

CHAPTER 78**(HB 413)**

AN ACT making an appropriation for local government public safety and declaring an emergency.

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

SECTION 1. A NEW SECTION OF KRS CHAPTER 23A IS CREATED TO READ AS FOLLOWS:

(1) *For the purposes of this section:*

(a) *"Local government" means a city, county, charter county, urban-county, or consolidated local government; and*

(b) *"Police department" means a police department created by a local government which employs one or more officers certified pursuant to KRS 15.380 to 15.404.*

(2) *In criminal cases a fee of twenty dollars (\$20) shall be added to the costs imposed by KRS 23A.205 that the defendant is required to pay.*

(3) *The circuit clerk shall pay the funds from fees collected under this section to the Finance and Administration Cabinet pursuant to KRS 23A.215 for distribution as provided in subsection (5) of this section to local governments with police departments or local governments that contract for police services, and to counties with fiscal responsibilities for jails or the transporting of prisoners.*

(4) *All funds distributed to local governments shall be used for payment of expenses for operation of the local government's police department or contracted police services. All funds distributed to counties with fiscal responsibilities for jails or the transporting of prisoners shall be used for the payment of costs associated with the housing or transporting of prisoners.*

(5) *Payments shall be distributed quarterly by the Finance and Administration Cabinet beginning October 1, 2004, as follows:*

(a) *Thirty percent (30%) of the total shall be distributed equally to all local governments with police departments or that contract for police services;*

(b) *Fifty percent (50%) of the total shall be distributed to local governments with police departments or local governments that contract for police services on a per capita basis according to the number of certified police officers employed by the police department on July 1 each year or providing services to the local government pursuant to a contract on July 1 of each year. For purposes of this subsection, each local government that contracts for police services shall be considered to employ one (1) police officer for each sixty thousand dollars (\$60,000) it expends during each fiscal year for police services under a written contract; and*

(c) *Twenty percent (20%) of the total shall be distributed equally to counties with fiscal responsibilities for jails or the transporting of prisoners.*

(6) *On or before August 1 of each year, the Justice Cabinet shall certify to the Finance and Administration Cabinet the number of certified police officers employed by each local government.*

- (7) *On or before August 1 of each year, each local government contracting for police services shall certify to the Finance and Administration Cabinet the amount of money expended for police services under a written contract during the previous fiscal year.*
- (8) *The Finance and Administration Cabinet shall promulgate administrative regulations pursuant to KRS Chapter 13A deemed necessary for the administration of this section.*

SECTION 2. A NEW SECTION OF KRS CHAPTER 24A IS CREATED TO READ AS FOLLOWS:

- (1) *For the purposes of this section:*
 - (a) *"Local government" means a city, county, charter county, urban-county, or consolidated local government; and*
 - (b) *"Police department" means a police department created by a local government which employs one or more officers certified pursuant to KRS 15.380 to 15.404.*
- (2) *In criminal cases a fee of twenty dollars (\$20) shall be added to the costs imposed by KRS 24A.175 that the defendant is required to pay.*
- (3) *The circuit clerk shall pay the funds from fees collected under this section to the Finance and Administration Cabinet pursuant to KRS 24A.175 for distribution as provided in subsection (5) of this section to local governments with police departments or local governments that contract for police services, and to counties with fiscal responsibilities for jails or the transporting of prisoners.*
- (4) *All funds distributed to local governments shall be used for payment of expenses for operation of the local government's police department or contracted police services. All funds distributed to counties with fiscal responsibilities for jails or the transporting of prisoners shall be used for the payment of costs associated with the housing or transporting of prisoners.*
- (5) *Payments shall be distributed quarterly by the Finance and Administration Cabinet beginning October 1, 2004, as follows:*
 - (a) *Thirty percent (30%) of the total shall be distributed equally to all local governments with police departments or local governments that contract for police services; and*
 - (b) *Fifty percent (50%) of the total shall be distributed to local governments with police departments on a per capita basis according to the number of certified police officers employed by the police department on July 1 each year or providing services to the local government pursuant to a contract on July 1 of each year. For purposes of this subsection, each local government that contracts for police services shall be considered to employ one (1) police officer for each sixty thousand dollars (\$60,000) it expends during each fiscal year for police services under a written contract;*
 - (c) *Twenty percent (20%) of the total shall be distributed equally to counties with fiscal responsibilities for jails or the transporting of prisoners.*
- (6) *On or before August 1 of each year, the Justice Cabinet shall certify to the Finance and Administration Cabinet the number of certified police officers employed by each local government.*

- (7) *On or before August 1 of each year, each local government contracting for police services shall certify to the Finance and Administration Cabinet the amount of money expended for police services under a written contract during the previous fiscal year.*
- (8) *The Finance and Administration Cabinet shall promulgate administrative regulations pursuant to KRS Chapter 13A necessary for the administration of this section.*

Section 3. KRS 42.409 is amended to read as follows:

As used in KRS 42.410 and 45.760, unless the context requires otherwise:

- (1) "State total personal income" means the measure of all income received by or on behalf of persons in the Commonwealth, as most recently published in the Survey of Current Business by the United States Department of Commerce, Bureau of Economic Analysis.
- (2) "Estimated state total personal income" means the personal income figure used by the Governor's Office for Economic Analysis to generate final detailed revenue estimates.
- (3) "Total revenues" means revenues credited to the general fund and the road fund consistent with the provisions of KRS 48.120, as well as any restricted agency fund account from which debt service is expended.
- (4) "Anticipated total revenues" means final estimates of revenues, as provided for in KRS 48.120(2), projected for the general fund and the road fund, as well as any restricted agency fund account from which debt service is expended.
- (5) "Available revenues" means revenues credited to the general fund and the road fund consistent with the provisions of KRS 48.120, as well as any restricted agency fund account from which debt service is expended, minus any statutorily dedicated receipts of the respective funds.
- (6) "Anticipated available revenues" means final estimates of revenues, as provided for in KRS 48.120(2), projected for the general fund and the road fund, as well as any restricted agency fund account from which debt service is expended, minus any statutorily dedicated receipts of the respective funds.
- (7) "Total assessed value of property" means state total net assessed value of property for taxes due, as obtained from the Revenue Cabinet.
- (8) "Per capita" means per unit of population, where population figures are the most recent available from the University of Louisville, Kentucky State Data Center.
- (9) "Appropriation-supported debt service" means the amount of an appropriation identified to be expended for debt service purposes in the executive budget recommendation, and the amount of an appropriation expended for debt services in a completed fiscal year.
- (10) "Appropriation-supported debt" means the outstanding principal of bonds issued by all state agencies and all individuals, agencies, authorities, boards, cabinets, commissions, corporations, or other entities of, or representing the Commonwealth with the authority to issue bonds, and for which debt service is appropriated by the General Assembly.
- (11) "Nonappropriation-supported debt" means the outstanding principal of bonds issued by all state agencies and all individuals, agencies, authorities, boards, cabinets, commissions, corporations, or other entities of, or representing the Commonwealth with the authority to issue bonds, and for which debt service is not appropriated by the General Assembly.

- (12) "Statutorily dedicated receipts" means revenues credited to the general fund and road fund consistent with the provisions of KRS 48.120, as well as any restricted agency fund account, which are required by an enacted statute to be used for a specific purpose. Statutorily dedicated receipts include, but are not limited to, the following:
- (a) Receipts credited to the general fund which are subject to ~~KRS 24A.191, KRS 24A.192,~~ KRS 42.450 to 42.495, KRS 278.130 to 278.150, or KRS 350.139;
 - (b) Receipts credited to the road fund which are subject to KRS 175.505, KRS 177.320, KRS 177.365 to 177.369, KRS 177.9771 to 177.979, KRS 186.531, or KRS 186.535; and
 - (c) Receipts credited to a restricted agency fund account in accordance with any applicable statute.
- (13) "True interest cost" means the bond yield according to issue price without a reduction for related administrative costs, and is the same figure as the arbitrage yield calculation described in the United States Tax Reform Act of 1986.

Section 4. The following KRS sections are repealed:

24A.190 Definitions for KRS 24A.191 to 24A.193.

24A.191 Computation of net court revenue and base court revenue.

24A.192 Return to cities and counties of net court revenue.

24A.193 Authority for administrative regulations.

Section 5. Whereas, local governments with police departments have sustained a significant loss of revenue with the fifty percent (50%) reduction in base court revenue in 2003, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.

Approved April 7, 2004