45.750 Definitions for KRS 45.760 to 45.810 -- Application of KRS 45.760 to 45.810.

(1) As used in KRS 45.760 to 45.810:

(a) "Committee" means the Capital Projects and Bond Oversight Committee;

(b) "Capital construction item" means:

1. The construction, reconstruction, acquisition, and structural maintenance of buildings;
2. The installation of utility services, including roads and sewers;
3. The acquisition or improvement of real property;
4. The purchase and installation initially or during major renovation of equipment, facilities, and furnishings of a permanent nature for buildings; or
5. The acquisition of any building to be occupied by any:
   a. Subdivision of state government as defined in KRS 12.010 or enumerated in KRS 12.020;
   b. Municipal corporation which exercises its authority on a statewide basis including, but not limited to, the Kentucky Employees Retirement System, Teachers' Retirement System of the State of Kentucky, Kentucky Higher Education Student Loan Corporation, Kentucky Lottery Corporation, Kentucky Housing Corporation, or any entity with a governing body whose membership is substantially similar to the membership of the governing body of a municipal corporation which exercises its authority on a statewide basis; and
   c. Institution of higher education;

(c) "Lease" means any lease, lease-purchase, or lease with an option to purchase of any real property space occupied by:

1. Any entity listed in paragraph (b)5. of this subsection;
2. The legislative branch; or
3. The judicial branch when leased from a private sector landlord;

(d) "Equipment" means:

1. Any major item of equipment, including aircraft;
2. Any movable furnishing, appurtenance, or other equipment, necessary to make a building operable; and
3. Equipment purchased or otherwise acquired, or equipment to be purchased or otherwise to be acquired, under a lease or lease-purchase contract or agreement or an arrangement equivalent to a lease or lease-purchase contract or agreement;

(e) "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:

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;

(f) "Capital projects" means, regardless of the source of cash or other consideration:
1. Any capital construction item, or any combination of capital construction items necessary to make a building or utility installation complete, estimated to cost one million dollars ($1,000,000) or more in cash or other consideration;
2. Any lease of real property space with an annual rental cost exceeding two hundred thousand dollars ($200,000);
3. The use allowance paid by the judicial branch for a real property space pursuant to KRS 26A.090(2) and 26A.115 when the use allowance for the space exceeds two hundred thousand dollars ($200,000) on an annual basis;
4. Any item of equipment estimated to cost two hundred thousand dollars ($200,000) or more in cash or other consideration;
5. Any lease of an item of movable equipment if the annual cost of the lease is two hundred thousand dollars ($200,000) or more or if the total cost of the lease-purchase or lease with an option to purchase is two hundred thousand dollars ($200,000) or more; and
6. Any new acquisition, upgrade, or replacement of an information technology system estimated to cost one million dollars ($1,000,000) or more in cash or other consideration;

(g) "Emergency repair, maintenance, or replacement project" means the maintenance, repair, or reconstruction of a capital construction project or the maintenance, repair, or replacement of a major item of equipment that is:
1. Necessitated by injury or damage resulting from a disaster;
2. Necessary to maintain government operations or to prevent or minimize injury or damage that could reasonably be expected to result from an impending disaster; or
3. Necessitated by an unforeseen mechanical breakdown, electrical breakdown, or structural defect that must be corrected to make a facility or item of equipment usable;

(h) "Disaster" means a fire, flood, tornado, other natural disaster, riot, enemy attack, sabotage, explosion, power failure, energy shortage, transportation emergency, or other man-caused disaster;

(i) "Capital construction funds" means any funds used for capital construction, including, but not limited to, appropriated capital construction funds, agency funds, federal funds, private funds, or funds from any source held by an agency for management or investment purposes; and

(j) "Entity head" means the Chief Justice of the Supreme Court, the President of the Senate and the Speaker of the House of Representatives, the secretary of the Finance and Administration Cabinet, the president of any university which complies with KRS 164A.585, 164A.595, and 164A.600, the board of trustees of the Kentucky Employees Retirement System, the board of trustees of the Teachers' Retirement System of the State of Kentucky, the board of directors of the Kentucky Higher Education Student Loan Corporation, the board of directors of the Kentucky Lottery Corporation, or the board of directors of the Kentucky Housing Corporation.

(2) Except as provided in subsection (3) of this section, KRS 45.760 to 45.810 shall apply to capital projects and bonds for use by:

(a) The state government;

(b) One of its departments or agencies, as defined in KRS 12.010 or enumerated in KRS 12.020;

(c) A municipal corporation which exercises its authority on a statewide basis, including but not limited to the Kentucky Employees Retirement System, Teachers' Retirement System of the State of Kentucky, Kentucky Higher Education Student Loan Corporation, Kentucky Lottery Corporation, and Kentucky Housing Corporation; and

(d) Institutions of higher education.

(3) KRS 45.760 to 45.810 shall not apply to:

(a) Capital projects or bonds used directly in or for the construction or maintenance of roads, including but not limited to bulldozers, graders, earth movers, and real estate purchased for rights-of-way; and

(b) Political subdivisions, except for those defined in KRS 12.010, enumerated in KRS 12.020, or created as a municipal corporation which exercises its authority on a statewide basis including, but not limited to, the Kentucky Employees Retirement System, Teachers' Retirement System of the State of Kentucky, Kentucky Higher Education Student Loan Corporation, Kentucky Lottery Corporation, Kentucky Housing Corporation, or any entity with a governing body whose membership is substantially similar to the membership of the governing body of a municipal corporation which exercises its authority on a statewide basis. However, the provisions of KRS 45.750 to 45.810 shall not apply to acquisition or maintenance of any building or land which is purchased as a legal investment by any of the state retirement systems, which is not to be occupied by the retirement system, and which is financed solely with those assets of the retirement system used for investment purposes.

Effective: July 14, 2018

History: Amended 2018 Ky. Acts ch. 20, sec. 2, effective July 14, 2018. -- Amended 2016 Ky. Acts ch. 138, sec. 2, effective April 27, 2016. -- Amended 2006 Ky. Acts ch. 199, sec. 2, effective July 12, 2006. -- Amended 2003 Ky. Acts ch. 188, sec. 1, effective June 24, 2003. -- Amended 2000 Ky. Acts ch. 506, sec. 16, effective July 14, 2000; and ch. 536, sec. 16, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 119, sec. 1, effective July 15, 1998. -- Amended 1994 Ky. Acts ch. 7, sec. 1, effective July 15, 1994; ch. 31, sec. 2, effective July 15, 1994; and ch. 486, sec. 19,

effective July 15, 1994. – Amended 1992 Ky. Acts ch. 47, sec. 1, effective July 14, 1992. -- Amended 1988 Ky. Acts ch. 16, sec. 1, effective July 15, 1988; and ch. 145, sec. 3, effective July 15, 1988. -- Amended 1984 Ky. Acts ch. 72, sec. 1, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 300, sec. 6, effective July 15, 1982. -- Created 1979 (1st Extra. Sess.) Ky. Acts ch. 4, sec. 1, effective January 1, 1980.

2026-2028 Budget Reference. See State/Executive Branch Budget, 2026 Ky. Acts ch. 168, Pt. I, K, 1, (4) at 2102.

2026-2028 Budget Reference. See Judicial Branch Budget, 2026 Ky. Acts ch. 183, Pt. I, A, 1, b, (10), (c) at 2387.

Legislative Research Commission Note (7/15/94). This section was amended by 1994 Ky. Acts chs. 7, 31, and 486. Where these Acts are not in conflict, they have been codified together. Where a conflict exists between Acts chs. 7 and 31, Acts ch. 31, which was last enacted by the General Assembly, prevails under KRS 446.250.