | 300,000 |
| 23. | Louisville Water Company-Knob Creek Road | |
| | Bond Funds | 90,000 |
| Caldwell County | | |
| 24. | Caldwell County Water District - Improvements | |
| | Bond Funds | 300,000 |
| 25. | City Of Princeton - Water Storage Tank | |
| | Bond Funds | 125,000 |
| 26. | City Of Princeton - Water Treatment Plant Expansion | |
| | Bond Funds | 150,000 |
| Carroll County | | |
| 27. | Carroll County Fiscal Court - Wirthville (Happy Hollow) Sewer Plant | |
| | Bond Funds | 250,000 |
| Casey County | | |
| 28. | Casey County Water - Southeastern Casey Water Expansion | |

| | | |
|-------------------|--|-----------|
| | Bond Funds | 750,000 |
| 29. | City Of Liberty - Sewer Expansion | |
| | Bond Funds | 80,000 |
| Clark County | | |
| 30. | Clark County Fiscal Court - East Clark County Water Phase VII | |
| | Bond Funds | 375,000 |
| 31. | East Kentucky Power - US 60 Line Sewer | |
| | Bond Funds | 150,000 |
| 32. | Winchester Municipal Utilities - KY 15 Elevated Press | |
| | Bond Funds | 500,000 |
| Clinton County | | |
| 33. | City Of Albany - Wastewater Treatment Plant Improvement | |
| | Bond Funds | 1,000,000 |
| 34. | City Of Albany - Water Extension | |
| | Bond Funds | 135,000 |
| 35. | Clinton County Fiscal Court - Cumberland Extension And Pump | |
| | Bond Funds | 360,000 |
| 36. | Clinton County Fiscal Court - Sewer Line To Highway 90 Area | |
| | Bond Funds | 150,000 |
| Crittenden County | | |
| 37. | City Of Marion - Wastewater Improvement | |
| | Bond Funds | 200,000 |
| 38. | Crittenden County Fiscal Court - Crittenden-Livingston-Water Extension Phase VII | |
| | Bond Funds | 150,000 |
| 39. | Crittenden County Fiscal Court - Crittenden-Livingston-Water KY 1668-135 | |
| | Bond Funds | 150,000 |
| 40. | Crittenden County Fiscal Court - Livingston Water Improvement | |
| | Bond Funds | 500,000 |
| Cumberland County | | |
| 41. | City Of Burkesville - Water Treatment Expansion | |
| | Bond Funds | 1,300,000 |
| Edmonson County | | |
| 42. | City Of Brownsville - Sewer Line Extension | |
| | Bond Funds | 130,000 |

| | | |
|-----------------|---|---------|
| 43. | City Of Brownsville - Sewer Line Extension | |
| | Bond Funds | 228,000 |
| 44. | Edmonson County Sanitation Authority - Sewer Line Extension | |
| | Bond Funds | 300,000 |
| Estill County | | |
| 45. | Estill County Water Expansion | |
| | Bond Funds | 600,000 |
| Fleming County | | |
| 46. | Fleming County Fiscal Court - Fleming County Industrial Park Tank | |
| | Bond Funds | 350,000 |
| 47. | Fleming County Fiscal Court - Flemingsburg 201 Study | |
| | Bond Funds | 35,000 |
| 48. | Fleming County Fiscal Court - Flemingsburg Water Lines | |
| | Bond Funds | 75,000 |
| 49. | Fleming County Fiscal Court - Hillsboro Sewer (\$3,000,000 Project) | |
| | Bond Funds | 200,000 |
| 50. | Fleming County Fiscal Court - West Fleming Water District | |
| | Bond Funds | 100,000 |
| 51. | Fleming County Water Association - Telemetry | |
| | Bond Funds | 150,000 |
| Franklin County | | |
| 52. | Franklin County Fiscal Court - North Shelby - Monroe Lane | |
| | Bond Funds | 48,037 |
| 53. | Franklin County Fiscal Court - North Shelby Water - Snow Hill | |
| | Bond Funds | 53,852 |
| 54. | Peaks Mill Water District - Union Ridge Extension | |
| | Bond Funds | 650,000 |
| Gallatin County | | |
| 55. | Gallatin Water Works - Extension | |
| | Bond Funds | 250,000 |
| Garrard County | | |
| 56. | Garrard County Fiscal Court - Flint Road Water Line Upgrade | |
| | Bond Funds | 100,000 |
| 57. | Garrard County Fiscal Court - Recreation Park Water Lines | |

| | | |
|-----------------|--|-----------|
| | Bond Funds | 100,000 |
| 58. | Garrard County Water - Old Richmond & Brock Rd. Water | |
| | Bond Funds | 65,000 |
| Grant County | | |
| 59. | Bullock Pen Water District - Improvements | |
| | Bond Funds | 725,000 |
| Grayson County | | |
| 60. | Grayson County Fiscal Court - Leitchfield Bypass Water Extension | |
| | Bond Funds | 500,000 |
| Green County | | |
| 61. | Green-Taylor Water District - Line Water System Improvement | |
| | Bond Funds | 600,000 |
| 62. | Sanitation District #1 - Summersville Sewer Forced Main | |
| | Bond Funds | 573,000 |
| Hardin County | | |
| 63. | Hardin County Water District #2 - Water and Sewer Improvements | |
| | Bond Funds | 1,000,000 |
| 64. | New Salem Water Improvements | |
| | Bond Funds | 700,000 |
| 65. | West Point - Water and Sewer Improvements | |
| | Bond Funds | 125,000 |
| Harrison County | | |
| 66. | City Of Cynthiana - Wastewater Plant | |
| | Bond Funds | 1,000,000 |
| 67. | Harrison County Water Association - Telemetering | |
| | Bond Funds | 100,000 |
| Hart County | | |
| 68. | Edmonson County - Water Improvement | |
| | Bond Funds | 110,000 |
| 69. | Green River Valley Water Improvement | |
| | Bond Funds | 300,000 |
| 70. | Green River Valley Water Improvement | |
| | Bond Funds | 288,000 |
| Henry County | | |

71. Henry County Water District - Storage Tank, Acquisition of System, Upgrades
Bond Funds 500,000

Jessamine County

72. Jessamine County Water District 1 - Ashgrove - Vince Road Loop
Bond Funds 285,000
73. Jessamine South Elkhorn Water District - Southeast Water Lines
Bond Funds 800,000

Larue County

74. City Of Hodgenville - Water and Sewer Improvements
Bond Funds 200,000
75. Larue Co Water District #1
Bond Funds 250,000
76. South Nelson & Larue Water Extension
Bond Funds 250,000

Lewis County

77. Garrison-Quincy Water District - Water and Sewer Improvements
Bond Funds 800,000
78. Tollesboro Industrial Park Tank
Bond Funds 200,000

Lincoln County

79. City Of Stanford Water Commission - Buckcreek Lake Water, Phase I And II
Bond Funds 1,000,000
80. Eubank Water
Bond Funds 60,000
81. Garrard County Water - Old Falls Lick And North 27 Water
Bond Funds 38,988

Livingston County

82. Livingston County Fiscal Court - Crittenden-Livingston Water Line Extension
Bond Funds 175,000
83. Livingston County Fiscal Court - Grand Rivers Water Line
Bond Funds 50,000
84. Livingston County Fiscal Court - Ledbetter Water Line Upgrade
Bond Funds 125,000
85. Livingston County Fiscal Court - Salem Water Line

| | | |
|----------------|--|-----------|
| | Bond Funds | 50,000 |
| 86. | Livingston County Fiscal Court - Smithland Water Line | |
| | Bond Funds | 50,000 |
| Logan County | | |
| 87. | Logan/Todd Regional Commission - Water and Sewer Improvements | |
| | Bond Funds | 750,000 |
| Lyon County | | |
| 88. | City Of Eddyville - Raw Line And Tank | |
| | Bond Funds | 500,000 |
| Madison County | | |
| 89. | Richmond Gas & Water - Sewer Wastewater Treatment Plant | |
| | Bond Funds | 1,000,000 |
| 90. | Richmond Water Gas & Sewer Works Intake | |
| | Bond Funds | 1,000,000 |
| Marion County | | |
| 91. | Lebanon/Marion County Industrial Development Authority - Industrial Site Water And Sewer | |
| | Bond Funds | 450,000 |
| 92. | Marion County Water District - Rural Water Extension And Tank | |
| | Bond Funds | 250,000 |
| Mason County | | |
| 93. | Mason County Fiscal Court - All Water Districts - Water Line Extensions | |
| | Bond Funds | 500,000 |
| 94. | Mason County Fiscal Court - Maysville - Mason County Industrial Park | |
| | Bond Funds | 500,000 |
| 95. | Mason County Fiscal Court - Muransburg | |
| | Bond Funds | 100,000 |
| 96. | Mason County Fiscal Court - West Mason - Replace Two Tanks | |
| | Bond Funds | 200,000 |
| 97. | Mason County Fiscal Court - West Mason Water Line Extension | |
| | Bond Funds | 100,000 |
| 98. | Mason County Fiscal Court - West Mason Well | |
| | Bond Funds | 100,000 |
| Meade County | | |

| | |
|---|---------|
| 99. City Of Brandenburg - Water Tanks | |
| Bond Funds | 100,000 |
| 100. Meade County Water District - Phase V Water System | |
| Bond Funds | 250,000 |

Mercer County

| | |
|---|---------|
| 101. City Of Burgin - Drinking Water Enhancement Project | |
| Bond Funds | 200,000 |
| 102. Lake Village Water Association - Water Main Extension, Contract 12-US 68, Shakertown | |
| Bond Funds | 450,000 |
| 103. North Mercer Water District - Improvements | |
| Bond Funds | 500,000 |

Metcalf County

| | |
|--|---------|
| 104. City Of Edmonton-Sewer Line Extension To Industrial Park | |
| Bond Funds | 200,000 |
| 105. Edmonton Water Works - Line Extension | |
| Bond Funds | 300,000 |
| 106. Metcalfe County Fiscal Court - Matching Funds For Water Extension | |
| Bond Funds | 300,000 |

Monroe County

| | |
|--|---------|
| 107. Monroe County Fiscal Court - Gamaliel Sewer Replacement And Improvement | |
| Bond Funds | 200,000 |
| 108. Monroe County Fiscal Court - Tompkinsville Water Improvement | |
| Bond Funds | 300,000 |
| 109. Monroe County Fiscal Court - Water Improvement | |
| Bond Funds | 345,000 |
| 110. Monroe County Fiscal Court - Water Improvement | |
| Bond Funds | 66,000 |

Montgomery County

| | |
|--|---------|
| 111. City Of Jeffersonville | |
| Bond Funds | 125,000 |
| 112. Montgomery County Fiscal Court - Judy Water Meter Upgrade | |
| Bond Funds | 50,000 |
| 113. Montgomery County Water District 1 | |

| | | |
|------------------|--|---------|
| | Bond Funds | 250,000 |
| 114. | Mt. Sterling - Water Treatment Plant | |
| | Bond Funds | 500,000 |
| 115. | Mt. Sterling Water & Sewer | |
| | Bond Funds | 110,000 |
| Nelson County | | |
| 116. | City Of Bardstown - Water Tank Improvements | |
| | Bond Funds | 500,000 |
| 117. | Nelson Fiscal Court - To Match Water Line | |
| | Bond Funds | 250,000 |
| Nicholas County | | |
| 118. | Nicholas County Fiscal Court - Water System Improvement | |
| | Bond Funds | 300,000 |
| Oldham County | | |
| 119. | Oldham County Fiscal Court - Buckner Sewer System Upgrade | |
| | Bond Funds | 600,000 |
| 120. | Oldham County Fiscal Court - Well And Water Extension At Westport | |
| | Bond Funds | 100,000 |
| 121. | Oldham County Water District - Storage Tank US 42 And Hwy 53 | |
| | Bond Funds | 450,000 |
| Owen County | | |
| 122. | Owen County Fiscal Court - Water Line To Industrial Park | |
| | Bond Funds | 750,000 |
| Pendleton County | | |
| 123. | City Of Falmouth - Wastewater Plant | |
| | Bond Funds | 500,000 |
| 124. | Pendleton County Fiscal Court - Phase III | |
| | Bond Funds | 700,000 |
| 125. | Pendleton County Fiscal Court - Water Main Extensions - Phase I & II | |
| | Bond Funds | 442,000 |
| Powell County | | |
| 126. | Powells Valley Water District - Improvements | |
| | Bond Funds | 600,000 |
| Pulaski County | | |

| | |
|---|---------|
| 127. Pulaski County Fiscal Court - Somerset Sewer Expansion | |
| Bond Funds | 125,000 |
| 128. South East Water Association & Burnside-E Tateville-Antioch Area Expansion | |
| Bond Funds | 250,000 |
| 129. South East Water Association - Dykes-Blaze Valley Water Expansion | |
| Bond Funds | 340,000 |
| 130. South East Water Association - E Science Hill To KY 461 Water Expansion | |
| Bond Funds | 413,000 |
| 131. W Pulaski Water Association - Water Extension | |
| Bond Funds | 50,000 |
| Robertson County | |
| 132. Buffalo Trail Water Association - Milford Area | |
| Bond Funds | 375,000 |
| 133. City Of Mount Olivet - Sewer | |
| Bond Funds | 300,000 |
| Rockcastle County | |
| 134. Rockcastle County Fiscal Court - Water Additions | |
| Bond Funds | 475,000 |
| 135. Rockcastle County Fiscal Court - West Rockcastle County Water Extensions | |
| Bond Funds | 250,000 |
| Rowan County | |
| 136. Rowan County Fiscal Court - Water Treatment Upgrade Morehead | |
| Bond Funds | 425,000 |
| 137. Rowan Water, Inc. - Hydrants | |
| Bond Funds | 75,000 |
| Russell County | |
| 138. City Of Jamestown - Water Treatment Expansion | |
| Bond Funds | 450,000 |
| 139. City Of Russell Springs - Water Line Expansion | |
| Bond Funds | 100,000 |
| Scott County | |
| 140. City Of Sadieville - Wastewater Treatment | |
| Bond Funds | 500,000 |
| 141. Scott County Fiscal Court - Reservoir | |

| | | |
|----------------|---|-----------|
| | Bond Funds | 500,000 |
| 142. | Scott County Fiscal Court - Stamping Ground Water and Sewer Improvements | |
| | Bond Funds | 370,000 |
| Shelby County | | |
| 143. | North Shelby Water - Antioch Extension | |
| | Bond Funds | 50,466 |
| 144. | Shelby County Fiscal Court - Shelby Sewer Project - 1006 Rockbridge Highway 55 | |
| | Bond Funds | 375,000 |
| 145. | Shelby County Fiscal Court - Shelby Sewer Project - 1002 US 60 Highway 55 Extension | |
| | Bond Funds | 150,000 |
| 146. | Shelbyville Water & Sewer - Zaring Mill Road | |
| | Bond Funds | 175,000 |
| 147. | US 60 Water District - Highway 636 | |
| | Bond Funds | 100,000 |
| Simpson County | | |
| 148. | City Of Franklin - Sewer Line Extension To Interstate Industrial Park | |
| | Bond Funds | 500,000 |
| Spencer County | | |
| 149. | Taylorsville Water Works - County Wide Extension-Phase III Projects | |
| | Bond Funds | 500,000 |
| Taylor County | | |
| 150. | Campbellsville Municipal Water Service - Taylor County Scattered Sites Water-Expansion #1 | |
| | Bond Funds | 1,000,000 |
| 151. | Campbellsville-Taylor County Industrial Development Authority - Site Extension | |
| | Bond Funds | 250,000 |
| Todd County | | |
| 152. | Logan/Todd Reg. Commission - Improvements | |
| | Bond Funds | 500,000 |
| Trigg County | | |
| 153. | Trigg County Fiscal Court - Barkley Lake Water Improvement | |
| | Bond Funds | 500,000 |
| 154. | Trigg County Fiscal Court - Canton Water System Upgrade | |

| | |
|---|-----------|
| Bond Funds | 500,000 |
| Trimble County | |
| 155. Trimble County Fiscal Court - Scattered Sites Water Line Extension | |
| Bond Funds | 180,000 |
| Warren County | |
| 156. Warren County Fiscal Court - System Improvement Riverside And Hadley | |
| Bond Funds | 500,000 |
| 157. Warren County Fiscal Court - Warren County Water Improvement | |
| Bond Funds | 800,000 |
| 158. Warren County Sewer Interceptors | |
| Bond Funds | 220,000 |
| Washington County | |
| 159. Phase IV Springfield Water Project | |
| Bond Funds | 1,250,000 |
| 160. Springfield Waste Water - Improvements | |
| Bond Funds | 500,000 |
| Wayne County | |
| 161. Monticello Utility Commission - Brocade South Fork Area | |
| Bond Funds | 729,000 |
| 162. Monticello Utility Commission - Gregory Ritner Area | |
| Bond Funds | 684,000 |
| Woodford County | |
| 163. North Woodford Water Improvements | |
| Bond Funds | 150,000 |
| 164. Woodford County Fiscal Court - Brushy Run Road | |
| Bond Funds | 150,000 |

**Vetoed in part, March 20, 2003. Became law March 23, 2003, without Governor's signature.
Governor's vetoes overridden in part, March 25, 2003.**