

AN ACT relating to military affairs.

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

➔Section 1. KRS 36.085 is amended to read as follows:

- (1) It is the intent of the General Assembly to provide a local ***installation*** management fund at ***Department of Military Affairs facilities***~~[the Kentucky National Guard armories]~~. The local ***installation*** management fund shall be receipts from the use of ***Department of Military Affairs***~~[National Guard]~~ facilities by ***military and***~~[local]~~ nonmilitary ***individuals and*** organizations.
- (2) The General Assembly further recognizes that ***some Department of Military Affairs facilities***~~[the National Guard armories]~~ are not staffed by state employees, but are staffed by members of the Kentucky National Guard, who are on the federal payroll. It is the intent of the General Assembly to authorize the adjutant general of Kentucky to appoint a member of the Kentucky National Guard as custodian of each of the various local ***installation*** management funds ***when an authorized state employee is not stationed at that location.***

➔Section 2. KRS 36.086 is amended to read as follows:

- (1) The Department of Military Affairs may establish an installation management fund account in a local bank for each ***Department of Military Affairs facility***~~[National Guard armory]~~ notwithstanding KRS 41.070 and 45A.655. Funds derived from the use of the buildings and grounds~~[by local civic and other nonmilitary organizations for receptions, meetings, and other events]~~ shall be deposited in the ***Department of Military Affairs local installation management fund*** account.
- (2) The adjutant general shall determine the maximum authorized balance in each ***Department of Military Affairs***~~[armory's]~~ local installation management fund account. The adjutant general or his designated representative shall review at least annually each installation management fund account. If the account balance is excessive, the surplus funds shall be withdrawn from the installation management

fund account for deposit in the appropriate Department of Military Affairs trust and agency fund account.

- (3) The local installation management fund account shall be used for ~~miscellaneous maintenance and repairs and other services and equipment~~ expenses associated with routine **Department of Military Affairs and Kentucky National Guard functions and** ~~armory~~ operations. Any expense in excess of **one hundred and** fifty dollars ~~(\$150)~~ ~~(\$50)~~ **but not more than one thousand dollars (\$1,000)** shall have approval from the **facilities division director. Any expense in excess of one thousand dollars (\$1,000) but not more than two thousand five hundred dollars (\$2,500) shall have approval from the executive director of the Department of Military Affairs. Any expense in excess of two thousand five hundred dollars (\$2,500) but not more than four thousand dollars (\$4,000) shall have approval from the** adjutant general or his designated representative.
- (4) The adjutant general shall provide an annual report to the Legislative Research Commission and the secretary of the Finance and Administration Cabinet which identifies the receipts and expenditures of the installation management fund accounts. This report shall be transmitted to the Legislative Research Commission and the secretary of the Finance and Administration Cabinet within sixty (60) days after the close of each fiscal year. In addition, the adjutant general shall also provide information to the Legislative Research Commission and the secretary of the Finance and Administration Cabinet during the preparation of the biennial budget relating to the receipts, expenditures and balances of these accounts.