

1 AN ACT relating to appropriations measures providing funding and establishing
 2 conditions for the operations, maintenance, support, and functioning of the government of
 3 the Commonwealth of Kentucky and its various officers, cabinets, departments, boards,
 4 commissions, institutions, subdivisions, agencies, and other state-supported activities.

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

6 ➔Section 1. The State/Executive Branch Budget is as follows:

7 **PART I**

8 **OPERATING BUDGET**

9 **(1) Funds Appropriations:** There is appropriated out of the General Fund, Road
 10 Fund, Restricted Funds accounts, Federal Funds accounts, or Bond Funds accounts for
 11 the fiscal year beginning July 1, 2025, and ending June 30, 2026, for the fiscal year
 12 beginning July 1, 2026, and ending June 30, 2027, and for the fiscal year beginning July
 13 1, 2027, and ending June 30, 2028, the following discrete sums, or so much thereof as
 14 may be necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710.
 15 Each appropriation is made by source of respective fund or funds accounts.
 16 Appropriations for the following officers, cabinets, departments, boards, commissions,
 17 institutions, subdivisions, agencies, and budget units of the state government, and any and
 18 all other activities of the government of the Commonwealth, are subject to the provisions
 19 of Chapters 12, 42, 45, and 48 of the Kentucky Revised Statutes and compliance with the
 20 conditions and procedures set forth in this Act.

21 **(2) Tobacco Settlement Funds:** Appropriations identified as General Fund
 22 (Tobacco) in Part I, Operating Budget, of this Act are representative of the amounts
 23 provided in Part X, Phase I Tobacco Settlement, of this Act and are not to be appropriated
 24 in duplication.

25 **A. GENERAL GOVERNMENT**

26 **Budget Units**

27 **1. OFFICE OF THE GOVERNOR**

	2026-27	2027-28
1		
2 General Fund	6,688,100	6,607,200
3 Restricted Funds	287,900	287,800
4 TOTAL	6,976,000	6,895,000

5 **(1) Salary Increment:** Notwithstanding KRS 64.480(2), the increment provided
6 on the base salary of the Lieutenant Governor shall be the same as that provided for
7 eligible state employees in Part IV of this Act.

8 Notwithstanding KRS 64.480(4), the increment provided on the base salary of the
9 Governor shall be the same as that provided for eligible state employees in Part IV of this
10 Act.

11 **2. OFFICE OF STATE BUDGET DIRECTOR**

	2026-27	2027-28
12		
13 General Fund	3,782,900	3,749,000
14 Restricted Funds	384,000	384,000
15 Federal Funds	62,000	-0-
16 TOTAL	4,228,900	4,133,000

17 **(1) Participation in Transparent Governing - Full Disclosure of Inmate**
18 **Population Forecasts and Related Materials:** The Office of State Budget Director shall
19 provide the methodology, assumptions, data, and all other related materials used to
20 project biennial offender population forecasts conducted by the Office of State Budget
21 Director, the Kentucky Department of Corrections, and any consulting firms, to the
22 Interim Joint Committee on Appropriations and Revenue by October 1, 2027. This
23 submission shall include but not be limited to the projected state, county, and community
24 offender populations for the 2028-2030 fiscal biennium and must coincide with the
25 budgeted amount for these populations. This submission shall clearly divulge the
26 methodology and reasoning behind the budgeted and projected offender population in a
27 commitment to participate in transparent governing.

1 **3. HOMELAND SECURITY**

	2026-27	2027-28
2		
3 General Fund	5,632,600	5,626,200
4 Restricted Funds	4,411,800	4,360,100
5 Federal Funds	9,955,400	9,983,700
6 TOTAL	19,999,800	19,970,000

7 **(1) Next Generation 9-1-1 (NG9-1-1) Services:** Included in the above General
 8 Fund appropriation is a one-time allocation of \$5,000,000 in each fiscal year to complete
 9 the statewide deployment of NG9-1-1 services. The appropriation shall be used to
 10 implement a NG9-1-1 system that is compliant with the National Emergency Number
 11 Association’s i3 Standard.

12 **(2) School Safety:** Included in the above appropriations is sufficient funding to
 13 implement the provisions of 2024 Ky. Acts ch. 165.

14 **4. VETERANS' AFFAIRS**

	2026-27	2027-28
15		
16 General Fund	37,537,300	33,410,000
17 Restricted Funds	107,228,800	113,994,700
18 Federal Funds	300,000	300,000
19 TOTAL	145,066,100	147,704,700

20 **(1) Weekend and Holiday Premium Pay Incentive:** The Kentucky Veterans
 21 Centers are authorized to continue the weekend and holiday premium pay incentive for
 22 the 2026-2028 fiscal biennium.

23 **(2) Congressional Medal of Honor Recipients - Travel and Per Diem:** The
 24 Commissioner of the Department of Veterans' Affairs may approve travel and per diem
 25 expenses incurred when Kentucky residents who have been awarded the Congressional
 26 Medal of Honor attend veterans, military, or memorial events in the Commonwealth of
 27 Kentucky.

1 **(3) State Veterans Nursing Home:** All state veterans' nursing homes must meet
2 a combined 80 percent bed occupancy rate before any future projects will be considered.
3 Once the 80 percent threshold has been met, it is the intent of the General Assembly that
4 any future beds allocated from the United States Department of Veterans Affairs or
5 reallocated from the Kentucky Department of Veterans' Affairs be dedicated to a state
6 veterans nursing home in Magoffin County to serve that area.

7 **(4) Brain Injury Association of America, Kentucky Chapter and the**
8 **Epilepsy Foundation of Kentuckiana Funding:** Included in the above General Fund
9 appropriation is \$93,700 in each fiscal year for grants to the Brain Injury Association of
10 America, Kentucky Chapter and \$93,700 in each fiscal year for grants to the Epilepsy
11 Foundation of Kentuckiana to be used solely for the purpose of working with veterans
12 who have experienced brain trauma and their families.

13 **(5) Veterans' Service Organization Funding:** Included in the above General
14 Fund appropriation is \$187,500 in each fiscal year for grants to Veterans' Service
15 Organization programs.

16 **(6) Kentucky Homeless Veterans Program:** Included in the above General
17 Fund appropriation is \$350,000 in each fiscal year to provide emergency financial
18 assistance to Kentucky's homeless veterans.

19 **(7) Bowling Green Veterans Center:** Included in the above appropriation is
20 \$5,616,800 in General Fund and \$10,000,000 in Restricted Funds in fiscal year 2026-
21 2027 and \$15,616,800 in Restricted Funds in fiscal year 2027-2028 to support the
22 staffing and operations of the Bowling Green Veterans Center.

23 **(8) Thomson-Hood Veterans Center Additional Positions:** Included in the
24 above Restricted Funds appropriation is \$5,110,800 in fiscal year 2026-2027 and
25 \$5,488,400 in fiscal year 2027-2028 for additional positions at the Thomson-Hood
26 Veterans Center.

27 **(9) Western Kentucky Veterans Center Additional Positions:** Included in the

1 above Restricted Funds appropriation is \$6,397,400 in fiscal year 2026-2027 and
 2 \$6,778,600 in fiscal year 2027-2028 for additional positions at the Western Kentucky
 3 Veterans Center.

4 **5. KENTUCKY INFRASTRUCTURE AUTHORITY**

	2026-27	2027-28
6 General Fund	1,830,100	1,768,800
7 Restricted Funds	8,345,500	10,862,200
8 Federal Funds	440,051,600	288,578,900
9 TOTAL	450,227,200	301,209,900

10 **(1) Debt Service:** Included in the above Restricted Funds appropriation is
 11 \$2,486,000 in fiscal year 2026-2027 and \$4,972,000 in fiscal year 2027-2028 for new
 12 debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this
 13 Act.

14 **(2) Rural Infrastructure Improvement Fund:** Notwithstanding KRS
 15 224A.1123(3)(c), any contract for pole replacements executed by the Kentucky
 16 Infrastructure Authority for which the obligated funds have not been fully expended by
 17 June 30, 2026, shall be deemed cancelled and of no further force or effect.
 18 Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose
 19 shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

20 **6. MILITARY AFFAIRS**

	2026-27	2027-28
22 General Fund	29,252,300	28,669,500
23 Restricted Funds	21,449,500	21,566,600
24 Federal Funds	88,307,100	88,593,500
25 TOTAL	139,008,900	138,829,600

26 **(1) Kentucky National Guard:** Included in the above General Fund
 27 appropriation is \$4,500,000 in each fiscal year to be expended, subject to the conditions

1 and procedures provided in this Act, which are required as a result of the Governor's
 2 declaration of emergency pursuant to KRS Chapter 39A, and the Governor's call of the
 3 Kentucky National Guard to active duty when an emergency or exigent situation has been
 4 declared to exist by the Governor. Notwithstanding KRS 45.229, any portion of the
 5 \$4,500,000 not expended shall lapse to the Budget Reserve Trust Fund Account (KRS
 6 48.705) at the end of each fiscal year. In the event that costs for Governor-declared
 7 emergencies or the Governor's call of the Kentucky National Guard for emergencies or
 8 exigent situations exceed \$4,500,000 annually, up to \$100,000,000 for the 2026-2028
 9 fiscal biennium shall be deemed necessary government expenses and shall be paid from
 10 the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund
 11 Account (KRS 48.705).

12 **(2) Disaster or Emergency Aid Funds:** Subject to the conditions and procedures
 13 in this Act, in the event of a presidentially declared disaster or emergency, the
 14 Department of Military Affairs may request from the Finance and Administration
 15 Cabinet, as a necessary government expense, up to \$50,000,000 in each fiscal year from
 16 the General Fund to be used as required to match federal aid for which the state would be
 17 eligible. These necessary funds shall be made available from the General Fund Surplus
 18 Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

19 All moneys reimbursed to the state by the Federal Emergency Management Agency
 20 (FEMA) for eligible disaster-related expenditures shall be deposited into the Budget
 21 Reserve Trust Fund Account (KRS 48.705).

22 **7. COMMISSION ON HUMAN RIGHTS**

	2026-27	2027-28
23		
24	1,999,200	1,985,900
25	10,000	10,000
26	445,000	445,000
27	TOTAL	2,440,900

1 **8. COMMISSION ON WOMEN**

2 (1) **Redistribution of Resources:** Notwithstanding KRS 12.020, 12.023, 14.260,
 3 15A.190, 214.554, and 344.510 to 344.530, no General Fund appropriation is provided
 4 for the Commission on Women in order to provide additional funding for Domestic
 5 Violence Shelters, Rape Crisis Centers, and Children's Advocacy Centers.

6 **9. DEPARTMENT FOR LOCAL GOVERNMENT**

	2026-27	2027-28
7		
8 General Fund	10,227,100	12,001,300
9 Restricted Funds	4,404,700	2,346,300
10 Federal Funds	242,402,800	242,437,200
11 TOTAL	257,034,600	256,784,800

12 (1) **Appalachian Regional Commission Matching Funds:** Included in the
 13 above General Fund appropriation is \$240,000 in fiscal year 2026-2027 and \$232,500 in
 14 fiscal year 2027-2028 for Area Development Districts to match increased Appalachian
 15 Regional Commission grants.

16 (2) **Kentucky Mountain Regional Recreation Authority:** Included in the above
 17 Restricted Funds appropriation is \$1,500,000 in each fiscal year for the Kentucky
 18 Mountain Regional Recreation Authority. Restricted Funds shall be transferred from the
 19 Tourism, Arts and Heritage Cabinet from taxes collected pursuant to KRS 142.400(2).

20 (3) **Local Government Operations:** Notwithstanding KRS 65A.020(5)(a),
 21 included in the above Restricted Funds appropriation is \$2,000,000 in fiscal year 2026-
 22 2027 to support the operations of the Department for Local Government.

23 **10. LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND**

	2026-27	2027-28
24		
25 General Fund	27,926,700	25,211,600

26 (1) **Allocation of the Local Government Economic Assistance Fund:**
 27 Notwithstanding KRS 42.470(1)(a), 70 percent of moneys in the Local Government

1 Economic Assistance Fund shall be distributed to each coal producing county on the
 2 basis of the ratio of coal severed in each respective county to the coal severed statewide.
 3 Notwithstanding KRS 42.470(1)(c), no allocation shall be distributed to non-coal
 4 producing counties.

5 **(2) Coal Haul Road System:** Notwithstanding KRS 42.455(2), no funds
 6 appropriated to the Local Government Economic Assistance Fund are required to be
 7 spent on the coal haul road system.

8 **(3) Jefferson County Mineral Severance:** Notwithstanding KRS 42.450 to
 9 42.495, all funds distributed to Jefferson County in accordance with KRS 42.470(2)(a)
 10 shall be used by the Jefferson County Fiscal Court for Thrive By Five Louisville.

11 **11. LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND**

	2026-27	2027-28
12		
13	20,494,800	15,059,100

14 **(1) Coal Severance Tax Transfers:** Notwithstanding KRS 42.450 to 42.495, 70
 15 percent of the severance and processing taxes on coal collected annually, except items
 16 described in subsection (2) below, shall be transferred to the Local Government
 17 Economic Development Fund. Notwithstanding KRS 42.450 to 42.495, 30 percent of the
 18 severance and processing taxes on coal collected annually, except items described in
 19 subsection (2) below, shall be transferred to the Local Government Economic Assistance
 20 Fund. Transfers to the Local Government Economic Development Fund and the Local
 21 Government Economic Assistance Fund shall be made quarterly in July, October,
 22 January, and April based upon actual revenues from the prior quarter.

23 **(2) Coal Severance Tax Collections Calculations and Transfers:** The above
 24 appropriations from the General Fund are based on the official estimate presented by the
 25 Office of State Budget Director. Notwithstanding KRS 42.450 to 42.495, coal severance
 26 tax collections during the 2026-2028 fiscal biennium shall first be allocated to the
 27 following programs or purposes on a quarterly basis:

1 (a) Department for Local Government: An annual appropriation of \$669,700 in
 2 each fiscal year is appropriated as General Fund moneys to the Department for Local
 3 Government budget unit for Local Government Economic Development Fund and Local
 4 Government Economic Assistance Fund project administration costs;

5 (b) Debt Service: An annual appropriation of 100 percent of the debt service
 6 necessary to support bonds authorized in 2003 Ky. Acts ch. 156, 2005 Ky. Acts ch. 173,
 7 2006 Ky. Acts ch. 252, 2008 Ky. Acts ch. 127, and 2010 (1st Extra. Sess.) Ky. Acts ch. 1,
 8 in the amount of \$17,747,700 in fiscal year 2026-2027 and \$16,786,700 in fiscal year
 9 2027-2028 is appropriated for that purpose;

10 (c) Osteopathic Medicine Scholarship Program: Notwithstanding KRS
 11 164.7891(11)(b), no transfers shall be made to the Osteopathic Medicine Scholarship
 12 Program within the Kentucky Higher Education Assistance Authority;

13 (d) Pharmacy Scholarships: Notwithstanding KRS 164.7890(11)(c), no transfers
 14 shall be made to the Coal County Pharmacy Scholarship Program within the Kentucky
 15 Higher Education Assistance Authority; and

16 (e) Kentucky Coal Fields Endowment Authority: Notwithstanding KRS
 17 42.453(3), no transfers shall be made to the Kentucky Coal Field Endowment Authority.

18 **(3) Allocation of the Local Government Economic Development Fund:**
 19 Notwithstanding KRS 42.4592(1), 50 percent of Local Government Economic
 20 Development Fund moneys shall be allocated in accordance with KRS 42.4592(1)(a), and
 21 50 percent shall be allocated in accordance with KRS 42.4592(1)(b).

22 **(4) Use of the Local Government Economic Development Fund:**
 23 Notwithstanding KRS 42.450 to 42.495, all funds appropriated to Local Government
 24 Economic Development Fund Single-County Accounts shall be allocated to projects with
 25 the concurrence of the respective county judge/executive, state senator(s), and state
 26 representative(s) of each county. If concurrence is not achieved, the fiscal court of each
 27 county may apply for grants through the Department for Local Government pursuant to

1 KRS 42.4588.

2 **12. AREA DEVELOPMENT FUND**

3 **(1) Area Development Fund:** Notwithstanding KRS 42.345 to 42.370 and
 4 48.185, or any statute to the contrary, no funding is provided for the Area Development
 5 Fund.

6 **(2) Area Development District Flexibility:** Notwithstanding KRS 42.350(2) and
 7 provided that sufficient funds are maintained in the Joint Funding Agreement program to
 8 meet the match requirements for the Economic Development Administration grants,
 9 Community Development Block Grants, Appalachian Regional Commission grants, or
 10 any federal program where the Joint Funding Agreement funds are utilized to meet
 11 nonfederal match requirements, an area development district with authorization from its
 12 Board of Directors may request approval to transfer funding between the Area
 13 Development Fund and the Joint Funding Agreement Program from the Commissioner of
 14 the Department for Local Government.

15 **13. REGIONAL DEVELOPMENT AGENCY ASSISTANCE FUND**

	2026-27	2027-28
16		
17	6,000,000	6,000,000

18 **14. EXECUTIVE BRANCH ETHICS COMMISSION**

	2026-27	2027-28
19		
20	667,200	661,500
21	679,100	675,300
22	TOTAL	1,346,300
		1,336,800

23 **(1) Use of Restricted Funds:** All penalties collected or received by the Executive
 24 Branch Ethics Commission shall be deposited in the State Treasury and credited to a trust
 25 and agency fund account to the credit of the Commission to be used by the Commission
 26 for the cost of conducting administrative hearings pursuant to KRS Chapter 13B.
 27 Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward.

1 **15. SECRETARY OF STATE**

	2026-27	2027-28
3 Restricted Funds	6,669,600	6,758,200

4 **(1) Use of Restricted Funds:** Notwithstanding KRS 14.140(1) and (3), the above
 5 Restricted Funds may be used for the continuation of current activities within the Office
 6 of the Secretary of State.

7 **(2) Salary Increment:** Notwithstanding KRS 64.480(2), the increment provided
 8 on the base salary of the Secretary of State shall be the same as that provided for eligible
 9 state employees in Part IV of this Act.

10 **16. BOARD OF ELECTIONS**

	2026-27	2027-28
12 General Fund	7,710,600	7,543,100
13 Restricted Funds	111,800	106,700
14 Federal Funds	1,829,800	1,829,800
15 TOTAL	9,652,200	9,479,600

16 **(1) Cost of Elections:** Up to \$100,000 of costs associated with special elections,
 17 KRS 117.345(2) costs associated with additional precincts with a voting machine, KRS
 18 117.343 costs for additional registered voters, and KRS 116.145 costs for additional new
 19 registered voters shall be deemed a necessary government expense and shall be paid from
 20 the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund
 21 Account (KRS 48.705). Any reimbursements authorized as a necessary government
 22 expense according to the above provisions shall be at the same rates as those established
 23 by the State Board of Elections.

24 **17. REGISTRY OF ELECTION FINANCE**

	2026-27	2027-28
26 General Fund	1,811,300	1,845,600

27 **18. ATTORNEY GENERAL**

1	2026-27	2027-28
2 General Fund (Tobacco)	150,000	150,000
3 General Fund	44,844,800	43,360,800
4 Restricted Funds	82,805,700	82,464,900
5 Federal Funds	60,716,500	60,743,600
6 TOTAL	188,517,000	186,719,300

7 **(1) State Enforcement:** Notwithstanding KRS 248.654 and 248.703(4), included
8 in the above General Fund (Tobacco) appropriation is \$150,000 in each fiscal year for the
9 state’s diligent enforcement of noncompliant nonparticipating manufacturers.

10 **(2) Expert Witnesses:** In addition to such funds as may be appropriated, the
11 Office of the Attorney General and the Unified Prosecutorial System, on behalf of the
12 Commonwealth's Attorneys, may request from the Finance and Administration Cabinet,
13 as a necessary government expense, such funds as may be necessary for expert witnesses.
14 Upon justification of the request, the Finance and Administration Cabinet shall provide
15 up to \$3,000,000 for the 2026-2028 fiscal biennium for this purpose to the Office of the
16 Attorney General and the Unified Prosecutorial System from the General Fund Surplus
17 Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).
18 Without charge, the Department of Insurance shall provide the Office of the Attorney
19 General any available information to assist in the preparation of a rate hearing pursuant to
20 KRS 304.17A-095. Expenditures under this subsection shall be reported to the Interim
21 Joint Committee on Appropriations and Revenue by August 1 of each year.

22 **(3) Annual and Sick Leave Service Credit:** Notwithstanding any statutory or
23 regulatory restrictions to the contrary, any former employee of the Unified Prosecutorial
24 System who has been appointed to a permanent full-time position under KRS Chapter
25 18A shall be credited annual and sick leave based on service credited under the Kentucky
26 Retirement Systems solely for the purpose of computation of sick and annual leave. This
27 provision shall only apply to any new appointment or current employee as of July 1,

1 1998.

2 **(4) Operations of the Office of the Attorney General:** Notwithstanding KRS
3 367.478(2), 367.805(3), and 367.905(5), funds may be expended in support of the
4 operations of the Office of the Attorney General.

5 **(5) Legal Services Contracts:** The Office of the Attorney General may present
6 proposals to state agencies specifying legal work that is presently accomplished through
7 personal service contracts that indicate the Office of the Attorney General's capacity to
8 perform the work at a lesser cost. State agencies may agree to make arrangements with
9 the Office of the Attorney General to perform the legal work and compensate the Office
10 of the Attorney General for the legal services.

11 **(6) Civil Action Representation:** To ensure adequate representation of the
12 interest of the Commonwealth and to protect the financial condition of the Kentucky
13 Retirement Systems, it has been determined that it is necessary to allow the Attorney
14 General appropriate authority to engage private lawyers as co-counsel in Franklin Circuit
15 Court Civil Action Nos. 17-CI-01348 and 20-CI-00590. Due to the highly complex and
16 specialized nature of that litigation, KRS Chapter 45A, et seq. would prevent the
17 Attorney General from engaging counsel of his choice. Accordingly, to protect the
18 interest of the Commonwealth, and notwithstanding the requirements of KRS Chapter
19 45A, et seq., which are hereby waived in with respect to the Attorney General retaining
20 private lawyers to prosecute Civil Action Nos. 17-CI-01348 and 20-CI-00590, and any
21 other civil action regarding the same subject matter or seeking the same relief as Civil
22 Action Nos. 17-CI-0138 and 20-CI-00590, the Attorney General is vested with the
23 authority to hire and pay counsel of his choice on any contractual basis the Attorney
24 General deems advisable.

25 **(7) Salary Increment:** Notwithstanding KRS 64.480(2), the increment provided
26 on the base salary of the Attorney General shall be the same as that provided for eligible
27 state employees in Part IV of this Act.

1 **(8) Office of Medicaid Fraud and Abuse Control:** Included in the above
2 appropriations is \$1,278,700 in General Fund and \$801,000 in Federal Funds in fiscal
3 year 2026-2027 and \$1,193,700 in General Fund and \$546,000 in Federal Funds in fiscal
4 year 2027-2028 to support the Office of Medicaid Fraud and Abuse Control. The Office
5 of Attorney General shall submit an annual report beginning December 1, 2026, to the
6 Interim Joint Committee on Appropriations and Revenue. The report shall include the
7 number of reported fraud incidents, the types of fraud reported, the number of reported
8 fraud incidents investigated by the office, the monetary amount involved in the fraudulent
9 activity, and the resolution of the reported fraud incidents.

10 **(9) Administrative Hearings:** Included in the above appropriations is
11 \$3,241,200 in Restricted Funds and \$1,939,700 in Federal Funds in each fiscal year to
12 support the cost of Administrative Hearings held by the Office of the Attorney General
13 for the Cabinet for Health and Family Services. The Attorney General shall bill the
14 Cabinet for Health and Family Services on a quarterly basis for the cost, not to exceed
15 \$5,180,900 each fiscal year.

16 **(10) Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in
17 the above Restricted Funds appropriation is \$4,653 in fiscal year 2026-2027 and \$4,746
18 in fiscal year 2027-2028 for each participant for training incentive payments.

19 **(11) Body Armor Grant Program:** Included in the above Restricted Funds
20 appropriation is \$10,000,000 in each fiscal year of the 2026-2028 biennium for grants to
21 law enforcement and first responders for the purchase of body armor, duty weapons,
22 ammunition, electronic-control devices, and body-worn cameras. Notwithstanding KRS
23 15.430 and 15.470, excess Restricted Funds from the Department of Criminal Justice
24 Training shall be transferred to the Attorney General for this purpose.

25 **(12) Replace Federal Incentive Funding for Child Support Services:** Included
26 in the above appropriations is \$2,380,000 in General Fund and \$4,620,000 in Federal
27 Funds in each fiscal year to replace federal incentive funding for Child Support Services.

1 **(13) Create Digital Forensics Lab:** Included in the above General Fund
 2 appropriation is \$905,100 in fiscal year 2026-2027 and \$587,100 in fiscal year 2027-2028
 3 to create a new computer forensics laboratory in Western Kentucky.

4 **(14) Upgrade Communications Equipment:** Included in the above Restricted
 5 Funds appropriation is \$569,000 in fiscal year 2026-2027 to upgrade communications
 6 equipment. Notwithstanding KRS 15.430 and 15.470, excess Restricted Funds from the
 7 Department of Criminal Justice Training shall be transferred to the Attorney General for
 8 this purpose.

9 **(15) Data Privacy Protections:** Included in the above appropriations is sufficient
 10 funding to implement the provisions of 2024 Ky. Acts ch. 72.

11 **(16) Cyber Resilience Task Force:** Included in the above General Fund
 12 appropriation is \$1,755,000 in fiscal year 2026-2027 and \$1,360,900 in fiscal year 2027-
 13 2028 to support the Cyber Resilience Task Force.

14 **19. UNIFIED PROSECUTORIAL SYSTEM**

15 **(1) Prosecutors Advisory Council Administrative Functions:** The Prosecutors
 16 Advisory Council shall approve compensation for employees of the Unified Prosecutorial
 17 System subject to the appropriations in this Act.

18 **a. Commonwealth's Attorneys**

	2026-27	2027-28
19 General Fund	78,714,300	79,548,700
20 Restricted Funds	6,488,000	6,124,900
21 Federal Funds	359,200	359,200
22 TOTAL	85,561,500	86,032,800

23 **(1) Salary Increment:** Notwithstanding KRS 15.755, no increment shall be
 24 provided on the base salary of the Commonwealth's Attorneys and staff.
 25

26 **(2) Rocket Docket Program:** Included in the above General Fund appropriation
 27 is \$1,416,700 in each fiscal year to support the Rocket Docket Program.

1 **(3) Salary Compensation Standardization:** Included in the above General Fund
 2 appropriation is \$1,758,300 in fiscal year 2026-2027 and \$2,250,000 in fiscal year 2027-
 3 2028 to support the Salary Compensation Standardization for Commonwealth’s
 4 Attorneys.

5 **(4) Cloud Storage Cost:** Included in the above Restricted Funds appropriation is
 6 \$794,000 in fiscal year 2026-2027 and \$409,000 in fiscal year 2027-2028 for additional
 7 cloud storage costs for Commonwealth's Attorneys.

8 **b. County Attorneys**

	2026-27	2027-28
10 General Fund	81,271,500	82,132,100
11 Restricted Funds	901,200	905,800
12 Federal Funds	115,100	115,100
13 TOTAL	82,287,800	83,153,000

14 **(1) Salary Increment:** Notwithstanding KRS 15.765, no increment shall be
 15 provided on the base salary of the County Attorneys and staff.

16 **(2) County Attorney Retirement Costs:** Notwithstanding KRS 61.5991,
 17 included in the above General Fund appropriation is \$1,590,600 in each fiscal year to
 18 support each County Attorney's Office's share of the anticipated increase over each
 19 County Attorney’s Office’s fiscal year 2019-2020 baseline contribution as adjusted and
 20 posted under the 2026 Budget Bills tile on the Legislative Research Commission's
 21 website.

22 **(3) Rocket Docket Program:** Included in the above General Fund appropriation
 23 is \$549,800 in each fiscal year to support the Rocket Docket Program.

24 **(4) Salary Compensation Standardization:** Included in the above General Fund
 25 appropriation is \$2,455,500 in fiscal year 2026-2027 and \$2,864,500 in fiscal year 2027-
 26 2028 to support the Salary Compensation Standardization for County Attorneys.

27 **TOTAL - UNIFIED PROSECUTORIAL SYSTEM**

	2026-27	2027-28	
1			
2	General Fund	159,985,800	161,680,800
3	Restricted Funds	7,389,200	7,030,700
4	Federal Funds	474,300	474,300
5	TOTAL	167,849,300	169,185,800

6 **20. TREASURY**

	2026-27	2027-28	
7			
8	General Fund	3,480,600	3,452,500
9	Restricted Funds	2,086,600	2,058,600
10	Federal Funds	1,206,700	1,206,700
11	TOTAL	6,773,900	6,717,800

12 **(1) Unclaimed Property Fund:** Included in the above Restricted Funds
13 appropriation is \$2,086,600 in fiscal year 2026-2027 and \$2,058,600 in fiscal year 2027-
14 2028 from the Unclaimed Property Fund to provide funding for services performed by
15 the Unclaimed Property Division of the Department of the Treasury.

16 **(2) Salary Increment:** Notwithstanding KRS 64.480(2), the increment provided
17 on the base salary of the State Treasurer shall be the same as that provided for eligible
18 state employees in Part IV of this Act.

19 **21. AGRICULTURE**

	2026-27	2027-28	
20			
21	General Fund (Tobacco)	35,426,900	32,739,700
22	General Fund	19,838,200	21,834,100
23	Restricted Funds	14,505,100	12,323,200
24	Federal Funds	12,173,200	12,173,200
25	TOTAL	81,943,400	79,070,200

26 **(1) Use of Restricted Funds:** Notwithstanding KRS 217.570 and 217B.580,
27 included in the above Restricted Funds appropriation is \$2,000,000 in fiscal year 2026-

1 2027 to support the operations of the Department of Agriculture.

2 **(2) Farms to Food Banks:** Included in the above General Fund (Tobacco)
3 appropriation is \$886,500 in fiscal year 2026-2027 and \$819,300 in fiscal year 2027-2028
4 to support the Farms to Food Banks Program. The use of the moneys provided by this
5 appropriation shall be restricted to purchases of Kentucky-grown produce and protein
6 from Kentucky farmers who participate in the Farms to Food Banks Program.

7 **(3) Kentucky Grape and Wine Council:** Notwithstanding KRS 260.175(2), no
8 General Fund is provided for the Kentucky Small Farm Wineries Support Fund for use by
9 the Kentucky Grape and Wine Council.

10 **(4) Counties Account:** Notwithstanding KRS 248.703(1), included in the above
11 General Fund (Tobacco) appropriation is \$11,777,900 in fiscal year 2026-2027 and
12 \$10,884,600 in fiscal year 2027-2028 for the counties account as specified in KRS
13 248.703(1)(a).

14 **(5) State Account:** Notwithstanding KRS 248.703(1), included in the above
15 General Fund (Tobacco) appropriation is \$21,876,000 in fiscal year 2026-2027 and
16 \$20,216,500 in fiscal year 2027-2028 for the state account as specified in KRS
17 248.703(1)(b).

18 **(6) Tobacco Settlement Funds - Allocations:** Notwithstanding KRS 248.711(2),
19 and from the allocation provided therein, counties that are allocated in excess of \$20,000
20 annually may provide up to four percent of the individual county allocation, not to exceed
21 \$15,000 annually, to the county council in that county for administrative costs.

22 **(7) Kentucky Rural Mental Health, Suicide Prevention, and Farm Safety**
23 **Program:** Included in the above General Fund (Tobacco) appropriation is \$886,500 in
24 fiscal year 2026-2027 and \$819,300 in fiscal year 2027-2028 to support the Kentucky
25 Rural Mental Health, Suicide Prevention, and Farm Safety Program known as the Raising
26 Hope Initiative. The Department of Agriculture shall enhance awareness of the National
27 Suicide Prevention Lifeline (988) in rural communities in Kentucky, improve access to

1 information on rural mental health issues and available treatment services, provide
 2 outreach, and provide other necessary services to improve the mental health outcomes of
 3 rural communities in Kentucky. The Farm Safety and Rural Health Division, at its
 4 discretion, may receive, accept, and solicit grants, contributions of money, property,
 5 labor, or other things of value from any governmental agency, individual, nonprofit
 6 organization, or private business to be used for the Kentucky Rural Mental Health,
 7 Suicide Prevention, and Farm Safety Program. The Department of Agriculture may
 8 utilize up to \$150,000 of the appropriation amount in each fiscal year for program
 9 administration purposes. The Department of Agriculture shall coordinate with the Raising
 10 Hope Initiative to take custody of and maintain any intellectual property assets that were
 11 created or developed by any state agency in connection with the Raising Hope Initiative.

12 The Department of Agriculture's Office of Agricultural Marketing shall submit a
 13 comprehensive annual report to the Interim Joint Committee on Appropriations and
 14 Revenue and the Tobacco Settlement Agreement Fund Oversight Committee no later
 15 than November 1 of each fiscal year. At a minimum, the report shall include:

- 16 (a) An accounting of all expenditures by fund source;
- 17 (b) A detailed accounting of all administrative expenses;
- 18 (c) The total amount expended on grants, loans, and benefits;
- 19 (d) A detailed accounting of all expenses not otherwise classified;
- 20 (e) Identification of any unexpended funds and the reason why the funds were not
 21 expended; and
- 22 (f) An explanation of how all expenditures align with program objectives.

23 The Division Director of the Farm Safety and Rural Health Division and the
 24 Executive Director of the Kentucky Office of Agricultural Marketing shall provide a
 25 program update to the Tobacco Settlement Agreement Fund Oversight Committee in
 26 November of each fiscal year.

27 **(8) Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in

1 the above Restricted Funds appropriation is \$4,653 in fiscal year 2026-2027 and \$4,746
 2 in fiscal year 2027-2028 for each participant for training incentive payments.

3 **(9) Salary Increment:** Notwithstanding KRS 64.480(2), the increment provided
 4 on the base salary of the Commissioner of Agriculture shall be the same as that provided
 5 for eligible state employees in Part IV of this Act.

6 **(10) Agricultural Economic Development:** In accordance with KRS Chapter
 7 154, the Secretary of the Cabinet for Economic Development shall coordinate with and
 8 seek guidance from the Commissioner of the Department of Agriculture in considering
 9 any projects for economic incentives related to agricultural economic development,
 10 agribusiness, or production facilities of sustainable aviation fuel.

11 **(11) County Fair Grants:** Included in the above General Fund appropriation is
 12 \$720,000 in fiscal year 2026-2027 and \$697,500 in fiscal year 2027-2028 to support
 13 capital improvement grants to the Local Agricultural Fair Aid Program.

14 **22. AUDITOR OF PUBLIC ACCOUNTS**

	2026-27	2027-28
15 General Fund	12,699,900	11,500,000
16 Restricted Funds	29,526,000	29,724,200
17 TOTAL	42,225,900	41,224,200

18 **(1) Audit Services Contracts:** Notwithstanding KRS 45.149, no state agency
 19 shall enter into any contract with a nongovernmental entity for audit services unless the
 20 Auditor of Public Accounts has declined in writing to perform the audit or has failed to
 21 respond within 30 days of receipt of a written request for such services. The agency's
 22 request for audit services shall include a comprehensive statement of the scope and nature
 23 of the proposed audit.

24 **(2) Financial Audit Receipts:** The Auditor of Public Accounts shall provide a
 25 listing of fee receipts for all audits and special examinations, itemized by type, agency, or
 26 unit of government, as well as billing methodology to the Interim Joint Committee on
 27

1 Appropriations and Revenue by August 1 of each fiscal year.

2 **(3) Salary Increment:** Notwithstanding KRS 64.480(2), the increment provided
3 on the base salary of the Auditor of Public Accounts shall be the same as that provided
4 for eligible state employees in Part IV of this Act.

5 **(4) Ombudsman:** Included in the above Restricted Funds appropriation is
6 \$18,292,400 in each fiscal year to support the operation of the Commonwealth Office of
7 the Ombudsman within the Auditor of Public Accounts. The Auditor of Public Accounts
8 may bill the Cabinet for Health and Family Services for this amount on a prorated
9 monthly basis.

10 **(5) Jefferson County Public Schools Audit:** Notwithstanding KRS 45.229, any
11 portion of the General Fund appropriation balance from 2024 Ky. Acts ch. 175, Part I, A.,
12 22., (9) shall not lapse and shall carry forward.

13 **(6) Kentucky Communications Network Authority and Kentucky Wired**
14 **Audit:** Notwithstanding KRS 45.229, the General Fund appropriation balance from 2025
15 Ky. Acts ch. 117 sec. 41 shall not lapse and shall carry forward.

16 **(7) Artificial Intelligence Initiative:** Included in the above Restricted Funds
17 appropriation is \$800,000 in fiscal year 2026-2027 and \$600,000 in fiscal year 2027-2028
18 to support an Artificial Intelligence Initiative.

19 **(8) Audit Billings:** Within a reasonable time after the Auditor of Public Accounts
20 has completed and distributed a report of a state entity audit, examination, investigation,
21 or any other action resulting in a report relating to a state entity, the Auditor of Public
22 Accounts shall bill the audited, examined, investigated, or acted upon state entity for the
23 Auditor's expenses incurred related to that audit, examination, investigation, or other
24 action, and a copy of the bill shall be forwarded to the Secretary of the Finance and
25 Administration Cabinet. If the state entity, within 60 days following receipt of said bill,
26 determines the charge to be excessive or otherwise improper, it shall submit its objection
27 to the Secretary of the Finance and Administration Cabinet and to the State Treasurer for

1 resolution of the controversy in accordance with this subsection. If the amount billed has
 2 not been paid within 60 days from the date of billing, and no objection has been filed, the
 3 Auditor shall notify the Secretary of the Finance and Administration Cabinet who shall
 4 cause said amount to be paid. When an objection to the bill has been filed with the
 5 Secretary of the Finance and Administration Cabinet and the State Treasurer, the amount
 6 found to be equitable and just shall become payable immediately upon the entry of the
 7 final decision. Any controversy over the amount of the bill for the actual expenses
 8 incurred shall be submitted by the state entity to the Secretary of the Finance and
 9 Administration Cabinet and the State Treasurer for a decision as to the proper amount. In
 10 the event these two arbitrators fail to agree, then the controversy shall be submitted to the
 11 Attorney General, whose decision shall be final.

12 **(9) Actuarial Audit of Teachers' Retirement System:** Included in the above
 13 General Fund appropriation is \$2,000,000 in fiscal year 2026-2027 for the Auditor's
 14 office to retain an actuarial consultant to perform an actuarial audit and actuarial review
 15 of the Teachers' Retirement System as of June 30, 2026, to evaluate the reliability of
 16 each system's actuarial assumptions, methods, and funding policies, to conduct a review
 17 of historical and projected costs to the state and the factors responsible for the change in
 18 costs, and to evaluate the sufficiency of data and information contained in the annual
 19 actuarial valuation reports. The Auditor's office shall submit the actuarial consultant's
 20 report and any findings or recommendations to the Legislative Research Commission no
 21 later than July 1, 2027.

22 **(10) School Board Audits:** Notwithstanding KRS 156.265(4), included in the
 23 above General Fund appropriation is \$1,000,000 in fiscal year 2026-2027 and \$2,000,000
 24 in fiscal year 2027-2028 to support random and targeted audits of school district finances.

25 **23. PERSONNEL BOARD**

26	2025-26	2026-27	2027-28
27	General Fund	-0-	11,400
		10,200	

1	Restricted Funds	25,000	1,394,700	1,149,400
2	TOTAL	25,000	1,406,100	1,159,600

3 **(1) Hearing Officer Hourly Rate:** Included in the above Restricted Funds
 4 appropriation is \$80,000 in fiscal year 2026-2027 and \$50,000 in fiscal year 2027-2028
 5 to increase the hearing officer hourly rate from \$125 to \$200 per hour.

6 **(2) Equipment Upgrade:** Included in the above Restricted Funds appropriation
 7 is \$60,000 in fiscal year 2026-2027 to upgrade the video and audio equipment in the
 8 hearing rooms.

9 **(3) Case Management Software:** Included in the above Restricted Funds
 10 appropriation is \$25,000 in fiscal year 2025-2026, \$100,000 in fiscal year 2026-2027, and
 11 \$50,000 in fiscal year 2027-2028 to purchase a new case management system for the
 12 Board’s operations.

13 **(4) Soundproofing:** Included in the above Restricted Funds appropriation is
 14 \$120,000 in fiscal year 2026-2027 to purchase soundproofing for the boardroom and two
 15 hearing rooms.

16 **24. KENTUCKY PUBLIC PENSIONS AUTHORITY**

		2026-27	2027-28
17			
18	General Fund	67,724,700	-0-
19	Restricted Funds	478,315,500	51,426,200
20	TOTAL	546,040,200	51,426,200

21 **(1) Kentucky Employees Retirement System Nonhazardous Pension Fund:**
 22 Pursuant to KRS 42.205, included in the above Restricted Funds appropriation is
 23 \$78,504,500 in fiscal year 2026-2027, to be applied to the unfunded pension liability of
 24 the Kentucky Employees Retirement System Nonhazardous pension fund.

25 **(2) Pension Administration System Modernization:** Included in the above
 26 Restricted Funds appropriation is \$750,000 in fiscal year 2026-2027 and \$1,500,000 in
 27 fiscal year 2027-2028 to support the modernization of the pension administration system.

1 **(3) Kentucky Employees Retirement System Nonhazardous Pension Fund:** In
2 fiscal year 2026-2027, General Fund moneys in the amount of \$67,724,700 from the
3 appropriation set out in 2022 Ky. Acts ch. 199, Part I, N., 1. to implement pay raises for
4 state employees shall be transferred to the Kentucky Public Pensions Authority to be
5 applied to the unfunded pension liability of the Kentucky Employees Retirement System
6 Nonhazardous pension fund.

7 **(4) Retirement Allowance:** Notwithstanding any provision of KRS 61.691 and
8 subject to the limitations established by this subsection, recipients of a monthly
9 retirement allowance from the Kentucky Employees Retirement System or State Police
10 Retirement System whose effective retirement date is prior to January 1, 2026, shall
11 receive a one-time payment added to their July 2026 retirement allowance payment,
12 equal to the monthly retirement allowance the recipient receives from the Kentucky
13 Employees Retirement System and State Police Retirement System in the month of June
14 2026, multiplied by the following percentage:

15 (a) For recipients who have a combined annualized retirement allowance from the
16 Kentucky Employees Retirement System and State Police Retirement System and retired
17 prior to January 1, 2016, 100 percent of their retirement allowance,

18 (b) For recipients who have a combined annualized retirement allowance from the
19 Kentucky Employees Retirement System and State Police Retirement System and retired
20 on or after January 1, 2016, but prior to January 1, 2021, 50 percent of their retirement
21 allowance, and

22 (c) For recipients who have a combined annualized retirement allowance from the
23 Kentucky Employees Retirement System and State Police Retirement System and retired
24 on or after January 1, 2021, but prior to January 1, 2026, 25 percent of their retirement
25 allowance.

26 (d) Included in the above Restricted Funds appropriation is \$80,292,500 in fiscal
27 year 2026-2027 to fully fund the provisions of this subsection.

1 **(5) Kentucky Employees Retirement System Nonhazardous Insurance Fund:**
 2 Included in the above Restricted Funds appropriation is \$269,707,400 in fiscal year 2026-
 3 2027, to be applied to the unfunded insurance liability of the Kentucky Employees
 4 Retirement System Nonhazardous insurance fund.

5 **25. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS**

6 **a. Accountancy**

	2026-27	2027-28
7		
8 Restricted Funds	738,700	749,900

9 **b. Certification of Alcohol and Drug Counselors**

	2026-27	2027-28
10		
11 Restricted Funds	405,400	405,400

12 **c. Applied Behavior Analysis Licensing**

	2026-27	2027-28
13		
14 Restricted Funds	70,800	70,800

15 **d. Architects**

	2026-27	2027-28
16		
17 Restricted Funds	485,500	493,200

18 **e. Certification for Professional Art Therapists**

	2026-27	2027-28
19		
20 Restricted Funds	11,200	11,200

21 **f. Barbering**

	2026-27	2027-28
22		
23 Restricted Funds	510,900	519,200

24 **g. Chiropractic Examiners**

	2026-27	2027-28
25		
26 Restricted Funds	301,900	301,900

27 **h. Dentistry**

1		2026-27	2027-28
2	Restricted Funds	1,000,000	1,012,900
3	i. Licensed Diabetes Educators		
4		2026-27	2027-28
5	Restricted Funds	29,300	29,300
6	j. Licensure and Certification for Dietitians and Nutritionists		
7		2026-27	2027-28
8	Restricted Funds	94,100	94,100
9	k. Embalmers and Funeral Directors		
10		2026-27	2027-28
11	Restricted Funds	642,300	652,000
12	l. Licensure for Professional Engineers and Land Surveyors		
13		2026-27	2027-28
14	Restricted Funds	2,239,500	2,270,500
15	m. Certification of Fee-Based Pastoral Counselors		
16		2026-27	2027-28
17	Restricted Funds	3,600	3,600
18	n. Registration for Professional Geologists		
19		2026-27	2027-28
20	Restricted Funds	109,000	109,000
21	o. Hairdressers and Cosmetologists		
22		2026-27	2027-28
23	Restricted Funds	3,605,900	2,657,900
24	p. Specialists in Hearing Instruments		
25		2026-27	2027-28
26	Restricted Funds	77,900	77,900
27	q. Interpreters for the Deaf and Hard of Hearing		

1		2026-27	2027-28
2	Restricted Funds	51,800	51,800
3	r. Examiners and Registration of Landscape Architects		
4		2026-27	2027-28
5	Restricted Funds	92,800	95,300
6	s. Licensure of Marriage and Family Therapists		
7		2026-27	2027-28
8	Restricted Funds	141,300	141,300
9	t. Licensure for Massage Therapy		
10		2026-27	2027-28
11	Restricted Funds	150,700	150,700
12	u. Medical Imaging and Radiation Therapy		
13		2026-27	2027-28
14	Restricted Funds	512,500	521,000
15	v. Medical Licensure		
16		2026-27	2027-28
17	Restricted Funds	4,697,000	4,751,300
18	w. Nursing		
19		2026-27	2027-28
20	Restricted Funds	10,879,800	11,069,400
21	x. Licensure for Nursing Home Administrators		
22		2026-27	2027-28
23	Restricted Funds	101,100	101,100
24	y. Licensure for Occupational Therapy		
25		2026-27	2027-28
26	Restricted Funds	241,600	241,600
27	z. Ophthalmic Dispensers		

1		2026-27	2027-28
2	Restricted Funds	71,200	71,200
3	aa. Optometric Examiners		
4		2026-27	2027-28
5	Restricted Funds	312,700	316,500
6	ab. Pharmacy		
7		2026-27	2027-28
8	Restricted Funds	3,255,300	3,308,600
9	ac. Physical Therapy		
10		2026-27	2027-28
11	Restricted Funds	753,500	766,100
12	ad. Podiatry		
13		2026-27	2027-28
14	Restricted Funds	58,100	58,100
15	ae. Private Investigators		
16		2026-27	2027-28
17	Restricted Funds	113,700	113,700
18	af. Licensed Professional Counselors		
19		2026-27	2027-28
20	Restricted Funds	460,800	460,800
21	ag. Prosthetics, Orthotics, and Pedorthics		
22		2026-27	2027-28
23	Restricted Funds	46,300	46,300
24	ah. Emergency Medical Services		
25		2026-27	2027-28
26	General Fund	2,652,800	2,684,600
27	Restricted Funds	3,055,100	3,057,800

1	Federal Funds		345,200	348,500
2	TOTAL		6,053,100	6,090,900
3	ai. Examiners of Psychology			
4			2026-27	2027-28
5	Restricted Funds		431,000	431,000
6	aj. Respiratory Care			
7			2026-27	2027-28
8	Restricted Funds		345,400	350,800
9	ak. Social Work			
10			2026-27	2027-28
11	Restricted Funds		653,500	663,700
12	al. Speech-Language Pathology and Audiology			
13			2026-27	2027-28
14	Restricted Funds		225,500	225,500
15	am. Veterinary Examiners			
16		2025-26	2026-27	2027-28
17	Restricted Funds	62,000	816,900	813,600
18	TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND			
19	COMMISSIONS			
20		2025-26	2026-27	2027-28
21	General Fund	-0-	2,652,800	2,684,600
22	Restricted Funds	62,000	37,793,600	37,266,000
23	Federal Funds	-0-	345,200	348,500
24	TOTAL	62,000	40,791,600	40,299,100
25	26. KENTUCKY RIVER AUTHORITY			
26			2026-27	2027-28
27	General Fund		394,300	389,900

1	Restricted Funds	6,076,400	5,951,500
2	Federal Funds	4,300	-0-
3	TOTAL	6,475,000	6,341,400

4 **27. SCHOOL FACILITIES CONSTRUCTION COMMISSION**

5		2026-27	2027-28
6	General Fund	104,962,400	107,195,800

7 **(1) Debt Service:** Included in the above General Fund appropriation is \$983,000
 8 in fiscal year 2026-2027 and \$1,966,000 in fiscal year 2027-2028 for new debt service to
 9 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

10 **(2) Additional Offers of Assistance:** Notwithstanding KRS 157.611 to 157.665,
 11 the School Facilities Construction Commission is authorized to make an additional
 12 \$40,000,000 in offers of assistance during the 2026-2028 fiscal biennium in anticipation
 13 of debt service availability during the 2028-2030 fiscal biennium. No bonded
 14 indebtedness based on the above amount is to be incurred during the 2026-2028 fiscal
 15 biennium.

16 **(3) Use of Restricted Funds for Debt Service:** Notwithstanding KRS 157.618,
 17 Restricted Funds in the amount of \$8,453,400 in fiscal year 2026-2027 are hereby
 18 transferred to the Debt Service Fund to pay debt service on previously issued bonds.

19 **(4) School District Project and Indebtedness Report:** The School Facility and
 20 Construction Commission, with assistance from the Department of Education, shall
 21 compile and submit a report to the Interim Joint Committee on Appropriations and
 22 Revenue by June 30, 2027. The report shall be submitted in a format set forth by the
 23 Legislative Research Commission and shall include, at a minimum, a list of every local
 24 school district’s existing bonded projects, the date and amount of any additional tax levy
 25 enacted by a school board for each project, any equalization provisions provided for each
 26 project, the total amount of debt service payments made by each district, and the amount
 27 of debt service remaining and anticipated retirement dates of the debt service associated

1 with each project.

2 Notwithstanding KRS 157.611 to 157.635 and 750 KAR 1:010, the School
 3 Facilities Construction Commission shall not make an offer of assistance to any local
 4 school district during the 2026-2028 fiscal biennium until the information required under
 5 this subsection has been received. A local school district shall not be eligible for an offer
 6 of assistance during the 2026-2028 fiscal biennium unless the district’s facilities have
 7 been evaluated in the Kentucky Facilities Inventory and Classification System (KFICS).

8 **28. TEACHERS' RETIREMENT SYSTEM**

	2026-27	2027-28
10 General Fund	1,225,339,000	1,277,624,600
11 Restricted Funds	21,915,700	23,008,100
12 TOTAL	1,247,254,700	1,300,632,700

13 **(1) Dependent Subsidy for All Retirees under age 65:** Pursuant to KRS
 14 161.675(4), health insurance supplement payments made by the retirement system shall
 15 not exceed the amount of the single coverage insurance premium.

16 **(2) Retiree Health Insurance:** Pursuant to KRS 161.550(2)(b) and
 17 notwithstanding any statute to the contrary, included in the above General Fund
 18 appropriation is \$96,606,400 and excess state funding for retiree health insurance in the
 19 amount of \$3,993,600 from fiscal years 2022-2023, 2023-2024, and 2024-2025 totaling
 20 \$100,600,000 in fiscal year 2026-2027 and \$112,400,000 in fiscal year 2027-2028 to
 21 support the state's contribution for the cost of retiree health insurance for members not
 22 eligible for Medicare who have retired on or after July 1, 2010. Notwithstanding KRS
 23 161.675, the Teachers' Retirement System Board of Trustees shall provide health
 24 insurance supplement payments towards the cost of the single coverage insurance
 25 premium based on age and years of service credit of eligible recipients of a retirement
 26 allowance, the cost of which shall be paid from the Medical Insurance Fund.
 27 Notwithstanding KRS 161.675, the Teachers' Retirement System Board of Trustees shall

1 authorize eligible recipients of a retirement allowance from the Teachers' Retirement
 2 System who are less than age 65 to be included in the state-sponsored health insurance
 3 plan that is provided to active teachers and state employees under KRS 18A.225.
 4 Notwithstanding KRS 161.675(4)(a), the contribution paid by retirees who are less than
 5 age 65 who qualify for the maximum health insurance supplement payment for single
 6 coverage shall be no more than the sum of (a) the employee contribution paid by active
 7 teachers and state employees for a similar plan, and (b) the standard Medicare Part B
 8 premium as determined by the Centers for Medicare and Medicaid Services.
 9 Notwithstanding KRS 161.675(4)(a), the contribution paid by retirees who are less than
 10 age 65 who do not qualify for the maximum health insurance supplement payment for
 11 single coverage shall be determined by the same graduated formula used by the Teachers'
 12 Retirement System for Plan Year 2026.

13 **(3) Medical Insurance Fund Employee Contributions:** Notwithstanding KRS
 14 161.540(1), the employee contribution to the Medical Insurance Fund shall not be
 15 changed in each fiscal year.

16 **(4) Sick Leave Liability Reporting:** The Teachers' Retirement System shall
 17 provide a report on the full actuarial cost of member sick leave, including the total
 18 actuarial liabilities of the sick leave and the total actuarial costs to annually finance the
 19 sick leave as a percentage of payroll and in total dollars by fund source, to the Public
 20 Pension Oversight Board no later than December 1, 2027.

21 **(5) Actuarially Determined Employer Contribution:** Included in the above
 22 General Fund appropriation is \$1,076,889,000 in fiscal year 2026-2027 and
 23 \$1,160,459,000 in fiscal year 2027-2028 to provide the full actuarially determined
 24 employer contribution. The Teachers' Retirement System shall provide a report on the
 25 actuarially determined employer contribution to the Public Pension Oversight Board no
 26 later than December 1, 2027.

27 **(6) Update and Maintain Pathway System:** Included in the above Restricted

1 Funds appropriation is \$900,000 in fiscal year 2026-2027 and \$1,700,000 in fiscal year
 2 2027-2028 to update and maintain the Pathway system.

3 **(7) SEEK Employer Contribution Shortfall:** Included in the above General
 4 Fund appropriation is \$47,220,600 in fiscal year 2026-2027 for the deficit between
 5 estimated SEEK employer match and the actual SEEK employer match required during
 6 the 2024-2026 fiscal biennium.

7 **(8) Legacy Benefits Costs:** Included in the above General Fund appropriation is
 8 \$191,800 in fiscal year 2026-2027 and \$334,400 in fiscal year 2027-2028 to provide
 9 funds for actuarially determined increases in legacy benefit enhancements.

10 **29. APPROPRIATIONS NOT OTHERWISE CLASSIFIED**

	2026-27	2027-28
11		
12	16,750,300	16,750,300

13 **(1) Repayment of Awards or Judgments:** Included in the above General Fund
 14 appropriation is \$245,200 in each fiscal year for the repayment of awards or judgments
 15 made by the Office of Claims and Appeals against departments, boards, commissions,
 16 and other agencies funded with appropriations out of the General Fund. However, awards
 17 under \$5,000 shall be paid from funds available for the operations of the agency.

18 **(2) Guardian Ad Litem Fees:** Included in the above General Fund appropriation
 19 is \$12,348,300 in each fiscal year for fees to be paid to each guardian ad litem appointed
 20 by the court pursuant to KRS 26A.140(1)(a), 199.502(3)(b), 202B.210, 311.732(3)(c),
 21 403.100, 403.727(2), 456.035(2), 620.100, 625.0405, 625.041, and 625.080. The fee shall
 22 be fixed by the court and shall not exceed \$500.

23 **(3) Reissuance of Uncashed Checks:** Included in the above General Fund
 24 appropriation is \$2,461,800 in each fiscal year to reissue checks written by the State
 25 Treasurer and not cashed within the statutory period pursuant to KRS 41.370.

26 **(4) Police Officer, Firefighter, and Active Duty National Guard and Reserve**
 27 **Survivor Benefits:** Included in the above General Fund appropriation is \$690,900 in

1 each fiscal year for payment of benefits for survivors of state and local police officers,
2 firefighters, and active duty National Guard and Reserve members pursuant to KRS
3 61.315 and for the cost of insurance premiums for firefighters pursuant to KRS 95A.070.

4 **(5) Attorney General Expense:** Included in the above General Fund
5 appropriation is \$370,700 in each fiscal year for expenses associated with representation
6 of the Commonwealth and payments for expert witnesses pursuant to KRS 12.215.

7 **(6) Prior Year Claims:** Included in the above General Fund appropriation is
8 \$253,000 in each fiscal year to allow the Finance and Administration Cabinet to pay any
9 valid expense incurred during the two preceding fiscal years pursuant to KRS 45.231.

10 **(7) Involuntary Commitments:** Included in the above General Fund
11 appropriation is \$63,400 in each fiscal year to provide funding for legal representation for
12 persons requiring involuntary hospitalization pursuant to KRS 202B.210.

13 **(8) Frankfort In Lieu of Taxes:** Included in the above General Fund
14 appropriation is \$200,000 in each fiscal year for payment to the City of Frankfort in lieu
15 of property taxes normally owed annually pursuant to KRS 45.021.

16 **(9) Medical Malpractice Liability Insurance Reimbursement:** Included in the
17 above General Fund appropriation is \$77,900 in each fiscal year to reimburse clinics and
18 small, regional health care providers for medical malpractice insurance premiums
19 pursuant to KRS 304.40-075.

20 **(10) Blanket Employee Bonds:** Included in the above General Fund appropriation
21 is \$39,100 in each fiscal year to cover damages the Commonwealth might incur as the
22 result of a criminal action by an employee when securing bonds.

23 **(11) Funding Sources for Appropriations Not Otherwise Classified:** Funds
24 required to pay the costs of items included within Appropriations Not Otherwise
25 Classified are appropriated. Any required expenditure over the above amounts up to
26 \$8,249,700 in each fiscal year shall be paid first from the General Fund Surplus Account
27 (KRS 48.700), if available, or from any available balance in either the Judgments budget

1 unit or the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions
 2 and procedures provided in this Act.

3 The above appropriation is for the payment of Attorney General Expense, Office of
 4 Claims and Appeals awards, Guardian Ad Litem, Prior Year Claims, Unredeemed
 5 Checks Refunded, Involuntary Commitments - ICF/MR, Frankfort in Lieu of Taxes,
 6 Frankfort Cemetery, Police Officer, Firefighter, and National Guard and Reserve
 7 Survivor Benefits, Medical Malpractice Liability Insurance Reimbursement, and Blanket
 8 Employee Bonds.

9 **30. JUDGMENTS**

10 **(1) Payment of Judgments and Carry Forward of General Fund**
 11 **Appropriation Balance:** Notwithstanding KRS 45A.275, the payment of judgments that
 12 exceed the above appropriation, as may be rendered against the Commonwealth by courts
 13 and orders of the State Personnel Board, where applicable, shall be subject to KRS
 14 Chapter 45 and shall not be deemed a necessary governmental expense. Notwithstanding
 15 KRS 45A.270(1), funds required to pay any award or judgment against any department or
 16 agency of the state in excess of the above appropriation, shall be paid out of the funds
 17 created or collected for the maintenance and operation of such department or agency and
 18 otherwise paid pursuant to KRS 45A.270(2). Notwithstanding KRS 45.229, the General
 19 Fund appropriation in fiscal year 2025-2026 and fiscal year 2026-2027 shall not lapse
 20 and shall carry forward.

21 **31. KENTUCKY COMMUNICATIONS NETWORK AUTHORITY**

	2026-27	2027-28
22		
23 General Fund	40,886,900	40,931,900
24 Restricted Funds	10,254,100	10,254,100
25 TOTAL	51,141,000	51,186,000

26 **(1) Availability Payments:** Included in the above General Fund appropriation is
 27 \$39,200,000 in fiscal year 2026-2027 and \$40,179,000 in fiscal year 2027-2028 for

1 availability payments.

2 **(2) Capital Project Reporting:** On a quarterly basis, the Kentucky
 3 Communications Network Authority shall submit a report detailing the following for
 4 each capital project authorized:

5 (a) Project scope, including a definition of what project components are critical;
 6 costs related to each project component; information regarding which network location
 7 node, core equipment site, or end-user location is impacted; project milestones; and any
 8 changes or modifications from previous reports;

9 (b) Financial status, including how much has been spent of the authorization, cost
 10 overruns and/or savings, and impact on the Authority’s operating budget;

11 (c) Project timeline detailing progress towards project milestones and project
 12 completion status; and

13 (d) Procurement and contracts, including status of procurement activities
 14 detailing contracts awarded and pending, and any changes to contract terms or conditions.

15 The Authority shall present this quarterly report to the Capital Projects and Bond
 16 Oversight Committee.

17 **TOTAL - GENERAL GOVERNMENT**

	2025-26	2026-27	2027-28
18 General Fund (Tobacco)	-0-	35,576,900	32,889,700
19 General Fund	-0-	1,855,131,300	1,831,554,300
20 Restricted Funds	87,000	852,045,300	430,008,800
21 Federal Funds	-0-	858,273,900	707,114,400
22 TOTAL	87,000	3,601,027,400	3,001,567,200

24 **B. ECONOMIC DEVELOPMENT CABINET**

25 **Budget Unit**

26 **1. ECONOMIC DEVELOPMENT**

	2026-27	2027-28
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1	General Fund	29,231,900	29,990,900
2	Restricted Funds	5,387,200	3,786,300
3	Federal Funds	436,000	401,000
4	TOTAL	35,055,100	34,178,200

5 **(1) Funding for Commercialization and Innovation:** Notwithstanding KRS
6 154.12-278, interest income earned on the balances in the High-Tech
7 Construction/Investment Pool and loan repayments received by the High-Tech
8 Construction/Investment Pool shall be used to support the Office of Entrepreneurship and
9 are appropriated in addition to amounts appropriated above.

10 **(2) Lapse and Carry Forward of General Fund Appropriation Balance for**
11 **Bluegrass State Skills Corporation:** Notwithstanding KRS 45.229, the General Fund
12 appropriation balance for Bluegrass State Skills Corporation training grants for fiscal
13 year 2025-2026 and fiscal year 2026-2027 shall not lapse and shall carry forward. The
14 amount available to the Corporation for disbursement in each fiscal year shall be limited
15 to the unexpended training grant allotment balance at the end of each fiscal year
16 combined with the additional training grant allotment amounts in each fiscal year of the
17 2026-2028 fiscal biennium, less any disbursements. If the required disbursements exceed
18 the Bluegrass State Skills Corporation training grants allotment balance, notwithstanding
19 KRS 154.12-278, Restricted Funds may be expended for training grants.

20 **(3) Science and Technology Program:** Notwithstanding KRS 164.6011 to
21 164.6035 and any other statute to the contrary, the Cabinet for Economic Development
22 shall have the authority to carry out the provisions of KRS 164.6013 to 164.6035.

23 **(4) Carry Forward of General Fund Appropriation Balance:** Notwithstanding
24 KRS 45.229, the General Fund appropriation in fiscal year 2025-2026 and fiscal year
25 2026-2027 to the Cabinet for Economic Development, Science and Technology Program,
26 shall not lapse and shall carry forward in the Cabinet for Economic Development.

27 **(5) Executive Officers' Compensation:** Notwithstanding KRS 154.10-050(2),

1 any additional executive officers as described in KRS 154.10-050(2) shall not be paid a
2 salary greater than the salary of the Governor of the Commonwealth.

3 **(6) Training Grants:** Included in the above General Fund appropriation is
4 \$2,400,000 in fiscal year 2026-2027 and \$2,325,000 in fiscal year 2027-2028 for the
5 Bluegrass State Skills Corporation to make training grants to support manufacturing-
6 related investments. The Corporation shall utilize these funds for a manufacturer
7 designated by the United States Department of Commerce, United States Census Bureau
8 North American Industry Classification System code of 336111, 336112, 336120, or
9 336211 that employs at least 10,000 full-time persons at the same facility or at multiple
10 facilities located within the same county to help offset associated costs of retraining its
11 workforce. Notwithstanding KRS 45.229, the General Fund appropriation balance for
12 Bluegrass State Skills Corporation training grants for fiscal year 2025-2026 and fiscal
13 year 2026-2027 shall not lapse and shall carry forward.

14 **(7) Kentucky Product Development Initiative:** Notwithstanding KRS 45.229,
15 the balance of the General Fund appropriation authorized in 2022 Ky. Acts ch. 199, Part
16 I, B., 1., (12) shall not lapse and shall carry forward.

17 **(8) KEDFA Forgivable Loan-Carry Forward of Appropriation Balance:**
18 Notwithstanding KRS 45.229, the balance of the General Fund appropriation authorized
19 in 2022 Ky. Acts ch. 199, Part I, B., 1., (11) shall not lapse and shall carry forward.

20 **(9) Agricultural Economic Development:** In accordance with KRS Chapter
21 154, the Secretary of the Cabinet for Economic Development shall coordinate with and
22 seek guidance from the Commissioner of the Department of Agriculture in considering
23 any projects for economic incentives related to agricultural economic development,
24 agribusiness, or production facilities of sustainable aviation fuel.

25 **(10) State Trade and Export Promotion:** Included in the above Federal Funds
26 appropriation is \$135,000 in fiscal year 2026-2027 and \$100,000 in fiscal year 2027-2028
27 to expand the federal State Trade and Export Promotion (STEP) program.

1 accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall
2 not exceed the appropriation for this purpose, except as provided in this Act. The total
3 appropriation for the SEEK Program shall be measured by, or construed as, estimates of
4 the state expenditures required by KRS 157.310 to 157.440. If the required expenditures
5 exceed these estimates, the Secretary of the Finance and Administration Cabinet, upon
6 the written request of the Commissioner of Education and with the approval of the
7 Governor, may increase the appropriation by such amount as may be available and
8 necessary to meet, to the extent possible, the required expenditures under the cited
9 sections of the Kentucky Revised Statutes, but any increase of the total appropriation to
10 the SEEK Program is subject to Part III, General Provisions, of this Act and KRS Chapter
11 48. If funds appropriated to the SEEK Program are insufficient to provide the amount of
12 money required under KRS 157.310 to 157.440, allotments to local school districts may
13 be reduced in accordance with KRS 157.430.

14 **(3) SEEK Lapse:** Notwithstanding KRS 45.229, any General Fund amounts
15 appropriated to the SEEK Program that are not necessary to meet the requirements set
16 forth in KRS 157.310 to 157.440 in each fiscal year shall lapse to the Budget Reserve
17 Trust Fund Account (KRS 48.705).

18 **(4) Base SEEK Allotments:** Notwithstanding KRS 157.420(2), included in the
19 above General Fund appropriation is \$2,041,149,800 in fiscal year 2026-2027 and
20 \$2,083,877,400 in fiscal year 2027-2028 for the base SEEK Program as defined by KRS
21 157.360. Funds appropriated to the SEEK Program shall be allotted to school districts in
22 accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall
23 not exceed the appropriation for this purpose, except as provided in this Act.

24 **(5) Tier I Component:** Included in the above General Fund appropriation is
25 \$248,291,300 in fiscal year 2026-2027 and \$236,701,900 in fiscal year 2027-2028 for the
26 Tier I component as established by KRS 157.440. Notwithstanding KRS 157.440(1)(a),
27 the board of education of each school district may levy an equivalent tax rate as defined

1 in KRS 160.470(9)(a) which will produce up to 17.5 percent of those revenues
2 guaranteed by the SEEK Program. The levy shall be made no later than October 1 of each
3 odd numbered year, and revenue generated by this levy shall be equalized at 150 percent
4 of the statewide average per pupil assessment.

5 **(6) Vocational Transportation:** Included in the above General Fund
6 appropriation is \$7,833,100 in each fiscal year for vocational transportation.

7 **(7) Teachers' Retirement System Employer Match:** Included in the above
8 General Fund appropriation is \$529,410,000 in fiscal year 2026-2027 and \$541,260,000
9 in fiscal year 2027-2028 to enable local school districts to provide the employer match
10 for qualified employees.

11 **(8) Salary Supplements for Nationally Certified Teachers:** Notwithstanding
12 KRS 157.395, included in the above General Fund appropriation is \$4,000,000 in each
13 fiscal year for the purpose of providing salary supplements for public school teachers
14 attaining certification by the National Board for Professional Teaching Standards.
15 Notwithstanding KRS 157.395, if the appropriation is insufficient to provide the
16 mandated salary supplement for teachers who have obtained this certification, the
17 Department of Education is authorized to pro rata reduce the supplement.

18 **(9) SEEK Adjustment Factors:** Funds allocated for the SEEK base and its
19 adjustment factors that are not needed for the base or a particular adjustment factor may
20 be allocated to other adjustment factors, if funds for that adjustment factor are not
21 sufficient.

22 **(10) Facilities Support Program of Kentucky/Equalized Nickel Levies:**
23 Included in the above General Fund appropriation is \$137,176,700 in fiscal year 2026-
24 2027 and \$126,577,500 in fiscal year 2027-2028 to provide facilities equalization funding
25 pursuant to KRS 157.440 and 157.620.

26 **(11) Growth Levy Equalization Funding:** Included in the above General Fund
27 appropriation is \$54,370,400 in fiscal year 2026-2027 and \$46,449,200 in fiscal year

1 2027-2028 to provide facilities equalization funding pursuant to KRS 157.440 and
 2 157.620 for districts meeting the eligibility requirements of KRS 157.621(1) and (4).
 3 Notwithstanding KRS 157.621(1)(b)2., a school district that imposes the levy authorized
 4 by KRS 157.621(1)(b)1. shall be equalized for that levy, in addition to the equalization
 5 funding appropriated in accordance with KRS 157.621(1)(b)2., and all funds for this
 6 purpose shall be committed to debt service, new facilities, or major renovations in
 7 accordance with KRS 157.440(1)(b). It is the intent of the 2026 General Assembly that
 8 any local school district receiving equalization under this subsection shall receive full
 9 calculated equalization until the earlier of 20 years of the effective date of this Act, or the
 10 date the bonds for the local school district supported by this equalization are retired, in
 11 accordance with KRS 157.621(2).

12 **(12) Retroactive Equalized Facility Funding:** Included in the above General
 13 Fund appropriation is \$75,337,300 in fiscal year 2026-2027 and \$70,590,900 in fiscal
 14 year 2027-2028 to provide equalized facility funding pursuant to KRS 157.440 and
 15 157.620 to districts meeting the eligibility requirements of KRS 157.621(2) and (4). In
 16 addition, a local board of education that levied a tax rate subject to recall by January 1,
 17 2014, in addition to the five cents levied pursuant to KRS 157.440(1)(b) and that
 18 committed the receipts to debt service, new facilities, or major renovations of existing
 19 facilities shall be eligible for equalization funds from the state at 150 percent of the
 20 statewide average per pupil assessment. Revenue to generate the five cent equivalent levy
 21 may be obtained from levies on property, motor vehicles, or the taxes authorized by KRS
 22 160.593 to 160.597, 160.601 to 160.633, and 160.635 to 160.648 if the levy was
 23 dedicated to facilities funding at the time of the levy. The equalization funds shall be used
 24 as provided in KRS 157.440(1)(b). Notwithstanding KRS 157.621(2)(a) and (4), for the
 25 2026-2028 fiscal biennium, school districts that levied the tax rate subject to recall prior
 26 to January 15, 2024, shall be equalized at 100 percent of the calculated equalization
 27 funding, school districts that levied the tax rate subject to recall after January 15, 2024,

1 and before January 15, 2026, shall be equalized at 25 percent of the calculated
2 equalization funding, and all funds for this purpose shall be committed to debt service,
3 new facilities, or major renovations in accordance with KRS 157.440(1)(b). It is the
4 intent of the 2026 General Assembly that any local school district receiving equalization
5 under this subsection shall receive full equalization until the earlier of 20 years from the
6 effective date of this Act or the date the bonds for the local school district supported by
7 this equalization funding are retired, in accordance with KRS 157.621(2). It is also the
8 intent of the 2026 General Assembly that any local school district that levies a tax rate
9 subject to recall after January 15, 2026, shall not receive equalization in the 2028-2030
10 fiscal biennium and thereafter.

11 **(13) Equalized Facility Funding:** Included in the above General Fund
12 appropriation is \$18,746,800 in fiscal year 2026-2027 and \$17,186,100 in fiscal year
13 2027-2028 to provide equalized facility funding pursuant to KRS 157.440 and 157.620 to
14 districts meeting the eligibility requirements of KRS 157.621(3) and (4). Notwithstanding
15 KRS 157.621(3)(c), a school district meeting the criteria of KRS 157.621(3)(a) and (b)
16 shall be equalized at 100 percent of the calculated equalization funding in each fiscal
17 year, and all funds for this purpose shall be committed to debt service, new facilities, or
18 major renovations in accordance with KRS 157.440(1)(b). In addition, notwithstanding
19 KRS 157.621(1) and (3), a school district that has levied a five-cent equivalent rate
20 authorized by KRS 157.621(1)(a) and is not receiving state equalization funding for that
21 levy under KRS 157.621(1)(b), 157.621(3), or any other provision of this Act, shall be
22 equalized at 100 percent of the calculated equalization funding in each fiscal year, and all
23 funds for this purpose shall be committed to debt service, new facilities, or major
24 renovations in accordance with KRS 157.440(1)(b). It is the intent of the 2026 General
25 Assembly that any local school district receiving equalization under this subsection shall
26 receive full calculated equalization until the earlier of 20 years of the effective date of
27 this Act, or the date the bonds for the local school district supported by this equalization

1 are retired, in accordance with KRS 157.621(3).

2 **(14) BRAC Equalized Facility Funding:** Notwithstanding KRS 157.621(1)(c)2.,
3 included in the above General Fund appropriation is \$3,162,200 in fiscal year 2026-2027
4 and \$2,749,400 in fiscal year 2027-2028 to provide equalized facility funding to school
5 districts meeting the eligibility requirements of KRS 157.621(1)(c)1. pursuant to KRS
6 157.440 and 157.620. It is the intent of the 2026 General Assembly that the district
7 receiving equalization under this subsection shall not receive equalization after the 2028-
8 2030 fiscal biennium.

9 **(15) Equalization Funding for Critical Construction Needs Schools:** Included
10 in the above General Fund appropriation is \$10,136,800 in fiscal year 2026-2027 and
11 \$9,781,800 in fiscal year 2027-2028 to school districts in accordance with KRS
12 157.621(5).

13 **(16) Hold-Harmless Guarantee:** A hold-harmless guarantee is established in each
14 fiscal year which provides that every local school district shall receive at least the same
15 amount of SEEK state funding per pupil as was received in fiscal year 1991-1992. If
16 funds appropriated to the SEEK Program are insufficient to provide the amount of money
17 required under KRS 157.310 to 157.440, and allotments to local school districts are
18 reduced in accordance with KRS 157.430, allocations to school districts subject to this
19 provision shall not be reduced.

20 **(17) Residential Youth-at-Risk Programs:** In accordance with KRS 157.360, no
21 funds from the SEEK Program shall be distributed to the programs operated by the
22 Kentucky Guard Youth Challenge Division of the Department of Military Affairs.
23 Notwithstanding KRS 157.350, 157.360, 157.410, and any other statute to the contrary,
24 any school district providing educational services to students enrolled in programs
25 operated by the Kentucky Guard Youth Challenge Division of the Department of Military
26 Affairs shall be paid for those services solely from the General Fund appropriation in Part
27 I, A., 6. of this Act, and students enrolled in such programs shall not be included in the

1 average daily attendance for purposes of SEEK Program funding.

2 **(18) Salary Supplements for Certified Audiologists and Speech Language**
3 **Pathologists:** Included in the above General Fund appropriation is \$2,312,000 in each
4 fiscal year for the purpose of providing a \$2,000 salary supplement each year for full-
5 time public school Audiologists and Speech Language Pathologists that have active
6 Certificates of Clinical Competence, as offered by the American Speech-Language-
7 Hearing Association. Notwithstanding any statute to the contrary, if the appropriation is
8 insufficient to provide all full-time public school American Speech-Language-Hearing
9 Association certified Audiologists and Speech Language Pathologists with the \$2,000
10 stipend, then the Department of Education is authorized to pro rata reduce the
11 supplement.

12 **(19) Full-Day Kindergarten:** Notwithstanding KRS 157.320 or any other statute
13 or regulation to the contrary, the Department of Education shall count each kindergarten
14 pupil in full for that respective school year, for the purpose of determining SEEK funds
15 and any other state funding based in whole or in part on average daily attendance for the
16 district, except that a district shall receive an amount equal to one-half of the state portion
17 of the average statewide per pupil guaranteed base funding level for each student who
18 graduated early under the provisions of KRS 158.142.

19 **(20) SEEK Transportation:** Notwithstanding KRS 157.370 and 157.360(2)(c),
20 included in the above General Fund appropriation is \$398,884,500 in each fiscal year to
21 support pupil transportation.

22 **(21) Legislative Policy Requirement:** The 2026 General Assembly provides the
23 following requirement to local boards of education and the Kentucky Department of
24 Education:

25 (a) Local school districts that receive state funding from the Support Education
26 Excellence in Kentucky Program shall:

27 1. Prominently display, in not less than 16-point type, on the local board of

1 education's internet landing page, the district's percentage of students scoring Proficient
2 in Reading, the district's percentage of students scoring Distinguished in Reading, the
3 district's percentage of students scoring Proficient in Mathematics, and the district's
4 percentage of students scoring Distinguished in Mathematics on the most recent
5 Kentucky Summative Assessment, as defined by KRS 158.6453;

6 2. Prominently display a web link to the detailed results of the district's
7 performance on the most recent Kentucky Summative Assessment on the local board of
8 education's internet landing page;

9 3. Display the same information specified in subparagraph 1. of this paragraph at
10 the top of each page of the board's website in a banner format;

11 4. Prominently display, in not less than 16-point type, on each school's internet
12 landing page, the school's percentage of students scoring Proficient in Reading, the
13 school's percentage of students scoring Distinguished in Reading, the percentage of
14 students scoring Proficient in Mathematics, and the percentage of students scoring
15 Distinguished in Mathematics on the school's most recent Kentucky Summative
16 Assessment;

17 5. Prominently display on each school's internet landing page, a link to the
18 detailed results of the school's results on the most recent Kentucky Summative
19 Assessment; and

20 6. Display the same information specified in subparagraph 4. of this paragraph in
21 banner format on each page of the school's website;

22 (b) The Kentucky Department of Education shall post a rank order by overall
23 academic performance of all schools on its website;

24 (c) The Kentucky Department of Education shall ensure compliance with this
25 subsection by every district, and offer assistance, as needed;

26 (d) The 2026 General Assembly is aware of the intention of surrounding states to
27 set increased minimum salaries for classroom teachers in those states by statute or

1 regulation. The General Assembly also recognizes the fact that the local economy heavily
2 affects the salary schedules of classified employees; and

3 (e) The 2026 General Assembly directs each local board of education to consider
4 the actions of other states and the local economy and the related effect on recruitment and
5 retention when establishing the salary schedules for classroom teachers and classified
6 employees. Additional funds have been made available to local school districts through
7 increases in SEEK resources. The 2026 General Assembly encourages local school
8 districts to provide certified and classified staff a salary or compensation increase.

9 **(22) Star Charter Academy:** Included in the above General Fund appropriation is
10 \$1,000,000 in each fiscal year to support a pilot program of Star Academy schools within
11 existing public schools throughout the state.

12 **(23) SEEK Per Pupil Reporting:** Publicly available reports published or
13 distributed by the Kentucky Department of Education related to the SEEK Program
14 disbursements to districts shall include adjustments that capture the total state funding per
15 student by aggregating all state appropriations made on behalf of school districts,
16 including Teachers' Retirement System payments and insurance payments, and express
17 the totals on a per pupil basis using the district's prior year statewide average daily
18 attendance. These calculations shall be separate from and shall not be incorporated into
19 the SEEK formula or used to determine SEEK allotments.

20 **(24) Residential Academic Academies:** Notwithstanding KRS 157.310 to
21 157.440 and 157.621, students enrolled in the Craft Academy for Excellence in Science
22 and Mathematics, the Gatton Academy for Excellence in Science and Mathematics in
23 Kentucky, and the Votruba Young Scholars Academy shall not be included in the average
24 daily attendance of the students' districts of residence for the purpose of calculating
25 SEEK program funding in each fiscal year of the 2026-2028 fiscal biennium.

26 **(25) Model Laboratory School SEEK Calculation Adjustment:**
27 Notwithstanding KRS 164.380(5), no adjustment to SEEK Program funding shall be

1 made for students attending the Eastern Kentucky University Model Laboratory School.

2 **2. OPERATIONS AND SUPPORT SERVICES**

	2026-27	2027-28
4 General Fund	64,672,200	63,164,500
5 Restricted Funds	4,751,300	5,612,800
6 Federal Funds	565,770,700	565,989,000
7 TOTAL	635,194,200	634,766,300

8 **(1) Advanced Placement and International Baccalaureate Exams:**

9 Notwithstanding KRS 160.348(3), included in the above General Fund appropriation is
 10 \$960,000 in fiscal year 2026-2027 and \$930,000 in fiscal year 2027-2028 to pay the cost
 11 of Advanced Placement and International Baccalaureate examinations for those students
 12 who meet the eligibility requirements for free or reduced-price meals. Notwithstanding
 13 KRS 154A.130(4) and 160.348(5), included in the above General Fund appropriation is
 14 \$2,600,000 in each fiscal year to pay the cost of Advanced Placement examinations.

15 **(2) Employee Reporting:** The Kentucky Department of Education shall provide
 16 a report by August 1 of each year to the Interim Joint Committee on Appropriations and
 17 Revenue. At a minimum, the report shall include:

- 18 (a) A count and list, by name, of all full-time, part-time, and interim employees
 19 employed under KRS Chapter 18A;
- 20 (b) A count and list, by name, of all contract employees;
- 21 (c) The position title, Kentucky Department of Education office served, and
 22 primary work location of every employee;
- 23 (d) The employees' level of compensation, on an annualized basis, including the
 24 percentage of all fund sources used to compensate the employee; and
- 25 (e) For contract employees, the start and end date of the relevant contract, as well
 26 as the name of any entity involved in administering the contract.

27 **(3) Certified and Classified Staff Compensation Increase Reporting:** The

1 Kentucky Department of Education shall provide a report by September 1 of each year to
2 the Interim Joint Committee on Appropriations and Revenue detailing certified and
3 classified staff compensation increases for the current school year by each local school
4 district. At a minimum, the report shall include:

5 (a) A brief description of the type of staff compensation increases adopted, such
6 as percentage-based or flat rate, if applicable;

7 (b) The average percentage rate or dollar amount of the compensation increases,
8 by classification, if applicable;

9 (c) The effective date of the compensation increases, if applicable;

10 (d) The manner in which the compensation increases were delineated, such as
11 universally or by job classification, if applicable;

12 (e) Any monetary compensation in addition to that provided through the district's
13 single salary schedule, such as one-time payments, if applicable;

14 (f) The date the local board of education adopted the compensation increases, if
15 applicable; and

16 (g) Any changes to the local school district's certified and/or classified staff
17 single salary schedule(s), if applicable.

18 **(4) Employment of Leadership Personnel:** Notwithstanding KRS 18A.005 to
19 18A.200, the Kentucky Board of Education shall continue to have authority to determine
20 the employees of the Department of Education who are exempt from the classified
21 service and to set those employees' compensation comparable to the competitive market.

22 **(5) Blind/Deaf Residential Travel Program:** Included in the above General
23 Fund appropriation is \$472,600 in fiscal year 2026-2027 and \$457,800 in fiscal year
24 2027-2028 for the Blind/Deaf Residential Travel Program.

25 **(6) Educators Employment Liability Insurance Program:** Included in the
26 above General Fund appropriation is \$4,800,000 in fiscal year 2026-2027 and \$4,650,000
27 in fiscal year 2027-2028 to support the educators employment liability insurance program

1 pursuant to KRS 161.212.

2 **(7) School and Community Nutrition Programs:** Included in the above Federal
3 Funds appropriation is an additional \$100,181,200 in each fiscal year to support increased
4 spending on school and community nutrition programs.

5 **(8) Special Examination:** Included in the above appropriations is sufficient
6 funding to implement the provisions of 2024 Ky. Acts ch. 118.

7 **(9) Local School District Insurance Requirements:** (a) Pursuant to 702 KAR
8 3:030, a local board of education shall procure insurance coverage that reflects the
9 estimated replacement cost, actual cash values, and the amount of fire and extended
10 insurance coverage provided for each building and its contents owned by the local board
11 of education that is not surplus to its needs as shown by the approved facilities plan.

12 (b) A building and its contents shall be insured for an amount equal to 100
13 percent of the replacement cost as shown on the schedule of values certified by the
14 Kentucky Department of Education or as determined through a certified replacement cost
15 appraisal of the building and its contents performed by an appraiser experienced in
16 appraising commercial or governmental property and licensed to perform appraisal
17 services in Kentucky pursuant to KRS 324A.045. Each policy covering the buildings and
18 contents shall provide an agreed amount endorsement.

19 (c) The replacement cost of the building shall include the increased cost of
20 construction brought about by code changes that have occurred since the original
21 structure was built and which would be required to be incorporated within the rebuilt
22 structure.

23 (d) The following minimum sublimits shall be required:

- 24 1. Ordinance and law - \$5,000,000;
25 2. Debris removal - \$1,000,000; and
26 3. Extra expense - \$5,000,000.

27 (e) Despite the requirement to insure individual buildings and contents at 100

1 percent of replacement cost, a blanket limitation on an insurance carrier’s liability per
 2 occurrence may be procured if:

- 3 1. An individual district’s schedule of values exceeds \$100,000,000; and
- 4 2. The blanket limitation equals at least \$100,000,000 and at least 50 percent of
 5 total replacement costs.

6 (f) Insurance on property specified in this subsection shall be provided by
 7 carriers licensed to do business in the Commonwealth of Kentucky and shall include:

- 8 1. A maximum of 80 percent coinsurance;
- 9 2. A per-occurrence deductible on all perils not to exceed five percent of the
 10 prior year’s capital outlay allotment or \$25,000, whichever is smaller; and
- 11 3. A replacement cost endorsement.

12 (g) A building requiring insurance and containing a steam boiler shall have boiler
 13 and machinery coverage with a limit of liability equal to the total value of the real and
 14 personal property in the building in which the steam boiler is located.

15 (h) A school district may cover property in a self-insurance pool providing
 16 coverage at least equal to the standards specified in paragraphs (b) and (c) of this
 17 subsection. A self-insurance pool shall:

- 18 1. Be adequately reinsured by a carrier approved to do business in Kentucky;
 19 and
- 20 2. Provide facilities for insuring all property of an individual district to which
 21 this subsection applies.

22 (i) Insurance coverage required by this subsection shall be obtained by local
 23 school districts by bids after advertising for bids if required by KRS Chapter 45A or 424.

24 **3. LEARNING AND RESULTS SERVICES**

	2026-27	2027-28
25		
26 General Fund	1,539,714,400	1,764,574,000
27 Restricted Funds	24,643,000	32,192,000

1	Federal Funds	621,154,200	619,729,900
2	TOTAL	2,185,511,600	2,416,495,900

3 **(1) Kentucky Education Technology System:** Notwithstanding KRS 157.650 to
 4 157.665, the School for the Deaf and the School for the Blind shall be fully eligible,
 5 along with local school districts, to participate in the Kentucky Education Technology
 6 System in a manner that takes into account the special needs of the students of these two
 7 schools.

8 **(2) Family Resource and Youth Services Centers:** Funds appropriated to
 9 establish and support Family Resource and Youth Services Centers shall be transferred in
 10 each fiscal year to the Cabinet for Health and Family Services consistent with KRS
 11 156.496. The Cabinet for Health and Family Services is authorized to use, for
 12 administrative purposes, no more than two percent of the total funds transferred from the
 13 Department of Education for the Family Resource and Youth Services Centers. If a
 14 certified person is employed as a director or coordinator of a Family Resource and Youth
 15 Services Center, that person shall retain his or her status as a certified employee of the
 16 school district.

17 **(3) Health Insurance:** Included in the above General Fund appropriation is
 18 \$1,076,821,500 in fiscal year 2026-2027 and \$1,277,823,800 in fiscal year 2027-2028 for
 19 employer contributions for health insurance and the contribution to the health
 20 reimbursement account for employees waiving coverage. Notwithstanding KRS 45.229,
 21 General Fund in the amount of \$98,310,700 in fiscal year 2025-2026 shall not lapse and
 22 shall carry forward into fiscal year 2026-2027.

23 **(4) Program Flexibility:** Notwithstanding KRS 158.070(8) and 158.446, local
 24 school districts shall be provided additional flexibility in the utilization of funds for
 25 Extended School Services and Safe Schools. Local school districts shall continue to
 26 address the governing statutes and serve the intended student population but may utilize
 27 funds from these programs for general operating expenses in each year of the fiscal

1 biennium. Local school districts that utilize these funds for general operating expenses
2 shall report to the Kentucky Department of Education and the Interim Joint Committee
3 on Education the amount of funding from each program utilized for general operating
4 expenses.

5 **(5) Center for School Safety:** Included in the above General Fund appropriation
6 is \$15,000,000 in each fiscal year for the Center for School Safety. Notwithstanding KRS
7 158.446, the Center for School Safety shall allot these moneys for the purposes described
8 in KRS 158.440, 158.441, 158.4415, 158.4416, 158.442, 158.445, and 158.446 at both
9 public and private school buildings, campuses, grounds, recreational areas, or athletic
10 fields, except that no more than \$2,000,000 in each fiscal year may be retained for
11 operating and administrative purposes.

12 **(6) Allocations to School-Based Decision Making Councils:** Notwithstanding
13 KRS 160.345(8), for each fiscal year, a local board of education may reduce the
14 allocations to individual schools within the district as outlined in 702 KAR 3:246, secs. 6,
15 7, and 8. The allocation under 702 KAR 3:246, sec. 6, shall not be less than \$100 per
16 pupil in average daily attendance.

17 **(7) Kentucky School for the Blind and Kentucky School for the Deaf:**
18 Included in the above General Fund appropriation is \$8,289,100 in each fiscal year for
19 the operations of the Kentucky School for the Blind and \$11,291,800 in each fiscal year
20 for the operations of the Kentucky School for the Deaf.

21 **(8) Career and Technical Education:** Included in the above General Fund
22 appropriation is \$127,115,900 in fiscal year 2026-2027 and \$141,891,200 in fiscal year
23 2027-2028 for career and technical education. Notwithstanding KRS 157.069, of this
24 amount, \$70,063,400 in fiscal year 2026-2027 shall be distributed as supplemental
25 funding to local area vocational education centers, and \$84,838,700 in fiscal year 2027-
26 2028 shall be distributed as supplemental funding to career and technical education
27 centers. The Kentucky Department of Education shall not allocate any supplemental

1 funding to career and technical education centers in fiscal year 2027-2028 unless
 2 authorized by an Act of the General Assembly upon the recommendation of the
 3 Workforce Modernization Task Force determining effective utilization by locally
 4 operated career and technical education centers and state-operated area technology
 5 centers.

6 Notwithstanding KRS 157.069, Category II and III programs in districts established
 7 after June 21, 2001, shall be included in the fiscal year 2026-2027 distribution. The
 8 Department of Education shall classify each comprehensive high school with five or
 9 more career and technical education program areas as a local area vocational education
 10 center and shall also include any comprehensive high school with fewer than five career
 11 and technical education programs in the supplemental funding. The Department of
 12 Education shall communicate the updated status with the superintendent of each local
 13 school district no later than June 30, 2026.

14 **(9) Redistribution of Resources:** Notwithstanding KRS 156.095, 156.553,
 15 156.555, 157.390, 158.070, 158.770, 158.775, 158.805, 161.027, 161.028, 161.030,
 16 161.165, and 161.167, no General Fund is provided for the Professional Development
 17 Program, the Commonwealth School Improvement Fund, the Leadership and Mentor
 18 Fund, the Middle School Academic Center, the Teacher's Professional Growth Fund, the
 19 Teacher Academies Program, the Writing Program, the Kentucky Principal Internship
 20 Program, the Kentucky Teacher Internship Program, and the Kentucky Academy for
 21 Equity in Teaching in order to increase funding for school-based mental health services
 22 providers.

23 **(10) Learning and Results Services Programs:** Included in the above General
 24 Fund appropriation are the following allocations for the 2026-2028 fiscal biennium, but
 25 no portion of these funds shall be utilized for state-level administrative purposes:

- 26 (a) \$1,900,000 in fiscal year 2026-2027 for AdvanceKentucky;
- 27 (b) \$1,850,000 in fiscal year 2026-2027 for the Community Education Program;

- 1 (c) \$23,916,300 in fiscal year 2026-2027 for the Extended School Services
2 Program;
- 3 (d) \$48,889,000 in each fiscal year for the Family Resource and Youth Services
4 Centers Program;
- 5 (e) \$10,000,000 in fiscal year 2026-2027 for the Gifted and Talented Program;
- 6 (f) \$100,000 in fiscal year 2026-2027 for the Hearing and Speech Center;
- 7 (g) \$100,000 in fiscal year 2026-2027 for the Heuser Hearing and Language
8 Academy;
- 9 (h) Notwithstanding KRS 154A.130(4), \$1,000,000 in fiscal year 2026-2027 for
10 the Jobs for America's Graduates Program;
- 11 (i) \$500,000 in fiscal year 2026-2027 for the Kentucky Alliance of Boys & Girls
12 Clubs;
- 13 (j) \$12,500,000 in each fiscal year for the Kentucky Educational Collaborative
14 for State Agency Children;
- 15 (k) \$1,391,000 in fiscal year 2026-2027 for Local School District Life Insurance;
- 16 (l) \$1,000,000 in fiscal year 2026-2027 for Math Nation;
- 17 (m) \$5,019,000 in fiscal year 2026-2027 for the Mathematics Achievement Fund;
- 18 (n) \$84,481,100 in each fiscal year for the Preschool Program;
- 19 (o) \$15,936,600 in fiscal year 2026-2027 for the Read to Achieve Program;
- 20 (p) \$11,000,000 in fiscal year 2026-2027 for the Read to Succeed Program;
- 21 (q) \$2,000,000 in fiscal year 2026-2027 for Save the Children;
- 22 (r) \$1,200,000 in fiscal year 2026-2027 for the Statewide Reading Research
23 Center;
- 24 (s) \$700,000 in fiscal year 2026-2027 for Teach for America. Teach for America
25 shall submit a report on the outcomes of the program to the Interim Joint Committee on
26 Education by August 1, 2027;
- 27 (t) \$500,000 in fiscal year 2026-2027 for the Visually Impaired Preschool

1 Services Program; and

2 (u) \$1,500,000 in fiscal year 2026-2027 for We Lead CS.

3 For each program listed in this subsection without an appropriation in fiscal year
 4 2027-2028, an amount equal to that program's fiscal year 2026-2027 appropriation is
 5 conditionally appropriated to the Learning and Results Services at large in fiscal year
 6 2027-2028, totaling \$79,612,900 in General Fund. These funds shall be allocated to local
 7 school districts by the Kentucky Department of Education based on a formula developed
 8 by the Department related to student population to be expended on any combination of
 9 programs listed at the discretion of each local school district. No funds shall be
 10 distributed from this conditional appropriation in fiscal year 2027-2028 unless authorized
 11 by an Act of the General Assembly.

12 **(11) School-Based Mental Health Services Providers:** Included in the above
 13 General Fund appropriation is \$7,412,500 in each fiscal year to fund school-based mental
 14 health services provider full-time equivalent positions on a reimbursement basis. The
 15 Kentucky Center for School Safety, in consultation with the Office of the State School
 16 Security Marshal, shall develop criteria to determine which districts shall receive funding
 17 to meet the requirements of KRS 158.4416(3)(a). The criteria shall include:

- 18 (a) A local district's use of Medicaid funding to supplement General Fund;
- 19 (b) An equitable and balanced statewide distribution; and
- 20 (c) Any other criteria to support a trauma-informed approach in schools.

21 **(12) School Resource Officers:** Included in the above General Fund appropriation
 22 is \$23,000,000 in each fiscal year to the Kentucky Department of Education to assist
 23 local school districts and nonpublic schools in funding salaries for school resource
 24 officers. The Kentucky Department of Education shall reimburse local school districts
 25 and nonpublic schools up to \$20,000 for each full-time certified school resource officer.

26 **(13) Federal Remedial Education Grants:** It is the intent of the 2026 General
 27 Assembly that the Kentucky Department of Education shall apply for all federal grants

1	General Fund	16,717,600	16,479,100
2	Restricted Funds	23,082,900	22,889,600
3	Federal Funds	5,641,200	5,675,400
4	TOTAL	46,505,500	46,027,300

5 **(1) Early Childhood Development:** Included in the above General Fund
6 (Tobacco) appropriation is \$1,063,800 in fiscal year 2026-2027 and \$983,200 in fiscal
7 year 2027-2028 for the Early Childhood Advisory Council.

8 **(2) Heuser Hearing Institute:** Included in the above General Fund appropriation
9 is \$1,920,000 in fiscal year 2026-2027 and \$1,860,000 in fiscal year 2027-2028 for the
10 Heuser Hearing Institute to support programs developed to close the education and
11 achievement gaps for deaf and hard-of-hearing adults.

12 **(3) Governor's Scholars Program:** Included in the above General Fund
13 appropriation is \$2,000,000 in each fiscal year for the Governor's Scholars Program.

14 **(4) Governor's School for Entrepreneurs:** Included in the above General Fund
15 appropriation is \$1,000,000 in each fiscal year for the Governor's School for
16 Entrepreneurs.

17 **(5) The Hope Center:** Included in the above General Fund appropriation is
18 \$100,000 in each fiscal year for the Hope Center.

19 **(6) Kentucky Dataseam Initiative:** Included in the above General Fund
20 appropriation is \$3,000,000 in each fiscal year for the Kentucky Dataseam Initiative.

21 **2. PROPRIETARY EDUCATION**

22		2026-27	2027-28
23	Restricted Funds	542,300	547,300

24 **3. DEAF AND HARD OF HEARING**

25		2026-27	2027-28
26	General Fund	1,075,400	1,067,600
27	Restricted Funds	1,360,200	1,326,700

1	TOTAL	2,435,600	2,394,300
2	4. KENTUCKY EDUCATIONAL TELEVISION		
3		2026-27	2027-28
4	General Fund	17,425,000	17,771,600
5	Restricted Funds	2,038,900	2,038,900
6	TOTAL	19,463,900	19,810,500

7	5. ENVIRONMENTAL EDUCATION COUNCIL		
8		2026-27	2027-28
9	Restricted Funds	524,000	521,700
10	Federal Funds	429,800	429,800
11	TOTAL	953,800	951,500

12 **(1) Environmental Education Council:** Notwithstanding KRS 224.43-
 13 505(2)(b), the Council may use interest received to support the operations of the Council.

14 **6. LIBRARIES AND ARCHIVES**

15 **a. General Operations**

16		2026-27	2027-28
17	General Fund	5,959,200	6,389,100
18	Restricted Funds	2,922,300	2,358,800
19	Federal Funds	3,038,300	3,071,000
20	TOTAL	11,919,800	11,818,900

21 **b. Direct Local Aid**

22		2026-27	2027-28
23	General Fund	5,574,700	5,574,700
24	Restricted Funds	1,046,900	1,046,900
25	TOTAL	6,621,600	6,621,600

26 **(1) Per Capita Grants:** Notwithstanding KRS 171.201, no General Fund is
 27 provided for nonconstruction state aid.

1 **(2) Public Library Facilities Construction:** Included in the above General Fund
 2 appropriation is \$3,074,700 in each fiscal year for the Public Library Facilities
 3 Construction Fund. Notwithstanding KRS 45.229 and 171.027 to 171.223, any expired
 4 debt service payments shall lapse to the Budget Reserve Trust Fund Account (KRS
 5 48.705).

6 **(3) Dolly Parton's Imagination Library:** Included in the above General Fund
 7 appropriation is \$2,500,000 in each fiscal year for the Imagination Library of Kentucky
 8 Program. Notwithstanding KRS 171.228(2), the state share for local program
 9 participation shall be 33 percent.

10 **TOTAL - LIBRARIES AND ARCHIVES**

	2026-27	2027-28
11		
12	General Fund	11,533,900
13	Restricted Funds	3,969,200
14	Federal Funds	3,038,300
15	TOTAL	18,541,400

16 **7. WORKFORCE DEVELOPMENT**

	2026-27	2027-28
17		
18	General Fund	39,026,200
19	Restricted Funds	12,965,600
20	Federal Funds	480,160,800
21	TOTAL	532,152,600

22 **(1) Cafeteria Service Contracts:** No state agency shall enter into any contract
 23 with a nongovernmental entity for the operation of food services provided in the
 24 cafeterias located in the Kentucky Transportation Cabinet office building and/or the
 25 Cabinet for Human Resources office building in Frankfort unless the Office of
 26 Vocational Rehabilitation has declined in writing to provide such services.

27 **(2) Adult Education:** Included in the above General Fund appropriation are

1 sufficient funds in each fiscal year to support the Office of Adult Education.
 2 Notwithstanding KRS 45.229, the General Fund appropriation for the Office of Adult
 3 Education in each fiscal year shall not lapse and shall carry forward.

4 **(3) Unemployment Insurance System Replacement:** Notwithstanding KRS
 5 341.243(8), the Service Capacity Upgrade Fund may collect up to \$68,000,000 for the
 6 purpose of funding the Replace Unemployment Insurance System project authorized in
 7 2024 Ky. Acts ch. 175, Part II, D., 4., 005. The Office of Unemployment Insurance shall
 8 prepare a report detailing the replacement of the unemployment insurance system. The
 9 report shall include a description of how the allocated Restricted Funds are being utilized
 10 and a timeline of expected completion and implementation of a new system. This report
 11 shall be submitted to the Interim Joint Committee on Appropriations and Revenue
 12 quarterly, beginning May 1, 2026.

13 **(4) Vocational Rehabilitation:** Included in the above General Fund
 14 appropriation is \$2,300,000 in each fiscal year for the Office of Vocational Rehabilitation
 15 to support an increase in the match and maintenance of effort requirement for the
 16 Vocational Rehabilitation Grants to States (Basic Support) federal award.

17 **8. WORKPLACE STANDARDS**

	2026-27	2027-28
18 General Fund	1,694,800	1,676,000
19 Restricted Funds	8,448,300	8,357,600
20 Federal Funds	4,200,000	4,291,500
21 TOTAL	14,343,100	14,325,100

22
 23 **(1) Youth Employment Programs:** Included in the above appropriations is
 24 sufficient funding to implement the provisions of 2024 Ky. Acts ch. 119.

25 **(2) Court-Awarded Expenses:** Included in the above appropriations is sufficient
 26 funding to implement the provisions of 2025 Ky. Acts ch. 105.

27 **9. WORKERS' CLAIMS**

1		2026-27	2027-28
2	Restricted Funds	60,812,900	59,744,500
3	10. OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION		
4		2026-27	2027-28
5	Restricted Funds	780,800	772,100
6	11. WORKERS' COMPENSATION FUNDING COMMISSION		
7		2026-27	2027-28
8	Restricted Funds	88,165,200	86,108,500
9	12. WORKERS' COMPENSATION NOMINATING COMMITTEE		
10		2026-27	2027-28
11	Restricted Funds	1,100	1,100
12	13. DISABILITY DETERMINATIONS		
13		2026-27	2027-28
14	Restricted Funds	823,600	814,300
15	Federal Funds	66,308,700	67,256,300
16	TOTAL	67,132,300	68,070,600
17	TOTAL - EDUCATION AND LABOR CABINET		
18		2026-27	2027-28
19	General Fund (Tobacco)	1,063,800	983,200
20	General Fund	87,472,900	87,429,300
21	Restricted Funds	203,515,000	199,439,900
22	Federal Funds	559,778,800	562,353,200
23	TOTAL	851,830,500	850,205,600
24	E. ENERGY AND ENVIRONMENT CABINET		
25	Budget Units		
26	1. SECRETARY		
27		2026-27	2027-28

1	General Fund	4,188,400	4,149,400
2	Restricted Funds	4,882,300	4,821,900
3	Federal Funds	1,330,900	1,361,100
4	TOTAL	10,401,600	10,332,400

5 **2. ADMINISTRATIVE SERVICES**

6		2026-27	2027-28
7	General Fund	6,145,600	6,112,100
8	Restricted Funds	6,270,600	6,286,500
9	Federal Funds	3,695,000	3,751,600
10	TOTAL	16,111,200	16,150,200

11 **3. ENVIRONMENTAL PROTECTION**

12		2026-27	2027-28
13	General Fund	28,315,000	28,464,200
14	Restricted Funds	84,816,000	82,962,100
15	Federal Funds	39,597,300	40,153,800
16	TOTAL	152,728,300	151,580,100

17 **(1) Public and Private Dam Rehabilitation:** The Department for Environmental
 18 Protection shall submit a report to the Legislative Research Commission, Office of
 19 Budget Review, by September 1, 2027, recommending the priority ranking and funding
 20 mechanisms for rehabilitating public and private high hazard dams within the
 21 Commonwealth. The Department may work collaboratively with the Soil and Water
 22 Conservation Commission (KRS 146.110).

23 **(2) Pollutants of Kentucky Waterways:** Included in the above appropriations is
 24 sufficient funding to implement the provisions of 2024 Ky. Acts ch. 105.

25 **(3) Long-term Post-mining Water Treatment Permits:** Included in the above
 26 appropriations is sufficient funding to implement the provisions of 2025 Ky. Acts ch.
 27 119.

1 **4. NATURAL RESOURCES**

	2026-27	2027-28
2		
3 General Fund (Tobacco)	2,659,600	2,457,900
4 General Fund	40,384,500	40,416,000
5 Restricted Funds	24,671,200	23,800,500
6 Federal Funds	176,361,500	176,912,900
7 TOTAL	244,076,800	243,587,300

8 **(1) Emergency Forest Fire Suppression:** Not less than \$2,500,000 of the above
 9 General Fund appropriation in each fiscal year shall be set aside for emergency forest fire
 10 suppression. Notwithstanding KRS 45.229, any portion of the \$2,500,000 not expended
 11 for emergency forest fire suppression shall lapse to the Budget Reserve Trust Fund
 12 Account (KRS 48.705) at the end of each fiscal year. There is appropriated from the
 13 General Fund the necessary funds, subject to the conditions and procedures provided in
 14 this Act, which are required as a result of emergency fire suppression activities in excess
 15 of \$2,500,000 in each fiscal year. Fire suppression costs in excess of \$2,500,000 annually
 16 shall be deemed necessary government expenses and shall be paid, up to \$4,000,000 in
 17 each fiscal year, from the General Fund Surplus Account (KRS 48.700) or the Budget
 18 Reserve Trust Fund Account (KRS 48.705).

19 **(2) Environmental Stewardship Program:** Included in the above General Fund
 20 (Tobacco) appropriation is \$1,773,100 in fiscal year 2026-2027 and \$1,638,600 in fiscal
 21 year 2027-2028 for the Environmental Stewardship Program.

22 **(3) Conservation District Local Aid:** Included in the above General Fund
 23 (Tobacco) appropriation is \$886,500 in fiscal year 2026-2027 and \$819,300 in fiscal year
 24 2027-2028 for the Division of Conservation to provide direct aid to local conservation
 25 districts.

26 **5. ENERGY POLICY**

	2026-27	2027-28
27		

1	General Fund	1,617,400	1,572,700
2	Restricted Funds	613,100	607,100
3	Federal Funds	62,541,200	62,555,900
4	TOTAL	64,771,700	64,735,700

5 **6. KENTUCKY NATURE PRESERVES**

6		2026-27	2027-28
7	General Fund	1,650,800	1,633,900
8	Restricted Funds	2,640,900	2,622,900
9	Federal Funds	275,100	278,200
10	TOTAL	4,566,800	4,535,000

11 **7. PUBLIC SERVICE COMMISSION**

12		2026-27	2027-28
13	General Fund	13,825,400	13,658,800
14	Restricted Funds	2,967,500	2,914,400
15	Federal Funds	1,108,300	1,119,900
16	TOTAL	17,901,200	17,693,100

17 **(1) Siting and Construction of Nuclear Energy Facilities:** Included in the
 18 above appropriations is sufficient funding to implement the provisions of 2024 Ky. Acts
 19 ch. 29.

20 **(2) Energy Planning and Inventory Commission:** Included in the above
 21 appropriations is sufficient funding to implement the provisions of 2024 Ky. Acts ch.
 22 172.

23 **TOTAL - ENERGY AND ENVIRONMENT CABINET**

24		2026-27	2027-28
25	General Fund (Tobacco)	2,659,600	2,457,900
26	General Fund	96,127,100	96,007,100
27	Restricted Funds	126,861,600	124,015,400

1	Federal Funds	284,909,300	286,133,400
2	TOTAL	510,557,600	508,613,800

F. FINANCE AND ADMINISTRATION CABINET

Budget Units

1. GENERAL ADMINISTRATION

		2026-27	2027-28
6			
7	General Fund	9,803,700	13,468,900
8	Restricted Funds	45,074,400	41,161,500
9	TOTAL	54,878,100	54,630,400

10 **(1) Kentucky Affordable Prepaid Tuition Trust Fund:** Included in the above
 11 General Fund appropriation is \$5,100,000 in fiscal year 2026-2027 and \$5,600,000 in
 12 fiscal year 2027-2028 to support projected tuition payments and refunds through fiscal
 13 year 2025-2026.

2. CONTROLLER

		2026-27	2027-28
15			
16	General Fund	4,216,900	5,378,100
17	Restricted Funds	19,672,600	18,109,700
18	TOTAL	23,889,500	23,487,800

19 **(1) Social Security Contingent Liability Fund:** Any expenditures that may be
 20 required by KRS 61.470 are hereby deemed necessary government expenses and shall be
 21 paid first from the General Fund Surplus Account (KRS 48.700), if available, or from any
 22 available balance in the Budget Reserve Trust Fund Account (KRS 48.705), subject to
 23 the conditions and procedures provided in this Act.

3. DEBT SERVICE

		2026-27	2027-28
25			
26	General Fund (Tobacco)	14,100,200	13,880,800
27	General Fund	586,323,900	787,619,400

1	General Fund	47,243,500	47,243,500
2	Restricted Funds	1,702,500	1,702,500
3	TOTAL	48,946,000	48,946,000

4 **(1) County Costs:** Funds required to pay county costs are appropriated and
 5 additional funds may be allotted from the General Fund Surplus Account (KRS 48.700)
 6 or the Budget Reserve Trust Fund Account (KRS 48.705) by the Secretary of the Finance
 7 and Administration Cabinet, subject to the conditions and procedures provided in this
 8 Act.

9 **(2) Reimbursement to Sheriffs’ Offices for Court Security Services:**
 10 Notwithstanding KRS 64.092(6), the sheriff or other law enforcement officer serving a
 11 Circuit or District Court shall be reimbursed for the actual hourly wage paid to deputies
 12 providing court security services as part of their regular compensation, provided that
 13 deputies are compensated at a rate not less than \$10 per hour. In addition to the hourly
 14 wage reimbursement, an administrative premium equal to 25 percent of the reimbursed
 15 hourly wage shall also be reimbursed. The total reimbursement for the hourly wage and
 16 administrative premium shall not exceed \$25 per hour of service.

17 **(3) Reimbursement of Sheriffs’ Fees:** The Division of Local Government
 18 Services shall maintain detailed records of all reimbursements made to county sheriffs
 19 and other law enforcement agencies for services provided pursuant to KRS 64.060,
 20 64.070, 64.090, 64.092, and 441.520 to 441.540. Each sheriff seeking reimbursement
 21 shall submit claims in a form prescribed by the Division that documents the type of
 22 service provided, the number of services or hours performed, the applicable
 23 reimbursement rate, and the total amount requested for reimbursement.

24 No later than October 1 of each year, the Division shall submit a report to the
 25 Legislative Research Commission detailing, for the preceding fiscal year and by county,
 26 the number of claims submitted and reimbursed, the number of services performed, the
 27 hours of court security services provided, and the total reimbursement amounts paid for

1 each reimbursement category, including but not limited to felony arrests, summoning
 2 witnesses in felony cases, summoning grand and petit jurors, attending felony jurors,
 3 prisoner conveyance, court security services, and other court-related services reimbursed
 4 under statute. The report shall also include statewide totals for each reimbursement
 5 category and the total annual expenditures for the sheriff fee program.

6 **(4) Juror Compensation:** Notwithstanding KRS 29A.170(1), all jurors in Circuit
 7 and District Court shall be paid \$25 per day for jury service.

8 **6. COMMONWEALTH OFFICE OF TECHNOLOGY**

	2026-27	2027-28
9		
10 Restricted Funds	136,597,800	134,398,500
11 Federal Funds	1,716,600	1,716,600
12 TOTAL	138,285,200	136,064,000

13 **(1) Computer Services Fund Receipts:** The Secretary of the Finance and
 14 Administration Cabinet shall provide a listing of fee receipts from the Executive, Judicial,
 15 and Legislative Branches of government itemized by appropriation units, cost allocation
 16 methodology, and a report detailing the rebate of excess fee receipts to the agencies to the
 17 Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year.

18 **(2) Legacy Modernization:** The Commonwealth Office of Technology shall
 19 prepare a report for the Legacy Modernization capital project authorized in 2024 Ky.
 20 Acts ch. 175, Part II, F., 3., 001. The report shall include a list of legacy IT systems that
 21 have been completed, the date in which they were completed, the state agency the IT
 22 system was for, and a status report for the completion percentage of all other ongoing
 23 modernization projects. This report shall be submitted to the Interim Joint Committee on
 24 Appropriations and Revenue by October 31 of each fiscal year.

25 **(3) Security Enhancements:** Included in the above Restricted Funds
 26 appropriation is \$625,800 in fiscal year 2026-2027 and \$1,719,100 in fiscal year 2027-
 27 2028 to support security enhancements in key areas such as email integrity, data

1 classification, directory resilience, and incident response and training.

2 **(4) Centralized Registry of Artificial Intelligence Systems:** Included in the
 3 above appropriations is sufficient funding to implement the provisions of 2025 Ky. Acts
 4 ch. 66.

5 **7. REVENUE**

	2026-27	2027-28
6		
7	250,000	250,000
8	123,420,800	125,474,400
9	12,448,900	12,448,900
10	50,000	50,000
11	136,169,700	138,223,300

12 **(1) Operations of Revenue:** Notwithstanding KRS 132.672, 134.552(2),
 13 136.652, and 365.390(2), funds may be expended in support of the operations of the
 14 Department of Revenue.

15 **(2) State Enforcement:** Notwithstanding KRS 248.654 and 248.703(4), a total of
 16 \$250,000 of the Tobacco Settlement payments received in each fiscal year is appropriated
 17 to the Finance and Administration Cabinet, Department of Revenue, for the state's
 18 diligent enforcement of noncompliant nonparticipating manufacturers.

19 **8. PROPERTY VALUATION ADMINISTRATORS**

	2026-27	2027-28
20		
21	64,978,600	64,663,500
22	4,786,400	4,786,000
23	69,765,000	69,449,500

24 **(1) Management of Expenditures:** Notwithstanding KRS 132.590 and 132.597,
 25 the property valuation administrators are authorized to take necessary actions to manage
 26 expenditures within the appropriated amounts contained in this Act.

27 **(2) Salary Increment:** Notwithstanding KRS 132.590(3)(b), the increment

1 provided on the base salary or wages of each eligible property valuation administrator
 2 shall be the same as that provided for eligible state employees in Part IV of this Act. The
 3 placement and advancement on the proper step of the salary schedule for property
 4 valuation administrators as set forth in 132.590(2) shall continue to apply. The increment
 5 changes should be applied to the salary schedule for property valuation administrators for
 6 the duration of this biennial budget.

7 **TOTAL - FINANCE AND ADMINISTRATION CABINET**

8		2026-27	2027-28
9	General Fund (Tobacco)	14,350,200	14,130,800
10	General Fund	845,058,400	1,052,797,200
11	Restricted Funds	277,937,300	269,724,700
12	Federal Funds	1,766,600	1,766,600
13	TOTAL	1,139,112,500	1,338,419,300

14 **G. HEALTH AND FAMILY SERVICES CABINET**

15 **Budget Units**

16 **1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT**

17		2026-27	2027-28
18	General Fund	8,116,000	7,857,600
19	Restricted Funds	80,657,000	79,204,200
20	Federal Funds	68,600,000	69,010,700
21	TOTAL	157,373,000	156,072,500

22 **(1) Human Service Transportation Delivery:** Notwithstanding KRS
 23 281.010(28), the Kentucky Works Program shall not participate in the Human Service
 24 Transportation Delivery Program or the Coordinated Transportation Advisory
 25 Committee.

26 **(2) Federally Funded Positions:** Notwithstanding KRS 18A.010(2) and any
 27 provisions of this Act to the contrary, direct service units of the Office of Inspector

1 General, Department for Income Support, Office for Children with Special Health Care
 2 Needs, Department for Community Based Services, Department for Behavioral Health,
 3 Developmental and Intellectual Disabilities, Department for Family Resource Centers
 4 and Volunteer Services, Department for Aging and Independent Living, and the
 5 Department for Public Health shall be authorized to establish and fill such positions that
 6 are 100 percent federally funded for salary and fringe benefits.

7 **(3) Special Olympics:** Included in the above General Fund appropriation is
 8 \$144,000 in fiscal year 2026-2027 and \$139,500 in fiscal year 2027-2028 to support the
 9 operations of Special Olympics.

10 **(4) Office of Medical Cannabis:** Included in the above Restricted Funds
 11 appropriation is \$7,140,800 in each fiscal year to support the operations of the Office of
 12 Medical Cannabis. The Office may increase fees as necessary to ensure continued
 13 operation and functions.

14 **(5) Parkinson’s Disease Registry:** Included in the above appropriations is
 15 sufficient funding to implement the provisions of 2025 Ky. Acts ch. 85.

16 **2. MEDICAID SERVICES**

17 **a. Medicaid Administration**

	2026-27	2027-28
18 General Fund	82,619,300	74,094,600
19 Restricted Funds	34,129,700	32,706,900
20 Federal Funds	241,290,600	224,326,100
21 TOTAL	358,039,600	331,127,600

22 **(1) Transfer of Excess Administrative Funds for Medicaid Benefits:** If any
 23 portion of the above General Fund appropriation in either fiscal year is deemed to be in
 24 excess of the necessary expenses for administration of the Department for Medicaid
 25 Services, the amount may be used for Medicaid Benefits in accordance with statutes
 26 governing the functions and activities of the Department for Medicaid Services. In no
 27

1 instance shall these excess funds be used without prior written approval of the State
 2 Budget Director to:

- 3 (a) Establish a new program;
- 4 (b) Expand the services of an existing program; or
- 5 (c) Increase rates or payment levels in an existing program.

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

9 (2) **H.R. 1 - Community Engagement Program Implementation:** Included in
 10 the above appropriations is \$8,137,900 in General Fund, \$700,000 in Restricted Funds,
 11 and \$26,663,700 in Federal Funds in fiscal year 2026-2027 and \$1,532,900 in General
 12 Fund and \$9,498,700 in Federal Funds in fiscal year 2027-2028 to support
 13 implementation of a community engagement program and other needs as required by
 14 House Resolution 1, Pub. L. No. 119-21. The Cabinet for Health and Family Services
 15 shall expend any federal grant funding received to assist with implementation activities
 16 prior to expending the funds appropriated above.

17 **b. Medicaid Benefits**

	2025-26	2026-27	2027-28
18 General Fund	-0-	2,997,864,600	3,004,453,000
19 Restricted Funds	132,483,800	2,305,012,600	2,233,685,200
20 Federal Funds	305,900,000	18,172,035,300	18,156,678,300
21 TOTAL	438,383,800	23,474,912,500	23,394,816,500

22 (1) **Intergovernmental Transfers (IGTs):** Any funds received through an
 23 Intergovernmental Transfer (IGT) agreement between the Department for Medicaid
 24 Services and other governmental entities, in accordance with a federally approved State
 25 Plan amendment, shall be used to provide for the health and welfare of the citizens of the
 26 Commonwealth through the provision of Medicaid Benefits. Revenues from IGTs are
 27

1 contingent upon agreement by the parties, including but not limited to the Cabinet for
2 Health and Family Services, Department for Medicaid Services, and the appropriate
3 government entity. The Secretary of the Cabinet for Health and Family Services shall
4 make the appropriate interim appropriations increase requests pursuant to KRS 48.630.

5 **(2) Medicaid Benefits Budget Deficit:** If Medicaid Benefits expenditures are
6 projected to exceed available funds, the Secretary of the Cabinet for Health and Family
7 Services may recommend and implement that reimbursement rates, optional services,
8 eligibles, or programs be reduced or maintained at levels existing at the time of the
9 projected deficit in order to avoid a budget deficit. The projected deficit shall be
10 confirmed and approved by the Office of State Budget Director. No rate, service, eligible,
11 or program reductions shall be implemented by the Cabinet for Health and Family
12 Services without prior written notice of such action to the Interim Joint Committee on
13 Appropriations and Revenue and the State Budget Director. Such actions taken by the
14 Cabinet for Health and Family Services shall be reported, upon request, at the next
15 meeting of the Interim Joint Committee on Appropriations and Revenue.

16 **(3) Disproportionate Share Hospital (DSH) Program:** Hospitals shall report
17 the uncompensated care for which, under federal law, the hospital is eligible to receive
18 disproportionate share payments. Disproportionate share payments shall equal the
19 maximum amounts established under federal law. The Department for Medicaid Services
20 shall compile a report on the total amount of disproportionate share payments made to
21 hospitals. The report shall identify the hospital receiving the DSH payment, the amount
22 of the payment, and the fund source of the payment. The report shall be submitted to the
23 Interim Joint Committee on Appropriations and Revenue and the Medicaid Oversight and
24 Advisory Board by November 15 of each fiscal year.

25 **(4) Hospital Indigent Patient Billing:** Hospitals shall not bill patients for
26 services if the services have been reported to the Cabinet and the hospital has received
27 disproportionate share payments for the specific services.

1 **(5) Provider Tax Information:** Any provider who posts a sign or includes
2 information on customer receipts or any material distributed for public consumption
3 indicating that it has paid provider tax shall also post, in the same size typeset as the
4 provider tax information, the amount of payment received from the Department for
5 Medicaid Services during the same period the provider tax was paid. Providers who fail
6 to meet this requirement shall be excluded from the Disproportionate Share Hospital and
7 Medicaid Programs. The Cabinet for Health and Family Services shall include this
8 provision in facilities' annual licensure inspections.

9 **(6) Critical Access Hospitals:** Beginning on the effective date of this Act
10 through June 30, 2028, no acute care hospital shall convert to a critical access hospital
11 unless the hospital has either received funding for a feasibility study from the Kentucky
12 Office of Rural Health or filed a written request by January 1, 2026, with the Kentucky
13 Office of Rural Health requesting funding for conducting a feasibility study.

14 **(7) Appeals:** An appeal from denial of a service or services provided by a
15 Medicaid managed care organization for medical necessity, or denial, limitation, or
16 termination of a health care service in a case involving a medical or surgical specialty or
17 subspecialty, shall, upon request of the recipient, authorized person, or provider, include
18 a review by a board-eligible or board-certified physician in the appropriate specialty or
19 subspecialty area; except in the case of a health care service rendered by a chiropractor or
20 optometrist, for which the denial shall be made respectively by a chiropractor or
21 optometrist duly licensed in Kentucky as specified in KRS 304.17A-607(1)(b). The
22 physician reviewer shall not have participated in the initial review and denial of service
23 and shall not be the provider of the service or services under consideration in the appeal.

24 **(8) Medicaid Prescription Benefits Reporting:** Notwithstanding KRS 205.647,
25 the Department for Medicaid Services shall submit a report to the Interim Joint
26 Committee on Appropriations and Revenue and the Medicaid Oversight and Advisory
27 Board by October 31 of each fiscal year on the dispensing of prescription medications to

1 persons eligible under KRS 205.560. The report shall include:

2 (a) The total Medicaid dollars paid to the state pharmacy benefit manager by a
3 managed care organization;

4 (b) The total amount of Medicaid dollars paid to the state pharmacy benefit
5 manager by a managed care organization which were not subsequently paid to a
6 pharmacy licensed in Kentucky;

7 (c) The average reimbursement by drug ingredient cost, dispensing fee, and any
8 other fee paid by the state pharmacy benefit manager to licensed pharmacies with which
9 the state pharmacy benefit manager shares common ownership, management, or control;
10 or which are owned, managed, or controlled by any of the state pharmacy benefit
11 manager's management companies, parent companies, subsidiary companies, jointly held
12 companies, or companies otherwise affiliated by a common owner, manager, or holding
13 company; or which share any common members on the board of directors; or which share
14 managers in common;

15 (d) The average reimbursement by drug ingredient cost, dispensing fee, or any
16 other fee paid by the state pharmacy benefit manager to pharmacies licensed in Kentucky
17 which operate 10 locations, 10 or fewer locations, or 10 or more locations; and

18 (e) All common ownership, management, common members of a board of
19 directors, shared managers, or control of the state pharmacy benefit manager, or any of
20 the state pharmacy benefit manager's management companies, parent companies,
21 subsidiary companies, jointly held companies, or companies otherwise affiliated by a
22 common owner, manager, or holding company with any managed care organization
23 contracted to administer Kentucky Medicaid benefits, any entity which contracts on
24 behalf of a pharmacy, or any pharmacy services administration organization, or any
25 common ownership management, common members of a board of directors, shared
26 managers, or control of a pharmacy services administration organization that is
27 contracted with the state pharmacy benefit manager, with any drug wholesaler or

1 distributor or any of the pharmacy services administration organizations, management
2 companies, parent companies, subsidiary companies, jointly held companies, or
3 companies otherwise affiliated by a common owner, common members of a board of
4 directors, manager, or holding company.

5 **(9) Kentucky Access Fund:** Notwithstanding KRS 304.17B-021, funds are
6 transferred from this source to Medicaid Benefits in each fiscal year.

7 **(10) Michelle P. Waiver Slots:** Included in the above appropriations is \$1,228,500
8 in General Fund and \$2,866,500 in Federal Funds in fiscal year 2026-2027 to support 75
9 additional slots and \$2,047,500 in General Fund and \$4,777,500 in Federal Funds in
10 fiscal year 2027-2028 to support 50 additional slots for a total of 125 slots over the 2026-
11 2028 fiscal biennium.

12 **(11) Supports for Community Living Waiver Slots:** Included in the above
13 appropriations is \$3,435,000 in General Fund and \$8,015,000 in Federal Funds in fiscal
14 year 2026-2027 to support 100 additional slots and \$5,152,500 in General Fund and
15 \$12,022,500 in Federal Funds in fiscal year 2027-2028 to support 50 additional slots for a
16 total of 150 slots over the 2026-2028 fiscal biennium.

17 **(12) Home and Community Based Waiver Slots:** Included in the above
18 appropriations is \$1,526,300 in General Fund and \$3,561,300 in Federal Funds in fiscal
19 year 2026-2027 to support 125 additional slots and \$2,136,800 in General Fund and
20 \$4,985,800 in Federal Funds in fiscal year 2027-2028 to support 50 additional slots for a
21 total of 175 slots over the 2026-2028 fiscal biennium.

22 **(13) Medicaid Benefits Program Support:** Included in the above appropriation is
23 \$55,983,800 in Restricted Funds in fiscal year 2025-2026 to support program needs.

24 **(14) Certified Community Behavioral Health Clinics (CCBHC):** Included in
25 the above General Fund appropriation is \$1,441,400 in fiscal year 2027-2028 to maintain
26 services at the existing clinics participating in the CCBHC demonstration program.

27 **(15) Pharmacist Payment Parity:** Included in the above General Fund

1 appropriation is \$128,100 in fiscal year 2026-2027 to support the costs of administrative
2 activities, including creation of a new pharmacist provider type for implementation of
3 pharmacist payment parity in the Kentucky Medicaid and the Kentucky Children's
4 Health Insurance Programs. Reimbursement for clinical services performed by
5 pharmacists within their scope of practice shall be paid at a rate no less than the rate paid
6 to other nonphysician practitioners for the delivery of similar services. The Department
7 for Medicaid Services shall submit a report on the implementation of pharmacist payment
8 parity within the Medicaid Program including a timeline of activities, expenditures
9 related to any required system updates and other administrative activities undertaken, and
10 expenditures associated with coverage of pharmacists' services by fund source by
11 November 1 of each fiscal year to the Interim Joint Committee on Appropriations and
12 Revenue.

13 **(16) Medicaid Service Reductions:** If it is deemed necessary to make reductions
14 in Medicaid services, a priority shall be made to reduce services not expressly authorized
15 by the General Assembly.

16 **(17) Substance Use Disorder Programs:** Included in the above appropriations is
17 sufficient funding to implement the provisions of 2024 Ky. Acts ch. 68.

18 **(18) Behavioral and Mental Health Services:** Included in the above
19 appropriations is sufficient funding to implement the provisions of 2025 Ky. Acts ch.
20 107.

21 **(19) Medicaid Managed Care Organization Contracts:** Included in the above
22 appropriations is sufficient funding to implement the provisions of 2025 Ky. Acts ch.
23 110.

24 **(20) MCO Payments Reduction:** Notwithstanding any statute to the contrary, the
25 Department for Medicaid Services or the Finance and Administration Cabinet shall
26 effectuate a 2.50 percent reduction in payments for Plan Year 2027 and a 2.50 percent
27 reduction in Plan Year 2028 to Medicaid managed care vendors contracted to provide

1 services for the Medicaid Program. Any savings realized from the reduction in MCO
2 payments shall be used to increase reimbursement rates for services provided to Medicaid
3 fee-for-service (FFS) beneficiaries.

4 **(21) Community Intervener Services:** The Department for Medicaid Services
5 shall promulgate any necessary administrative regulations or amend existing waiver
6 service definitions or policy to facilitate access to intervener services for deaf-blind
7 participants within the Michelle P. waiver program. These services shall be designed to
8 support the independence and community integration of eligible participants.

9 **(22) Appalachian Regional Hospital:** Included in the above appropriations is
10 \$5,000,000 in General Fund and \$20,000,000 in Federal Funds in fiscal year 2026-2027
11 and \$7,000,000 in General Fund and \$28,000,000 in Federal Funds in fiscal year 2027-
12 2028 to support contracted psychiatric services provided within Hospital District IV
13 under KRS 210.300. Upon federal approval, the above General Fund appropriation shall
14 serve as the state match for managed care incentive payments as authorized under 42
15 CFR 438.6(b)(2) made to the Appalachian Regional Hospital for the Kentucky
16 Community Access and Rural Engagement (KCARE) Program. The Department for
17 Medicaid Services shall seek federal approval for the KCARE Program by the earlier of
18 its next managed care contract submission to the Centers for Medicare and Medicaid
19 Services (CMS) or within 90 days upon enactment of this legislation. The Department
20 shall specify a contract effective date of July 1, 2026, when submitting the application for
21 federal approval of the KCARE Program. The General Assembly encourages the
22 Appalachian Regional Hospital KCARE Program to collaborate to the fullest extent
23 possible with other mental health providers in the region as it endeavors to expand and
24 improve access to the behavioral health system of eastern Kentucky.

25 **(23) Medicaid State Directed Payments Program:** Included in the above
26 appropriations is an additional \$76,500,000 in Restricted Funds and \$305,900,000 in
27 Federal Funds in fiscal year 2025-2026, \$153,000,000 in Restricted Funds and

1 \$611,700,000 in Federal Funds in fiscal year 2026-2027 and \$145,300,000 in Restricted
 2 Funds and \$581,000,000 in Federal Funds in fiscal year 2027-2028 to support Medicaid
 3 state directed payments.

4 **TOTAL - MEDICAID SERVICES**

	2025-26	2026-27	2027-28
6 General Fund	-0-	3,080,483,900	3,078,547,600
7 Restricted Funds	132,483,800	2,339,142,300	2,266,392,100
8 Federal Funds	305,900,000	18,413,325,900	18,381,004,400
9 TOTAL	438,383,800	23,832,952,100	23,725,944,100

10 **3. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL**
 11 **DISABILITIES**

	2026-27	2027-28
13 General Fund (Tobacco)	1,152,500	1,065,100
14 General Fund	190,472,300	188,814,200
15 Restricted Funds	268,266,000	269,350,900
16 Federal Funds	98,751,200	98,921,400
17 TOTAL	558,642,000	558,151,600

18 **(1) Disproportionate Share Hospital Funds:** Pursuant to KRS 205.640(3)(a)2.,
 19 mental health disproportionate share funds are budgeted at the maximum amounts
 20 permitted by Section 1923(h) of the Social Security Act. Upon publication in the Federal
 21 Register of the Annual Institutions for Mental Disease (IMD) Disproportionate Share
 22 Hospital (DSH) limit, 92.3 percent of the federal IMD DSH limit goes to the state-
 23 operated mental hospitals. If there are remaining funds within the psychiatric pool after
 24 all private psychiatric hospitals reach their hospital-specific DSH limit, state mental
 25 hospitals may exceed the 92.3 percent limit but may not exceed their hospital-specific
 26 DSH limit.

27 **(2) Lease Payments for Eastern State Hospital:** Included in the above General

1 Fund appropriation is \$9,807,300 in fiscal year 2026-2027 and \$9,808,000 in fiscal year
2 2027-2028 to make lease payments to the Lexington-Fayette Urban County Government
3 to retire its debt for the construction of the new facility.

4 **(3) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
5 appropriation is \$1,152,500 in fiscal year 2026-2027 and \$1,065,100 in fiscal year 2027-
6 2028 for substance abuse prevention and treatment for pregnant women with a history of
7 substance abuse problems.

8 **(4) Substance Abuse Funding Report:** The Department for Behavioral Health,
9 Developmental and Intellectual Disabilities shall compile for each fiscal year a report on
10 the funding received by the Cabinet for Health and Family Services to provide substance
11 abuse prevention, treatment, and recovery services in the Commonwealth. The report
12 shall include the amount, source, and duration of the funding, the purpose of the funding,
13 the number of individuals served, and any available information on outcomes
14 demonstrated as a result of the funding provided for substance abuse prevention,
15 treatment, and recovery services. The report shall be submitted to the Legislative
16 Research Commission, Office of Budget Review, by September 1 of each fiscal year.

17 **(5) The Healing Place:** Included in the above General Fund appropriation is
18 \$864,000 in fiscal year 2026-2027 and \$837,000 in fiscal year 2027-2028 to support
19 direct services to clients provided by The Healing Place.

20 **(6) Residential Facilities Services:** Included in the above General Fund
21 appropriation is \$20,000,000 in each fiscal year to support increased costs related to
22 staffing and an increased patient census in state run psychiatric and ICF/ID facilities.

23 **(7) Lee Specialty Clinic:** Included in the above General Fund appropriation is
24 \$720,000 in fiscal year 2026-2027 and \$697,500 in fiscal year 2027-2028 to support
25 specialty medical services for individuals with moderate developmental and intellectual
26 disabilities living in residential and community settings.

27 **(8) Barren River Area Development District:** Notwithstanding KRS 45.229,

1 any unexpended funds authorized in 2024 Ky. Acts ch. 173, Sec. 1, (187) to establish a
 2 regional substance use disorder services pilot program shall not lapse and shall carry
 3 forward.

4 **4. PUBLIC HEALTH**

	2026-27	2027-28
6 General Fund (Tobacco)	9,379,700	8,668,100
7 General Fund	83,910,200	82,852,200
8 Restricted Funds	148,707,500	151,838,100
9 Federal Funds	510,150,900	499,317,300
10 TOTAL	752,148,300	742,675,700

11 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
 12 appropriation is \$5,301,500 in fiscal year 2026-2027 and \$4,899,400 in fiscal year 2027-
 13 2028 for the Health Access Nurturing Development Services (HANDS) Program,
 14 \$620,600 in fiscal year 2026-2027 and \$573,500 in fiscal year 2027-2028 for the Healthy
 15 Start Initiatives, \$620,600 in fiscal year 2026-2027 and \$573,500 in fiscal year 2027-
 16 2028 for Early Childhood Mental Health, \$620,600 in fiscal year 2026-2027 and
 17 \$573,500 in fiscal year 2027-2028 for Early Childhood Oral Health, \$443,300 in fiscal
 18 year 2026-2027 and \$409,600 in fiscal year 2027-2028 for the Lung Cancer Screening
 19 Program, and \$1,773,100 in fiscal year 2026-2027 and \$1,638,600 in fiscal year 2027-
 20 2028 for Smoking Cessation.

21 **(2) Local and District Health Department Fees:** Notwithstanding KRS 211.170
 22 and 211.186, local and district health departments shall retain 90 percent of the fees
 23 collected for delivering foundational public health program services to fund the costs of
 24 operations, services, and the employer contributions for the Kentucky Employees
 25 Retirement System.

26 **(3) Kentucky Pediatric Cancer Research Trust Fund:** Included in the above
 27 General Fund appropriation is \$5,000,000 in each fiscal year to the Kentucky Pediatric

1 Cancer Research Trust Fund for general pediatric cancer research and support of
2 expansion of clinical trials at the University of Kentucky and the University of Louisville.

3 **(4) Lung Cancer Screening MCO:** Each Medicaid Managed Care Organization
4 that has a participating contract with the Commonwealth for the next contract renewal
5 cycle shall provide services for lung cancer screenings, which may include genetic
6 prescreen testing.

7 **(5) Area Health Education Centers:** Included in the above General Fund
8 appropriation is \$2,400,000 in fiscal year 2026-2027 and \$2,325,000 in fiscal year 2027-
9 2028 to support the operations of the Commonwealth's eight regional Area Health
10 Education Centers.

11 **(6) Rural Health Transformation Fund:** Included in the above Federal Funds
12 appropriation is \$212,905,600 in each fiscal year from the Rural Health Transformation
13 Fund. The Cabinet for Health and Family Services shall prepare a report, including but
14 not limited to expenditures from the Rural Health Transformation Fund, a description of
15 the activities and methods being implemented within each identified area of focus, a list
16 delineating subrecipients of grant funds, and any entities being contracted to perform
17 services. The Cabinet shall submit this report on a quarterly basis to the Medicaid
18 Oversight and Advisory Board beginning November 1, 2026.

19 **(7) Kentucky Poison Control Center:** Included in the above General Fund
20 appropriation is \$720,000 in fiscal year 2026-2027 and \$697,500 in fiscal year 2027-2028
21 for the Kentucky Poison Control Center.

22 **(8) Kentucky Colon Cancer Screening Program:** Included in the above
23 General Fund appropriation is \$480,000 in fiscal year 2026-2027 and \$465,000 in fiscal
24 year 2027-2028 to support the Kentucky Colon Cancer Screening Program.

25 **(9) Vital Statistics:** Included in the above Restricted Funds appropriation is
26 \$1,640,800 in each fiscal year to support increased operating costs within the Office of
27 Vital Statistics.

1 **(10) Drug and Supplement Testing:** Included in the above Restricted Funds
 2 appropriation is \$2,000,000 in fiscal year 2026-2027 and \$2,750,000 in fiscal year 2027-
 3 2028 to support mandated medical marijuana and edible analysis and testing.

4 **(11) Ryan White Program:** Included in the above Restricted Funds appropriation
 5 is \$4,000,000 in fiscal year 2026-2027 and \$6,000,000 in fiscal year 2027-2028 to
 6 support participation growth in the Ryan White Program and to address increased
 7 medication costs.

8 **5. FAMILY RESOURCE CENTERS AND VOLUNTEER SERVICES**

	2026-27	2027-28
9		
10 General Fund	26,617,200	26,660,700
11 Federal Funds	12,568,000	12,577,800
12 TOTAL	39,185,200	39,238,500

13 **(1) Family Resource and Youth Services Centers Funds:** No more than two
 14 percent of the total funds transferred from the Department of Education to the Family
 15 Resource and Youth Services Centers, as consistent with KRS 156.496, shall be used for
 16 administrative purposes in each fiscal year.

17 **6. COMMUNITY BASED SERVICES**

	2026-27	2027-28
18		
19 General Fund (Tobacco)	10,195,200	9,421,900
20 General Fund	766,415,900	770,918,800
21 Restricted Funds	165,229,700	160,967,400
22 Federal Funds	935,267,400	922,672,800
23 TOTAL	1,877,108,200	1,863,980,900

24 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
 25 appropriation is \$8,422,100 in fiscal year 2026-2027 and \$7,783,300 in fiscal year 2027-
 26 2028 for the Early Childhood Development Program and \$1,773,100 in fiscal year 2026-
 27 2027 and \$1,638,600 in fiscal year 2027-2028 for the Early Childhood Adoption and

1 Foster Care Supports Program.

2 (2) **Fostering Success:** Included in the above General Fund appropriation is
3 \$480,000 in fiscal year 2026-2027 and \$465,000 in fiscal year 2027-2028 to support the
4 Fostering Success Program.

5 (3) **Dually Licensed Pediatric Facilities:** Included in the above General Fund
6 appropriation is \$528,000 in fiscal year 2026-2027 and \$511,500 in fiscal year 2027-2028
7 to provide supplemental payments to dually licensed pediatric facilities for emergency
8 shelter services for children.

9 (4) **Child Care Assistance Program:** Included in the above General Fund
10 appropriation is \$10,176,000 in fiscal year 2026-2027 and \$9,858,000 in fiscal year 2027-
11 2028 to provide services to families at or below 160 percent of the federal poverty level
12 as determined annually by the U.S. Department of Health and Human Services. The
13 Cabinet for Health and Family Services shall submit a report to the Interim Joint
14 Committee on Appropriations and Revenue no later than November 1, 2026, detailing
15 payment timelines to child care providers participating in the Child Care Assistance
16 Program. The report shall include, but not be limited to the average number of calendar
17 days between the receipt of a completed claim and the issuance of payment to the
18 provider; the total number of claims where payment was beyond 30 days from the date of
19 submission; and a detailed justification for any claims exceeding the 30-day threshold,
20 categorized by administrative, technical, or investigative delays.

21 (5) **Personal Care Homes:** Included in the above General Fund appropriation is
22 \$12,000,000 in each fiscal year to support reimbursements provided to personal care
23 homes. These funds shall be used exclusively for the maintenance and operations of
24 personal care homes and shall not be diverted to any other program or administrative
25 function.

26 (6) **Children's Services Contractors:** Notwithstanding KRS Chapter 45A, no
27 contracts awarded for the use and benefit of the Department for Community Based

1 Services shall interfere with the contractor's freedom of religion as set forth in KRS
 2 446.350. Any such contracts shall contain a provision allowing a contractor to allow a
 3 substitute contractor who is also licensed or approved by the Cabinet to deliver the
 4 contracted services if the contractor cannot perform a contracted service because of
 5 sincerely held religious beliefs as outlined in KRS 446.350.

6 **(7) Victims Advocacy Programs:** Included in the above General Fund
 7 appropriation is \$10,557,700 in each fiscal year for the Children's Advocacy Centers,
 8 \$13,912,700 in each fiscal year for the Domestic Violence Shelters, and \$7,776,100 in
 9 each fiscal year for the Rape Crisis Centers to support operational costs.

10 **(8) Volunteers of America - Family Recovery Court:** Included in the above
 11 General Fund appropriation is \$480,000 in fiscal year 2026-2027 and \$465,000 in fiscal
 12 year 2027-2028 to support the operations of the Volunteers of America - Family
 13 Recovery Court.

14 **(9) Maryhurst:** Included in the above General Fund appropriation is \$1,350,000
 15 in each fiscal year to provide a reimbursement rate increase for children in the 5
 16 Specialized Programs.

17 **(10) Foster Care Independent Living:** Included in the above General Fund
 18 appropriation is \$1,920,000 in fiscal year 2026-2027 and \$1,860,000 in fiscal year 2027-
 19 2028 for independent living supports to children aging out of the foster care system.

20 **(11) Child Care Assistance Program (CCAP) Initiatives:** Included in the above
 21 General Fund appropriation is \$19,680,000 in fiscal year 2026-2027 and \$19,065,000 in
 22 fiscal year 2027-2028 to support the CCAP initiative.

23 The appropriations shall be allocated to the individual programs as follows:

24 (a) \$18,240,000 in fiscal year 2026-2027 and \$17,670,000 in fiscal year 2027-
 25 2028 to support an income exclusion from eligibility determinations for child care
 26 providers; and

27 (b) \$1,440,000 in General Fund in fiscal year 2026-2027 and \$1,395,000 in fiscal

1 year 2027-2028 to support a six-month transition for families no longer eligible for
2 CCAP benefits.

3 **(12) Early Childhood Development Scholarship Program:** Included in the
4 above General Fund appropriation is \$2,400,000 in fiscal year 2026-2027 and \$2,325,000
5 in fiscal year 2027-2028 to support the Early Childhood Development Scholarship
6 Program.

7 **(13) Supplemental Nutrition Assistance Program (SNAP) Administration:**
8 Included in the above General Fund appropriation is \$43,500,000 in fiscal year 2026-
9 2027 and \$58,000,000 in fiscal year 2027-2028 to support the increased state share of
10 SNAP administrative cost responsibility from 50 percent to 75 percent, as required by
11 H.R. 1 of the 119th Congress.

12 **(14) Adoption Records:** Included in the above appropriations is sufficient funding
13 to implement the provisions of 2024 Ky. Acts ch. 43.

14 **(15) Child Care Benefits:** Included in the above appropriations is sufficient
15 funding to implement the provisions of 2024 Ky. Acts ch. 84.

16 **(16) Relative and Fictive Kin Caregivers:** Included in the above General Fund
17 appropriation is \$5,000,000 in each fiscal year to provide sufficient funding for the
18 maintenance of effort necessary to maximize available federal funds to implement the
19 provisions of 2024 Ky. Acts ch. 85. Federal funds shall include but are not limited to
20 funds available through the Temporary Assistance for Needy Families block grant under
21 Title IV-A of the Social Security Act.

22 Pursuant to KRS 620.142(3), within 120 days of receiving temporary custody of a
23 child or upon the occurrence of a verifiable qualifying event, a relative or fictive kin
24 caregiver may submit a request to the Cabinet for Health and Family Services for the
25 purpose of pursuing a change in custody of the child in his or her care. Upon preliminary
26 approval of the request, the Cabinet for Health and Family Services may request that the
27 court place the child in the custody of the Cabinet for the purpose of allowing the relative

1 or fictive kin caregiver to pursue approval as a relative or fictive kin foster parent. Upon
 2 placement of the child in the custody of the Cabinet, the relative or fictive kin caregiver
 3 shall pursue foster parent approval.

4 For purposes of KRS 620.142(3), a "qualifying event" shall include the death or
 5 incapacitation of a caregiver; loss of income due to disability; early or unplanned
 6 retirement due to a documented hardship, including medical necessity or employer-
 7 mandated separation, resulting in a substantial loss of income; loss of a home or
 8 employment due to a natural disaster or fire; a change in household structure due to
 9 divorce or legal separation; or a significant change in the child's medical or behavioral
 10 health needs requiring substantial caregiver involvement.

11 **(17) Dependency, Neglect, or Abuse of a Child:** Included in the above
 12 appropriations is sufficient funding to implement the provisions of 2024 Ky. Acts ch. 133
 13 and 144.

14 **(18) Truancy:** Included in the above appropriations is sufficient funding to
 15 implement the provisions of 2024 Ky. Acts ch. 163.

16 **(19) Out of Home Care:** Included in the above General Fund appropriation is
 17 \$22,000,000 in each fiscal year to maintain existing support for foster care and kinship
 18 care programs to enhance specialized services for children with exceptional needs to
 19 assist in identifying and securing supportive placements.

20 **7. AGING AND INDEPENDENT LIVING**

	2026-27	2027-28
21		
22	General Fund	49,046,900
23	Restricted Funds	4,069,800
24	Federal Funds	38,575,700
25	TOTAL	91,692,400
26		90,521,400

26 **(1) Local Match Requirements:** Notwithstanding KRS 205.460, entities
 27 contracting with the Cabinet for Health and Family Services to provide essential services

1 under KRS 205.455 and 205.460 shall provide local match equal to or greater than the
 2 amount in effect during fiscal year 2025-2026. Local match may include any combination
 3 of materials, commodities, transportation, office space, personal services, or other types
 4 of facility services or funds. The Secretary of the Cabinet for Health and Family Services
 5 shall prescribe the procedures to certify the local match compliance.

6 **(2) Expansion of Senior Meals:** Included in the above General Fund
 7 appropriation is \$9,600,000 in fiscal year 2026-2027 and \$9,300,000 in fiscal year 2027-
 8 2028 to support the expansion of meals to senior citizens in the community. Funds
 9 appropriated in this subsection shall be expended only in accordance with federal
 10 requirements and program guidelines and shall not be used to provide benefits or services
 11 in excess of those requirements.

12 **(3) Hart-Supported Living Program:** Included in the above General Fund
 13 appropriation is \$6,288,100 in each fiscal year to support the Hart-Supported Living
 14 Program.

15 **TOTAL - HEALTH AND FAMILY SERVICES CABINET**

	2025-26	2026-27	2027-28
16			
17	General Fund (Tobacco)	-0-	20,727,400
18	General Fund	-0-	4,205,062,400
19	Restricted Funds	132,483,800	3,006,072,300
20	Federal Funds	305,900,000	20,077,239,100
21	TOTAL	438,383,800	27,309,101,200

22 **H. JUSTICE AND PUBLIC SAFETY CABINET**

23 **Budget Units**

24 **1. JUSTICE ADMINISTRATION**

	2026-27	2027-28
25		
26	General Fund (Tobacco)	2,881,200
27	General Fund	44,784,200

1	Restricted Funds	3,241,300	2,998,900
2	Federal Funds	34,895,200	34,883,700
3	TOTAL	85,801,900	85,993,300

4 **(1) Operation UNITE:** (a) Included in the above General Fund appropriation
5 is \$1,440,000 in fiscal year 2026-2027 and \$1,395,000 in fiscal year 2027-2028 for the
6 Operation UNITE Program.

7 (b) For the periods ending June 30, 2026, and June 30, 2027, the Secretary of the
8 Justice and Public Safety Cabinet, in coordination with the Chief Executive Officer of
9 Operation UNITE, shall prepare reports detailing for what purpose and function the funds
10 were utilized. The reports shall be submitted to the Interim Joint Committee on
11 Appropriations and Revenue by September 1 of each fiscal year.

12 **(2) Office of Drug Control Policy:** Included in the above General Fund
13 (Tobacco) appropriation is \$2,659,600 in fiscal year 2026-2027 and \$2,457,900 in fiscal
14 year 2027-2028 for the Office of Drug Control Policy.

15 **(3) Access to Justice:** Included in the above General Fund appropriation is
16 \$480,000 in fiscal year 2026-2027 and \$465,000 in fiscal year 2027-2028 to support the
17 Access to Justice Program.

18 **(4) Court-Appointed Special Advocate Funding:** Included in the above General
19 Fund appropriation is \$3,000,000 in each fiscal year for grants to support Court-
20 Appointed Special Advocate (CASA) funding programs. No administrative costs shall be
21 paid from this appropriation.

22 **(5) Restorative Justice:** Included in the above General Fund (Tobacco)
23 appropriation is \$221,600 in fiscal year 2026-2027 and \$204,800 in fiscal year 2027-2028
24 to support the Restorative Justice Program administered by the Volunteers of America.

25 **(6) Northern Kentucky Regional Medical Examiner's Office:** Notwithstanding
26 KRS 45.229, any unexpended funds from the \$1,800,000 authorized in 2022 Ky. Acts ch.
27 199, Part I, H., 1., (11) to reestablish the Northern Kentucky Regional Medical

1 Examiners Office shall not lapse and shall carry forward.

2 **(7) Substance Abuse Treatment Programs:** The Secretary of the Justice and
 3 Public Safety Cabinet shall compile for each fiscal year a report on funding received by
 4 the Cabinet to provide substance abuse treatment, prevention, and recovery programs in
 5 the Commonwealth. The report shall include the amount, source, and duration of the
 6 funding, the purpose of the funding, the number of individuals served, and any available
 7 information on program outcomes. The Secretary shall submit the report to the Interim
 8 Joint Committee on Appropriations and Revenue by September 1 of each year.

9 **(8) Rocket Docket Program:** Notwithstanding KRS 196.288(5)(b)8., included in
 10 the above General Fund appropriation is \$1,940,000 in fiscal year 2026-2027 and
 11 \$1,860,000 in fiscal year 2027-2028, which shall be allocated annually in quarterly
 12 payments, to support the Rocket Docket Program at the Prosecutors Advisory Council.

13 **(9) Northern Kentucky Medical Examiner's Office:** Included in the above
 14 General Fund appropriation is \$1,618,700 in fiscal year 2027-2028 to support the staffing
 15 of the Northern Kentucky Medical Examiner's Office.

16 **2. CRIMINAL JUSTICE TRAINING**

	2026-27	2027-28
18 Restricted Funds	110,026,400	108,344,600

19 **(1) Kentucky Law Enforcement Foundation Program Fund:** Included in the
 20 above Restricted Funds appropriation is \$106,062,100 in fiscal year 2026-2027 and
 21 \$107,136,900 in fiscal year 2027-2028 for the Kentucky Law Enforcement Foundation
 22 Program Fund.

23 **(2) Training Incentive Payments:** Notwithstanding KRS 15.460(1) and
 24 15.420(2)(a)1.a., included in the above Restricted Funds appropriation is \$4,653 in fiscal
 25 year 2026-2027 and \$4,746 in fiscal year 2027-2028 for each full-time participant for
 26 training incentive payments, and \$2,327 in fiscal year 2026-2027 and \$2,373 in fiscal
 27 year 2027-2028 for each part-time participant for training incentive payments. KRS

1 15.460(1)(b) to (f) shall remain applicable, except that the administrative expense
2 reimbursement cap under KRS 15.460(1)(c)3. shall not exceed \$1,000,000.

3 **(3) Administrative Reimbursement:** Notwithstanding KRS 15.450(3), the
4 Department of Criminal Justice Training shall not receive reimbursement for the salaries
5 and other costs of administering the fund, to include the Kentucky Law Enforcement
6 Council operations and expenses, Peace Officers Professional Standards Office, attorney
7 positions in Justice Administration, the Professional Development and Wellness Branch,
8 Office of the State School Security Marshal, Office of Kentucky Law Enforcement
9 Council Support, debt service, capital outlay, and Department personnel costs and
10 expenses in excess of \$42,917,000 in fiscal year 2026-2027 and \$43,365,800 in fiscal
11 year 2027-2028. The Department shall submit a report detailing reimbursed expenditures
12 for the prior fiscal year to the Interim Joint Committee on Appropriations and Revenue
13 by August 1 of each fiscal year.

14 **(4) Criminal Justice Council:** Pursuant to KRS 15.410 to 15.518, the
15 Department of Criminal Justice Training shall not transfer funds from the Kentucky Law
16 Enforcement Foundation Program Fund to support the Criminal Justice Council.

17 **(5) Kentucky Law Enforcement Council Funding:** Notwithstanding KRS
18 15.450 and any other statute to the contrary, funding to support the operations of the
19 Kentucky Law Enforcement Council shall not exceed \$622,900 in fiscal year 2026-2027
20 and \$603,500 in fiscal year 2027-2028.

21 **(6) Operating Cost Increases:** Included in the above Restricted Funds
22 appropriation is \$864,100 in fiscal year 2026-2027 and \$764,100 in fiscal year 2027-2028
23 to support various operating cost increases.

24 **(7) Additional Staff:** Included in the above Restricted Funds appropriation is
25 \$106,100 in fiscal year 2026-2027 and \$110,900 in fiscal year 2027-2028 for additional
26 staff.

27 **(8) Law Enforcement Simulation System:** Included in the above Restricted

1 Funds appropriation is \$354,000 in fiscal year 2026-2027 and \$10,000 in fiscal year
 2 2027-2028 to support a law enforcement simulation system.

3 **(9) Instructor Monitor Program and Legal Support:** Included in the above
 4 Restricted Funds appropriation is \$365,100 in each fiscal year to support the instructor
 5 monitor program and legal staff for decertification cases.

6 **3. JUVENILE JUSTICE**

	2026-27	2027-28
7		
8 General Fund	173,572,500	182,026,800
9 Restricted Funds	13,731,900	13,892,100
10 Federal Funds	10,951,700	10,951,700
11 TOTAL	198,256,100	206,870,600

12 **(1) Evidence-Based Programming:** The Department of Juvenile Justice shall
 13 prepare a report detailing expenditures for evidence-based programming provided by the
 14 Department, as well as the number of youth served by each program, the number of filled
 15 positions providing services and the number of program vacancies, the number of youth
 16 on waitlists for services, and any other key performance indicators deemed appropriate
 17 by the Department. The Department of Juvenile Justice shall submit this report on a
 18 quarterly basis to the Interim Joint Committee on Appropriations and Revenue and the
 19 Juvenile Justice Oversight Council beginning November 1, 2026.

20 **(2) Louisville Detention Center Renovation:** The Department of Juvenile
 21 Justice shall submit a report to the Interim Joint Committee on Appropriations and
 22 Revenue by September 1, 2026, detailing the status, progress, and current expenditures of
 23 the Renovate Louisville Detention Center project authorized in 2024 Ky. Acts ch. 175,
 24 Part II, H., 3., 002.

25 **(3) Juvenile High-Acuity Mental Health Treatment Facility:** The Department
 26 of Juvenile Justice shall submit a report on a quarterly basis beginning November 1,
 27 2026, to the Interim Joint Committee on Appropriations and Revenue detailing the status,

1 progress, and current expenditures of the Construct High-Acuity Mental Health Facility
 2 project authorized in Part II, H., 3., 002. of this Act.

3 **(4) Jefferson Detention Facilities' Personnel and Operating:** Included in the
 4 above General Fund appropriation is \$6,515,300 in fiscal year 2026-2027 and
 5 \$12,019,800 in fiscal year 2027-2028 to support the Jefferson Regional Detention Center
 6 in Lyndon and the Jefferson County Youth Detention Center in downtown Louisville.

7 **(5) Design-Build Project Delivery Method:** Notwithstanding any statute to the
 8 contrary, the design-build project delivery method, as defined in KRS 45A.030(13), may
 9 be used to maximize cost savings for projects authorized in Part II, H., 3., 001. of this
 10 Act.

11 **4. STATE POLICE**

	2026-27	2027-28
13 General Fund	248,183,300	256,821,000
14 Restricted Funds	35,475,300	34,828,700
15 Federal Funds	23,274,500	23,216,300
16 Road Fund	55,582,600	57,940,100
17 TOTAL	362,515,700	372,806,100

18 **(1) Call to Extraordinary Duty:** There is appropriated from the General Fund to
 19 the Department of Kentucky State Police, subject to the conditions and procedures
 20 provided in this Act, funds which are required as a result of the Governor's call of the
 21 Kentucky State Police to extraordinary duty when an emergency situation has been
 22 declared to exist by the Governor. Funding is authorized to be provided from the General
 23 Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS
 24 48.705).

25 **(2) Restricted Funds Uses:** Notwithstanding KRS 24A.179, 42.320(2)(h),
 26 65.7631, 189A.050(3)(a), 237.110(18), and 281A.160(2)(b), funds are included in the
 27 above Restricted Funds appropriation to maintain the operations and administration of the

1 Department of Kentucky State Police.

2 **(3) Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in
3 the above Restricted Funds appropriation is \$4,653 in fiscal year 2026-2027 and \$4,746
4 in fiscal year 2027-2028 for each participant for training incentive payments.

5 **(4) Support for Statewide Law Enforcement Purposes:** Included in the above
6 Restricted Funds appropriation is \$1,036,000 in fiscal year 2026-2027 for the acquisition
7 of mobile data terminals and docking stations. Notwithstanding 2017 Ky. Acts ch. 130,
8 excess proceeds from the sale of state-owned real property and improvements in
9 Owensboro, Kentucky operated by the Department of Juvenile Justice shall be transferred
10 to the Department of Kentucky State Police for this purpose. Notwithstanding KRS
11 45.229, any portion of these funds that have not been expended by the end of fiscal year
12 2026-2027 shall not lapse and shall carry forward into fiscal year 2027-2028.

13 **(5) Capitol Campus Security Personnel:** Included in the above General Fund
14 appropriation is \$125,600 in each fiscal year to support two Trooper R contracts
15 designated specifically for the Capitol campus.

16 **(6) Background Check Fees:** Pursuant to KRS 7.111, 7.112, and 11.160(1)(e),
17 the Department of Kentucky State Police shall not charge a fee for the cost of background
18 checks requested by the Legislative Research Commission during investigation processes
19 related to confirmations of appointments or reappointments to boards and commissions
20 and administrative law judges.

21 **(7) Statutory Salary Schedule Adjustments:** Included in the above General
22 Fund appropriation is \$3,802,000 in General Fund and \$1,817,900 in Road Fund in fiscal
23 year 2026-2027 and \$7,430,500 in General Fund and \$3,728,400 in Road Fund in fiscal
24 year 2027-2028 to support the statutory adjustment to the salary schedule based on the
25 consumer price index for troopers and commercial vehicle enforcement officers.

26 **(8) Kentucky Emergency Warning System Leases:** The Department of
27 Kentucky State Police shall prepare a report detailing by county, including but not limited

1 to the number of leases contracted, the cost of each lease, and the number of leases yet to
2 be contracted. The Department of Kentucky State Police shall submit this report to the
3 Interim Joint Committee on Appropriations and Revenue on a quarterly basis beginning
4 November 1, 2026.

5 **(9) Fleet Vehicles:** The Department of Kentucky State Police shall prepare a
6 report detailing fleet vehicle purchases, including but not limited to total expenditures,
7 price per vehicle, the timing of purchases, the distribution of new vehicles purchased, as
8 well as the assigned use for each vehicle purchased. The Department of Kentucky State
9 Police shall submit this report on a quarterly basis to the Interim Joint Committee on
10 Appropriations and Revenue beginning November 1, 2026.

11 **(10) Recruitment and Retention Reporting:** The Department of Kentucky State
12 Police shall prepare a report detailing recruitment, retention, and demographic statistics,
13 including but not limited to age, gender, race, education-level, and geography, for trooper
14 cadet classes occurring in fiscal years 2025-2026, 2026-2027, and 2027-2028. The
15 Department of Kentucky State Police shall submit this report on a quarterly basis to the
16 Interim Joint Committee on Appropriations and Revenue beginning November 1, 2026.

17 **(11) Sworn Trooper Detail:** Notwithstanding any statute to the contrary,
18 beginning with fiscal year 2025-2026, no more than 25 percent of sworn troopers and
19 officers, excluding those positions established in KRS 16.187 and 16.196, shall be
20 assigned to detail other than a post.

21 **(12) Northern and Central Kentucky Crime Labs:** Included in the above
22 General Fund appropriation is \$609,700 in fiscal year 2026-2027 and \$770,500 in fiscal
23 year 2027-2028 to support the relocation of the Northern Kentucky Crime Lab, as well as
24 four forensic biologist positions at the Central Kentucky Crime Lab in fiscal year 2026-
25 2027 and two forensic biologist positions at the Northern Kentucky Crime Lab in fiscal
26 year 2027-2028. Notwithstanding any statute to the contrary, qualified retirees may be
27 recruited and given due consideration in filling these positions.

1 **(13) Compensatory Time and Overtime:** Included in the above General Fund
 2 appropriation is \$5,500,000 in each fiscal year to support the conversion of compensatory
 3 time to paid overtime for nonexempt sworn personnel. Notwithstanding any statute to the
 4 contrary, all overtime work must be authorized by a supervisor in advance, not to exceed
 5 100 hours annually, and any nonexempt employee who works overtime without prior
 6 authorization will be paid for all hours worked in accordance with federal and state law
 7 but may be subject to disciplinary action.

8 **5. CORRECTIONS**

9 **a. Corrections Management**

	2026-27	2027-28
11 General Fund	19,043,300	19,130,000
12 Restricted Funds	399,400	149,000
13 Federal Funds	100,000	304,300
14 TOTAL	19,542,700	19,583,300

15 **(1) Local Correctional Facilities:** Notwithstanding KRS 441.420, no funds are
 16 provided for reimbursement to counties for design fees for architectural and engineering
 17 services associated with any new local correctional facility approved by the Kentucky
 18 Local Correctional Facilities Construction Authority.

19 **(2) Facility Reporting:** (a) The Department of Corrections shall
 20 continuously monitor its bed utilization of county jails, halfway houses, Recovery
 21 Kentucky drug treatment centers, and all other community correctional residential
 22 facilities that are under contract with the Department. This monitoring shall include
 23 periodic review of its classification system to ensure that all offenders are placed in the
 24 least restrictive housing that provides appropriate security to protect public safety and
 25 provide ample opportunity for treatment and successful reentry.

26 (b) On a monthly basis, the Department shall submit a report detailing the
 27 average occupancy rate for each of these facility types outlined in paragraph (a) of this

1 subsection, as well as a projection of bed utilization one year from the reported period, to
 2 the Interim Joint Committee on Appropriations and Revenue.

3 **(3) Operational Costs for Inmate Population and Excess Local Jail Per Diem**
 4 **Costs:** In the event that actual operational costs and/or actual local jail per diem
 5 payments exceed the amounts appropriated to support the budgeted average daily
 6 population of state felons for each fiscal year, the additional payments, up to \$10,000,000
 7 in each fiscal year, shall be deemed necessary government expenses and shall be paid
 8 from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund
 9 Account (KRS 48.705), subject to notification as to necessity and amount by the State
 10 Budget Director who shall report any certified expenditure to the Interim Joint
 11 Committee on Appropriations and Revenue.

12 **b. Adult Correctional Institutions**

	2026-27	2027-28
14 General Fund	482,932,900	494,692,100
15 Restricted Funds	22,069,100	21,373,800
16 Federal Funds	30,000	95,600
17 TOTAL	505,032,000	516,161,500

18 **(1) Transfer to State Institutions:** Notwithstanding KRS 532.100(8), state
 19 prisoners, excluding the Class C and Class D felons qualifying to serve time in county
 20 jails, may be transferred to a state institution within 90 days of final sentencing, if the
 21 county jail does not object to the additional 45 days.

22 **(2) Little Sandy Correctional Complex:** The Department of Corrections shall
 23 prepare a report, including but not limited to the expenditures related to the expansion,
 24 the number of full-time positions filled and vacant, the number of offenders housed, and
 25 the number of offenders transferred from other facilities by facility. The Department of
 26 Corrections shall submit this report on a quarterly basis to the Interim Joint Committee on
 27 Appropriations and Revenue beginning November 1, 2026.

1 **(3) Institutional Support:** Included in the above General Fund appropriation is
 2 \$4,000,000 in fiscal year 2026-2027 and \$9,000,000 in fiscal year 2027-2028 to support
 3 increased medical costs.

4 **c. Community Services and Local Facilities**

	2026-27	2027-28
6 General Fund	265,128,300	268,827,800
7 Restricted Funds	16,173,000	15,094,000
8 Federal Funds	874,200	874,200
9 TOTAL	282,175,500	284,796,000

10 **(1) Local Jails Funding:** Notwithstanding KRS 441.605 to 441.695, funds in the
 11 amount of \$8,847,300 in fiscal year 2026-2027 and \$7,742,200 in fiscal year 2027-2028
 12 shall be expended from the Kentucky Local Correctional Facilities Construction
 13 Authority for local correctional facility and operational support.

14 **(2) Participation in Transparent Governing - Full Disclosure of Inmate**
 15 **Population Forecasts and Related Materials:** The Office of State Budget Director shall
 16 provide the methodology, assumptions, data, and all other related materials used to
 17 project biennial offender population forecasts conducted by the Office of State Budget
 18 Director, the Kentucky Department of Corrections, and any consulting firms, to the
 19 Interim Joint Committee on Appropriations and Revenue by October 1, 2027. This
 20 submission shall include but not be limited to the projected state, county, and community
 21 offender populations for the 2028-2030 fiscal biennium and must coincide with the
 22 budgeted amount for these populations. This submission shall clearly divulge the
 23 methodology and reasoning behind the budgeted and projected offender population in a
 24 commitment to participate in transparent governing.

25 **(3) Program Completion and Sentence Credit Payments:** Notwithstanding
 26 KRS 197.045(6), payments for program completions resulting in sentencing credit shall
 27 not expire and shall continue through the 2026-2028 fiscal biennium. Included in the

1 above General Fund appropriation is \$12,000,000 in each fiscal year to support payments
2 for program completions resulting in sentencing credit as prescribed in KRS
3 197.045(6)(a), (b), and (c). The Department of Corrections shall prepare a report
4 annually, including but not limited to the number of program completions, the cost of
5 payments for each category of sentencing credit, and the programmatic impact on
6 recidivism. The Department of Corrections shall submit this report to the Interim Joint
7 Committee on Appropriations and Revenue by October 1 of each year.

8 **(4) Substance Abuse, Mental Health, and Reentry Service Centers:** (a)

9 Notwithstanding any statute to the contrary, for each fiscal year, the Department of
10 Corrections shall pay each contracted provider of substance abuse, mental health, and
11 reentry centers a minimum of 65 percent of the contracted beds monthly. Any contracted
12 but unfilled beds as of the effective date of this Act may, at the discretion of the provider,
13 be terminated.

14 (b) Each contracted provider, as provided for in paragraph (a) of this subsection,
15 shall report 100 percent of their occupancy to the Department of Corrections. The report
16 shall detail the total number of beds, the number of beds available, and the type of
17 individual occupying bed space, and shall be submitted in a method and at a frequency
18 established by the Department's discretion.

19 **(5) Inmate Health Care:** Included in the above General Fund appropriation is
20 \$3,000,000 in each fiscal year to provide adequate inmate health care for state inmates
21 housed in county jails. Adequate health care shall adhere to any court rulings pertaining
22 to the provision of state inmate health care services.

23 **(6) Supplemental County Jail Payment:** Included in the above General Fund
24 appropriation is \$13,000,000 in each fiscal year to support one-time supplemental
25 payments to county jails of \$4.00 per state inmate, per day. The Department of
26 Corrections shall coordinate with counties and local jails to develop a plan for a voluntary
27 regional model of local jails that includes, at a minimum, recommendations that

1 emphasize efficient operations and distribution of inmate populations, adequate staffing,
 2 and appropriate levels of inmate care and support. The Department shall submit the plan
 3 to the Interim Joint Committee on Appropriations and Revenue by October 1, 2027.

4 **d. Local Jail Support**

	2026-27	2027-28
6 General Fund	16,788,600	16,788,600

7 **(1) Local Corrections Assistance Fund Allocation:** Notwithstanding KRS
 8 196.288(5)(a), included in the above General Fund appropriation is \$4,630,200 in each
 9 fiscal year for the Local Corrections Assistance Fund. Moneys in the fund shall be
 10 distributed to the counties each fiscal year. Amounts distributed from the fund shall be
 11 used to support local correctional facilities and programs, including the transportation of
 12 prisoners, as follows:

13 (a) In each fiscal year, the first \$3,000,000 received by the fund, or, if the fund
 14 receives less than \$3,000,000, the entire balance of the fund, shall be divided equally
 15 among all counties; and

16 (b) Any moneys remaining after making the distributions required by paragraph
 17 (a) of this subsection shall be distributed to each county based on a ratio, the numerator
 18 of which shall be the county's county inmate population on the second Thursday in
 19 January during the prior fiscal year, and the denominator of which shall be the total
 20 counties' county inmate population for the entire state on the second Thursday in January
 21 during the prior fiscal year.

22 **(2) Life Safety or Closed Jails:** Included in the above General Fund
 23 appropriation is \$860,000 in each fiscal year to provide a monthly payment of an annual
 24 amount of \$20,000 to each county with a life safety jail or closed jail. The payment shall
 25 be in addition to the payment required by KRS 441.206(2).

26 **(3) Inmate Medical Care Expenses:** Included in the above General Fund
 27 appropriation is \$792,800 in each fiscal year for medical care contracts to be distributed,

1 upon approval of the Department of Corrections, to counties by the formula codified in
 2 KRS 441.206, and \$851,800 in each fiscal year, on a partial reimbursement basis, for
 3 medical claims in excess of the statutory threshold pursuant to KRS 441.045. The
 4 funding support for medical contracts and catastrophic medical expenses for indigents
 5 shall be maintained in discrete accounts. Any medical claim that exceeds the statutory
 6 threshold may be reimbursed for that amount in excess of the statutory threshold.

7 **TOTAL - CORRECTIONS**

8		2026-27	2027-28
9	General Fund	783,893,100	799,438,500
10	Restricted Funds	38,641,500	36,616,800
11	Federal Funds	1,004,200	1,274,100
12	TOTAL	823,538,800	837,329,400

13 **6. PUBLIC ADVOCACY**

14		2026-27	2027-28
15	General Fund	96,936,600	98,763,600
16	Restricted Funds	4,718,700	4,776,300
17	Federal Funds	2,458,400	2,496,800
18	TOTAL	104,113,700	106,036,700

19 **TOTAL - JUSTICE AND PUBLIC SAFETY CABINET**

20		2026-27	2027-28
21	General Fund (Tobacco)	2,881,200	2,662,700
22	General Fund	1,347,369,700	1,382,497,900
23	Restricted Funds	205,835,100	201,457,400
24	Federal Funds	72,584,000	72,822,600
25	Road Fund	55,582,600	57,940,100
26	TOTAL	1,684,252,600	1,717,380,700

27 **J. PERSONNEL CABINET**

1 **Budget Units**

2 **1. GENERAL OPERATIONS**

	2026-27	2027-28
4 Restricted Funds	32,390,400	31,962,300

5 **(1) Public Employee Health Insurance Trust Fund Actuarial Projections:**

6 The Department of Employee Insurance shall prepare a report that includes actuarial
 7 projections of the operating net gain or loss, recommended reserves, and remaining
 8 balance after reserves, by plan year, for all active plan years and a minimum of two
 9 upcoming plan years for the Public Employee Health Insurance Trust Fund, as of
 10 September 30 of each fiscal year. This report shall be submitted to the Interim Joint
 11 Committee on Appropriations and Revenue by December 1 of each year.

12 **(2) Monthly Reporting Requirement:** Notwithstanding any statute to the
 13 contrary, the Personnel Cabinet shall, on a monthly basis, and no later than 45 days after
 14 the last working day of each month, submit to the Legislative Research Commission and
 15 the Interim Joint Committee on Appropriations and Revenue data and reports related to
 16 the operation and performance of the Kentucky Employees' Health Plan. The monthly
 17 submission shall include, at a minimum:

- 18 (a) Claims and Enrollment Report, including:
 - 19 1. A breakdown of all plan enrollments;
 - 20 2. Medical claims lag;
 - 21 3. Prescription claims lag;
 - 22 4. Medical claims on a paid basis; and
 - 23 5. Prescription claims on a paid basis;
- 24 (b) A trust fund cash transactions listing;
- 25 (c) A trust fund summary report; and
- 26 (d) Any other data or reports necessary to monitor the operation and performance
 27 of the Kentucky Employees' Health Plan.

1 **(3) State Health Plan Actuarial Reporting:** The Personnel Cabinet shall, on or
 2 before May 1, 2026, provide to the General Assembly actuarial reports, studies, and
 3 recommendations related to the development and implementation of benefits, enrollment
 4 rules, and premium rates for Plan Years 2023, 2024, 2025, 2026, 2027, and 2028.

5 The cabinet shall also provide documentation of changes in expected claim costs
 6 resulting from benefit changes implemented or projected for Plan Years 2026, 2027, and
 7 2028, including the actuarial basis and methodology used for such projections.

8 In addition, the cabinet shall provide documentation of actuarially projected income
 9 and expenses for Plan Years 2026, 2027, and 2028, including the actuarial basis and
 10 methodology used for such projections. Such documentation shall include, at a minimum,
 11 prior plan experience and the source of that experience, adjustments attributable to plan
 12 or rate changes, claim reserve details, the inflationary trend utilized, and the rationale
 13 supporting the selected inflationary trend.

14 All reports and documentation required by this subsection shall also be posted on
 15 the Personnel Cabinet’s website in a publicly accessible location.

16 **2. PUBLIC EMPLOYEES DEFERRED COMPENSATION AUTHORITY**

	2026-27	2027-28
18 Restricted Funds	8,112,800	7,928,800

19 **3. WORKERS' COMPENSATION BENEFITS AND RESERVE**

	2026-27	2027-28
21 Restricted Funds	23,618,700	23,061,000

22 **4. FIXED ALLOCATION NON-HAZARDOUS PENSION FUND**

	2026-27	2027-28
24 General Fund	63,784,100	63,784,100

25 **(1) Quasi-State Agency Subsidy Distributions:** (a) Included in the above
 26 General Fund appropriation is \$332,100 in each fiscal year to maintain each Non-P1 state
 27 agency's fiscal year 2019-2020 baseline subsidy.

1 (b) Included in the above General Fund appropriation is \$18,882,100 in each
 2 fiscal year to maintain each Regional Mental Health Unit's fiscal year 2019-2020 baseline
 3 subsidy.

4 (c) Included in the above General Fund appropriation is \$25,151,300 in each
 5 fiscal year to maintain each health department's fiscal year 2019-2020 baseline subsidy.

6 (d) The distribution of the baseline subsidy to each employer classification
 7 identified in paragraphs (a), (b), and (c) of this subsection shall be distributed in the
 8 following manner: In July and January of each year, the Office of State Budget Director
 9 shall obtain the total creditable compensation reported by each employer to the Kentucky
 10 Public Pensions Authority and utilize that number to determine how much of each total
 11 appropriation shall be distributed to each employer within its own unique employer
 12 classification. Payments to each employer shall be made on September 1 and April 1 of
 13 each fiscal year. The Office of State Budget Director shall provide a report to the Interim
 14 Joint Committee on Appropriations and Revenue by May 1 of each fiscal year. The report
 15 shall detail the disbursement of funds in this subsection and include the creditable
 16 compensation, by employer, for which disbursements are made.

17 (e) Notwithstanding KRS 61.5991(6)(b), included in the above General Fund
 18 appropriation is \$19,418,600 in each fiscal year to support each employer's share of the
 19 anticipated retirement costs over each employer's fiscal year 2019-2020 baseline
 20 contribution as adjusted and posted under the 2026 Budget Bills tile on the Legislative
 21 Research Commission's website.

22 **TOTAL - PERSONNEL CABINET**

	2026-27	2027-28
24 General Fund	63,784,100	63,784,100
25 Restricted Funds	64,121,900	62,952,100
26 TOTAL	127,906,000	126,736,200

27 **K. POSTSECONDARY EDUCATION**

1 **Budget Units**

2 **1. COUNCIL ON POSTSECONDARY EDUCATION**

	2026-27	2027-28
4 General Fund (Tobacco)	5,540,900	5,120,500
5 General Fund	14,057,900	17,416,700
6 Restricted Funds	11,548,600	8,744,000
7 Federal Funds	6,128,800	6,190,100
8 TOTAL	37,276,200	37,471,300

9 **(1) Interest Earnings Transfer from the Strategic Investment and Incentive**
 10 **Trust Fund Accounts:** Notwithstanding KRS 164.7911 to 164.7927, included in the
 11 above Restricted Funds appropriation is \$3,077,300 in fiscal year 2026-2027 from the
 12 interest earnings on the Research Challenge and Comprehensive University Excellence
 13 trust funds to support the operations of the Council on Postsecondary Education.

14 **(2) Cancer Research and Screening:** Included in the above General Fund
 15 (Tobacco) appropriation is \$5,540,900 in fiscal year 2026-2027 and \$5,120,500 in fiscal
 16 year 2027-2028 for cancer research and screening. The appropriation in each fiscal year
 17 shall be equally shared between the University of Kentucky and the University of
 18 Louisville.

19 **(3) Redistribution of Resources:** Notwithstanding KRS 164.028 to 164.0282, no
 20 General Fund is provided for Professional Education Preparation.

21 **(4) Postsecondary Education Debt:** Notwithstanding KRS 45.750 to 45.810, in
 22 order to lower the cost of borrowing, any university that has issued or caused to be issued
 23 debt obligations through a not-for-profit corporation or a municipality or county
 24 government for which the rental or use payments of the university substantially meet the
 25 debt service requirements of those debt obligations is authorized to refinance those debt
 26 obligations if the principal amount of the debt obligations is not increased and the rental
 27 payments of the university are not increased. Any funds used by a university to meet debt

1 obligations issued by a university pursuant to this subsection shall be subject to
2 interception of state-appropriated funds pursuant to KRS 164A.608.

3 **(5) Disposition of Postsecondary Institution Property:** Notwithstanding KRS
4 45.777, a postsecondary institution's governing board may elect to sell or dispose of real
5 property or major items of equipment and proceeds from the sale shall be designated to
6 the funding sources, on a proportionate basis, used for acquisition of the equipment or
7 property to be sold.

8 **(6) Immunity for Postsecondary Institutions:** Notwithstanding any statute to
9 the contrary, a public postsecondary institution, including any affiliated corporation, its
10 officers, employees, and agents, shall be immune from all claims, including class action
11 claims for damages, a declaratory judgment, and equitable relief based on an act or
12 omission if:

13 (a) The claim arises out of or in connection with tuition paid to the public
14 postsecondary institution for an academic term that included the months of March, April,
15 and May 2020;

16 (b) The claim alleges losses or damages arising from an act or omission by the
17 public postsecondary institution during or in response to the COVID-19 emergency; and

18 (c) The alleged act or omission of the public postsecondary institution was related
19 to protecting public health and safety interests in response to the COVID-19 emergency
20 in compliance with federal, state, or local guidance, including but not limited to:

21 1. Transition to online or otherwise remote instruction;

22 2. Pause or modification to instruction available through the institution of higher
23 education;

24 3. Closure of, or modification to, operation of on-campus facilities of the public
25 postsecondary institution; or

26 4. The public postsecondary institution offered online and otherwise remote
27 learning options that allowed students to complete the coursework in the academic term

1 that included the months of March, April, and May 2020 and receive academic credit.

2 (7) **Ovarian Cancer Screening:** Included in the above General Fund
 3 appropriation is \$960,000 in fiscal year 2026-2027 and \$930,000 in fiscal year 2027-2028
 4 for the Ovarian Cancer Screening Outreach Program at the University of Kentucky.

5 (8) **Southern Regional Education Board Dues:** Included in the above General
 6 Fund appropriation is \$224,800 in each fiscal year for Southern Regional Education
 7 Board dues.

8 **2. KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY**

	2026-27	2027-28
9		
10	General Fund	381,609,400
11	Restricted Funds	62,270,900
12	Federal Funds	86,000
13	TOTAL	443,966,300

14 (1) **College Access Program:** The following is appropriated for the College
 15 Access Program in each fiscal year:

- 16 (a) Notwithstanding KRS 154A.130(4), \$179,344,800 in General Fund;
- 17 (b) \$12,269,100 in Restricted Funds from previous fiscal years' excess Lottery
 18 funds;
- 19 (c) Notwithstanding KRS 164.7891, \$1,100,000 in Restricted Funds; and
- 20 (d) \$450,000 in Restricted Funds from the collection of loans related to the
 21 Minority Educator Recruitment and Retention Scholarship.

22 (2) **Kentucky Tuition Grant Program:** Notwithstanding KRS 154A.130(4),
 23 included in the above General Fund appropriation is \$45,975,000 in each fiscal year for
 24 the Kentucky Tuition Grant Program.

25 (3) **Kentucky National Guard Tuition Award Program:** Notwithstanding KRS
 26 154A.130(4), included in the above General Fund appropriation is \$7,398,100 in each
 27 fiscal year for the National Guard Tuition Award Program.

1 **(4) Kentucky Educational Excellence Scholarships (KEES):** Notwithstanding
2 KRS 154A.130(4), included in the above General Fund appropriation is \$90,556,600 in
3 each fiscal year for the Kentucky Educational Excellence Scholarships (KEES). Included
4 in the above Restricted Funds appropriation is \$12,300,000 in each fiscal year for the
5 KEES.

6 **(5) Work Ready Kentucky Scholarship Program:** Notwithstanding KRS
7 154A.130(4), included in the above General Fund appropriation is \$12,000,500 in each
8 fiscal year for the Work Ready Kentucky Scholarship Program. It is the intent of the
9 General Assembly for Work Ready Kentucky Scholarships to only be awarded to
10 recipients that complete eligible courses.

11 **(6) Dual Credit Scholarship Program:** (a) Notwithstanding KRS
12 154A.130(4), included in the above General Fund appropriation is \$21,149,500 in each
13 fiscal year for the Dual Credit Scholarship Program. Included in the above Restricted
14 Funds appropriation is \$6,290,100 in each fiscal year from previous years' excess Lottery
15 funds held in trust and agency account for the Dual Credit Scholarship Program.

16 (b) Notwithstanding KRS 164.786(1)(f) and 164.787(2)(d), the dual credit tuition
17 rate ceiling shall be one-half of the per credit hour tuition amount charged by the
18 Kentucky Community and Technical College System for in-state students.
19 Notwithstanding KRS 164.786(4)(c), eligible high school students may receive a dual
20 credit scholarship for two career and technical education dual credit courses per academic
21 year and four general education dual credit courses over the junior and senior years, up to
22 a maximum of 12 approved dual credit courses.

23 **(7) Veterinary Medicine Contract Spaces:** Included in the above General Fund
24 appropriation is \$5,800,400 in each fiscal year for the Veterinary Medicine Contract
25 Spaces Program. As a condition of the contract space support, each recipient shall enter
26 into a written agreement with the Kentucky Higher Education Assistance Authority to
27 practice veterinary medicine in the Commonwealth of Kentucky for at least one year for

1 each year the contract space is received. If a recipient fails to complete the required
2 service within the timeframe established by the Authority, the total amount of the
3 contract space support received shall convert to a loan and shall be repaid to the
4 Commonwealth. For any support converted to a loan, interest shall be assessed and shall
5 accrue on the principal balance beginning on the date of the first disbursement. The rate
6 of interest shall be determined by the Authority through the promulgation of
7 administrative regulations. All repayments, including principal and interest, shall be
8 deposited into a trust and agency account to be used for future awards. The Authority
9 shall be entitled to recover reasonable costs of collection and attorney fees in the event of
10 default.

11 **(8) Optometry Scholarship Program:** Included in the above General Fund
12 appropriation is \$814,500 in fiscal year 2026-2027 and \$789,000 in fiscal year 2027-2028
13 for the Optometry Scholarship Program. As a condition of the scholarship, each recipient
14 shall enter into a written agreement with the Kentucky Higher Education Assistance
15 Authority to practice optometry in the Commonwealth of Kentucky for at least one year
16 for each year the scholarship is received. If a recipient fails to complete the required
17 service requirement within the timeframe established by the Authority, the scholarship
18 shall be converted to a loan and be shall repaid to the Commonwealth. For any
19 scholarship converted to a loan, interest shall be assessed and shall accrue on the
20 principal balance beginning on the date of the first disbursement. The rate of interest shall
21 be determined by the Authority through the promulgation of administrative regulations.
22 All repayments, including principal and interest, shall be deposited into a trust and
23 agency account to be used for future awards. The Authority shall be entitled to recover
24 reasonable costs of collection and attorney fees in the event of default.

25 **(9) Use of Lottery Revenues:** Notwithstanding KRS 154A.130(3) and (4),
26 lottery revenues in the amount of \$359,100,000 in each fiscal year are appropriated to the
27 Kentucky Higher Education Assistance Authority. Notwithstanding KRS 154A.130(4)

1 and any provisions of this Act to the contrary, if lottery receipts received by the
2 Commonwealth, excluding any unclaimed prize money received under Part III, 20. of this
3 Act, exceed \$370,000,000 in fiscal year 2025-2026 or \$365,000,000 in each fiscal year of
4 the 2026-2028 fiscal biennium, the additional excess shall be transferred to a trust and
5 agency account and shall not be expended or appropriated without the express authority
6 of the General Assembly.

7 **(10) Redistribution of Resources:** Notwithstanding KRS 164.740 to 164.764,
8 164.7890(11)(c), 164.7891(11)(b), and 164.7894, no General Fund is provided for Work
9 Study, Coal County Pharmacy Scholarships, Osteopathic Medicine Scholarships, and
10 Coal County College Completion Scholarships in order to provide additional funding to
11 the College Access Program and Kentucky Tuition Grant Program.

12 **(11) Teacher Scholarship Program:** Notwithstanding KRS 154A.130(4),
13 included in the above appropriation is \$2,000,000 in General Fund in each fiscal year and
14 \$1,015,000 in Restricted Funds in each fiscal year for the Teacher Scholarship Program.
15 The Kentucky Higher Education Assistance Authority, in coordination with the Council
16 on Postsecondary Education, shall submit a report on the number of teacher scholarships
17 provided in each fiscal year, the program of study in which recipients are enrolled,
18 recipient retention rates, total number of applications, and the impact of the scholarships
19 on recruitment. This report shall be submitted to the Interim Joint Committee on
20 Education by September 1 of each fiscal year.

21 **(12) General Administration and Support:** Included in the above General Fund
22 appropriation is \$5,500,000 in each fiscal year to support general administration and
23 support services.

24 **(13) Teacher Recruitment Student Loan Forgiveness Pilot Program:** Included
25 in the above General Fund appropriation is \$3,300,000 in each fiscal year for the Teacher
26 Recruitment Student Loan Forgiveness Pilot Program.

27 **(14) Innovative Scholarship Pilot Project:** Included in the above General Fund

1 appropriation is \$675,500 in each fiscal year for the Innovative Scholarship Pilot Project.
 2 The Kentucky Higher Education Assistance Authority shall work in coordination with the
 3 Council on Postsecondary Education to develop and implement the Innovative
 4 Scholarship pilot project.

5 **(15) KEES Merit Scholarships:** If the evaluation and examination of the
 6 effectiveness of the distribution of KEES merit scholarships required by 2024 Ky. Acts
 7 ch. 175, Part I, J., 2., (17) is not completed by June 30, 2026, the minimum grade point
 8 average required for a KEES award shall be 2.75.

9 **3. EASTERN KENTUCKY UNIVERSITY**

	2026-27	2027-28
11 General Fund	81,658,500	76,658,500
12 Restricted Funds	218,354,400	218,016,300
13 Federal Funds	135,500,000	135,500,000
14 TOTAL	435,512,900	430,174,800

15 **(1) Mandated Programs:** Included in the above General Fund appropriation are
 16 the following:

- 17 (a) \$4,571,900 in each fiscal year for the Model Laboratory School;
- 18 (b) Notwithstanding KRS 61.5991, \$4,454,900 in each fiscal year to support the
 19 university's share of the anticipated retirement costs over the university's fiscal year
 20 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile
 21 on the Legislative Research Commission's website; and
- 22 (c) \$2,423,200 in each fiscal year to support the Commonwealth's Property and
 23 Casualty Insurance Fund premium.

24 **(2) Air Traffic Control Training Program:** Included in the above General Fund
 25 appropriation is \$6,500,000 in fiscal year 2026-2027 and \$1,500,000 in fiscal year 2027-
 26 2028 to support the establishment and operations of an air traffic control training
 27 program.

1 **4. KENTUCKY STATE UNIVERSITY**

	2026-27	2027-28
3 General Fund	30,198,500	30,198,500
4 Restricted Funds	68,862,300	77,848,400
5 Federal Funds	40,680,600	44,031,000
6 TOTAL	139,741,400	152,077,900

7 **(1) Mandated Programs:** Included in the above General Fund appropriation are
 8 the following:

9 (a) \$10,381,000 in each fiscal year to fund the state match payments required of
 10 land-grant universities under federal law; and

11 (b) \$473,600 in each fiscal year to support the Commonwealth’s Property and
 12 Casualty Insurance Fund premium.

13 **5. MOREHEAD STATE UNIVERSITY**

	2026-27	2027-28
15 General Fund	46,356,100	46,873,100
16 Restricted Funds	113,586,900	113,586,900
17 Federal Funds	47,176,400	47,176,400
18 TOTAL	207,119,400	207,636,400

19 **(1) Mandated Programs:** Included in the above General Fund appropriation are
 20 the following:

21 (a) \$5,959,800 in fiscal year 2026-2027 and \$6,476,800 in fiscal year 2027-2028
 22 for the Craft Academy for Excellence in Science and Mathematics;

23 (b) Notwithstanding KRS 61.5991, \$2,456,500 in each fiscal year to support the
 24 university's share of the anticipated retirement costs over the university's fiscal year
 25 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile
 26 on the Legislative Research Commission's website; and

27 (c) \$1,274,400 in each fiscal year to support the Commonwealth’s Property and

1 Casualty Insurance Fund premium.

2 **6. MURRAY STATE UNIVERSITY**

	2026-27	2027-28
4 General Fund	49,549,600	49,549,600
5 Restricted Funds	159,450,500	159,450,500
6 Federal Funds	26,494,600	26,494,600
7 TOTAL	235,494,700	235,494,700

8 **(1) Mandated Programs:** Included in the above General Fund appropriation are
 9 the following:

- 10 (a) \$4,034,200 in each fiscal year for the Breathitt Veterinary Center;
- 11 (b) Notwithstanding KRS 61.5991, \$1,635,500 in each fiscal year to support the
 12 university's share of the anticipated retirement costs over the university's fiscal year
 13 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile
 14 on the Legislative Research Commission's website; and
- 15 (c) \$1,451,400 in each fiscal year to support the Commonwealth's Property and
 16 Casualty Insurance Fund premium.

17 **7. NORTHERN KENTUCKY UNIVERSITY**

	2026-27	2027-28
19 General Fund	57,515,300	59,315,300
20 Restricted Funds	221,360,100	221,360,100
21 Federal Funds	15,450,500	15,450,500
22 TOTAL	294,325,900	296,125,900

23 **(1) Mandated Programs:** Included in the above General Fund appropriation are
 24 the following:

- 25 (a) \$1,323,900 in each fiscal year for the Kentucky Center for Mathematics;
- 26 (b) \$1,377,900 in each fiscal year to support the Commonwealth's Property and
 27 Casualty Insurance Fund premium; and

1 (c) \$1,800,000 in fiscal year 2026-2027 and \$3,600,000 in fiscal year 2027-2028
 2 for the Votruba Young Scholars Academy.

3 **8. UNIVERSITY OF KENTUCKY**

	2026-27	2027-28
4 General Fund	298,634,900	298,634,900
5 Restricted Funds	8,688,499,300	9,509,319,400
6 Federal Funds	315,770,000	333,769,000
7 TOTAL	9,302,904,200	10,141,723,300

8
 9 **(1) Mandated Programs:** Included in the above General Fund appropriation are
 10 the following:

11 (a) \$35,420,800 in each fiscal year for the College of Agriculture, Food and
 12 Environment’s Cooperative Extension Service. Of this amount, \$4,145,500 in each fiscal
 13 year is provided to support extension agent compensation;

14 (b) \$31,434,100 in each fiscal year for the Kentucky Agricultural Experiment
 15 Station;

16 (c) \$10,176,200 in each fiscal year for the Center for Applied Energy Research;

17 (d) \$4,076,300 in each fiscal year for the Kentucky Geological Survey;

18 (e) \$4,034,200 in each fiscal year for the Veterinary Diagnostic Laboratory;

19 (f) \$2,040,500 in each fiscal year for the Sanders-Brown Center on Aging;

20 (g) \$1,800,000 in each fiscal year for the College of Agriculture, Food and
 21 Environment’s Division of Regulatory Services;

22 (h) \$600,000 in each fiscal year for the College of Agriculture, Food and
 23 Environment’s Kentucky Small Business Development Center;

24 (i) \$586,300 in each fiscal year for the University Press of Kentucky;

25 (j) Notwithstanding KRS 154A.130(4), \$500,000 in each fiscal year for the
 26 Human Development Institute for the Supported Higher Education Project;

27 (k) \$450,200 in each fiscal year for the Center of Excellence in Rural Health;

- 1 (l) \$950,200 in each fiscal year for the Kentucky Cancer Registry;
- 2 (m) \$100,000 in each fiscal year for the Sports Medicine Research Institute; and
- 3 (n) \$10,750,900 in each fiscal year to support the Commonwealth's Property and
- 4 Casualty Insurance Fund Premium.

5 (2) **Nuclear Reactor Site Readiness Pilot Program:** Costs associated with the

6 procurement of an Early Site Permit (10 C.F.R. secs. 52.12 et seq.), a Construction

7 Permit (10 C.F.R. pt. 50), or a Combined Operating License (10 C.F.R. secs. 52.71 et

8 seq.) from the United States Nuclear Regulatory Commission for up to three projects

9 under the Nuclear Reactor Site Readiness Pilot Program shall be deemed a necessary

10 government expense and shall be paid from the General Fund Surplus Account (KRS

11 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705) in an amount not to

12 exceed \$75,000,000 for the 2026-2028 fiscal biennium. Any such expenditure shall be

13 subject to the prior written approval of the State Budget Director and shall be limited to

14 one-third of the actual costs incurred per project, not to exceed \$25,000,000 per project.

15 In exchange for grant funding, the recipient shall procure a surety bond or other similar

16 security acceptable to the Kentucky Nuclear Energy Development Authority in the full

17 amount of the grant. All funds shall be forfeited and repaid to the Commonwealth within

18 60 days if the recipient: fails to apply for an early site permit within one year; fails to

19 apply for a construction permit or combined operating license within five years of

20 receiving an early site permit; fails to commence construction within ten years of

21 obtaining all necessary permits or licenses; or transfers its interest in the permits or

22 licenses before construction begins without Authority approval. The surety bond shall be

23 continuous and remain in effect until the completion of construction or the repayment of

24 all forfeited funds and shall not be canceled without 30 days written notice to the

25 Authority.

26 **9. UNIVERSITY OF LOUISVILLE**

27

2026-27

2027-28

1	General Fund	138,206,200	138,206,200
2	Restricted Funds	1,515,148,500	1,547,903,100
3	Federal Funds	196,365,300	200,610,300
4	TOTAL	1,849,720,000	1,886,719,600

5 **(1) Mandated Programs:** Included in the above General Fund appropriation are
6 the following:

- 7 (a) \$695,200 in each fiscal year for the Rural Health Education Program;
- 8 (b) \$150,000 in each fiscal year for the Kentucky Autism Training Center;
- 9 (c) \$100,000 in each fiscal year for the School of Dentistry to provide dental care
10 to patients with dental issues related to drug use;
- 11 (d) \$150,000 in each fiscal year for the Mid-South REACH Grant; and
- 12 (e) \$5,801,100 in each fiscal year to support the Commonwealth's Property and
13 Casualty Insurance Fund premium.

14 **10. WESTERN KENTUCKY UNIVERSITY**

15		2026-27	2027-28
16	General Fund	81,682,600	82,199,600
17	Restricted Funds	279,343,600	280,343,600
18	Federal Funds	44,143,300	44,143,300
19	TOTAL	405,169,500	406,686,500

20 **(1) Mandated Programs:** Included in the above General Fund appropriation are
21 the following:

- 22 (a) \$5,959,800 in fiscal year 2026-2027 and \$6,476,800 in fiscal year 2027-2028
23 for the Gatton Academy of Mathematics and Science in Kentucky;
- 24 (b) \$1,750,000 in each fiscal year for the Kentucky Mesonet;
- 25 (c) Notwithstanding KRS 61.5991, \$1,412,000 in each fiscal year to support the
26 university's share of the anticipated retirement costs over the university's fiscal year
27 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile

1 on the Legislative Research Commission's website; and

2 (d) \$1,866,900 in each fiscal year to support the Commonwealth's Property and
 3 Casualty Insurance Fund premium.

4 **11. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

	2026-27	2027-28
6 General Fund	182,861,500	182,861,500
7 Restricted Funds	556,045,700	561,002,400
8 Federal Funds	295,517,000	295,516,800
9 TOTAL	1,034,424,200	1,039,380,700

10 **(1) Mandated Programs:** Included in the above General Fund appropriation are
 11 the following:

12 (a) \$6,000,000 in each fiscal year for KCTCS-TRAINS;

13 (b) \$1,000,000 in each fiscal year for Adult Agriculture Education; and

14 (c) \$3,164,800 in each fiscal year to support the Commonwealth's Property and
 15 Casualty Insurance Fund premium.

16 **(2) Firefighters Foundation Program Fund:** (a) Included in the above
 17 Restricted Funds appropriation is \$64,160,100 in fiscal year 2026-2027 and \$63,175,400
 18 in fiscal year 2027-2028 for the Firefighters Foundation Program Fund.

19 (b) Notwithstanding KRS 95A.250(1)(a), included in the above Restricted Funds
 20 appropriation are sufficient funds for an incentive payment of \$4,653 in fiscal year 2026-
 21 2027 and \$4,746 in fiscal year 2027-2028, plus an amount equal to the required
 22 employer's contribution on the supplement in each fiscal year for each qualified
 23 professional firefighter under the Firefighters Foundation Program Fund. KRS
 24 95A.250(1)(b) to (e) shall remain applicable, except that the administrative expense
 25 reimbursement cap under KRS 95A.250(1)(e)(3) shall not exceed \$500,000.

26 (c) Notwithstanding KRS 95A.262(2), included in the above Restricted Funds
 27 appropriation is \$15,300 in each fiscal year for aid payments for each qualified volunteer

1 fire department.

2 (d) Notwithstanding KRS 95A.200 to 95A.300, \$18,800,000 in fiscal year 2026-
3 2027 shall be transferred to support projects as set forth in Part II, Capital Projects
4 Budget, of this Act.

5 (e) Notwithstanding KRS 95A.200 to 95A.300, included in the above Restricted
6 Funds appropriation is \$1,869,900 in each fiscal year for State Fire Rescue Training.

7 (f) Notwithstanding KRS 95A.200 to 95A.300, included in the above Restricted
8 Funds appropriation is \$1,556,000 in fiscal year 2026-2027 to be transferred to the
9 Replace Unsafe Fire Equipment capital project for the Energy and Environment Cabinet
10 as set forth in Part II, Capital Projects Budget, of this Act.

11 **(3) Firefighters Training Center Fund:** Notwithstanding KRS 95A.262(3),
12 \$1,000,000 in Restricted Funds is provided in each fiscal year for the Firefighters
13 Training Center Fund.

14 **(4) Guaranteed Energy Savings Performance Contracts:** Notwithstanding
15 KRS 56.770 and 56.774, guaranteed energy savings performance contracts may be
16 executed for buildings operated by the Kentucky Community and Technical College
17 System under agreements governed by KRS 164.593.

18 **(5) Disposition of KCTCS Property:** Notwithstanding KRS 45.777, the KCTCS
19 governing board may elect to sell or dispose of real property or major equipment and
20 proceeds that are surplus to its needs and retain the proceeds of any sale.

21 **(6) Other Postemployment Benefits Trust Fund:** By October 1, 2026, the
22 President of the Kentucky Community and Technical College System (KCTCS) is
23 directed to have determined the actuarial liabilities of the KCTCS Other Postemployment
24 Trust Fund effective December 31, 2026, and provide a report to the Interim Joint
25 Committee on Appropriations and Revenue. By January 1, 2027, with the assistance of
26 the State Budget Director and the Secretary of the Finance and Administration Cabinet,
27 the President of KCTCS shall submit a plan to the Legislative Research Commission to

1 have the difference between the balance of the KCTCS Other Postemployment Benefits
 2 Trust Fund and the actuarial liabilities of the fund transferred to the Budget Reserve Trust
 3 Fund Account (KRS 48.705). It is the intent of the 2026 General Assembly to take action
 4 on the plan submitted to the Legislative Research Commission in the 2027 Regular
 5 Session.

6 (7) **Commonwealth West Healthcare Workforce Innovation Center - Carry**
 7 **Forward of Appropriation Balance:** Notwithstanding KRS 45.229, the Federal Fund
 8 appropriation balance from 2022 Ky. Acts ch. 199, Part I, J., 11., (6) shall not lapse and
 9 shall carry forward.

10 **12. POSTSECONDARY EDUCATION PERFORMANCE FUND**

	2026-27	2027-28
12 General Fund	120,000,000	130,000,000

13 **TOTAL - POSTSECONDARY EDUCATION**

	2026-27	2027-28
14 General Fund (Tobacco)	5,540,900	5,120,500
15 General Fund	1,482,330,500	1,493,343,300
16 Restricted Funds	11,894,470,800	12,759,867,600
17 Federal Funds	1,123,312,500	1,148,968,000
18 TOTAL	14,505,654,700	15,407,299,400

19 **L. PUBLIC PROTECTION CABINET**

20 **Budget Units**

21 **1. SECRETARY**

	2026-27	2027-28
22 Restricted Funds	11,485,300	11,172,000

23 **2. PROFESSIONAL LICENSING**

	2026-27	2027-28
24 Restricted Funds	5,377,800	5,321,900

1	Federal Funds	204,700	204,700
2	TOTAL	5,582,500	5,526,600

3 **(1) Additional Personnel:** Included in the above Restricted Funds appropriation
 4 is \$100,900 in fiscal year 2026-2027 and \$100,600 in fiscal year 2027-2028 to support
 5 additional personnel.

6 **(2) Real Property Boards:** Included in the above appropriations is sufficient
 7 funding to implement the provisions of 2024 Ky. Acts ch. 182.

8 **3. BOXING AND WRESTLING AUTHORITY**

9		2026-27	2027-28
10	Restricted Funds	326,400	325,000

11 **(1) Additional Personnel:** Included in the above Restricted Funds appropriation
 12 is \$70,000 in each fiscal year to support additional personnel.

13 **4. ALCOHOLIC BEVERAGE CONTROL**

14		2026-27	2027-28
15	Restricted Funds	9,177,600	8,636,500
16	Federal Funds	1,014,700	1,014,700
17	TOTAL	10,192,300	9,651,200

18 **(1) Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in
 19 the above Restricted Funds appropriation is \$4,653 in fiscal year 2026-2027 and \$4,746
 20 in fiscal year 2027-2028 for each participant for training incentive payments.

21 **(2) Special Temporary Nonprofit License:** (a) Notwithstanding any provisions
 22 of KRS Chapters 241 to 244 or administrative regulations promulgated thereunder to the
 23 contrary, a special temporary nonprofit license shall be issued to a nonprofit organization
 24 for its use at a national conference.

25 (b) A special temporary nonprofit license shall authorize the holder and its
 26 employees or agents to purchase, transport, receive, possess, store, sell, donate, deliver,
 27 and serve alcoholic beverages, including wine, malt beverages, and distilled spirits, to be

1 sold by the package or the drink, or to be served free of charge by the drink in person to
2 attendees of national conferences, by auction, or by raffle, or sold or served free of charge
3 by the drink to attendees of national conferences, and to receive alcoholic beverages from
4 distillers, rectifiers, wineries, small farm wineries, brewers, microbreweries, wholesalers,
5 distributors, retailers, or any other person, by gift or donation, for its use at a national
6 conferences.

7 (c) The location at which the alcoholic beverages are auctioned, sold, raffled,
8 served, or consumed under the provisions of this subsection shall not constitute a public
9 place for the purposes of KRS Chapter 222. Nonprofit events, including national
10 conferences, may be conducted on licensed or unlicensed premises.

11 (d) A special temporary nonprofit license shall not be issued for any period longer
12 than 30 days.

13 (e) Notwithstanding any other provision of KRS Chapters 241 to 244, a distiller,
14 rectifier, winery, small farm winery, brewer, microbrewery, wholesaler, distributor, or
15 retailer may donate, give away, or deliver any of its products to a nonprofit organization
16 possessing a special temporary nonprofit license.

17 (f) Nothing in this subsection shall prohibit the employees of a nonprofit
18 organization that holds a special temporary nonprofit license from serving or selling
19 wine, malt beverages, and distilled spirits by the drink to attendees of national
20 conferences.

21 (g) Nothing in this subsection shall prohibit the employees of retail drink
22 licensees, including but not limited to NQ1, NQ2, NQ3, and licensed caterers from
23 serving or selling wine, malt beverages, and distilled spirits by the drink at a national
24 conference on the account of or on behalf of a nonprofit organization that holds a special
25 temporary nonprofit license.

26 **(3) Additional Tobacco, Nicotine, and Vapor Personnel:** Included in the above
27 Restricted Funds appropriation is \$2,750,000 in fiscal year 2026-2027 and \$2,250,000 in

1 fiscal year 2027-2028 to support additional personnel and vehicles.

2 **5. FINANCIAL INSTITUTIONS**

	2026-27	2027-28
4 Restricted Funds	17,785,200	17,651,100

5 **6. HOUSING, BUILDINGS AND CONSTRUCTION**

	2026-27	2027-28
7 General Fund	251,100	3,282,000
8 Restricted Funds	28,935,700	25,761,600
9 TOTAL	29,186,800	29,043,600

10 **(1) Industrial or Business Project Plan Reviews and Inspections:**
 11 Notwithstanding KRS 198B.060, permit applicants may request local or state
 12 governments to perform plan review, inspection, and enforcement responsibilities related
 13 to industrial or business projects.

14 **(2) Inspectors and Reviewers Reporting Requirement:** The Department of
 15 Housing, Buildings and Construction shall submit a report to the Legislative Research
 16 Commission, Office of Budget Review, by December 1 of each fiscal year detailing the
 17 number of full-time inspectors and reviewers, in addition to the number of completed
 18 inspections and plan reviews.

19 **(3) Operations of the Department:** Notwithstanding KRS 227A.050, included
 20 in the above Restricted Funds appropriation is \$2,977,600 in fiscal year 2026-2027 to
 21 support of the operations of the Department of Housing, Buildings and Construction,
 22 Division of General Inspections.

23 **(4) School Building Plan Reviews and Inspections:** Notwithstanding KRS
 24 198B.060, local governments may have jurisdiction for plan review, inspection, and
 25 enforcement responsibilities over buildings intended for educational purposes, other than
 26 licensed day-care centers, at the discretion of the local school districts.

27 **(5) Additional Plumbing Personnel:** Included in the above Restricted Funds

1 appropriation is \$206,900 in fiscal year 2026-2027 and \$206,200 in fiscal year 2027-2028
 2 to support additional personnel.

3 **(6) Additional HVAC Personnel:** Included in the above Restricted Funds
 4 appropriation is \$198,800 in fiscal year 2026-2027 and \$198,100 in fiscal year 2027-2028
 5 to support additional personnel.

6 **(7) Additional Hazardous Material Personnel:** Included in the above Restricted
 7 Funds appropriation is \$182,600 in fiscal year 2026-2027 and \$182,000 in fiscal year
 8 2027-2028 to support additional personnel.

9 **(8) Additional Electrical Personnel:** Included in the above Restricted Funds
 10 appropriation is \$531,900 in fiscal year 2026-2027 and \$530,000 in fiscal year 2027-2028
 11 to support additional personnel.

12 **(9) Additional Boiler Personnel:** Included in the above Restricted Funds
 13 appropriation is \$182,600 in fiscal year 2026-2027 and \$182,000 in fiscal year 2027-2028
 14 to support additional personnel.

15 **(10) Additional Building Code Enforcement Personnel:** Included in the above
 16 Restricted Funds appropriation is \$299,700 in fiscal year 2026-2027 and \$298,700 in
 17 fiscal year 2027-2028 to support additional personnel.

18 **7. INSURANCE**

19		2026-27	2027-28
20	Restricted Funds	22,745,400	22,525,500

21 **(1) Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in
 22 the above Restricted Funds appropriation is \$4,653 in fiscal year 2026-2027 and \$4,746
 23 in fiscal year 2027-2028 for each participant for training incentive payments.

24 **(2) Property and Casualty Actuarial Contract Increase:** Included in the above
 25 Restricted Funds appropriation is \$225,000 in each fiscal year to support an increase in
 26 actuarial contracts.

27 **(3) Financial Standards Actuarial Contract Increase:** Included in the above

1 Restricted Funds appropriation is \$750,000 in each fiscal year to support an increase in
 2 actuarial contracts.

3 **(4) Restricted Fund Transfer:** Notwithstanding KRS 304.2-400(2), there is
 4 hereby transferred \$350,000,000 in fiscal year 2026-2027 from the Insurance Regulatory
 5 Trust Fund in the Department of Insurance to the Kentucky Public Pensions Authority.

6 **8. CLAIMS AND APPEALS**

	2026-27	2027-28
7		
8 General Fund	2,124,900	2,083,300
9 Restricted Funds	1,279,800	1,274,400
10 Federal Funds	771,900	773,500
11 TOTAL	4,176,600	4,131,200

12 **(1) Administrative Expenses and Claims:** Notwithstanding KRS 304.2-400(2),
 13 excess Restricted Funds from the Department of Insurance shall be transferred to the
 14 Crime Victims' Compensation Fund and made available to support administrative
 15 expenses and claims.

16 **(2) Victims of Crime:** Included in the above appropriations is sufficient funding
 17 to implement the provisions of 2024 Ky. Acts ch. 67.

18 **TOTAL - PUBLIC PROTECTION CABINET**

	2026-27	2027-28
19		
20 General Fund	2,376,000	5,365,300
21 Restricted Funds	97,113,200	92,668,000
22 Federal Funds	1,991,300	1,992,900
23 TOTAL	101,480,500	100,026,200

24 **M. TOURISM, ARTS AND HERITAGE CABINET**

25 **Budget Units**

26 **1. SECRETARY**

	2026-27	2027-28
27		

1	General Fund	3,427,400	3,655,500
2	Restricted Funds	20,616,900	19,574,400
3	TOTAL	24,044,300	23,229,900

4 **(1) Kentucky Mountain Regional Recreation Authority:** Restricted Funds in
5 the amount of \$1,500,000 in each fiscal year shall be transferred to the Department for
6 Local Government from taxes collected pursuant to KRS 142.400(2) to support the
7 Kentucky Mountain Regional Recreation Authority.

8 **2. ARTISANS CENTER**

9		2026-27	2027-28
10	General Fund	1,227,100	1,233,400
11	Restricted Funds	1,242,100	1,217,000
12	TOTAL	2,469,200	2,450,400

13 **(1) Feasibility Study:** The cabinet shall coordinate with the Transportation
14 Cabinet to conduct a feasibility study on the Kentucky Artisan Center’s sustainability and
15 its potential acquisition by Berea College and the City of Berea and provide a report
16 regarding its findings to the Interim Joint Committee on Appropriations and Revenue by
17 July 1, 2027.

18 **3. TOURISM**

19		2026-27	2027-28
20	General Fund	3,461,300	3,431,100
21	Restricted Funds	72,700	72,700
22	TOTAL	3,534,000	3,503,800

23 **4. PARKS**

24		2026-27	2027-28
25	General Fund	64,177,700	61,215,200
26	Restricted Funds	48,157,300	50,688,200
27	TOTAL	112,335,000	111,903,400

1 **(1) Park Capital Maintenance and Renovation Fund:** Notwithstanding KRS
 2 148.810, no transfer to the Park Capital Maintenance and Renovation Fund shall be
 3 made.

4 **(2) Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in
 5 the above Restricted Funds appropriation is \$4,653 in fiscal year 2026-2027 and \$4,746
 6 in fiscal year 2027-2028 for each participant for training incentive payments.

7 **(3) Parks Capital Project Tracking Plan and Report:** The Department of Parks
 8 shall establish a project tracking plan and prepare a report on capital projects authorized
 9 in 2024 Ky. Acts ch. 175, Part II, K., 2., including but not limited to the projects funded,
 10 the current status of each project and projected completion date, the amount expended on
 11 each project, and filled positions associated with the projects. The Department of Parks
 12 shall submit this report on a quarterly basis beginning August 1, 2024, to the Interim
 13 Joint Budget Review Subcommittee on Economic Development, Tourism, and
 14 Environmental Protection.

15 **5. HORSE PARK COMMISSION**

	2026-27	2027-28
17 General Fund	1,701,300	1,666,900
18 Restricted Funds	12,801,700	12,964,300
19 TOTAL	14,503,000	14,631,200

20 **(1) Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in
 21 the above Restricted Funds appropriation is \$4,653 in fiscal year 2026-2027 and \$4,746
 22 in fiscal year 2027-2028 for each participant for training incentive payments.

23 **6. STATE FAIR BOARD**

	2026-27	2027-28
25 General Fund	6,761,700	6,856,800
26 Restricted Funds	58,050,000	60,317,600
27 TOTAL	64,811,700	67,174,400

1 **(1) State Fair Board Property Improvements:** Notwithstanding any statute to
 2 the contrary, the State Fair Board shall give preference to Kentucky businesses to make
 3 improvements to State Fair Board properties for hotel development. The Board shall
 4 recommend the participation of Kentucky-based businesses and shall also recommend the
 5 participation of other Kentucky-based businesses offering solutions to accomplish the
 6 goal of improving hotel development. For the purposes of this subsection, "Kentucky-
 7 based business" means a business that has employees working in Kentucky and that
 8 operates a principal executive office in Kentucky from which those employees, other
 9 offices, and affiliated entities are directed and controlled.

10 **(2) Public-Private Partnerships:** Notwithstanding KRS 45A.077(8) and Part II,
 11 (8) of this Act, the utilization of the public-private partnership delivery method for State
 12 Fair Board projects of at least \$25,000,000 does not need to be explicitly authorized by
 13 the General Assembly.

14 **(3) Kentucky Exposition Center Facility Expansion & Staffing:** Included in
 15 the above Restricted Funds appropriations is \$1,720,600 in fiscal year 2026-2027 and
 16 \$3,740,100 in 2027-2028 to support the Kentucky Exposition Center facility expansion
 17 and staffing.

18 **(4) Rental Services and Increased Contract Costs:** Included in the above
 19 Restricted Funds appropriations is \$950,500 in each fiscal year to support rental services
 20 and increased contract costs.

21 **7. FISH AND WILDLIFE RESOURCES**

	2026-27	2027-28
23 Restricted Funds	57,212,300	56,566,200
24 Federal Funds	27,415,400	27,769,800
25 TOTAL	84,627,700	84,336,000

26 **(1) Fish and Wildlife Resources Peace Officers' Stipend:** Notwithstanding
 27 KRS 15.460(1), included in the above Restricted Funds appropriation is \$4,653 in fiscal

1 year 2026-2027 and \$4,746 in fiscal year 2027-2028 for each participant for training
 2 incentive payments.

3 **(2) Fees-in-Lieu-of Stream Mitigation Reporting:** The Department of Fish and
 4 Wildlife Resources shall develop a report of all projects managed by the Fees-in-Lieu-of
 5 Stream Mitigation Program. The Department shall present this report to the Interim Joint
 6 Committee on Tourism, Small Business, and Information Technology by August 1 of
 7 each fiscal year.

8 **8. HISTORICAL SOCIETY**

	2026-27	2027-28
9		
10	General Fund	7,752,700
		7,826,500
11	Restricted Funds	464,600
		363,400
12	Federal Funds	122,000
		122,000
13	TOTAL	8,339,300
		8,311,900

14 **9. ARTS COUNCIL**

	2026-27	2027-28
15		
16	General Fund	1,776,000
		1,747,000
17	Restricted Funds	76,400
		68,200
18	Federal Funds	827,800
		834,800
19	TOTAL	2,680,200
		2,650,000

20 **10. HERITAGE COUNCIL**

	2026-27	2027-28
21		
22	General Fund	1,747,500
		1,737,000
23	Restricted Funds	697,200
		660,200
24	Federal Funds	1,054,700
		1,070,400
25	TOTAL	3,499,400
		3,467,600

26 **(1) American Battlefield Trust:** Notwithstanding KRS 45.229, any unexpended
 27 balance from the appropriation set forth in 2022 Ky. Acts ch. 199, Part I, L., 10., (2),

1 shall not lapse and shall carry forward.

2 **11. KENTUCKY CENTER FOR THE ARTS**

	2026-27	2027-28
4 General Fund	622,500	622,500

5 **(1) Governor's School for the Arts:** Included in the above General Fund
 6 appropriation is \$622,500 in each fiscal year to support the Governor's School for the
 7 Arts.

8 **TOTAL - TOURISM, ARTS AND HERITAGE CABINET**

	2026-27	2027-28
10 General Fund	92,655,200	89,991,900
11 Restricted Funds	199,391,200	202,492,200
12 Federal Funds	29,419,900	29,797,000
13 TOTAL	321,466,300	322,281,100

14 **N. BUDGET RESERVE TRUST FUND**

15 **Budget Unit**

16 **1. BUDGET RESERVE TRUST FUND**

	2026-27	2027-28
18 General Fund	55,857,400	-0-

19 **PART II**

20 **CAPITAL PROJECTS BUDGET**

21 **(1) Capital Construction Fund Appropriations and Reauthorizations:**

22 Moneys in the Capital Construction Fund are appropriated for the following capital
 23 projects subject to the conditions and procedures in this Act. Items listed without
 24 appropriated amounts are previously authorized for which no additional amount is
 25 required. These items are listed in order to continue their current authorization into the
 26 2026-2028 fiscal biennium. Unless otherwise specified, reauthorized projects shall
 27 conform to the original authorization enacted by the General Assembly.

1 **(2) Expiration of Existing Line-Item Capital Construction Projects:** All
2 appropriations to existing line-item capital construction and information technology
3 projects expire on June 30, 2026, unless specifically reauthorized in this Act with the
4 following exceptions:

5 (a) A construction or purchase contract for the project shall have been awarded
6 by June 30, 2026;

7 (b) Permanent financing or a short-term line of credit sufficient to cover the total
8 authorized project scope shall have been obtained in the case of projects authorized for
9 bonds, if the authorized project completes an initial draw on the line of credit within the
10 fiscal biennium immediately subsequent to the original authorization; and

11 (c) Grant or loan agreements, if applicable, shall have been finalized and properly
12 signed by all necessary parties by June 30, 2026.

13 Notwithstanding the criteria set forth in this subsection and KRS 45.229 and
14 45.770(5)(d), funds appropriated to 2022-2024 and 2024-2026 fiscal biennia maintenance
15 pools shall not lapse and shall carry forward.

16 **(3) Bond Proceeds Investment Income:** Investment income earned from bond
17 proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage
18 rebates and penalties and excess bond proceeds upon the completion of a bond-financed
19 capital project shall be used to pay debt service according to the Internal Revenue Service
20 Code and accompanying regulations.

21 **(4) Appropriations for Projects Not Line-Itemized:** Inasmuch as the
22 identification of specific projects in a variety of areas of the state government cannot be
23 ascertained with absolute certainty at this time, amounts are appropriated for specific
24 purposes to projects which are not individually identified in this Act in the following
25 areas: Kentucky Infrastructure Authority Water and Sewer projects; Flood Control
26 projects; Repair of State-Owned Dams; Guaranteed Energy Savings Performance
27 Contract projects; Wetland and Stream Mitigation projects; maintenance pools;

1 Economic Development projects, which shall include authorization for the High-Tech
 2 Construction Pool and the High-Tech Investment Pool; and Postsecondary Education
 3 pools. Notwithstanding any statute to the contrary, projects estimated to cost \$1,000,000
 4 and over and equipment estimated to cost \$200,000 and over shall be reported to the
 5 Capital Projects and Bond Oversight Committee.

6 **(5) Capital Construction and Equipment Purchase Contingency Account:** If
 7 funds in the Capital Construction and Equipment Purchase Contingency Account are not
 8 sufficient, then expenditures of the fund are to be paid first from the General Fund
 9 Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund
 10 Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

11 **(6) Emergency Repair, Maintenance, and Replacement Account:** If funds in
 12 the Emergency Repair, Maintenance, and Replacement Account are not sufficient, then
 13 up to \$2,500,000 of expenditures are to be paid first from the General Fund Surplus
 14 Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account
 15 (KRS 48.705), subject to the conditions and procedures provided in this Act.

16 **(7) Appropriation-Supported Debt:** To lower the cost of borrowing, the
 17 agencies identified in KRS 45A.850(1)(a) and (2)(a) are authorized to refinance
 18 appropriation-supported debt obligations that have previously been issued and for which
 19 the Commonwealth is currently making lease-rental payments to meet the current debt
 20 service requirements. Such action is authorized provided that the principal amount of any
 21 such debt obligation is not increased and the term of the debt obligation is not extended.
 22 Any such refinancing shall still be subject to the requirements of KRS 45.750 to 45.810
 23 for reporting to the Capital Projects and Bond Oversight Committee.

24 **(8) Public-Private Partnerships:** Notwithstanding KRS 45.763(3) and
 25 45A.077(8), the utilization of the public-private partnership delivery method for projects
 26 of at least \$1,000,000 shall be authorized by the General Assembly.

27 **A. GENERAL GOVERNMENT**

1	Budget Units	2026-27	2027-28
2	1. VETERANS' AFFAIRS		
3	001. Radcliff Veterans Center HVAC System Replacement Additional		
4	Bond Funds	16,000,000	-0-
5	002. Maintenance Pool - 2026-2028		
6	Investment Income	1,000,000	1,000,000
7	003. Expand Columbarium Wall - Kentucky Veterans Cemetery Northeast		
8	Federal Funds	-0-	2,000,000
9	2. KENTUCKY INFRASTRUCTURE AUTHORITY		
10	001. KIA Fund A - Federally Assisted Wastewater Program		
11	Federal Funds	75,502,000	20,223,000
12	Bond Funds	14,560,000	4,045,000
13	Agency Bonds	30,000,000	-0-
14	TOTAL	120,062,000	24,268,000
15	002. KIA Fund F - Drinking Water Revolving Loan Program		
16	Federal Funds	109,906,000	18,294,000
17	Bond Funds	13,124,000	3,659,000
18	Agency Bonds	30,000,000	-0-
19	TOTAL	153,030,000	21,953,000
20	3. MILITARY AFFAIRS		
21	001. Armory Installation Facility Maintenance Pool - 2026-2028		
22	Investment Income	4,000,000	4,000,000
23	002. Kentucky Youth Challenge Academies Maintenance Pool - 2026-2028		
24	Investment Income	1,000,000	1,000,000
25	003. Bluegrass Station Facility Maintenance Pool - 2026-2028		
26	Restricted Funds	1,000,000	1,000,000
27	004. Construct Wendell H. Ford Regional Training Center Unaccompanied		

1	Housing Advanced Skills Training		
2	Federal Funds	21,000,000	-0-
3	005. Construct Multi-Purpose Building Bluegrass Station		
4	Other Funds	15,000,000	-0-
5	006. Construct Civil Support Team Facility Additional Reauthorization		
6	(\$13,200,000 Federal Funds)		
7	Federal Funds	11,400,000	-0-
8	007. Construct New Barracks at Wendell H. Ford Regional Training Center		
9	Federal Funds	8,000,000	-0-
10	008. Construct Readiness Center Somerset Additional Reauthorization		
11	(\$24,750,000 Federal Funds, \$8,259,000 Bond Funds)		
12	Federal Funds	-0-	4,898,000
13	Investment Income	-0-	1,633,000
14	TOTAL	-0-	6,531,000
15	009. Construct Jackson Field Maintenance Shop Additional Reauthorization		
16	(\$15,000,000 Federal Funds)		
17	Federal Funds	5,000,000	-0-
18	010. Ashland Armory Restoration Phase 1		
19	Federal Funds	2,000,000	-0-
20	Bond Funds	2,000,000	-0-
21	TOTAL	4,000,000	-0-
22	011. Construct Armory 4 Frankfort Additional Reauthorization (\$3,000,000		
23	Federal Funds, \$1,000,000 Bond Funds)		
24	Federal Funds	2,000,000	-0-
25	Bond Funds	2,000,000	-0-
26	TOTAL	4,000,000	-0-
27	012. Demolish Bluegrass Station Boiler Plant		

1	Restricted Funds	4,000,000	-0-
2	013. Construct and Extend Electric Bluegrass Station		
3	Restricted Funds	3,500,000	-0-
4	014. Construct Fitness Center Facility Wendell H. Ford Regional Training Center		
5	Additional Reauthorization (\$5,000,000 Federal Funds)		
6	Federal Funds	3,000,000	-0-
7	015. Kentucky Army National Guard Training Site Master Plan		
8	Federal Funds	2,000,000	-0-
9	016. Construct Road Improvements Bluegrass Station		
10	Restricted Funds	1,500,000	-0-
11	017. Construct New Barracks at Harold L. Disney Training Site Additional		
12	Reauthorization (\$3,000,000 Federal Funds)		
13	Federal Funds	1,000,000	-0-
14	018. Construct Harold L. Disney Training Site Drainage Improvements		
15	Reauthorization (\$2,000,000 Federal Funds)		
16	Federal Funds	2,000,000	-0-
17	019. Construct Improve Sewer System Bluegrass Station Reauthorization		
18	(\$5,000,000 Restricted Funds)		
19	020. Extension of Utilities Wendell H. Ford Regional Training Center		
20	Reauthorization (\$2,000,000 Federal Funds)		
21	021. Construct Support Building Wendell H. Ford Regional Training Center		
22	Reauthorization (\$3,000,000 Federal Funds)		
23	4. DEPARTMENT FOR LOCAL GOVERNMENT		
24	001. Flood Control Local Match		
25	Investment Income	6,000,000	-0-
26	5. ATTORNEY GENERAL		
27	001. Franklin County - Lease		

1	002. Upgrade Technology Additional Reauthorization (\$2,000,000 Bond Funds)		
2	Investment Income	600,000	-0-
3	6. COMMONWEALTH'S ATTORNEYS		
4	001. Jefferson County - Lease		
5	7. TREASURY		
6	001. Replace HVAC Leibert Units		
7	Investment Income	354,000	-0-
8	002. Xerox Check Printer - Secondary		
9	Investment Income	66,000	-0-
10	8. AGRICULTURE		
11	001. Large Capacity Scale Trucks		
12	Restricted Funds	800,000	-0-
13	002. Franklin County - Lease		
14	9. KENTUCKY PUBLIC PENSIONS AUTHORITY		
15	001. Pension Administration System Technology Modernization - Planning - Phase		
16	I		
17	Restricted Funds	-0-	15,000,000
18	10. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS		
19	a. Nursing		
20	001. Jefferson County - Lease		
21	11. KENTUCKY RIVER AUTHORITY		
22	001. Renovate Lock 5		
23	Restricted Funds	-0-	4,200,000
24	002. Maintenance Pool - 2026-2028		
25	Restricted Funds	2,000,000	2,000,000
26	003. Locks 2 and 3 Upper Guide Wall Repair Reauthorization (\$4,131,000		
27	Restricted Funds)		

1	Bond Funds	5,000,000	5,000,000
2	002. High-Tech Construction/Investment Pool - 2026-2028		
3	Bond Funds	5,000,000	5,000,000
4	003. Kentucky Economic Development Finance Authority Loan Pool - 2026-2028		
5	Bond Funds	5,000,000	5,000,000

C. DEPARTMENT OF EDUCATION

7	Budget Unit	2026-27	2027-28
8	1. OPERATIONS AND SUPPORT SERVICES		
9	001. Maintenance Pool - 2026-2028		
10	Investment Income	2,000,000	1,100,000

D. EDUCATION AND LABOR CABINET

12	Budget Units	2026-27	2027-28
13	1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT		
14	001. Maintenance Pool - 2026-2028		
15	Investment Income	2,000,000	2,000,000
16	2. KENTUCKY EDUCATIONAL TELEVISION		
17	001. Maintenance Pool - 2026-2028		
18	Investment Income	750,000	750,000
19	002. KET Capitol Production Center Maintenance Pool - 2026-2028		
20	Investment Income	500,000	500,000
21	3. LIBRARIES AND ARCHIVES		
22	a. General Operations		
23	001. Franklin County - Lease		
24	4. WORKFORCE DEVELOPMENT		
25	001. Maintenance Pool - 2026-2028		
26	Investment Income	700,000	700,000
27	002. Hardin County - Lease		

1 **003.** Kenton County - Lease

2 **5. DISABILITY DETERMINATIONS**

3 **001.** Franklin County - Lease

4 **E. ENERGY AND ENVIRONMENT CABINET**

5 Budget Units	2026-27	2027-28
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6 **1. SECRETARY**

7 **001.** Maintenance Pool - 2026-2028

8 Investment Income	500,000	500,000
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9 **2. ENVIRONMENTAL PROTECTION**

10 **001.** State-Owned Dam Repair - 2026-2028

11 Bond Funds	21,060,000	-0-
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12 **002.** State Superfund Sites - 2026-2028

13 Investment Income	1,000,000	1,000,000
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14 **3. NATURAL RESOURCES**

15 **001.** Replace Unsafe Fire Equipment

16 Restricted Funds	1,556,000	-0-
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17 **F. FINANCE AND ADMINISTRATION CABINET**

18 Budget Units	2026-27	2027-28
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19 **1. CONTROLLER**

20 **001.** Upgrade & Enhancement eMARS Systems Additional

21 Bond Funds	3,765,000	-0-
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22 **2. FACILITIES AND SUPPORT SERVICES**

23 **001.** Maintenance Pool - 2026-2028

24 Investment Income	7,500,000	7,500,000
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25 **002.** Renovate Cabinet for Human Resources Phase 2

26 Investment Income	8,000,000	-0-
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27 **003.** Deferred Maintenance Historic Properties

1	Investment Income	3,000,000	-0-
2	004. Asphalt Pool		
3	Investment Income	1,500,000	-0-
4	005. Roof Pool		
5	Investment Income	2,000,000	-0-
6	3. COMMONWEALTH OFFICE OF TECHNOLOGY		
7	001. Kentucky from Above		
8	Investment Income	1,000,000	1,000,000
9	002. Enterprise Application and AI Inventory System		
10	Investment Income	4,000,000	2,000,000
11	G. HEALTH AND FAMILY SERVICES CABINET		
12	Budget Units	2026-27	2027-28
13	1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT		
14	001. Maintenance Pool - 2026-2028		
15	Investment Income	10,700,000	10,700,000
16	2. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL		
17	DISABILITIES		
18	001. Oakwood Renovate/Replace Cottages Phase IV		
19	Investment Income	12,616,000	-0-
20	002. Western State Nursing Facility Renovations II		
21	Investment Income	6,621,000	-0-
22	003. Hazelwood Upgrade Elevators		
23	Investment Income	2,880,000	-0-
24	004. Western State Hospital Repair/Replace Cooling Towers		
25	Investment Income	1,920,000	-0-
26	3. PUBLIC HEALTH		
27	001. Jefferson County - Lease		

1 **4. COMMUNITY BASED SERVICES**

- 2 **001.** Kenton County - Lease
- 3 **002.** Fayette County - Lease
- 4 **003.** Warren County - Lease
- 5 **004.** Daviess County - Lease
- 6 **005.** Perry County - Lease
- 7 **006.** Boone County - Lease
- 8 **007.** Hardin County - Lease
- 9 **008.** Boyd County - Lease
- 10 **009.** Campbell County - Lease
- 11 **010.** Johnson County - Lease
- 12 **011.** Floyd County - Lease
- 13 **012.** Shelby County - Lease
- 14 **013.** Greenup County - Lease
- 15 **014.** Muhlenberg County - Lease
- 16 **015.** Madison County - Lease
- 17 **016.** Marshall County - Lease
- 18 **017.** Harlan County - Lease
- 19 **018.** Pulaski County - Lease
- 20 **019.** Jefferson County - Lease

21 **H. JUSTICE AND PUBLIC SAFETY CABINET**

22 Budget Units	2026-27	2027-28
23 1. JUSTICE ADMINISTRATION		
24 001. Northern Kentucky Medical Examiners Office - Lease		
25 2. CRIMINAL JUSTICE TRAINING		
26 001. Maintenance Pool - 2026-2028		
27 Restricted Funds	4,500,000	4,500,000

1	001.	Jefferson County - Lease			
2	2.	EASTERN KENTUCKY UNIVERSITY			
3	001.	Asset Preservation Pool - 2026-2028			
4		Bond Funds	-0-	10,000,000	8,189,000
5	002.	Construct Health Innovations Center			
6		Agency Bonds	-0-	330,000,000	-0-
7	003.	Construct University Hotel and Conference Center			
8		Other Funds	-0-	130,000,000	-0-
9	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.			
10	004.	IT Hardware Software Networking Systems Pool			
11		Restricted Funds	-0-	24,000,000	-0-
12	005.	Maintenance Pool - 2026-2028			
13		Restricted Funds	-0-	20,000,000	-0-
14	006.	Aviation Acquisition Pool - 2026-2028			
15		Restricted Funds	-0-	5,000,000	-0-
16		Bond Funds	-0-	10,000,000	-0-
17		TOTAL	-0-	15,000,000	-0-
18	007.	Property Acquisitions Pool			
19		Restricted Funds	-0-	5,000,000	-0-
20		Other Funds	-0-	5,000,000	-0-
21		TOTAL	-0-	10,000,000	-0-
22	008.	Upgrade and Improve Residence Halls Pool			
23		Restricted Funds	-0-	10,000,000	-0-
24	009.	Scientific and Research Equipment Pool			
25		Restricted Funds	-0-	4,000,000	-0-
26		Federal Funds	-0-	2,200,000	-0-
27		Other Funds	-0-	2,200,000	-0-

1	TOTAL	-0-	8,400,000	-0-
2	010. Repurpose and Renovate Commonwealth Hall			
3	Restricted Funds	-0-	6,000,000	-0-
4	011. Natural Area Improvement Pool			
5	Restricted Funds	-0-	1,000,000	-0-
6	012. Improve Campus Pedestrian, Parking and Transportation Pool Additional			
7	Reauthorization (\$8,000,000 Agency Bonds, \$3,000,000 Restricted Funds, \$3,000,000			
8	Other Funds)			
9	013. Athletics Capital Improvements Pool Reauthorization (\$25,000,000 Agency			
10	Bonds, \$25,000,000 Restricted Funds, \$25,000,000 Other Funds)			
11	014. Maintain/Expand Begley Building Reauthorization (\$40,000,000 Agency			
12	Bonds)			
13	015. Asset Preservation Pool - 2022-2024 Reauthorization (\$8,222,000 Restricted			
14	Funds)			
15	016. Lease - Madison County - Student Housing			
16	017. Lease - Madison County - Land			
17	018. Lease - Multi-Property-Multi-Use 1			
18	019. Lease - Multi-Property-Multi-Use 2			
19	020. Lease - New Housing Space			
20	021. Lease - Aviation			
21	022. Guaranteed Energy Savings Performance Contracts			
22	3. KENTUCKY STATE UNIVERSITY			
23	001. Asset Preservation Pool - 2026-2028			
24	Bond Funds	-0-	10,000,000	2,360,000
25	002. Construct Health Sciences Center			
26	Federal Funds	-0-	4,000,000	-0-
27	Agency Bonds	-0-	50,000,000	-0-

1	TOTAL	-0-	54,000,000	-0-
2	003. Acquire Land			
3	Restricted Funds	-0-	1,500,000	-0-
4	Federal Funds	-0-	3,500,000	-0-
5	TOTAL	-0-	5,000,000	-0-
6	004. Asset Preservation Pool - 2022-2024 Reauthorization (\$2,412,000 Restricted			
7	Funds)			
8	4. MOREHEAD STATE UNIVERSITY			
9	001. Asset Preservation Pool - 2026-2028			
10	Bond Funds	-0-	10,000,000	5,065,000
11	002. Construct New Applied Science Building			
12	Agency Bonds	-0-	79,400,000	-0-
13	003. Construct New Residence Hall #3			
14	Bond Funds	-0-	10,000,000	-0-
15	Agency Bonds	-0-	10,000,000	-0-
16	TOTAL	-0-	20,000,000	-0-
17	004. Construct New Residence Hall #2 Reauthorization (\$40,350,000 Agency			
18	Bonds)			
19	005. Guaranteed Energy Savings Performance Contracts			
20	5. MURRAY STATE UNIVERSITY			
21	001. Asset Preservation Pool - 2026-2028			
22	Bond Funds	-0-	10,000,000	7,073,000
23	002. Construct Emergency Veterinary and Teaching Clinic			
24	Agency Bonds	-0-	48,500,000	-0-
25	003. Construct/Renovate Dining Facility Additional Reauthorization (\$30,000,000			
26	Restricted Funds)			
27	Restricted Funds	-0-	5,000,000	-0-

1	004. Construct Emergency Generator Docking Station(s) for Residence Halls			
2	Restricted Funds	-0-	2,000,000	-0-
3	005. Replace Wilson Hall Roof			
4	Restricted Funds	-0-	1,100,000	-0-
5	006. Replace Alexander Hall Addition Roof			
6	Restricted Funds	-0-	1,100,000	-0-
7	007. Replace Racer Arena Roof			
8	Restricted Funds	-0-	1,100,000	-0-
9	008. Replace College Courts Apartments Additional Reauthorization (\$15,000,000			
10	Agency Bonds)			
11	009. Athletic Facilities Improvements Pool Reauthorization (\$20,000,000			
12	Restricted Funds, \$20,000,000 Agency Bonds)			
13	010. Asset Preservation Pool - Residence Halls Reauthorization (\$6,000,000			
14	Agency Bonds)			
15	011. Acquire Agriculture Research Farm Land Reauthorization (\$1,254,000			
16	Restricted Funds)			
17	012. Renovate Residence Hall Interior Reauthorization (\$1,674,000 Agency			
18	Bonds)			
19	013. Renovate Residence Hall Electrical System Reauthorization (\$4,369,000			
20	Agency Bonds)			
21	014. Acquire Property Reauthorization (\$4,180,000 Restricted Funds)			
22	015. Replace Residence Hall Domestic Water Piping Reauthorization (\$1,195,000			
23	Agency Bonds)			
24	016. Renovate Residence Hall HVAC System Reauthorization (\$1,661,000			
25	Agency Bonds)			
26	017. Guaranteed Energy Savings Performance Contracts			
27	6. NORTHERN KENTUCKY UNIVERSITY			

1	001. Asset Preservation Pool - 2026-2028			
2	Bond Funds	-0-	10,000,000	6,951,000
3	002. US 27 Mixed Use Development			
4	Other Funds	-0-	200,000,000	-0-
5	(1) Authorization: The above authorization is approved pursuant to KRS			
6	45A.077.			
7	003. Renovate Business Academic Center			
8	Agency Bonds	-0-	150,000,000	-0-
9	Other Funds	-0-	5,000,000	-0-
10	TOTAL	-0-	155,000,000	-0-
11	004. Construct Sports Complex			
12	Other Funds	-0-	98,500,000	-0-
13	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
14	005. Expand Multi-Purpose Events Center			
15	Other Funds	-0-	32,000,000	-0-
16	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
17	006. Enhance Online Programs Additional			
18	Restricted Funds	-0-	9,500,000	-0-
19	007. Upgrade IT Infrastructure Pool - 2026-2028			
20	Restricted Funds	-0-	2,950,000	-0-
21	008. Replace Recreation Field Turf			
22	Restricted Funds	-0-	2,000,000	-0-
23	009. Acquire Land/Master Plan 2010-2012 Reauthorization (\$17,500,000 Agency			
24	Bonds, \$4,000,000 Restricted Funds, \$4,000,000 Other Funds)			
25	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
26	010. Expand/Renovate Soccer Complex Reauthorization (\$16,000,000 Agency			
27	Bonds, \$36,000,000 Other Funds)			

1	002. Construct/Improve Medical/Administrative Facility 3 Phase 2			
2	Restricted Funds	-0-	2,000,000,000	-0-
3	003. Construct/Improve Hamburg Medical Park			
4	Restricted Funds	-0-	300,000,000	-0-
5	Other Funds	-0-	500,000,000	-0-
6	TOTAL	-0-	800,000,000	-0-
7	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
8	004. Acquire/Improve Medical/Administrative Facility 2			
9	Restricted Funds	-0-	400,000,000	-0-
10	Other Funds	-0-	400,000,000	-0-
11	TOTAL	-0-	800,000,000	-0-
12	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
13	005. Construct/Improve Arts and Innovation Complex			
14	Restricted Funds	-0-	200,000,000	-0-
15	Agency Bonds	-0-	175,000,000	-0-
16	Other Funds	-0-	400,000,000	-0-
17	TOTAL	-0-	775,000,000	-0-
18	(1) Authorization: The above authorization is approved pursuant to KRS 45.763			
19	and 45A.077.			
20	006. Construct Fan Experience Districts			
21	Restricted Funds	-0-	75,000,000	-0-
22	Other Funds	-0-	625,000,000	-0-
23	TOTAL	-0-	700,000,000	-0-
24	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
25	007. Construct/Improve Medical/Administrative Facility 8			
26	Restricted Funds	-0-	200,000,000	-0-
27	Other Funds	-0-	400,000,000	-0-

1	TOTAL	-0-	600,000,000	-0-
2	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
3	008. Construct/Improve Medical/Administrative Facility 7			
4	Restricted Funds	-0-	300,000,000	-0-
5	Other Funds	-0-	300,000,000	-0-
6	TOTAL	-0-	600,000,000	-0-
7	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
8	009. Construct Multi-Use Complex 1			
9	Restricted Funds	-0-	50,000,000	-0-
10	Other Funds	-0-	500,000,000	-0-
11	TOTAL	-0-	550,000,000	-0-
12	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
13	010. Construct/Improve Medical/Administrative Facility 6			
14	Other Funds	-0-	500,000,000	-0-
15	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
16	011. Construct/Improve Medical/Administrative Facility 5			
17	Restricted Funds	-0-	500,000,000	-0-
18	012. Construct/Improve Medical/Administrative Facility 4			
19	Restricted Funds	-0-	500,000,000	-0-
20	013. Acquire/Partnership Medical System 2			
21	Restricted Funds	-0-	500,000,000	-0-
22	014. Acquire/Improve Medical/Administrative Facility 4			
23	Restricted Funds	-0-	500,000,000	-0-
24	015. Improve Central Plants/Utilities Infrastructure - Phase 2			
25	Restricted Funds	-0-	100,000,000	-0-
26	Other Funds	-0-	400,000,000	-0-
27	TOTAL	-0-	500,000,000	-0-

1 **(1) Authorization:** The above authorization is approved pursuant to KRS 45.763.

2 **016.** Construct/Improve Student Housing

3	Restricted Funds	-0-	75,000,000	-0-
4	Other Funds	-0-	400,000,000	-0-
5	TOTAL	-0-	475,000,000	-0-

6 **(1) Authorization:** The above authorization is approved pursuant to KRS 45.763.

7 **017.** Construct/Improve Utilities Infrastructure Hamburg

8	Restricted Funds	-0-	200,000,000	-0-
9	Other Funds	-0-	200,000,000	-0-
10	TOTAL	-0-	400,000,000	-0-

11 **(1) Authorization:** The above authorization is approved pursuant to KRS 45.763.

12 **018.** Construct/Improve Utilities Infrastructure UK HealthCare

13	Restricted Funds	-0-	200,000,000	-0-
14	Other Funds	-0-	200,000,000	-0-
15	TOTAL	-0-	400,000,000	-0-

16 **(1) Authorization:** The above authorization is approved pursuant to KRS 45.763.

17 **019.** Construct/Improve Medical/Administrative Facility 2

18	Restricted Funds	-0-	200,000,000	-0-
19	Other Funds	-0-	200,000,000	-0-
20	TOTAL	-0-	400,000,000	-0-

21 **(1) Authorization:** The above authorization is approved pursuant to KRS 45.763.

22 **020.** Improve UK HealthCare IT Systems II

23	Restricted Funds	-0-	400,000,000	-0-
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24 **021.** Acquire/Partnership Medical System 1

25	Restricted Funds	-0-	350,000,000	-0-
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26 **022.** Construct Research Facility

27	Restricted Funds	-0-	50,000,000	-0-
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1	Federal Funds	-0-	65,000,000	-0-
2	Bond Funds	-0-	200,000,000	-0-
3	TOTAL	-0-	315,000,000	-0-
4	023. Construct/Improve Medical/Administrative Facility 10			
5	Restricted Funds	-0-	150,000,000	-0-
6	Other Funds	-0-	150,000,000	-0-
7	TOTAL	-0-	300,000,000	-0-
8	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
9	024. Acquire/Improve Medical/Administrative Facility 1			
10	Restricted Funds	-0-	300,000,000	-0-
11	025. Improve Campus Parking and Transportation System			
12	Restricted Funds	-0-	50,000,000	-0-
13	Other Funds	-0-	250,000,000	-0-
14	TOTAL	-0-	300,000,000	-0-
15	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
16	026. Construct/Improve Dining Facilities			
17	Restricted Funds	-0-	150,000,000	-0-
18	Other Funds	-0-	150,000,000	-0-
19	TOTAL	-0-	300,000,000	-0-
20	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
21	027. Improve UK HealthCare Facilities - UK Chandler Hospital			
22	Restricted Funds	-0-	250,000,000	-0-
23	028. Construct/Improve Parking Facility 1			
24	Restricted Funds	-0-	125,000,000	-0-
25	Other Funds	-0-	125,000,000	-0-
26	TOTAL	-0-	250,000,000	-0-
27	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			

1	029. Construct/Improve Academic/Research Facility 2			
2	Restricted Funds	-0-	250,000,000	-0-
3	030. Construct/Improve Academic/Research Facility 1			
4	Restricted Funds	-0-	250,000,000	-0-
5	031. Construct/Improve Research/Data Center			
6	Other Funds	-0-	200,000,000	-0-
7	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
8	032. Expand UK HealthCare IT Systems			
9	Restricted Funds	-0-	200,000,000	-0-
10	033. Improve Utilities Infrastructure UK St. Claire			
11	Restricted Funds	-0-	100,000,000	-0-
12	Other Funds	-0-	100,000,000	-0-
13	TOTAL	-0-	200,000,000	-0-
14	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
15	034. Improve Parking/Transportation Systems UK St. Claire			
16	Restricted Funds	-0-	100,000,000	-0-
17	Other Funds	-0-	100,000,000	-0-
18	TOTAL	-0-	200,000,000	-0-
19	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
20	035. Construct/Improve Medical/Administrative Facility 9			
21	Restricted Funds	-0-	100,000,000	-0-
22	Other Funds	-0-	100,000,000	-0-
23	TOTAL	-0-	200,000,000	-0-
24	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
25	036. Construct/Improve Parking/Transportation System Hamburg			
26	Other Funds	-0-	200,000,000	-0-
27	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			

1	037. Improve Utilities Infrastructure UK King's Daughters			
2	Restricted Funds	-0-	100,000,000	-0-
3	Other Funds	-0-	100,000,000	-0-
4	TOTAL	-0-	200,000,000	-0-
5	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
6	038. Improve UK King's Daughters Medical Campus			
7	Restricted Funds	-0-	200,000,000	-0-
8	039. Improve Parking/Transportation Systems UK HealthCare			
9	Other Funds	-0-	200,000,000	-0-
10	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
11	040. Implement Land Use Plan 1			
12	Restricted Funds	-0-	200,000,000	-0-
13	041. Construct Recreation/Wellness Center			
14	Restricted Funds	-0-	100,000,000	-0-
15	Other Funds	-0-	100,000,000	-0-
16	TOTAL	-0-	200,000,000	-0-
17	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
18	042. Construct/Improve Club Area - Kroger Field			
19	Restricted Funds	-0-	100,000,000	-0-
20	Other Funds	-0-	100,000,000	-0-
21	TOTAL	-0-	200,000,000	-0-
22	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
23	043. Construct Digital Village Building 3			
24	Restricted Funds	-0-	95,000,000	-0-
25	Other Funds	-0-	95,000,000	-0-
26	TOTAL	-0-	190,000,000	-0-
27	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			

1	044. Construct/Improve UK St. Claire Main Campus			
2	Restricted Funds	-0-	150,000,000	-0-
3	045. Acquire/Improve Medical/Administrative Facility 5			
4	Restricted Funds	-0-	150,000,000	-0-
5	046. Construct Cancer/Ambulatory Facility Phase 3			
6	Restricted Funds	-0-	150,000,000	-0-
7	047. Implement Land Use Plan 2			
8	Restricted Funds	-0-	150,000,000	-0-
9	048. Acquire E&G Enterprise 2			
10	Restricted Funds	-0-	150,000,000	-0-
11	049. Acquire E&G Enterprise 1			
12	Restricted Funds	-0-	150,000,000	-0-
13	050. Construct Hotel/Conference Center			
14	Other Funds	-0-	150,000,000	-0-
15	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
16	051. Construct/Improve Wildcat Coal Lodge			
17	Restricted Funds	-0-	75,000,000	-0-
18	Other Funds	-0-	75,000,000	-0-
19	TOTAL	-0-	150,000,000	-0-
20	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
21	052. Construct/Improve Academic/Administrative Facility 2			
22	Restricted Funds	-0-	150,000,000	-0-
23	053. Construct/Improve Academic/Administrative Facility 1			
24	Restricted Funds	-0-	150,000,000	-0-
25	054. Construct West End Zone Club Space Additional Reauthorization			
26	(\$50,000,000 Other Funds)			
27	Restricted Funds	-0-	100,000,000	-0-

1	Other Funds	-0-	50,000,000	-0-
2	TOTAL	-0-	150,000,000	-0-
3	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
4	055. Improve Advanced Science and Technology Commercialization Center			
5	Restricted Funds	-0-	130,000,000	-0-
6	056. Construct/Improve Academic/Research Facility 4			
7	Restricted Funds	-0-	130,000,000	-0-
8	057. Improve Singletary Center			
9	Restricted Funds	-0-	130,000,000	-0-
10	058. Construct/Improve Dental Sciences Building			
11	Restricted Funds	-0-	130,000,000	-0-
12	059. Facilities Renewal and Modernization			
13	Restricted Funds	-0-	125,000,000	-0-
14	060. Construct/Improve Academic/Research Facility 3			
15	Restricted Funds	-0-	125,000,000	-0-
16	061. Construct/Improve Parking Facility 2			
17	Other Funds	-0-	125,000,000	-0-
18	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
19	062. Improve Coldstream Research Campus			
20	Restricted Funds	-0-	60,000,000	-0-
21	Other Funds	-0-	60,000,000	-0-
22	TOTAL	-0-	120,000,000	-0-
23	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
24	063. Construct Agriculture Federal Research Facility I			
25	Federal Funds	-0-	108,000,000	-0-
26	064. Improve State Street Medical Facilities			
27	Restricted Funds	-0-	100,000,000	-0-

1	065. Improve Site/Civil Infrastructure UK King's Daughters			
2	Restricted Funds	-0-	100,000,000	-0-
3	066. Improve Building Systems UK King's Daughters			
4	Restricted Funds	-0-	100,000,000	-0-
5	067. Construct/Improve Building Systems Hamburg			
6	Restricted Funds	-0-	100,000,000	-0-
7	068. Acquire/Improve Service Core Systems UK King's Daughters			
8	Restricted Funds	-0-	100,000,000	-0-
9	069. Improve Parking/Transportation Systems UK King's Daughters			
10	Restricted Funds	-0-	100,000,000	-0-
11	070. Improve Clinical/Ambulatory Services Facilities			
12	Restricted Funds	-0-	100,000,000	-0-
13	071. Construct/Improve Recreation Services Space 1			
14	Restricted Funds	-0-	50,000,000	-0-
15	Other Funds	-0-	50,000,000	-0-
16	TOTAL	-0-	100,000,000	-0-
17	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
18	072. Construct/Improve Research Space			
19	Restricted Funds	-0-	100,000,000	-0-
20	073. Construct/Improve Athletics Facility 1			
21	Restricted Funds	-0-	50,000,000	-0-
22	Other Funds	-0-	50,000,000	-0-
23	TOTAL	-0-	100,000,000	-0-
24	074. Improve Student Center Space 2			
25	Restricted Funds	-0-	50,000,000	-0-
26	Other Funds	-0-	50,000,000	-0-
27	TOTAL	-0-	100,000,000	-0-

1	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
2	075. Construct/Improve Academic/Administrative Facility 3			
3	Restricted Funds	-0-	100,000,000	-0-
4	076. Construct Equine/Horticulture Campus			
5	Restricted Funds	-0-	90,000,000	-0-
6	077. Improve Oswald Building			
7	Restricted Funds	-0-	88,500,000	-0-
8	078. Improve Chemistry/Physics Building			
9	Restricted Funds	-0-	88,000,000	-0-
10	079. Improve 4-H Camps			
11	Restricted Funds	-0-	80,000,000	-0-
12	080. Improve Fine Arts Building			
13	Restricted Funds	-0-	80,000,000	-0-
14	081. Improve King Library			
15	Restricted Funds	-0-	80,000,000	-0-
16	082. Improve Patterson Hall			
17	Restricted Funds	-0-	80,000,000	-0-
18	083. Improve Kastle Hall			
19	Restricted Funds	-0-	80,000,000	-0-
20	084. Improve Taylor Education Building			
21	Restricted Funds	-0-	80,000,000	-0-
22	085. Acquire Furnishings/Equipment UK HealthCare			
23	Restricted Funds	-0-	75,000,000	-0-
24	086. Construct/Improve Site/Civil Infrastructure Hamburg			
25	Restricted Funds	-0-	75,000,000	-0-
26	087. Construct/Improve Service Core Systems Hamburg			
27	Restricted Funds	-0-	75,000,000	-0-

1	088. Acquire/Improve Service Core Systems UK HealthCare			
2	Restricted Funds	-0-	75,000,000	-0-
3	089. Improve Markey Cancer Center Facilities			
4	Restricted Funds	-0-	75,000,000	-0-
5	090. Improve Building Systems UK HealthCare			
6	Restricted Funds	-0-	75,000,000	-0-
7	091. Construct Agriculture Research Facility 2			
8	Restricted Funds	-0-	75,000,000	-0-
9	092. Acquire Equipment/Furnishings Pool - Campus			
10	Restricted Funds	-0-	75,000,000	-0-
11	093. Construct Agriculture Research Facility 3			
12	Restricted Funds	-0-	75,000,000	-0-
13	094. Improve Center for Applied Energy Research Facilities			
14	Restricted Funds	-0-	75,000,000	-0-
15	095. Construct/Improve Academic/Administrative Facility 4			
16	Restricted Funds	-0-	75,000,000	-0-
17	096. Upgrade/Renovate/Expand Research Labs			
18	Restricted Funds	-0-	75,000,000	-0-
19	097. Improve Funkhouser Building			
20	Restricted Funds	-0-	75,000,000	-0-
21	098. Construct/Improve Alumni Center			
22	Restricted Funds	-0-	75,000,000	-0-
23	099. Construct/Improve Greek Housing			
24	Restricted Funds	-0-	36,000,000	-0-
25	Other Funds	-0-	36,000,000	-0-
26	TOTAL	-0-	72,000,000	-0-
27	100. Improve Willard Medical Education/Science Building			

1	Restricted Funds	-0-	70,000,000	-0-
2	101. Improve Lexington Theological Seminary Facilities			
3	Restricted Funds	-0-	70,000,000	-0-
4	102. Construct/Improve CAFE Farm 2			
5	Restricted Funds	-0-	60,000,000	-0-
6	103. Construct/Improve Childcare Development Facility			
7	Restricted Funds	-0-	55,000,000	-0-
8	104. Construct/Improve Administrative/Support Building			
9	Restricted Funds	-0-	55,000,000	-0-
10	105. Construct Tennis Facility			
11	Restricted Funds	-0-	27,000,000	-0-
12	Other Funds	-0-	27,000,000	-0-
13	TOTAL	-0-	54,000,000	-0-
14	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
15	106. Improve Campus Core Quadrangle Facilities			
16	Restricted Funds	-0-	54,000,000	-0-
17	107. Acquire Land			
18	Restricted Funds	-0-	50,000,000	-0-
19	108. Acquire/Improve Clinical Facility/Practice 6			
20	Restricted Funds	-0-	50,000,000	-0-
21	109. Acquire/Improve Medical/Administrative Facility 7			
22	Restricted Funds	-0-	50,000,000	-0-
23	110. Acquire/Improve Medical/Administrative Facility 6			
24	Restricted Funds	-0-	50,000,000	-0-
25	111. Improve Medical Pavilion UK St. Claire			
26	Restricted Funds	-0-	50,000,000	-0-
27	112. Improve IT/Enterprise Systems 1			

1	Restricted Funds	-0-	50,000,000	-0-
2	113. Improve Business Services Center UK St. Claire			
3	Restricted Funds	-0-	50,000,000	-0-
4	114. Acquire/Improve Service Core Systems UK St. Claire			
5	Restricted Funds	-0-	50,000,000	-0-
6	115. Improve Building Systems UK St. Claire			
7	Restricted Funds	-0-	50,000,000	-0-
8	116. Improve Site/Civil Infrastructure UK HealthCare			
9	Restricted Funds	-0-	50,000,000	-0-
10	117. Improve UK Good Samaritan Hospital Facilities			
11	Restricted Funds	-0-	50,000,000	-0-
12	118. Construct/Improve Ambulatory Care			
13	Restricted Funds	-0-	50,000,000	-0-
14	119. Construct/Improve Patient Support Facility			
15	Restricted Funds	-0-	50,000,000	-0-
16	120. Construct Agriculture Research Facility - Phase 2			
17	Restricted Funds	-0-	50,000,000	-0-
18	121. Improve Research Data Infrastructure			
19	Restricted Funds	-0-	50,000,000	-0-
20	122. Construct/Improve Academic/Administrative Facility 5			
21	Restricted Funds	-0-	50,000,000	-0-
22	123. Improve Student Services Space			
23	Restricted Funds	-0-	50,000,000	-0-
24	124. Improve Health Sciences Research Building			
25	Restricted Funds	-0-	50,000,000	-0-
26	125. Improve Angliana Facilities			
27	Restricted Funds	-0-	50,000,000	-0-

1	126. Improve Kroger Field 4			
2	Restricted Funds	-0-	25,000,000	-0-
3	Other Funds	-0-	25,000,000	-0-
4	TOTAL	-0-	50,000,000	-0-
5	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.		
6	127. Purchase/Construct CO2 Capture Process Plant			
7	Restricted Funds	-0-	1,500,000	-0-
8	Federal Funds	-0-	40,000,000	-0-
9	Other Funds	-0-	8,500,000	-0-
10	TOTAL	-0-	50,000,000	-0-
11	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.		
12	128. Improve Seaton Center			
13	Restricted Funds	-0-	50,000,000	-0-
14	129. Decommission Facilities			
15	Restricted Funds	-0-	50,000,000	-0-
16	130. Improve Kroger Field 3			
17	Restricted Funds	-0-	25,000,000	-0-
18	Other Funds	-0-	25,000,000	-0-
19	TOTAL	-0-	50,000,000	-0-
20	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.		
21	131. Improve Site/Civil Infrastructure			
22	Restricted Funds	-0-	50,000,000	-0-
23	132. Improve Arboretum Complex			
24	Restricted Funds	-0-	50,000,000	-0-
25	133. Construct/Relocate/Replace Greenhouses			
26	Restricted Funds	-0-	50,000,000	-0-
27	134. Improve Jacobs Science Building			

1	Restricted Funds	-0-	48,000,000	-0-
2	135. Improve McVey Hall			
3	Restricted Funds	-0-	48,000,000	-0-
4	136. Improve Gray Design Building			
5	Restricted Funds	-0-	45,000,000	-0-
6	137. Improve Memorial Hall			
7	Restricted Funds	-0-	45,000,000	-0-
8	138. Research Equipment Pool			
9	Restricted Funds	-0-	30,000,000	-0-
10	Federal Funds	-0-	15,000,000	-0-
11	TOTAL	-0-	45,000,000	-0-
12	139. Construct/Improve Library Depository Facility			
13	Restricted Funds	-0-	45,000,000	-0-
14	140. Lease/Purchase Enterprise Resource Planning System			
15	Restricted Funds	-0-	40,000,000	-0-
16	141. Construct/Improve Recreation Services Space 2			
17	Restricted Funds	-0-	20,000,000	-0-
18	Other Funds	-0-	20,000,000	-0-
19	TOTAL	-0-	40,000,000	-0-
20	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
21	142. Construct/Improve Student Success/Academic Facility 1			
22	Restricted Funds	-0-	40,000,000	-0-
23	143. Improve Building Shell Systems			
24	Restricted Funds	-0-	40,000,000	-0-
25	144. Construct Teaching Pavilion			
26	Restricted Funds	-0-	38,000,000	-0-
27	145. Improve Academic Technical Building			

1	Restricted Funds	-0-	35,000,000	-0-
2	146. Improve Whalen Building and Bay Facility (Kentucky Advanced			
3	Manufacturing)			
4	Restricted Funds	-0-	35,000,000	-0-
5	147. Construct/Improve Recreation Quad			
6	Restricted Funds	-0-	35,000,000	-0-
7	148. Construct Support Services Building			
8	Restricted Funds	-0-	35,000,000	-0-
9	149. Improve Moloney Building			
10	Restricted Funds	-0-	35,000,000	-0-
11	150. Improve Building Mechanical Systems			
12	Restricted Funds	-0-	35,000,000	-0-
13	151. Expand Kentucky Geological Survey Well Sample and Core Repository			
14	Restricted Funds	-0-	35,000,000	-0-
15	152. Lease/Purchase Medical Facility/Practice 6			
16	Restricted Funds	-0-	30,000,000	-0-
17	153. Lease/Purchase Medical Facility/Practice 5			
18	Restricted Funds	-0-	30,000,000	-0-
19	154. Lease/Purchase Medical Facility/Practice 4			
20	Restricted Funds	-0-	30,000,000	-0-
21	155. Lease/Purchase Medical Facility/Practice 3			
22	Restricted Funds	-0-	30,000,000	-0-
23	156. Lease/Purchase Medical Facility/Practice 2			
24	Restricted Funds	-0-	30,000,000	-0-
25	157. Lease/Purchase Medical Facility/Practice 1			
26	Restricted Funds	-0-	30,000,000	-0-
27	158. Improve Medical Facility 9			

1	Restricted Funds	-0-	30,000,000	-0-
2	159. Improve Medical Facility 6			
3	Restricted Funds	-0-	30,000,000	-0-
4	160. Improve Medical Facility 5			
5	Restricted Funds	-0-	30,000,000	-0-
6	161. Improve Medical Facility 4			
7	Restricted Funds	-0-	30,000,000	-0-
8	162. Improve Medical Facility 8			
9	Restricted Funds	-0-	30,000,000	-0-
10	163. Improve Medical Facility 18			
11	Restricted Funds	-0-	30,000,000	-0-
12	164. Improve Medical Facility 17			
13	Restricted Funds	-0-	30,000,000	-0-
14	165. Improve Medical Facility 16			
15	Restricted Funds	-0-	30,000,000	-0-
16	166. Improve Medical Facility 15			
17	Restricted Funds	-0-	30,000,000	-0-
18	167. Improve Medical Facility 14			
19	Restricted Funds	-0-	30,000,000	-0-
20	168. Improve Medical Facility 13			
21	Restricted Funds	-0-	30,000,000	-0-
22	169. Improve Medical Facility 12			
23	Restricted Funds	-0-	30,000,000	-0-
24	170. Improve Medical Facility 11			
25	Restricted Funds	-0-	30,000,000	-0-
26	171. Improve Medical Facility 10			
27	Restricted Funds	-0-	30,000,000	-0-

1	172. Improve Medical Facility 7			
2	Restricted Funds	-0-	30,000,000	-0-
3	173. Improve Stuckert Career Center			
4	Restricted Funds	-0-	30,000,000	-0-
5	174. Construct/Improve CAFE Farm 1			
6	Restricted Funds	-0-	30,000,000	-0-
7	175. Improve Enterprise Networking 1			
8	Restricted Funds	-0-	30,000,000	-0-
9	176. Improve Electrical Infrastructure			
10	Restricted Funds	-0-	28,000,000	-0-
11	177. Improve Library Facility			
12	Restricted Funds	-0-	27,000,000	-0-
13	178. Improve Mechanical Infrastructure			
14	Restricted Funds	-0-	26,000,000	-0-
15	179. Improve IT/Enterprise Systems 3			
16	Restricted Funds	-0-	25,000,000	-0-
17	180. Improve IT/Enterprise Systems 2			
18	Restricted Funds	-0-	25,000,000	-0-
19	181. Acquire/Improve Clinical Facility/Practice 5			
20	Restricted Funds	-0-	25,000,000	-0-
21	182. Acquire/Improve Clinical Facility/Practice 4			
22	Restricted Funds	-0-	25,000,000	-0-
23	183. Acquire/Improve Clinical Facility/Practice 3			
24	Restricted Funds	-0-	25,000,000	-0-
25	184. Acquire/Improve Clinical Facility/Practice 2			
26	Restricted Funds	-0-	25,000,000	-0-
27	185. Acquire/Improve Clinical Facility/Practice 1			

1	Restricted Funds	-0-	25,000,000	-0-
2	186. Implement Patient Communication System			
3	Restricted Funds	-0-	25,000,000	-0-
4	187. Construct/Improve Wellness Trial			
5	Restricted Funds	-0-	25,000,000	-0-
6	188. Construct Meats/Food Development Center Phase 2			
7	Restricted Funds	-0-	25,000,000	-0-
8	189. Construct/Improve Transformative Learning Center			
9	Restricted Funds	-0-	25,000,000	-0-
10	190. Improve Peterson Service Building			
11	Restricted Funds	-0-	25,000,000	-0-
12	191. Improve Barnhart Building			
13	Restricted Funds	-0-	25,000,000	-0-
14	192. Improve Enterprise Networking 2			
15	Restricted Funds	-0-	25,000,000	-0-
16	193. Lease/Purchase Enterprise IT Systems			
17	Restricted Funds	-0-	25,000,000	-0-
18	194. Improve Student Center Space 3			
19	Restricted Funds	-0-	25,000,000	-0-
20	195. Improve W.T. Young Facility			
21	Restricted Funds	-0-	25,000,000	-0-
22	196. Improve Critical Infrastructure Building Systems			
23	Restricted Funds	-0-	25,000,000	-0-
24	197. Improve Life Safety			
25	Restricted Funds	-0-	25,000,000	-0-
26	198. Improve Campus Security and Safety Systems			
27	Restricted Funds	-0-	20,000,000	-0-

1	199. Improve Health Park UK King's Daughters			
2	Restricted Funds	-0-	20,000,000	-0-
3	200. Improve Site/Civil Infrastructure UK St. Claire			
4	Restricted Funds	-0-	20,000,000	-0-
5	201. Improve Medical Pavilion UK King's Daughters			
6	Restricted Funds	-0-	20,000,000	-0-
7	202. Construct UK HealthCare Medical Transport Facility			
8	Restricted Funds	-0-	20,000,000	-0-
9	203. Improve Campus Security and Safety			
10	Restricted Funds	-0-	20,000,000	-0-
11	204. Acquire/Improve Data/Infrastructure Systems			
12	Restricted Funds	-0-	20,000,000	-0-
13	205. Construct/Improve Recreation/Services Space 3			
14	Restricted Funds	-0-	10,000,000	-0-
15	Other Funds	-0-	10,000,000	-0-
16	TOTAL	-0-	20,000,000	-0-
17	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
18	206. Construct/Improve Academic/Administrative Facility 2 Design			
19	Restricted Funds	-0-	20,000,000	-0-
20	207. Construct/Improve Academic/Administrative Facility 1 Design			
21	Restricted Funds	-0-	20,000,000	-0-
22	208. Lease/Purchase Campus IT System			
23	Restricted Funds	-0-	20,000,000	-0-
24	209. Construct/Improve Machine Lab			
25	Restricted Funds	-0-	20,000,000	-0-
26	210. Improve White Hall Classroom Building			
27	Restricted Funds	-0-	20,000,000	-0-

1	211. Improve Athletics Facility 2			
2	Restricted Funds	-0-	20,000,000	-0-
3	212. Acquire/Improve IT Systems/Infrastructure			
4	Restricted Funds	-0-	20,000,000	-0-
5	213. Improve Academic Facility			
6	Restricted Funds	-0-	20,000,000	-0-
7	214. Lease/Purchase Enterprise Network Security			
8	Restricted Funds	-0-	20,000,000	-0-
9	215. Construct Police Facilities			
10	Restricted Funds	-0-	20,000,000	-0-
11	216. Acquire/Improve Service Core Systems			
12	Restricted Funds	-0-	20,000,000	-0-
13	217. Improve Hilary J. Boone Center			
14	Restricted Funds	-0-	18,000,000	-0-
15	218. Improve Lancaster Aquatic Center 1			
16	Restricted Funds	-0-	17,000,000	-0-
17	219. Improve Medical Center Library			
18	Restricted Funds	-0-	17,000,000	-0-
19	220. Construct/Improve Student Success/Academic Facility 2			
20	Restricted Funds	-0-	15,000,000	-0-
21	221. Construct/Improve UK HealthCare Hamburg Facilities			
22	Restricted Funds	-0-	15,000,000	-0-
23	222. Acquire Data Center and Networking Hardware UK HealthCare			
24	Restricted Funds	-0-	15,000,000	-0-
25	223. Construct/Improve Academic/Administrative Facility 3 Design			
26	Restricted Funds	-0-	15,000,000	-0-
27	224. Improve Boone Tennis Center			

1	Restricted Funds	-0-	15,000,000	-0-
2	225. Construct/Improve Athletics Facility 2			
3	Restricted Funds	-0-	15,000,000	-0-
4	226. Acquire Equipment/Furnishings Pool			
5	Restricted Funds	-0-	15,000,000	-0-
6	227. Improve Spindletop Hall Facilities			
7	Restricted Funds	-0-	15,000,000	-0-
8	228. Construct/Fit-up Retail Space			
9	Restricted Funds	-0-	10,000,000	-0-
10	Other Funds	-0-	5,000,000	-0-
11	TOTAL	-0-	15,000,000	-0-
12	229. Improve Athletics Facility 3			
13	Restricted Funds	-0-	15,000,000	-0-
14	230. Improve Multi-Disciplinary Science Building			
15	Restricted Funds	-0-	15,000,000	-0-
16	231. Lease/Purchase High Performance Computer			
17	Restricted Funds	-0-	15,000,000	-0-
18	232. Improve CAFE Motor Pool Building			
19	Restricted Funds	-0-	14,000,000	-0-
20	233. Construct Agriculture Federal Research Facility II			
21	Federal Funds	-0-	14,000,000	-0-
22	234. Construct Metal Arts/Digital Media Building			
23	Restricted Funds	-0-	14,000,000	-0-
24	235. Improve Baseball Facility Phase II			
25	Restricted Funds	-0-	14,000,000	-0-
26	236. Improve Patterson Office Tower			
27	Restricted Funds	-0-	12,000,000	-0-

1	237. Improve University Storage Facility 1			
2	Restricted Funds	-0-	12,000,000	-0-
3	238. Acquire/Improve Clinical/Research Facility			
4	Restricted Funds	-0-	11,000,000	-0-
5	239. Acquire Telemedicine/Virtual Intensive Care Unit			
6	Restricted Funds	-0-	10,000,000	-0-
7	240. Renovate/Improve Nursing Units UK HealthCare			
8	Restricted Funds	-0-	10,000,000	-0-
9	241. Construct/Improve Academic/Administrative Facility 4 Design			
10	Restricted Funds	-0-	10,000,000	-0-
11	242. Improve Parking Structure 2 Enterprise Data Center			
12	Restricted Funds	-0-	10,000,000	-0-
13	243. Improve University Storage Facility 2			
14	Restricted Funds	-0-	10,000,000	-0-
15	244. Improve Soccer/Softball Facility			
16	Restricted Funds	-0-	10,000,000	-0-
17	245. Improve Campus Infrastructure			
18	Restricted Funds	-0-	10,000,000	-0-
19	246. Improve Fume Hood Systems			
20	Restricted Funds	-0-	10,000,000	-0-
21	247. Improve Scovell Hall			
22	Restricted Funds	-0-	10,000,000	-0-
23	248. Improve Lancaster Aquatic Center 2			
24	Restricted Funds	-0-	10,000,000	-0-
25	249. Lease/Purchase Enterprise Infrastructure			
26	Restricted Funds	-0-	10,000,000	-0-
27	250. Improve Enterprise Cable Infrastructure			

1	Restricted Funds	-0-	10,000,000	-0-
2	251. Improve Senior Center			
3	Restricted Funds	-0-	10,000,000	-0-
4	252. Construct/Improve Gymnastics Practice Facility			
5	Restricted Funds	-0-	10,000,000	-0-
6	253. Improve Memorial Coliseum			
7	Restricted Funds	-0-	10,000,000	-0-
8	254. Improve Athletics Facility 4			
9	Restricted Funds	-0-	10,000,000	-0-
10	255. Improve Pence Hall			
11	Restricted Funds	-0-	10,000,000	-0-
12	256. Improve Division of Laboratory Animal Resources Facilities			
13	Restricted Funds	-0-	10,000,000	-0-
14	257. Improve Building Electrical Systems			
15	Restricted Funds	-0-	10,000,000	-0-
16	258. ADA Compliance Pool			
17	Restricted Funds	-0-	10,000,000	-0-
18	259. Improve Kroger Field 1 Additional Reauthorization (\$15,000,000			
19	Other Funds)			
20	Restricted Funds	-0-	10,000,000	-0-
21	260. Improve Anderson Tower			
22	Restricted Funds	-0-	9,000,000	-0-
23	261. Improve Mineral Industries Building			
24	Restricted Funds	-0-	9,000,000	-0-
25	262. Improve Carnahan House			
26	Restricted Funds	-0-	8,000,000	-0-
27	263. Acquire/Improve Golf Facility			

1	Restricted Funds	-0-	8,000,000	-0-
2	264. Construct/Improve Academic/Administrative Facility 5 Design			
3	Restricted Funds	-0-	7,500,000	-0-
4	265. Improve Medical Plaza			
5	Restricted Funds	-0-	7,000,000	-0-
6	266. Improve Nutter Training Facility			
7	Restricted Funds	-0-	7,000,000	-0-
8	267. Lease/Purchase Enterprise Voice Infrastructure			
9	Restricted Funds	-0-	7,000,000	-0-
10	268. Renovate Space for a Testing Center			
11	Restricted Funds	-0-	7,000,000	-0-
12	269. Improve Nursing Building			
13	Restricted Funds	-0-	7,000,000	-0-
14	270. Lease/Purchase Enterprise Call Center System			
15	Restricted Funds	-0-	7,000,000	-0-
16	271. Improve Medical Behavioral Science Building			
17	Restricted Funds	-0-	6,000,000	-0-
18	272. Improve Athletics Facility 6			
19	Restricted Funds	-0-	6,000,000	-0-
20	273. Improve Athletics Facility 5			
21	Restricted Funds	-0-	6,000,000	-0-
22	274. Improve Joe Craft Center			
23	Restricted Funds	-0-	6,000,000	-0-
24	275. Improve Joe Craft Football Practice Facility			
25	Restricted Funds	-0-	3,000,000	-0-
26	Other Funds	-0-	3,000,000	-0-
27	TOTAL	-0-	6,000,000	-0-

1	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
2	276. Improve Cooper House			
3	Restricted Funds	-0-	6,000,000	-0-
4	277. Acquire Data Center and Networking Hardware UK St. Claire			
5	Restricted Funds	-0-	5,000,000	-0-
6	278. Acquire Data Center and Networking Hardware UK King's Daughters			
7	Restricted Funds	-0-	5,000,000	-0-
8	279. Construct/Improve Recreational Playing Surfaces			
9	Restricted Funds	-0-	5,000,000	-0-
10	280. Construct Athletics Hall of Fame			
11	Restricted Funds	-0-	5,000,000	-0-
12	281. Improve Sturgill Development Building			
13	Restricted Funds	-0-	4,000,000	-0-
14	282. Replace Basketball Playing Floors			
15	Restricted Funds	-0-	3,000,000	-0-
16	283. Improve Athletics Facility 7			
17	Restricted Funds	-0-	3,000,000	-0-
18	284. Acquire Transportation Buses			
19	Restricted Funds	-0-	3,000,000	-0-
20	285. Improve Indoor/Outdoor Track			
21	Restricted Funds	-0-	3,000,000	-0-
22	286. Construct Cross Country Trail			
23	Restricted Funds	-0-	3,000,000	-0-
24	287. Construct/Improve Athletics Surfaces 2			
25	Restricted Funds	-0-	3,000,000	-0-
26	288. Construct/Improve Athletics Surfaces 1			
27	Restricted Funds	-0-	3,000,000	-0-

1 **289.** Construct/Improve Medical/Administrative Facility 3 Reauthorization
2 (\$800,000,000 Agency Bonds)

3 **290.** Asset Preservation Pool - 2024-2026 Reauthorization (\$30,862,000 Agency
4 Bonds)

5 **291.** Construct Academic Building Reauthorization (\$149,000,000 Restricted
6 Funds)

7 **292.** Construct/Improve Medical/Administrative Facility 1 Reauthorization
8 (\$300,000,000 Restricted Funds, \$500,000,000 Other Funds)

9 **(1) Authorization:** The above authorization is approved pursuant to KRS 45.763.

10 **293.** Construct Health Education Building Reauthorization (\$50,000,000 Agency
11 Bonds)

12 **294.** Lease - Off Campus 1

13 **295.** Lease - Off Campus 3

14 **296.** Lease - Off Campus 4

15 **297.** Lease - Off Campus 5

16 **298.** Lease - Off Campus 6

17 **299.** Lease - Off Campus 7

18 **300.** Lease - Off Campus 11

19 **301.** Lease - Off Campus 12

20 **302.** Lease - Off Campus 13

21 **303.** Lease - Off Campus 14

22 **304.** Lease - Off Campus 15

23 **305.** Lease - Off Campus 16

24 **306.** Lease - Off Campus 17

25 **307.** Lease - Off Campus 18

26 **308.** Lease - Off Campus 19

27 **309.** Lease - Off Campus 20

- 1 **310.** Lease - Off Campus 21
- 2 **311.** Lease - Off Campus 22
- 3 **312.** Lease - Off Campus 23
- 4 **313.** Lease - Off Campus 24
- 5 **314.** Lease - Off Campus 25
- 6 **315.** Lease - Off Campus 26
- 7 **316.** Lease - Off Campus Housing 1
- 8 **317.** Lease - Off Campus Housing 2
- 9 **318.** Lease - Health Science Colleges 1
- 10 **319.** Lease - Health Science Colleges 2
- 11 **320.** Lease - Health Science Colleges 3
- 12 **321.** Lease - Off Campus Athletics 1
- 13 **322.** Lease - Off Campus Athletics 2
- 14 **323.** Lease - Health Affairs Office 3
- 15 **324.** Lease - Health Affairs Office 4
- 16 **325.** Lease - Health Affairs Office 10
- 17 **326.** Lease - Health Affairs Office 12
- 18 **327.** Lease - Health Affairs Office 14
- 19 **328.** Lease - Health Affairs Office 15
- 20 **329.** Lease - Health Affairs Office 18
- 21 **330.** Lease - Health Affairs Office 19
- 22 **331.** Lease - Health Affairs Office 20
- 23 **332.** Lease - Health Affairs Office 21
- 24 **333.** Lease - Health Affairs Office 22
- 25 **334.** Lease - Health Affairs Office 24
- 26 **335.** Lease - UK HealthCare Off Campus Facility 2
- 27 **336.** Lease - UK HealthCare Off Campus Facility 3

- 1 **337.** Lease - UK HealthCare Off Campus Facility 5
- 2 **338.** Lease - UK HealthCare Off Campus Facility 12
- 3 **339.** Lease - UK HealthCare Off Campus Facility 13
- 4 **340.** Lease - UK HealthCare Off Campus Facility 14
- 5 **341.** Lease - UK HealthCare Off Campus Facility 15
- 6 **342.** Lease - UK HealthCare Off Campus Facility 16
- 7 **343.** Lease - UK HealthCare Off Campus Facility 17
- 8 **344.** Lease - UK HealthCare Off Campus Facility 18
- 9 **345.** Lease - UK HealthCare Off Campus Facility 19
- 10 **346.** Lease - UK HealthCare Off Campus Facility 20
- 11 **347.** Lease - UK HealthCare Off Campus Facility 21
- 12 **348.** Lease - UK HealthCare Off Campus Facility 22
- 13 **349.** Lease - UK HealthCare Off Campus Facility 23
- 14 **350.** Lease - UK HealthCare Off Campus Facility 24
- 15 **351.** Lease - UK HealthCare Off Campus Facility 25
- 16 **352.** Lease - UK HealthCare Off Campus Facility 26
- 17 **353.** Lease - UK HealthCare Off Campus Facility 27
- 18 **354.** Lease - UK HealthCare Off Campus Facility 28
- 19 **355.** Lease - UK HealthCare Off Campus Facility 29
- 20 **356.** Lease - UK HealthCare Off Campus Facility 30
- 21 **357.** Lease - UK HealthCare Off Campus Facility 31
- 22 **358.** Lease - UK HealthCare Off Campus Facility 32
- 23 **359.** Lease - UK HealthCare Off Campus Facility 33
- 24 **360.** Lease - Off Campus 2
- 25 **361.** Lease - College of Medicine 1
- 26 **362.** Lease - College of Medicine 2
- 27 **363.** Lease - Health Affairs Office 1

- 1 **364.** Lease - Health Affairs Office 2
- 2 **365.** Lease - Health Affairs Office 5
- 3 **366.** Lease - Health Affairs Office 6
- 4 **367.** Lease - Health Affairs Office 7
- 5 **368.** Lease - Health Affairs Office 8
- 6 **369.** Lease - Health Affairs Office 9
- 7 **370.** Lease - Health Affairs Office 11
- 8 **371.** Lease - Health Affairs Office 13
- 9 **372.** Lease - Health Affairs Office 16
- 10 **373.** Lease - Health Affairs Office 17
- 11 **374.** Lease - Health Affairs Office 23
- 12 **375.** Lease - UK HealthCare Off Campus Facility 1
- 13 **376.** Lease - UK HealthCare Off Campus Facility 4
- 14 **377.** Lease - UK HealthCare Off Campus Facility 6
- 15 **378.** Lease - UK HealthCare Off Campus Facility 7
- 16 **379.** Lease - UK HealthCare Off Campus Facility 8
- 17 **380.** Lease - UK HealthCare Off Campus Facility 9
- 18 **381.** Lease - UK HealthCare Off Campus Facility 10
- 19 **382.** Lease - UK HealthCare Off Campus Facility 11
- 20 **383.** Lease - Off Campus 8
- 21 **384.** Lease - Off Campus 9
- 22 **385.** Lease - Off Campus 10
- 23 **386.** Lease - UK HealthCare Royal Blue Health 1
- 24 **387.** Lease - UK HealthCare Royal Blue Health 2
- 25 **388.** Lease - UK HealthCare Royal Blue Health 3
- 26 **389.** Lease - UK HealthCare Royal Blue Health 4
- 27 **390.** Lease - UK HealthCare Royal Blue Health 6

1	391.	Lease - UK HealthCare Royal Blue Health 7			
2	392.	Lease - UK HealthCare Royal Blue Health 8			
3	393.	Guaranteed Energy Savings Performance Contracts - UK HealthCare			
4	394.	Guaranteed Energy Savings Performance Contracts			
5	8.	UNIVERSITY OF LOUISVILLE			
6	001.	Asset Preservation Pool - 2026-2028			
7		Bond Funds	-0-	10,000,000	12,077,000
8	002.	Construct Resident Hall Public - Private Partnership			
9		Other Funds	-0-	250,000,000	-0-
10	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.			
11	003.	Construct Athletics Village			
12		Other Funds	-0-	150,000,000	-0-
13	004.	Construct STEM Building			
14		Bond Funds	-0-	142,000,000	-0-
15	005.	Construct Medical Sciences Research Building			
16		Other Funds	-0-	70,000,000	-0-
17	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.			
18	006.	Construct Center for Bioscience			
19		Federal Funds	-0-	70,000,000	-0-
20	007.	Construct Center for Military Health/Biology			
21		Federal Funds	-0-	70,000,000	-0-
22	008.	Construct Natatorium			
23		Other Funds	-0-	60,000,000	-0-
24	009.	Renovate New Vision of Health Building			
25		Federal Funds	-0-	60,000,000	-0-
26	010.	Construct Cybersecurity Center with Enhanced Internet Capabilities			
27		Federal Funds	-0-	10,000,000	-0-

1	Other Funds	-0-	50,000,000	-0-
2	TOTAL	-0-	60,000,000	-0-
3	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
4	011. Replace Building Mechanical, Electrical and Plumbing			
5	Other Funds	-0-	50,000,000	-0-
6	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
7	012. Structural Improvement Pool - 2026-2028			
8	Other Funds	-0-	40,000,000	-0-
9	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
10	013. Construct Center for AI Excellence			
11	Other Funds	-0-	29,000,000	-0-
12	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
13	014. Expand Basketball/Lacrosse Practice Facility			
14	Other Funds	-0-	25,000,000	-0-
15	015. Renovate Cardinal Football Stadium			
16	Other Funds	-0-	25,000,000	-0-
17	016. Construct Indoor Facility			
18	Other Funds	-0-	20,000,000	-0-
19	017. Expand Patterson Stadium/Construct Indoor Facility			
20	Other Funds	-0-	20,000,000	-0-
21	018. Construct Resident Hall and Visitor Development			
22	Agency Bonds	-0-	160,000,000	-0-
23	019. Purchase Land Additional Reauthorization (\$10,000,000 Agency Bonds)			
24	Other Funds	-0-	15,000,000	-0-
25	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
26	020. Expand Ulmer Stadium/Construct Indoor Facility			
27	Other Funds	-0-	15,000,000	-0-

1	021. Construct Kentucky Center for Precision Medicine			
2	Federal Funds	-0-	12,500,000	-0-
3	022. Enhance Workday Financial Management Software			
4	Other Funds	-0-	10,000,000	-0-
5	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
6	023. Enhance Research Computing Infrastructure			
7	Other Funds	-0-	10,000,000	-0-
8	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
9	024. Enhance Content Management System			
10	Other Funds	-0-	10,000,000	-0-
11	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
12	025. Renovate L&N Arena			
13	Other Funds	-0-	10,000,000	-0-
14	026. Update, Replace Technology in Athletic Venues			
15	Other Funds	-0-	10,000,000	-0-
16	027. Update Green Health Sciences Center Courtyard			
17	Other Funds	-0-	10,000,000	-0-
18	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
19	028. Campus Code Improvement Pool - 2026-2028			
20	Other Funds	-0-	10,000,000	-0-
21	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
22	029. Replace Cardinal Stadium Seats			
23	Other Funds	-0-	10,000,000	-0-
24	030. Renovate Cardinal Park			
25	Other Funds	-0-	10,000,000	-0-
26	031. Expand and Renovate Wright Natatorium			
27	Other Funds	-0-	10,000,000	-0-

1	032. Athletic Venue Capital Renewal Pool - 2026-2028			
2	Other Funds	-0-	10,000,000	-0-
3	033. Expand and Renovate Marshall Center Complex			
4	Other Funds	-0-	10,000,000	-0-
5	034. Replace Electronic Video Boards			
6	Other Funds	-0-	10,000,000	-0-
7	035. Construct Defense Supply Chain Security System			
8	Federal Funds	-0-	10,000,000	-0-
9	036. Construct/Renovate Kentucky Center for Precision Medicine Data and			
10	Analytical Systems			
11	Federal Funds	-0-	9,326,000	-0-
12	037. Construct/Renovate Kentucky Center for Precision Medicine Equipment			
13	Federal Funds	-0-	8,000,000	-0-
14	038. Renovate Cardinal Stadium Club			
15	Other Funds	-0-	7,500,000	-0-
16	039. Construct Athletics Office Building			
17	Other Funds	-0-	7,500,000	-0-
18	040. Replace Seats in Athletic Venues			
19	Other Funds	-0-	7,000,000	-0-
20	041. Purchase Network System Enhancements			
21	Other Funds	-0-	6,000,000	-0-
22	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
23	042. Renovate and Update Student/Athlete Dormitory			
24	Other Funds	-0-	6,000,000	-0-
25	043. Enhance Security and Firewall System			
26	Other Funds	-0-	5,000,000	-0-
27	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			

1	044. Enhance Computer Processing and Storage			
2	Other Funds	-0-	5,000,000	-0-
3	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.		
4	045. Expand and Renovate Tailgate Space			
5	Other Funds	-0-	5,000,000	-0-
6	046. Expand and Renovate Athletic Parking Lots			
7	Other Funds	-0-	5,000,000	-0-
8	047. Renovate Gross Anatomy Lab			
9	Other Funds	-0-	5,000,000	-0-
10	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.		
11	048. Demolish and Construct Golf Maintenance/Chemical Building			
12	Other Funds	-0-	5,000,000	-0-
13	049. Renovate Bass Rudd Tennis Center			
14	Other Funds	-0-	5,000,000	-0-
15	050. Construct Practice Bubble			
16	Other Funds	-0-	5,000,000	-0-
17	051. Renovate Lynn Soccer Stadium			
18	Other Funds	-0-	5,000,000	-0-
19	052. Renovate Trager Football Practice Facility			
20	Other Funds	-0-	5,000,000	-0-
21	053. Renovate Patterson Baseball Stadium			
22	Other Funds	-0-	5,000,000	-0-
23	054. Renovate Thornton's Academic Center			
24	Other Funds	-0-	5,000,000	-0-
25	055. Construct Athletic Grounds Building			
26	Other Funds	-0-	5,000,000	-0-
27	056. Construct Football Practice Field Lighting			

1	Other Funds	-0-	5,000,000	-0-
2	057. Upgrade Regional Biocontainment Laboratories			
3	Federal Funds	-0-	5,000,000	-0-
4	058. Construct Building for Self-Contained Internet Access Point			
5	Federal Funds	-0-	5,000,000	-0-
6	059. Construct Exit Ramp at Chestnut Street Garage			
7	Other Funds	-0-	4,000,000	-0-
8	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
9	060. Enhance Workday Human Resources Software			
10	Other Funds	-0-	4,000,000	-0-
11	061. Update and Replace Equipment in ACCN Studio			
12	Other Funds	-0-	4,000,000	-0-
13	062. Renovate and Expand ACCN Studio			
14	Other Funds	-0-	4,000,000	-0-
15	063. Renovate Garvin Brown Boathouse			
16	Other Funds	-0-	4,000,000	-0-
17	064. Renovate Parking Structures			
18	Other Funds	-0-	3,600,000	-0-
19	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
20	065. Purchase Fiber Infrastructure			
21	Other Funds	-0-	3,500,000	-0-
22	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
23	066. Install Signage, Wayfinding, and Landscaping			
24	Other Funds	-0-	3,000,000	-0-
25	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
26	067. Expand, Replace and Maintain Grass Practice Fields			
27	Other Funds	-0-	3,000,000	-0-

1	068. Replace Fiber Pathway from ACCN Studio to Venues			
2	Other Funds	-0-	3,000,000	-0-
3	069. Renovate and Expand Lee Street Facility			
4	Other Funds	-0-	3,000,000	-0-
5	070. College of Education Academic Renovation Pool - 2026-2028			
6	Other Funds	-0-	3,000,000	-0-
7	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
8	071. Renovate Golf Clubhouse - Shelby County			
9	Other Funds	-0-	3,000,000	-0-
10	072. Upgrade Plumbing and Sanitary Lines - Dental School			
11	Other Funds	-0-	2,500,000	-0-
12	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
13	073. Resurface and Repair Parking Lot			
14	Other Funds	-0-	2,500,000	-0-
15	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
16	074. Construct Belknap Stormwater Mitigation Improvements			
17	Other Funds	-0-	2,500,000	-0-
18	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
19	075. ADA Building Upgrade Pool - 2026-2028			
20	Other Funds	-0-	2,000,000	-0-
21	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
22	076. Build Out Space for UofL Departments			
23	Other Funds	-0-	2,000,000	-0-
24	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
25	077. Replace Artificial Turf Field V			
26	Other Funds	-0-	2,000,000	-0-
27	078. Replace Artificial Turf Field IV			

1	Other Funds	-0-	2,000,000	-0-
2	079. Renovate Interfaith Center			
3	Other Funds	-0-	1,500,000	-0-
4	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
5	080. Construct Belknap 3rd St & Brandeis Corridor Improvements			
6	Restricted Funds	-0-	1,112,000	-0-
7	081. Renovate Exterior Envelope Replacement - 55A Additional Reauthorization			
8	(\$20,000,000 Agency Bonds)			
9	082. Construct Connector Speed School to Research Park Additional			
10	Reauthorization (\$10,000,000 Agency Bonds)			
11	083. Renovate College of Business Academic Space Reauthorization (\$15,000,000			
12	Agency Bonds)			
13	084. Asset Preservation - 2024-2026 Reauthorization (\$8,638,000 Agency Bonds)			
14	085. Construct Resident Hall Reauthorization (\$80,000,000 Agency Bonds)			
15	086. Construct Health Sciences Simulation Center and Collaboration Hub			
16	Reauthorization (\$20,000,000 Agency Bonds)			
17	087. Construct Student Commons and Recreational Fields Reauthorization			
18	(\$12,000,000 Agency Bonds)			
19	088. Modernize Steam and Chill Water Plant Reauthorization (\$40,000,000			
20	Agency Bonds)			
21	089. Lease - Medical Center One			
22	090. Lease - Nucleus 1 Building			
23	091. Lease - University Point			
24	092. Lease - Cardinal Towne			
25	093. Lease - The Nine at Louisville			
26	094. Lease - Province Apartments			
27	095. Lease - Trager Institute			

- 1 **096.** Lease - 1212 S 4th Street, Louisville, KY
- 2 **097.** Lease - Liberty Green Community Center
- 3 **098.** Lease - West Kentucky Community and Technical College
- 4 **099.** Lease - Denny Crum Hall
- 5 **100.** Lease - Soccer Stadium
- 6 **101.** Lease - Founders Square
- 7 **102.** Lease - Rowan Building - A&S Fine Arts
- 8 **103.** Lease - Academic Space 1
- 9 **104.** Lease - Academic Space 2
- 10 **105.** Lease - Arthur Street - Tafel Building
- 11 **106.** Lease - Athletic/Student Dormitory
- 12 **107.** Lease - Housing Facilities
- 13 **108.** Lease - Housing 1
- 14 **109.** Lease - Housing 2
- 15 **110.** Lease - Housing 3
- 16 **111.** Lease - Housing 4
- 17 **112.** Lease - Jefferson County Clinic Space - State of Kentucky
- 18 **113.** Lease - Jefferson County - Clinic Space 1
- 19 **114.** Lease - Jefferson County - Clinic Space 2
- 20 **115.** Lease - Jefferson County - Clinic Space 3
- 21 **116.** Lease - Jefferson County - Office Space 1
- 22 **117.** Lease - Jefferson County - Office Space 2
- 23 **118.** Lease - Jefferson County - Office Space 3
- 24 **119.** Lease - Jefferson County - Office Space 4
- 25 **120.** Lease - Medical Center One 2
- 26 **121.** Lease - Nucleus 1 Building 2
- 27 **122.** Lease - Support Space 1

1	123.	Guaranteed Energy Savings Performance Contracts			
2	9.	WESTERN KENTUCKY UNIVERSITY			
3	001.	Asset Preservation Pool - 2026-2028			
4		Bond Funds	-0-	10,000,000	9,158,000
5	002.	Residential Halls Public-Private Partnership			
6		Other Funds	350,000,000	-0-	200,000,000
7	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763			
8		and KRS 45A.077.			
9	003.	Acquire Furniture, Fixtures, and Equipment - Media			
10		Restricted Funds	-0-	20,000,000	-0-
11	004.	Renovate Center for Research and Development Phase I			
12		Restricted Funds	-0-	6,000,000	-0-
13		Other Funds	-0-	6,000,000	-0-
14		TOTAL	-0-	12,000,000	-0-
15	005.	Renovate Space for Exercise Science Program			
16		Restricted Funds	-0-	10,000,000	-0-
17	006.	Renovate and Expand Clinical Education Complex			
18		Other Funds	-0-	10,000,000	-0-
19	007.	Remove and Replace Student Housing at Farm			
20		Other Funds	-0-	10,000,000	-0-
21	008.	Install Additional Club Seating at Diddle Arena			
22		Other Funds	-0-	10,000,000	-0-
23	009.	Capital Renewal Pool - 2026-2028			
24		Restricted Funds	-0-	10,000,000	-0-
25	010.	Construct Permanent Seating at Houchens Industries – L.T. Smith Stadium			
26		Agency Bonds	-0-	10,000,000	-0-
27	011.	Acquire Fixtures, Furniture, and Equipment - College of Health and Human			

1	Services			
2	Restricted Funds	-0-	8,000,000	-0-
3	012. Expand Track and Field Facilities			
4	Other Funds	-0-	6,500,000	-0-
5	013. Renovate South Campus			
6	Restricted Funds	-0-	6,000,000	-0-
7	014. Construct Baseball Grandstand			
8	Other Funds	-0-	6,000,000	-0-
9	015. Construct State Street Plaza			
10	Restricted Funds	-0-	6,000,000	-0-
11	016. Acquire Furniture, Fixtures, and Equipment Diddle Arena			
12	Other Funds	-0-	5,000,000	-0-
13	017. Construct South Plaza			
14	Other Funds	-0-	5,000,000	-0-
15	018. Acquire Furniture, Fixtures, and Equipment Pool - 2026-2028			
16	Restricted Funds	-0-	5,000,000	-0-
17	019. Upgrade Softball/Soccer Facilities and Field			
18	Restricted Funds	-0-	2,000,000	-0-
19	Other Funds	-0-	2,000,000	-0-
20	TOTAL	-0-	4,000,000	-0-
21	020. Renovate Owensboro Campus for the Certified Registered Nurse Anesthetist			
22	(CRNA) Program			
23	Restricted Funds	-0-	3,000,000	-0-
24	021. Renovate Medical Center Health Complex for the Certified Registered Nurse			
25	Anesthetist (CRNA) Program			
26	Restricted Funds	-0-	3,000,000	-0-
27	022. Purchase Property/Parking and Street Improvements			

1	Restricted Funds	-0-	3,000,000	-0-
2	023. Purchase Property for Campus Expansion			
3	Restricted Funds	-0-	3,000,000	-0-
4	024. Renovate State/Normal Street Properties			
5	Restricted Funds	-0-	2,000,000	-0-
6	025. Replace Retractable Seating at Diddle Arena			
7	Restricted Funds	-0-	1,000,000	-0-
8	026. Replace Field Lighting at Nick Denes Field			
9	Restricted Funds	-0-	1,000,000	-0-
10	027. Construct Parking Structure IV Reauthorization (\$35,000,000 Agency Bonds)			
11	028. Lease - Alumni Center			
12	029. Lease - Parking Garage			
13	030. Lease - Nursing/Physical Therapy			
14	031. Lease - Campus Flats			
15	032. Guaranteed Energy Savings Performance Contracts			
16	10. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM			
17	001. Asset Preservation Pool - 2026-2028			
18	Bond Funds	-0-	10,000,000	24,798,000
19	002. Construct Student Services Building Downtown Phase I - Jefferson CTC			
20	Agency Bonds	-0-	47,300,000	-0-
21	003. Construct Prison Education Program - Bluegrass CTC			
22	Bond Funds	-0-	42,000,000	-0-
23	004. Procure Aviation Equipment - Madisonville CC			
24	Bond Funds	-0-	6,000,000	-0-
25	005. Property Acquisition Pool - Fire Commission			
26	Restricted Funds	-0-	5,000,000	-0-
27	006. KCTCS Property Acquisition Pool - 2026-2028			

1	Restricted Funds	-0-	5,000,000	-0-
2	007. KCTCS Equipment Pool - 2026-2028			
3	Restricted Funds	-0-	2,500,000	-0-
4	Federal Funds	-0-	2,500,000	-0-
5	TOTAL	-0-	5,000,000	-0-
6	008. Construct District 4 Training Space - Fire Commission			
7	Restricted Funds	-0-	4,200,000	-0-
8	009. Construct District 5 Training Space - Fire Commission			
9	Restricted Funds	-0-	4,200,000	-0-
10	010. Acquire Harrison County ATC - Maysville CTC			
11	Restricted Funds	-0-	4,000,000	-0-
12	011. Construct District 14 Storage Space - Fire Commission			
13	Restricted Funds	-0-	3,400,000	-0-
14	012. Improve Exterior Southwest Phase I - Jefferson CTC			
15	Restricted Funds	-0-	2,000,000	-0-
16	013. Procure Training Equipment - Fire Commission			
17	Restricted Funds	-0-	2,000,000	-0-
18	014. Install Exterior Signage - West Kentucky CTC			
19	Restricted Funds	-0-	1,200,000	-0-
20	015. Renovate Broadway Building Facade - Jefferson CTC			
21	Restricted Funds	-0-	1,200,000	-0-
22	016. Construct Multicultural Center Atrium Enclosure - Jefferson CTC			
23	Reauthorization (\$3,000,000 Restricted Funds)			
24	017. Asset Preservation Pool - 2022-2024 Reauthorization (\$26,890,000 Restricted			
25	Funds)			
26	018. Lease - Jefferson CTC - Bullitt County Campus			
27	019. Lease - Jefferson CTC - Jefferson Education Center			

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K. PUBLIC PROTECTION CABINET

Budget Unit	2026-27	2027-28
1. HOUSING, BUILDINGS AND CONSTRUCTION		
001. Modernize Application System Reauthorization (\$3,588,000 Restricted Funds)		

L. TOURISM, ARTS AND HERITAGE CABINET

Budget Units	2026-27	2027-28
1. SECRETARY		
001. Northern Kentucky Convention Center Renovation and Expansion		
Restricted Funds	18,000,000	-0-
Agency Bonds	40,000,000	-0-
TOTAL	58,000,000	-0-

(1) **Procurement Authority:** Notwithstanding any statute or administrative regulation to the contrary, the Northern Kentucky Convention Center Corporation, created under KRS 154.90-010, is authorized to act on behalf of the Commonwealth in lieu of the Finance and Administration Cabinet for all planning, design, procurement, construction execution and administration, and completion activities for the renovation and modernization for the Northern Kentucky Convention Center. The Secretary of the Finance and Administration Cabinet shall maintain authority to determine any protests or controversies under KRS 45A.285 with respect to the project.

2. ARTISANS CENTER		
001. Maintenance Pool - 2026-2028		
Investment Income	500,000	500,000
3. PARKS		
001. Maintenance Pool - 2026-2028		
Investment Income	20,000,000	20,000,000
4. HORSE PARK COMMISSION		

1	001. Maintenance Pool - 2026-2028		
2	Investment Income	1,500,000	1,500,000
3	5. STATE FAIR BOARD		
4	001. Maintenance Pool - 2026-2028		
5	Investment Income	3,000,000	3,000,000
6	6. FISH AND WILDLIFE RESOURCES		
7	001. Fees-in-Lieu-of Stream Mitigation Projects Pool - 2026-2028		
8	Restricted Funds	64,500,000	48,600,000
9	002. Maintenance Pool - 2026-2028		
10	Restricted Funds	1,500,000	1,500,000
11	Federal Funds	1,500,000	1,500,000
12	TOTAL	3,000,000	3,000,000
13	003. Construct Indoor Gun Range and Law Enforcement Training Facility		
14	Restricted Funds	2,000,000	-0-
15	Federal Funds	18,000,000	-0-
16	TOTAL	20,000,000	-0-
17	(1) Project Use: The facility shall be multi-use for all law enforcement agencies		
18	to the extent allowable by federal law.		
19	7. HISTORICAL SOCIETY		
20	001. Kentucky Old State Capitol Preservation Additional Reauthorization		
21	(\$2,185,000 Bond Funds, \$169,000 Other Funds)		
22	Investment Income	5,023,000	-0-
23	8. KENTUCKY CENTER FOR THE ARTS		
24	001. Maintenance Pool - 2026-2028		
25	Investment Income	550,000	550,000

PART III

GENERAL PROVISIONS

1 **1. Funds Designations:** Restricted Funds designated in the biennial budget bills
2 are classified in the state financial records and reports as the Agency Revenue Fund, State
3 Enterprise Funds (State Parks, State Fair Board, Insurance Administration, and Kentucky
4 Horse Park), Internal Services Funds (Fleet Management, Computer Services,
5 Correctional Industries, Central Printing, Risk Management, and Property Management),
6 and selected Fiduciary Funds (Other Expendable Trust Funds). Separate fund records and
7 reports shall be maintained in a manner consistent with the branch budget bills.

8 The sources of Restricted Funds appropriations in this Act shall include all fees
9 (which includes fees for room and board, athletics, and student activities) and rentals,
10 admittances, sales, bond proceeds, licenses collected by law, gifts, subventions,
11 contributions, income from investments, and other miscellaneous receipts produced or
12 received by a budget unit, except as otherwise specifically provided, for the purposes,
13 use, and benefit of the budget unit as authorized by law. Restricted Funds receipts shall
14 be credited and allotted to the respective fund or account out of which a specified
15 appropriation is made in this Act. All receipts of Restricted Funds shall be deposited in
16 the State Treasury and credited to the proper account as provided in KRS Chapters 12,
17 42, 45, and 48.

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

26 **2. Expenditure of Excess Restricted Funds or Federal Funds Receipts:** If
27 receipts received or credited to the Restricted Funds accounts or Federal Funds accounts

1 of a budget unit during fiscal year 2026-2027 or fiscal year 2027-2028, and any balance
2 forwarded to the credit of these same accounts from the previous fiscal year, exceed the
3 appropriation made by a specific sum for these accounts of the budget unit as provided in
4 Part I, Operating Budget, of this Act, for the fiscal year in which the excess occurs, the
5 excess funds in the accounts of the budget unit shall become available for expenditure for
6 the purpose of the account during the fiscal year only upon compliance with the
7 conditions and procedures specified in KRS 48.400, 48.500, 48.600, 48.605, 48.610,
8 48.620, 48.630, 48.730, and 48.800, and with the authorization of the State Budget
9 Director and approval of the Secretary of the Finance and Administration Cabinet.

10 Prior to authorizing the appropriation of any excess, unbudgeted Restricted Funds
11 pursuant to this section, the State Budget Director and the Secretary of the Finance and
12 Administration Cabinet shall review the adequacy of the General Fund Surplus Account
13 with respect to its availability to support authorized expenditures from the General Fund
14 Surplus Account, known as Necessary Government Expenses. If General Fund Surplus
15 Account moneys are determined by this review to be adequate to meet known or
16 anticipated Necessary Government Expenses during fiscal year 2026-2027 or fiscal year
17 2027-2028, respectively, then the appropriation increase may be approved. If the review
18 indicates that there are insufficient funds available or reasonably estimated to become
19 available to the General Fund Surplus Account to meet known or projected Necessary
20 Government Expenses for the fiscal years enumerated above, the State Budget Director
21 and the Secretary of the Finance and Administration Cabinet may disapprove the request
22 for additional Restricted Funds expenditure authority and may direct the excess
23 Restricted Funds identified to the General Fund Surplus Account in order to meet
24 Necessary Government Expense obligations. The results of any review shall be reported
25 to the Interim Joint Committee on Appropriations and Revenue in accordance with KRS
26 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.730, and 48.800.

27 Any request made by a budget unit pursuant to KRS 48.630 that relates to

1 Restricted Funds or Federal Funds shall include documentation showing a comparative
2 statement of revised estimated receipts by fund source and the proposed expenditures by
3 proposed use, with the appropriated sums specified in the Budget of the Commonwealth,
4 and statements which explain the cause, source, and use for any variances which may
5 exist.

6 Notwithstanding KRS 48.630(2), any request for allotment of unbudgeted
7 appropriations from any fund source shall be made in writing 14 days in advance of any
8 allotment revision by the head of the budget unit and transmitted simultaneously to the
9 State Budget Director and the Interim Joint Committee on Appropriations and Revenue.
10 The State Budget Director shall report all approved revisions of unbudgeted
11 appropriations to the Interim Joint Committee on Appropriations and Revenue within 14
12 days of the revision. This report shall include analysis, including but not limited to the
13 amount, necessity, remaining unbudgeted funds, and anticipated future needs for
14 unbudgeted funds.

15 Each budget unit shall submit its reports in print and electronic format consistent
16 with the Restricted Funds and Federal Funds records contained in the fiscal biennium
17 2026-2028 Branch Budget Request Manual and according to the following schedule in
18 each fiscal year: (a) on or before the beginning of each fiscal year; (b) on or before
19 October 1; (c) on or before January 1; and (d) on or before April 1.

20 **3. Interim Appropriation Increases:** No appropriation from any fund source
21 shall exceed the sum specified in this Act until the agency has documented the necessity,
22 purpose, use, and source, and the documentation has been submitted to the Interim Joint
23 Committee on Appropriations and Revenue for its review and action in accordance with
24 KRS 48.630 and Section 2. of this Part. Proposed revisions to an appropriation contained
25 in the enacted State/Executive Branch Budget or allotment of an unbudgeted
26 appropriation shall conform to the conditions and procedures of KRS 48.630 and this
27 Act.

1 **4. Revision of Appropriation Allotments:** Allotments within appropriated
2 sums for the activities and purposes contained in the enacted State/Executive Branch
3 Budget shall conform to KRS 48.610 and may be revised pursuant to KRS 48.605 and
4 this Act.

5 **5. Permitted Appropriation Obligations:** No state agency, cabinet,
6 department, office, or program shall incur any obligation against the General Fund or
7 Road Fund appropriations contained in this Act unless the obligation may be reasonably
8 determined to have been contemplated in the enacted State/Executive Branch Budget and
9 is based upon supporting documentation considered by the General Assembly and
10 legislative and executive records.

11 **6. Lapse of General Fund or Road Fund Appropriations Supplanted by**
12 **Federal Funds:** Notwithstanding KRS 45.229, any General Fund appropriation made in
13 anticipation of a lack, loss, or reduction of Federal Funds shall lapse to the Budget
14 Reserve Trust Fund Account (KRS 48.705) to the extent the Federal Funds otherwise
15 become available. Any Road Fund appropriation made in anticipation of a lack, loss, or
16 reduction of Federal Funds shall lapse to the Road Fund Surplus Account to the extent
17 the Federal Funds otherwise become available.

18 **7. Federally Funded Agencies:** A state agency entitled to Federal Funds, which
19 would represent 100 percent of the cost of a program, shall conform to KRS 48.730.

20 **8. Lapse of General Fund or Road Fund Excess Debt Service**
21 **Appropriations:** Notwithstanding KRS 48.720, any excess General Fund debt service
22 shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705) unless otherwise
23 directed in this Act. Pursuant to KRS 48.720, any excess Road Fund debt service shall
24 lapse to the Road Fund Surplus Account unless otherwise directed in this Act.

25 **9. Statutes in Conflict:** All statutes and portions of statutes in conflict with any
26 of the provisions of this Act, to the extent of the conflict, are suspended unless otherwise
27 provided by this Act, and any question arising shall be decided by the Attorney General.

1 **10. Interpretation of Appropriations:** Notwithstanding KRS 48.500, all
2 questions that arise in interpreting this Act and the Transportation Cabinet Budget shall
3 be decided by the Attorney General, and the decision of the Attorney General shall be
4 final and conclusive.

5 **11. Publication of the Budget of the Commonwealth:** The State Budget
6 Director shall cause the Governor's Office for Policy and Management, within 60 days of
7 adjournment of the 2026 Regular Session of the General Assembly, to publish a final
8 enacted budget document, styled the Budget of the Commonwealth, based upon the
9 Legislative Branch Budget, State/Executive Branch Budget, Transportation Cabinet
10 Budget, and Judicial Branch Budget as enacted by the 2026 Regular Session, as well as
11 other Acts which contain appropriation provisions for the 2026-2028 fiscal biennium, and
12 based upon supporting documentation and legislative records as considered by the 2026
13 Regular Session. This document shall include, for each agency and budget unit, a
14 consolidated budget summary statement of available regular and continuing appropriated
15 revenue by fund source, corresponding appropriation allocations by program or
16 subprogram as appropriate, budget expenditures by principal budget class, and any other
17 fiscal data and commentary considered necessary for budget execution by the Governor's
18 Office for Policy and Management and oversight by the Interim Joint Committee on
19 Appropriations and Revenue. The enacted State/Executive Branch Budget and
20 Transportation Cabinet Budget shall be revised or adjusted only upon approval by the
21 Governor's Office for Policy and Management as provided in each Part of this Act and by
22 KRS 48.400 to 48.810, and upon review and approval by the Interim Joint Committee on
23 Appropriations and Revenue.

24 **12. State Financial Condition:** Pursuant to KRS 48.400, the State Budget
25 Director shall monitor and report on the financial condition of the Commonwealth.

26 **13. Prorating Administrative Costs:** The Secretary of the Finance and
27 Administration Cabinet is authorized to establish a system or formula or a combination of

1 both for prorating the administrative costs of the Finance and Administration Cabinet, the
 2 Department of the Treasury, and the Office of the Attorney General relative to the
 3 administration of programs in which there is joint participation by the state and federal
 4 governments for the purpose of receiving the maximum amount of participation
 5 permitted under the appropriate federal laws and regulations governing the programs. The
 6 receipts and allotments under this section shall be reported to the Interim Joint
 7 Committee on Appropriations and Revenue prior to any transfer of funds.

8 **14. Construction of Budget Provisions Regarding Executive Reorganization**

9 **Orders:** Nothing in this Act shall be construed to confirm or ratify, under KRS 12.028,
 10 any executive reorganization order unless the executive order was confirmed or ratified
 11 by appropriate amendment to the Kentucky Revised Statutes in another Act of the 2026
 12 Regular Session of the General Assembly.

13 **15. Executive Orders:** For the purpose of ensuring transparent government, the
 14 Governor shall provide a comprehensive report to the Legislative Research Commission
 15 simultaneously with each and every executive order issued pertaining to:

- 16 (1) Authorizing the expenditure of state funds over \$10,000;
- 17 (2) Establishing or altering the organization of state agencies;
- 18 (3) Establishing or altering the services provided by state government; or
- 19 (4) Establishing a new program or altering an existing program administered by
 20 state government.

21 The comprehensive report shall contain the following items:

- 22 (1) A complete statement of each essential fact upon which the order is based;
- 23 (2) A complete statement of each goal sought through issuance of the order;
- 24 (3) A comprehensive analysis explaining how the executive order achieves each
 25 stated goal with the least burden placed upon the constitutional rights of the citizens of
 26 the Commonwealth of Kentucky and how each stated goal is accomplished with the most
 27 efficient use of taxpayer money;

1 (4) A detailed estimate of the anticipated expenditures of all state funds and all
2 state employee time required for implementation or enforcement itemized in the smallest
3 categories reasonably identifiable and stated in weekly increments; and

4 (5) A detailed statement of all state funds and all state employee time actually
5 expended for implementation or enforcement of each and every prior executive order
6 upon the same issue or event or substantially similar issue or event itemized in the
7 smallest categories reasonably identifiable and stated in weekly increments.

8 Each comprehensive report shall be updated every 30 days subsequent to issuance
9 of an executive order and shall be provided to the Legislative Research Commission.

10 Notwithstanding any statute to the contrary, except as provided in this Act, no state
11 funds or state employee time shall be expended by any person or agency to implement or
12 enforce any executive order issued other than as authorized by KRS Chapters 39A to
13 39F, as amended by 2021 Regular Session SB 1 and further amended by subsequent acts
14 of the 2021 General Assembly, or other than as may be implemented or enforced for a
15 total sum not exceeding \$100,000, inclusive of all state employee time and costs, or other
16 than as may relate to an emergency order issued relative to a natural disaster, or other
17 than as may be approved by the General Assembly.

18 **16. Tax Expenditure Revenue Loss Estimates:** By September 1 of each fiscal
19 year, the Office of State Budget Director shall provide to each branch of government
20 detailed estimates for the General Fund and Road Fund for the current and next two fiscal
21 years of the revenue loss resulting from tax expenditures. The Department of Revenue
22 shall provide assistance and furnish data, which is not restricted by KRS 131.190. "Tax
23 expenditure" as used in this section means an exemption, exclusion, or deduction from
24 the base of a tax, a credit against the tax, a deferral of a tax, or a preferential tax rate. The
25 estimates shall include for each tax expenditure the amount of revenue loss, a citation of
26 the legal authority for the tax expenditure, the year in which it was enacted, and the tax
27 year in which it became effective.

1 **17. Duplicate Appropriations:** Any appropriation item and sum in Parts I to X
2 of this Act and in an appropriation provision in any Act of the 2026 Regular Session
3 which constitutes a duplicate appropriation shall be governed by KRS 48.312.

4 **18. Priority of Individual Appropriations:** KRS 48.313 shall control when a
5 total or subtotal figure in this Act conflicts with the sum of the appropriations of which it
6 consists.

7 **19. Severability of Budget Provisions:** Appropriation items and sums in Parts I
8 to X of this Act shall conform to KRS 48.311. If any section, any subsection, or any
9 provision is found by a court of competent jurisdiction in a final, unappealable order to be
10 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the
11 remaining sections, subsections, or provisions.

12 **20. Unclaimed Lottery Prize Money:** For fiscal year 2026-2027 and fiscal year
13 2027-2028, all unclaimed lottery prize money under KRS 154A.110(3) shall be credited
14 to the Kentucky Educational Excellence Scholarship Reserve Account to be held as a
15 subsidiary account within the Finance and Administration Cabinet for the purpose of
16 funding the KEES Program as appropriated in this Act. If the Kentucky Higher Education
17 Assistance Authority certifies to the State Budget Director that the appropriations in this
18 Act for the KEES Program under the existing award schedule are insufficient to meet
19 funds required for eligible applicants, then the State Budget Director shall provide the
20 necessary allotment of funds in the balance of the KEES Reserve Account to fund the
21 KEES Program. Actions taken under this section shall be reported to the Interim Joint
22 Committee on Appropriations and Revenue on a timely basis.

23 **21. Workers' Compensation:** Notwithstanding KRS 342.340(1) and 803 KAR
24 25:021, Section 4, the Personnel Cabinet shall be exempt from procuring excess risk
25 insurance in fiscal year 2026-2027 and fiscal year 2027-2028 for the Workers'
26 Compensation Benefits and Reserve Program administered by the Cabinet.

27 **22. Carry Forward and Undesignated General Fund and Road Fund Carry**

1 **Forward:** Notwithstanding KRS 48.700 and 48.705, and other Parts of this Act, the
2 Secretary of the Finance and Administration Cabinet shall determine and certify, within
3 30 days of the close of fiscal year 2025-2026 and fiscal year 2026-2027, the actual
4 amount of undesignated balance of the General Fund and the Road Fund for the year just
5 ended. The amounts from the undesignated fiscal year 2025-2026 and fiscal year 2026-
6 2027 General Fund and Road Fund balances that are designated and carried forward for
7 budgeted purposes in the 2026-2028 fiscal biennium shall be determined by the State
8 Budget Director during the close of the respective fiscal year and shall be reported to the
9 Interim Joint Committee on Appropriations and Revenue within 30 days of the close of
10 the fiscal year. Any General Fund undesignated balance in excess of the amount
11 designated for budgeted purposes under this section shall be made available for the
12 General Fund Surplus Expenditure Plan contained in Part VII of this Act unless otherwise
13 provided in this Act. The Road Fund undesignated balance in excess of the amount
14 designated for budgeted purposes under this section shall be made available for the Road
15 Fund Surplus Expenditure Plan contained in Part IX of this Act unless otherwise
16 provided in this Act.

17 **23. Reallocation of Appropriations Among Budget Units:** Notwithstanding any
18 statute or provisions of this Act to the contrary, the Secretary of a Cabinet, the
19 Commissioner of the Department of Education, and other agency heads may request a
20 reallocation among budget units under his or her administrative authority up to five
21 percent of General Fund appropriations contained in Part I, Operating Budget, of this Act
22 for fiscal years 2025-2026, 2026-2027, and 2027-2028 for approval by the State Budget
23 Director. A request shall explain the need and use for the transfer authority under this
24 section. The amount of transfer of General Fund appropriations shall be separately
25 recorded and reported in the system of financial accounts and reports provided in KRS
26 Chapter 45. The State Budget Director shall report a transfer made under this section, in
27 writing, to the Interim Joint Committee on Appropriations and Revenue.

1 **24. Budget Implementation:** The General Assembly directs that the Executive
2 Branch shall carry out all appropriations and budgetary language provisions as contained
3 in the State/Executive Branch Budget. The Legislative Research Commission shall
4 review quarterly expenditure data to determine if an agency is out of compliance with this
5 directive. If the Legislative Research Commission suspects that any entity has acted in
6 non-conformity with this section, the Legislative Research Commission may order an
7 audit or review at the agency's expense. Such audit findings, reviews, and reports shall be
8 subject to the Kentucky Open Records Act. The Secretary of each Cabinet, the
9 Commissioner of Education, or agency head shall provide, in the form and manner
10 prescribed by the Legislative Research Commission, a comprehensive semiannual report,
11 beginning February 1, 2025, to the standing Appropriations and Revenue Committees of
12 the General Assembly or the Interim Joint Committee on Appropriations and Revenue, as
13 appropriate, detailing expenditures related to the appropriations contained within the
14 budgetary language provisions for each budget unit within their cabinet. If an agency
15 does not expend the full General Fund appropriation contained within a budgetary
16 language provision, the unexpended funds shall be transferred to the Budget Reserve
17 Trust Fund Account (KRS 48.705).

18 **25. Appropriations Expenditure Purpose and Transfer Restrictions:** Funds
19 appropriated in this Act shall be expended only for the purposes specified and authorized
20 by the General Assembly in this Act. No funds appropriated in this Act shall be
21 transferred to or between any cabinet, department, board, commission, institution,
22 agency, or budget unit of state government unless specifically authorized by the General
23 Assembly in this Act and KRS 48.400 to 48.810. Semiannually, beginning February 1,
24 2027, the State Budget Director shall submit a letter to the Legislative Research
25 Commission certifying any known violations of any provision of this section for that six-
26 month period or any prior six-month period. Compliance with the provisions of this
27 section shall be reviewed and determined by the Interim Joint Committee on

1 Appropriations and Revenue.

2 **26. Information Technology:** All authorized computer information technology
3 projects shall submit a semiannual progress report to the Capital Projects and Bond
4 Oversight Committee and the Information Technology Oversight Committee. The
5 reporting process shall begin six months after the project is authorized and shall continue
6 through completion of the project. The initial report shall establish a timeline for
7 completion and cash disbursement schedule. Each subsequent report shall update the
8 timeline and budgetary status of the project and explain in detail any issues with
9 completion date and funding.

10 **27. Equipment Service Contracts and Energy Efficiency Measures:** The
11 General Assembly mandates that the Finance and Administration Cabinet review all
12 equipment service contracts to maximize savings to the Commonwealth to strictly adhere
13 to the provisions of KRS 56.772, 56.782, and 56.784 in maximizing the use of energy
14 efficiency measures.

15 **28. Debt Restructuring:** Notwithstanding any other provision of the Kentucky
16 Revised Statutes, no General Fund or Road Fund debt restructuring transactions shall be
17 undertaken during the 2026-2028 fiscal biennium.

18 **29. Effects of Subsequent Legislation:** If any measure enacted during the 2026
19 Regular Session of the General Assembly subsequent to this Act contains an
20 appropriation or is projected to increase or decrease General Fund revenues, the amount
21 in the Budget Reserve Trust Fund shall be revised to accommodate the appropriation or
22 the reduction or increase in projected revenues. Notwithstanding any provision of KRS
23 48.120(3) and (4) to the contrary, the official enacted revenue estimates of the
24 Commonwealth described in KRS 48.120(4) shall be adjusted at the conclusion of the
25 2026 Regular Session of the General Assembly, respectively, to incorporate any
26 projected revenue increases or decreases that will occur as a result of actions taken by the
27 General Assembly subsequent to the passage of this Act by both chambers.

1 **30. Permitted Use of Water and Sewer Bond Funds:** Notwithstanding Part II,
2 (3) of this Act and any statute to the contrary, any balances remaining for either closed or
3 open project grant agreements authorized pursuant to bond pools set forth in 2003 Ky.
4 Acts ch. 156, Part II, A., 3., d. Water and Sewer Resources Development Fund for
5 Tobacco Counties and e. Water and Sewer Resources Development Fund For Coal
6 Producing Counties; 2005 Ky. Acts ch. 173, Part II, A., 3., 003. Infrastructure for
7 Economic Development Fund for Coal-Producing Counties and 004. Infrastructure for
8 Economic Development Fund for Tobacco Counties; 2006 Ky. Acts ch. 252, Part II, A.,
9 2., 003. Infrastructure for Economic Development Fund for Non-Coal Producing
10 Counties and 004. Infrastructure for Economic Development Fund for Coal-Producing
11 Counties; 2008 Ky. Acts ch. 123, Section 3., 004. Infrastructure for Economic
12 Development Fund for Coal-Producing Counties and 005. Infrastructure for Economic
13 Development Fund for Non-Coal Producing Counties; 2008 Ky. Acts ch. 174, Section 2.;
14 and 2009 Ky. Acts ch. 87, Section 2. shall not lapse and shall remain to the credit of
15 projects previously authorized by the General Assembly unless expressly reauthorized
16 and reallocated by action of the General Assembly.

17 **31. Approval of State Aircraft Travel:** Notwithstanding KRS 45.101, 174.508,
18 and any other statute or administrative regulation to the contrary, the use of state aircraft
19 by any secretary or other state official of any Executive Branch cabinet for out-of-state
20 travel shall be approved by the State Treasurer. The State Treasurer shall only approve
21 requests which document that the use of state aircraft is the lowest cost option as
22 measured by both travel costs and travel time. The State Treasurer shall not designate
23 approval authority for out-of-state travel on state aircraft by Executive Branch cabinet
24 secretaries or other state officials to any other person. Any requests and documentation
25 regarding the use of state aircraft collected by the State Treasurer shall be subject to the
26 Kentucky Open Records Act, KRS 61.870 to 61.884.

27 **32. Electronic Access to Budget Information:** In accordance with KRS 48.950,

1 the State Budget Director shall continue to work cooperatively with the Legislative
2 Research Commission to provide relevant budgetary information in a timely manner. To
3 ensure that this information is transmitted in its most useful format, the State Budget
4 Director shall provide electronic versions of all documents requested by the Legislative
5 Research Commission in an editable format in order for documents to be manipulated
6 without the use of specialized software. Electronic access shall also include the ability to
7 access and view, but not edit, documents contained in KBUD and all related or successor
8 budgetary systems of record.

9 **33. Motor Vehicles:** Notwithstanding any statute to the contrary, no agency,
10 department, air pollution control district, or political subdivision of the Commonwealth,
11 including the Transportation Cabinet, shall mandate the purchase of electric vehicles, and
12 no Request for Proposal shall limit purchasing of vehicles to solely electric vehicles.

13 **34. Fiscal Year 2027-2028 Funds Expenditure Restriction:** Except in the case
14 of a declared emergency, the Governor, all agency heads, and all other constitutional
15 officers shall not expend or encumber in the aggregate more than 50 percent of the funds
16 appropriated by this Act during the first half of fiscal year 2027-2028.

17 **35. Operating Expense Reduction:** (1) The State Auditor has identified that
18 in fiscal year 2024-2025 the Executive Branch spent \$365,118,727 on the following
19 expense codes:

- 20 (a) Employee Training - State Employee Only (E133) \$6,718,307;
- 21 (b) Advertising Services (E147) \$9,362,940;
- 22 (c) Temporary Manpower Services (E191) \$69,770,650;
- 23 (d) Advertising (E255) \$29,692,913;
- 24 (e) Services Not Otherwise Classified (E257) \$51,802,056;
- 25 (f) Expenses Related to Trade Shows (E259) \$4,605,317;
- 26 (g) Food Products (E341) \$5,369,478;
- 27 (h) Subscriptions (E353) \$3,273,091;

- 1 (i) In-State Travel (E361) \$23,278,869;
- 2 (j) Out of State Travel (E362) \$7,438,490;
- 3 (k) Travel for Non-State Employees (E363) \$3,983,338;
- 4 (l) Dues (E381) \$10,336,469; and
- 5 (m) Other (E399) \$118,383.22.

6 (2) The State Budget Director, the Secretary of the Executive Cabinet, and the
7 Secretary of the Finance and Administration Cabinet shall take the necessary steps to
8 reduce the expenses for the Executive Branch, in codes E361 and E362, in the fourth
9 fiscal quarter of fiscal year 2025-2026. The State Budget Director shall also submit a
10 written report to the Interim Joint Committee on Appropriations and Revenue by August
11 1, 2026, concerning the Executive Branch expenditures assigned to these codes for fiscal
12 year 2025-2026.

13 (3) In order to implement the 2026 General Assembly's policy and fiscal
14 directives of the contained in Part I, Operating Budget, of this Act, it will be necessary
15 for the Executive Branch to reduce the operating cost of each agency. To accomplish this
16 policy directive, unless otherwise directed by State or Federal Law or required by Court
17 Order, the State Budget Director, the Secretary of the Finance and Administration
18 Cabinet, and the Secretary of the Personnel Cabinet shall take the necessary steps to
19 reduce, modify, or eliminate the expenditures of state agencies in the following priority
20 order:

- 21 (a) Temporary Manpower Services personnel and contracts;
- 22 (b) Advertising Services and other advertising costs, by requiring that the prior
23 written approval of the Secretary of the Finance and Administration Cabinet be secured
24 before any expense is incurred in these code areas;
- 25 (c) Out-of-state travel should require and receive prior written approval of the
26 Secretary of the Finance and Administration Cabinet;
- 27 (d) Practice of providing food and meals that cost more than is set out in the in-

1 state travel guideline allowance for employees attending meetings, unless the prior
2 written approval of the State Budget Director has been secured;

3 (e) Prior written approval of the agency head for any conference, meeting, or
4 event that will require in-state travel of 20 employees or more;

5 (f) Prior written approval of the agency head for any expense that will be charged
6 to the eMARS code E257 (Services Not Otherwise Classified), code E399 (Other), or
7 code E259 (Expenses Related to Trade Shows);

8 (g) Abolishment of positions that have remained vacant for six months;

9 (h) Moratorium on all discretionary salary increases; and

10 (i) Reduction, modification, or elimination of programs or services not required
11 by state or federal law or regulation.

12 (4) Quarterly, beginning June 15, 2026, the Secretary of the Finance and
13 Administration Cabinet and the State Budget Director shall provide a written report to the
14 Interim Joint Committee on Appropriations and Revenue on the actions taken to
15 implement the policy and fiscal directives provided in this Part. That report shall contain
16 at least the following:

17 (a) A listing of all prior approvals granted that are required by subsection (3)(b),
18 (c), (d), (e), and (f) of this section;

19 (b) A comparison of the charges processed to the codes listed in subsection (1) of
20 this section between the past month of the current fiscal year and the same month of the
21 previous fiscal year; and

22 (c) The identification of any other policy decisions, directives, or actions taken by
23 the Executive Branch in the past month to reduce the operating cost of programs,
24 services, or activities of the Executive Branch.

25 **36. Operational Expenditures Data:** The head of each budget unit shall, by
26 October 1, 2026, submit a report to the Legislative Oversight and Investigations
27 Committee and the Interim Joint Committee on Appropriations and Revenue with the

1 following information and data pertaining to the historical and projected operational
2 expenditures for each budget unit:

3 (1) Identifying information of the budget unit; and

4 (2) A description of each program, function, service, or benefit provided by the
5 budget unit, including but not limited to the following:

6 (a) Measurable outcome data for the program, function, service, or benefit
7 provided in fiscal year 2025-2026 and projected for fiscal years 2026-2027 and 2027-
8 2028 for programs, functions, services, or benefits that are statutorily mandated;

9 (b) Measurable outcome data for the program, function, service, or benefit
10 provided in fiscal year 2025-2026 and projected for fiscal years 2026-2027 and 2027-
11 2028 for programs, functions, services, or benefits that are not statutorily mandated;

12 (c) Identification of any contracts or grants with other state budget units or
13 external providers engaged to provide or assist in providing the program, function,
14 service, or benefit in fiscal years 2025-2026, 2026-2027, or 2027-2028;

15 (d) The number of full-time, part-time, and other filled positions assigned to the
16 program, function, service, or benefit on July 1 of each fiscal year;

17 (e) The number and projected cost of all temporary manpower service personnel
18 assigned to the program, function, service, or benefit as of July 1 each fiscal year;

19 (f) The actual expenditures, by fund source, for each program, function, service,
20 or benefit for fiscal year 2025-2026;

21 (g) The projected expenditures, by fund source, by fiscal year, for each program,
22 function, service, or benefit for fiscal years 2026-2027 and 2027-2028; and

23 (h) The actual balance of any Restricted Funds or Agency Trust Funds assigned
24 to the program, function, service, or benefit as of July 1, 2026, and projected to be on
25 July 1, 2027, and July 1, 2028.

26 The information shall be submitted only in a format prescribed by the Legislative
27 Oversight and Investigations Committee.

1 positions.

2 **5. Employer Retirement Contribution Rates:** Notwithstanding KRS 61.565
3 and 61.702, the employer contribution rates for Kentucky Employees Retirement System
4 from July 1, 2026, through June 30, 2028, and except as otherwise provided in this Act,
5 shall be 18.83 percent, consisting of 18.83 percent for pension for hazardous duty
6 employees; for the same period, the employer contribution for employees of the State
7 Police Retirement System shall be 54.33 percent, consisting of 51.84 percent for pension
8 and 2.49 percent for health insurance. Notwithstanding any other provision of this Act or
9 KRS 61.565 or 61.702 to the contrary, the initial actuarially accrued liability employer
10 contribution rate for fiscal year 2026-2027 and for fiscal year 2027-2028, for
11 nonhazardous employees in the Executive Branch departments shall be determined by the
12 State Budget Director by May 1 prior to the beginning of each fiscal year. The employer
13 contribution rate shall include the normal cost contribution of 7.76 percent and be
14 sufficient to adhere to the prorated amount of the actuarially accrued liability to each
15 individual nonhazardous employer as determined by the Kentucky Employees Retirement
16 System. The rates in this section apply to wages and salaries earned for work performed
17 during the described period regardless of when the employee is paid for the time worked.

18 **6. Health Care Spending Account:** Notwithstanding KRS 18A.2254(2)(a) and
19 (b), if a public employee waives coverage provided by his or her employer under the
20 Public Employee Health Insurance Program, the employer shall forward a monthly
21 amount to be determined by the Secretary of the Personnel Cabinet for that employee as
22 an employer contribution to a health reimbursement account or a health flexible spending
23 account, but not less than \$175 per month, subject to any conditions or limitations
24 imposed by the Secretary of the Personnel Cabinet to comply with applicable federal law.
25 The administrative fees associated with a health reimbursement account or health flexible
26 spending account shall be an authorized expense to be charged to the Public Employee
27 Health Insurance Trust Fund.

1 (KRS 15.430 and 136.392(2))

2 Notwithstanding KRS 15.430 and 136.392(2), these funds transfers to the General
3 Fund support the General Fund debt service for the capital project in 2022 Ky. Acts ch.
4 199, Part II, H., 2., 002.

5 TOTAL - FUNDS TRANSFER 2,368,000 12,768,000

6 **PART VI**

7 **GENERAL FUND BUDGET REDUCTION PLAN**

8 Pursuant to KRS 48.130 and 48.600, a General Fund Budget Reduction Plan is
9 enacted for state government in the event of an actual or projected revenue shortfall in
10 General Fund revenue receipts, excluding Tobacco Settlement – Phase I receipts, of
11 \$15,498,900,000 in fiscal year 2025-2026, \$15,882,000,000 in fiscal year 2026-2027, and
12 \$16,232,200,000 in fiscal year 2027-2028, as modified pursuant to Part III, 28. of this Act
13 and by related Acts and actions of the General Assembly in any subsequent extraordinary
14 or regular session. Notwithstanding KRS 48.130, direct services, obligations essential to
15 the minimum level of constitutional functions, and other items that may be specified in
16 this Act, are exempt from the requirements of this Plan. Each branch head shall prepare a
17 specific plan to address the proportionate share of the General Fund revenue shortfall
18 applicable to the respective branch. No budget revision action shall be taken by a branch
19 head in excess of the actual or projected revenue shortfall.

20 The Governor, the Secretary of State, the Attorney General, the Treasurer, the
21 Commissioner of Agriculture, the Auditor of Public Accounts, the Chief Justice, and the
22 Legislative Research Commission shall direct and implement reductions in allotments
23 and appropriations only for their respective branch budget units as may be necessary, as
24 well as take other measures which shall be consistent with the provisions of this Part and
25 biennial branch budget bills.

26 Pursuant to KRS 48.130(4), in the event of a revenue shortfall of five percent or
27 less, the following General Fund budget reduction actions shall be implemented:

1 (1) The Local Government Economic Assistance Fund and the Local Government
2 Economic Development Fund shall be adjusted by the Secretary of the Finance and
3 Administration Cabinet to equal revised estimates of receipts pursuant to KRS 42.4582 as
4 modified by the provisions of this Act;

5 (2) Transfers of excess unappropriated Restricted Funds, notwithstanding any
6 statutes to the contrary, other than fiduciary funds, to the General Fund shall be applied
7 as determined by the head of each branch for its respective budget units. No transfers to
8 the General Fund shall be made from the following:

9 (a) Local Government Economic Assistance Fund and Local Government
10 Economic Development Fund;

11 (b) Unexpended debt service from the Tobacco-Settlement Phase I Funds,
12 including but not limited to unexpended debt service and the Tobacco Unbudgeted
13 Interest Income-Rural Development Trust Fund, in either fiscal year; and

14 (c) The Kentucky Permanent Pension Fund;

15 (3) Lapse unexpended debt service;

16 (4) Any unanticipated Phase I Master Settlement Agreement revenues in both
17 fiscal years shall be appropriated according to Part X of this Act and shall not be
18 transferred to the General Fund;

19 (5) Use of the unappropriated balance of the General Fund surplus shall be
20 applied;

21 (6) Any language provision that expresses legislative intent regarding a specific
22 appropriation shall not be reduced by a greater percentage than the reduction to the
23 General Fund appropriation for that budget unit;

24 (7) Lapse contributions appropriated to pensions in excess of statutory
25 requirements;

26 (8) Lapse contributions appropriated to pension insurance in excess of actuarially
27 required contributions;

1 (9) Reduce General Fund appropriations in Executive Branch agencies' operating
2 budget units by a sufficient amount to balance either fiscal year. No reductions of
3 General Fund appropriations shall be made from the Local Government Economic
4 Assistance Fund or the Local Government Economic Development Fund;

5 (10) Notwithstanding subsection (9) of this Part, no reductions shall be made to the
6 Secretary of State, the Attorney General, the Treasurer, the Commissioner of Agriculture,
7 or the Auditor of Public Accounts, or their offices, Commonwealth's Attorneys or their
8 offices, or County Attorneys or their offices. The Governor may request their
9 participation in a budget reduction; however, the level of participation shall be at the
10 discretion of the Constitutional Officer or the Prosecutors Advisory Council, and shall
11 not exceed the actual percentage of revenue shortfall;

12 (11) Excess General Fund appropriations which accrue as a result of personnel
13 vacancies and turnover, and reduced requirements for operating expenses, grants, and
14 capital outlay shall be determined and applied by the heads of the executive, judicial, and
15 legislative departments of state government for their respective branches. The branch
16 heads shall certify the available amounts which shall be applied to budget units within the
17 respective branches and shall promptly transmit the certification to the Secretary of the
18 Finance and Administration Cabinet and the Legislative Research Commission. The
19 Secretary of the Finance and Administration Cabinet shall execute the certified actions as
20 transmitted by the branch heads.

21 Branch heads shall take care, by their respective actions, to protect, preserve, and
22 advance the fundamental health, safety, legal and social welfare, and educational well-
23 being of the citizens of the Commonwealth;

24 (12) Pursuant to KRS 48.130 and 48.600, if the actions contained in subsections
25 (1) to (11) of this Part are insufficient to eliminate an actual or projected General Fund
26 revenue shortfall, then the Governor is empowered and directed to take necessary actions
27 with respect to the Executive Branch budget units to balance the budget by such actions

1 conforming with the criteria expressed in this Part; and

2 (13) Within 15 days of the enactment of a General Fund Budget Reduction Plan,
3 the Secretary of each cabinet, the Commissioner of Education, or the head of each
4 agency, shall submit a report to the Interim Joint Committee on Appropriations and
5 Revenue detailing the plan for implementation of the reduction, including any personnel
6 actions, programmatic changes, or other measures necessary to achieve the required
7 reduction.

8 **PART VII**

9 **GENERAL FUND SURPLUS EXPENDITURE PLAN**

10 (1) Notwithstanding KRS 48.130(7), 48.140(3), 48.700, and 48.705, there is
11 established a plan for the expenditure of General Fund surplus moneys pursuant to a
12 General Fund Surplus Expenditure Plan contained in this Part for fiscal years 2025-2026,
13 2026-2027, and 2027-2028. Pursuant to the enactment of the Surplus Expenditure Plan,
14 General Fund moneys made available for the General Fund Surplus Expenditure Plan
15 pursuant to Part III, General Provisions, Section 22. of this Act are appropriated to the
16 following:

17 (a) Expenditures without a sum-specific appropriation amount, known as
18 Necessary Government Expenses, as authorized in Part I of this Act;

19 (b) The entire remaining amount to the Budget Reserve Trust Fund; and

20 (c) No surplus moneys in any fiscal year shall be reserved for Necessary
21 Government Expenses in a subsequent fiscal year.

22 (2) The Secretary of the Finance and Administration Cabinet shall determine,
23 within 30 days after the close of each fiscal year, based on the official financial records of
24 the Commonwealth, the amount of actual General Fund undesignated fund balance for
25 the General Fund Surplus Account that may be available for expenditure pursuant to the
26 Plan in fiscal year 2026-2027 and fiscal year 2027-2028. The Secretary of the Finance
27 and Administration Cabinet shall certify the amount of actual General Fund undesignated

1 fund balance available for expenditure to the Legislative Research Commission.

2 **PART VIII**

3 **ROAD FUND BUDGET REDUCTION PLAN**

4 There is established a Road Fund Budget Reduction Plan for fiscal years 2025-
5 2026, 2026-2027, and 2027-2028. Notwithstanding KRS 48.130(1) and (3) relating to
6 statutory appropriation adjustments related to the revenue sharing of motor fuels taxes, in
7 the event of an actual or projected revenue shortfall in Road Fund revenue receipts of
8 \$1,844,000,000 in fiscal year 2025-2026, \$1,836,000,000 in fiscal year 2026-2027, and
9 \$1,909,400,000 in fiscal year 2027-2028, as modified by related Acts and actions of the
10 General Assembly in an extraordinary or regular session, the Governor shall implement
11 sufficient reductions as may be required to protect the highest possible level of service.

12 Within 15 days of the enactment of a Road Fund Budget Reduction Plan, the
13 Secretary of each cabinet or the head of each agency shall submit a report to the Interim
14 Joint Committee on Appropriations and Revenue detailing the plan for implementation of
15 the reduction, including any personnel actions, programmatic changes, or other measures
16 necessary to achieve the required reduction.

17 **PART IX**

18 **ROAD FUND SURPLUS EXPENDITURE PLAN**

19 Notwithstanding KRS 48.110, 48.140, and 48.710, there is established a plan for the
20 expenditure of the Road Fund Surplus Account. All moneys in the Road Fund Surplus
21 Account shall be appropriated to the State Construction Account within the Highways
22 budget unit and utilized to support projects in the 2026-2028 Biennial Highway
23 Construction Program.

24 **PART X**

25 **PHASE I TOBACCO SETTLEMENT**

26 **(1) General Purpose:** This Part prescribes the policy implementing aspects of the
27 national settlement agreement between the tobacco industry and the collective states as

1 described in KRS 248.701 to 248.727. In furtherance of that agreement, the General
2 Assembly recognizes that the Commonwealth of Kentucky is a party to the Phase I
3 Master Settlement Agreement (MSA) between the Participating Tobacco Manufacturers
4 and 46 Settling States which provides reimbursement to states for smoking-related
5 expenditures made over time.

6 **(2) State's MSA Share:** The Commonwealth's share of the MSA is equal to
7 1.7611586 percent of the total settlement amount. Payments under the MSA are made to
8 the states annually in April of each year.

9 **(3) MSA Payment Amount Variables:** The total settlement amount to be
10 distributed on each payment date is subject to change pursuant to several variables
11 provided in the MSA, including inflation adjustments, volume adjustments, previously
12 settled states adjustments, and the nonparticipating manufacturers adjustment.

13 **(4) Distinct Identity of MSA Payment Deposits:** The General Assembly has
14 determined that it shall be the policy of the Commonwealth that all Phase I Tobacco
15 Settlement payments shall be deposited to the credit of the General Fund and shall
16 maintain a distinct identity as Phase I Tobacco Settlement payments that shall not lapse to
17 the credit of the General Fund surplus but shall continue forward from each fiscal year to
18 the next fiscal year to the extent that any balance is unexpended.

19 **(5) MSA Payment Estimates and Adjustments:** Based on the official estimates
20 of the Consensus Forecasting Group, the amount of MSA payments expected to be
21 received in fiscal year 2026-2027 is \$82,800,000 and in fiscal year 2027-2028 is
22 \$77,400,000. It is recognized that payments to be received by the Commonwealth are
23 estimated and are subject to change. If MSA payments received are less than the official
24 estimates, appropriation reductions shall be applied as follows: after exempting
25 appropriations for debt service, the Attorney General, and the Department of Revenue, 50
26 percent to the Agricultural Development Fund, 30 percent to the Early Childhood
27 Development Fund, and 20 percent to the Health Care Improvement Fund. If MSA

1 payments received exceed the official estimates, appropriation increases shall be applied
2 as follows: after exempting appropriations for debt service, the Attorney General, and the
3 Department of Revenue, 50 percent to the Agricultural Development Fund, 30 percent to
4 the Early Childhood Development Fund, and 20 percent to the Health Care Improvement
5 Fund.

6 **a. State Enforcement:** Notwithstanding KRS 248.654 and 248.703(4), a total of
7 \$150,000 of the MSA payments in each fiscal year is appropriated to the Attorney
8 General for the state's diligent enforcement of noncompliant nonparticipating
9 manufacturers.

10 **b. State Enforcement:** Notwithstanding KRS 248.654 and 248.703(4), a total of
11 \$250,000 of the MSA payments in each fiscal year is appropriated to the Finance and
12 Administration Cabinet, Department of Revenue for the state's diligent enforcement of
13 noncompliant nonparticipating manufacturers.

14 **c. Debt Service:** Notwithstanding KRS 248.654 and 248.703(4), \$14,100,200 in
15 MSA payments in fiscal year 2026-2027 and \$13,880,900 in MSA payments in fiscal
16 year 2027-2028 are appropriated to the Finance and Administration Cabinet, Debt
17 Service budget unit.

18 **d. Agricultural Development Initiatives:** Notwithstanding KRS 248.654 and
19 248.703(4), \$38,086,500 in MSA payments in fiscal year 2026-2027 and \$35,197,600 in
20 MSA payments in fiscal year 2027-2028 are appropriated to the Kentucky Agricultural
21 Development Fund to be used for agricultural development initiatives as specified in this
22 Part.

23 **e. Early Childhood Development Initiatives:** Notwithstanding KRS 248.654,
24 \$20,018,100 in MSA payments in fiscal year 2026-2027 and \$18,499,700 in MSA
25 payments in fiscal year 2027-2028 are appropriated to the Early Childhood Development
26 Initiatives as specified in this Part.

27 **f. Health Care Initiatives:** Notwithstanding KRS 164.476, 248.654, and

1 304.17B-003(5), \$10,195,200 in MSA payments in fiscal year 2026-2027 and \$9,421,800
 2 in MSA payments in fiscal year 2027-2028 are appropriated to the Health Care
 3 Improvement Fund for health care initiatives as specified in this Part.

4 **A. STATE ENFORCEMENT**

5 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

6 Notwithstanding KRS 248.654 and 248.703(4), appropriations for state enforcement
 7 shall be as follows:

8 **1. GENERAL GOVERNMENT**

9 Budget Unit	2026-27	2027-28
10 a. Attorney General	150,000	150,000

11 **2. FINANCE AND ADMINISTRATION CABINET**

12 Budget Unit	2026-27	2027-28
13 a. Revenue	250,000	250,000

14 **B. DEBT SERVICE**

15 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

16 Notwithstanding KRS 248.654 and 248.703(4), appropriations for debt service shall
 17 be as follows:

18 **1. FINANCE AND ADMINISTRATION CABINET**

19 Budget Unit	2026-27	2027-28
20 a. Debt Service	14,100,200	13,880,900

21 **(1) Debt Service:** To the extent that revenues sufficient to support the required
 22 debt service appropriations are received from the Tobacco Settlement Program, those
 23 revenues shall be made available from those accounts to the appropriate account of the
 24 General Fund. All necessary debt service amounts shall be appropriated from the General
 25 Fund and shall be fully paid regardless of whether there is a sufficient amount available
 26 to be transferred from tobacco-supported funding program accounts to other accounts of
 27 the General Fund.

1 **(2) Appropriation of Unexpended Tobacco Debt Service:** Any unexpended
 2 balance from the fiscal year 2026-2027 or fiscal year 2027-2028 General Fund (Tobacco)
 3 debt service appropriation in the Finance and Administration Cabinet, Debt Service
 4 budget unit, shall continue and be appropriated to the Department of Agriculture,
 5 Kentucky Office of Agricultural Policy.

6 **C. AGRICULTURAL DEVELOPMENT APPROPRIATIONS**

7 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

8 Notwithstanding KRS 248.654 and 248.703(4), appropriations for Agricultural
 9 Development shall be as follows:

10 **1. DEPARTMENT OF AGRICULTURE**

11 Budget Unit	2026-27	2027-28
12 a. Agriculture	35,426,900	32,739,700

13 **(1) Tobacco Settlement Funds - Allocations:** Notwithstanding KRS 248.711(2),
 14 and from the allocation provided therein, counties that are allocated in excess of \$20,000
 15 annually may provide up to four percent of the individual county allocation, not to exceed
 16 \$15,000 annually, to the county council in that county for administrative costs.

17 **(2) Counties Account:** Notwithstanding KRS 248.703(1), included in the above
 18 General Fund (Tobacco) appropriation is \$11,777,900 in fiscal year 2026-2027 and
 19 \$10,884,600 in fiscal year 2027-2028 for the counties account as specified in KRS
 20 248.703(1)(a).

21 **(3) State Account:** Notwithstanding KRS 248.703(1), included in the above
 22 General Fund (Tobacco) appropriation is \$21,876,000 in fiscal year 2026-2027 and
 23 \$20,216,500 in fiscal year 2027-2028 for the state account as specified in KRS
 24 248.703(1)(b).

25 **(4) Farms to Food Banks Program:** Included in the above General Fund
 26 (Tobacco) appropriation is \$886,500 in fiscal year 2026-2027 and \$819,300 in fiscal year
 27 2027-2028 to support the Farms to Food Banks Program. The use of the moneys provided

1 by this appropriation shall be restricted to purchases of Kentucky-grown produce and
2 protein from Kentucky farmers who participate in the Farms to Food Banks Program.

3 **(5) Kentucky Rural Mental Health, Suicide Prevention, and Farm Safety**
4 **Program:** Included in the above General Fund (Tobacco) appropriation is \$886,500 in
5 fiscal year 2026-2027 and \$819,300 in fiscal year 2027-2028 to support the Kentucky
6 Rural Mental Health, Suicide Prevention, and Farm Safety Program known as the Raising
7 Hope Initiative. The Department of Agriculture shall enhance awareness of the National
8 Suicide Prevention Lifeline (988) in rural communities in Kentucky, improve access to
9 information on rural mental health issues and available treatment services, provide
10 outreach, and provide other necessary services to improve the mental health outcomes of
11 rural communities in Kentucky. The Farm Safety and Rural Health Division, at its
12 discretion, may receive, accept, and solicit grants, contributions of money, property,
13 labor, or other things of value from any governmental agency, individual, nonprofit
14 organization, or private business to be used for the Kentucky Rural Mental Health,
15 Suicide Prevention, and Farm Safety Program. The Department of Agriculture may
16 utilize up to \$150,000 of the appropriation amount in each fiscal year for program
17 administration purposes. The Department of Agriculture shall coordinate with the Raising
18 Hope Initiative to take custody of and maintain any intellectual property assets that were
19 created or developed by any state agency in connection with the Raising Hope Initiative.

20 The Department of Agriculture's Office of Agricultural Marketing shall submit a
21 comprehensive annual report to the Interim Joint Committee on Appropriations and
22 Revenue and the Tobacco Settlement Agreement Fund Oversight Committee no later
23 than November 1 of each fiscal year. At a minimum, the report shall include:

- 24 (a) An accounting of all expenditures by fund source;
- 25 (b) A detailed accounting of all administrative expenses;
- 26 (c) The total amount expended on grants, loans, and benefits;
- 27 (d) A detailed accounting of all expenses not otherwise classified;

1 (e) Identification of any unexpended funds and the reason why the funds were not
 2 expended; and

3 (f) An explanation of how all expenditures align with program objectives.

4 The Division Director of the Farm Safety and Rural Health Division and the
 5 Executive Director of the Kentucky Office of Agricultural Marketing shall provide a
 6 program update to the Tobacco Settlement Agreement Fund Oversight Committee in
 7 November of each fiscal year.

8 **2. ENERGY AND ENVIRONMENT CABINET**

9 Budget Unit	2026-27	2027-28
10 a. Natural Resources	2,659,600	2,457,900
11 (1) Environmental Stewardship Program: Included in the above General Fund		
12 (Tobacco) appropriation is \$1,773,100 in fiscal year 2026-2027 and \$1,638,600 in fiscal		
13 year 2027-2028 for the Environmental Stewardship Program.		
14 (2) Conservation District Local Aid: Included in the above General Fund		
15 (Tobacco) appropriation is \$886,500 in fiscal year 2026-2027 and \$819,300 in fiscal year		
16 2027-2028 for the Division of Conservation to provide direct aid to local conservation		
17 districts.		
18 TOTAL - AGRICULTURAL	38,086,500	35,197,600
19 APPROPRIATIONS		

20 **D. EARLY CHILDHOOD DEVELOPMENT**

21 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

22 Notwithstanding KRS 248.654, appropriations for Early Childhood Development
 23 shall be as follows:

24 **1. EDUCATION AND LABOR CABINET**

25 Budget Unit	2026-27	2027-28
26 a. General Administration and Program Support	1,063,800	983,200
27 (1) Early Childhood Development: Included in the above General Fund		

1 (Tobacco) appropriation is \$1,063,800 in fiscal year 2026-2027 and \$983,200 in fiscal
 2 year 2027-2028 for the Early Childhood Advisory Council.

3 **2. CABINET FOR HEALTH AND FAMILY SERVICES**

4 **Budget Units** **2026-27** **2027-28**

5 a. Community Based Services 10,195,200 9,421,900

6 **(1) Early Childhood Development Program:** Included in the above General
 7 Fund (Tobacco) appropriation is \$8,422,100 in fiscal year 2026-2027 and \$7,783,300 in
 8 fiscal year 2027-2028 for the Early Childhood Development Program.

9 **(2) Early Childhood Adoption and Foster Care Supports:** Included in the
 10 above General Fund (Tobacco) appropriation is \$1,773,100 in fiscal year 2026-2027 and
 11 \$1,638,600 in fiscal year 2027-2028 for the Early Childhood Adoption and Foster Care
 12 Supports Program.

13 **2026-27** **2027-28**

14 b. Public Health 7,606,600 7,029,500

15 **(1) HANDS Program, Healthy Start, Early Childhood Mental Health, and**
 16 **Early Childhood Oral Health:** Included in the above General Fund (Tobacco)
 17 appropriation is \$5,301,500 in fiscal year 2026-2027 and \$4,899,400 in fiscal year 2027-
 18 2028 for the Health Access Nurturing Development Services (HANDS) Program,
 19 \$620,600 in fiscal year 2026-2027 and \$573,500 in fiscal year 2027-2028 for Healthy
 20 Start initiatives, \$620,600 in fiscal year 2026-2027 and \$573,500 in fiscal year 2027-
 21 2028 for Early Childhood Mental Health, \$620,600 in fiscal year 2026-2027 and
 22 \$573,500 in fiscal year 2027-2028 for Early Childhood Oral Health, and \$443,300 in
 23 fiscal year 2026-2027 and \$409,600 in fiscal year 2027-2028 for Lung Cancer Screening.

24 c. Behavioral Health, Developmental and **2026-27** **2027-28**
 25 Intellectual Disabilities Services 1,152,500 1,065,100

26 **(1) Substance Abuse Prevention and Treatment:** Included in the above
 27 General Fund (Tobacco) appropriation is \$1,152,500 in fiscal year 2026-2027 and

1 \$1,065,100 in fiscal year 2027-2028 for substance abuse prevention and treatment for
 2 pregnant women with a history of substance abuse problems.

3 TOTAL - EARLY CHILDHOOD 20,018,100 18,499,700

4 APPROPRIATIONS

5 **E. HEALTH CARE IMPROVEMENT APPROPRIATIONS**

6 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

7 Notwithstanding KRS 164.476, 248.654 and 304.17B-003(5), appropriations for
 8 health care improvement shall be as follows:

9 **1. CABINET FOR HEALTH AND FAMILY SERVICES**

10	Budget Unit	2026-27	2027-28
11	a. Public Health	1,773,100	1,638,600

12 **(1) Smoking Cessation Program:** Included in the above General Fund
 13 (Tobacco) appropriation is \$1,773,100 in fiscal year 2026-2027 and \$1,638,600 in fiscal
 14 year 2027-2028 for Smoking Cessation.

15 **2. JUSTICE AND PUBLIC SAFETY CABINET**

16	Budget Unit	2026-27	2027-28
17	a. Justice Administration	2,881,200	2,662,700

18 **(1) Office of Drug Control Policy:** Included in the above General Fund
 19 (Tobacco) appropriation is \$2,659,600 in fiscal year 2026-2027 and \$2,457,900 in fiscal
 20 year 2027-2028 for the Office of Drug Control Policy.

21 **(2) Restorative Justice:** Included in the above General Fund (Tobacco)
 22 appropriation is \$221,600 in fiscal year 2026-2027 and \$204,800 in fiscal year 2027-2028
 23 to support the Restorative Justice Program administered by the Volunteers of America.

24 **3. POSTSECONDARY EDUCATION**

25	Budget Unit	2026-27	2027-28
26	a. Council on Postsecondary Education	5,540,900	5,120,500

27 **(1) Cancer Research and Screening:** Included in the above General Fund

1 (Tobacco) appropriation is \$5,540,900 in fiscal year 2026-2027 and \$5,120,500 in fiscal
 2 year 2027-2028 for cancer research and screening. The appropriation in each fiscal year
 3 shall be equally shared between the University of Kentucky and the University of
 4 Louisville.

5	TOTAL - HEALTH CARE	10,195,200	9,421,800
6	TOTAL - PHASE I TOBACCO SETTLEMENT		
7	FUNDING PROGRAM	82,800,000	77,400,000

8 **PART XI**

9 **STATE/EXECUTIVE BRANCH BUDGET SUMMARY**

10 **OPERATING BUDGET**

11		2025-26	2026-27	2027-28
12	General Fund (Tobacco)	-0-	82,800,000	77,399,900
13	General Fund	-0-	15,298,654,400	15,713,220,200
14	Restricted Funds	132,570,800	16,962,145,200	17,316,000,200
15	Federal Funds	305,900,000	24,196,636,300	24,019,198,000
16	Road Fund	-0-	55,582,600	57,940,100
17	SUBTOTAL	438,470,800	56,595,818,500	57,183,758,400

18 **CAPITAL PROJECTS BUDGET**

19		2025-26	2026-27	2027-28
20	Restricted Funds	-0-	19,986,418,000	76,800,000
21	Federal Funds	-0-	776,334,000	46,915,000
22	Bond Funds	-0-	646,058,000	325,574,000
23	Agency Bonds	-0-	1,160,200,000	-0-
24	Investment Income	-0-	184,324,000	104,633,000
25	Other Funds	350,000,000	9,427,800,000	200,000,000
26	SUBTOTAL	350,000,000	32,181,134,000	753,922,000

27 **TOTAL - STATE/EXECUTIVE BUDGET**

	2025-26	2026-27	2027-28	
1				
2	General Fund (Tobacco)	-0-	82,800,000	77,399,900
3	General Fund	-0-	15,298,654,400	15,713,220,200
4	Restricted Funds	132,570,800	36,948,563,200	17,392,800,200
5	Federal Funds	305,900,000	24,972,970,300	24,066,113,000
6	Road Fund	-0-	55,582,600	57,940,100
7	Bond Funds	-0-	646,058,000	325,574,000
8	Agency Bonds	-0-	1,160,200,000	-0-
9	Investment Income	-0-	184,324,000	104,633,000
10	Other Funds	350,000,000	9,427,800,000	200,000,000
11	TOTAL FUNDS	788,470,800	88,776,952,500	57,937,680,400