

## CHAPTER 117

( SB 25 )

*Provisions of this bill that are to be deleted due to vetoes of the Governor that were not overridden by the General Assembly are displayed as bracketed text with intervening strikethrough and enclosed in double asterisks, e.g.,*  
*\*\*[text]\*\*.*

AN ACT relating to oversight of government operations and declaring an emergency.

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

➔Section 1. KRS 103.200 is amended to read as follows:

As used in KRS 103.200 to 103.285:

- (1) "Building" or "industrial building" means any land and building or buildings, ~~(including office space related and subordinate to any of the facilities enumerated in this subsection below)~~, any facility or other improvement thereon, and all real and personal properties, including operating equipment and machinery deemed necessary in connection therewith, whether or not now in existence, which shall be suitable for the following or any combination thereof:
  - (a) Any activity, business, or industry for the manufacturing, processing or assembling of any commercial product, including agricultural, mining, or manufactured products and solar-generated electricity, together with storage, warehousing, and distribution facilities in respect thereof;
  - (b) Any undertaking involving the construction, reconstruction, and use of airports, mass commuting facilities, ship canals, ports or port facilities, docks or wharf facilities or harbor facilities, off-street parking facilities or of railroads, monorails, or tramways, railway or airline terminals, cable television, mass communication facilities, and related facilities;
  - (c) Any buildings, structures, and facilities, including the site thereof and machinery, equipment, and furnishings suitable for use as health-care or related facilities, including without limitation hospitals, clinics, nursing homes, research facilities, extended or long-term care facilities, including housing for the aged or the infirm and all buildings, structures, and facilities deemed necessary or useful in connection therewith;
  - (d) Any nonprofit educational institution in any manner related to or in furtherance of the educational purposes of such institution, including but not limited to classroom, laboratory, housing, administrative, physical educational, and medical research and treatment facilities;
  - (e) Any facilities for any recreation or amusement park, public park, or theme park, including specifically facilities for the use of nonprofit entities in making recreational and cultural benefits available to the public;
  - (f) Any facilities involving manufacturing and service industries which process raw agricultural products, including timber, provide value-added functions, or supply ingredients used for production of basic agricultural crops and products;
  - (g) Any facilities incident to the development of industrial sites, including land costs and the costs of site improvements thereon, such as grading, streets, drainage, storm and sanitary sewers, and other facilities and structures incidental to the use of such site or sites for industrial use;
  - (h) Any facilities for the furnishing of water, if available on reasonable demand to members of the general public;
  - (i) Any facilities for the extraction, production, grading, separating, washing, drying, preparing, sorting, loading, and distribution of mineral resources, together with related facilities;
  - (j) Any convention or trade show facilities, together with all related and subordinate facilities necessary to the development and proper utilization thereof;
  - (k) Any facilities designed and constructed to be used as hotels ~~and~~ or motels, together with all related and subordinate facilities necessary to the operation thereof, including site preparation and similar facilities;

- (l) Any activity designed for the preservation of residential neighborhoods, provided that such activity receives approval of the heritage division and insures the preservation of not fewer than four (4) family units;
  - (m) Any activity designed for the preservation of commercial or residential buildings which are on the National Register of Historic Places or within an area designated as a national historic district or approved by the heritage division;
  - (n) Any activity, including new construction, designed for revitalization or redevelopment of downtown business districts as designated by the issuer;~~[-and]~~
  - (o) Any use by an entity recognized by the Internal Revenue Service as an organization described in 26 U.S.C. sec. 501(c)(3) in any manner related to or in the furtherance of that entity's exempt purposes where the use would also qualify for federally tax-exempt financing under the rules applicable to a qualified 501(c)(3) bond as defined in 26 U.S.C. sec. 145; **and**
  - (p) ***Any activity, including new construction, that would result in an increase of forty-eight (48) units or more to the stock of residential multifamily housing units.***
- (2) "Bonds" or "negotiable bonds" means bonds, notes, variable rate bonds, commercial paper bonds, bond anticipation notes, or any other obligations for the payment of money issued by a city, county, or other authority pursuant to KRS 103.210 to 103.285.
  - (3) "Substantiating documentation" means an independent finding, study, report, or assessment of the economic and financial impact of a project, which shall include a review of customary business practices, terms, and conditions for similar types of projects, both taxable and tax-exempt, in the current market environment.

➔SECTION 2. A NEW SECTION OF KRS CHAPTER 7A IS CREATED TO READ AS FOLLOWS:

*As used in Sections 2 to 9 of this Act:*

- (1) ***"Board" means the Medicaid Oversight and Advisory Board;***
- (2) ***"Cabinet" means the Cabinet for Health and Family Services;***
- (3) ***"Commission" means the Legislative Research Commission;***
- (4) ***"Department" means the Department for Medicaid Services; and***
- (5) ***"Medicaid program" means the Kentucky Medical Assistance Program established in KRS 205.510 to 205.630 and the Kentucky Children's Health Insurance Program established in KRS 205.6483.***

➔SECTION 3. A NEW SECTION OF KRS CHAPTER 7A IS CREATED TO READ AS FOLLOWS:

***The Medicaid Oversight and Advisory Board of the Kentucky General Assembly is hereby established. The purpose of the board is to optimize delivery of health services for continually improving health outcomes and doing so in a cost efficient and effective manner. The board shall review, analyze, study, evaluate, provide legislative oversight, and make recommendations to the General Assembly regarding any aspect of the Kentucky Medicaid program, including but not limited to benefits and coverage policies, access to services and network adequacy, health outcomes and equity, reimbursement rates, payment methodologies, delivery system models, financing and funding, and administrative regulations.***

➔SECTION 4. A NEW SECTION OF KRS CHAPTER 7A IS CREATED TO READ AS FOLLOWS:

- (1) ***The board shall be composed of the following members:***
  - (a) ***Ten (10) legislative members, as follows:***
    - 1. ***Four (4) members of the House of Representatives appointed by the Speaker of the House of Representatives, each of whom shall serve while a member of the House for the term for which he or she has been elected, one (1) of whom shall be the chair or vice chair of the House Standing Committee on Health Services, and one (1) of whom shall be the chair or vice chair of the House Standing Committee on Families and Children;***
    - 2. ***One (1) member of the House of Representatives appointed by the Minority Floor Leader of the House of Representatives, who shall serve while a member of the House for the term for which he or she has been elected;***

3. *Four (4) members of the Senate appointed by the President of the Senate, each of whom shall serve a term of two (2) years, one (1) of whom shall be the chair or vice chair of the Senate Standing Committee on Health Services, and one (1) of whom shall be the chair or vice chair of the Senate Standing Committee on Families and Children; and*
4. *One (1) member of the Senate appointed by the Minority Floor Leader of the Senate, who shall serve a term of two (2) years;*
- (b) *Eleven (11) nonlegislative, nonvoting members, as follows:*
  1. *The commissioner of the department or his or her designee;*
  2. *The chief medical officer of the Commonwealth or his or her designee;*
  3. *The chair of the Advisory Council for Medical Assistance established in KRS 205.540 or his or her designee;*
  4. *The state budget director or his or her designee;*
  5. *The Auditor of Public Accounts or his or her designee;*
  6. *The executive director of the Kentucky Association of Health Plans, or its successor organization, or his or her designee;*
  7. *The director of the Center of Excellence in Rural Health established in KRS 164.937 or his or her designee;*
  8. *Two (2) members appointed by the Speaker of the House of Representatives, of which:*
    - a. *One (1) shall have significant Medicaid-specific experience in healthcare administration, financing, policy, or research; and*
    - b. *One (1) shall be a licensed healthcare provider who is a participating Medicaid provider and who serves on one (1) of the technical advisory committees to the Advisory Council for Medical Assistance established in KRS 205.590; and*
  9. *Two (2) members appointed by the President of the Senate, of which:*
    - a. *One (1) shall have significant Medicaid-specific experience in healthcare administration, financing, policy, or research; and*
    - b. *One (1) shall be a licensed healthcare provider who is a participating Medicaid provider and who serves on one (1) of the technical advisory committees to the Advisory Council for Medical Assistance established in KRS 205.590; and*
- (c) *Two (2) nonvoting ex officio members, as follows:*
  1. *The chair of the House Standing Committee on Appropriations and Revenue; and*
  2. *The chair of the Senate Standing Committee on Appropriations and Revenue.*
- (2) (a) *Of the members appointed pursuant to subsection (1)(a)1. of this section, the Speaker of the House of Representatives shall designate one (1) as co-chair of the board.*
- (b) *Of the members appointed pursuant to subsection (1)(a)3. of this section, the President of the Senate shall designate one (1) as co-chair of the board.*
- (c) *In order to be eligible for appointment under subsection (1)(b)8. and 9. of this section an individual shall not:*
  1. *Be a member of the General Assembly;*
  2. *Be employed by a state agency of the Commonwealth of Kentucky; or*
  3. *Receive contractual compensation for services rendered to a state agency of the Commonwealth of Kentucky that would conflict with his or her service on the board.*
- (d) *For the purpose of appointing members described in subsection (1)(b)8.a. and 9.a. of this section, "significant Medicaid-specific experience in healthcare administration, financing, policy, or research" means:*

1. *Experience in administering the Kentucky Medical Assistance Program;*
  2. *A hospital administrator with relevant experience in Medicaid billing or regulatory compliance;*
  3. *An attorney licensed to practice law in the Commonwealth of Kentucky with relevant experience in healthcare law;*
  4. *A consumer or patient advocate with relevant experience in the area of Medicaid policy; or*
  5. *A current or former university professor whose primary area of emphasis is healthcare economics or financing, health equity, healthcare disparities, or Medicaid policy.*
- (e) *Individuals appointed to the board under subsection (1)(b)8. and 9. of this section shall:*
1. *Serve for a term of two (2) years; and*
  2. *Not serve more than one (1) consecutive term after which time he or she may not be reappointed to the board for a period of at least two (2) years.*
- (f) *If an individual appointed to the board pursuant to subsection (1)(b)8.b. or 9.b. of this section ceases to participate in the Medicaid program or ceases to serve on a technical advisory committee to the Advisory Council for Medical Assistance established in KRS 205.590, he or she may continue to serve on the board until his or her replacement has been appointed.*
- (3) (a) *Any vacancy which may occur in the membership of the board shall be filled in the same manner as the original appointment.*
- (b) *A member of the board whose term has expired may continue to serve until such time as his or her replacement has been appointed.*
- (4) *Members of the board shall be entitled to reimbursement for expenses incurred in the performance of their duties on the board.*

➔SECTION 5. A NEW SECTION OF KRS CHAPTER 7A IS CREATED TO READ AS FOLLOWS:

- (1) *The board shall meet at least six (6) times during each calendar year.*
- (2) *The co-chairs of the board shall have joint responsibilities for board meeting agendas and presiding at board meetings.*
- (3) (a) *On an alternating basis, each co-chair shall have the first option to set a meeting date.*
- (b) *A scheduled meeting may be canceled by agreement of both co-chairs.*
- (4) *A majority of the entire voting membership of the board shall constitute a quorum, and all actions of the board shall be by vote of a majority of its entire voting membership.*

➔SECTION 6. A NEW SECTION OF KRS CHAPTER 7A IS CREATED TO READ AS FOLLOWS:

*The board, consistent with its purpose as established in Section 3 of this Act, shall have the authority to:*

- (1) *Require any of the following entities to provide any and all information necessary to carry out the board's duties, including any contracts entered into by the department, the cabinet, or any other state agency related to the administration of any aspect of the Medicaid program or the delivery of Medicaid benefits or services:*
  - (a) *The cabinet;*
  - (b) *The department;*
  - (c) *Any other state agency;*
  - (d) *Any Medicaid managed care organization with whom the department has contracted for the delivery of Medicaid services;*
  - (e) *The state pharmacy benefit manager contracted by the department pursuant to KRS 205.5512; and*
  - (f) *Any other entity contracted by a state agency to administer or assist in administering any aspect of the Medicaid program or the delivery of Medicaid benefits or services;*
- (2) *Establish a uniform format for reports and data submitted to the board and the frequency, which may be monthly, quarterly, semiannually, annually, or biannually, and the due date for the reports and data;*

- (3) *Conduct public hearings in furtherance of its general duties, at which it may request the appearance of officials of any state agency and solicit the testimony of interested groups and the general public;*
- (4) *Establish any advisory committees or subcommittees of the board that the board deems necessary to carry out its duties;*
- (5) *Recommend that the Auditor of Public Accounts perform a financial or special audit of the Medicaid program or any aspect thereof; and*
- (6) *Subject to selection and approval by the Legislative Research Commission, utilize the services of consultants, analysts, actuaries, legal counsel, and auditors to render professional, managerial, and technical assistance, as needed.*

➔SECTION 7. A NEW SECTION OF KRS CHAPTER 7A IS CREATED TO READ AS FOLLOWS:

- (1) *The board, consistent with its purpose as established in Section 3 of this Act, shall:*
  - (a) *On an ongoing basis, conduct an impartial review of all state laws and regulations governing the Medicaid program and recommend to the General Assembly any changes it finds desirable with respect to program administration including delivery system models, program financing, benefits and coverage policies, reimbursement rates, payment methodologies, provider participation, or any other aspect of the program;*
  - (b) *On an ongoing basis, review any change or proposed change in federal laws and regulations governing the Medicaid program and report to the Legislative Research Commission on the probable costs, possible budgetary implications, potential effect on healthcare outcomes, and the overall desirability of any change or proposed change in federal laws or regulations governing the Medicaid program;*
  - (c) *At the request of the Speaker of the House of Representatives or the President of the Senate, evaluate proposed changes to state laws affecting the Medicaid program and report to the Speaker or the President on the probable costs, possible budgetary implications, potential effect on healthcare outcomes, and overall desirability as a matter of public policy;*
  - (d) *At the request of the Legislative Research Commission, research issues related to the Medicaid program;*
  - (e) *Beginning in 2026 and at least once every five (5) years thereafter, cause a review to be made of the administrative expenses and operational cost of the Medicaid program. The review shall include but not be limited to evaluating the level and growth of administrative costs, the potential for legislative changes to reduce administrative costs, and administrative changes the department may make to reduce administrative costs or staffing needs. At the discretion of the Legislative Research Commission, the review may be conducted by a consultant retained by the board;*
  - (f) *Beginning in 2027 and at least once every five (5) years thereafter, cause a program evaluation to be conducted of the Medicaid program. In any instance in which a program evaluation indicates inadequate operating or administrative system controls or procedures, inaccuracies, inefficiencies, waste, extravagance, unauthorized or unintended activities, or other deficiencies, the board shall report its findings to the Legislative Research Commission. The program evaluation shall be performed by a consultant retained by the board;*
  - (g) *Beginning in 2028 and at least once every five (5) years thereafter, cause an actuarial analysis to be performed of the Medicaid program, to evaluate the sufficiency and appropriateness of Medicaid reimbursement rates established by the department and those paid by any managed care organization contracted by the department for the delivery of Medicaid services. The actuarial analysis shall be performed by an actuary retained by the board;*
  - (h) *Beginning in 2029 and at least once every five (5) years thereafter, cause the overall health of the Medicaid population to be assessed. The assessment shall include but not be limited to a review of health outcomes, healthcare disparities among program beneficiaries and as compared to the general population, and the effect of the overall health of the Medicaid population on program expenses. The assessment shall be performed by a consultant retained by the board; and*
  - (i) *Beginning in 2026 and annually thereafter, publish a report covering the board's evaluations and recommendations with respect to the Medicaid program. The report shall be submitted to the*

*Legislative Research Commission no later than December 1 of each year, and shall include at a minimum a summary of the board's current evaluation of the program and any legislative recommendations made by the board.*

- (2) *The board, consistent with its purpose as established in Section 3 of this Act, may:*
- (a) *Review all new or amended administrative regulations related to the Medicaid program and provide comments to the Administrative Regulation Review Subcommittee established in KRS 13A.020;*
  - (b) *Make recommendations to the General Assembly, the Governor, the secretary of the cabinet, and the commissioner of the department regarding program administration including benefits and coverage policies, access to services and provider network adequacy, healthcare outcomes and disparities, reimbursement rates, payment methodologies, delivery system models, funding, and administrative regulations. Recommendations made pursuant to this section shall be nonbinding and shall not have the force of law; and*
  - (c) *On or before December 1 of each calendar year, adopt an annual research agenda. The annual research agenda may include studies, research, and investigations considered by the board to be significant. Board staff shall prepare a list of study and research topics related to the Medicaid program for consideration by the board in the adoption of the annual research agenda. An annual research agenda adopted by the board may be amended by the Legislative Research Commission to include any studies or reports mandated by the General Assembly during the next succeeding regular session.*
- (3) *At the discretion of the Legislative Research Commission, studies and research projects included in an annual research agenda adopted by the board pursuant to subsection (2)(c) of this section may be conducted by outside consultants, analysts, or researchers to ensure the timely completion of the research agenda.*

➔SECTION 8. A NEW SECTION OF KRS CHAPTER 7A IS CREATED TO READ AS FOLLOWS:

*The Legislative Research Commission shall have exclusive jurisdiction over the employment of personnel necessary to carry out the provisions of Sections 2 to 9 of this Act. Staff and operating costs of the board shall be provided from the budget of the Legislative Research Commission.*

➔SECTION 9. A NEW SECTION OF KRS CHAPTER 7A IS CREATED TO READ AS FOLLOWS:

*The officers and personnel of any state agency and any other person may serve at the request of the board upon any advisory committees that the board may create. State officers and personnel may serve upon these advisory committees without forfeiture of office or employment and with no loss or diminution in the compensation statute, rights, and privileges which they otherwise enjoy.*

➔Section 10. KRS 7A.010 is amended to read as follows:

As used in **KRS 7A.010 to 7A.170**~~[this chapter, unless the context otherwise requires]:~~

- (1) "Capital project" means:
- (a) Any undertaking which is to be financed or funded through an appropriation by the General Assembly of general fund, road fund, bond fund, trust and agency fund, or federal fund moneys, where the expenditure is a capital expenditure pursuant to statute or under standards prescribed by the Legislative Research Commission under the authority of KRS Chapter 48;
  - (b) Any undertaking which is to be financed by a capital expenditure for use by the state government or one of its departments or agencies, as defined in KRS 12.010 or enumerated in KRS 12.020, including projects related to the construction or maintenance of roads, and including projects of institutions of higher education as defined in KRS 164A.550(2);
  - (c) Any capital construction item, or any combination of capital construction items necessary to make a building or utility installation complete, estimated to cost:
    - 1. Except for items of movable equipment, one million dollars (\$1,000,000) or more, regardless of the source of funds; or
    - 2. Any item of movable equipment, estimated to cost two hundred thousand dollars (\$200,000) or more, regardless of the source of funds;
  - (d) Any lease of real property whose value is two hundred thousand dollars (\$200,000) or more;

- (e) Any lease of an item of movable equipment if the total cost of the lease, lease-purchase, or lease with an option to purchase is two hundred thousand dollars (\$200,000) or more; or
- (f) Any new acquisition, upgrade, or replacement of an information technology system estimated to cost one million dollars (\$1,000,000) or more;
- (2) "Board" means the Capital Planning Advisory Board of the Kentucky General Assembly created by KRS 7A.110;
- (3) "Plan" means the state capital improvement plan provided for by KRS 7A.120;
- (4) "State agency" means any department, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other entity of the executive, judicial, or legislative branch of the state government; and
- (5) "Information technology system" means any related computer or telecommunications components that provide a functional system for a specific business purpose and contain one (1) or more of the following:
  - (a) Hardware;
  - (b) Software, including application software, systems management software, utility software, or communications software;
  - (c) Professional services for requirements analysis, system integration, installation, implementation, or data conversion services; or
  - (d) Digital data products, including acquisition and quality control.

➔Section 11. KRS 7A.140 is amended to read as follows:

The board may adopt any administrative regulations *in accordance with KRS Chapter 13A* necessary to carry out its planning and advisory functions as provided by ***KRS 7A.010 to 7A.170***~~[this chapter]~~.

➔Section 12. KRS 7A.150 is amended to read as follows:

The Legislative Research Commission shall have exclusive jurisdiction over the employment of personnel necessary to carry out the provisions of ***KRS 7A.010 to 7A.170***~~[Chapter 7A]~~. Staff and operating costs of the Capital Planning Advisory Board shall be provided from the budget of the Legislative Research Commission.

➔Section 13. KRS 7A.180 is amended to read as follows:

As used in ***KRS 7A.180 to 7A.190***~~[this section]~~:

- (1) "Board" means the Investments in Information Technology Improvement and Modernization Projects Oversight Board;
- (2) "Information technology system" means any related computer or telecommunication components that provide a functional system for a specific business purpose and contain one (1) or more of the following:
  - 1. Hardware;
  - 2. Software, including application software, systems management software, utility software, or communications software;
  - 3. Professional services for requirements analysis, system integration, installation, implementation, or data conversion services; or
  - 4. Digital data products, including acquisition and quality control; and
- (3) "State agency" means any department, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other entity of the executive, judicial, or legislative branch of state government.

➔Section 14. KRS 227.200 is amended to read as follows:

As used in KRS 227.200 to 227.400, unless the context otherwise requires:

- (1) "Commissioner" means the commissioner of housing, buildings and construction;
- (2) "Department" means the Department of Housing, Buildings and Construction;

- (3) "Fire investigator" means a deputy fire marshal who has been appointed by the state fire marshal to be a fire investigator and to exercise peace officer powers in order to investigate crimes set out in KRS Chapter 513 and other crimes discovered in the course of investigation;
- (4) "Fire loss" means loss of or damage to property, loss of life or personal injury, by fire, lightning, or explosion;
- (5) *"Local legislative body" means the chief legislative body of a city, county, urban-county government, consolidated local government, charter county government, or unified local government;*
- (6) *"Local government" means a city, county, urban-county government, consolidated local government, charter county government, or unified local government;*
- (7) "Order" or "special order" means an order of the state fire marshal, designed for the prevention of fire loss, that affects or may affect the property rights of a particular owner or designated property;
- ~~(8)(6)~~ "Owner" means any person who owns, occupies, or has charge of any property;
- ~~(9)(7)~~ "Property" means property of all types, both real and personal, movable and immovable; and
- ~~(10)(8)~~ "Rule" or "regulation" means a general order of the commissioner, designed for the prevention of fire loss, which affects or may affect property rights of a designated class of owners or for the prevention of fire loss by certain indicated hazards.

➔Section 15. KRS 227.335 is amended to read as follows:

- (1) An appeal from the *local appeals board or* state fire marshal, *in cases where no local appeals board has been established under Section 18 of this Act*, shall be taken only from a final order on hearing.
- (2) Any person who was a party to a hearing and who is aggrieved by the final order may appeal in accordance with KRS Chapter 13B to the Circuit Court *with jurisdiction*~~[within which the property is located].~~

➔Section 16. KRS 227.380 is amended to read as follows:

- (1) Whenever the chief of the fire department or any officer or member of his department designated by him for that purpose finds any property which, for want of repairs, lack of sufficient fire escapes, age, dilapidated condition, or any other cause, is especially liable to fire loss, or whenever an officer finds in any property, combustible or explosive matter or inflammable materials likely to result in fire loss, he shall order it to be remedied. The order shall forthwith be conformed to by the owner of the property.
- (2) The owner may appeal to the *local appeals board or to the* state fire marshal *if no local appeals board has been established under Section 18 of this Act* within ten (10) days following receipt of the order. ~~[The state fire marshal shall, upon appeal, conduct a hearing in accordance with KRS Chapter 13B.]~~

➔Section 17. KRS 227.390 is amended to read as follows:

If any owner fails to comply with an order issued pursuant to KRS 227.380 or with an order as modified on appeal~~[to the commissioner]~~, the officer may cause the property to be repaired, or removed if repair is not feasible, and all fire hazard conditions remedied, at the expense of the owner. Such expense may be enforced against any property of such owners and the officer and those employed to do the work or who furnish materials or equipment therefor shall have a lien for such expense on the real estate or property involved.

➔SECTION 18. A NEW SECTION OF KRS 227.200 TO 227.400 IS CREATED TO READ AS FOLLOWS:

- (1) *The mayor or county judge/executive of a local government which is enforcing the fire prevention and protection codes may, upon approval of the local legislative body, appoint a local appeals board. The local appeals board shall:*
  - (a) *Consist of five (5) technically qualified persons with professional experience related to the fire prevention and construction industry;*
  - (b) *Hear appeals from orders of the local fire chief or designee or any deputy or assistant of the state fire marshal acting in the state fire marshal's name and his or her delegated authority; and*
  - (c) *Have at least three (3) members of the local appeals board that are not employed by the local government.*



- (2) *Local governments may enter into an interlocal cooperation agreement pursuant to KRS 65.210 to 65.300 to cooperate with each other in providing a local appeals board and shall adhere to the provisions of KRS Chapter 227 when entering into an interlocal cooperation agreement.*
- (3) (a) *A fire chief, or an employee of a local fire prevention or fire department shall not sit on a local appeals board if the board is hearing an appeal to a decision rendered by his or her department.*
- (b) *A member of a local appeals board shall not hear an appeal in a case in which he or she has a private interest.*
- (4) (a) *Any party to a decision by the fire chief or designee, or any deputy or assistant of the state fire marshal acting in the state fire marshal's name and under his or her delegated authority may appeal the decision to the local appeals board.*
- (b) *The local appeals board shall:*
1. *Convene a hearing to consider the appeal within fifteen (15) days of receipt of an appeal from a qualified party;*
  2. *Notify all parties of the time and place of the hearing by certified mail no later than ten (10) days prior to the date of the hearing; and*
  3. *Render a decision within five (5) working days after the hearing.*
- (5) (a) *An appeal shall include:*
1. *Citation of those provisions of the fire prevention and protection codes which are at issue; and*
  2. *An explanation of why the decision is being contested.*
- (b) *The local appeals board shall uphold, amend, or reverse the decision of the fire chief order signee, or any deputy or assistant of the state fire marshal on each infraction being appealed.*
- (6) *The state fire marshal shall hear appeals directly from the decisions of the fire chief or any deputy or assistant with delegated authority in cases where no local appeals board has been established under this section. In no case shall the state fire marshal hear an appeal directly from a party aggrieved by the decision of the fire chief or any deputy or assistant with delegated authority from the state fire marshal when there is a local appeals board with jurisdiction.*
- (7) *An appeal to the state fire marshal when no local appeals board has been established under this section shall be in accordance with KRS 227.335.*
- (8) *An appeal of a local appeals board's final order, or of the state fire marshal's final order in cases where no local appeals board has jurisdiction, shall be to the Circuit Court with jurisdiction in accordance with KRS 13B.125.*

➔Section 19. KRS 43.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

- (1) "Auditor" means the Auditor of Public Accounts;~~[-]~~
- (2) "Budget unit" means a department or other unit of organization for which separate appropriations are made from those for any other organization unit;~~[-]~~
- (3) *"Deputy auditor" means the deputy auditor of public accounts appointed pursuant to Section 20 of this Act;*
- (4) *"Ombudsman" means the executive director of the Commonwealth Office of the Ombudsman appointed pursuant to Section 21 of this Act;*
- (5) "State agency" means any state officer, department, board, commission, institution, division, or other person or functional group that is authorized to exercise or does exercise any executive or administrative jurisdiction, powers, duties, rights or obligations of the state government conferred or imposed by law or exercised, performed, or discharged by legal authority in compliance with law; ~~and~~~~[-]~~
- (6)~~[-]~~(4) "Writing" or "written" means letters, words, or numbers, or their equivalent, set down by handwriting, typewriting, printing, photostating, photographing, magnetic impulse, mechanical or electronic recording, or other form of data compilation.

➔Section 20. KRS 43.030 is amended to read as follows:

- (1) The Auditor shall appoint for the duration of his or her own term, subject to removal by the Auditor at any time, one (1) ~~deputy[assistant]~~ auditor ~~[of public accounts]~~, who shall be a certified public accountant and who has been a citizen and resident of the state for at least two (2) years. Except for the Office of the Ombudsman as established in KRS 43.035, the ~~deputy[assistant]~~ auditor shall have direct supervision over all technical work and technical assistants, and shall otherwise aid the Auditor in the performance of his or her duties, except that the ~~deputy[assistant]~~ auditor ~~[of public accounts]~~ may exercise a full or partial recusal from this supervision requirement in regard to the consulting function authorized in KRS 43.050 if needed to comply with the professional standards of accountancy. If the Auditor is absent or is rendered incapable of performing his or her duties, or if a vacancy in the office occurs, the ~~deputy[assistant]~~ auditor shall perform the duties of Auditor until the necessity therefor ceases to exist. He or she shall take the constitutional oath.
- (2) The Auditor may employ other subordinate personnel subject to the provisions of KRS 12.060. All employees with status as defined in KRS 18A.005 *operating under the authority of the deputy auditor* who are engaged in auditing or investigations shall possess a minimum of a four (4) year college degree. No less than ninety percent (90%) of all employees engaged in financial auditing or financial investigations shall have twenty (20) semester hours or thirty (30) quarter hours of accounting, or alternately, shall be a certified public accountant. Not more than two (2) persons charged with the conduct of audits and investigations may substitute year-for-year responsible experience acceptable to the Personnel Cabinet for the required college education and accounting hours.
- (3) The Auditor and his or her sureties are liable on his or her official bond for the acts of the ~~deputy[assistant]~~ auditor and clerks.
- (4) Nothing in this section shall be deemed to affect the provisions of KRS 11.090 or other legislation authorizing audits.

➔Section 21. KRS 43.035 is amended to read as follows:

- (1) The Commonwealth Office of the Ombudsman is hereby created *as an office within* ~~and is an independent office that shall be administratively attached to~~ the Auditor of Public Accounts. The Auditor shall appoint an executive director of the Commonwealth Office of the Ombudsman, *who shall serve as the ombudsman and be responsible for overseeing the operations of the office.*
- (2) The Commonwealth Office of the Ombudsman shall:
  - (a) ~~(1)~~ Investigate, upon complaint or on its own initiative, any administrative act *or inaction* of an organizational unit, employee, or contractor of the Cabinet for Health and Family Services without regard to the finality of the administrative act *or inaction*. Organizational units, employees, or contractors of the Cabinet for Health and Family Services shall not willfully obstruct an investigation, restrict access to records or personnel, or retaliate against a complainant or cabinet employee;
  - (b) ~~(2)~~ Make recommendations that resolve citizen complaints about the Cabinet for Health and Family Services and improve the cabinet's performance and may require corrective action when policy violations are identified;
  - (c) ~~(3)~~ Provide evaluation and information analysis of the Cabinet for Health and Family Service's performance and compliance with state and federal law;
  - (d) ~~(4)~~ Place an emphasis on research and best practices, program accountability, quality service delivery, and improved performance of the Cabinet for Health and Family Services;
  - (e) ~~(5)~~ Provide information on how to contact the office *in poster, brochure, pamphlet, or other format to the Cabinet for Health and Family Services, which shall print and publicly post or otherwise make the information available* ~~for public posting~~ at all offices where Department for Community Based Services of the Cabinet for Health and Family Services employees or contractors work, at any facility where a child in the custody of the cabinet resides, and to all cabinet or contracted foster parents *in a manner approved by the ombudsman*;
  - (f) ~~(6)~~ Report to the Cabinet for Health and Family Services, Office of Inspector General for review and investigation:
    - I. ~~(a)~~ Any charge or case against an employee of the Cabinet for Health and Family Services where it has cause to believe the employee has engaged in dishonest, unethical, or illegal conduct or practices related to his or her job duties; or

2. ~~(b)~~ A violation of state law or administrative regulation by any organization or individual regulated by or contracted with the cabinet;

(g) ~~(7)~~ Compile a report of all citizen complaints about programs or services of the Cabinet for Health and Family Services and a summary of resolution of the complaints and submit the report upon request to the Interim Joint Committee on Health Services and the Interim Joint Committee on Families and Children; ~~and~~

(h) ~~(8)~~ Provide information to the Office of the Attorney General, when requested, related to substantiated violations of state law against an employee or contractor of the Cabinet for Health and Family Services or a foster or adoptive parent;

(i) *Notwithstanding any other provision of law, maintain confidentiality except when disclosures may be advisable in the ombudsman's judgment to enable the office to carry out its duties and to support recommendations; and*

(j) *Promulgate administrative regulations in accordance with KRS Chapter 13A necessary to perform its duties as specified in this chapter.*

(3) *Any expense incurred by the Commonwealth Office of the Ombudsman for discretionary investigations, reviews, evaluations, information analysis, or other work performed under this section at the direction of the ombudsman shall be charged to the entity that is the subject of that work at the same rate as established by the Auditor for audit work done pursuant to KRS 43.050. The Commonwealth Office of the Ombudsman shall maintain records of all time and expenses for such work.*

➔Section 22. KRS 43.040 is amended to read as follows:

(1) Upon the expiration of the Auditor's term of office, the Auditor shall file a certification of the inventory of the office with the Secretary of State and shall deliver the inventory to the Auditor's successor.

(2) In the event of a vacancy in the office of Auditor, the ~~deputy~~~~assistant~~ auditor ~~of public accounts~~ shall file a certification of the inventory of the office with the Secretary of State and shall deliver the inventory to the Auditor's successor.

➔Section 23. KRS 43.080 is amended to read as follows:

(1) The Auditor ~~and his authorized agents~~ shall have access to and may examine all books, accounts, reports, vouchers, correspondence files, records, money and property of any state agency. Every officer or employee of any such agency having such records or property in his *or her* possession or under his *or her* control shall permit access to and examination of them upon the request of the Auditor ~~or any agent authorized by him to make such request~~.

(2) The Auditor ~~and his assistants~~ shall have access at all times to the papers, books, and records of the asylums, prisons, institutions for the intellectually disabled and eleemosynary institutions, and public works that he *or she* is authorized to examine, and of any county officer who receives or disburses county funds.

(3) The Auditor may require information on oath from any person touching any matters relative to any account *or matter* that the Auditor is required *or authorized* to state, audit, *investigate*, *review*, or settle. The Auditor may administer the oath ~~himself~~, or have it done by any officer authorized to administer an oath.

(4) The Auditor ~~and his assistants~~ may issue process and compel the attendance of witnesses ~~before them~~, and administer oaths and compel witnesses to testify in any of the *audits, reviews, or* investigations the Auditor is authorized to make.

(5) *Every state agency shall provide at no cost to the Auditor any software and access rights that the Auditor deems advisable to view and retrieve any information subject to this section. Any cost that may be incurred by providing the Auditor with software and access rights shall be borne by the state agency.*

(6) *As used in this section, "Auditor" includes:*

(a) *The Auditor's authorized agents;*

(b) *The deputy auditor; and*

(c) *The ombudsman.*

➔Section 24. KRS 43.090 is amended to read as follows:

- (1) Immediately upon completion of each audit and investigation, except those provided for in KRS 43.070 **or Section 21 of this Act**, the Auditor shall prepare a report of his or her findings and recommendations. He or she shall furnish one (1) copy of the report to the head of the agency to which the report pertains, one (1) copy to the Governor, one (1) copy to the secretary of the Finance and Administration Cabinet, one (1) copy to the Legislative Research Commission, and one (1) copy to the state librarian. The agency to which an Auditor's draft report pertains shall respond in writing to any adverse or critical audit findings and to any recommendations contained in the draft report within fifteen (15) days of receipt of the draft report. The Auditor shall distribute the agency's response to those entitled by this subsection to a copy of the audit report. Within sixty (60) days of the completion of the final audit or examination report, the agency to which an Auditor's report pertains shall notify the Legislative Research Commission and the Auditor of the audit recommendations it has implemented and of the audit recommendations it has not implemented. The agency shall state the reasons for its failure to implement any recommendation made in the final audit or examination report. All audit reports and agency responses shall be, subject to KRS 61.870 to 61.884, posted online in a publicly searchable format.
- (2) The Auditor shall, within a reasonable time after the examination of each county as provided in KRS 43.070, make a written report to the Governor, the General Assembly, the Attorney General, the state librarian, and the fiscal court and county attorney of the county examined, calling attention in specific terms to any mismanagement, misconduct, misapplication or illegal appropriation, or extravagant use of money received or disbursed by any officer of the county examined. In addition, said report shall be sent to a newspaper having general circulation in the county examined, and the letter of transmittal accompanying the report shall be published in said newspaper in accordance with the provisions of KRS Chapter 424. All audit reports and responses shall be, subject to KRS 61.870 to 61.884, posted online in a publicly searchable format.
- (3) ***Immediately upon completion of each audit, investigation, or review conducted under Section 21 of this Act, the ombudsman shall prepare a report of his or her findings and recommendations and furnish a copy of the report to the head of the agency to which the report pertains. The agency shall respond in writing to any adverse or critical audit findings and to any recommendations contained in the report within fifteen (15) days of receipt of the report. Within sixty (60) days of completion of the final audit, investigation, or draft report, the agency to which the report pertains shall notify the ombudsman of which recommendations have and have not been implemented and shall state in its notice to the ombudsman the reason or reasons for any failure to implement any recommendations.***
- (4) ***The Auditor shall maintain confidentiality, except when disclosure may be advisable in the Auditor's judgment to enable the office to carry out its duties and to support its recommendations.***

➔Section 25. KRS 43.990 is amended to read as follows:

- (1) Any officer, **employee, or contractor** who prevents, attempts to prevent, or obstructs an **audit, examination, or review** by the Auditor **or his or her agents**, under the provisions of **this chapter** ~~[paragraph (c) of subsection (2) of KRS 43.050, or of subsection (3) of KRS 43.050]~~, into his **or her** official conduct, or the conduct or condition of the office in his **or her** charge or with which he **or she** is connected, ~~except when the office constitutes a state agency,~~ is guilty of a high misdemeanor, and, upon conviction on indictment in the Franklin Circuit Court, shall be fined five hundred dollars (\$500) and removed by the Governor. Any person, other than an officer, who prevents, attempts to prevent or obstructs such an examination shall be fined one thousand dollars (\$1,000).
- (2) If the Auditor fails or refuses without good cause to perform the duties imposed upon him **or her** by KRS 43.060, he **or she** shall be fined not less than two hundred and fifty dollars (\$250) nor more than one thousand dollars (\$1,000) for each offense.
- (3) Any county officer who prevents, attempts to prevent or obstructs an examination by the Auditor, under KRS 43.070, into his official conduct, or the conduct or condition of the office in his charge or with which he is connected, is guilty of a high misdemeanor, and shall, upon indictment and conviction in the Franklin Circuit Court, be fined five hundred dollars (\$500). Any person, other than a county officer, who prevents, attempts to prevent or obstructs such an examination shall be fined one thousand dollars (\$1,000).
- (4) Any officer or other person who fails or refuses to permit the access and examination provided for in ~~subsection (1) of~~ KRS 43.080, or who interferes with such examination, shall be fined not less than one hundred dollars (\$100), or imprisoned in the county jail for not less than one (1) month nor more than twelve (12) months, or both. Each refusal by an officer **or other person** shall constitute a separate offense.

- (5) Any person who has custody of any papers, books or records of an asylum, prison, institution for the intellectually disabled or eleemosynary institution or public works, other than a state agency, that the Auditor **and his or her agents are** ~~is~~ authorized to **audit, examine, or review** under **this chapter** ~~paragraph (c) of subsection (2) of KRS 43.050, under subsection (3) of KRS 43.050, and under subsection (2) of KRS 43.080,~~ who fails or refuses, when called upon by the Auditor **or his or her agents** for that purpose, to permit him **or her** to inspect any of such papers, books or records, shall, upon conviction on indictment in the Franklin Circuit Court, be fined not more than five hundred dollars (\$500) and be subject to removal by the Governor.
- (6) Any person who refuses to be sworn when required ~~by the Auditor~~ to be sworn for the purpose mentioned in subsection (3) of KRS 43.080 shall be fined not more than one hundred dollars (\$100).
- (7) Any witness called **pursuant to** ~~by the Auditor under~~ subsection (4) of KRS 43.080 who fails, without legal excuse, to attend or testify shall be fined not more than two hundred and fifty dollars (\$250).

➔SECTION 26. A NEW SECTION OF KRS CHAPTER 43 IS CREATED TO READ AS FOLLOWS:

*The Auditor of Public Accounts shall have the following organizational structure:*

- (1) *The Office of the State Auditor;*
- (2) *The Office of the Deputy Auditor, which shall have the following offices:*
  - (a) *Office of Local Government Audits;*
  - (b) *Office of State Government Audits and Technology;*
  - (c) *Office of Special Investigations; and*
  - (d) *Office of Quality Assurance;*
- (3) *The Office of Planning and Management, which shall have the following divisions:*
  - (a) *Division of Information Technology Services;*
  - (b) *Division of Financial Management; and*
  - (c) *Division of Human Resource Administration;*
- (4) *The Office of Legal and Records Services, which shall contain the Division of Records Management; and*
- (5) *The Commonwealth Office of the Ombudsman, which shall have the following offices:*
  - (a) *Office of Citizen Services and Policy Integrity;*
  - (b) *Office of Program Performance, which shall have the following divisions:*
    - 1. *Division of Quality Control; and*
    - 2. *Division of Program Access Compliance;*
  - (c) *Office of Professional Integrity and Employee Development; and*
  - (d) *Office of Policy and Research.*

➔SECTION 27. A NEW SECTION OF KRS CHAPTER 43 IS CREATED TO READ AS FOLLOWS:

- (1) *The Auditor shall require a national and state criminal background check for every prospective and current employee, including contract staff, with access to or use of federal tax information and may enroll employees and contract staff in the rap back system for continuous monitoring. The criminal background check required by this subsection shall include a fingerprint check by the Department of Kentucky State Police and the Federal Bureau of Investigation, pursuant to the following requirements:*
  - (a) *The Auditor shall require each employee and contracted staff member with access to or use of federal tax information to submit a complete and legible set of fingerprints to the Department of Kentucky State Police in the manner deemed appropriate by the Department of Kentucky State Police and the Federal Bureau of Investigation;*
  - (b) *The Department of Kentucky State Police shall submit the fingerprint card to the Federal Bureau of Investigation for a national criminal background check after a state criminal background check is conducted;*

- (c) *The results of a national and state criminal background check shall not be distributed or otherwise released by the Auditor, except that the Auditor:*
  - 1. *Shall provide an employee with the results of his or her national and state criminal background check upon request; and*
  - 2. *May introduce the results, under seal, as evidence in a legal proceeding that involves a challenge to any personnel action taken by the Auditor based in whole or in part on information contained in the results; and*
- (d) *Any fee charged by the Department of Kentucky State Police or for the Federal Bureau of Investigation background check or enrollment in the rap back system shall be an amount no greater than the actual cost of processing the request and conducting the background check.*

- (2) *The Auditor shall promulgate administrative regulations in accordance with KRS Chapter 13A to implement this section.*

➔SECTION 28. A NEW SECTION OF KRS CHAPTER 194A IS CREATED TO READ AS FOLLOWS:

- (1) *The cabinet and any of its departments, divisions, offices, boards, commissions, and any other organizational unit whether incorporated or attached that maintains a generally accessible website or for which a generally accessible website is maintained shall include the following at the top of the webpage and in a manner approved by the Commonwealth Office of the Ombudsman:*
  - (a) *A link to the website of the Commonwealth Office of the Ombudsman;*
  - (b) *The telephone number for the Commonwealth Office of the Ombudsman; and*
  - (c) *An email address for the Commonwealth Office of the Ombudsman.*
- (2) *The cabinet shall provide the Commonwealth Office of the Ombudsman with read-only access to any group email inboxes where complaints are received so that the Commonwealth Office of the Ombudsman may assist individuals with their complaints.*

➔Section 29. KRS 209.140 is amended to read as follows:

- (1) All information obtained by the department staff or its delegated representative, as a result of an investigation made pursuant to this chapter, shall not be divulged to anyone except:
  - (a)~~[(1)]~~ Persons suspected of abuse or neglect or exploitation, provided that in such cases names of informants may be withheld, unless ordered by the court;
  - (b)~~[(2)]~~ Persons within the department or cabinet with a legitimate interest or responsibility related to the case;
  - (c)~~[(3)]~~ Other medical, psychological, or social service agencies, or law enforcement agencies that have a legitimate interest in the case;
  - (d)~~[(4)]~~ Cases where a court orders release of such information;~~and~~
  - (e)~~[(5)]~~ The alleged abused or neglected or exploited person; *and*
  - (f) *The Commonwealth Office of the Ombudsman established pursuant to Section 21 of this Act.*
- (2) *This section shall not be interpreted as prohibiting the Commonwealth Office of the Ombudsman from reporting pursuant to Section 21 of this Act on de-identified information made confidential by this section.*

➔Section 30. KRS 620.050 is amended to read as follows:

- (1) Anyone acting upon reasonable cause in the making of a report or acting under KRS 620.030 to 620.050 in good faith shall have immunity from any liability, civil or criminal, that might otherwise be incurred or imposed. Any such participant shall have the same immunity with respect to participation in any judicial proceeding resulting from such report or action. However, any person who knowingly makes a false report and does so with malice shall be guilty of a Class A misdemeanor.
- (2) Any employee or designated agent of a children's advocacy center shall be immune from any civil liability arising from performance within the scope of the person's duties as provided in KRS 620.030 to 620.050. Any such person shall have the same immunity with respect to participation in any judicial proceeding. Nothing in this subsection shall limit liability for negligence. Upon the request of an employee or designated agent of a

children's advocacy center, the Attorney General shall provide for the defense of any civil action brought against the employee or designated agent as provided under KRS 12.211 to 12.215.

- (3) Neither the husband-wife nor any professional-client/patient privilege, except the attorney-client and clergy-penitent privilege, shall be a ground for refusing to report under this section or for excluding evidence regarding a dependent, neglected, or abused child or the cause thereof, in any judicial proceedings resulting from a report pursuant to this section. This subsection shall also apply in any criminal proceeding in District or Circuit Court regarding a dependent, neglected, or abused child.
- (4) Upon receipt of a report of an abused, neglected, or dependent child pursuant to this chapter, the cabinet as the designated agency or its delegated representative shall initiate a prompt investigation or assessment of family needs, take necessary action, and shall offer protective services toward safeguarding the welfare of the child. The cabinet shall work toward preventing further dependency, neglect, or abuse of the child or any other child under the same care, and preserve and strengthen family life, where possible, by enhancing parental capacity for adequate child care. If an oral or written report, including but not limited to electronic submissions, alleging that a child is dependent, neglected, or abused is made pursuant to this section, and the cabinet determines that the report does not meet criteria for an investigation, the cabinet shall refer the family to appropriate community-based child and family service agencies for services to preserve and strengthen family life in accordance with the requirements in 42 U.S.C. sec. 5106a.
- (5) The report of suspected child abuse, neglect, or dependency and all information obtained by the cabinet or its delegated representative, as a result of an investigation or assessment made pursuant to this chapter, except for those records provided for in subsection (6) of this section, shall not be divulged to anyone except:
  - (a) Persons suspected of causing dependency, neglect, or abuse;
  - (b) The custodial parent or legal guardian of the child alleged to be dependent, neglected, or abused;
  - (c) Persons within the cabinet with a legitimate interest or responsibility related to the case;
  - (d) A licensed child-caring facility or child-placing agency evaluating placement for or serving a child who is believed to be the victim of an abuse, neglect, or dependency report;
  - (e) Other medical, psychological, educational, or social service agencies, child care administrators, corrections personnel, or law enforcement agencies, including the county attorney's office, the coroner, and the local child fatality response team, that have a legitimate interest in the case;
  - (f) A noncustodial parent when the dependency, neglect, or abuse is substantiated;
  - (g) Members of multidisciplinary teams as defined by KRS 620.020 and which operate pursuant to KRS 431.600;
  - (h) Employees or designated agents of a children's advocacy center;
  - (i) Those persons so authorized by court order;~~[-or]~~
  - (j) The external child fatality and near fatality review panel established by KRS 620.055; *or*
  - (k) *The Commonwealth Office of the Ombudsman established pursuant to Section 21 of this Act.***
- (6) (a) Files, reports, notes, photographs, records, electronic and other communications, and working papers used or developed by a children's advocacy center in providing services under this chapter are confidential and shall not be disclosed except to the following persons:
  - 1. Staff employed by the cabinet, law enforcement officers, and Commonwealth's and county attorneys who are directly involved in the investigation or prosecution of the case, including a cabinet investigation or assessment of child abuse, neglect, and dependency in accordance with this chapter;
  - 2. Medical and mental health professionals listed by name in a release of information signed by the guardian of the child, provided that the information shared is limited to that necessary to promote the physical or psychological health of the child or to treat the child for abuse-related symptoms;
  - 3. The court and those persons so authorized by a court order;
  - 4. The external child fatality and near fatality review panel established by KRS 620.055;

5. *The Commonwealth Office of the Ombudsman established pursuant to Section 21 of this Act;*  
and
  6. ~~{5.}~~ The parties to an administrative hearing conducted by the cabinet or its designee in accordance with KRS Chapter 13B in an appeal of a cabinet-substantiated finding of abuse or neglect. The children's advocacy center may, in its sole discretion, provide testimony in lieu of files, reports, notes, photographs, records, electronic and other communications, and working papers used or developed by the center if the center determines that the release poses a threat to the safety or well-being of the child, or would be in the best interests of the child. Following the administrative hearing and any judicial review, the parties to the administrative hearing shall return all files, reports, notes, photographs, records, electronic and other communications, and working papers used or developed by the children's advocacy center to the center.
- (b) The provisions of this subsection shall not be construed as to contravene the Rules of Criminal Procedure relating to discovery.
  - (7) Nothing in this section shall prohibit a parent or guardian from accessing records for his or her child providing that the parent or guardian is not currently under investigation by a law enforcement agency or the cabinet relating to the abuse or neglect of a child.
  - (8) Nothing in this section shall prohibit employees or designated agents of a children's advocacy center from disclosing information during a multidisciplinary team review of a child sexual abuse case as set forth under KRS 620.040. Persons receiving this information shall sign a confidentiality statement consistent with statutory prohibitions on disclosure of this information.
  - (9) Employees or designated agents of a children's advocacy center may confirm to another children's advocacy center that a child has been seen for services. If an information release has been signed by the guardian of the child, a children's advocacy center may disclose relevant information to another children's advocacy center.
  - (10) (a) An interview of a child recorded at a children's advocacy center shall not be duplicated, except that the Commonwealth's or county attorney prosecuting the case may:
    1. Make and retain one (1) copy of the interview; and
    2. Make one (1) copy for the defendant's or respondent's counsel that the defendant's or respondent's counsel shall not duplicate.
 (b) The defendant's or respondent's counsel shall file the copy with the court clerk at the close of the case.
 (c) Unless objected to by the victim or victims, the court, on its own motion, or on motion of the attorney for the Commonwealth shall order all recorded interviews that are introduced into evidence or are in the possession of the children's advocacy center, law enforcement, the prosecution, or the court to be sealed.
 (d) The provisions of this subsection shall not be construed as to contravene the Rules of Criminal Procedure relating to discovery.
  - (11) Identifying information concerning the individual initiating the report under KRS 620.030 shall not be disclosed except:
    - (a) To law enforcement officials that have a legitimate interest in the case;
    - (b) To the agency designated by the cabinet to investigate or assess the report;
    - (c) To members of multidisciplinary teams as defined by KRS 620.020 that operated under KRS 431.600;
    - (d) Under a court order, after the court has conducted an in camera review of the record of the state related to the report and has found reasonable cause to believe that the reporter knowingly made a false report;  
or
    - (e) The external child fatality and near fatality review panel established by KRS 620.055.
  - (12) (a) Information may be publicly disclosed by the cabinet in a case where child abuse or neglect has resulted in a child fatality or near fatality.
 (b) The cabinet shall conduct an internal review of any case where child abuse or neglect has resulted in a child fatality or near fatality and the cabinet had prior involvement with the child or family. The cabinet shall prepare a summary that includes an account of:



1. The cabinet's actions and any policy or personnel changes taken or to be taken, including the results of appeals, as a result of the findings from the internal review; and
  2. Any cooperation, assistance, or information from any agency of the state or any other agency, institution, or facility providing services to the child or family that were requested and received by the cabinet during the investigation of a child fatality or near fatality.
- (c) The cabinet shall submit a report by September 1 of each year containing an analysis of all summaries of internal reviews occurring during the previous year and an analysis of historical trends to the Governor, the General Assembly, and the state child fatality review team created under KRS 211.684.
- (13) When an adult who is the subject of information made confidential by subsection (5) of this section publicly reveals or causes to be revealed any significant part of the confidential matter or information, the confidentiality afforded by subsection (5) of this section is presumed voluntarily waived, and confidential information and records about the person making or causing the public disclosure, not already disclosed but related to the information made public, may be disclosed if disclosure is in the best interest of the child or is necessary for the administration of the cabinet's duties under this chapter.
- (14) As a result of any report of suspected child abuse or neglect, photographs and X-rays or other appropriate medical diagnostic procedures may be taken or caused to be taken, without the consent of the parent or other person exercising custodial control or supervision of the child, as a part of the medical evaluation or investigation of these reports. These photographs and X-rays or results of other medical diagnostic procedures may be introduced into evidence in any subsequent judicial proceedings or an administrative hearing conducted by the cabinet or its designee in accordance with KRS Chapter 13B in an appeal of a cabinet-substantiated finding of child abuse or neglect. The person performing the diagnostic procedures or taking photographs or X-rays shall be immune from criminal or civil liability for having performed the act. Nothing herein shall limit liability for negligence.
- (15) In accordance with 42 U.S.C. sec. 671, the cabinet shall share information about a child in the custody of the cabinet with a relative or a parent of the child's sibling for the purposes of:
- (a) Evaluating or arranging a placement for the child;
  - (b) Arranging appropriate treatment services for the child; or
  - (c) Establishing visitation between the child and a relative, including a sibling of the child.
- (16) In accordance with 42 U.S.C. sec. 671, the cabinet shall, in the case of siblings removed from their home who are not jointly placed, provide for frequent visitation or other ongoing interaction between the siblings, unless the cabinet determines that frequent visitation or other ongoing interaction would be contrary to the safety or well-being of any of the siblings.
- (17) *This section shall not be interpreted as prohibiting the Commonwealth Office of the Ombudsman from reporting pursuant to Section 21 of this Act on de-identified information made confidential by this section.*

➔Section 31. The Cabinet for Health and Family Services is hereby directed to immediately transfer control of the telephone number 800-372-2973 to the Commonwealth Office of the Ombudsman, and the Cabinet for Health and Family Services shall bear all costs incurred by any party in effectuating this transfer.

~~\*\*[➔SECTION 32. A NEW SECTION OF KRS CHAPTER 11 IS CREATED TO READ AS FOLLOWS:~~

- ~~(1) To facilitate the requirement in Section 88 of the Constitution of Kentucky that every bill which has passed both houses of the General Assembly be presented to the Governor, the Governor shall maintain an office for the receipt of bills that is open during any period of time in which either the Senate or the House of Representatives, or both, are in session and for at least thirty (30) minutes following adjournment of both houses of the General Assembly.~~
- ~~(2) During periods when the General Assembly conducts a Regular or Extraordinary Session in the New State Capitol, the Governor shall maintain an office for the receipt of bills that is located no further from the chambers of the Senate and House of Representatives than the center of the first floor of the New State Capitol.~~
- ~~(3) During periods when the General Assembly conducts a Regular or Extraordinary Session in any building other than the New State Capitol, not including any legislative day conducted in the Old State Capitol, the Governor shall maintain an office for the receipt of bills that is located.~~

- ~~(a) In a space within the building in which the General Assembly conducts its session, pursuant to a written agreement between the Governor and the Legislative Research Commission for the use of space within the building; or~~
- ~~(b) In an office or building located no further than one hundred (100) yards from either the front or rear entrance of the building in which the General Assembly conducts its session.~~
- ~~(4) If the Governor fails to maintain an office for the receipt of bills consistent with this section, then the Clerk of the Senate or the Clerk of the House of Representatives may present any bill that has passed both houses of the General Assembly to the Governor in any manner designed to give notice to the Governor of the passage and enrollment of the bill, including but not limited to:~~
  - ~~(a) Delivering a copy of the bill to any state employee in any office or building in the control of the Executive Branch of State Government, or, if no employee is available to receive the bill or if the office or building is closed, by leaving a copy of the bill at the door of the office or building;~~
  - ~~(b) Depositing a copy of the bill in a locked drop box outside of the building in which the General Assembly conducts a Regular or Extraordinary Session and providing a key to the drop box to the Governor; or~~
  - ~~(c) Sending a copy of the bill to the Governor by electronic mail.~~
- ~~(5) Any bill delivered, deposited, or sent to the Governor in a place or manner consistent with this section shall be deemed presented, consistent with Section 88 of the Constitution of Kentucky, at the time it is delivered, deposited, or sent.]\*\*~~

➔SECTION 33. A NEW SECTION OF KRS CHAPTER 27A IS CREATED TO READ AS FOLLOWS:

- (1) *There is hereby established in the State Treasury a trust and agency account to be known as the Court of Justice reserve account. The fund shall consist of moneys appropriated by the General Assembly.*
- (2) *The fund shall be administered by the Administrative Office of the Courts.*
- (3) *Notwithstanding KRS 45.229, fund amounts not expended at the close of the fiscal year shall not lapse but shall be carried forward into the next fiscal year.*
- (4) *Notwithstanding KRS 48.630, no expenditures shall be made from this account unless appropriated by the General Assembly.*

➔Section 34. (1) Notwithstanding 2024 Ky. Acts ch. 148, sec. 1, Part I, A., 1., a., (1), KRS 27A.090, 31A.010, 42.320, 48.010, 48.110, 48.195, 186.440, 186.531, 186.574, 237.110, 431.073, 431.078, 533.030, and 533.250, and any other statute to the contrary, \$34,500,000 in Restricted Funds in fiscal year 2024-2025 shall be transferred from various funds of the Court of Justice to the Court of Justice Reserve Account.

(2) There is hereby appropriated Restricted Funds in the amount of \$3,200,000 in fiscal year 2024-2025 from the Court of Justice Reserve Account to the Court Operations and Administration budget unit to purchase and renovate real estate in Franklin County. Notwithstanding KRS 45.229, any portion of these funds that have not been expended by the end of fiscal year 2024-2025 shall not lapse and shall carry forward into fiscal year 2025-2026.

➔Section 35. KRS 45.812 is amended to read as follows:

- (1) (a) Prior to the issuance of the **general obligation bonds**, revenue bonds, or notes authorized by an appropriation of the General Assembly, or by or on behalf of any Kentucky school district, the agency, corporation, or school district authorized to issue the bonds or notes shall furnish to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue, and make available to the public, a listing of all costs associated, either directly or indirectly, with the issuance of the **general obligation bonds**, revenue bonds, or notes.
- (b) The costs shall be itemized as to amount and name of payee, and shall include fees or commissions paid to, or anticipated to be paid to, issuers, underwriters, placement agents and advisors, financial advisors, remarketing agents, credit enhancers, trustees, accountants, and the counsel of all these persons, bond counsel, and special tax counsel, and shall include the economic benefits received or anticipated to be received by any other persons from any source in return for services performed relating to the issuance of the bonds or notes.
- (c) Changes in amounts or names of payees or recipients, or additions of amounts or names of payees or recipients, to the listing furnished and made available pursuant to this subsection, shall be furnished to

the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue and made available to the public within three (3) days following the change.

- (2) The costs required to be furnished under the provisions of subsection (1) of this section shall not include the payment of wages or expenses to full-time, permanent employees of the Commonwealth of Kentucky.

➔SECTION 36. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

***Each department and program cabinet identified in KRS 12.020 shall submit a report to the Legislative Research Commission on or before June 30 and November 30 of each year that provides suggestions for improved government efficiency. The report shall include:***

- (1) ***Cost-saving measures that the department or program cabinet could implement;***
- (2) ***Tasks or functions each department or program cabinet performs that could be considered for elimination; and***
- (3) ***Staff positions that could be eliminated or converted into new positions to serve a different function where additional personnel are needed.***

➔Section 37. 2024 Kentucky Acts Chapter 173, Section 1, at pages 1756 to 1769, as amended by 2024 Kentucky Acts Chapter 223, at pages 2343 to 2347, is amended to read as follows:

Notwithstanding KRS 141.020(2)(a)2., the appropriations contained in this section are supported solely by funds from the Budget Reserve Trust Fund Account established by KRS 48.705 and shall not be identified as GF appropriations when certifying the reduction conditions pursuant to KRS 141.020(2)(a)5. and (d)2. to 5.

There is hereby appropriated General Fund moneys in the amount of \$203,500,000 in fiscal year 2023-2024, ~~\$1,515,700,400~~~~[\$1,517,150,400]~~ in fiscal year 2024-2025, and ~~\$1,016,002,900~~~~[\$1,018,952,900]~~ in fiscal year 2025-2026 from the Budget Reserve Trust Fund Account established by KRS 48.705 to support the following one-time appropriations:

- (1) \$100,000 in each fiscal year to the Department of Military Affairs budget unit to be distributed to the Kentucky Air National Guard to provide care for the special tactics squadron canines;
- (2) \$1,000,000 in fiscal year 2024-2025 to the Department of Veterans' Affairs budget unit to be distributed to Kentucky Valor to support services to veterans;
- (3) \$750,000 in each fiscal year to the Department of Veterans' Affairs budget unit to be distributed to HBOT for Kentucky Vets to support hyperbaric oxygen treatment services to veterans;
- (4) \$75,000,000 in each fiscal year to the Kentucky Infrastructure Authority budget unit to support the Kentucky WWATERS program or the Emergency Kentucky Water or Wastewater Assistance for Troubled or Economically Restrained Systems Fund;
- (5) \$5,000,000 in each fiscal year to the Kentucky Infrastructure Authority budget unit to be distributed to the Crittenden-Livingston County Water District to support expansion of capacities to support regional needs;
- (6) \$13,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Guthrie to support construction of a wastewater treatment center;
- (7) \$2,500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Adairville to support construction of a wastewater treatment center;
- (8) \$3,900,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Lewisburg to support construction of a wastewater treatment processing center and water lines;
- (9) \$1,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Edmonson County Water District to support the installation of a water line and booster pumping station;
- (10) \$3,500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Edmonson County Water District to support operations and federal matching dollars if federal funds become available;

(11) \$2,500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Allen County Water District to support water mains that will loop into the Highway 101 service area;

(12) \$2,800,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Franklin County Fiscal Court to support the Forks of Elkhorn sanitary sewer extension;

(13) \$18,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Gateway Area Development District to support a regional water project;

(14) \$1,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Albany to support reduction of water loss;

(15) \$1,933,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Booneville to support the Booneville Water Line Replacement Phase 3 project;

(16) \$681,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Martin County Water and Sanitation District to support the purchase and installation of a water tank;

(17) \$2,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Martin County Water and Sanitation District to support the purchase and installation of water meters;

(18) \$2,600,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Evarts to support a new water storage tank, clear well, and water line replacement;

(19) \$3,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Jenkins to extend water and sewer infrastructure to the Raven Rock Resort;

(20) \$5,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Beattyville for water and sewer expansion near the Red River Gorge;

(21) \$5,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Campton for water and sewer expansion near the Red River Gorge;

(22) \$2,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Stanton for water and sewer expansion near the Red River Gorge;

(23) \$1,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Powell Valley Water District for water and sewer expansion near the Red River Gorge;

(24) \$2,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Beech Fork Water Commission for water and sewer expansion near the Red River Gorge;

(25) \$1,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to Booneville Water and Sewer District for a water telemetry system;

(26) \$2,500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to Jackson County Water Association for expansion of water lines;

(27) \$5,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Jackson County Water Association for extension of a 10-inch water line along KY Highway 30;

(28) \$3,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Williamsburg for water and wastewater extensions to the Kentucky Splash Campground and surrounding areas;

(29) \$3,500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Corbin Utilities Commission for sewer line extensions;

(30) \$1,400,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Corbin Utilities Commission for KY-1232 sewer extension;

(31) \$1,100,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Knox County Fiscal Court for replacement of the Stinking Creek water tank;

(32) \$650,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Knox County Fiscal Court for rehabilitation of the water tank at the Tri-County Industrial Park;

(33) \$800,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Barbourville for replacement of the Canon Water Tank;

(34) \$2,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Manchester for emergency repair of the water intake;

(35) \$8,500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Woodford County Fiscal Court to support a wastewater project in the community of Millville in conjunction with the City of Frankfort;

(36) \$1,500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Springfield to expand the Springfield Wastewater Treatment Plant;

(37) \$10,050,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Spencer County Fiscal Court to update the wastewater treatment facility in conjunction with the Spencer County Sanitation District;

(38) \$25,618,500 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Maysville to support the Maysville Long-Term Control Plan;

(39) \$15,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Guthrie to support the Guthrie Wastewater Treatment Plant;

(40) \$5,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the Sanitation District 1 of Northern Kentucky to support consent decree remediation;

(41) \$500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Taylor Mill to study sewer expansion on Locust Pike;

(42) \$2,500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Adairville to construct a wastewater treatment center;

(43) \$3,900,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Lewisburg to construct water lines and a wastewater treatment center;

(44) \$7,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority budget unit to be distributed to the City of Georgetown for various water and wastewater infrastructure projects for Georgetown Municipal Water and Sewer Service;

(45) \$50,000,000 in each fiscal year to the Department for Local Government budget unit to be distributed to Louisville Metro Government and allocated at the sole discretion of its Economic Development Department for the revitalization of downtown Louisville to include these projects:

- (a) The Belvedere;
- (b) Community Care Campus;
- (c) LOUMED Campus;
- (d) Louisville Gardens;
- (e) Downtown Vacant Buildings Revitalization; and
- (f) Butchertown Sports District;

(46) \$10,300,000 in fiscal year 2024-2025 and \$1,700,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Pikeville Medical Center for the upgrades of the facilities to include these projects:

- (a) Expansion of the psychiatric and mental health ward;
- (b) Renovation of the intensive care unit;
- (c) Renovation of the obstetrics/labor/delivery ward; and
- (d) Renovation of the obstetrics operating room;

(47) \$10,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Lexington-Fayette Urban County Government to support Lexington's Transformational Housing Affordability Partnership;

(48) \$12,500,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the City of Ashland to construct a new conference center complex;

(49) \$6,000,000 in each fiscal year to the Department for Local Government budget unit to be distributed to Appalachian Regional Healthcare to construct a cancer treatment center in the City of Middlesboro;

(50) \$10,000,000 in fiscal year 2024-2025 and \$115,000,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Kenton County Fiscal Court and deployed through the Northern Kentucky Port Authority to plan, design, and construct a Commonwealth Center for Biomedical Excellence in the City of Covington in partnership with Northern Kentucky University and the University of Kentucky;

(51) \$500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Hickman County Fiscal Court to support upgrades and enhancements to the park;

(52) \$1,000,000 in fiscal year 2024-2025 and \$500,000 in fiscal year 2025-2026 to the Attorney General budget unit to create an electric reliability defense program;

(53) \$500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Kevil to support upgrades and enhancements for the Kevil Fire Station;

(54) \$725,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Carlisle County Fiscal Court to support upgrades and enhancements to the park;

(55) \$1,000,000 in fiscal year 2024-2025 and \$750,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Cayce Fire Department to support facility upgrades and enhancements;

(56) \$500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Mayfield to support the demolition and removal of the Hall's Hotel;

(57) \$2,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Kuttawa Fire Department to support enhancements to the station;

(58) \$1,700,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Marshall County Fiscal Court to install a package wastewater treatment plant at the Aurora Wastewater Treatment Plant;

(59) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Caldwell County Fiscal Court to support a roof repair at the Caldwell County Courthouse;

(60) \$330,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the YMCA of Owensboro to support ongoing operations and additional programming;

(61) \$500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Family Wellness Center - Ohio County to support a new pool filtration system;

(62) \$3,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Logan County Fiscal Court to support upgrades and equipment for county and city parks;

(63) \$1,750,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Todd County Fiscal Court to support upgrades and equipment for county and city parks and the high school technology center;

(64) \$500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Crofton to support upgrades and equipment for the city park;

(65) \$250,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Core of Scottsville and Allen County, Inc. to support the construction of a community center;

(66) \$2,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the T.J. Samson Community Hospital to support the build out of the third floor pavilion;

(67) \$4,300,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Louisville Orchestra to support ongoing operations and programming;

(68) \$400,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Kentucky Science Center to support ongoing operations and program enhancements;

(69) \$5,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the National Society of the Sons of the American Revolution to support the education center and museum;

(70) \$2,500,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Kentucky College of Arts and Design to support ongoing operations and programming;

(71) \$4,550,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the City of Campbellsville to support raw and finished water transmission upgrades;

(72) \$4,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Monticello to support economic development initiatives;

(73) \$4,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Bluegrass Land Conservancy to provide the match for a federal grant;

(74) \$2,500,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the City of Fort Thomas to support the Tower Park Community Complex project;

(75) \$1,000,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the City of Berea to support the Kenway Street expansion;

(76) \$2,367,000 in fiscal year 2024-2025 and \$2,300,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Rockcastle County Fiscal Court to support a recreational complex;

(77) \$3,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Bourbon County Fiscal Court to support the development of a community park;

(78) \$1,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Paris to support the transfer station relocation;

(79) \$3,000,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Clark County Fiscal Court to support a water project;

(80) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Nicholas County Fiscal Court to support the purchase and installation of an industrial fire pumper;

(81) \$300,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to Compose Arts to support Thy Will Be Done Productions statewide;

(82) \$3,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Russell County Fiscal Court to support the Russell County Library Community Development Center project;

(83) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Owsley County Fiscal Court to support the Sturgeon Creek Bridge project;

(84) \$2,400,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Knox County Fiscal Court to support the Knox County Sports Complex project;

(85) \$1,000,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the City of Pineville to support construction, renovation, and water expansion of the Pineville Courthouse Square;

(86) \$4,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Jackson County Fiscal Court to support the Jackson County Park development project;

(87) \$3,400,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Leslie County Fiscal Court to support a gas line project;

(88) \$3,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Knott County Fiscal Court to support a water project;

(89) \$3,800,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Harlan County Fiscal Court to support the Harlan County Wellness and Recreation Center;

(90) \$500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Greenup County Fiscal Court to support the purchase of ambulances and the renovation of the Emergency Management Services headquarters and training facility;

(91) \$10,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Russell County Fiscal Court to support a hospital expansion;

(92) \$3,500,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Louisville Metro Government for Louisville Parks and Recreation to support the Shawnee Outdoor Learning Center;

(93) \$500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to Mercy Chefs, Inc. to support expansion of services in Kentucky;

(94) \$135,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of McDaniels for a community ballpark project;

(95) \$850,000 in fiscal year 2024-2025 to the Department of Parks budget unit for the restoration of the Dye House on the grounds of the Perryville Battlefield State Historic Site;

(96) \$11,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Mercer County Fiscal Court for the Wilkinson Farm Mega Site;

(97) \$1,100,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Owensboro Museum of Science and History for building infrastructure;

(98) \$500,000 in each fiscal year to the Department for Local Government budget unit to be distributed to Partners for Rural Impact to secure federal grant funding;

(99) \$50,000 in each fiscal year to the Department for Local Government budget unit to be distributed to Ballard County Fiscal Court to support the Ballard-Carlisle County Public Library;

(100) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Lincoln High School Historical Foundation in Paducah for a civic center project;

(101) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Elizabethtown for the Elizabethtown Parks and Trails Conservancy;

(102) \$3,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Menifee County Fiscal Court for new athletic fields at the Menifee County Community Park;

(103) \$2,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Bath County Fiscal Court for youth baseball fields;

(104) \$500,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Harlan County Fiscal Court for Backroads of Appalachia;

(105) \$1,500,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Pulaski County Fiscal Court for the Connect Community Village;

(106) \$8,000,000 in fiscal year 2024-2025 and \$500,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the ~~\*\*[Lake Cumberland Area Development District]\*\*~~ ~~\*\*[]~~Center for Rural Development~~[]~~\*\* for a regional training center ~~\*\*[]~~in collaboration with the Lake Cumberland Area Development District~~[]~~\*\*;

(107) \$150,000 in fiscal year 2024-2025 and \$350,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Taylor County Fiscal Court for rural economic development initiatives in conjunction with Campbellsville University;

(108) \$1,265,500 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Washington County Fiscal Court for natural gas infrastructure upgrades;

(109) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Murray to purchase a firetruck;

(110) \$6,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Kenton County Fiscal Court for SparkHaus;



(111) \$5,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Kenton County Fiscal Court for Brownfield site readiness;

(112) \$60,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Breckenridge County Fiscal Court for the Joseph Holt Home;

(113) \$100,000 in fiscal year 2024-2025 and \$259,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Webster County Fiscal Court for the Webster County Park Welcome Center;

(114) \$150,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Henderson County Fiscal Court for the Harbor House;

(115) \$3,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to Goodwill Industries of Kentucky for the West Louisville Opportunity Center;

(116) \$2,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Leslie County Fiscal Court for the Leeco Park Project;

(117) \$460,000 in each fiscal year to the Department for Local Government budget unit to be distributed to Challenger Learning Center of Kentucky for STEM educational resources;

(118) \$1,272,500 in fiscal year 2024-2025 and \$600,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the City of Beattyville for the Radio Read Meter Replacement Project;

(119) \$5,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the McCreary County Heritage Foundation for the Stearns Revitalization Project;

(120) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Laurel County Fiscal Court for regional fair grounds;

(121) \$150,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Kentucky Music Hall of Fame for facility upgrades;

(122) \$100,000 in each fiscal year to the Department for Local Government budget unit to be distributed to The Nest in Lexington to support operations;

(123) \$125,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Harlan County Fiscal Court to support construction of the KY 160 Black Mountain Roadside Overlook;

(124) \$945,000 in fiscal year 2024-2025 and \$925,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Letcher County Fiscal Court to support the Fleming-Neon Rising initiative;

(125) \$3,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Letcher County Fiscal Court to support the renovation of the City of Whitesburg's historic Daniel Boone Hotel;

(126) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Johnson County Fiscal Court to support the operations of the eKentucky Advanced Manufacturing Institute;

(127) \$2,950,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Taylor County Fiscal Court to support the Taylor County Community Development Project;

(128) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Adair County Fiscal Court to support the revitalization of the Historic Adair County Courthouse;

(129) \$250,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Allen County Fiscal Court to support construction of a Community Center with the Core of Scottsville;

(130) \$1,250,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Booneville for land acquisition and renovations;

(131) \$1,250,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Owsley County Fiscal Court for land acquisition, reclamation, and renovations;

(132) \$500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Booneville for a home development initiative;

(133) \$1,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Williamsburg for the RV campground and water park;

(134) \$3,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Corbin for land acquisition, construction, and renovations for a tourism initiative;

(135) \$7,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Whitley County Fiscal Court for corrections-related renovations;

(136) \$1,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Barbourville for the completion of the City Hall and EMS buildings;

(137) \$8,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Knox County Fiscal Court land acquisition and renovations for a new county administrative office;

(138) \$1,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Knox County Fiscal Court for RV park upgrades;

(139) \$4,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Clay County Fiscal Court for construction of multipurpose buildings and renovations;

(140) \$10,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to ICC for land acquisition, construction, and joint projects for various economic development projects;

(141) \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Barren County Fiscal Court for multi-county regional projects;

(142) \$1,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Hart County Fiscal Court for various projects;

(143) \$2,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Green County Fiscal Court for employment stabilization and workforce development;

(144) \$2,000,000 in fiscal year 2025-2026 to the Department for Local Government budget unit to be distributed to the Green County Fiscal Court for various projects;

(145) \$301,400 in each fiscal year to the Department for Local Government budget unit to be distributed to the Warren County Fiscal Court for beautification of the I-65 corridor;

(146) \$1,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to Shaping Our Appalachian Region for remote talent attraction;

(147) \$3,500,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Paducah to complete a federally funded Build Grant project;

(148) \$1,250,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Covington Life Science Center for equipment and facilities;

(149) \$500,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the City of Covington for Covington Partners for violence prevention efforts;

(150) \$1,250,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Louisville Metro Government for the Jefferson Memorial Forest;

(151) \$3,750,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Campbell County Fiscal Court for the General James Taylor Park;

(152) \$11,250,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Frankfort to support construction of the Frankfort Convention Center subject to a dollar-for-dollar match;

(153) ~~\$1,500,000~~ ~~(\$750,000)~~ in each fiscal year ~~2024-2025~~ to the Department for Local Government budget unit to be distributed to the Louisville Metro Government for the Grand Lyric Theater;

(154) \$10,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Jessamine County Fiscal Court to support maintenance of the High Bridge Fire House;

(155) \$300,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Jessamine County Fiscal Court to support infrastructure and utilities for the Enterprise Industrial Park;

(156) \$367,500 in each fiscal year to the Department for Local Government budget unit to be distributed to the Jessamine County Fiscal Court to support various projects at the John Preece Park;

(157) \$11,000,000 in each fiscal year to the Department for Local Government budget unit to be distributed to the Kentucky Cattleman's Association for the construction of the Livestock Innovation Center at the University of Kentucky C. Oran Little Research Farm;

(158) \$2,350,000 in each fiscal year to the Department of Local Government budget unit to be distributed to the City of Pikeville to support various infrastructure projects at Bear Mountain;

(159) \$8,500,000 in fiscal year 2024-2025 to the Department of Local Government budget unit to be distributed to the Southern Kentucky Performing Arts Center to support the addition to the building;

(160) \$200,000,000 in fiscal year 2023-2024 to the Cabinet for Economic Development budget unit to support matching funds under the Government Resources Accelerating Needed Transformation Program of 2024. Of this amount, \$4,000,000 shall be distributed to Grant Ready Kentucky. Notwithstanding KRS 147A.158(3)(b), no more than \$2,000,000 in fiscal year 2023-2024 shall be used for administrative expenses. Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward;

(161) \$100,000 in fiscal year 2024-2025 to the Department of Agriculture budget unit to distribute to the Western Kentucky State Fair to support facilities and operations;

(162) \$25,000,000 in each fiscal year to the Kentucky Public Pensions Authority budget unit to be applied to the unfunded pension liability of the State Police Retirement Systems pension fund. These funds shall only be distributed on a monthly basis and shall not be distributed until the system has certified that the previous month's distribution has been invested;

(163) \$50,000,000 in each fiscal year to the Kentucky Public Pensions Authority budget unit to be applied to the unfunded pension liability of the Kentucky Employees Retirement System Nonhazardous pension fund. These funds shall only be distributed on a monthly basis and shall not be distributed until the system has certified that the previous month's distribution has been invested;

(164) \$40,000,000 in each fiscal year to the Teachers' Retirement System budget unit to be applied to the unfunded actuarially accrued liability of the pension fund. These funds shall only be distributed on a monthly basis and shall not be distributed until the system has certified that the previous month's distribution has been invested;

(165) \$3,550,000 in each fiscal year to the School Facilities Construction Commission budget unit to be distributed to the Butler County School District to support upgrades, renovations, and enhancements to the district's facilities;

(166) \$2,000,000 in fiscal year 2024-2025 to the School Facilities Construction Commission budget unit to be distributed to the Logan County School District to support technology center upgrades and equipment;

(167) \$3,500,000 in each fiscal year to the School Facilities Construction Commission budget unit to be distributed to the Lincoln County School District to support upgrades, renovations, and enhancements to the district's facilities;

(168) \$3,500,000 in each fiscal year to the School Facilities Construction Commission budget unit to be distributed to the Garrard County School District to support upgrades, renovations, and enhancements to the district's facilities;

(169) \$7,000,000 in fiscal year 2024-2025 to the School Facilities Construction Commission budget unit to be distributed to the Christian County School District to support construction of athletic fields at the new high school location;

(170) \$1,000,000 in fiscal year 2024-2025 to the School Facilities Construction Commission budget unit to be distributed to the McCreary County School District for middle school and high school campus road construction;

(171) \$5,000,000 in each fiscal year to the Kentucky Rural Housing Trust Fund established in KRS 198A.744;

(172) \$50,000,000 in each fiscal year to the Economic Development budget unit to support approved mega-development projects of at least \$10,000,000, with an exception for certain economic development projects as

recommended by the Cabinet based on unique conditions of the county where the project may occur, including but not limited to the population, per capita income, or county wages that are lower than the median for the state. These funds may be used to provide loans with the ability for forgiveness upon approval by the Secretary to support infrastructure and access to power. The Cabinet shall develop the terms and conditions of the loans and shall include requirements related to increased economic development;

(173) \$50,000,000 in fiscal year 2024-2025 to the Economic Development budget unit to support the Kentucky Economic Development Finance Authority Loan Pool. ~~Of this amount \$30,000,000~~~~[The appropriation contained in this subsection]~~ shall be used to provide funding to ***the City of Elizabethtown for the Valley Creek Treatment Expansion Project.***~~[Hardin and Warren Counties, communities experiencing significant economic development growth due to announced projects with investments exceeding \$2,000,000,000 for supporting critical infrastructure improvements, such as water and sewer requirements, for continued economic development. Assistance may be in the form of a loan with the ability for forgiveness due to meeting negotiated requirements related to increased economic development for the community.]~~ ***The remaining***~~[Of this amount,]~~ \$20,000,000 shall be allocated to the Intermodal Transportation Authority, ***Inc. for the project at the Kentucky Transpark and surrounding areas. The funds shall be used to support communities experiencing economic development growth due to announced projects with investments exceeding \$2,000,000. Assistance may be in the form of a loan with the ability for forgiveness due to meeting negotiated requirements related to increased economic development for the community;***

(174) \$35,000,000 in each fiscal year to the Economic Development budget unit to support development projects. These funds shall be allocated in accordance with the Kentucky Product Development Initiative of 2024. The Cabinet for Economic Development may retain \$100,000 of this appropriation for administrative expenses, including \$75,000 to reimburse the Kentucky Association for Economic Development for technical support and evaluation services;

(175) \$35,000,000 in fiscal year 2024-2025 to the Economic Development budget unit to support capital improvements at Kentucky Commercial Airports in the following allocations:

- (a) \$5,000,000 for the Bluegrass Airport;
- (b) \$5,000,000 for the Louisville Muhammad Ali International Airport;
- (c) \$20,000,000 for the Cincinnati/Northern Kentucky International Airport;
- (d) \$2,500,000 for the Barkley Regional Airport; and
- (e) \$2,500,000 for the Owensboro-Daviess County Regional Airport;

(176) \$25,000,000 in fiscal year 2025-2026 to the Economic Development budget unit to be distributed to the Shelby County Fiscal Court to support economic development for an energy development project. The funds shall be contingent on the approval by the 2025 General Assembly;

(177) \$62,000,000 in fiscal year 2024-2025 to the Economic Development budget unit to be distributed to RGL Regional Industrial Development Authority for the purchase of real property. The land shall be used only for purposes approved by the Cabinet for Economic Development and the Kentucky Economic Development Finance Authority;

(178) \$1,364,000 in fiscal year 2024-2025 to the Economic Development budget unit to be distributed to the Bell County Fiscal Court to support the development of the industrial park;

(179) \$10,000,000 in fiscal year 2024-2025 to the Economic Development budget unit to be allocated to the Leitchfield-Grayson County Airport to purchase acreage for the expansion of runways to promote economic growth;

(180) \$2,000,000 in each fiscal year to the Economic Development budget unit to be allocated to the Louisville Botanical Gardens;

(181) \$2,500,000 in fiscal year 2024-2025 to the Operations and Support Services budget unit in the Department of Education to purchase automated external defibrillators for public schools;

(182) \$500,000 in each fiscal year to the General Administration and Support budget unit in the Education and Labor Cabinet to be distributed to the Boys & Girls Clubs Kentucky Alliance to support workforce readiness and academic programs;

(183) \$2,000,000 in fiscal year 2024-2025 to the Kentucky Heritage Land Conservation Fund established by KRS 146.570;

(184) \$1,000,000 in each fiscal year to the General Operations budget unit in Libraries and Archives to be distributed to the Louisville Free Public Library to support enhancements and operations at the Fern Creek Library;

(185) \$10,000,000 in each fiscal year to the Workforce Development budget unit to be distributed to Kentuckiana Works to support workforce development programming;

(186) \$62,000,000 in fiscal year 2024-2025 to the Medicaid Benefits budget unit to support ongoing needs of the Medicaid benefits program;

(187) \$10,000,000 in each fiscal year to the Behavioral Health, Developmental and Intellectual Disabilities budget unit to be distributed to the Barren River Area Development District to develop and implement a regional substance use disorder services pilot program as provided in paragraphs (a) to (d) of this subsection. The pilot program shall:

- (a) Provide substance use treatment services;
- (b) Have a regional focus encompassing the counties included in the BRADD service region;
- (c) Include the appropriate organizations and entities involved in the delivery of substance use disorder stabilization and treatment services in the region; and
- (d) Assess community needs and available resources for substance use prevention and treatment services in the region.

The Barren River Area Development District shall hold no less than four meetings during the 2024-2025 fiscal year in the affected communities to allow for public input and comment on the construction of any facilities and services to be offered using the funds appropriated in this subsection. No more than \$500,000 of appropriated funds may be used to support the facilitation of the public community meetings. BRADD shall provide a report on the outcomes of the pilot project including the number of individuals served, the types and number of community partners, the types and location of services provided, any capital constructions projects included in the pilot program, and expenditures to the Interim Joint Committee on Appropriations and Revenue by December 1 of each fiscal year;

(188) \$450,000 in fiscal year 2024-2025 to the Behavioral Health, Developmental and Intellectual Disabilities budget unit to be distributed to the Wendell Foster Aquatic Therapy Center to support aquatic therapy services for individuals with intellectual and development disabilities;

(189) \$1,000,000 in fiscal year 2024-2025 to the Department for Behavioral Health, Developmental, and Intellectual Disabilities budget unit to be distributed to the Daviess County Fiscal Court for the Friends of Sinners Men's Facility;

(190) \$1,500,000 in fiscal year 2024-2025 and \$1,000,000 in fiscal year 2025-2026 to the Department for Behavioral Health, Developmental, and Intellectual Disabilities budget unit to be Mountain Comprehensive Health Corporation for the Transitioning from Recovery to Society program;

(191) \$30,000,000 in fiscal year 2025-2026 to the Community Based Services budget unit to be distributed to the Home of the Innocents for the expansion of the Kosair for Kids Complex Care Center. The funds shall not be distributed unless an equal match is provided by the Home of the Innocents;

(192) \$6,000,000 in each fiscal year to the Community Based Services budget unit to be distributed to the Life Learning Center to support an integrated pathway to treatment, rehabilitation, and community reintegration ~~in partnership with Odyssey, Inc.~~;

(193) \$500,000 in fiscal year 2024-2025 to the Community Based Services budget unit to be distributed to Prevent Child Abuse Kentucky to support ongoing operations;

(194) \$500,000 in fiscal year 2024-2025 to the Department for Community Based Services to be distributed to Prevent Child Abuse Kentucky to support the Upstream Academy;

(195) \$1,500,000 in fiscal year 2024-2025 to the Community Based Services budget unit to be distributed to Buckhorn Children and Family Services to support ongoing operations;

(196) \$1,000,000 in each fiscal year to the Community Based Services budget unit to be distributed to Ramey Estep Homes to support ongoing operations;

(197) \$6,000,000 in fiscal year 2024-2025 to the Community Based Services budget unit to be distributed to the Children's Home of Northern Kentucky to support ongoing operations;

(198) \$4,000,000 in fiscal year 2024-2025 to the Department for Community Based Services budget unit to support campus completion for the Harbor House of Louisville;

(199) \$2,000,000 in each fiscal year to the Kentucky Pediatric Cancer Research Trust Fund established in KRS 211.595 to support the families of Kentucky's pediatric cancer patients;

(200) \$1,250,000 in each fiscal year to the Justice Administration budget unit to be distributed to Operation UNITE to support ongoing operations;

(201) \$8,000,000 in each fiscal year to the Council on Postsecondary Education budget unit to be distributed to Appalachian Regional Healthcare to establish a psychiatric residency program to serve eastern Kentucky;

(202) \$12,500,000 in each fiscal year to the Eastern Kentucky University budget unit to support the aviation program;

(203) \$5,000,000 in fiscal year 2024-2025 to the Eastern Kentucky University budget unit for the Eastern Scholar House Program expansion;

(204) \$2,500,000 in fiscal year 2025-2026 to the Morehead State University budget unit for the advancement, development, and implementation of new space science satellites for the University's space science program;

(205) \$10,000,000 in fiscal year 2025-2026 to the Murray State University budget unit for construction, renovation, and operations for the University's cybersecurity program;

(206) \$10,000,000 in fiscal year 2024-2025 and \$50,000,000 in fiscal year 2025-2026 to the Murray State University budget unit to construct a facility for the veterinary technician program;

(207) \$20,000,000 in each fiscal year to the University of Kentucky budget unit to be invested as a quasi-endowment by the University. The interest earned on the investment shall be used for the Center for Applied Energy Research's administration and support of the Kentucky Nuclear Energy Development Authority and the Energy Planning and Inventory Commission;

(208) \$12,500,000 in each fiscal year to the University of Louisville budget unit to be distributed to the University of Louisville Health System for cancer care, research, screening, and educational programs at the Center for Rural Cancer Education and Research;

(209) \$10,000,000 in fiscal year 2025-2026 to the University of Louisville budget unit to support construction, renovation, and operations for the University's cybersecurity program;

(210) \$5,300,000 in each fiscal year to the University of Louisville budget unit for the Kentucky Manufacturing Extension Partnership;

(211) \$900,000 in fiscal year 2024-2025 to the University of Louisville budget unit to be distributed to the Rural Dental Outreach Program;

(212) \$10,000,000 in fiscal year 2025-2026 to the Western Kentucky University budget unit to support operations for the University's Innovation Campus program;

~~[(213) \$2,200,000 in each fiscal year to the Western Kentucky University budget unit to be distributed to the LifeWorks Transition Academy and Bridge Program;]~~

~~(213)~~~~[(214)]~~ \$1,400,000 in fiscal year 2025-2026 to the Kentucky Community and Technical College System budget unit to be distributed to the Western Kentucky Community and Technical College to support aviation programs;

~~(214)~~~~[(215)]~~ \$18,000,000 in each fiscal year to the Kentucky Horse Park Commission budget unit for facility upgrades to be allocated as follows:

- (a) \$2,500,000 for the renovation of the restaurant;
- (b) \$15,000,000 for the replacement of competition barns and stalls;
- (c) \$7,000,000 for the renovation of entertainment pavilions;
- (d) \$5,000,000 for the replacement of campground sites and bathhouse;
- (e) \$1,500,000 for a maintenance pool; and
- (f) \$5,000,000 for the renovation of the International Museum of the Horse;

~~(215)~~~~(216)~~ \$500,000 in fiscal year 2024-2025 to the Secretary budget unit in the Tourism, Arts and Heritage Cabinet to be distributed to the International Bluegrass Music Museum, Inc. to support the Bluegrass Capital Initiative;

~~(216)~~~~(217)~~ \$4,000,000 in fiscal year 2024-2025 to the Secretary budget unit in the Tourism, Arts and Heritage Cabinet to be distributed to the Aviation Museum of Kentucky to support the relocation of the museum;

~~(217)~~~~(218)~~ \$200,000 in fiscal year 2024-2025 to the Secretary budget unit in the Tourism, Arts and Heritage Cabinet to be distributed to the Muhlenberg County Tourism Commission to support tourism;

~~(218)~~~~(219)~~ \$400,000 in fiscal year 2024-2025 to the Secretary budget unit in the Tourism, Arts and Heritage Cabinet to be distributed to the National Quilt Museum to support a roof replacement project;

~~(219)~~~~(220)~~ \$720,000 in fiscal year 2024-2025 to the Secretary budget unit in the Tourism, Arts and Heritage Cabinet budget unit to support Trail Town grants not to exceed \$30,000;

~~(220)~~~~(221)~~ \$6,000,000 in fiscal year 2024-2025 to the Secretary budget unit in the Tourism, Arts and Heritage Cabinet to be distributed to the East Kentucky Heritage Foundation for construction of cabins at the Raven Rock Resort;

~~(221)~~~~(222)~~ \$100,000 in fiscal year 2024-2025 to the Parks budget unit to be distributed to the Dream Big Burnside Authority to support a feasibility study for the development of a lodge and other amenities at General Burnside Island State Park;

~~(222)~~~~(223)~~ \$6,000,000 in each fiscal year to the Kentucky Center for the Arts budget unit to be distributed to the Kentucky Center for the Performing Arts to support facility renovations;

~~(223)~~~~(224)~~ \$3,500,000 in fiscal year 2023-2024 to the General Administration and Support budget unit in the Kentucky Transportation Cabinet to be distributed to the Paducah-McCracken Riverport Authority to support the Riverport West project. Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward to fiscal year 2024-2025;

~~(224)~~~~(225)~~ \$7,500,000 in each fiscal year to the General Administration and Support budget unit in the Kentucky Transportation Cabinet to improve public riverports within Kentucky. Of this amount, \$250,000 in each fiscal year shall be distributed to the West Kentucky Regional Riverport Authority to support predevelopment archaeological activities. In addition, each existing public riverport shall receive \$750,000 in each fiscal year for construction and maintenance as authorized by KRS 65.520 and for eligible use as described in KRS 174.210(3), and no local match shall be required. Any remaining balance shall be distributed at the Transportation Cabinet Secretary's discretion and may be disbursed to riverport authorities for existing and developing riverports. Notwithstanding KRS 45.229, any portion of these funds that have not been expended by the end of fiscal year 2024-2025 shall not lapse and shall carry forward into fiscal year 2025-2026;

~~(225)~~~~(226)~~ \$1,300,000 in fiscal year 2024-2025 to the General Administration and Support budget unit in the Kentucky Transportation Cabinet to be distributed to the Owensboro Riverport Authority to support the construction of the Owensboro riverport waterline loop;

~~(226)~~~~(227)~~ \$10,600,000 in fiscal year 2024-2025 to the Department of Aviation budget unit in the Kentucky Transportation Cabinet to support grants of \$200,000 to each General Aviation airport provided that the recipient shall have an automated dependent surveillance broadcast system installed at the airport in order to automate the tracking of aircraft operations and reporting. If a recipient does not have an automated dependent surveillance broadcast system, these grant funds may be used to purchase a system;

~~(227)~~~~(228)~~ \$600,000 in fiscal year 2024-2025 to the Department of Aviation budget unit in the Kentucky Transportation Cabinet to be distributed to the Danville-Boyle County Airport for the Stuart-Powell Field;

~~(228)~~~~(229)~~ \$7,500,000 in each fiscal year to the Department of Highways budget unit in the Kentucky Transportation Cabinet to implement the Short Line Infrastructure Preservation Pilot Project. The Cabinet shall coordinate with and make grants to Class II and Class III railroads to preserve and enhance existing rail lines and corridors, retain existing rail-served industries, and attract new industries, and preserve and modernize Kentucky's rail system. Funds from the pilot project shall be used for the purpose of leveraging state matching dollars in partnership with participating railroads for the railroad federal grant applications, equipment, construction, reconstruction, improvement, or rehabilitation of rail facilities or engineering work associated with capital projects. No funds shall be expended from the pilot project unless matched with non-state funds equaling at least 50 percent of the total amount for any individual project. No single project shall receive more than \$2,000,000 in grant funds from

the pilot project. Notwithstanding KRS 45.229, any portion of these funds that have not been expended by the end of fiscal year 2024-2025 shall not lapse and shall carry forward into fiscal year 2025-2026. The Kentucky Transportation Cabinet shall submit a report to the Legislative Research Commission and the Interim Joint Committee on Appropriations and Revenue by September 1, 2025, detailing the disbursement of funds in this subsection;

~~(229)~~~~(230)~~ \$7,500,000 in each fiscal year to the Department of Highways budget unit in the Kentucky Transportation Cabinet to implement the Industrial Access and Safety Improvement Pilot Project. The Kentucky Transportation Cabinet, in conjunction with the Cabinet for Economic Development, shall review project proposals and the benefits provided in Kentucky. Projects must provide one or more of the following applicable economic development and safety improvement benefits:

- (a) Provide Kentucky communities and industries with transportation options, connectivity, and opportunities;
- (b) Enhance rail line corridors to increase on-time performance; and
- (c) Improve rail services to existing industries and encourage investment in the Commonwealth;

The Kentucky Transportation Cabinet shall coordinate with and make grants to eligible freight railroads operating in the Commonwealth, as well as to any Railroad Authority, Port Authority, rail-served industries, and Industrial and Economic Development Authority Board to expand rail access, enhance the marketability of available industrial sites, increase job creation and capital investment, and increase safety. Funds from the pilot project shall be used for equipment, construction, reconstruction, improvement, or rehabilitation of rail facilities or engineering work associated with capital projects. No funds shall be expended from the pilot project unless matched with non-state funds equaling at least 50 percent of the total amount for any individual project. No single project shall receive more than \$2,000,000 in grant funds from the pilot project. No one entity shall be eligible to receive more than 25 percent of total program funds in a fiscal year. Notwithstanding KRS 45.229, any portion of these funds that have not been expended by the end of fiscal year 2024-2025 shall not lapse and shall carry forward into fiscal year 2025-2026. The Kentucky Transportation Cabinet shall submit a report to the Legislative Research Commission and the Interim Joint Committee on Appropriations and Revenue by September 1, 2025, detailing the disbursement of funds in this subsection;

~~(230)~~~~(231)~~ \$250,000,000 in fiscal year 2024-2025 and \$200,000,000 in fiscal year 2025-2026 to the Department of Highways budget unit in the Kentucky Transportation Cabinet to support the State Supported Construction Program and select construction projects within the 2024-2026 Biennial Highway Construction Program. The select construction projects are identified for industrial development, economic and quality improvement, or located in counties that are projected to have the largest change in total population in both numeric and percentage gain. Notwithstanding KRS 45.299, these funds shall not lapse and shall carry forward;

~~(231)~~~~(232)~~ \$10,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of Covington for infrastructure at the Covington Central Riverfront site;

~~(232)~~~~(233)~~ \$5,000,000 in fiscal year 2024-2025 to the Emergency and Targeted Investment Fund established by KRS 157.618. The School Facilities Construction Commission shall grant priority to schools with structural failures and no bonding capacity;

~~(233)~~~~(234)~~ \$2,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the Edmonson County Fiscal Court to provide an emergency infrastructure grant. This grant will require a local match of at least \$1,000,000;

~~(234)~~~~(235)~~ \$1,000,000 in fiscal year 2024-2025 to the Department for Local Government budget unit to be distributed to the City of London to support construction of the London City Plaza project; and

~~(235)~~~~(236)~~ \$1,000,000 in fiscal year 2024-2025 to the University of Kentucky budget unit to support immune dysregulation research.

➔Section 38. 2024 Kentucky Acts, Chapter 175, Part I, Operating Budget, A. General Government, 5. Kentucky Infrastructure Authority, (6) Rural Infrastructure Improvement Fund, at pages 1807 to 1808, is amended to read as follows:

**(6) Rural Infrastructure Improvement Fund:** Included in the above General Fund appropriation is \$19,988,100 in fiscal year 2024-2025 to the Rural Infrastructure Improvement Fund for pole replacements. The appropriation shall include the following allocations:



(a) \$4,000,000 for pole owners to hire temporary workers to help manage the increased volume of pole attachment permits;

(b) \$2,000,000 to the Kentucky Association of Electric Cooperatives to administer for pole replacement activities; and

(c) \$2,000,000 to the Office of Broadband Development to support hiring temporary workers for investor-owned utilities and other pole owners.

Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall ***not lapse and shall carry forward into fiscal year 2025-2026***~~lapse to the Budget Reserve Trust Fund Account (KRS 48.705)}~~. Mandated reports shall be submitted pursuant to Part III, 24. of this Act.

➔Section 39. 2024 Kentucky Acts, Chapter 175, Part I, Operating Budget, J. Postsecondary Education, 10. Western Kentucky University, (3). LifeWorks at WKU, at page 1879, is amended to read as follows:

**(3) LifeWorks at WKU:** Included in the above General Fund appropriation is a one-time allocation of \$2,200,000 in each fiscal year for the LifeWorks at WKU Program ***to support operations, renovations, and acquisition of property***. Notwithstanding KRS 45.229, ***any portion of the \$2,200,000 that has not been expended by the end of fiscal year 2024-2025 shall not lapse and shall carry forward into fiscal year 2025-2026***~~any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705)}~~. Mandated reports shall be submitted pursuant to Part III, 24. of this Act.

➔Section 40. 2024 Kentucky Acts, Chapter 175, Part II, Capital Projects Budget, I. Postsecondary Education, 10. Western Kentucky University, at pages 1927 to 1928, is amended to read as follows:

#### 10. WESTERN KENTUCKY UNIVERSITY

##### 001. Asset Preservation Pool - 2024-2026

Bond Funds	28,581,000	28,581,000
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##### 002. Replace Academic Complex

Bond Funds	160,000,000	-0-
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##### 003. Renovate Center for Research and Development Phase I

Restricted Funds	6,000,000	-0-
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Other Funds	6,000,000	-0-
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TOTAL	12,000,000	-0-
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##### 004. Reauthorize WKU Asset Preservation Restricted Match

Restricted Funds	10,212,000	-0-
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##### 005. Construct Parking Structure IV Additional Reauthorization (\$25,000,000 Agency Bonds)

Agency Bonds	10,000,000	-0-
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##### 006. Renovate and Expand Clinical Education Complex

Other Funds	10,000,000	-0-
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##### 007. Expand Track and Field Facilities

Other Funds	6,500,000	-0-
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##### 008. Renovate South Campus

Restricted Funds	6,000,000	-0-
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##### 009. Construct Baseball Grandstand

Other Funds	6,000,000	-0-
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##### 010. Renovate/Expand Cliff Todd Center

Agency Bonds	6,000,000	-0-
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<b>011. Construct Football Press Box</b>		
Other Funds	6,000,000	-0-
<b>012. Acquire Furniture, Fixtures, and Equipment Diddle Arena</b>		
Other Funds	5,000,000	-0-
<b>013. Acquire Furniture Fixtures &amp; Equipment Pool</b>		
Restricted Funds	5,000,000	-0-
<b>014. Remove and Replace Student Housing at Farm</b>		
Other Funds	5,000,000	-0-
<b>015. Add Club Seating at Diddle Arena</b>		
Other Funds	5,000,000	-0-
<b>016. Enhance Avenue of Champions Streetscaping</b>		
Restricted Funds	2,000,000	-0-
Other Funds	2,000,000	-0-
TOTAL	4,000,000	-0-
<b>017. Construct South Plaza</b>		
Other Funds	3,600,000	-0-
<b>018. Purchase Property/Parking and Street Improve</b>		
Restricted Funds	3,000,000	-0-
<b>019. Purchase Property for Campus Expansion</b>		
Restricted Funds	3,000,000	-0-
<b>020. Acquire Furniture, Fixtures, and Equipment for Hilltopper Fieldhouse</b>		
Other Funds	3,000,000	-0-
<b>021. Install New Turf on Athletic Fields</b>		
Other Funds	3,000,000	-0-
<b>022. Renovate State/Normal Street Properties</b>		
Restricted Funds	2,000,000	-0-
<b>023. Asset Preservation - 2022-2024 Reauthorization (\$10,212,000 Restricted Funds)</b>		
<b>024. Construct New Gordon Ford College of Business Additional Reauthorization (\$74,400,000 Bond Funds, \$25,000,000 Agency Bonds)</b>		
<b>025. Construct, Renovate, and Improve Athletics Facilities Reauthorization (\$8,434,300 Agency Bonds)</b>		
<b>026. Guaranteed Energy Savings Performance Contracts</b>		
<b>027. Lease - Alumni Center</b>		
<b>028. Lease - Parking Garage</b>		
<b>029. Lease - Nursing/Physical Therapy</b>		
<b>030. Construct, Renovate, and Improve Athletic Facilities Additional Reauthorization (\$50,000,000 Agency Bonds)</b>		
<b>Agency Bonds</b>	<b>10,000,000</b>	<b>-0-</b>

➔Section 41. There is hereby appropriated General Fund moneys from the Budget Reserve Trust Fund Account established by KRS 48.705 in the amount of \$750,000 in fiscal year 2024-2025 to the Auditor of Public Accounts budget unit for the purpose of conducting a special audit of the Kentucky Communications Network Authority and the Kentucky Wired Network. Notwithstanding KRS 45.229, any portion of General Fund not

expended for this purpose shall not lapse and shall carry forward into fiscal year 2025-2026. Mandated reports shall be submitted pursuant to Ky. Acts ch. 175, Part III, 24. In the event that the costs for the audit exceed \$750,000, the Auditor of Public Accounts may request from the State Budget Director, as a necessary government expense, up to \$750,000 in fiscal year 2025-2026 for this purpose from the General Fund Surplus Account (KRS 48.705) or the Budget Reserve Trust Fund Account (KRS 48.705).

➔Section 42. Whereas the duties of the Auditor and ombudsman operate to protect the life, safety, and health of Kentuckians and no just cause exists for depriving the citizens of the enhanced protections established in this Act, and there is urgent need to establish legislative oversight of the Kentucky Medical Assistance Program in order to ensure efficient program administration and timely access to benefits and provide members of the General Assembly with the information and data necessary to make informed decisions about the Kentucky Medical Assistance Program, 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.

**Vetoed in Part and Overridden in Part March 27, 2025.**