

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 the
11 fiscal year beginning July 1, 2017, and ending June 30, 2018, for the fiscal year beginning
12 July 1, 2018, and ending June 30, 2019, and for the fiscal year beginning July 1, 2019,
13 and ending June 30, 2020, the following discrete sums, or so much thereof as may be
14 necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710. Each
15 appropriation is made by source of respective fund or funds accounts. Appropriations for
16 the following officers, cabinets, departments, boards, commissions, institutions,
17 subdivisions, agencies, and budget units of the state government, and any and all other
18 activities of the government of the Commonwealth, are subject to the provisions of
19 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**

	2018-19	2019-20	
1			
2	General Fund (Tobacco)	2,050,000	2,050,000
3	General Fund	6,170,900	6,258,000
4	Restricted Funds	659,500	659,500
5	Federal Funds	262,000	175,000
6	TOTAL	9,142,400	9,142,500

7 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
8 appropriation is \$2,050,000 in each fiscal year for the Early Childhood Advisory Council.

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

	2018-19	2019-20	
10			
11	General Fund	3,486,400	3,533,700
12	Restricted Funds	347,900	383,600
13	TOTAL	3,834,300	3,917,300

14 **(1) State Planning Fund:** Notwithstanding KRS 147.110, no General Fund is
15 provided for the State Planning Fund in the Office of State Budget Director.

16 **3. HOMELAND SECURITY**

	2018-19	2019-20	
17			
18	General Fund	251,900	255,200
19	Restricted Funds	1,352,000	1,361,800
20	Federal Funds	4,085,100	4,096,200
21	Road Fund	307,900	312,000
22	TOTAL	5,996,900	6,025,200

23 **4. DEPARTMENT OF VETERANS' AFFAIRS**

	2018-19	2019-20	
24			
25	General Fund	25,098,600	25,810,200
26	Restricted Funds	78,959,900	78,964,500
27	TOTAL	104,058,500	104,774,700

1 **(1) Weekend and Holiday Premium Pay Incentive:** The Kentucky Veterans'
2 Centers are authorized to continue the weekend and holiday premium pay incentive for
3 the 2018-2020 fiscal biennium.

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

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

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

17 **(5) Debt Service - Bowling Green Veterans' Center:** If any debt service is
18 required for the issuance of bonds for the Construct Bowling Green Veterans' Center
19 capital project reauthorized in Part II, Capital Projects Budget, of this Act, it shall be
20 deemed a necessary government expense and shall be paid from the General Fund
21 Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS
22 48.705). No bonds shall be sold for this project until it has been approved by the United
23 States Department of Veterans Affairs and the Commonwealth has been notified by the
24 United States Department of Veterans Affairs that Federal Funds are available to support
25 this construction.

26 **(6) State Veterans Nursing Home:** It is the desire of the General Assembly that
27 any future beds allocated from the United States Department of Veterans Affairs or

1 reallocated from the Kentucky Department of Veterans' Affairs be dedicated to a state
2 veterans nursing home in Magoffin County to serve that area.

3 **5. GOVERNOR'S OFFICE OF AGRICULTURAL POLICY**

4		2018-19	2019-20
5	General Fund (Tobacco)	40,553,300	38,379,300
6	Restricted Funds	100,000	100,000
7	TOTAL	40,653,300	38,479,300

8 **(1) Tobacco Settlement Funds - Allocations:** Notwithstanding KRS 248.711(2),
9 and from the allocation provided therein, counties that are allocated in excess of \$20,000
10 annually may provide up to four percent of the individual county allocation, not to exceed
11 \$15,000 annually, to the county council in that county for administrative costs.

12 **(2) Counties Account:** Notwithstanding KRS 248.703(1), included in the above
13 General Fund (Tobacco) appropriation is \$16,869,000 in fiscal year 2018-2019 and
14 \$15,841,300 in fiscal year 2019-2020 for the counties account as specified in KRS
15 248.703(1)(a).

16 **(3) Directive for Fiscal Year 2018-2019 and Fiscal Year 2019-2020 General**
17 **Fund (Tobacco) Appropriations:** Notwithstanding KRS 248.709 and 248.727, included
18 in the above General Fund (Tobacco) appropriation is \$7,000,000 in fiscal year 2018-
19 2019 and \$6,000,000 in fiscal year 2019-2020 to be used for capital improvements to the
20 agricultural event space and other facilities at the Kentucky State Fair and Exposition
21 Center. The grant process for the proposed projects shall require the State Fair Board to
22 submit an application to the Agricultural Development Board. The application shall be
23 subject to the review, approval, and evaluation criteria established by the Agricultural
24 Development Board. Any grants approved by the Agricultural Development Board to the
25 State Fair Board shall not require a match by the applicant. The highest priority and the
26 purpose of grants approved shall be for projects related to deferred maintenance,
27 renovation, and remodeling of event space primarily used for animal and other

1 agricultural-related events or the demolition of unusable facilities. New construction
 2 projects dedicated primarily to agricultural events at the Kentucky State Fair and
 3 Exposition Center may be considered by the Agricultural Development Board if there are
 4 unused appropriations remaining after grant funds have been approved for maintenance,
 5 renovation, remodeling, and demolition projects, which shall have the highest priority
 6 among the projects considered. If the total grant funds awarded to the State Fair Board are
 7 less than the General Fund (Tobacco) appropriation of \$13,000,000 reserved in the 2018-
 8 2020 fiscal biennium for the State Fair Board, any uncommitted or unobligated
 9 appropriations shall not be approved by the Agricultural Development Board for any
 10 other project until appropriated by the General Assembly.

11 **6. KENTUCKY INFRASTRUCTURE AUTHORITY**

	2018-19	2019-20
13 General Fund	1,398,800	1,914,800
14 Restricted Funds	46,560,800	51,668,900
15 Federal Funds	29,381,900	29,381,900
16 TOTAL	77,341,500	82,965,600

17 (1) **Debt Service:** Included in the above General Fund appropriation is \$258,000
 18 in fiscal year 2018-2019 and \$774,000 in fiscal year 2019-2020 for new debt service to
 19 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

20 **7. MILITARY AFFAIRS**

	2018-19	2019-20
22 General Fund	15,036,400	15,256,400
23 Restricted Funds	38,405,600	38,642,500
24 Federal Funds	46,015,700	46,329,900
25 TOTAL	99,457,700	100,228,800

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. Any portion of the \$4,500,000 not expended shall lapse
 5 to the General Fund at the end of each fiscal year. In the event that costs for Governor-
 6 declared emergencies or the Governor's call of the Kentucky National Guard for
 7 emergencies or exigent situations exceed \$4,500,000 annually, the costs shall be deemed
 8 necessary government expenses and shall be paid from the General Fund Surplus Account
 9 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

10 **(2) Disaster or Emergency Aid Funds:** There is appropriated from the General
 11 Fund the necessary funds, subject to the conditions and procedures in this Act, which are
 12 required to match federal aid for which the state would be eligible in the event of a
 13 presidentially declared disaster or emergency. These necessary funds shall be made
 14 available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve
 15 Trust Fund Account (KRS 48.705).

16 **(3) Debt Service:** Included in the above General Fund appropriation is \$11,000 in
 17 fiscal year 2018-2019 and \$101,000 in fiscal year 2019-2020 for new debt service to
 18 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

19 **(4) Residential Youth-at-Risk Program:** Included in the above General Fund
 20 appropriation is \$335,000 in each fiscal year to support the Bluegrass Challenge Academy
 21 and \$335,000 in each fiscal year to support the Appalachian Youth Challenge Academy.

22 **8. COMMISSION ON HUMAN RIGHTS**

	2018-19	2019-20
23		
24	General Fund	1,874,800
25	Restricted Funds	10,000
26	Federal Funds	245,000
27	TOTAL	2,129,800

1 **9. COMMISSION ON WOMEN**

	2018-19	2019-20
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3 **(1) Commission on Women:** Notwithstanding KRS 12.020, 12.023, 14.260,
4 15A.190, 214.554, and 344.510 to 344.530, no General Fund is provided for the
5 Commission on Women.

6 **10. DEPARTMENT FOR LOCAL GOVERNMENT**

	2018-19	2019-20
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8 General Fund	9,207,400	9,326,700
9 Restricted Funds	888,200	888,700
10 Federal Funds	29,711,300	29,727,500
11 TOTAL	39,806,900	39,942,900

12 **(1) Area Development District Funding:** Included in the above General Fund
13 appropriation is \$1,984,000 in each fiscal year for the Joint Funding Administration
14 Program in support of the Area Development Districts.

15 **(2) Mary Kendall Homes and Gateway Juvenile Diversion:** Included in the
16 above General Fund appropriation is \$257,800 in each fiscal year for the support of the
17 Mary Kendall Homes and \$257,800 in each fiscal year for the support of Gateway
18 Juvenile Diversion.

19 **(3) Allocation of Area Development District Funding:** The Department for
20 Local Government shall allocate Area Development District Funding appropriated to the
21 Joint Funding Administration Program to the area development districts in accordance
22 with the following formula:

23 (a) 70 percent of the total appropriation shall be allocated equally among all area
24 development districts;

25 (b) 20 percent of the total appropriation shall be allocated based upon each area
26 development district's proportionate share of total state population, as identified by the
27 2010 United States Census; and

1 (c) Ten percent of the total appropriation shall be allocated based upon each area
 2 development district's proportionate share of total incorporated cities and counties, as
 3 identified by the records of the Kentucky Secretary of State's Land Office at the time of
 4 the allocation.

5 The Department for Local Government shall, upon the unanimous written direction
 6 of all Area Development Districts, reduce the allocation based upon proportionate share
 7 of total incorporated cities and counties and instead allocate those funds to provide
 8 additional nonfederal dollars to area development districts for the purpose of maximizing
 9 federal awards.

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

	2018-19	2019-20
12 General Fund	23,379,700	24,682,800

13 **(1) Additional Coal Severance Transfer:** Notwithstanding KRS 42.450 to
 14 42.495, an additional amount equal to \$808,200 in fiscal year 2018-2019 and \$2,500,000
 15 in fiscal year 2019-2020 shall be transferred from the Local Government Economic
 16 Development Fund to the Local Government Economic Assistance Fund established by
 17 KRS 42.450 to be allocated in accordance with KRS 42.470(1).

18 **(2) Jefferson County Mineral Severance:** Notwithstanding KRS 42.450 to
 19 42.495, all funds distributed to Jefferson County in accordance with KRS 42.470(2)(a)
 20 shall be used by the Jefferson County Fiscal Court for the Waterfront Botanical Gardens.

21 **12. LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND**

	2018-19	2019-20
23 General Fund	3,150,000	4,150,000

24 **(1) Coal Severance Tax Collections Calculations and Transfers:** The above
 25 appropriations from the General Fund are based on the official estimate presented by the
 26 Office of State Budget Director.

27 (a) Notwithstanding KRS 42.450 to 42.495, coal severance tax collections during

1 the 2018-2020 fiscal biennium shall first be allocated to the following programs or
2 purposes on a quarterly basis:

3 1. Kentucky Infrastructure Authority: An annual appropriation of \$370,000 in
4 each fiscal year is appropriated as General Fund moneys to the Kentucky Infrastructure
5 Authority budget unit for Local Government Economic Development Fund project
6 administration costs;

7 2. Department for Local Government: An annual appropriation of \$669,700 in
8 each fiscal year is appropriated as General Fund moneys to the Department for Local
9 Government budget unit for Local Government Economic Development Fund project
10 administration costs;

11 3. Debt Service: An annual appropriation of 100 percent of the debt service
12 necessary to support bonds authorized in 2003 Ky. Acts ch. 156, 2005 Ky. Acts ch. 173,
13 2006 Ky. Acts ch. 252, 2008 Ky. Acts ch. 127, and 2010 (1st Extra. Sess.) Ky. Acts ch. 1,
14 in the amount of \$28,955,100 in fiscal year 2018-2019 and \$27,456,700 in fiscal year
15 2019-2020 is appropriated for that purpose;

16 4. Osteopathic Medicine Scholarship Program: Notwithstanding KRS
17 164.7891(11)(b), no transfers shall be made to the Osteopathic Medicine Scholarship
18 Program within the Kentucky Higher Education Assistance Authority; and

19 5. Pharmacy Scholarships: Notwithstanding KRS 164.7890(11)(c), no transfers
20 shall be made to the Coal County Pharmacy Scholarship Program within the Kentucky
21 Higher Education Assistance Authority.

22 (b) Notwithstanding KRS 42.450 to 42.495, an amount equal to 15 percent in
23 each fiscal year of the remaining severance and processing taxes on coal collected
24 annually shall be transferred from the General Fund to the Local Government Economic
25 Assistance Fund on a quarterly basis.

26 (c) Notwithstanding KRS 42.450 to 42.495, an amount equal to \$15,896,000 in
27 fiscal year 2018-2019 and \$7,500,000 in fiscal year 2019-2020 of the severance and

1 processing taxes on coal collected annually shall be transferred from the General Fund to
2 the Local Government Economic Development Fund.

3 **(2) Use of Local Government Economic Development Fund:** Notwithstanding
4 KRS 42.450 to 42.495, transfers made to the Local Government Economic Development
5 Fund shall be used for the following purposes:

6 (a) An amount equal to \$3,150,000 in fiscal year 2018-2019 and \$4,150,000 in
7 fiscal year 2019-2020 shall be transferred, on a quarterly basis, to the Kentucky Coal
8 Fields Endowment Authority;

9 (b) An amount equal to \$1,000,000 shall be transferred in fiscal year 2018-2019,
10 on a quarterly basis, to the University of Kentucky budget unit for the Robinson Scholars
11 Program;

12 (c) An amount equal to \$500,000 shall be transferred in each fiscal year, on a
13 quarterly basis, to the Justice Administration budget unit for Operation UNITE in relation
14 to the Federal Task Force on Drug Abuse;

15 (d) An amount equal to \$350,000 shall be transferred in each fiscal year, on a
16 quarterly basis, to the University of Kentucky budget unit for the Mining Engineering
17 Scholarship Program;

18 (e) An amount equal to \$10,087,800 shall be transferred in fiscal year 2018-2019,
19 to the Department of Education for purposes specified in Part I, C., 1., (20) of this Act;
20 and

21 (f) An amount equal to \$808,200 in fiscal year 2018-2019 and an amount equal to
22 \$2,500,000 in fiscal year 2019-2020 shall be transferred, on a quarterly basis to the Local
23 Government Economic Assistance Fund.

24 **13. AREA DEVELOPMENT FUND**

25		2018-19	2019-20
26	(1) Area Development Fund:	Notwithstanding KRS 42.345 to 42.370, and	
27		48.185, or any statute to the contrary, no funding is provided for the Area Development	

1 Fund.

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

13 **14. EXECUTIVE BRANCH ETHICS COMMISSION**

	2018-19	2019-20
14		
15	548,900	555,700
16	335,000	335,000
17	883,900	890,700

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

23 **15. SECRETARY OF STATE**

	2018-19	2019-20
24		
25	2,204,100	2,252,500
26	2,688,000	2,681,200
27	221,400	221,400

1 TOTAL 5,113,500 5,155,100

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

5 **16. BOARD OF ELECTIONS**

6		2018-19	2019-20
7	General Fund	4,216,200	4,231,100
8	Restricted Funds	246,000	246,000
9	Federal Funds	4,045,000	2,926,200
10	TOTAL	8,507,200	7,403,300

11 (1) **Cost of Elections:** (a) Notwithstanding KRS 116.145, the State Board of
12 Elections shall set a rate for the fee for new voter registration paid to the county clerks
13 within the available appropriated resources. The State Board of Elections shall also set a
14 fixed rate for the expenses outlined in KRS 117.343 within the available appropriated
15 resources. Notwithstanding KRS 117.345(2), the State Board of Elections shall set a rate
16 for the expenses outlined in KRS 117.345(2) for precincts with a voting machine within
17 the available appropriated resources, not to exceed \$300 per precinct per election. These
18 rates and all assumptions as to the number of precincts, registered voters, and new voter
19 registrations shall be communicated to the Secretary of the Finance and Administration
20 Cabinet and the State Budget Director by November 1, 2018, for fiscal year 2018-2019
21 and by November 1, 2019, for fiscal year 2019-2020.

22 (b) Costs associated with special elections, KRS 117.345(2) costs associated with
23 additional precincts with a voting machine, KRS 117.343 costs for additional registered
24 voters, and KRS 116.145 costs for additional new registered voters shall be deemed a
25 necessary government expense and shall be paid from the General Fund Surplus Account
26 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). Any
27 reimbursements authorized as a necessary government expense according to the above

1 provisions shall be at the same rates as those established by the State Board of Elections
2 as provided in paragraph (a) of this subsection.

3 **17. REGISTRY OF ELECTION FINANCE**

	2018-19	2019-20
4		
5 General Fund	1,511,000	1,529,400

6 **18. ATTORNEY GENERAL**

	2018-19	2019-20
7		
8 General Fund	12,081,100	12,239,600
9 Restricted Funds	18,781,200	18,815,100
10 Federal Funds	5,707,900	5,393,400
11 TOTAL	36,570,200	36,448,100

12 **(1) Expert Witnesses:** In addition to such funds as may be appropriated, the
13 Office of the Attorney General may request from the Finance and Administration Cabinet,
14 as a necessary government expense, such funds as may be necessary for expert witnesses.
15 Upon justification of the request, the Finance and Administration Cabinet shall provide
16 up to \$275,000 for the 2018-2020 fiscal biennium for this purpose to the Office of the
17 Attorney General from the General Fund Surplus Account (KRS 48.700) or the Budget
18 Reserve Trust Fund Account (KRS 48.705). Without charge, the Department of Insurance
19 shall provide the Office of the Attorney General any available information to assist in the
20 preparation of a rate hearing pursuant to KRS 304.17A-095. Expenditures under this
21 subsection shall be reported to the Interim Joint Committee on Appropriations and
22 Revenue by August 1 of each year.

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

1 provision shall only apply to any new appointment or current employee as of July 1,
2 1998.

3 **(3) Compensatory Leave Conversion to Sick Leave:** If the Office of the
4 Attorney General determines that internal budgetary pressures warrant further austerity
5 measures, the Attorney General may institute a policy to suspend payment of 50-hour
6 blocks of compensatory time for those attorneys who have accumulated 240 hours of
7 compensatory time and instead convert those hours to sick leave.

8 **(4) Operations of the Office of the Attorney General:** Notwithstanding KRS
9 367.478(2), 367.805(3), and 367.905(5), funds may be expended in support of the
10 operations of the Office of the Attorney General.

11 **(5) Contingency Fee Contracts:** (a) The Office of the Attorney General may
12 contract with outside law firms on a contingency fee basis, subject to the provisions of
13 KRS 45A.690 to 45A.725.

14 (b) The Attorney General shall not award a contingency fee contract unless, prior
15 to the award, the Attorney General determines in writing:

- 16 1. The contingency fee is both cost-effective and in the public interest;
- 17 2. That sufficient and appropriate legal and financial resources do not exist
18 within the Office of the Attorney General; and that
- 19 3. The experience desired for the particular kind of legal services to be provided
20 does not exist within the Office of the Attorney General.

21 (c) A contingency fee shall not exceed:

- 22 1. 20 percent of the amount recovered up to \$10,000,000;
- 23 2. 15 percent of the amount recovered between \$10,000,001 and \$15,000,000;
- 24 3. Ten percent of the amount recovered between \$15,000,001 and \$20,000,000;
- 25 4. Five percent of the amount recovered of \$20,000,001 or more; or
- 26 5. An amount of \$20,000,000, regardless of the number of actions or
27 proceedings or the number of attorneys or law firms involved in the matter, and exclusive

1 of any costs and expenses provided for by the contract and actually incurred by the legal
2 services contractor.

3 (d) A contingency fee shall be payable only from money that is actually received
4 pursuant to a judgment or settlement agreement, and any judgment or settlement funds
5 shall be disbursed in accordance with KRS Chapter 45A and 48.005.

6 (e) The Attorney General or his or her designee shall retain control over the
7 course and conduct of the case and shall retain veto authority over any decision made by
8 the contract attorney. The Attorney General or his or her designee shall attend all
9 settlement conferences, be personally involved in overseeing the litigation, and have
10 exclusive decision-making power regarding any settlement of the matter for which the
11 contract was entered. Any opposing party to the matter for which the contract was entered
12 into may directly contact the Attorney General or his or her designee, without having to
13 notify the contract attorney.

14 (f) The Finance and Administration Cabinet and the Office of the Attorney
15 General shall post on their Web sites each contingency fee contract, the accompanying
16 written determinations as required in paragraph (b) of this subsection, and any payments
17 of contingency fees to the legal services contractors. These records shall remain posted on
18 the Web sites for the duration of the contracts or any extensions, or 365 days, whichever
19 is longer.

20 (g) In addition to the information required of each contingency fee contract by the
21 Kentucky Model Procurement Code and KRS 45A.695, a contractor awarded a
22 contingency fee contract shall maintain detailed current records of expenses,
23 disbursements, charges and credits, underlying receipts and invoices, and any other
24 financial transactions that occur under the contract. These records shall become public
25 records subject to KRS 61.870 to 61.884 after a judgment or agreement is entered in the
26 case and all appeals have been exhausted, but shall not be public records until that time.
27 Any information that is subject to an evidentiary privilege shall be redacted before any

1 public disclosure of these financial records.

2 (h) The Finance and Administration Cabinet and Office of the Attorney General
3 shall submit a joint report to the Government Contract Review Committee by September
4 1 of each fiscal year identifying all contingency fee contracts awarded, active, and
5 concluded in the previous fiscal year. For each contract, the report shall include the
6 written determination as required in paragraph (b) of this subsection, the name of the
7 attorney or law firm with whom the contract was made, the nature and status of the legal
8 matter that is the subject of the contract, the name of the parties to the legal matter that is
9 the subject of the contract, the amount of recovery, and the amount of the contingency fee
10 paid.

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

17 **(7) Purdue Pharma Settlement Funds:** In each fiscal year of the biennium, the
18 Attorney General, after payment of attorney's fees and expenses, shall transfer \$1,500,000
19 of the settlement funds resulting from the suit against Purdue Pharma, et al. to Justice
20 Administration for the Operation UNITE Program.

21 **19. UNIFIED PROSECUTORIAL SYSTEM**

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

25 **(2) Employment Classification Status and Wage and Benefits Determination**
26 **Report:** The Prosecutors Advisory Council shall report the methodology used to
27 determine the employment classification status for all Assistant Commonwealth's

1 Attorneys and Assistant County Attorneys, whether classification was full-time, part-
 2 time, or other, and define those classifications. In addition, the report shall include the
 3 methodology used to determine salary and benefits or wage and benefits for each
 4 Assistant Commonwealth's Attorney position and each Assistant County Attorney
 5 position. The council shall finalize and submit this report to the Interim Joint Committee
 6 on Appropriations and Revenue by December 1, 2018.

7 **a. Commonwealth's Attorneys**

	2018-19	2019-20
9 General Fund	59,068,600	59,913,100
10 Restricted Funds	2,469,600	2,032,900
11 Federal Funds	40,300	40,300
12 TOTAL	61,578,500	61,986,300

13 **(1) Additional Prosecutors:** Included in the above General Fund appropriation is
 14 \$1,141,600 in fiscal year 2018-2019 and \$1,212,500 in fiscal year 2019-2020 to be used
 15 for the sole purpose of hiring additional prosecutors.

16 **(2) Rocket Docket Program:** Included in the above General Fund appropriation
 17 is \$387,700 in each fiscal year to support the Rocket Docket Program.

18 **b. County Attorneys**

	2018-19	2019-20
20 General Fund	52,266,800	53,058,600
21 Restricted Funds	782,200	642,700
22 Federal Funds	993,800	1,003,700
23 TOTAL	54,042,800	54,705,000

24 **(1) Additional Prosecutors:** Included in the above General Fund appropriation is
 25 \$1,619,000 in fiscal year 2018-2019 and \$1,720,900 in fiscal year 2019-2020 to be used
 26 for the sole purpose of hiring additional prosecutors.

27 **(2) Rocket Docket Program:** Included in the above General Fund appropriation

1 is \$549,800 in each fiscal year to support the Rocket Docket Program.

2 **(3) County Attorneys Expense Allowance:** Notwithstanding KRS 15.765, each
 3 County Attorney shall receive a monthly expense allowance of \$400, payable out of the
 4 State Treasury for the 2018-2020 fiscal biennium.

5 **TOTAL - UNIFIED PROSECUTORIAL SYSTEM**

	2018-19	2019-20
6		
7 General Fund	111,335,400	112,971,700
8 Restricted Funds	3,251,800	2,675,600
9 Federal Funds	1,034,100	1,044,000
10 TOTAL	115,621,300	116,691,300

11 **20. TREASURY**

	2018-19	2019-20
12		
13 General Fund	2,225,600	2,261,200
14 Restricted Funds	1,928,300	1,848,600
15 Road Fund	250,000	250,000
16 TOTAL	4,403,900	4,359,800

17 **(1) Unclaimed Property Fund:** Included in the above Restricted Funds
 18 appropriation is \$1,793,600 in each fiscal year from the Unclaimed Property Fund to
 19 provide funding for services performed by the Unclaimed Property Division of the
 20 Department of the Treasury.

21 **21. AGRICULTURE**

	2018-19	2019-20
22		
23 General Fund (Tobacco)	500,000	500,000
24 General Fund	17,691,200	17,910,800
25 Restricted Funds	10,858,600	10,848,200
26 Federal Funds	7,068,400	7,068,400
27 TOTAL	36,118,200	36,327,400

1 **(1) Use of Restricted Funds:** Notwithstanding KRS 217.570 and 217B.580,
2 funds may be expended in support of the operations of the Department of Agriculture.

3 **(2) Farms to Food Banks:** Included in the above General Fund (Tobacco)
4 appropriation is \$500,000 in each fiscal year to support the Farms to Food Banks Program
5 to benefit both Kentucky farmers and the needy by providing fresh, locally grown
6 produce to food pantries.

7 **(3) County Fair Grants:** Included in the above General Fund appropriation is
8 \$300,000 in each fiscal year of the 2018-2020 biennium to support capital improvement
9 grants to the Local Agricultural Fair Aid Program.

10 **(4) Kentucky Grape and Wine Council:** Notwithstanding KRS 260.175(2), no
11 General Fund is provided for the Kentucky Small Farm Wineries Support Fund for use by
12 the Kentucky Grape and Wine Council.

13 **22. AUDITOR OF PUBLIC ACCOUNTS**

	2018-19	2019-20
14 General Fund	5,634,200	5,735,700
15 Restricted Funds	10,857,500	10,973,200
16 TOTAL	16,491,700	16,708,900

17
18 **(1) Auditor's Scholarships:** Notwithstanding KRS 43.200, no funding is
19 provided for Auditor's scholarships.

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

25 **(3) Compensatory Leave Conversion to Sick Leave:** If the Auditor of Public
26 Accounts determines that internal budgetary pressures warrant further austerity measures,
27 the State Auditor may institute a policy to suspend payment of 50-hour blocks of

1 compensatory time for those employees who have accumulated 240 hours of
2 compensatory time and instead convert those hours to sick leave.

3 **23. PERSONNEL BOARD**

	2018-19	2019-20
4		
5 Restricted Funds	1,009,800	1,018,500

6 **24. KENTUCKY RETIREMENT SYSTEMS**

	2018-19	2019-20
7		
8 General Fund	1,086,200	1,086,200
9 Restricted Funds	47,307,300	47,702,500
10 TOTAL	48,393,500	48,788,700

11 **(1) State Police Retirement System Pension Fund:** Included in the above
12 General Fund appropriation is \$1,086,200 in each fiscal year to be applied to the
13 unfunded pension liability of the State Police Retirement System pension fund.

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

15 **a. Accountancy**

	2018-19	2019-20
16		
17 Restricted Funds	649,500	655,500

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

	2018-19	2019-20
19		
20 Restricted Funds	150,200	150,200

21 **c. Applied Behavior Analysis Licensing**

	2018-19	2019-20
22		
23 Restricted Funds	30,600	30,600

24 **d. Architects**

	2018-19	2019-20
25		
26 Restricted Funds	547,300	552,400

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

1		2018-19	2019-20
2	Restricted Funds	11,200	11,200
3	f. Barbering		
4		2018-19	2019-20
5	Restricted Funds	423,100	426,000
6	g. Chiropractic Examiners		
7		2018-19	2019-20
8	Restricted Funds	374,400	377,900
9	h. Dentistry		
10		2018-19	2019-20
11	Restricted Funds	1,011,100	1,017,500
12	i. Licensed Diabetes Educators		
13		2018-19	2019-20
14	Restricted Funds	26,800	26,800
15	j. Licensure and Certification for Dietitians and Nutritionists		
16		2018-19	2019-20
17	Restricted Funds	73,900	73,900
18	k. Embalmers and Funeral Directors		
19		2018-19	2019-20
20	Restricted Funds	483,500	488,600
21	l. Licensure for Professional Engineers and Land Surveyors		
22		2018-19	2019-20
23	Restricted Funds	1,578,100	1,594,500
24	m. Certification of Fee-Based Pastoral Counselors		
25		2018-19	2019-20
26	Restricted Funds	3,600	3,600
27	n. Registration for Professional Geologists		

1		2018-19	2019-20
2	Restricted Funds	95,000	95,000
3	o. Hairdressers and Cosmetologists		
4		2018-19	2019-20
5	Restricted Funds	1,719,300	1,733,700
6	p. Specialists in Hearing Instruments		
7		2018-19	2019-20
8	Restricted Funds	58,000	58,000
9	q. Interpreters for the Deaf and Hard of Hearing		
10		2018-19	2019-20
11	Restricted Funds	38,200	38,200
12	r. Examiners and Registration of Landscape Architects		
13		2018-19	2019-20
14	Restricted Funds	76,800	77,500
15	s. Licensure of Marriage and Family Therapists		
16		2018-19	2019-20
17	Restricted Funds	133,600	133,600
18	t. Licensure for Massage Therapy		
19		2018-19	2019-20
20	Restricted Funds	169,900	169,900
21	u. Medical Imaging and Radiation Therapy		
22		2018-19	2019-20
23	Restricted Funds	435,300	438,300
24	v. Medical Licensure		
25		2018-19	2019-20
26	Restricted Funds	3,407,900	3,426,800
27	w. Nursing		

1		2018-19	2019-20
2	Restricted Funds	8,266,800	8,355,200
3	x. Licensure for Nursing Home Administrators		
4		2018-19	2019-20
5	Restricted Funds	61,100	61,100
6	y. Licensure for Occupational Therapy		
7		2018-19	2019-20
8	Restricted Funds	191,600	191,600
9	z. Ophthalmic Dispensers		
10		2018-19	2019-20
11	Restricted Funds	68,200	68,200
12	aa. Optometric Examiners		
13		2018-19	2019-20
14	Restricted Funds	231,300	233,300
15	ab. Pharmacy		
16		2018-19	2019-20
17	Restricted Funds	2,437,400	2,465,300
18	ac. Physical Therapy		
19		2018-19	2019-20
20	Restricted Funds	647,000	652,700
21	ad. Podiatry		
22		2018-19	2019-20
23	Restricted Funds	40,000	40,000
24	ae. Private Investigators		
25		2018-19	2019-20
26	Restricted Funds	73,700	73,700
27	af. Licensed Professional Counselors		

1		2018-19	2019-20
2	Restricted Funds	260,800	260,800
3	ag. Prosthetics, Orthotics, and Pedorthics		
4		2018-19	2019-20
5	Restricted Funds	46,200	46,200
6	ah. Examiners of Psychology		
7		2018-19	2019-20
8	Restricted Funds	256,400	256,400
9	ai. Respiratory Care		
10		2018-19	2019-20
11	Restricted Funds	240,300	242,900
12	aj. Social Work		
13		2018-19	2019-20
14	Restricted Funds	421,000	425,300
15	ak. Speech-Language Pathology and Audiology		
16		2018-19	2019-20
17	Restricted Funds	172,900	172,900
18	al. Veterinary Examiners		
19		2018-19	2019-20
20	Restricted Funds	275,000	275,000
21	TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND		
22	COMMISSIONS		
23		2018-19	2019-20
24	Restricted Funds	25,187,000	25,400,300
25	26. KENTUCKY RIVER AUTHORITY		
26		2018-19	2019-20
27	General Fund	282,700	286,400

1	Restricted Funds	7,289,500	7,289,300
2	TOTAL	7,572,200	7,575,700

3 **27. SCHOOL FACILITIES CONSTRUCTION COMMISSION**

4		2018-19	2019-20
5	General Fund	129,898,300	129,071,300

6 **(1) Debt Service:** Included in the above General Fund appropriation is
7 \$1,729,300 in fiscal year 2018-2019 and \$5,878,700 in fiscal year 2019-2020 for new
8 debt service to support bonds as set forth in Part II, Capital Projects Budget, of this Act.

9 **(2) Additional Offers of Assistance:** Notwithstanding KRS 157.611 to 157.665,
10 the School Facilities Construction Commission is authorized to make an additional
11 \$58,000,000 in offers of assistance during the 2018-2020 biennium in anticipation of debt
12 service availability during the 2020-2022 biennium. No bonded indebtedness based on
13 the above amount is to be incurred during the 2018-2020 biennium.

14 **(3) Urgent Needs School Assistance - 2018-2020:** Notwithstanding KRS
15 157.611 to 157.665, the School Facilities Construction Commission is authorized to
16 make additional offers of assistance in the specified amounts during the 2018-2020 fiscal
17 biennium to the following local school districts:

18 (a) Not more than \$7,612,400 to Fort Thomas Independent Schools for Johnson
19 Elementary School; and

20 (b) Not more than \$7,650,300 to Menifee County Schools for Menifee
21 Elementary School.

22 These schools are designated as the two schools ranked within the top 100 schools
23 on both the Kentucky Facilities Inventory and Classification System reports released in
24 2011 and 2017 that are A1 schools, are ranked as a Priority 1 on the local school district's
25 facility plan, and have levied a ten-cent equivalent tax dedicated to capital improvements
26 but remain unable to cash fund or to sufficiently support the required annual debt service
27 for replacement or renovation of the school. The amounts stated represent the difference

1 between the cost to replace or renovate the designated facility and the amount of available
2 local resources.

3 The School Facilities Construction Commission shall make offers of assistance to
4 each local school district up to the amount authorized for that local school district only
5 upon the written authorization of the Commissioner of Education or his or her designee
6 and documentation of the project cost, but in no case shall any district receive an
7 additional offer of assistance greater than that authorized in this section.

8 **28. TEACHERS' RETIREMENT SYSTEM**

	2018-19	2019-20
10 General Fund	828,160,500	719,474,400
11 Restricted Funds	13,949,200	13,989,000
12 TOTAL	842,109,700	733,463,400

13 **(1) Debt Service:** Included in the above General Fund appropriation is
14 \$78,866,000 in fiscal year 2018-2019 and \$60,578,400 in fiscal year 2019-2020 for debt
15 service on previously issued bonds.

16 **(2) Retiree Health Insurance:** Notwithstanding KRS 161.420, 161.550, or any
17 other statute to the contrary, included in the above General Fund appropriation is
18 \$59,500,000 in fiscal year 2018-2019 to support the state's contribution for the cost of
19 retiree health insurance for members not eligible for Medicare, who have retired since
20 July 1, 2010. Notwithstanding KRS 161.675, the Teachers' Retirement System Board of
21 Trustees shall provide health insurance supplement payments towards the cost of the
22 single coverage insurance premium based on age and years of service credit of eligible
23 recipients of a retirement allowance, the cost of which shall be paid from the Medical
24 Insurance Fund. Notwithstanding KRS 161.675, the Teachers' Retirement System Board
25 of Trustees shall authorize eligible recipients of a retirement allowance from the
26 Teachers' Retirement System who are less than age 65 to be included in the state-
27 sponsored health insurance plan that is provided to active teachers and state employees

1 under KRS 18A.225. Notwithstanding KRS 161.675(4)(a), the contribution paid by
 2 retirees who are less than age 65 who qualify for the maximum health insurance
 3 supplement payment for single coverage shall be no more than the sum of (a) the
 4 employee contribution paid by active teachers and state employees for a similar plan, and
 5 (b) the standard Medicare Part B premium as determined by the Centers for Medicare and
 6 Medicaid Services. Notwithstanding KRS 161.675(4)(a), the contribution paid by retirees
 7 who are less than age 65 who do not qualify for the maximum health insurance
 8 supplement payment for single coverage shall be determined by the same graduated
 9 formula used by the Teachers' Retirement System for Plan Year 2018.

10 **(3) Dependent Subsidy for All Retirees under age 65:** Pursuant to KRS
 11 161.675(4), health insurance supplement payments made by the retirement system shall
 12 not exceed the amount of the single coverage insurance premium for Plan Year 2019 and
 13 Plan Year 2020.

14 **(4) Medical Insurance Fund Employee Contributions:** Notwithstanding any
 15 statute to the contrary, the employee contribution to the Medical Insurance Fund shall not
 16 be changed in the 2018-2020 fiscal biennium.

17 **29. APPROPRIATIONS NOT OTHERWISE CLASSIFIED**

	2018-19	2019-20
18		
19	14,526,400	14,526,400

20 **(1) Funding Sources for Appropriations Not Otherwise Classified:** Funds
 21 required to pay the costs of items included within Appropriations Not Otherwise
 22 Classified are appropriated. Any required expenditure over the above amounts is to be
 23 paid first from the General Fund Surplus Account (KRS 48.700), if available, or from any
 24 available balance in either the Judgments budget unit appropriation or the Budget Reserve
 25 Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in
 26 this Act.

27 The above appropriation is for the payment of Attorney General Expense, Kentucky

1 Claims Commission Award, Guardian Ad Litem, Prior Year Claims, Unredeemed Checks
 2 Refunded, Involuntary Commitments - ICF/MR, Frankfort in Lieu of Taxes, Frankfort
 3 Cemetery, Police Officer, Firefighter, and National Guard and Reserve Survivor Benefits,
 4 Medical Malpractice Liability Insurance Reimbursement, and Blanket Employee Bonds.

5 **(2) Repayment of Awards or Judgments:** Funds are appropriated from the
 6 General Fund for the repayment of awards or judgments made by the Kentucky Claims
 7 Commission against departments, boards, commissions, and other agencies funded with
 8 appropriations out of the General Fund. However, awards under \$5,000 shall be paid
 9 from funds available for the operations of the agency.

10 **(3) Guardian Ad Litem Fees:** Included in the above appropriation is funding for
 11 fees to be paid to each guardian ad litem appointed by the court pursuant to KRS 311.732.
 12 The fee shall be fixed by the court and shall not exceed \$500.

13 **(4) Reissuance of Uncashed Checks:** Checks written by the State Treasurer and
 14 not cashed within the statutory period may be presented to the State Treasurer for
 15 reissuance in accordance with KRS 41.370.

16 **(5) Police Officer, Firefighter, and Active Duty National Guard and Reserve**
 17 **Survivor Benefits:** Funds are appropriated for payment of benefits for survivors of state
 18 and local police officers, firefighters, and active duty National Guard and Reserve
 19 members in accordance with KRS 61.315 and for the cost of insurance premiums for
 20 firefighters as provided in KRS 95A.070.

21 **30. JUDGMENTS**

	2018-19	2019-20
22		
23	-0-	-0-

24 **(1) Payment of Judgments and Carry Forward of General Fund**
 25 **Appropriation Balance:** Notwithstanding KRS 45A.275, the above appropriation is for
 26 the payment of judgments as may be rendered against the Commonwealth by courts and
 27 orders of the State Personnel Board and, where applicable, shall be subject to KRS

1 Chapter 45, and for the payment of medical malpractice judgments against the University
 2 of Kentucky and the University of Louisville in accordance with KRS 164.892 and
 3 164.941, and for the payment of judgments, audit adjustments, and excess billings to
 4 federal programs related to transfers from statewide internal service funds to the General
 5 Fund authorized in prior appropriations acts. Funds required to pay the costs of items
 6 included within the Judgments budget unit are appropriated, and any required expenditure
 7 over the above amounts is to be paid first from the General Fund Surplus Account (KRS
 8 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS 48.705),
 9 subject to the conditions and procedures provided in this Act.

10 **31. KENTUCKY COMMUNICATIONS NETWORK AUTHORITY**

	2018-19	2019-20
12 Restricted Funds	3,500,000	1,500,000

13 **(1) Funding Sources for Availability Payments and Operating Expenses:** In
 14 addition to such funds as may be appropriated and in the event that funding generated by
 15 the Kentucky Communications Network Authority is not sufficient, expenditures as may
 16 be necessary to support availability payments required by the Kentucky Communications
 17 Network Authority's public-private partnership contract and operating expenses of the
 18 Authority shall be deemed necessary government expenses, in amounts not to exceed
 19 \$2,820,200 in fiscal year 2017-2018, \$33,387,400 in fiscal year 2018-2019, and
 20 \$34,268,300 in fiscal year 2019-2020, and may be paid from the General Fund Surplus
 21 Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705), subject
 22 to the conditions and procedures provided in this Act. Expenditures under this subsection
 23 shall be reported to the Interim Joint Committee on Appropriations and Revenue by
 24 August 1 of each year.

25 **TOTAL - GENERAL GOVERNMENT**

	2018-19	2019-20
27 General Fund (Tobacco)	43,103,300	40,929,300

1	General Fund	1,220,456,700	1,117,325,800
2	Restricted Funds	314,473,100	318,002,000
3	Federal Funds	127,777,800	126,608,900
4	Road Fund	557,900	562,000
5	TOTAL	1,706,368,800	1,603,428,000

6 B. ECONOMIC DEVELOPMENT CABINET

7 Budget Units

8 1. ECONOMIC DEVELOPMENT

9		2018-19	2019-20
10	General Fund	20,704,000	20,813,500
11	Restricted Funds	2,888,800	2,950,000
12	Federal Funds	397,500	-0-
13	TOTAL	23,990,300	23,763,500

14 **(1) Funding for Commercialization and Innovation:** Notwithstanding KRS
15 154.12-278, interest income earned on the balances in the High-Tech
16 Construction/Investment Pool and loan repayments received by the High-Tech
17 Construction/Investment Pool shall be used to support the Office of Entrepreneurship and
18 are appropriated in addition to amounts appropriated above.

19 **(2) Lapse and Carry Forward of General Fund Appropriation Balance for**
20 **Bluegrass State Skills Corporation:** Notwithstanding KRS 45.229, the General Fund
21 appropriation balance for Bluegrass State Skills Corporation training grants for fiscal year
22 2017-2018 and fiscal year 2018-2019 shall not lapse and shall carry forward. The amount
23 available to the Corporation for disbursement in each fiscal year shall be limited to the
24 unexpended training grant allotment balance at the end of fiscal year 2016-2017
25 combined with the additional training grant allotment amounts for each fiscal year of the
26 2018-2020 biennium, less any disbursements. If the required disbursements exceed the
27 Bluegrass State Skills Corporation training grants allotment balance, notwithstanding

1 KRS 154.12-278, Restricted Funds may be expended for training grants.

2 **C. DEPARTMENT OF EDUCATION**

3 **Budget Units**

4 **1. SUPPORT EDUCATION EXCELLENCE IN KENTUCKY (SEEK)**

	2018-19	2019-20
6 General Fund	3,066,588,600	3,047,480,900

7 **(1) Common School Fund Earnings:** Accumulated earnings for the Common
8 School Fund shall be transferred in each fiscal year to the SEEK Program.

9 **(2) Allocation of SEEK Funds:** Notwithstanding KRS 157.360(2)(c), the above
10 General Fund appropriation to the base SEEK Program is intended to provide a base
11 guarantee of \$4,000 per student in average daily attendance in each fiscal year, as well as
12 to meet the other requirements of KRS 157.360.

13 Funds appropriated to the SEEK Program shall be allotted to school districts in
14 accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall
15 not exceed the appropriation for this purpose, except as provided in this Act. The total
16 appropriation for the SEEK Program shall be measured by, or construed as, estimates of
17 the state expenditures required by KRS 157.310 to 157.440. If the required expenditures
18 exceed these estimates, the Secretary of the Finance and Administration Cabinet, upon
19 the written request of the Commissioner of Education and with the approval of the
20 Governor, may increase the appropriation by such amount as may be available and
21 necessary to meet, to the extent possible, the required expenditures under the cited
22 sections of the Kentucky Revised Statutes, but any increase of the total appropriation to
23 the SEEK Program is subject to Part III, General Provisions, of this Act and KRS Chapter
24 48. If funds appropriated to the SEEK Program are insufficient to provide the amount of
25 money required under KRS 157.310 to 157.440, allotments to local school districts may
26 be reduced in accordance with KRS 157.430.

27 **(3) SEEK Lapse:** Not less than \$12,953,600 of unexpended SEEK funds in fiscal

1 year 2017-2018 shall lapse to the General Fund. Notwithstanding KRS 157.310 to
2 157.440, any funds in excess of the needs determined by the final SEEK calculation in
3 each fiscal year shall be added to the allocation for pupil transportation in that same fiscal
4 year and distributed in accordance with KRS 157.370.

5 **(4) Base SEEK Allotments:** Notwithstanding KRS 157.420(2), included in the
6 above General Fund appropriation is \$2,079,778,600 in fiscal year 2018-2019 and
7 \$2,068,339,200 in fiscal year 2019-2020 for the base SEEK Program as defined by KRS
8 157.360. Funds appropriated to the SEEK Program shall be allotted to school districts in
9 accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall
10 not exceed the appropriation for this purpose, except as provided in this Act.
11 Notwithstanding KRS 157.360(2)(c), included in the appropriation for the base SEEK
12 Program is \$214,752,800 in each fiscal year for pupil transportation.

13 **(5) Tier I Component:** Included in the above General Fund appropriation is
14 \$179,961,700 in fiscal year 2018-2019 and \$176,702,400 in fiscal year 2019-2020 for the
15 Tier I component as established by KRS 157.440.

16 **(6) Vocational Transportation:** Included in the above General Fund
17 appropriation is \$2,416,900 in each fiscal year for vocational transportation.

18 **(7) Secondary Vocational Education:** Included in the above General Fund
19 appropriation is \$22,881,900 in each fiscal year to provide secondary vocational
20 education in state-operated vocational schools.

21 **(8) Teachers' Retirement System Employer Match:** Included in the above
22 General Fund appropriation is \$408,500,000 in fiscal year 2018-2019 and \$417,600,000
23 in fiscal year 2019-2020 to enable local school districts to provide the employer match for
24 qualified employees.

25 **(9) Salary Supplements for Nationally Certified Teachers:** Notwithstanding
26 KRS 157.395, included in the above General Fund appropriation is \$2,750,000 in each
27 fiscal year for the purpose of providing salary supplements for public school teachers

1 attaining certification by the National Board for Professional Teaching Standards.
2 Notwithstanding the provisions of KRS 157.395, if the appropriation is insufficient to
3 provide the mandated salary supplement for teachers who have obtained this certification,
4 the Department of Education is authorized to pro rata reduce the supplement.

5 **(10) SEEK Adjustment Factors:** Funds allocated for the SEEK base and its
6 adjustment factors that are not needed for the base or a particular adjustment factor may
7 be allocated to other adjustment factors, if funds for that adjustment factor are not
8 sufficient.

9 **(11) Facilities Support Program of Kentucky/Equalized Nickel Levies:**
10 Included in the above General Fund appropriation is \$86,673,500 in fiscal year 2018-
11 2019 and \$84,695,100 in fiscal year 2019-2020 to provide facilities equalization funding
12 pursuant to KRS 157.440 and 157.620.

13 **(12) Growth Levy Equalization Funding:** Included in the above General Fund
14 appropriation is \$19,038,400 in fiscal year 2018-2019 and \$18,303,900 in fiscal year
15 2019-2020 to provide facilities equalization funding pursuant to KRS 157.440 and
16 157.620, for districts meeting the eligibility requirements of KRS 157.621(1) and (4).

17 **(13) Retroactive Equalized Facility Funding:** Included in the above General
18 Fund appropriation is \$23,913,700 in fiscal year 2018-2019 and \$23,415,000 in fiscal
19 year 2019-2020 to provide equalized facility funding pursuant to KRS 157.440 and
20 157.620 to districts meeting the eligibility requirements of KRS 157.621(2) and (4). In
21 addition, a local board of education that levied a tax rate subject to recall by January 1,
22 2014, in addition to the five cents levied pursuant to KRS 157.440(1)(b) and that
23 committed the receipts to debt service, new facilities, or major renovations of existing
24 facilities shall be eligible for equalization funds from the state at 150 percent of the
25 statewide average per pupil assessment. Revenue to generate the five cent equivalent levy
26 may be obtained from levies on property, motor vehicles, or the taxes authorized by KRS
27 160.593 to 160.597, 160.601 to 160.633, and 160.635 to 160.648 if the levy was

1 dedicated to facilities funding at the time of the levy. The equalization funds shall be used
2 as provided in KRS 157.440(1)(b). For the 2018-2020 fiscal biennium, school districts
3 that levied the tax rate subject to recall prior to January 1, 2016, shall be equalized at 100
4 percent of the calculated equalization funding, and school districts that levied the tax rate
5 subject to recall after January 1, 2016, and before January 1, 2018, and began collecting
6 the tax by fiscal year 2018-2019, shall be equalized at 25 percent of the calculated
7 equalization funding in each fiscal year. It is the intent of the 2018 General Assembly that
8 any local school district receiving partial equalization under this subsection in the 2018-
9 2020 fiscal biennium shall receive full calculated equalization in the 2020-2022 fiscal
10 biennium and thereafter, until the earlier of June 30, 2038, or the date the bonds for the
11 local school district supported by this equalization funding are retired, in accordance with
12 KRS 157.621(2). It is the intent of the 2018 General Assembly that no local school
13 district levying an equivalent tax rate subject to recall under the provisions of KRS
14 157.621(2) after January 1, 2018, shall be eligible for state equalization funds.

15 **(14) Equalized Facility Funding:** Included in the above General Fund
16 appropriation is \$7,269,500 in fiscal year 2018-2019 and \$7,133,500 in fiscal year 2019-
17 2020 to provide equalized facility funding pursuant to KRS 157.420 and 157.620 to
18 districts meeting the eligibility requirements of KRS 157.621(3) and (4).

19 **(15) BRAC Equalized Facility Funding:** Included in the above General Fund
20 appropriation is \$2,057,500 in fiscal year 2018-2019 and \$2,016,800 in fiscal year 2019-
21 2020 to provide equalized facility funding to school districts meeting the eligibility
22 requirements of KRS 157.621(1)(c) pursuant to KRS 157.440 and 157.620.

23 **(16) Equalization Funding for Critical Construction Needs Schools:** Included
24 in the above General Fund appropriation is \$6,506,300 in fiscal year 2018-2019 and
25 \$6,473,400 in fiscal year 2019-2020 to school districts in accordance with KRS
26 157.621(5).

27 **(17) Hold-Harmless Guarantee:** A modified hold-harmless guarantee is

1 established in fiscal biennium 2018-2020 which provides that every local school district
2 shall receive at least the same amount of Support Education Excellence in Kentucky
3 (SEEK) state funding per pupil as was received in fiscal year 1991-1992. If funds
4 appropriated to the SEEK Program are insufficient to provide the amount of money
5 required under KRS 157.310 to 157.440, and allotments to local school districts are
6 reduced in accordance with KRS 157.430, allocations to school districts subject to this
7 provision shall not be reduced.

8 **(18) Residential Youth-at-Risk Programs:** In accordance with KRS 157.360, no
9 funds from the SEEK Program shall be distributed to the programs operated by the
10 Kentucky Guard Youth Challenge Division of the Department of Military Affairs.
11 Notwithstanding KRS 157.350, 157.360, 157.410, and any other statute to the contrary,
12 any nonresident school district providing educational services to students enrolled in
13 programs operated by the Kentucky Guard Youth Challenge Division of the Department
14 of Military Affairs shall be paid for those services from the General Fund appropriation in
15 Part I, A., 7. of this Act.

16 **(19) Use of Local District Capital Funds:** Notwithstanding KRS 157.420(4) and
17 (6), 157.440, and 157.621, a local board of education may submit a request to the
18 Commissioner of Education to utilize any capital funds for general operating expenses in
19 fiscal year 2018-2019 without forfeiting the district's eligibility to participate in the
20 School Facilities Construction Commission Program. The Commissioner of Education
21 shall not approve any capital funds request that exceeds 25 percent of a local board of
22 education's available capital funds in fiscal year 2018-2019. Prior to August 1, 2018, the
23 Kentucky Board of Education shall approve guidelines for requests from local boards of
24 education. Notwithstanding KRS 157.615(14) and 157.622, the School Facilities
25 Construction Commission shall include the capital funds transferred under the provisions
26 of this subsection among the local board of education's available local revenue for the
27 purposes of calculating unmet facilities need for the 2018-2020 fiscal biennium.

1 Notwithstanding KRS 157.618, no local school district shall be eligible for a grant from
2 the Emergency and Targeted Investment Fund in fiscal year 2018-2019 if any of its
3 capital funds have been transferred under the provisions of this subsection.

4 **(20) Unmined Minerals Assessment Offset:** Included in the above General Fund
5 appropriation are the following amounts in fiscal year 2018-2019 to help offset the loss of
6 revenue to the below named local school districts from a change in the assessed value of
7 unmined minerals:

- 8 (a) \$201,800 for Bell County Schools;
- 9 (b) \$1,300 for Boyd County Schools;
- 10 (c) \$367,200 for Breathitt County Schools;
- 11 (d) \$200 for Carter County Schools;
- 12 (e) \$11,300 for Clay County Schools;
- 13 (f) \$8,900 for Daviess County Schools;
- 14 (g) \$100 for Elliott County Schools;
- 15 (h) \$845,200 for Floyd County Schools;
- 16 (i) \$727,200 for Harlan County Schools;
- 17 (j) \$112,700 for Henderson County Schools;
- 18 (k) \$192,200 for Hopkins County Schools;
- 19 (l) \$1,400 for Jenkins Independent Schools;
- 20 (m) \$68,500 for Johnson County Schools;
- 21 (n) \$1,757,500 for Knott County Schools;
- 22 (o) \$17,800 for Knox County Schools;
- 23 (p) \$53,300 for Lawrence County Schools;
- 24 (q) \$732,800 for Leslie County Schools;
- 25 (r) \$1,002,900 for Letcher County Schools;
- 26 (s) \$59,700 for Magoffin County Schools;
- 27 (t) \$429,600 for Martin County Schools;

- 1 (u) \$1,000 for McCreary County Schools;
2 (v) \$5,900 for McLean County Schools;
3 (w) \$2,600 for Morgan County Schools;
4 (x) \$129,800 for Muhlenberg County Schools;
5 (y) \$128,900 for Ohio County Schools;
6 (z) \$600 for Owsley County Schools;
7 (aa) \$1,142,700 for Perry County Schools;
8 (ab) \$1,655,800 for Pike County Schools;
9 (ac) \$379,300 for Union County Schools;
10 (ad) \$27,600 for Webster County Schools; and
11 (ae) \$22,000 for Whitley County Schools.

12 **(21) Emergency Revolving School Loan Fund Account:** From the General Fund
13 appropriation set forth in 2016 Ky. Acts ch. 149, Part I, C., 1., \$7,000,000 is appropriated
14 in fiscal year 2017-2018 for the Emergency Revolving School Loan Fund account.
15 Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward.

16 Notwithstanding KRS 160.599, a school district shall be eligible for a loan from the
17 account if the school district has a significant revenue shortfall within the immediate prior
18 year, the current year, or the upcoming fiscal year, due to circumstances beyond the
19 district's control which the district has made reasonable and prudent efforts to mitigate; or
20 there are any other extraordinary financial circumstances which warrant an emergency
21 loan, as determined by the Kentucky Board of Education on the recommendation of the
22 Commissioner of Education. No loan from the account shall be made for a period in
23 excess of five years, and the maximum amount of any one loan from the account shall not
24 exceed \$500,000 and shall be determined by the Kentucky Board of Education on the
25 recommendation of the Commissioner of Education.

26 Notwithstanding KRS 160.599, the Kentucky Board of Education may promulgate
27 administrative regulations in accordance with KRS Chapter 13A as needed for the loan

1 process. The Kentucky Department of Education shall monitor any loans made and
 2 provide by October 1 of each year an annual written report to the Interim Joint Committee
 3 on Appropriations and Revenue on the status of the loan fund account as of the
 4 immediately previous September 1.

5 **2. OPERATIONS AND SUPPORT SERVICES**

6		2018-19	2019-20
7	General Fund	56,243,700	56,326,300
8	Restricted Funds	7,401,500	7,401,500
9	Federal Funds	389,132,300	389,178,100
10	TOTAL	452,777,500	452,905,900

11 **(1) Employment of Leadership Personnel:** Notwithstanding KRS 18A.005 to
 12 18A.200, the Kentucky Board of Education shall continue to have sole authority to
 13 determine the employees of the Department of Education who are exempt from the
 14 classified service and to set those employees' compensation comparable to the
 15 competitive market.

16 **(2) Blind/Deaf Residential Travel Program:** Included in the above General
 17 Fund appropriation is \$492,300 in each fiscal year for the Blind/Deaf Residential Travel
 18 Program.

19 **(3) School Food Services:** Included in the above General Fund appropriation is
 20 \$3,555,900 in each fiscal year for the School Food Services Program.

21 **(4) Review of the Classification of Primary and Secondary School Buildings:**
 22 Included in the above General Fund appropriation is \$600,000 in each fiscal year to
 23 implement KRS 157.420(9) and (10). Notwithstanding KRS 45.229, any portion of the
 24 \$600,000 that has not been expended by the end of fiscal year 2018-2019 shall not lapse
 25 and shall carry forward into fiscal year 2019-2020. Notwithstanding KRS 157.420(9) and
 26 (10), only schools classified as A1, A2, A3, A4, A5, A6, C2, and D1 shall be included in
 27 the evaluation process. Notwithstanding KRS 157.420(9) and (10), the Department of

1 Education may limit the school buildings included in the evaluation process based on the
 2 time elapsed since the building's construction or last major renovation as defined in 702
 3 KAR 4:160. The Department of Education shall provide an updated list of school
 4 buildings evaluated by the process pursuant to KRS 157.420(9) and (10) to the
 5 Legislative Research Commission by October 1, 2019.

6 **(5) Advanced Placement and International Baccalaureate Exams:**
 7 Notwithstanding KRS 160.348(3), included in the above General Fund appropriation is
 8 \$1,000,000 in each fiscal year to pay the cost of Advanced Placement and International
 9 Baccalaureate examinations for those students who meet the eligibility requirements for
 10 free or reduced-price meals.

11 **(6) School Technology in Coal Counties:** Included in the above General Fund
 12 appropriation is \$1,750,000 in each fiscal year for the purpose of enhancing education
 13 technology in local school districts within coal-producing counties. The Commissioner of
 14 Education shall use the appropriation in this subsection to continue the Coal County
 15 Computing Program in conjunction with the Cabinet for Economic Development through
 16 its Department of Commercialization and Innovation.

17 **3. LEARNING AND RESULTS SERVICES**

	2018-19	2019-20
18 General Fund	1,006,064,200	1,020,447,300
19 Restricted Funds	34,812,100	35,045,100
20 Federal Funds	559,690,200	559,756,300
21 TOTAL	1,600,566,500	1,615,248,700

22
 23 **(1) Kentucky Education Technology System:** The School for the Deaf and the
 24 School for the Blind shall be fully eligible, along with local school districts, to participate
 25 in the Kentucky Education Technology System in a manner that takes into account the
 26 special needs of the students of these two schools.

27 **(2) Family Resource and Youth Services Centers:** Funds appropriated to

1 establish and support Family Resource and Youth Services Centers shall be transferred in
2 fiscal year 2018-2019 and in fiscal year 2019-2020 to the Cabinet for Health and Family
3 Services consistent with KRS 156.496. The Cabinet for Health and Family Services is
4 authorized to use, for administrative purposes, no more than three percent of the total
5 funds transferred from the Department of Education for the Family Resource and Youth
6 Services Centers. If a certified person is employed as a director or coordinator of a Family
7 Resource and Youth Services Center, that person shall retain his or her status as a
8 certified employee of the school district.

9 If 70 percent or more of the funding level provided by the state is utilized to support
10 the salary of the director of a center, that center shall provide a report to the Cabinet for
11 Health and Family Services and the State Budget Director identifying the salary of the
12 director. The Cabinet for Health and Family Services shall transmit any reports received
13 from Family Resource and Youth Services Centers pursuant to this paragraph to the
14 Legislative Research Commission.

15 **(3) Health Insurance:** Included in the above General Fund appropriation is
16 \$710,172,500 in fiscal year 2018-2019 and \$724,376,000 in fiscal year 2019-2020 for
17 employer contributions for health insurance and the contribution to the health
18 reimbursement account for employees waiving coverage.

19 **(4) Locally Operated Vocational Programs:** Notwithstanding KRS 157.069, the
20 supplemental funding distribution shall include Category II and III programs in districts
21 established after June 21, 2001, with state assistance, if approved by the Commissioner of
22 Education.

23 **(5) Program Elimination:** Notwithstanding KRS 156.095, 156.400 to 156.476,
24 156.553, 156.555, 157.100 to 157.190, 157.390, 158.070, 158.770, 158.775, and 158.805,
25 no General Fund is provided for Instructional Resources (Textbooks), the Professional
26 Development Program, the Commonwealth School Improvement Fund, the Leadership
27 and Mentor Fund, the Middle School Academic Center, the Teacher's Professional

1 Growth Fund, the Teacher Academies Program, and the Writing Program.

2 **(6) Program Flexibility:** Notwithstanding KRS 158.070(8) and 158.446, local
3 school districts shall be provided additional flexibility in the utilization of funds for
4 Extended School Services and Safe Schools. Local school districts shall continue to
5 address the governing statutes and serve the intended student population but may utilize
6 funds from these programs for general operating expenses in each year of the biennium.
7 Local school districts that utilize these funds for general operating expenses shall report
8 to the Kentucky Department of Education and the Interim Joint Committee on Education
9 on an annual basis the amount of funding from each program utilized for general
10 operating expenses.

11 **(7) Advisory Council for Gifted and Talented Education:** Notwithstanding
12 KRS 158.648(1), a member of the State Advisory Council for Gifted and Talented
13 Education may be reappointed but shall not serve more than five consecutive terms.
14 Notwithstanding KRS 158.648(1), a member of the Kentucky Association for Gifted
15 Education shall be a voting member of the State Advisory Council for Gifted and
16 Talented Education.

17 **(8) Allocation of Safe School Funds:** Notwithstanding KRS 158.446, the Center
18 for School Safety shall develop and implement allotment policies for all moneys received
19 for the purposes of KRS 158.440, 158.441, 158.442, 158.445, and 158.446.

20 **(9) Allocations to School-Based Decision Making Councils:** Notwithstanding
21 KRS 160.345(8), for fiscal years 2018-2019 and 2019-2020, a local board of education
22 may reduce the allocations to individual schools within the district as outlined in 702
23 KAR 3:246, secs. 6, 7, and 8. The allocation under 702 KAR 3:246, sec. 6, shall not be
24 less than \$100 per pupil in average daily attendance.

25 **(10) Kentucky School for the Blind and Kentucky School for the Deaf:**
26 Included in the above General Fund appropriation is \$6,811,600 in fiscal year 2018-2019
27 and \$6,853,100 in fiscal year 2019-2020 for the Kentucky School for the Blind and

1 \$10,019,700 in fiscal year 2018-2019 and \$10,080,600 in fiscal year 2019-2020 for the
2 Kentucky School for the Deaf.

3 **(11) Learning and Results Services Programs:** Included in the above General
4 Fund appropriation are the following allocations for the 2018-2020 fiscal biennium, but
5 no portion of these funds shall be utilized for state-level administrative purposes:

6 (a) Notwithstanding KRS 154A.130(4), \$1,700,000 in each fiscal year for
7 AdvanceKentucky;

8 (b) \$1,200,000 in each fiscal year for the Collaborative Center for Literacy
9 Development Program;

10 (c) \$1,850,000 in each fiscal year for the Community Education Program;

11 (d) \$397,600 in each fiscal year for the Elementary Arts and Humanities Program;

12 (e) \$23,916,300 in each fiscal year for the Extended School Services Program;

13 (f) \$48,889,000 in each fiscal year for the Family Resource and Youth Services
14 Centers Program;

15 (g) \$6,208,400 in each fiscal year for the Gifted and Talented Program;

16 (h) \$100,000 in each fiscal year for the Heuser Hearing and Language Academy;

17 (i) \$100,000 in each fiscal year for the Lexington Hearing and Speech Center;

18 (j) \$1,391,000 in each fiscal year for Local School District Life Insurance;

19 (k) \$5,019,000 in each fiscal year for the Mathematics Achievement Fund;

20 (l) \$84,481,100 in each fiscal year for the Preschool Program;

21 (m) \$15,936,600 in each fiscal year for the Read to Achieve Program;

22 (n) \$13,000,000 in each fiscal year for the Safe Schools Program;

23 (o) \$1,300,000 in each fiscal year for the Save the Children/Rural Literacy
24 Program;

25 (p) \$9,465,500 in each fiscal year for the State Agency Children Program;

26 (q) \$250,000 in each fiscal year for Teach for America;

27 (r) \$1,000,000 in each fiscal year for the Teacher Recruitment and Retention

1 Program - Educator Quality and Diversity; and
 2 (s) \$93,800 in each fiscal year for the Visually Impaired Preschool Services
 3 Program.

4 **(12) Participation in the Education Technology Program by Area Vocational**
 5 **Education Centers:** Area Vocational Education Centers shall be fully eligible to
 6 participate in the Kentucky Education Technology System. Notwithstanding KRS
 7 157.650, 157.655, 157.660, and 157.665, the School Facilities Construction Commission,
 8 in consultation with the Kentucky Board of Education and the Department of Education,
 9 shall promulgate administrative regulations which identify a methodology by which the
 10 average daily attendance for Area Vocational Education Centers may be equated to the
 11 average daily attendance of other local school districts in order that they may receive their
 12 respective distributions of these funds. The School Facilities Construction Commission
 13 shall include Area Vocational Education Centers in any offers of assistance to local
 14 school districts for technology assistance during the 2018-2020 fiscal biennium.

15 **(13) Preschool Education Program:** Notwithstanding KRS 157.3175, \$7,500,000
 16 of preschool funding in each fiscal year shall be used to develop a grant program to
 17 incentivize cooperative, public-private partnerships between school districts and child
 18 care providers to develop full-day, high-quality programs for children eligible for
 19 assistance from the Child Care Assistance Program to be administered by the Kentucky
 20 Department of Education. The Board of Education, the Department of Education, the
 21 Early Childhood Advisory Council, the Child Care Advisory Council, and the Cabinet for
 22 Health and Family Services shall work collaboratively to develop the incentive grant
 23 program.

24 **TOTAL - DEPARTMENT OF EDUCATION**

	2018-19	2019-20
25		
26 General Fund	4,128,896,500	4,124,254,500
27 Restricted Funds	42,213,600	42,446,600

1	Federal Funds	948,822,500	948,934,400
2	TOTAL	5,119,932,600	5,115,635,500

3 **D. EDUCATION AND WORKFORCE DEVELOPMENT CABINET**

4 **Budget Units**

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

6		2018-19	2019-20
7	General Fund	5,164,000	5,210,100
8	Restricted Funds	7,381,600	7,475,400
9	Federal Funds	3,867,000	3,198,400
10	TOTAL	16,412,600	15,883,900

11 **(1) Governor's Scholars Program:** Included in the above General Fund
12 appropriation is \$1,758,700 in each fiscal year for the Governor's Scholars Program.

13 **(2) Kentucky Center for Education and Workforce Statistics:** Included in the
14 above General Fund appropriation is \$600,000 in fiscal year 2019-2020 to support the
15 Kentucky Longitudinal Data System.

16 **2. PROPRIETARY EDUCATION**

17		2018-19	2019-20
18	Restricted Funds	320,900	323,900

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

20		2018-19	2019-20
21	General Fund	959,000	970,000
22	Restricted Funds	1,173,800	1,179,700
23	TOTAL	2,132,800	2,149,700

24 **4. KENTUCKY EDUCATIONAL TELEVISION**

25		2018-19	2019-20
26	General Fund	15,047,600	15,401,100
27	Restricted Funds	1,518,600	1,524,800

1 TOTAL 16,566,200 16,925,900

2 (1) **Debt Service:** Included in the above General Fund appropriation is \$182,500
 3 in fiscal year 2018-2019 and \$365,000 in fiscal year 2019-2020 for new debt service to
 4 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

5 **5. ENVIRONMENTAL EDUCATION COUNCIL**

	2018-19	2019-20
6 Restricted Funds	214,400	217,700
7 Federal Funds	73,700	66,000
8 TOTAL	288,100	283,700

9
 10 (1) **Environmental Education Council:** Notwithstanding KRS 224.43-
 11 505(2)(b), the Council may use interest received to support the operations of the Council.

12 **6. LIBRARIES AND ARCHIVES**

13 **a. General Operations**

	2018-19	2019-20
14 General Fund	6,265,600	6,327,100
15 Restricted Funds	1,641,500	1,464,000
16 Federal Funds	2,567,400	2,589,900
17 TOTAL	10,474,500	10,381,000

18
 19 **b. Direct Local Aid**

	2018-19	2019-20
20 General Fund	6,829,600	6,829,600
21 Restricted Funds	592,200	592,200
22 TOTAL	7,421,800	7,421,800

23
 24 (1) **Per Capita Grants:** Notwithstanding KRS 171.201(2)(b), included in the
 25 above General Fund appropriation is \$2,500,000 in each fiscal year for Per Capita Grants.

26 (2) **Public Libraries Facilities Construction:** Included in the above General
 27 Fund appropriation is \$4,329,600 in each fiscal year for the Public Libraries Facilities

1 Construction Fund.

2 **TOTAL - LIBRARIES AND ARCHIVES**

3		2018-19	2019-20
4	General Fund	13,095,200	13,156,700
5	Restricted Funds	2,233,700	2,056,200
6	Federal Funds	2,567,400	2,589,900
7	TOTAL	17,896,300	17,802,800

8 **7. OFFICE FOR THE BLIND**

9		2018-19	2019-20
10	General Fund	1,880,900	1,890,800
11	Restricted Funds	1,011,100	1,015,400
12	Federal Funds	10,110,800	10,184,500
13	TOTAL	13,002,800	13,090,700

14 **(1) Cafeteria Service Contracts:** No state agency shall enter into any contract
 15 with a nongovernmental entity for the operation of food services provided in the
 16 cafeterias located in the Kentucky Transportation Cabinet office building and/or the
 17 Cabinet for Human Resources office building in Frankfort unless the Office for the Blind
 18 has declined in writing to provide such services.

19 **8. EMPLOYMENT AND TRAINING**

20		2018-19	2019-20
21	Restricted Funds	46,496,600	46,321,000
22	Federal Funds	440,635,600	440,765,400
23	TOTAL	487,132,200	487,086,400

24 **(1) Unemployment Compensation Administration Fund:** Notwithstanding
 25 KRS 341.240 and 341.295, funds from the Unemployment Compensation Administration
 26 Fund may be used each fiscal year to support the Wagner-Peyser Program.

27 **9. VOCATIONAL REHABILITATION**

	2018-19	2019-20	
1			
2	General Fund	13,393,000	13,459,000
3	Restricted Funds	3,334,000	3,336,300
4	Federal Funds	50,270,000	50,341,400
5	TOTAL	66,997,000	67,136,700

6 **10. EDUCATION PROFESSIONAL STANDARDS BOARD**

	2018-19	2019-20	
7			
8	General Fund	3,624,700	3,643,800
9	Restricted Funds	1,122,300	974,300
10	Federal Funds	95,500	95,900
11	TOTAL	4,842,500	4,714,000

12 **(1) Internship Programs:** Notwithstanding KRS 161.027 and 161.030, no
 13 General Fund is provided for the operational costs of the Kentucky Principal Internship
 14 Program and the Kentucky Teacher Internship Program.

15 **TOTAL - EDUCATION AND WORKFORCE DEVELOPMENT CABINET**

	2018-19	2019-20	
16			
17	General Fund	53,164,400	53,731,500
18	Restricted Funds	64,807,000	64,424,700
19	Federal Funds	507,620,000	507,241,500
20	TOTAL	625,591,400	625,397,700

21 **E. ENERGY AND ENVIRONMENT CABINET**

22 **Budget Units**

23 **1. SECRETARY**

	2018-19	2019-20	
24			
25	General Fund	3,330,000	3,372,100
26	Restricted Funds	1,874,100	1,632,400
27	Federal Funds	1,126,400	1,126,400

1	TOTAL	6,330,500	6,130,900
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2 **(1) Volkswagen Mitigation Trust Agreement:** All funds received from the
 3 environmental mitigation trust established by Volkswagen pursuant to the partial consent
 4 decree shall be held in a trust and agency account. These funds shall not be expended or
 5 appropriated without the express authority of the General Assembly.

6 **2. ENVIRONMENTAL PROTECTION**

		2018-19	2019-20
7			
8	General Fund	27,665,900	28,567,500
9	Restricted Funds	75,122,300	75,031,800
10	Federal Funds	21,121,700	20,723,500
11	Road Fund	320,900	320,900
12	TOTAL	124,230,800	124,643,700

13 **(1) Debt Service:** Included in the above General Fund appropriation is \$424,500
 14 in fiscal year 2018-2019 and \$849,000 in fiscal year 2019-2020 for new debt service to
 15 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

16 **3. NATURAL RESOURCES**

		2018-19	2019-20
17			
18	General Fund (Tobacco)	3,757,300	3,757,300
19	General Fund	37,228,700	37,702,200
20	Restricted Funds	14,698,100	14,661,700
21	Federal Funds	61,424,900	61,846,200
22	TOTAL	117,109,000	117,967,400

23 **(1) Emergency Forest Fire Suppression:** Not less than \$2,500,000 of the above
 24 General Fund appropriation for each fiscal year shall be set aside for emergency forest
 25 fire suppression. Any portion of the \$2,500,000 not expended for emergency forest fire
 26 suppression shall lapse to the General Fund at the end of each fiscal year. There is
 27 appropriated from the General Fund the necessary funds, subject to the conditions and

1 procedures provided in this Act, which are required as a result of emergency fire
 2 suppression activities in excess of \$2,500,000 each fiscal year. Fire suppression costs in
 3 excess of \$2,500,000 annually shall be deemed necessary government expenses and shall
 4 be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve
 5 Trust Fund Account (KRS 48.705).

6 **(2) Environmental Stewardship Program:** Included in the above General Fund
 7 (Tobacco) appropriation is \$2,500,000 in each fiscal year for the Environmental
 8 Stewardship Program.

9 **(3) Conservation District Local Aid:** Included in the above General Fund
 10 (Tobacco) appropriation is \$907,300 in each fiscal year for the Division of Conservation
 11 to provide direct aid to local conservation districts.

12 **(4) Match for Conservation Program:** Included in the above General Fund
 13 (Tobacco) appropriation is \$350,000 in each fiscal year to provide the nonfederal match
 14 for a federal conservation program.

15 **4. ENERGY DEVELOPMENT AND INDEPENDENCE**

	2018-19	2019-20
16 General Fund	1,412,000	1,433,800
17 Restricted Funds	867,800	827,500
18 Federal Funds	582,000	582,000
19 TOTAL	2,861,800	2,843,300

21 **5. KENTUCKY NATURE PRESERVES COMMISSION**

	2018-19	2019-20
22 General Fund	1,224,400	1,244,800
23 Restricted Funds	944,000	944,000
24 Federal Funds	49,600	49,600
25 TOTAL	2,218,000	2,238,400

26 **6. PUBLIC SERVICE COMMISSION**

	2018-19	2019-20	
1			
2	General Fund	16,582,600	16,582,600
3	Restricted Funds	201,900	201,900
4	Federal Funds	445,100	445,100
5	TOTAL	17,229,600	17,229,600

6 **(1) Lapse of General Fund Appropriation Balance:** Notwithstanding KRS
7 278.150(3), \$6,485,200 in fiscal year 2018-2019 and \$6,485,200 in fiscal year 2019-2020
8 shall lapse to the General Fund.

9 **TOTAL - ENERGY AND ENVIRONMENT CABINET**

	2018-19	2019-20	
10			
11	General Fund (Tobacco)	3,757,300	3,757,300
12	General Fund	87,443,600	88,903,000
13	Restricted Funds	93,708,200	93,299,300
14	Federal Funds	84,749,700	84,772,800
15	Road Fund	320,900	320,900
16	TOTAL	269,979,700	271,053,300

17 **F. FINANCE AND ADMINISTRATION CABINET**

18 **Budget Units**

19 **1. GENERAL ADMINISTRATION**

	2018-19	2019-20	
20			
21	General Fund	7,572,800	7,889,800
22	Restricted Funds	32,616,000	32,680,300
23	Road Fund	264,800	266,400
24	TOTAL	40,453,600	40,836,500

25 **(1) State Motor Vehicle Fleet:** The Secretary of the Finance and Administration
26 Cabinet shall restrict permanently assigned vehicles to only Constitutional Officers, the
27 Court of Justice, Executive Cabinet Secretaries, law enforcement, or for other public

1 safety purposes. A report listing the recipients of permanently assigned vehicles from the
 2 State Motor Vehicle Fleet shall be submitted to the Interim Joint Committee on
 3 Appropriations and Revenue by August 1 of each fiscal year.

4 **2. CONTROLLER**

	2018-19	2019-20
6 General Fund	6,351,000	6,422,500
7 Restricted Funds	13,138,300	13,205,300
8 TOTAL	19,489,300	19,627,800

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

14 **3. INSPECTOR GENERAL**

	2018-19	2019-20
16 General Fund	790,500	802,700
17 Restricted Funds	657,300	662,900
18 TOTAL	1,447,800	1,465,600

19 **4. DEBT SERVICE**

	2018-19	2019-20
21 General Fund (Tobacco)	28,974,900	31,878,700
22 General Fund	475,583,700	491,371,500
23 TOTAL	504,558,600	523,250,200

24 **(1) General Fund (Tobacco) Debt Service Lapse:** Notwithstanding Part X, (4)
 25 of this Act, \$2,065,000 in fiscal year 2017-2018, \$2,031,400 in fiscal year 2018-2019 and
 26 \$1,987,500 in fiscal year 2019-2020 shall lapse to the General Fund.

27 **5. FACILITIES AND SUPPORT SERVICES**

	2018-19	2019-20
1		
2	General Fund	6,115,900
3	Restricted Funds	43,198,300
4	TOTAL	49,314,200

5 **(1) Debt Service:** Included in the above General Fund appropriation is \$192,000
6 in fiscal year 2018-2019 and \$1,168,000 in fiscal year 2019-2020 for new debt service to
7 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

8 **6. COUNTY COSTS**

	2018-19	2019-20
9		
10	General Fund	19,743,500
11	Restricted Funds	1,702,500
12	TOTAL	21,446,000

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

18 **(2) Reimbursement to Sheriffs' Offices for Court Security Services:**
19 Notwithstanding KRS 64.092(6), the sheriff or other law enforcement officer serving a
20 Circuit or District Court shall be compensated at the rate of \$9 per hour of service.

21 **(3) Sheriffs' Expense Allowance:** Notwithstanding KRS 70.170, each sheriff
22 performing the duties required under the provisions of KRS 70.150 shall be allowed the
23 amount of \$2,400 annually, payable out of the State Treasury at the rate of \$200 per
24 month for such services in the 2018-2020 fiscal biennium.

25 **7. COMMONWEALTH OFFICE OF TECHNOLOGY**

	2018-19	2019-20
26		
27	General Fund	641,000

1	Restricted Funds	129,509,300	128,955,900
2	Federal Funds	10,000	10,000
3	TOTAL	130,160,300	130,888,900

4 **(1) Debt Service:** Included in the above General Fund appropriation is \$641,000
5 in fiscal year 2018-2019 and \$1,923,000 in fiscal year 2019-2020 for new debt service to
6 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

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

12 **8. REVENUE**

13		2018-19	2019-20
14	General Fund (Tobacco)	250,000	250,000
15	General Fund	95,204,300	101,965,600
16	Restricted Funds	14,710,700	16,713,400
17	Road Fund	3,577,500	3,621,000
18	TOTAL	113,742,500	122,550,000

19 **(1) Operations of Revenue:** Notwithstanding KRS 132.672, 134.552(2),
20 136.652, and 365.390(2), funds may be expended in support of the operations of the
21 Department of Revenue.

22 **(2) Debt Service:** Included in the above General Fund appropriation is
23 \$5,820,500 in fiscal year 2019-2020 for new debt service to support new bonds as set
24 forth in Part II, Capital Projects Budget, of this Act.

25 **(3) Local Economic Development Grants:** Included in the above Restricted
26 Funds appropriation is \$2,000,000 in fiscal year 2018-2019 and \$4,000,000 in fiscal year
27 2019-2020 transferred from the TVA Regional Development Agency Assistance Fund for

1 the purpose of supporting grants to local economic development agencies.

2 **9. PROPERTY VALUATION ADMINISTRATORS**

3		2017-18	2018-19	2019-20
4	General Fund	2,438,400	54,824,800	56,138,900
5	Restricted Funds	-0-	3,698,500	3,500,000
6	TOTAL	2,438,400	58,523,300	59,638,900

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

10 **(2) Appropriation Increases:** Included in the above General Fund appropriation
11 is an additional \$2,438,400 in fiscal year 2017-2018 and \$8,224,900 in each fiscal year of
12 the 2018-2020 biennium to support operations of the property valuation administrators.

13 **(3) Property Valuation Administrators' Expense Allowance:** Notwithstanding
14 KRS 132.597, each property valuation administrator shall receive an expense allowance
15 of \$2,400 annually, payable out of the State Treasury at the rate of \$200 per month in the
16 2018-2020 fiscal biennium.

17 **TOTAL - FINANCE AND ADMINISTRATION CABINET**

18		2017-18	2018-19	2019-20
19	General Fund (Tobacco)	-0-	29,224,900	32,128,700
20	General Fund	2,438,400	666,827,500	693,435,500
21	Restricted Funds	-0-	239,230,900	240,851,000
22	Federal Funds	-0-	10,000	10,000
23	Road Fund	-0-	3,842,300	3,887,400
24	TOTAL	2,438,400	939,135,600	970,312,600

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

26 **Budget Units**

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

	2018-19	2019-20	
1			
2	General Fund	35,784,800	36,475,900
3	Restricted Funds	21,369,500	21,410,100
4	Federal Funds	54,073,100	54,457,500
5	TOTAL	111,227,400	112,343,500

6 **(1) Debt Service:** Included in the above General Fund appropriation is \$102,500
7 in fiscal year 2018-2019 and \$307,500 in fiscal year 2019-2020 for new debt service to
8 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

9 **(2) Human Services Transportation Delivery:** Notwithstanding KRS 281.010,
10 the Kentucky Works Program shall not participate in the Human Services Transportation
11 Delivery Program or the Coordinated Transportation Advisory Committee.

12 **(3) Federally Funded Positions:** Notwithstanding KRS 18A.010(2) and any
13 provisions of this Act to the contrary, direct service units of the Office of Inspector
14 General, Department for Income Support, Commission for Children with Special Health
15 Care Needs, Department for Community Based Services, Department for Behavioral
16 Health, Developmental and Intellectual Disabilities, Family Resource Centers and
17 Volunteer Services, Department for Aging and Independent Living, and the Department
18 for Public Health shall be authorized to establish and fill such positions that are 100
19 percent federally funded for salary and fringe benefits.

20 **2. COMMISSION FOR CHILDREN WITH SPECIAL HEALTH CARE**
21 **NEEDS**

	2018-19	2019-20	
22			
23	General Fund	5,249,000	5,249,000
24	Restricted Funds	11,285,500	11,477,400
25	Federal Funds	4,566,100	4,566,100
26	TOTAL	21,100,600	21,292,500

27 **3. MEDICAID SERVICES**

1 **a. Medicaid Administration**

2		2018-19	2019-20
3	General Fund	56,622,700	59,367,300
4	Restricted Funds	19,027,200	10,266,400
5	Federal Funds	214,031,000	164,474,200
6	TOTAL	289,680,900	234,107,900

7 **(1) Transfer of Excess Administrative Funds for Medicaid Benefits:** If any
8 portion of the above General Fund appropriation in either fiscal year is deemed to be in
9 excess of the necessary expenses for administration of the Department, the amount may
10 be used for Medicaid Benefits in accordance with statutes governing the functions and
11 activities of the Department for Medicaid Services. In no instance shall these excess
12 funds be used without prior written approval of the State Budget Director to:

- 13 (a) Establish a new program;
14 (b) Expand the services of an existing program; or
15 (c) Increase rates or payment levels in an existing program.

16 Any transfer authorized under this subsection shall be approved by the Secretary of
17 the Finance and Administration Cabinet upon recommendation of the State Budget
18 Director.

19 **(2) Medicaid Service Category Expenditure Information:** No Medicaid
20 managed care contract shall be valid and no payment to a Medicaid managed care vendor
21 by the Finance and Administration Cabinet or the Cabinet for Health and Family Services
22 shall be made, unless the Medicaid managed care contract contains a provision that the
23 contractor shall collect Medicaid expenditure data by the categories of services paid for
24 by the Medicaid Program. Actual statewide Medicaid expenditure data by all categories
25 of Medicaid services, including mandated and optional Medicaid services, special
26 expenditures/offsets, and Disproportionate Share Hospital payments by type of hospital,
27 shall be compiled by the Department for Medicaid Services for all Medicaid providers

1 and forwarded to the Interim Joint Committee on Appropriations and Revenue on a
 2 quarterly basis. Projections of Medicaid expenditures by categories of Medicaid services
 3 shall be provided to the Interim Joint Committee on Appropriations and Revenue upon
 4 request.

5 **b. Medicaid Benefits**

	2018-19	2019-20
6 General Fund	1,825,369,800	1,983,649,500
7 Restricted Funds	536,245,100	521,341,800
8 Federal Funds	8,920,198,300	9,298,956,300
9 TOTAL	11,281,813,200	11,803,947,600

10 **(1) Transfer of Medicaid Benefits Funds:** Any portion of the General Fund
 11 appropriation in either fiscal year that is deemed to be necessary for the administration of
 12 the Medicaid Program may be transferred from the Medicaid Benefits budget unit to the
 13 Medicaid Administration budget unit in accordance with statutes governing the functions
 14 and activities of the Department for Medicaid Services. The Secretary shall recommend
 15 any proposed transfer to the State Budget Director for approval prior to transfer. Such
 16 action shall be reported by the Cabinet for Health and Family Services to the Interim Joint
 17 Committee on Appropriations and Revenue.
 18

19 **(2) Intergovernmental Transfers (IGTs):** Any funds received through an
 20 Intergovernmental Transfer (IGT) agreement between the Department for Medicaid
 21 Services and other governmental entities, in accordance with a federally approved State
 22 Plan amendment, shall be used to provide for the health and welfare of the citizens of the
 23 Commonwealth through the provision of Medicaid Benefits. Revenues from IGTs are
 24 contingent upon agreement by the parties, including but not limited to the Cabinet for
 25 Health and Family Services, Department for Medicaid Services, and the appropriate
 26 providers. The Secretary of the Cabinet for Health and Family Services shall make the
 27 appropriate interim appropriations increase requests pursuant to KRS 48.630.

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

12 **(4) Medicaid Pharmacy:** Notwithstanding KRS 205.6312(4), a pharmacy
13 provider participating in the Medical Assistance Program or a pharmacy provider serving
14 Kentucky Medicaid recipients through a Medicaid Managed Care Organization shall not
15 be required to serve an eligible recipient if the recipient does not make the required
16 copayment at the time of service. An exception to this provision shall be an encounter
17 when a recipient presents a condition which could result in harm to the recipient if left
18 untreated, in which case the pharmacist shall dispense a 72-hour emergency supply of the
19 required medicine. The recipient may then return to the pharmacy with the necessary
20 copayment to obtain the remainder of the prescription. Only one dispensing fee shall be
21 paid by the Cabinet for the provision of both the emergency supply and the remainder of
22 the prescription. The Medicaid Managed Care Organization shall determine its policies
23 with respect to dispensing fees.

24 **(5) Disproportionate Share Hospital (DSH) Program:** Hospitals shall report
25 the uncompensated care for which, under federal law, the hospital is eligible to receive
26 disproportionate share payments. Disproportionate share payments shall equal the
27 maximum amounts established under federal law.

1 **(6) Hospital Indigent Patient Billing:** Hospitals shall not bill patients for
2 services if the services have been reported to the Cabinet and the hospital has received
3 disproportionate share payments for the specific services.

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

12 **(8) Medicaid Budget Analysis Reports:** The Department for Medicaid Services
13 shall submit a quarterly budget analysis report to the Interim Joint Committee on
14 Appropriations and Revenue no later than 75 days after the quarter's end. The report shall
15 provide monthly detail of actual expenditures, eligibles, and average monthly cost per
16 eligible by eligibility category along with current trailing 12-month averages for each of
17 these figures. The report shall also provide actual figures for all categories of noneligible-
18 specific expenditures such as Supplemental Medical Insurance premiums, Kentucky
19 Patient Access to Care, nonemergency transportation, drug rebates, cost settlements, and
20 Disproportionate Share Hospital payments by type of hospital. The report shall compare
21 the actual expenditure experience with those underlying the enacted or revised enacted
22 budget and explain any significant variances which may occur.

23 **(9) Medicaid Managed Care Organization Reporting:** Except as provided by
24 KRS 61.878, all records and correspondence relating to Kentucky Medicaid, revenues
25 derived from Kentucky Medicaid funds, and expenditures utilizing Kentucky Medicaid
26 funds of a Medicaid managed care company operating within the Commonwealth shall be
27 subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. All records and

1 correspondence relating to Medicaid specifically prohibited from disclosure by the federal
2 Health Insurance Portability and Accountability Act privacy rules shall not be provided
3 under this Act.

4 No later than 60 days after the end of a quarter, each Medicaid managed care
5 company operating within the Commonwealth shall prepare and submit to the
6 Department for Medicaid Services sufficient information to allow the department to meet
7 the following requirements 90 days after the end of the quarter. The Department shall
8 forward to the Legislative Research Commission Budget Review Office a quarterly report
9 detailing monthly actual expenditures by service category, monthly eligibles, and average
10 monthly cost per eligible for Medicaid and the Kentucky Children's Health Insurance
11 Program (KCHIP) along with current trailing 12-month averages for each of these figures.
12 The report shall also provide actual figures for other categories such as pharmacy rebates
13 and reinsurance. Finally, the Department shall include in this report the most recent
14 information or report available regarding the amount withheld to meet Department of
15 Insurance reserve requirements, and any distribution of moneys received or retained in
16 excess of these reserve requirements.

17 **(10) Critical Access Hospitals:** Beginning with the effective date of this Act
18 through June 30, 2020, no acute care hospital shall convert to a critical access hospital
19 unless the hospital has either received funding for a feasibility study from the Kentucky
20 State Office of Rural Health or filed a written request by January 1, 2018, with the
21 Kentucky State Office of Rural Health requesting funding for conducting a feasibility
22 study.

23 **(11) Appeals:** An appeal from denial of a service or services provided by a
24 Medicaid managed care organization for medical necessity, or denial, limitation, or
25 termination of a health care service in a case involving a medical or surgical specialty or
26 subspecialty, shall, upon request of the recipient, authorized person, or provider, include a
27 review by a board-eligible or board-certified physician in the appropriate specialty or

1 subspecialty area; except in the case of a health care service rendered by a chiropractor or
2 optometrist, for which the denial shall be made respectively by a chiropractor or
3 optometrist duly licensed in Kentucky as specified in KRS 304.17A-607(1)(b). The
4 physician reviewer shall not have participated in the initial review and denial of service
5 and shall not be the provider of the service or services under consideration in the appeal.

6 **(12) Supports for Community Living Reimbursement Increase:** Included in the
7 above appropriation is \$10,529,000 in General Fund moneys in each fiscal year and
8 \$24,567,800 in Federal Funds in each fiscal year to be expended by the Department for
9 Medicaid Services to increase provider reimbursements for Supports for Community
10 Living Waiver Program services. From these funds, the Department shall increase the
11 upper payment limit dollar amount for each Supports for Community Living Waiver
12 Program service by ten percent from the dollar amount in effect on December 31, 2017,
13 as established by the Department. The funds directed under this subsection shall not be
14 reallocated, except as expressly permitted in this subsection, and are contingent upon
15 approval by the U.S. Centers for Medicare and Medicaid Services and the receipt of
16 federal financial participation. In the event the Supports for Community Living Waiver
17 Program encounters a material change based upon a new or amended federal waiver that
18 is approved by the U.S. Centers for Medicare and Medicaid Services, then the amounts
19 appropriated under this subsection may be reallocated so long as the upper payment limit
20 dollar amount for each Supports for Community Living Waiver Program service is not
21 less than the dollar amount established under this subsection.

22 **(13) Acquired Brain Injury Waiver Slots:** Included in the above appropriation is
23 \$2,550,400 in General Fund in fiscal year 2019-2020 and \$6,330,500 in Federal Funds in
24 fiscal year 2019-2020 to support 118 additional long-term care slots.

25 **(14) Kentucky Children's Health Insurance Program (KCHIP):** Included in the
26 above appropriation is \$12,000,000 in General Fund in fiscal year 2019-2020 and
27 \$188,077,282 in Federal Funds in fiscal year 2019-2020 to support the continuation of

1 KCHIP services.

2 **(15) Medicaid Prescription Benefits Reporting:** Notwithstanding KRS 205.647,
3 the Department for Medicaid Services shall submit a report to the Interim Joint
4 Committee on Appropriations and Revenue by December 1 of each fiscal year on the
5 dispensing of prescription medications to persons eligible under KRS 205.560. The report
6 shall include:

7 (a) The total Medicaid dollars paid to the pharmacy benefit manager by a
8 managed care organization;

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

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

20 (d) The average reimbursement by drug ingredient cost, dispensing fee, or any
21 other fee paid by a pharmacy benefit manager to pharmacies licensed in Kentucky which
22 operate ten locations, ten or fewer locations, or ten or more locations;

23 (e) Any direct or indirect fees, charges, or any kind of assessments imposed by
24 the pharmacy benefit manager on pharmacies licensed in Kentucky with which the
25 pharmacy benefit manager shares common ownership, management, or control; or which
26 are owned, managed, or controlled by any of the pharmacy benefit manager's
27 management companies, parent companies, subsidiary companies, jointly held

1 companies, or companies otherwise affiliated by a common owner, manager, or holding
2 company; or which share any common members on the board of directors; or which share
3 managers in common;

4 (f) Any direct or indirect fees, charges, or any kind of assessments imposed by
5 the pharmacy benefit manager on pharmacies licensed in Kentucky which operate ten
6 locations, ten or fewer locations, or ten or more locations; and

7 (g) All common ownership, management, common members of a board of
8 directors, shared managers, or control of a pharmacy benefit manager, or any of the
9 pharmacy benefit manager's management companies, parent companies, subsidiary
10 companies, jointly held companies, or companies otherwise affiliated by a common
11 owner, manager, or holding company with any managed care organization contracted to
12 administer Kentucky Medicaid benefits, any entity which contracts on behalf of a
13 pharmacy, or any pharmacy services administration organization, or any common
14 ownership management, common members of a board of directors, shared managers, or
15 control of a pharmacy services administration organization that is contracted with a
16 pharmacy benefit manager, with any drug wholesaler or distributor or any of the
17 pharmacy services administration organizations, management companies, parent
18 companies, subsidiary companies, jointly held companies, or companies otherwise
19 affiliated by a common owner, common members of a board of directors, manager, or
20 holding company.

21 **(16) Medicaid Prescription Drug Dispensing Reimbursement Rate:** Included in
22 the above General Fund appropriation is \$12,000,000 in fiscal year 2018-2019 to provide
23 an increase in the reimbursement rate for the dispensing of prescription medications to
24 Medicaid enrollees who receive services through a managed care organization. Any
25 increase in the reimbursement rate for the dispensing of prescription medications to
26 Medicaid enrollees in a managed care organization for fiscal year 2019-2020 shall be
27 funded with savings realized by the cost-saving measures implemented in the Medicaid

1 pharmacy program.

2 **TOTAL - MEDICAID SERVICES**

3		2018-19	2019-20
4	General Fund	1,881,992,500	2,043,016,800
5	Restricted Funds	555,272,300	531,608,200
6	Federal Funds	9,134,229,300	9,463,430,500
7	TOTAL	11,571,494,100	12,038,055,500

8 **4. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL**
 9 **DISABILITIES**

10		2018-19	2019-20
11	General Fund (Tobacco)	1,500,800	1,500,800
12	General Fund	172,406,600	173,286,700
13	Restricted Funds	209,582,900	203,459,900
14	Federal Funds	49,131,100	39,703,000
15	TOTAL	432,621,400	417,950,400

16 **(1) Disproportionate Share Hospital Funds:** Mental health disproportionate
 17 share funds are budgeted at the maximum amounts permitted by Section 1923(f) of the
 18 Social Security Act. Upon publication in the Federal Register of the Annual Institutions
 19 for Mental Disease (IMD) Disproportionate Share Hospital (DSH) limit, 92.3 percent of
 20 the federal IMD DSH limit goes to the state-operated mental hospitals.

21 **(2) Lease Payments for Eastern State Hospital:** Included in the above General
 22 Fund appropriation is \$11,257,500 in fiscal year 2018-2019 and \$11,256,200 in fiscal
 23 year 2019-2020 to make lease payments to the Lexington-Fayette Urban County
 24 Government to retire its debt for the construction of the new facility.

25 **(3) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
 26 appropriation is \$1,500,800 in each fiscal year of the 2018-2020 biennium for substance
 27 abuse prevention and treatment for pregnant women with a history of substance abuse

1 problems.

2 **(4) Debt Service:** Included in the above General Fund appropriation is \$71,000 in
3 fiscal year 2018-2019 and \$737,000 in fiscal year 2019-2020 for new debt service to
4 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

5 **(5) Regional Mental Health/Mental Retardation Boards Retirement Cost:**
6 Included in the above General Fund appropriation is \$23,274,100 in each fiscal year for
7 Regional Mental Health/Mental Retardation Boards to assist them with employer
8 contributions for the Kentucky Employees Retirement System. In July and January of
9 each year, the Department for Behavioral Health, Developmental and Intellectual
10 Disabilities shall obtain the total creditable compensation reported by each Regional
11 Mental Health/Mental Retardation Board to the Kentucky Retirement System and utilize
12 that number to determine how much of this total appropriation shall be distributed to each
13 Regional Mental Health/Mental Retardation Board. Payments to the Mental
14 Health/Mental Retardation Boards shall be made on September 1 and April 1 of each
15 fiscal year.

16 **(6) Delivery of Services for Intermediate Care Facilities for Individuals with**
17 **Intellectual Disability (ICF/ID):** The General Assembly directs the Cabinet for Health
18 and Family Services to transition all qualified individuals from the ICF/ID care model to
19 the community living model demonstrated by the Supports for Community Living Waiver
20 Program as permitted and in compliance with all applicable federal laws. For those
21 qualified individuals who need an additional, higher level of supervision, such as one-on-
22 one staffing and increased behavioral support services, an enhanced rate shall be applied
23 for successful transition to the Supports for Community Living Waiver Program. In
24 continuance of the transitions, from any cost savings realized by the Cabinet for Health
25 and Family Services, 50 percent shall be utilized to increase the reimbursement rates for
26 Supports for Community Living Waiver Program slots and the remaining balance shall be
27 transferred to the Budget Reserve Trust Fund Account (KRS 48.705). The Cabinet shall

1 provide a quarterly report on transition progress, including identification of cost savings,
2 to the Interim Joint Committee on Health and Welfare and Family Services.

3 **5. PUBLIC HEALTH**

4		2018-19	2019-20
5	General Fund (Tobacco)	15,903,000	15,472,100
6	General Fund	76,360,000	76,481,200
7	Restricted Funds	86,878,400	86,987,400
8	Federal Funds	190,380,300	190,607,100
9	TOTAL	369,521,700	369,547,800

10 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
11 appropriation is \$9,000,000 in each fiscal year for the Health Access Nurturing
12 Development Services (HANDS) Program, \$1,000,000 in each fiscal year for Healthy
13 Start initiatives, \$80,000 in each fiscal year for the Folic Acid Program, \$1,000,000 in
14 each fiscal year for Early Childhood Mental Health, \$1,050,000 in each fiscal year for
15 Early Childhood Oral Health, and \$3,773,000 in fiscal year 2018-2019 and \$3,342,100 in
16 fiscal year 2019-2020 for Smoking Cessation.

17 **(2) Local and District Health Department Retirement Cost:** Included in the
18 above General Fund appropriation is \$25,394,600 in each fiscal year of the 2018-2020
19 biennium for Local and District Health Departments to assist them with employer
20 contributions for the Kentucky Employees Retirement System. In July and January of
21 each year, the Department for Public Health shall obtain the total creditable compensation
22 reported by each Local and District Health Department Board to the Kentucky Retirement
23 System and utilize that number to determine how much of this total appropriation shall be
24 distributed to each department. Payments to the Local and District Health Departments
25 shall be made on September 1 and April 1 of each fiscal year.

26 **(3) Local and District Health Department Payments:** The Department for
27 Public Health shall not interfere with the ability of a local or district health department to

1 receive reimbursement for services provided. The Department for Public Health shall
 2 submit to the Department for Medicaid Services and the Medicaid Managed Care
 3 Organizations all requests for payment for services received from a local or district health
 4 department.

5 **(4) Kentucky Poison Control Center:** Included in the above General Fund
 6 appropriation is \$750,000 in each fiscal year for the Kentucky Poison Control Center.

7 **(5) Kentucky Colon Cancer Screening Program:** Included in the above General
 8 Fund appropriation is \$500,000 in each fiscal year to support the Kentucky Colon Cancer
 9 Screening Program.

10 **(6) Kentucky Pediatric Cancer Research Trust Fund:** Included in the above
 11 General Fund appropriation is \$2,500,000 in each fiscal year to the Kentucky Pediatric
 12 Cancer Research Trust Fund for general pediatric cancer research and support of
 13 expansion of clinical trials at the University of Kentucky and University of Louisville.

14 **6. HEALTH POLICY**

	2018-19	2019-20
15 General Fund	471,600	476,900
16 Restricted Funds	818,600	649,100
17 Federal Funds	1,013,100	1,013,100
18 TOTAL	2,303,300	2,139,100

20 **7. FAMILY RESOURCE CENTERS AND VOLUNTEER SERVICES**

	2017-18	2018-19	2019-20
21 General Fund	4,100,000	11,318,100	11,336,400
22 Federal Funds	-0-	7,042,200	7,053,300
23 TOTAL	4,100,000	18,360,300	18,389,700

24 **(1) Family Resource and Youth Service Centers:** Included in the above
 25 General Fund appropriation is an additional \$4,100,000 in fiscal year 2017-2018 and
 26 \$9,791,700 in each fiscal year of the 2018-2020 fiscal biennium to support Family
 27

1 Resource and Youth Service Centers.

2 **8. INCOME SUPPORT**

3		2018-19	2019-20
4	General Fund	7,116,600	7,116,600
5	Restricted Funds	12,550,900	12,550,900
6	Federal Funds	85,212,900	85,736,600
7	TOTAL	104,880,400	105,404,100

8 **9. COMMUNITY BASED SERVICES**

9		2017-18	2018-19	2019-20
10	General Fund (Tobacco)	-0-	13,211,100	12,250,000
11	General Fund	2,500,000	471,974,100	473,960,500
12	Restricted Funds	-0-	201,316,100	202,239,400
13	Federal Funds	-0-	572,881,400	577,870,100
14	TOTAL	2,500,000	1,259,382,700	1,266,320,000

15 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
 16 appropriation is \$10,711,100 in fiscal year 2018-2019 and \$9,750,000 in fiscal year 2019-
 17 2020 for the Early Childhood Development Program. Included in the above General Fund
 18 (Tobacco) appropriation is \$2,500,000 in each fiscal year for the Early Childhood
 19 Adoption and Foster Care Supports Program.

20 **(2) Contracted Entities Retirement Cost:** Included in the above General Fund
 21 appropriation is \$1,498,900 in each fiscal year for domestic violence shelters, rape crisis
 22 centers, and child advocacy centers to assist them with employer contribution rates for the
 23 Kentucky Employees Retirement System. In the interim, the contracted entities shall
 24 evaluate the feasibility of continued participation in the Kentucky Employees Retirement
 25 System as provided in KRS 61.522.

26 **(3) Fostering Success:** Included in the above General Fund appropriation is
 27 \$375,000 in each fiscal year for the Fostering Success Program. The Cabinet for Health

1 and Family Services shall submit a report containing the results of the program, including
2 but not limited to the number of participants, number and type of job placements, job
3 training provided, and any available information pertaining to individual outcomes to the
4 Interim Joint Committee on Appropriations and Revenue by July 1 of each fiscal year.

5 **(4) Relative Placement Support Benefit:** Included in the above General Fund
6 appropriation is \$1,000,000 in each fiscal year for start-up costs associated with placing
7 children with non-parental relatives.

8 **(5) Domestic Violence Shelters:** Included in the above General Fund
9 appropriation is \$250,000 in each fiscal year for operational costs.

10 **(6) Rape Crisis Centers:** Included in the above General Fund appropriation is
11 \$250,000 in each fiscal year for operational costs.

12 **(7) Dually Licensed Pediatric Facilities:** Included in the above General Fund
13 appropriation is \$550,000 in each fiscal year to provide supplemental payments to dually
14 licensed pediatric facilities for emergency shelter services for children.

15 **(8) Child Care Assistance Program:** Included in the above General Fund
16 appropriation is \$10,600,000 in each fiscal year to provide services to families at or
17 below 160 percent of the federal poverty level as determined annually by the U.S.
18 Department of Health and Human Services.

19 **(9) Family Counseling and Trauma Remediation Services:** Included in the
20 above General Fund appropriation is \$50,000 in each fiscal year to provide forensic
21 interviews, family counseling, and trauma remediation services primarily in Jefferson
22 County and surrounding Kentucky counties.

23 **(10) Private Child Caring Agencies Reimbursement Rates:** Included in the
24 above appropriations is \$3,893,000 in General Fund, \$21,900,000 in Restricted Funds,
25 and \$2,200,500 in Federal Funds in each fiscal year to increase reimbursement rates to
26 private child caring agencies.

27 **(11) Salary Adjustments:** Included in the above General Fund appropriation is

1 \$11,148,100 in each fiscal year to provide up to a 10 percent increase in the base salary or
 2 wages in the Social Services Worker I, Social Services Worker II, Social Service
 3 Clinician I, Social Service Clinician II, and Family Services Office Supervisor personnel
 4 classifications within the Department for Community Based Services effective July 1,
 5 2018.

6 **10. AGING AND INDEPENDENT LIVING**

	2018-19	2019-20
8 General Fund	43,742,400	43,937,800
9 Restricted Funds	3,298,500	3,308,800
10 Federal Funds	24,829,300	24,829,300
11 TOTAL	71,870,200	72,075,900

12 **(1) Local Match Requirements:** Notwithstanding KRS 205.460, entities
 13 contracting with the Cabinet for Health and Family Services to provide essential services
 14 under KRS 205.455 and 205.460 shall provide local match equal to or greater than the
 15 amount in effect during fiscal year 2017-2018. Local match may include any combination
 16 of materials, commodities, transportation, office space, personal services, or other types
 17 of facility services or funds. The Secretary of the Cabinet for Health and Family Services
 18 shall prescribe the procedures to certify the local match compliance.

19 **11. HEALTH BENEFIT EXCHANGE**

	2018-19	2019-20
21 Restricted Funds	5,063,900	5,100,500

22 **(1) Kentucky Access Fund:** Notwithstanding KRS 304.17B-021, excess
 23 Restricted Funds not needed for the operations and maintenance cost for the Health
 24 Benefit Exchange in fiscal year 2018-2019 and in fiscal year 2019-2020 shall be
 25 transferred to the Department for Medicaid Services from the Kentucky Access Fund.

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

	2017-18	2018-19	2019-20
27			

1	General Fund (Tobacco)	-0-	30,614,900	29,222,900
2	General Fund	6,600,000	2,706,415,700	2,871,337,800
3	Restricted Funds	-0-	1,107,436,600	1,078,791,700
4	Federal Funds	-0-	10,123,358,800	10,449,266,600
5	TOTAL	6,600,000	13,967,826,000	14,428,619,000

6 H. JUSTICE AND PUBLIC SAFETY CABINET

7 Budget Units

8 1. JUSTICE ADMINISTRATION

9		2018-19	2019-20
10	General Fund (Tobacco)	7,831,000	7,362,800
11	General Fund	31,085,700	31,244,000
12	Restricted Funds	4,297,100	4,302,800
13	Federal Funds	51,629,900	76,643,600
14	TOTAL	94,843,700	119,553,200

15 (1) **Operation UNITE:** Notwithstanding KRS 48.005(4), included in the above
 16 Restricted Funds appropriation is \$1,500,000 in each fiscal year for the Operation UNITE
 17 Program from settlement funds resulting from the suit against Purdue Pharma, et al..
 18 Included in the above General Fund appropriation is \$500,000 in each fiscal year from the
 19 Local Government Economic Development Fund for the Operation UNITE Program.

20 (2) **Office of Drug Control Policy:** Included in the above General Fund
 21 (Tobacco) appropriation is \$7,831,000 in fiscal year 2018-2019 and \$7,362,800 in fiscal
 22 year 2019-2020 for the Office of Drug Control Policy to support opioid prevention,
 23 treatment, and recovery initiatives.

24 (3) **Access to Justice:** Included in the above General Fund appropriation is
 25 \$639,800 in each fiscal year to support the Access to Justice Program.

26 (4) **Court Appointed Special Advocate Funding:** (a) Included in the above
 27 General Fund appropriation is \$1,406,300 in each fiscal year for grants to support Court

1 Appointed Special Advocate (CASA) funding programs.

2 (b) No administrative costs shall be paid from the appropriation provided in
3 paragraph (a) of this subsection.

4 **2. CRIMINAL JUSTICE TRAINING**

5	2018-19	2019-20
6 Restricted Funds	90,330,600	82,834,500
7 Federal Funds	120,200	120,200
8 TOTAL	90,450,800	82,954,700

9 (1) **Kentucky Law Enforcement Foundation Program Fund:** Included in the
10 above Restricted Funds appropriation is \$88,818,100 in fiscal year 2018-2019 and
11 \$80,366,500 in fiscal year 2019-2020 for the Kentucky Law Enforcement Foundation
12 Program Fund.

13 (2) **Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in
14 the above Restricted Funds appropriation is \$4,000 in each fiscal year for each participant
15 for training incentive payments.

16 (3) **Training Incentive Stipends Expansion to Other Peace Officers:**

17 (a) Notwithstanding KRS 15.410, 15.420(2), 15.460(1), 15.470(2) and (4), and
18 any statute to the contrary, included in the above Restricted Funds appropriation is
19 sufficient funding for a \$4,000 annual training incentive stipend for Kentucky state
20 troopers, Kentucky State Police arson investigators, Kentucky State Police hazardous
21 devices investigators, Kentucky State Police legislative security specialists, Kentucky
22 vehicle enforcement officers, Horse Park mounted patrol officers, Parks rangers,
23 Agriculture investigators, Charitable Gaming investigators, Alcoholic Beverage Control
24 investigators, Insurance Fraud investigators, and Attorney General investigators from the
25 Kentucky Law Enforcement Foundation Program Fund. Employers of these officers shall
26 be reimbursed for the Federal Insurance Contributions Act tax and retirement plan
27 contributions employers are required to make to defined benefit pension plans.

1 (b) Notwithstanding KRS 15.410, 15.420(2), 15.460(1), 15.470(2) and (4), and
2 any statute to the contrary, included in the above Restricted Funds appropriation is
3 sufficient funding for a \$4,000 annual training incentive stipend for School Security
4 officers employed by an eligible local unit of government, plus an amount equal to the
5 required employer's contribution on the supplement to the defined benefit plan to which
6 the officer belongs.

7 (c) Notwithstanding any statute to the contrary, employers of eligible local units
8 of government shall receive an administrative expense reimbursement in an amount equal
9 to 7.65 percent of the total annual supplement received greater than \$3,100 for each
10 qualified local officer. Total reimbursements to all employers of this subsection shall not
11 exceed \$525,000 in each fiscal year. If there are insufficient funds to provide for the full
12 provision of the administrative fee, then the amount shall be distributed pro rata to each
13 eligible local unit of government so that each receives the same percentage attributable to
14 its total receipts of the cash salary supplement.

15 **(4) Support for Statewide Law Enforcement Purposes:** (a)

16 Notwithstanding KRS 15.470 and any other statute to the contrary, included in the
17 above Restricted Funds appropriation is \$1,442,500 in each fiscal year to be transferred to
18 the Department of Kentucky State Police for the laboratory updates capital project set
19 forth in Part II, H., 3., 002. of this Act.

20 (b) Notwithstanding KRS 15.470 and any other statute to the contrary, included in
21 the above Restricted Funds appropriation is \$3,305,800 in fiscal year 2018-2019 and
22 \$872,800 in fiscal year 2019-2020 to be transferred to the Department of Kentucky State
23 Police for the sole purpose of purchasing marked and unmarked vehicles.

24 (c) Notwithstanding KRS 15.470 and any other statute to the contrary, included in
25 the above Restricted Funds appropriation is \$4,329,500 in fiscal year 2018-2019 to be
26 transferred to the Department of Kentucky State Police for the purposes of paying pension
27 spiking costs and sick leave service credit.

1 (d) Any unexpended balance from the appropriations set forth in paragraphs (a),
2 (b), and (c) of this subsection shall lapse to the Kentucky Law Enforcement Foundation
3 Program Fund.

4 (5) **Criminal Justice Council:** Pursuant to KRS 15.410 to 15.515, the
5 Department of Criminal Justice Training shall not transfer funds from the Kentucky Law
6 Enforcement Foundation Program Fund to support the Criminal Justice Council.

7 (6) **Administrative Costs:** Notwithstanding KRS 15.470 and any other statute to
8 the contrary, the Department of Criminal Justice Training is authorized to transfer
9 Restricted Funds to the Department of Justice Administration to support the Criminal
10 Justice Training attorney positions in each fiscal year of the biennium.

11 **3. JUVENILE JUSTICE**

	2017-18	2018-19	2019-20
12 General Fund	600,000	103,935,700	105,397,200
13 Restricted Funds	-0-	10,360,000	10,027,400
14 Federal Funds	-0-	10,542,300	10,421,300
15 TOTAL	600,000	124,838,000	125,845,900

17 **4. STATE POLICE**

	2018-19	2019-20
18 General Fund	125,210,700	121,147,800
19 Restricted Funds	38,458,400	31,357,800
20 Federal Funds	11,097,100	11,097,100
21 Road Fund	105,278,800	106,762,100
22 TOTAL	280,045,000	270,364,800

23 (1) **Call to Extraordinary Duty:** There is appropriated from the General Fund to
24 the Department of Kentucky State Police, subject to the conditions and procedures
25 provided in this Act, funds which are required as a result of the Governor's call of the
26 Kentucky State Police to extraordinary duty when an emergency situation has been
27

1 declared to exist by the Governor. Funding is authorized to be provided from the General
2 Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS
3 48.705).

4 **(2) State Police and Vehicle Enforcement Personnel Training Incentive:**
5 Included in the above Restricted Funds appropriation is sufficient funding for a \$4,000
6 annual training incentive stipend for state troopers, arson investigators, hazardous devices
7 investigators, legislative security specialists, and vehicle enforcement officers from the
8 Kentucky Law Enforcement Foundation Program Fund.

9 **(3) Restricted Funds Uses:** Notwithstanding KRS 24A.179, 42.320(2)(h),
10 65.7631, 189A.050(3)(a), 237.110(18), and 281A.160(2)(b), funds are included in the
11 above Restricted Funds appropriation to maintain the operations and administration of the
12 Kentucky State Police.

13 **(4) Dispatcher Training Incentive:** Included in the above General Fund
14 appropriation is sufficient funding for a \$3,100 annual training incentive stipend for
15 dispatchers.

16 **(5) Debt Service:** Included in the above General Fund appropriation is
17 \$1,125,300 in fiscal year 2019-2020 for new debt service to support new bonds as set
18 forth in Part II, Capital Projects Budget, of this Act.

19 **(6) Transfers for Statewide Law Enforcement Purposes:** (a) Included in the
20 above Restricted Funds appropriation is \$1,442,500 in each fiscal year for the laboratory
21 updates capital project set forth in Part II, H., 3., 002. of this Act.

22 (b) Included in the above Restricted Funds appropriation is \$3,305,800 in fiscal
23 year 2018-2019 and \$872,800 in fiscal year 2019-2020 for the sole purpose of purchasing
24 marked and unmarked vehicles.

25 (c) Included in the above Restricted Funds appropriation is \$4,329,500 in fiscal
26 year 2018-2019 for the purposes of paying pension spiking costs and sick leave service
27 credit.

1 (d) Any unexpended balance from the appropriations set forth in paragraphs (a),
2 (b), and (c) of this subsection shall lapse to the Kentucky Law Enforcement Foundation
3 Program Fund.

4 (7) **Forensic Laboratory Technician Salary Increases:** Included in the above
5 General Fund appropriation is \$1,000,000 in each fiscal year for salary increases for
6 forensic laboratory technicians.

7 **5. CORRECTIONS**

8 **a. Corrections Management**

	2018-19	2019-20
9		
10	General Fund	11,744,800
11	Restricted Funds	300,000
12	Federal Funds	75,000
13	TOTAL	12,119,800
		12,265,700

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

18 (2) **Management of State Inmate Population:** (a) Notwithstanding KRS
19 532.100 and any other provision of law to the contrary, the Department of Corrections is
20 authorized to adjust inmate custody levels as necessary to house Class C and Class D
21 felons beyond the scope of KRS 532.100 in county jails, halfway houses, and reentry
22 centers. These provisions shall exclude offenders convicted of a sex crime as defined in
23 KRS 17.500.

24 (b) Notwithstanding KRS 532.100 and 501 KAR 2:040, counties may not obtain a
25 waiver to be noncompliant with paragraph (a) of this subsection without written approval
26 from the Department of Corrections.

27 (c) The Department of Corrections is authorized to compel county jail compliance

1 of this subsection, including any reporting requirements deemed necessary by the
2 Department.

3 (d) Notwithstanding KRS 197.500, 197.505, and any other provision of law to the
4 contrary, no agency of state government shall enter into a new agreement or expand an
5 existing agreement with any nongovernmental entity to house state inmates without
6 authorization of the General Assembly, and if the Commissioner of the Department of
7 Corrections seeks approval to expand or enter into a new agreement with any
8 nongovernmental entity to house state inmates, the Commissioner shall certify to the
9 Interim Joint Committee on Appropriations and Revenue that all bed capacities in county
10 jails, halfway houses, and reentry centers have been exhausted.

11 **b. Adult Correctional Institutions**

	2017-18	2018-19	2019-20
13 General Fund	4,501,800	311,464,000	324,718,900
14 Restricted Funds	-0-	17,909,200	17,947,200
15 Federal Funds	-0-	272,500	272,500
16 TOTAL	4,501,800	329,645,700	342,938,600

17 (1) **Debt Service:** Included in the above General Fund appropriation is \$149,000
18 in fiscal year 2018-2019 and \$544,000 in fiscal year 2019-2020 for new debt service to
19 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

20 (2) **Transfer to State Institutions:** Notwithstanding KRS 532.100(7), state
21 prisoners, excluding the Class C and Class D felons qualifying to serve time in county
22 jails, may be transferred to a state institution within 90 days of final sentencing, if the
23 county jail does not object to the additional 45 days.

24 (3) **Operational Costs for Inmate Population:** In the event that actual
25 operational costs exceed the amounts appropriated to support the budgeted average daily
26 population of state felons for each fiscal year, the additional payments shall be deemed
27 necessary government expenses and shall be paid from the General Fund Surplus Account

1 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705), subject to
 2 notification as to necessity and amount by the State Budget Director who shall report any
 3 certified expenditure to the Interim Joint Committee on Appropriations and Revenue.

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

	2018-19	2019-20
5 General Fund	244,656,300	245,505,700
6 Restricted Funds	10,000,000	9,876,100
7 Federal Funds	695,500	695,500
8 TOTAL	255,351,800	256,077,300

10 **(1) Excess Local Jail Per Diem Costs:** In the event that actual local jail per diem
 11 payments exceed the amounts appropriated to support the budgeted average daily
 12 population of state felons in county jails for each fiscal year, the payments shall be
 13 deemed necessary government expenses and may be paid from the General Fund Surplus
 14 Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705), subject
 15 to notification as to necessity and amount by the State Budget Director who shall report
 16 any certified expenditure to the Interim Joint Committee on Appropriations and Revenue.

17 **(2) Local Jails Funding:** Notwithstanding KRS 441.605 to 441.695, funds in the
 18 amount of \$2,000,000 in each fiscal year shall be expended from the Kentucky Local
 19 Correctional Facilities Construction Authority for local correctional facility and
 20 operational support.

21 **(3) Parole for Infirm Inmates:** (a) The Commissioner of the Department of
 22 Corrections shall certify and notify the Parole Board when a prisoner meets the
 23 requirements of paragraph (c) of this subsection for parole.

24 (b) Notwithstanding any statute to the contrary, within 30 days of receiving
 25 notification as prescribed by paragraph (a) of this subsection, the Parole Board shall grant
 26 parole.

27 (c) A prisoner who has been determined by the Department of Corrections to be

1 physically or mentally debilitated, incapacitated, or infirm as a result of advanced age,
2 chronic illness, disease, or any other qualifying criteria that constitutes an infirm prisoner
3 shall be eligible for parole if:

4 1. The prisoner was not convicted of a capital offense and sentenced to death or
5 was not convicted of a sex crime as defined in KRS 17.500;

6 2. The prisoner has reached his or her parole eligibility date or has served one-
7 half of his or her sentence, whichever occurs first;

8 3. The prisoner is substantially dependent on others for the activities of daily
9 living; and

10 4. There is a low risk of the prisoner presenting a threat to society if paroled.

11 (d) Unless a new offense is committed that results in a new conviction subsequent
12 to a prisoner being paroled, paroled prisoners shall not be considered to be under the
13 custody of the state in any way.

14 (e) Prisoners paroled under this subsection shall be paroled to a licensed long-
15 term-care facility in the Commonwealth.

16 (f) The Cabinet for Health and Family Services and the Justice and Public Safety
17 Cabinet shall provide all needed assistance and support in seeking and securing approval
18 from the United States Department of Health and Human Services for federal assistance,
19 including Medicaid funds, for the provision of long-term-care services to those eligible
20 for parole under paragraph (c) of this subsection.

21 (g) The Cabinet for Health and Family Services and the Justice and Public Safety
22 Cabinet shall have the authority to contract with community providers that meet the
23 requirements of paragraph (e) of this subsection and that are willing to house any inmates
24 deemed to meet the requirements of this subsection so long as contracted rates do not
25 exceed current expenditures related to the provisions of this subsection.

26 (h) The Cabinet for Health and Family Services and the Justice and Public Safety
27 Cabinet are encouraged to corroborate with other states that are engaged in similar efforts

1 so as to achieve the mandates of this subsection.

2 (i) The Cabinet for Health and Family Services and the Justice and Public Safety
3 Cabinet shall provide a report to the Interim Joint Committee on Appropriations and
4 Revenue by December 15 of each fiscal year concerning these provisions. The report shall
5 include the number of persons paroled, the identification of the residential facilities
6 utilized, an estimate of cost savings as a result of the project, and any other relevant
7 material to assist the General Assembly in assessing the value of continuing and
8 expanding the project.

9 (4) **Participation in Transparent Governing - Full Disclosure of Inmate**
10 **Population Forecasts and Related Materials:** The Office of State Budget Director shall
11 provide the methodology, assumptions, data, and all other related materials used to
12 project biennial offender population forecasts conducted by the Office of State Budget
13 Director, the Kentucky Department of Corrections, and any consulting firms, to the
14 Interim Joint Committee on Appropriations and Revenue by November 1, 2018. This
15 submission shall include but not be limited to the projected state, county, and community
16 offender populations for the 2018-2020 fiscal biennium and must coincide with the
17 budgeted amount for these populations. This submission shall clearly divulge the
18 methodology and reasoning behind the budgeted and projected offender population in a
19 commitment to participate in transparent governing.

20 (5) **Participation in Transparent Governing - Calculating Avoided Costs**
21 **Relating to Legislative Action:** The Office of State Budget Director shall provide the
22 methodology, assumptions, data, and all other related materials used to calculate any
23 avoided costs pursuant to the implementation of 2011 Ky. Acts ch. 2 by November 1,
24 2018. This submission shall clearly divulge the methodology and reasoning behind the
25 projected costs avoided in a commitment to participate in transparent governing.

26 **d. Local Jail Support**

27

2018-19

2019-20

1 General Fund 16,653,600 16,653,600

2 **(1) Local Corrections Assistance Fund Allocation:** Notwithstanding KRS
3 196.288(5)(a), included in the above General Fund appropriation is \$4,630,200 in each
4 fiscal year for the Local Corrections Assistance Fund. Moneys in the fund shall be
5 distributed to the counties each year. Amounts distributed from the fund shall be used to
6 support local correctional facilities and programs, including the transportation of
7 prisoners, as follows:

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

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

17 **(2) Jailers' Allowance:** Notwithstanding KRS 441.115(2), each jailer shall
18 receive an expense allowance of \$2,400 annually, at the rate of \$200 per month in the
19 2018-2020 fiscal biennium, for participation in the Jail Staff Training Program.

20 **(3) Life Safety or Closed Jails:** Included in the above General Fund
21 appropriation is \$880,000 in each fiscal year to provide a monthly payment of an annual
22 amount of \$20,000 to each county with a life safety jail or closed jail. The payment shall
23 be in addition to the payment required by KRS 441.206(2).

24 **(4) Inmate Medical Care Expenses:** Included in the above General Fund
25 appropriation is \$792,800 in each fiscal year for medical care contracts to be distributed,
26 upon approval of the Department of Corrections, to counties by the formula codified in
27 KRS 441.206, and \$851,800 in each fiscal year, on a partial reimbursement basis, for

1 medical claims in excess of the statutory threshold pursuant to KRS 441.045. The funding
 2 support for medical contracts and catastrophic medical expenses for indigents shall be
 3 maintained in discrete accounts. Any medical claim that exceeds the statutory threshold
 4 may be reimbursed for that amount in excess of the statutory threshold.

5 **TOTAL - CORRECTIONS**

6		2017-18	2018-19	2019-20
7	General Fund	4,501,800	584,518,700	598,768,900
8	Restricted Funds	-0-	28,209,200	28,123,300
9	Federal Funds	-0-	1,043,000	1,043,000
10	TOTAL	4,501,800	613,770,900	627,935,200

11 **6. PUBLIC ADVOCACY**

12		2017-18	2018-19	2019-20
13	General Fund	3,800,000	65,412,600	66,170,800
14	Restricted Funds	-0-	4,608,100	4,504,300
15	Federal Funds	-0-	1,422,100	1,422,100
16	TOTAL	3,800,000	71,442,800	72,097,200

17 **(1) Compensatory Leave Conversion to Sick Leave:** If the Department of
 18 Public Advocacy determines that internal budgetary pressures warrant further austerity
 19 measures, the Public Advocate may institute a policy to suspend payment of 50-hour
 20 blocks of compensatory time for those attorneys who have accumulated 240 hours of
 21 compensatory time and instead convert those hours to sick leave.

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

23		2017-18	2018-19	2019-20
24	General Fund (Tobacco)	-0-	7,831,000	7,362,800
25	General Fund	8,901,800	910,163,400	922,728,700
26	Restricted Funds	-0-	176,263,400	161,150,100
27	Federal Funds	-0-	75,854,600	100,747,300

1	Road Fund	-0-	105,278,800	106,762,100
2	TOTAL	8,901,800	1,275,391,200	1,298,751,000

I. LABOR CABINET

4 Budget Units

5 1. SECRETARY

6			2018-19	2019-20
7	Restricted Funds		6,792,900	6,484,200
8	Federal Funds		139,800	139,800
9	TOTAL		6,932,700	6,624,000

10 2. GENERAL ADMINISTRATION AND PROGRAM SUPPORT

11			2018-19	2019-20
12	General Fund		3,528,000	3,573,600
13	Restricted Funds		3,366,500	3,370,000
14	Federal Funds		74,900	73,400
15	TOTAL		6,969,400	7,017,000

16 3. WORKPLACE STANDARDS

17			2018-19	2019-20
18	General Fund		2,404,500	2,434,600
19	Restricted Funds		8,732,800	8,873,300
20	Federal Funds		3,671,300	3,671,300
21	TOTAL		14,808,600	14,979,200

22 (1) **Apprenticeship Program:** Included in the above General Fund appropriation
 23 is an additional \$171,500 in each fiscal year for the Apprenticeship Program.

24 4. WORKERS' CLAIMS

25			2018-19	2019-20
26	Restricted Funds		75,004,600	75,227,500

27 5. OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

	2018-19	2019-20
1		
2	Restricted Funds	745,700
3	6. WORKERS' COMPENSATION FUNDING COMMISSION	
4		
5	Restricted Funds	117,306,600
6	7. WORKERS' COMPENSATION NOMINATING COMMITTEE	
7		
8	Restricted Funds	1,100
9	TOTAL - LABOR CABINET	
10		
11	General Fund	5,932,500
12	Restricted Funds	211,950,200
13	Federal Funds	3,886,000
14	TOTAL	221,768,700

J. PERSONNEL CABINET

Budget Units

1. GENERAL OPERATIONS

	2018-19	2019-20
18		
19	Restricted Funds	31,449,800

20 (1) **Pro Rata Assessment:** Included in the above Restricted Funds appropriation
 21 is \$2,869,000 in fiscal year 2018-2019 and \$2,693,800 in fiscal year 2019-2020 to be
 22 transferred to the General Fund to support debt service on bonds previously issued for the
 23 Kentucky Human Resources Information System.

2. PUBLIC EMPLOYEES DEFERRED COMPENSATION AUTHORITY

	2018-19	2019-20
25		
26	Restricted Funds	9,227,800

3. WORKERS' COMPENSATION BENEFITS AND RESERVE

	2018-19	2019-20
1		
2	25,497,000	25,510,100

3 **TOTAL - PERSONNEL CABINET**

	2018-19	2019-20
4		
5	66,174,600	66,486,800
6	66,174,600	66,486,800

7 **K. POSTSECONDARY EDUCATION**

8 **Budget Units**

9 **1. COUNCIL ON POSTSECONDARY EDUCATION**

	2018-19	2019-20
10		
11	7,000,000	6,686,500
12	40,430,300	40,496,500
13	5,368,000	5,273,300
14	12,772,000	12,322,000
15	65,570,300	64,778,300

16 **(1) Carry Forward of General Fund Appropriation Balance:** Notwithstanding
 17 KRS 45.229, the General Fund appropriation in fiscal year 2017-2018 and fiscal year
 18 2018-2019 to the Adult Education and Literacy Program shall not lapse and shall carry
 19 forward. Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year
 20 2017-2018 and fiscal year 2018-2019 to the Science and Technology Program shall not
 21 lapse and shall carry forward.

22 **(2) Interest Earnings Transfer from the Strategic Investment and Incentive**
 23 **Trust Fund Accounts:** Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917,
 24 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, any expenditures from the
 25 Strategic Investment and Incentive Trust Fund accounts in excess of appropriated
 26 amounts by the Council on Postsecondary Education shall be subject to KRS 48.630.

27 **(3) Program Elimination:** Notwithstanding KRS 164.028 to 164.0282, no

1 General Fund is provided for Professional Education Preparation.

2 **(4) Optometry Contract Spaces:** (a) Included in the above General Fund
3 appropriation is \$776,000 in each fiscal year to fund 44 optometry slots. Of those slots,
4 the Council on Postsecondary Education shall contract ten slots for fiscal year 2018-2019
5 and 15 slots for fiscal year 2019-2020 with the Kentucky College of Optometry for the
6 same supplement available through the Southern Regional Education Board.

7 (b) No dues shall be paid to the Southern Regional Education Board from the
8 appropriation included in paragraph (a) of this subsection.

9 **(5) Postsecondary Education Debt:** Notwithstanding KRS 45.750 to 45.810, in
10 order to lower the cost of borrowing, any university that has issued or caused to be issued
11 debt obligations through a not-for-profit corporation or a municipality or county
12 government for which the rental or use payments of the university substantially meet the
13 debt service requirements of those debt obligations is authorized to refinance those debt
14 obligations if the principal amount of the debt obligations is not increased and the rental
15 payments of the university are not increased. Any funds used by a university to meet debt
16 obligations issued by a university pursuant to this subsection shall be subject to
17 interception of state-appropriated funds pursuant to KRS 164A.608.

18 **(6) Adult Education:** Included in the above General Fund appropriation are
19 funds in each fiscal year for the Kentucky Adult Education Funding Program.

20 **(7) Veterinary Medicine Contract Spaces:** (a) Included in the above General
21 Fund appropriation is \$5,084,000 in each fiscal year to fund 164 veterinary slots.

22 (b) No dues shall be paid to the Southern Regional Education Board from the
23 appropriation included in paragraph (a) of this subsection.

24 **(8) Ovarian Cancer Screening:** Notwithstanding KRS 164.476, included in the
25 above General Fund appropriation is \$500,000 in each fiscal year for the Ovarian Cancer
26 Screening Outreach Program at the University of Kentucky.

27 **(9) Cancer Research and Screening:** Included in the above General Fund

1 (Tobacco) appropriation is \$7,000,000 in fiscal year 2018-2019 and \$6,686,500 in fiscal
2 year 2019-2020 for cancer research and screening. The appropriation each fiscal year
3 shall be equally shared between the University of Louisville and the University of
4 Kentucky.

5 **(10) Veterinary Contract Spaces Working Group:** Having determined that there
6 is a need to study the effects of both the establishment of a forgivable loan program for
7 the students of the Veterinary Contract Spaces Program and the projected return of large
8 animal veterinary graduates to practice in Kentucky, the Kentucky Council on
9 Postsecondary Education is hereby directed to establish a working group composed of the
10 following:

11 (a) The President of the Council on Postsecondary Education or his
12 representative;

13 (b) The Speaker of the House or his representative;

14 (c) A minority member of the House appointed by the Speaker;

15 (d) The President of the Senate or his representative;

16 (e) A minority member of the Senate appointed by the President;

17 (f) The Kentucky Commissioner of Agriculture or his representative;

18 (g) The Executive Director of the Governor's Office of Agricultural Policy or his
19 representative;

20 (h) A representative of the Kentucky Cattlemen's Association;

21 (i) A representative of the Kentucky Pork Producers;

22 (j) A representative of the Kentucky Poultry Federation;

23 (k) A representative of the Kentucky Veterinary Medical Association;

24 (l) A representative of the Kentucky Farm Bureau; and

25 (m) A representative of the Kentucky Thoroughbred Owners and Breeders
26 (KTOB).

27 The working group shall report to the Interim Joint Committee on Appropriations

1 and Revenue no later than December 1, 2018.

2 (11) **Southern Regional Education Board Dues:** Included in the above General
3 Fund appropriation is \$210,000 in each fiscal year for Southern Regional Education
4 Board dues.

5 (12) **Optometry Contract Spaces Working Group:** Having determined that there
6 is a need to study the effects of both the establishment of a forgivable loan program for
7 the students of the Optometry Contract Spaces Program and the projected return of
8 Optometry graduates to practice in Kentucky, the Kentucky Council on Postsecondary
9 Education is hereby directed to establish a working group composed of the following:

- 10 (a) The President of the Council on Postsecondary Education or his
11 representative;
- 12 (b) The Speaker of the House or his representative;
- 13 (c) A minority member of the House appointed by the Speaker;
- 14 (d) The President of the Senate or his representative;
- 15 (e) A minority member of the Senate appointed by the President;
- 16 (f) The Dean of the Kentucky College of Optometry at the University of Pikeville
17 or his representative; and
- 18 (g) The President of the Kentucky Optometric Association or his representative.

19 The working group shall report to the Interim Joint Committee on Appropriations
20 and Revenue no later than December 1, 2018.

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

	2018-19	2019-20
23 General Fund	232,100,000	239,100,000
24 Restricted Funds	33,492,100	34,756,500
25 Federal Funds	33,800	33,800
26 TOTAL	265,625,900	273,890,300

27 (1) **College Access Program:** Notwithstanding KRS 154A.130(4), included in

1 the above General Fund appropriation is \$71,942,800 in fiscal year 2018-2019 and
2 \$76,114,500 in fiscal year 2019-2020 for the College Access Program.

3 **(2) Kentucky Tuition Grant Program:** Notwithstanding KRS 154A.130(4),
4 included in the above General Fund appropriation is \$38,574,400 in fiscal year 2018-
5 2019 and \$40,364,400 in fiscal year 2019-2020 for the Kentucky Tuition Grant Program.

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

9 **(4) Kentucky Educational Excellence Scholarships (KEES):** Notwithstanding
10 KRS 154A.130(4), included in the above General Fund appropriation is \$106,684,700 in
11 fiscal year 2018-2019 and \$107,723,000 in fiscal year 2019-2020 for the Kentucky
12 Educational Excellence Scholarships (KEES). Included in the above Restricted Funds
13 appropriation is \$11,367,300 in fiscal year 2018-2019 and \$12,600,000 in fiscal year
14 2019-2020 for KEES.

15 **(5) Work Ready Scholarship Program:** Notwithstanding KRS 154A.130(4),
16 included in the above General Fund appropriation is \$2,500,000 in each fiscal year for the
17 Work Ready Scholarship Program.

18 **(6) Dual Credit Scholarship Program:** Notwithstanding KRS 154A.130(4),
19 included in the above General Fund appropriation is \$5,000,000 in each fiscal year for the
20 Dual Credit Scholarship Program.

21 **(7) Use of Lottery Revenues:** Notwithstanding KRS 154A.130(3)(a) and (4),
22 lottery revenues in the amount of \$232,100,000 in fiscal year 2018-2019 and
23 \$239,100,000 in fiscal year 2019-2020 are appropriated to the Kentucky Higher
24 Education Assistance Authority. If lottery receipts received by the Commonwealth,
25 excluding any unclaimed prize money received under Part III, Section 21. of this Act,
26 exceed \$249,000,000 in fiscal year 2018-2019 or \$256,000,000 in fiscal year 2019-2020,
27 the excess shall be transferred to the Kentucky Higher Education Assistance Authority

1 and appropriated in accordance with KRS 154A.130(4)(b).

2 **(8) Program Elimination:** Notwithstanding KRS 164.518, 164.740 to 164.764,
 3 164.769, 164.7890(11)(c), 164.7891(11)(b), and 164.7894, no General Fund is provided
 4 for Early Childhood Development Scholarships, Work Study, the Teacher Scholarship
 5 Program, Coal County Pharmacy Scholarships, Osteopathic Medicine Scholarships, and
 6 Coal County College Completion Scholarships.

7 **3. EASTERN KENTUCKY UNIVERSITY**

	2018-19	2019-20
8		
9	General Fund	60,801,700
10	Restricted Funds	207,001,200
11	Federal Funds	127,500,000
12	TOTAL	395,302,900

13 **4. KENTUCKY STATE UNIVERSITY**

	2018-19	2019-20
14		
15	General Fund	25,459,000
16	Restricted Funds	19,220,000
17	Federal Funds	19,000,000
18	TOTAL	63,679,000

19 **(1) Land Grant Match:** Included in the above General Fund appropriation is
 20 \$3,700,000 in each fiscal year to fund the state match payments required of land-grant
 21 universities under federal law.

22 **5. MOREHEAD STATE UNIVERSITY**

	2018-19	2019-20
23		
24	General Fund	38,852,400
25	Restricted Funds	113,211,900
26	Federal Funds	50,205,200
27	TOTAL	202,269,500

1 **(1) Craft Academy:** Included in the above General Fund appropriation is
 2 \$2,822,400 in each fiscal year for the Craft Academy for Excellence in Science and
 3 Mathematics.

4 **6. MURRAY STATE UNIVERSITY**

	2018-19	2019-20
6 General Fund	45,014,500	44,581,400
7 Restricted Funds	129,986,300	130,419,400
8 Federal Funds	18,902,300	18,902,300
9 TOTAL	193,903,100	193,903,100

10 **(1) Breathitt Veterinary Center:** Included in the above General Fund
 11 appropriation is \$3,200,000 in each fiscal year for the Breathitt Veterinary Center.

12 **7. NORTHERN KENTUCKY UNIVERSITY**

	2018-19	2019-20
14 General Fund	48,477,500	47,974,500
15 Restricted Funds	182,462,200	189,381,700
16 Federal Funds	13,075,600	13,075,600
17 TOTAL	244,015,300	250,431,800

18 **(1) Kentucky Center for Mathematics:** Included in the above General Fund
 19 appropriation is \$1,323,900 in each fiscal year for the Kentucky Center for Mathematics.

20 **(2) Conveyance of Property:** Notwithstanding KRS 45.777 and 164A.575(7),
 21 Northern Kentucky University may dispose of real property and improvements located in
 22 Covington/Park Hills, Kentucky that will become surplus to its needs and retain the
 23 proceeds from any sale.

24 **8. UNIVERSITY OF KENTUCKY**

	2018-19	2019-20
26 General Fund	250,224,300	249,109,400
27 Restricted Funds	3,412,380,500	3,698,123,000

1	Federal Funds	253,980,300	270,764,400
2	TOTAL	3,916,585,100	4,217,996,800

3 **(1) Veterinary Diagnostic Laboratory and Division of Regulatory Services:**
4 Included in the above General Fund appropriation is \$3,900,000 in each fiscal year to
5 support the operations of the Veterinary Diagnostic Laboratory and the Division of
6 Regulatory Services.

7 **(2) Center for Applied Energy Research:** Included in the above General Fund
8 appropriation is \$2,670,000 in each fiscal year for the Center for Applied Energy
9 Research.

10 **(3) Robinson Scholars Program:** Notwithstanding KRS 42.4582 and 42.4585,
11 the quarterly calculation and transfer of the funds shall be made only after each quarterly
12 installment of the annual appropriation of \$1,000,000 in fiscal year 2018-2019 to the
13 University of Kentucky budget unit for the Robinson Scholars Program.

14 **(4) Mining Engineering Scholarship Program:** Notwithstanding KRS 42.4582
15 and 42.4585, the quarterly calculation and transfer of the funds shall be made only after
16 each quarterly installment of the annual appropriation of \$350,000 in each fiscal year to
17 the University of Kentucky budget unit for the Mining Engineering Scholarship Program.

18 **(5) Center for Entrepreneurship:** Included in the above General Fund
19 appropriation is \$600,000 in each fiscal year for the Center for Entrepreneurship.

20 **(6) Debt Service:** Included in the above General Fund appropriation is \$848,500
21 in fiscal year 2018-2019 and \$2,545,500 in fiscal year 2019-2020 for new debt service to
22 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

23 **9. UNIVERSITY OF LOUISVILLE**

		2018-19	2019-20
24			
25	General Fund	124,610,600	123,290,400
26	Restricted Funds	1,018,178,700	1,037,241,100
27	Federal Funds	98,456,500	98,456,500

1 TOTAL 1,241,245,800 1,258,988,000

2 (1) **Autism Training:** Included in the above General Fund appropriation is
3 \$150,000 in each fiscal year for autism training.

4 **10. WESTERN KENTUCKY UNIVERSITY**

5		2018-19	2019-20
6	General Fund	70,034,800	69,344,200
7	Restricted Funds	311,690,200	316,874,200
8	Federal Funds	32,340,000	32,340,000
9	TOTAL	414,065,000	418,558,400

10 (1) **Kentucky Mesonet:** Included in the above General Fund appropriation is
11 \$750,000 in each fiscal year for the Kentucky Mesonet at the Kentucky Climate Center.

12 (2) **Gatton Academy:** Included in the above General Fund appropriation is
13 \$4,747,700 in each fiscal year for the Gatton Academy for Mathematics and Science.

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

15		2018-19	2019-20
16	General Fund	167,729,000	166,034,000
17	Restricted Funds	426,692,100	426,692,100
18	Federal Funds	244,555,000	244,555,000
19	TOTAL	838,976,100	837,281,100

20 (1) **Firefighters Foundation Program Fund:** Included in the above Restricted
21 Funds appropriation is \$46,962,000 in fiscal year 2018-2019 and \$48,136,400 in fiscal
22 year 2019-2020 for the Firefighters Foundation Program Fund. Notwithstanding KRS
23 95A.250(1), supplemental payments for each qualified professional firefighter under the
24 Firefighters Foundation Program Fund shall be \$4,000 in each fiscal year.
25 Notwithstanding any statute to the contrary, employers of eligible local units of
26 government shall receive an administrative expense reimbursement in an amount equal to
27 7.65 percent of the total annual supplement received greater than \$3,100 for each

1 qualified professional firefighter. Total reimbursements to all employers of this
 2 subsection shall not exceed \$250,000 in each fiscal year. If there are insufficient funds to
 3 provide for the full provision of the administrative fee, then the amount shall be
 4 distributed pro rata to each eligible local unit of government so that each receives the
 5 same percentage attributable to its total receipts of the cash salary supplement.
 6 Notwithstanding KRS 95A.262(2), the aid payment for each qualified volunteer fire
 7 department shall be \$11,000 in each fiscal year. Notwithstanding KRS 95A.200 to
 8 95A.300, \$3,600,000 in fiscal year 2018-2019 shall be transferred to support projects as
 9 set forth in Part II, Capital Projects Budget, of this Act.

10 **(2) Firefighters Training Center Fund:** Notwithstanding KRS 95A.262(3),
 11 \$500,000 in Restricted Funds is provided in each fiscal year for the Firefighters Training
 12 Center Fund.

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

17 **(4) Adult Agriculture Program:** Included in the above General Fund
 18 appropriation is \$1,000,000 in each fiscal year for the Adult Agriculture Program.

19 **12. POSTSECONDARY EDUCATION PERFORMANCE FUND**

	2018-19	2019-20
20 General Fund	31,000,000	38,665,800

22 **TOTAL - POSTSECONDARY EDUCATION**

	2018-19	2019-20
23 General Fund (Tobacco)	7,000,000	6,686,500
24 General Fund	1,134,734,100	1,142,497,300
25 Restricted Funds	5,859,683,200	6,180,287,000
26 Federal Funds	870,820,700	896,449,300

1	TOTAL	7,872,238,000	8,225,920,100
2	L. PUBLIC PROTECTION CABINET		
3	Budget Units		
4	1. SECRETARY		
5		2018-19	2019-20
6	Restricted Funds	6,494,100	6,581,000
7	2. KENTUCKY CLAIMS COMMISSION		
8		2018-19	2019-20
9	General Fund	1,371,000	1,390,000
10	Restricted Funds	968,000	968,000
11	Federal Funds	157,200	157,200
12	TOTAL	2,496,200	2,515,200
13	3. PROFESSIONAL LICENSING		
14		2018-19	2019-20
15	Restricted Funds	5,768,800	5,819,200
16	4. BOXING AND WRESTLING AUTHORITY		
17		2018-19	2019-20
18	Restricted Funds	178,100	179,600
19	5. ALCOHOLIC BEVERAGE CONTROL		
20		2018-19	2019-20
21	Restricted Funds	8,198,500	8,257,500
22	6. CHARITABLE GAMING		
23		2018-19	2019-20
24	Restricted Funds	4,292,800	4,333,900
25	7. FINANCIAL INSTITUTIONS		
26		2018-19	2019-20
27	Restricted Funds	14,523,000	14,688,700

1 **8. HORSE RACING COMMISSION**

	2018-19	2019-20
2		
3	General Fund	3,092,300
4	Restricted Funds	29,736,000
5	TOTAL	32,828,300

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

	2018-19	2019-20
7		
8	General Fund	2,610,800
9	Restricted Funds	25,483,400
10	TOTAL	28,094,200

11 **(1) Funding Flexibility:** Notwithstanding KRS 198B.090(10), 198B.095(2),
12 198B.4037(2), (3), and (4), 198B.6674, 227.620(5), 227A.050(1) and (2), 227.715,
13 236.130(3), and 318.136, the Department of Housing, Buildings and Construction may
14 expend, with the approval of the Housing, Buildings and Construction Advisory
15 Committee, any Restricted Funds for programs administered by the Department. The
16 Department shall return any funds transferred within the fiscal biennium.

17 **10. INSURANCE**

	2018-19	2019-20
18		
19	Restricted Funds	20,145,900
20	Federal Funds	703,500
21	TOTAL	20,849,400

22 **TOTAL - PUBLIC PROTECTION CABINET**

	2018-19	2019-20
23		
24	General Fund	7,074,100
25	Restricted Funds	115,788,600
26	Federal Funds	860,700
27	TOTAL	123,723,400

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

2 **Budget Units**

3 **1. SECRETARY**

	2018-19	2019-20
4		
5	General Fund	3,158,700
6	Restricted Funds	14,703,200
7	TOTAL	17,861,900

8 **2. ARTISANS CENTER**

	2018-19	2019-20
9		
10	General Fund	477,900
11	Restricted Funds	1,605,900
12	Road Fund	544,000
13	TOTAL	2,627,800

14 **3. TOURISM**

	2018-19	2019-20
15		
16	General Fund	3,118,000
17	Restricted Funds	29,100
18	TOTAL	3,147,100

19 **(1) Whitehaven Welcome Center:** Included in the above General Fund
 20 appropriation is \$130,000 in each fiscal year to support the Whitehaven Welcome Center.

21 **4. PARKS**

	2017-18	2018-19	2019-20
22			
23	General Fund	8,831,600	46,549,700
24	Restricted Funds	-0-	51,840,600
25	TOTAL	8,831,600	98,390,300

26 **(1) Park Capital Maintenance and Renovation Fund:** Notwithstanding KRS
 27 148.810, no transfer to the Park Capital Maintenance and Renovation Fund shall be made.

1 **(2) Debt Service:** Included in the above General Fund appropriation is \$424,500
 2 in fiscal year 2018-2019 and \$1,273,500 in fiscal year 2019-2020 for new debt service to
 3 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

4 **(3) Capitol Annex Cafeteria:** Included in the above General Fund appropriation
 5 is \$234,400 in each fiscal year to support the Capitol Annex cafeteria operated by the
 6 Department of Parks.

7 **5. HORSE PARK COMMISSION**

	2018-19	2019-20
8 General Fund	1,673,700	1,708,100
9 Restricted Funds	10,880,000	11,084,400
10 TOTAL	12,553,700	12,792,500

12 **6. STATE FAIR BOARD**

	2018-19	2019-20
13 General Fund	4,214,000	4,730,900
14 Restricted Funds	47,212,100	47,207,100
15 TOTAL	51,426,100	51,938,000

16 **(1) Debt Service:** Included in the above General Fund appropriation is \$142,500
 17 in fiscal year 2018-2019 and \$617,000 in fiscal year 2019-2020 for new debt service to
 18 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.
 19

20 **7. FISH AND WILDLIFE RESOURCES**

	2018-19	2019-20
21 Restricted Funds	42,071,700	42,599,400
22 Federal Funds	18,880,200	19,030,900
23 TOTAL	60,951,900	61,630,300

24 **(1) Fish and Wildlife Resources Peace Officers' Stipend:** Included in the above
 25 Restricted Funds appropriation is sufficient funding for a \$4,000 annual training incentive
 26 stipend for Fish and Wildlife Resources conservation officers from the Fish and Game
 27

1 Fund.

2 (2) Fees-in-Lieu-of Stream Mitigation Projects: Fees-in-Lieu-of Stream
3 Mitigation project resources shall be available statewide, to all 120 counties, subject to
4 federal and state regulatory requirements.

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

10 8. HISTORICAL SOCIETY

	2018-19	2019-20
11		
12	General Fund	5,893,700
13	Restricted Funds	457,800
14	Federal Funds	180,000
15	TOTAL	6,531,500

16 9. ARTS COUNCIL

	2018-19	2019-20
17		
18	General Fund	1,708,700
19	Restricted Funds	151,600
20	Federal Funds	708,500
21	TOTAL	2,568,800

22 10. HERITAGE COUNCIL

	2018-19	2019-20
23		
24	General Fund	715,900
25	Restricted Funds	278,700
26	Federal Funds	863,800
27	TOTAL	1,858,400

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

	2018-19	2019-20
2		
3 General Fund	558,300	558,300

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

	2017-18	2018-19	2019-20
5			
6 General Fund	8,831,600	68,068,600	70,367,600
7 Restricted Funds	-0-	169,230,700	169,953,200
8 Federal Funds	-0-	20,632,500	20,773,200
9 Road Fund	-0-	544,000	553,000
10 TOTAL	8,831,600	258,475,800	261,647,000

11 **N. BUDGET RESERVE TRUST FUND**12 **Budget Units**13 **1. BUDGET RESERVE TRUST FUND**

	2018-19	2019-20
14		
15 General Fund	87,414,100	208,761,200

16 **PART II**17 **CAPITAL PROJECTS BUDGET**18 **(1) Capital Construction Fund Appropriations and Reauthorizations:**

19 Moneys in the Capital Construction Fund are appropriated for the following capital
 20 projects subject to the conditions and procedures in this Act. Items listed without
 21 appropriated amounts are previously authorized for which no additional amount is
 22 required. These items are listed in order to continue their current authorization into the
 23 2018-2020 fiscal biennium. Unless otherwise specified, reauthorized projects shall
 24 conform to the original authorization enacted by the General Assembly.

25 **(2) Expiration of Existing Line-Item Capital Construction Projects: All**

26 appropriations to existing line-item capital construction projects expire on June 30, 2018,
 27 unless reauthorized in this Act with the following exceptions: (a) A construction or

1 purchase contract for the project shall have been awarded by June 30, 2018; (b)
2 Permanent financing or a short-term line of credit sufficient to cover the total authorized
3 project scope shall have been obtained in the case of projects authorized for bonds, if the
4 authorized project completes an initial draw on the line of credit within the fiscal
5 biennium immediately subsequent to the original authorization; and (c) Grant or loan
6 agreements, if applicable, shall have been finalized and properly signed by all necessary
7 parties by June 30, 2018. Notwithstanding the criteria set forth in this subsection, the
8 disposition of 2018-2020 fiscal biennium nonstatutory appropriated maintenance pools
9 funded from Capital Construction Investment Income shall remain subject to the
10 provisions of KRS 45.770(5)(c).

11 **(3) Bond Proceeds Investment Income:** Investment income earned from bond
12 proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage
13 rebates and penalties and excess bond proceeds upon the completion of a bond-financed
14 capital project shall be used to pay debt service according to the Internal Revenue Service
15 Code and accompanying regulations.

16 **(4) Appropriations for Projects Not Line-Itemized:** Inasmuch as the
17 identification of specific projects in a variety of areas of the state government cannot be
18 ascertained with absolute certainty at this time, amounts are appropriated for specific
19 purposes to projects which are not individually identified in this Act in the following
20 areas: Kentucky Infrastructure Authority Water and Sewer projects; Repair of State-
21 Owned Dams; Guaranteed Energy Savings Performance Contract projects; Wetland and
22 Stream Mitigation projects; Flood Control projects; Bond-funded and Restricted Fund
23 maintenance pools; Postsecondary Education pools; and Commonwealth Office of
24 Technology Infrastructure Upgrades. Notwithstanding any statute to the contrary, projects
25 estimated to cost over \$1,000,000 and equipment estimated to cost over \$200,000 shall be
26 reported to the Capital Projects and Bond Oversight Committee.

27 **(5) Capital Construction and Equipment Purchase Contingency Account:** If

1 funds in the Capital Construction and Equipment Purchase Contingency Account are not
 2 sufficient, then expenditures of the fund are to be paid first from the General Fund
 3 Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund
 4 Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

5 **(6) Emergency Repair, Maintenance, and Replacement Account:** If funds in
 6 the Emergency Repair, Maintenance, and Replacement Account are not sufficient, then
 7 expenditures of the fund are to be paid first from the General Fund Surplus Account
 8 (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS
 9 48.705), subject to the conditions and procedures provided in this Act.

10 **A. GENERAL GOVERNMENT**

11 Budget Units	2018-19	2019-20
12 1. DEPARTMENT OF VETERANS' AFFAIRS		
13 001. Nurse Call System		
14 Investment Income	1,550,000	-0-
15 002. Maintenance Pool - 2018-2020		
16 Investment Income	400,000	400,000
17 003. Construct Bowling Green Veterans' Center Reauthorization (\$19,500,000 18 Federal Funds and \$10,500,000 Bond Funds)		
19 (1) Reauthorization: The above project from 2017 Ky. Acts ch. 194, sec. 1 shall 20 be reauthorized for the 2018-2020 fiscal biennium.		
21 2. KENTUCKY INFRASTRUCTURE AUTHORITY		
22 001. KIA Fund A - Federally Assisted Wastewater Program - 2018-2020		
23 Federal Funds	17,005,000	17,005,000
24 Bond Funds	3,401,000	3,401,000
25 Agency Bonds	30,000,000	-0-
26 TOTAL	50,406,000	20,406,000

27 **(1) Permitted Use of Funds:** The Bond Funds shall be used to meet the state

1 match requirement for federal funds for the Wastewater State Revolving Loan Fund
 2 Program.

3 **002. KIA Fund F - Drinking Water Revolving Loan Program - 2018-2020**

4	Federal Funds	12,941,000	12,941,000
5	Bond Funds	2,588,000	2,588,000
6	Agency Bonds	30,000,000	-0-
7	TOTAL	45,529,000	15,529,000

8 **(1) Permitted Use of Funds:** The Bond Funds shall be used to meet the state
 9 match requirement for federal funds for the Safe Drinking Water State Revolving Loan
 10 Fund Program.

11 **3. MILITARY AFFAIRS**

12 **001. Construct Two AC 130 Hangars Bluegrass Station**

13	Other Funds	21,000,000	-0-
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14 **(1) Authorization:** The above authorization is approved pursuant to KRS 45.763.

15 **002. Construct Industrial Building at Bluegrass Station**

16	Other Funds	15,000,000	-0-
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17 **(1) Authorization:** The above authorization is approved pursuant to KRS 45.763.

18 **003. Construct Multi-purpose Building Bluegrass Station**

19	Other Funds	15,000,000	-0-
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20 **(1) Authorization:** The above authorization is approved pursuant to KRS 45.763.

21 **004. Bluegrass Station Facility Maintenance Pool - 2018-2020**

22	Restricted Funds	6,000,000	6,000,000
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23 **005. Armory Modernization Pool - 2018-2020**

24	Federal Funds	6,000,000	-0-
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25	Bond Funds	2,000,000	-0-
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26	TOTAL	8,000,000	-0-
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27 **006. Construct Response Group Building KyANG Phase 1**

1	Federal Funds	7,200,000	-0-
2	007. Construct WHFRTC Qualification Training Range		
3	Federal Funds	6,515,000	-0-
4	008. Maintenance Pool - 2018-2020		
5	Investment Income	1,000,000	1,000,000
6	009. Install Solar Panels at Armories Statewide		
7	Restricted Funds	413,000	-0-
8	Federal Funds	1,238,000	-0-
9	TOTAL	1,651,000	-0-
10	010. Construct Addition Armory 4 Frankfort		
11	Restricted Funds	300,000	-0-
12	Federal Funds	902,000	-0-
13	TOTAL	1,202,000	-0-
14	011. Demolish Combined Support Maintenance Building		
15	Federal Funds	825,000	-0-
16	012. Construct Structural Repairs Harrodsburg Armory Reauthorization (\$330,000		
17	Restricted Funds, \$330,000 Federal Funds)		
18	013. Construct Structural Repairs Walton Armory Reauthorization (\$330,000		
19	Restricted Funds, \$330,000 Federal Funds)		
20	014. Construct Building 352 - Bluegrass Station Reauthorization (\$7,000,000		
21	Other Funds)		
22	4. ATTORNEY GENERAL		
23	001. Franklin County - Lease		
24	5. UNIFIED PROSECUTORIAL SYSTEM		
25	a. Commonwealth's Attorneys		
26	001. Jefferson County - Lease		
27	6. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS		

1	a. Nursing		
2	001. Jefferson County - Lease		
3	7. KENTUCKY RIVER AUTHORITY		
4	001. Design and Repair Lock and Dam 5		
5	Restricted Funds	1,000,000	2,250,000
6	002. Design and Repair Dam 7 - Additional Reauthorization (\$3,081,000 Agency		
7	Bonds)		
8	Restricted Funds	779,000	-0-
9	003. Design and Repair Dam 6 - Additional Reauthorization (\$2,299,000 Agency		
10	Bonds)		
11	Restricted Funds	301,000	-0-
12	8. SCHOOL FACILITIES CONSTRUCTION COMMISSION		
13	001. Offers of Assistance - 2016-2018		
14	Bond Funds	58,000,000	-0-
15	002. School Facilities Construction Commission Reauthorization (\$91,400,000		
16	Bond Funds)		
17	003. Special Offers of Assistance - 2018-2020		
18	Bond Funds	15,263,000	-0-
19	9. TEACHERS' RETIREMENT SYSTEM		
20	001. Pension Management System Modifications		
21	Restricted Funds	4,000,000	1,000,000

22 **B. ECONOMIC DEVELOPMENT CABINET**

23 **(1) Economic Development Bond Issues:** Before any economic development
24 bonds are issued, the proposed bond issue shall be approved by the Secretary of the
25 Finance and Administration Cabinet and the State Property and Buildings Commission
26 under KRS 56.440 to 56.590. In addition to the terms and conditions of KRS 154.12-100,
27 administration of the Economic Development Bond Program by the Secretary of the

1 Cabinet for Economic Development is subject to the following guideline: project
 2 selection shall be documented when presented to the Secretary of the Finance and
 3 Administration Cabinet. Included in the documentation shall be the rationale for selection
 4 and expected economic development impact.

5 **(2) Use of New Economy Funds:** Notwithstanding KRS 154.12-100, 154.12-
 6 278(4) and (5), and 154.20-035, the Secretary of the Cabinet for Economic Development
 7 may use funds appropriated in the Economic Development Bond Program, High-Tech
 8 Construction/Investment Pool, and the Kentucky Economic Development Finance
 9 Authority Loan Pool interchangeably for economic development projects.

10 **(3) Economic Development Projects:** The Cabinet for Economic Development
 11 may use unobligated or uncommitted bonds that have been previously authorized in 2014
 12 Ky. Acts ch. 117, Pt. II, B., 1. and 2016 Ky. Acts ch. 149, Pt. II, B., 1. for economic
 13 development projects in the 2018-2020 fiscal biennium.

14 **C. DEPARTMENT OF EDUCATION**

15 Budget Units	2018-19	2019-20
16 1. OPERATIONS AND SUPPORT SERVICES		
17 001. Maintenance Pool - 2018-2020		
18 Investment Income	675,000	675,000

19 **D. EDUCATION AND WORKFORCE DEVELOPMENT CABINET**

20 Budget Units	2018-19	2019-20
21 1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT		
22 001. Maintenance Pool - 2018-2020		
23 Investment Income	400,000	400,000
24 2. KENTUCKY EDUCATIONAL TELEVISION		
25 001. Transmitter and Repack		
26 Bond Funds	2,100,000	-0-
27 002. Maintenance Pool - 2018-2020		

1	Investment Income	300,000	300,000
2	3. LIBRARIES AND ARCHIVES		
3	a. General Operations		
4	001. Franklin County - Lease		
5	4. EMPLOYMENT AND TRAINING		
6	001. Replace Unemployment Insurance System		
7	Restricted Funds	5,440,000	5,000,000
8	002. Hardin County - Lease		
9	003. Kenton County - Lease		
10	E. ENERGY AND ENVIRONMENT CABINET		
11	Budget Units	2018-19	2019-20
12	1. SECRETARY		
13	001. Maintenance Pool - 2018-2020		
14	Investment Income	200,000	200,000
15	2. ENVIRONMENTAL PROTECTION		
16	001. State-Owned Dam Repair - 2018-2020		
17	Bond Funds	10,000,000	-0-
18	F. FINANCE AND ADMINISTRATION CABINET		
19	Budget Units	2018-19	2019-20
20	1. FACILITIES AND SUPPORT SERVICES		
21	001. L&N Building Security and Structural Upgrades		
22	Bond Funds	9,800,000	-0-
23	002. Maintenance Pool - 2018-2020		
24	Restricted Funds	2,000,000	2,000,000
25	Bond Funds	2,850,000	2,850,000
26	TOTAL	4,850,000	4,850,000
27	003. Upgrade Capitol Mechanical and Electrical System, Phase I		

1	Bond Funds	4,500,000	-0-
2	004. Emergency Generator Repair or Replacement, COT/CHR		
3	Bond Funds	2,600,000	-0-
4	005. Guaranteed Energy Savings Performance Contracts		
5	2. COMMONWEALTH OFFICE OF TECHNOLOGY		
6	(1) Transfer of Restricted Funds from Operating Budget: For the major		
7	equipment purchases displayed in this section funded from Restricted Funds, it is		
8	anticipated that these funds shall be transferred from the Operating Budget as funds are		
9	available and needed.		
10	001. Legacy System Retirement		
11	Bond Funds	10,000,000	10,000,000
12	002. Enterprise Infrastructure - 2018-2020		
13	Restricted Funds	4,000,000	4,000,000
14	003. Boone County - Lease		
15	004. Franklin County - Lease		
16	3. REVENUE		
17	001. Integrated Tax System		
18	Bond Funds	90,800,000	1,700,000
19	4. KENTUCKY LOTTERY CORPORATION		
20	001. IBM iSeries System Upgrades		
21	Other Funds	-0-	2,400,000
22	002. Data Processing, Telecommunications, and Related Equipment		
23	Other Funds	-0-	1,000,000
24	003. Enterprise Resource Planning Upgrade		
25	Other Funds	700,000	-0-
26	G. HEALTH AND FAMILY SERVICES CABINET		
27	Budget Units	2018-19	2019-20

1	1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT		
2	001. Maintenance Pool - 2018-2020		
3	Bond Funds	2,375,000	2,375,000
4	002. Fayette County - Lease		
5	003. Clay County - Lease		
6	004. Greenup County - Lease		
7	005. Marshall County - Lease		
8	006. Muhlenberg County - Lease		
9	007. Perry County - Lease		
10	2. HEALTH BENEFIT EXCHANGE		
11	001. Franklin County - Lease		
12	3. COMMISSION FOR CHILDREN WITH SPECIAL HEALTH CARE		
13	NEEDS		
14	001. Jefferson County - Lease		
15	4. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL		
16	DISABILITIES		
17	001. HVAC System Replacement - Hazelwood		
18	Bond Funds	8,000,000	-0-
19	002. Renovate/Replace Cottages - Oakwood, Phase I		
20	Bond Funds	4,000,000	-0-
21	003. Electrical and Telecommunications Upgrade - Western State Hospital, Phase		
22	II		
23	Bond Funds	3,410,000	-0-
24	5. PUBLIC HEALTH		
25	001. Scan and Image Historical Records		
26	Restricted Funds	5,000,000	-0-
27	002. Budget, Accounting, and Reporting System		

1	Restricted Funds	4,220,000	-0-
2	003. Vital Statistics Digitized System		
3	Restricted Funds	2,700,000	-0-
4	004. Electronic Health Record System		
5	Restricted Funds	2,400,000	-0-
6	6. INCOME SUPPORT		
7	001. Franklin County - Lease		
8	7. COMMUNITY BASED SERVICES		
9	001. Boone County - Lease		
10	002. Boyd County - Lease		
11	003. Campbell County - Lease		
12	004. Daviess County - Lease		
13	005. Fayette County - Lease		
14	006. Hardin County - Lease		
15	007. Johnson County - Lease		
16	008. Kenton County - Lease		
17	009. Madison County - Lease		
18	010. Shelby County - Lease		
19	011. Warren County - Lease		
20	H. JUSTICE AND PUBLIC SAFETY CABINET		
21	Budget Units	2018-19	2019-20
22	1. CRIMINAL JUSTICE TRAINING		
23	001. Maintenance Pool - 2018-2020		
24	Restricted Funds	3,559,000	3,000,000
25	2. JUVENILE JUSTICE		
26	001. Maintenance Pool - 2018-2020		
27	Investment Income	1,000,000	1,000,000

1 **3. STATE POLICE**2 **001. Two-Way Radio System Replacement, Phase I**

3 Bond Funds -0- 35,100,000

4 **002. Laboratory Updates**

5 Restricted Funds 1,442,500 1,442,500

6 **003. Maintenance Pool - 2018-2020**

7 Investment Income 750,000 750,000

8 **4. CORRECTIONS**9 **a. Adult Correctional Institutions**10 **001. Maintenance Pool - 2018-2020**

11 Bond Funds 3,000,000 3,000,000

12 **002. Replace Perimeter Fence, Kentucky State Reformatory**

13 Bond Funds 3,116,000 -0-

14 **003. Demolish and Repair Tower Kentucky State Reformatory Reauthorization and**
15 **Reallocation (\$7,871,000 Bond Funds)**16 **(1) Reauthorization and Reallocation:** The above project is authorized from a
17 reallocation of the projects set forth in 2016 Ky. Acts ch. 149, Part II, H., 4., a., 002. and
18 003..19 **b. Community Services and Local Facilities**20 **001. Fayette County - Lease**21 **5. PUBLIC ADVOCACY**22 **001. Franklin County - Lease**23 **002. Fayette County - Lease**24 **I. LABOR CABINET**25 **Budget Units 2018-19 2019-20**26 **1. SECRETARY**27 **001. Claims Payment Management System**

1	Restricted Funds		1,418,000	1,042,000
2	002. Franklin County - Lease			
3	2. WORKERS' CLAIMS			
4	001. Franklin County - Lease			
5	J. POSTSECONDARY EDUCATION			
6	Budget Units	2017-18	2018-19	2019-20
7	1. COUNCIL ON POSTSECONDARY EDUCATION			
8	001. Franklin County - Lease			
9	2. KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION			
10	001. Jefferson County - Lease			
11	3. EASTERN KENTUCKY UNIVERSITY			
12	001. Replace and Renovate Student Housing			
13	Other Funds	-0-	50,000,000	-0-
14	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
15	002. Construct Regional Health Facility			
16	Federal Funds	-0-	15,000,000	-0-
17	003. Construct Alumni and Welcome Center			
18	Other Funds	-0-	13,000,000	-0-
19	004. Campus Data Network Pool			
20	Restricted Funds	-0-	5,000,000	5,000,000
21	005. Miscellaneous Maintenance Pool - 2018-2020			
22	Restricted Funds	-0-	5,000,000	5,000,000
23	006. Renovate Mechanical Systems Pool			
24	Restricted Funds	-0-	5,000,000	5,000,000
25	007. Academic Computing Pool			
26	Restricted Funds	-0-	4,000,000	4,000,000
27	008. Improve Campus Pedestrian, Parking, and Transport			

1	Restricted Funds	-0-	12,000,000	-0-
2	Agency Bonds	-0-	15,000,000	-0-
3	Other Funds	-0-	3,000,000	-0-
4	TOTAL	-0-	30,000,000	-0-
5	009. Upgrade and Improve Residence Halls			
6	Restricted Funds	-0-	5,000,000	3,000,000
7	010. Scientific and Research Equipment Pool			
8	Restricted Funds	-0-	3,000,000	-0-
9	Federal Funds	-0-	2,200,000	-0-
10	Other Funds	-0-	2,200,000	-0-
11	TOTAL	-0-	7,400,000	-0-
12	011. Administrative Computing Pool			
13	Restricted Funds	-0-	3,250,000	3,250,000
14	012. Aviation Acquisition			
15	Restricted Funds	-0-	5,000,000	-0-
16	013. Innovation and Commercialization Pool			
17	Restricted Funds	-0-	5,000,000	-0-
18	Other Funds	-0-	10,000,000	-0-
19	TOTAL	-0-	15,000,000	-0-
20	014. Repair/Replace Infrastructure/Building Systems			
21	Restricted Funds	-0-	5,000,000	-0-
22	015. Construct ECU Early Childhood Center			
23	Restricted Funds	-0-	4,200,000	-0-
24	016. Renovate Women's Softball and Soccer Complex			
25	Other Funds	-0-	3,000,000	-0-
26	017. Upgrade and Improve Athletics Facilities			
27	Restricted Funds	-0-	3,000,000	-0-

1	018. Construct Student Health Center			
2	Other Funds	-0-	2,705,000	-0-
3	019. Chemistry and Translational Research Pool			
4	Restricted Funds	-0-	675,000	-0-
5	Other Funds	-0-	350,000	-0-
6	TOTAL	-0-	1,025,000	-0-
7	020. Natural Areas Improvement Pool			
8	Restricted Funds	-0-	825,000	-0-
9	021. Guaranteed Energy Savings Performance Contracts			
10	022. Lease - Aviation			
11	023. New Housing Space - Lease			
12	024. Madison County - Student Housing - Lease			
13	025. Construct New Model Laboratory School			
14	Agency Bonds	-0-	45,000,000	-0-
15	026. Comprehensive Aviation Expansion			
16	Restricted Funds	-0-	10,000,000	-0-
17	027. Campus Infrastructure Upgrade			
18	Other Funds	-0-	35,000,000	-0-
19	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
20	028. Renovate Moore-Memorial-Roark Building			
21	Agency Bonds	-0-	40,000,000	-0-
22	029. Renovate and Upgrade Heat Plant			
23	Restricted Funds	-0-	5,500,000	-0-
24	030. Upgrade Steam Lines			
25	Other Funds	-0-	10,000,000	-0-
26	031. Property Acquisitions Pool			
27	Restricted Funds	-0-	3,000,000	-0-

1	Other Funds	-0-	3,000,000	-0-
2	TOTAL	-0-	6,000,000	-0-
3	032. Madison County Land Lease			
4	4. KENTUCKY STATE UNIVERSITY			
5	001. Renovation and Renewal Education and General Projects Pool			
6	Agency Bonds	-0-	5,950,000	-0-
7	002. Replace Enterprise Resource Planning System			
8	Restricted Funds	-0-	5,000,000	-0-
9	003. Upgrade Information Technology Infrastructure 2018-2020			
10	Restricted Funds	-0-	5,000,000	-0-
11	004. Expand Campus Communications Infrastructure			
12	Restricted Funds	-0-	2,354,000	-0-
13	005. Repair Boilers and Aging Distribution Lines - Phase II			
14	Agency Bonds	-0-	11,410,000	-0-
15	006. Develop Campus Master Plan			
16	Agency Bonds	-0-	250,000	-0-
17	007. Emergency Security System			
18	Restricted Funds	-0-	254,000	-0-
19	5. MOREHEAD STATE UNIVERSITY			
20	001. Construct University Welcome Center/Alumni House			
21	Restricted Funds	-0-	1,927,000	-0-
22	Other Funds	-0-	6,000,000	-0-
23	TOTAL	-0-	7,927,000	-0-
24	002. Capital Renewal and Maintenance Pool E&G			
25	Restricted Funds	-0-	3,100,000	3,100,000
26	003. Upgrade Instructional PCs/LANS/Peripherals			
27	Restricted Funds	-0-	4,000,000	-0-

1	004. Renovate Howell-McDowell			
2	Restricted Funds	-0-	3,985,000	-0-
3	005. Capital Renewal and Maintenance Pool - Auxiliary			
4	Restricted Funds	-0-	3,961,000	-0-
5	006. Comply with ADA - E&G			
6	Restricted Funds	-0-	3,837,000	-0-
7	007. Renovate Alumni Tower Ground Floor			
8	Restricted Funds	-0-	3,812,000	-0-
9	008. Reconstruct Central Campus			
10	Restricted Funds	-0-	3,075,000	-0-
11	009. Replace Exterior Precast Panels - Nunn Hall			
12	Restricted Funds	-0-	3,075,000	-0-
13	010. Enhance Network/Infrastructure Resources - Additional Reauthorization			
14	(\$8,945,000 Restricted Funds)			
15	Restricted Funds	-0-	3,000,000	-0-
16	011. Upgrade Administrative Office Systems			
17	Restricted Funds	-0-	3,000,000	-0-
18	012. Renovate Third Street Eats			
19	Restricted Funds	-0-	2,982,000	-0-
20	013. Construct New Volleyball Facility - Phase 2			
21	Restricted Funds	-0-	2,761,000	-0-
22	014. Upgrade Campus Fire and Security Systems			
23	Restricted Funds	-0-	2,670,000	-0-
24	015. Comply with ADA - Auxiliary			
25	Restricted Funds	-0-	1,991,000	-0-
26	016. Construct Kentucky Center for Traditional Music Phase II			
27	Restricted Funds	-0-	1,975,000	-0-

1	017. Water Plant Sediment Basin			
2	Restricted Funds	-0-	1,880,000	-0-
3	018. Replace Electrical Switchgear B			
4	Restricted Funds	-0-	1,845,000	-0-
5	019. Enhance Library Automation Resources			
6	Restricted Funds	-0-	1,539,000	-0-
7	020. Capital Renewal and Maintenance Pool - University Farm			
8	Restricted Funds	-0-	1,209,000	-0-
9	021. Replace Turf on Jacobs Field			
10	Restricted Funds	-0-	1,060,000	-0-
11	022. Guaranteed Energy Savings Performance Contracts			
12	023. Renovate Cartmell Residence Hall Reauthorization (\$15,200,000 Agency			
13	Bonds)			
14	6. MURRAY STATE UNIVERSITY			
15	001. Construct Sorority Suites - Additional Reauthorization (\$13,500,000 Other			
16	Funds)			
17	Other Funds	-0-	19,700,000	-0-
18	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
19	002. Construct Residential Suite-Style Housing-Additional Reauthorization			
20	(\$20,000,000 Other Funds)			
21	Other Funds	-0-	13,000,000	-0-
22	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
23	003. Provide Alternate Dining Facility - Additional Reauthorization (\$4,000,000			
24	Other Funds)			
25	Other Funds	-0-	8,000,000	-0-
26	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
27	004. Renovate Winslow Cafeteria			

1	Restricted Funds	-0-	4,673,000	-0-
2	005. Replace Campus Communications Infrastructure			
3	Restricted Funds	-0-	4,640,000	-0-
4	006. College of Science Instructional/Research Equipment Pool			
5	Restricted Funds	-0-	3,500,000	-0-
6	007. Demolish Woods Hall			
7	Restricted Funds	-0-	2,364,000	-0-
8	008. Renovate White Hall HVAC System			
9	Restricted Funds	-0-	2,130,000	-0-
10	009. Install Solar Panels and/or Geothermal Power			
11	Restricted Funds	-0-	2,054,000	-0-
12	010. Construct Student Meeting Buildings			
13	Restricted Funds	-0-	2,000,000	-0-
14	011. Repairs of Biology Building			
15	Restricted Funds	-0-	2,000,000	-0-
16	012. Renovate White Hall Interior			
17	Restricted Funds	-0-	1,601,000	-0-
18	013. Install CFSB Center Generator			
19	Restricted Funds	-0-	1,541,000	-0-
20	014. Replace CFSB Center Seating			
21	Restricted Funds	-0-	1,541,000	-0-
22	015. Renovate Regents Hall Electrical System			
23	Restricted Funds	-0-	1,486,000	-0-
24	016. Renovate White Hall Electrical System			
25	Restricted Funds	-0-	1,373,000	-0-
26	017. Renovate Hart Hall Electrical System			
27	Restricted Funds	-0-	1,321,000	-0-

1	018.	Replace White Hall Domestic Water Piping			
2		Restricted Funds	-0-	1,143,000	-0-
3	019.	Agriculture Instructional Laboratory and Technology Equipment			
4		Restricted Funds	-0-	800,000	-0-
5	020.	Broadcasting Education Laboratory Equipment			
6		Restricted Funds	-0-	225,000	-0-
7	021.	Provide Bookstore - Additional Reauthorization (\$8,000,000 Other Funds)			
8		Other Funds	-0-	216,000	-0-
9	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.			
10	022.	Renovate White Hall Reauthorization (\$16,299,000 Agency Bonds)			
11	023.	Complete ADA Compliance Pool - Housing and Dining Reauthorization			
12		(\$1,957,000 Agency Bonds)			
13	024.	Guaranteed Energy Savings Performance Contracts			
14	025.	Campus Electrical Grid Upgrade			
15		Restricted Funds	-0-	17,000,000	-0-
16	026.	Campus Steam Distribution System Replacement			
17		Restricted Funds	-0-	8,000,000	-0-
18	027.	Building Systems Pooled Projects Replacements/Repairs			
19		Restricted Funds	-0-	7,000,000	-0-
20	7.	NORTHERN KENTUCKY UNIVERSITY			
21	001.	Renovate Albright Health Center Phase II			
22		Restricted Funds	10,500,000	-0-	-0-
23		Other Funds	6,000,000	-0-	-0-
24		TOTAL	16,500,000	-0-	-0-
25	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.			
26	002.	Construct Basketball Practice Facility			
27		Other Funds	-0-	16,000,000	-0-

1	TOTAL	-0-	16,000,000	-0-
2	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
3	003. Renew E&G Building Systems Projects Pool			
4	Restricted Funds	-0-	20,000,000	-0-
5	004. Enhance Softball and Tennis Complex			
6	Other Funds	-0-	6,500,000	-0-
7	005. Renovate/Expand Baseball Field			
8	Other Funds	-0-	6,000,000	-0-
9	006. Renovate Brown Building			
10	Restricted Funds	-0-	3,000,000	-0-
11	Other Funds	-0-	1,500,000	-0-
12	TOTAL	-0-	4,500,000	-0-
13	007. Replace Water and Sewer Mains			
14	Restricted Funds	-0-	3,900,000	-0-
15	008. New Generation Digital Campus			
16	Restricted Funds	-0-	3,000,000	-0-
17	009. Replace Underground Gas Mains			
18	Restricted Funds	-0-	2,500,000	-0-
19	010. Replace Soccer Stadium Turf			
20	Other Funds	-0-	1,000,000	-0-
21	011. Upgrade Infrastructure for Administrative Systems - Additional			
22	Reauthorization (\$1,500,000 Restricted Funds)			
23	Restricted Funds	-0-	500,000	-0-
24	012. Campus Telecommunications Upgrade Reauthorization (\$1,500,000			
25	Restricted Funds)			
26	013. Enhance/Upgrade Cyber Security System Reauthorization (\$1,500,000			
27	Restricted Funds)			

1	014. Scientific/Technology Equipment Pool Reauthorization		(\$5,000,000	
2	Restricted Funds)			
3	015. Upgrade Instructional Technology Pool Reauthorization		(\$3,500,000	
4	Restricted Funds)			
5	016. Academic and Office Space - Lease			
6	017. Guaranteed Energy Savings Performance Contracts			
7	018. Renew/Renovate Fine Arts Center Phase II			
8	Restricted Funds	-0-	45,000,000	-0-
9	Other Funds	-0-	5,000,000	-0-
10	TOTAL	-0-	50,000,000	-0-
11	019. Renew Nunn Hall			
12	Restricted Funds	-0-	12,000,000	-0-
13	020. Repair Structural Heaving Landrum/Fine Arts			
14	Restricted Funds	-0-	7,000,000	-0-
15	021. Renovate Campbell Hall			
16	Restricted Funds	-0-	6,000,000	-0-
17	022. Renovate/Replace/Expand Civic Center Building			
18	Restricted Funds	-0-	6,000,000	-0-
19	Other Funds	-0-	6,000,000	-0-
20	TOTAL	-0-	12,000,000	-0-
21	023. Renew/Renovate Steely Library			
22	Restricted Funds	-0-	37,000,000	-0-
23	024. Expand Herrmann Science Center			
24	Restricted Funds	-0-	92,000,000	-0-
25	025. Renew Kenton Garage			
26	Agency Bonds	-0-	2,400,000	-0-
27	Other Funds	-0-	2,400,000	-0-

1	TOTAL	-0-	4,800,000	-0-
2	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
3	026. Construct/Acquire New Residence Hall 2016-2018	-	Additional	
4	Reauthorization (\$28,500,000 Agency Bonds)			
5	Agency Bonds	-0-	12,000,000	-0-
6	027. Reconstruct West Side Parking			
7	Agency Bonds	-0-	7,000,000	-0-
8	Other Funds	-0-	7,000,000	-0-
9	TOTAL	-0-	14,000,000	-0-
10	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
11	028. Construct Research/Innovation Building			
12	Other Funds	-0-	30,000,000	-0-
13	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
14	8. UNIVERSITY OF KENTUCKY			
15	001. Improve Clinical/Ambulatory Service Pool	-	Additional	Reauthorization
16	(\$50,000,000 Restricted Funds)			
17	Restricted Funds	-0-	50,000,000	-0-
18	Other Funds	-0-	50,000,000	-0-
19	TOTAL	-0-	100,000,000	-0-
20	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
21	002. Improve UK HealthCare Facilities			
22	Restricted Funds	-0-	310,000,000	-0-
23	003. Construct 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	004. Improve Memorial Coliseum			

1	Other Funds	-0-	30,000,000	-0-
2	005. Expand/Renovate/Improve Wildcat Coal Lodge			
3	Other Funds	-0-	21,000,000	-0-
4	006. Capital Renewal Maintenance Pool - 2018-2020			
5	Restricted Funds	-0-	20,000,000	-0-
6	007. Construct Agriculture Research Facility 1			
7	Restricted Funds	-0-	20,000,000	-0-
8	008. Construct/Expand/Renovate Ambulatory Care - UK HealthCare			
9	Restricted Funds	-0-	20,000,000	-0-
10	009. Expand/Improve Lexington Theological Seminary Facility			
11	Restricted Funds	-0-	20,000,000	-0-
12	010. Improve Building Systems - UK HealthCare - Good Samaritan			
13	Restricted Funds	-0-	20,000,000	-0-
14	011. Improve Center for Applied Energy Research Facilities			
15	Restricted Funds	-0-	20,000,000	-0-
16	012. Improve UK HealthCare IT Systems			
17	Restricted Funds	-0-	20,000,000	-0-
18	013. Improve Markey Cancer Center			
19	Restricted Funds	-0-	20,000,000	-0-
20	014. Improve Pence Hall			
21	Restricted Funds	-0-	20,000,000	-0-
22	015. Improve Moloney Building			
23	Restricted Funds	-0-	17,000,000	-0-
24	016. Renovate/Upgrade Academic Facility 1			
25	Restricted Funds	-0-	16,000,000	-0-
26	017. Renovate/Upgrade Academic Facility 2			
27	Restricted Funds	-0-	16,000,000	-0-

1	018. Acquire Data Center Hardware			
2	Restricted Funds	-0-	15,000,000	-0-
3	019. Construct Library Depository Facility			
4	Restricted Funds	-0-	15,000,000	-0-
5	020. Construct/Improve Clinical/Administrative Facilities - UK HealthCare			
6	Restricted Funds	-0-	15,000,000	-0-
7	021. Construct/Improve Recreation Quad			
8	Restricted Funds	-0-	15,000,000	-0-
9	022. Improve Life Safety			
10	Restricted Funds	-0-	15,000,000	-0-
11	023. Improve Spindletop Hall Facilities			
12	Restricted Funds	-0-	15,000,000	-0-
13	024. Improve Student Center Space 1			
14	Restricted Funds	-0-	15,000,000	-0-
15	025. Improve Student Center Space 2			
16	Restricted Funds	-0-	15,000,000	-0-
17	026. Upgrade Dining Facilities - Additional Reauthorization (\$70,000,000 Other			
18	Funds)			
19	Other Funds	-0-	15,000,000	-0-
20	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
21	027. Design Library - Knowledge Center			
22	Restricted Funds	-0-	14,000,000	-0-
23	028. Improve Memorial Hall			
24	Restricted Funds	-0-	13,000,000	-0-
25	029. Expand Patterson Hall			
26	Restricted Funds	-0-	12,000,000	-0-
27	030. Expand/Renovate Storage Facility			

1	Restricted Funds	-0-	12,000,000	-0-
2	031. Improve Medical Center Library			
3	Restricted Funds	-0-	12,000,000	-0-
4	032. Improve Synthetic Field			
5	Other Funds	-0-	12,000,000	-0-
6	033. Renovate/Upgrade Medical Facility			
7	Restricted Funds	-0-	12,000,000	-0-
8	034. Construct Equine Campus - Phase II			
9	Restricted Funds	-0-	11,000,000	-0-
10	035. Renovate Frazee Hall			
11	Restricted Funds	-0-	11,000,000	-0-
12	036. Acquire Telemedicine/Virtual ICU			
13	Restricted Funds	-0-	10,000,000	-0-
14	037. Acquire/Improve Senior Center			
15	Restricted Funds	-0-	10,000,000	-0-
16	038. Acquire/Renovate Administrative Facility 1			
17	Restricted Funds	-0-	10,000,000	-0-
18	039. Acquire/Renovate Administrative Facility 2			
19	Restricted Funds	-0-	10,000,000	-0-
20	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
21	040. Acquire/Upgrade IT System - UK HealthCare			
22	Restricted Funds	-0-	10,000,000	-0-
23	041. Construct Agriculture Machine Research Laboratory			
24	Restricted Funds	-0-	10,000,000	-0-
25	042. Construct Agriculture Research Facility 2			
26	Restricted Funds	-0-	10,000,000	-0-
27	043. Construct Childcare Center Facility			

1	Restricted Funds	-0-	10,000,000	-0-
2	044. Construct Fit-Up Retail Space			
3	Other Funds	-0-	10,000,000	-0-
4	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
5	045. Construct/Renovate Gymnastic Practice Facility			
6	Other Funds	-0-	10,000,000	-0-
7	046. Decommission Facilities			
8	Restricted Funds	-0-	10,000,000	-0-
9	Other Funds	-0-	20,000,000	-0-
10	TOTAL	-0-	30,000,000	-0-
11	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
12	047. Fit-Up Academic/Administrative Space 1			
13	Restricted Funds	-0-	10,000,000	-0-
14	048. Fit-Up Academic/Administrative Space 2			
15	Restricted Funds	-0-	10,000,000	-0-
16	049. Implement Patient Communication System - UK HealthCare			
17	Restricted Funds	-0-	10,000,000	-0-
18	050. Improve Building Electrical Systems			
19	Restricted Funds	-0-	10,000,000	-0-
20	051. Improve Dentistry Facility			
21	Restricted Funds	-0-	10,000,000	-0-
22	052. Improve DLAR Facilities			
23	Restricted Funds	-0-	10,000,000	-0-
24	053. Lease - Purchase Campus Infrastructure			
25	Restricted Funds	-0-	10,000,000	-0-
26	054. Lease - Purchase Campus IT Systems			
27	Restricted Funds	-0-	10,000,000	-0-

1	055. Renovate/Upgrade Academic/Administrative Space 1			
2	Restricted Funds	-0-	10,000,000	-0-
3	056. Renovate/Upgrade Academic/Administrative Space 2			
4	Restricted Funds	-0-	10,000,000	-0-
5	057. Renovate/Upgrade Academic/Administrative Space 3			
6	Restricted Funds	-0-	10,000,000	-0-
7	058. Renovate/Upgrade Academic/Administrative Space 4			
8	Restricted Funds	-0-	10,000,000	-0-
9	059. Renovate/Upgrade Academic/Administrative Space 5			
10	Restricted Funds	-0-	10,000,000	-0-
11	060. Construct/Renovate Space for Rifle Team			
12	Other Funds	-0-	9,000,000	-0-
13	061. Improve Carnahan House			
14	Restricted Funds	-0-	8,000,000	-0-
15	062. Lease - Purchase High Performance Computer			
16	Restricted Funds	-0-	7,000,000	-0-
17	063. Renovate Multi-Disciplinary Science Building			
18	Restricted Funds	-0-	7,000,000	-0-
19	064. Renovate Nursing Units - UK HealthCare			
20	Restricted Funds	-0-	7,000,000	-0-
21	065. Acquire/Renovate Golf Facility			
22	Other Funds	-0-	6,000,000	-0-
23	066. College of Medicine - Furnishings and Equipment Pool			
24	Restricted Funds	-0-	6,000,000	-0-
25	067. Construct Agriculture Showcase and Sales			
26	Restricted Funds	-0-	6,000,000	-0-
27	068. Construct Transit Center			

1	Restricted Funds	-0-	6,000,000	-0-
2	069. Expand Kentucky Geological Survey Well Sample and Core Repository			
3	Restricted Funds	-0-	6,000,000	-0-
4	070. Improve Anderson Tower			
5	Restricted Funds	-0-	6,000,000	-0-
6	071. Improve Athletics Facility 1			
7	Other Funds	-0-	6,000,000	-0-
8	072. Improve Football Stadium			
9	Other Funds	-0-	6,000,000	-0-
10	073. Improve Seaton Center			
11	Restricted Funds	-0-	6,000,000	-0-
12	074. Renovate Mineral Industries Building			
13	Restricted Funds	-0-	6,000,000	-0-
14	075. Upgrade/Expand Campus Security Platform			
15	Restricted Funds	-0-	6,000,000	-0-
16	076. Acquire Equipment/Furnishings Pool			
17	Other Funds	-0-	5,000,000	-0-
18	077. ADA Compliance Pool			
19	Restricted Funds	-0-	5,000,000	-0-
20	078. Construct Hospice Facility - UK HealthCare			
21	Restricted Funds	-0-	5,000,000	-0-
22	079. Construct and Fit-Up Retail Space			
23	Other Funds	-0-	10,000,000	-0-
24	080. Construct/Improve Campus Recreation Field 1			
25	Restricted Funds	-0-	5,000,000	-0-
26	081. Construct/Improve Campus Recreation Field 2			
27	Restricted Funds	-0-	5,000,000	-0-

1	082. Construct/Improve Campus Recreation Field 3			
2	Restricted Funds	-0-	5,000,000	-0-
3	083. Improve Athletics Facility 2			
4	Other Funds	-0-	5,000,000	-0-
5	084. Improve Baseball Facility			
6	Other Funds	-0-	5,000,000	-0-
7	085. Improve Elevator Systems			
8	Restricted Funds	-0-	5,000,000	-0-
9	086. Improve Joe Craft Center			
10	Other Funds	-0-	5,000,000	-0-
11	087. Improve W.T. Young Facility			
12	Restricted Funds	-0-	5,000,000	-0-
13	088. Lease - Purchase Campus Call Center System			
14	Restricted Funds	-0-	5,000,000	-0-
15	089. Lease - Purchase Network Security			
16	Restricted Funds	-0-	5,000,000	-0-
17	090. Renovate King Library			
18	Restricted Funds	-0-	5,000,000	-0-
19	091. Renovate Nutter Facility			
20	Other Funds	-0-	5,000,000	-0-
21	092. Renovate Warehouse Space			
22	Restricted Funds	-0-	5,000,000	-0-
23	093. Expand/Improve Cooper House			
24	Restricted Funds	-0-	4,000,000	-0-
25	094. Improve Football Practice Facility			
26	Other Funds	-0-	4,000,000	-0-
27	095. Improve Sturgill Development Building			

1	Restricted Funds	-0-	4,000,000	-0-
2	096. Improve/Upgrade Campus Communications Infrastructure			
3	Restricted Funds	-0-	4,000,000	-0-
4	097. Repair/Replace Campus Cable Infrastructure			
5	Restricted Funds	-0-	4,000,000	-0-
6	098. Relocate Motor Pool			
7	Restricted Funds	-0-	3,500,000	-0-
8	099. Construct Cross Country Trail			
9	Other Funds	-0-	3,000,000	-0-
10	100. Improve Enterprise Networking 1			
11	Restricted Funds	-0-	3,000,000	-0-
12	101. Improve Enterprise Networking 2			
13	Restricted Funds	-0-	3,000,000	-0-
14	102. Improve UK Radio Communications System			
15	Restricted Funds	-0-	3,000,000	-0-
16	103. Lease - Purchase Voice Infrastructure			
17	Restricted Funds	-0-	3,000,000	-0-
18	104. Relocate/Replace Greenhouses			
19	Restricted Funds	-0-	3,000,000	-0-
20	105. Renovate Space for a Testing Center			
21	Restricted Funds	-0-	3,000,000	-0-
22	106. Renovate/Upgrade Athletics Playing Fields 1			
23	Other Funds	-0-	3,000,000	-0-
24	107. Renovate/Upgrade Athletics Playing Fields 2			
25	Other Funds	-0-	3,000,000	-0-
26	108. Construct North Farm Agriculture Research Facility			
27	Restricted Funds	-0-	2,000,000	-0-

1	109. Improve Administrative and Support Space			
2	Restricted Funds	-0-	2,000,000	-0-
3	110. Improve Building Systems - UK HealthCare			
4	Restricted Funds	-0-	20,000,000	-0-
5	111. Purchase Transport Buses			
6	Restricted Funds	-0-	2,000,000	-0-
7	112. Renovate Dickey Hall			
8	Restricted Funds	-0-	2,000,000	-0-
9	113. Renovate Nursing Building			
10	Restricted Funds	-0-	2,000,000	-0-
11	114. Purchase Parking Access Equipment			
12	Restricted Funds	-0-	1,500,000	-0-
13	115. UK Mobile Communication Center			
14	Restricted Funds	-0-	400,000	-0-
15	116. Construct Student Housing Pool Reauthorization (\$100,000,000 Other Funds,			
16	\$50,000,000 Restricted Funds)			
17	Restricted Funds	-0-	50,000,000	-0-
18	Other Funds	-0-	100,000,000	-0-
19	TOTAL	-0-	150,000,000	-0-
20	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
21	117. Guaranteed Energy Savings Performance Contracts			
22	Restricted Funds	-0-	1,000,000	-0-
23	118. Guaranteed Energy Savings Performance Contracts - UK HealthCare			
24	Restricted Funds	-0-	1,000,000	-0-
25	119. Lease - Administrative Space			
26	120. Lease - College of Medicine 1			
27	121. Lease - College of Medicine 2			

- 1 **122.** Lease - College of Medicine 3
- 2 **123.** Lease - College of Medicine 4
- 3 **124.** Lease - College of Medicine 5
- 4 **125.** Lease - College of Medicine 6
- 5 **126.** Lease - Good Samaritan - UK HealthCare
- 6 **127.** Lease - Grant Projects 1
- 7 **128.** Lease - Grant Projects 2
- 8 **129.** Lease - Grant Projects 3
- 9 **130.** Lease - Health Affairs Office
- 10 **131.** Lease - Health Affairs Office 10
- 11 **132.** Lease - Health Affairs Office 11
- 12 **133.** Lease - Health Affairs Office 12
- 13 **134.** Lease - Health Affairs Office 13
- 14 **135.** Lease - Health Affairs Office 14
- 15 **136.** Lease - Health Affairs Office 15
- 16 **137.** Lease - Health Affairs Office 2
- 17 **138.** Lease - Health Affairs Office 3
- 18 **139.** Lease - Health Affairs Office 4
- 19 **140.** Lease - Health Affairs Office 5
- 20 **141.** Lease - Health Affairs Office 6
- 21 **142.** Lease - Health Affairs Office 7
- 22 **143.** Lease - Health Affairs Office 8
- 23 **144.** Lease - Health Affairs Office 9
- 24 **145.** Lease - Off Campus 1
- 25 **146.** Lease - Off Campus 2
- 26 **147.** Lease - Off Campus 3
- 27 **148.** Lease - Off Campus 4

- 1 **149.** Lease - Off Campus 5
- 2 **150.** Lease - Off Campus 6
- 3 **151.** Lease - Off Campus 7
- 4 **152.** Lease - Off Campus 8
- 5 **153.** Lease - Off Campus 9
- 6 **154.** Lease - Off Campus 10
- 7 **155.** Lease - Off Campus 11
- 8 **156.** Lease - Off Campus 12
- 9 **157.** Lease - Off Campus 13
- 10 **158.** Lease - Off Campus Athletics 1
- 11 **159.** Lease - Off Campus Athletics 2
- 12 **160.** Lease - Off Campus Housing 1
- 13 **161.** Lease - Off Campus Housing 2
- 14 **162.** Lease - Rural Health Expansion - Perry County
- 15 **163.** Lease - UK HealthCare Grant Project 1
- 16 **164.** Lease - UK HealthCare Grant Project 2
- 17 **165.** Lease - UK HealthCare Off Campus Facility 1
- 18 **166.** Lease - UK HealthCare Off Campus Facility 2
- 19 **167.** Lease - UK HealthCare Off Campus Facility 3
- 20 **168.** Lease - UK HealthCare Off Campus Facility 4
- 21 **169.** Lease - UK HealthCare Off Campus Facility 5
- 22 **170.** Lease - UK HealthCare Off Campus Facility 6
- 23 **171.** Lease - UK HealthCare Off Campus Facility 7
- 24 **172.** Lease - UK HealthCare Off Campus Facility 8
- 25 **173.** Lease - UK HealthCare Off Campus Facility 9
- 26 **174.** Lease - UK HealthCare Off Campus Facility 10
- 27 **175.** Lease - UK HealthCare Off Campus Facility 11

1	176. Lease - UK HealthCare Off Campus Facility 12			
2	177. Renew/Modernize Facilities			
3	Restricted Funds	-0-	125,000,000	-0-
4	Agency Bonds	-0-	125,000,000	-0-
5	TOTAL	-0-	250,000,000	-0-
6	178. Renovate/Upgrade HealthCare Facilities			
7	Agency Bonds	-0-	75,000,000	-0-
8	179. Construct Digital Village Building #3			
9	Restricted Funds	-0-	55,000,000	-0-
10	Other Funds	-0-	55,000,000	-0-
11	TOTAL	-0-	110,000,000	-0-
12	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
13	180. Construct Engineering Center Building			
14	Restricted Funds	-0-	110,000,000	-0-
15	181. Construct Housing			
16	Agency Bonds	-0-	50,000,000	-0-
17	182. Acquire/Renovate Housing			
18	Restricted Funds	-0-	40,000,000	-0-
19	Other Funds	-0-	35,000,000	-0-
20	TOTAL	-0-	75,000,000	-0-
21	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
22	183. Renovate/Improve Housing			
23	Agency Bonds	-0-	50,000,000	-0-
24	184. Renovate Chemistry/Physics Building			
25	Restricted Funds	-0-	54,000,000	-0-
26	185. Upgrade/Renovate/Expand Research Labs			
27	Restricted Funds	-0-	50,000,000	-0-

1	186. Construct Retail/Parking Facility 1			
2	Other Funds	-0-	75,000,000	-0-
3	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.		
4	187. Construct Tennis Facility			
5	Other Funds	-0-	35,000,000	-0-
6	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.		
7	188. Improve Funkhouser Building			
8	Restricted Funds	-0-	60,000,000	-0-
9	189. Repair/Upgrade/Expand Central Plants			
10	Restricted Funds	-0-	112,000,000	-0-
11	190. Improve McVey Hall			
12	Restricted Funds	-0-	35,000,000	-0-
13	191. Improve Barnhart Building			
14	Restricted Funds	-0-	34,000,000	-0-
15	192. Improve Jacobs Science Bldg.			
16	Restricted Funds	-0-	32,000,000	-0-
17	193. Expand/Improve Kastle Hall			
18	Restricted Funds	-0-	43,000,000	-0-
19	194. Renovate Campus Core Quadrangle Facilities			
20	Restricted Funds	-0-	52,000,000	-0-
21	195. Improve Reynolds Building 1			
22	Restricted Funds	-0-	52,000,000	-0-
23	Other Funds	-0-	52,000,000	-0-
24	TOTAL	-0-	104,000,000	-0-
25	(1) Authorization:	The above authorization is approved pursuant to KRS 45.763.		
26	196. Renovate Taylor Education Building			
27	Restricted Funds	-0-	40,000,000	-0-

1	197. Construct School of Music Instrumental Hall			
2	Restricted Funds	-0-	30,000,000	-0-
3	198. Expand/Improve Johnson Center			
4	Restricted Funds	-0-	30,000,000	-0-
5	199. Improve Grehan Building			
6	Restricted Funds	-0-	23,000,000	-0-
7	200. Improve Scovell Hall			
8	Restricted Funds	-0-	40,000,000	-0-
9	201. Research Equipment Replacement			
10	Restricted Funds	-0-	30,000,000	-0-
11	202. Acquire Land			
12	Restricted Funds	-0-	50,000,000	-0-
13	203. Construct New Alumni Center			
14	Other Funds	-0-	38,000,000	-0-
15	204. Improve Coldstream Research Campus			
16	Restricted Funds	-0-	40,000,000	-0-
17	205. Construct/Improve Facilities Office Building			
18	Restricted Funds	-0-	55,000,000	-0-
19	206. Construct Facilities Shops & Storage Facility			
20	Restricted Funds	-0-	27,000,000	-0-
21	207. Improve Campus Parking and Transportation System			
22	Restricted Funds	-0-	50,000,000	-0-
23	Other Funds	-0-	100,000,000	-0-
24	TOTAL	-0-	150,000,000	-0-
25	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
26	208. Construct Retail/Parking Facility 2			
27	Other Funds	-0-	75,000,000	-0-

1	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
2	209. Improve Parking Garage 2			
3	Restricted Funds	-0-	30,000,000	-0-
4	210. Improve Parking Garage 1			
5	Restricted Funds	-0-	30,000,000	-0-
6	211. Improve Civil/Site Infrastructure			
7	Restricted Funds	-0-	25,000,000	-0-
8	Other Funds	-0-	25,000,000	-0-
9	TOTAL	-0-	50,000,000	-0-
10	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
11	212. Improve Electrical Infrastructure			
12	Restricted Funds	-0-	28,000,000	-0-
13	213. Improve Mechanical Infrastructure			
14	Restricted Funds	-0-	26,000,000	-0-
15	214. Improve Building Mechanical Systems			
16	Restricted Funds	-0-	35,000,000	-0-
17	215. Repair Emergency Infrastructure/Bldg. Systems			
18	Restricted Funds	-0-	25,000,000	-0-
19	216. Improve Building Shell Systems			
20	Restricted Funds	-0-	40,000,000	-0-
21	217. Construct Police Headquarters			
22	Restricted Funds	-0-	27,000,000	-0-
23	218. Renovate/Upgrade Academic/Administrative Space			
24	Restricted Funds	-0-	25,000,000	-0-
25	219. Construct Research/Incubator Facility			
26	Other Funds	-0-	15,000,000	-0-
27	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			

1	220. Construct/Improve Recreation Quad 2			
2	Other Funds	-0-	15,000,000	-0-
3	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
4	221. Construct/Relocate Data Center			
5	Restricted Funds	-0-	40,000,000	-0-
6	222. Improve Wildcat Coal Lodge			
7	Other Funds	-0-	4,000,000	-0-
8	223. Replace UKHC IT Systems 2 (Administrative)			
9	Restricted Funds	-0-	70,000,000	-0-
10	224. Replace UKHC IT Systems 1			
11	Restricted Funds	-0-	280,000,000	-0-
12	225. Improve IT Systems - UKHC			
13	Restricted Funds	-0-	130,000,000	-0-
14	226. Improve Good Samaritan Hospital Facilities			
15	Restricted Funds	-0-	25,000,000	-0-
16	227. Improve Parking Structures			
17	Restricted Funds	-0-	25,000,000	-0-
18	228. Implement Land Use Plan - UKHC			
19	Restricted Funds	-0-	20,000,000	-0-
20	229. Construct Data Center - UKHC			
21	Restricted Funds	-0-	45,000,000	-0-
22	230. Construct Ambulatory Facility - UKHC			
23	Restricted Funds	-0-	50,000,000	-0-
24	231. Acquire Hospital Facility			
25	Restricted Funds	-0-	250,000,000	-0-
26	232. Renovate/Upgrade Hospital Facility			
27	Restricted Funds	-0-	50,000,000	-0-

1	233. Improve HealthCare IT Systems 1			
2	Restricted Funds	-0-	50,000,000	-0-
3	234. Acquire Medical Facility 1			
4	Restricted Funds	-0-	50,000,000	-0-
5	235. Acquire Medical Facility 2			
6	Restricted Funds	-0-	25,000,000	-0-
7	236. Renovate/Upgrade Medical Facility 1			
8	Restricted Funds	-0-	25,000,000	-0-
9	237. Improve HealthCare IT Systems 2			
10	Restricted Funds	-0-	30,000,000	-0-
11	238. University of Kentucky HealthCare Disparities Initiative			
12	Bond Funds	-0-	20,000,000	20,000,000
13	9. UNIVERSITY OF LOUISVILLE			
14	001. Public/Private Partnership Residence Hall			
15	Other Funds	-0-	51,000,000	-0-
16	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
17	002. Construct Speed School Utility Infrastructure Upgrade			
18	Restricted Funds	-0-	20,000,000	-0-
19	003. Renovate Health Sciences Center Instructional and Student Services			
20	Space			
21	Restricted Funds	-0-	20,000,000	-0-
22	004. Renovate and Expand J.B. Speed Building			
23	Restricted Funds	-0-	18,700,000	-0-
24	005. Construct Television Broadcast and Production Studio			
25	Other Funds	-0-	10,000,000	-0-
26	006. Improve Housing Facilities Pool			
27	Restricted Funds	-0-	10,000,000	-0-

1	007. Renovate Chemistry Fume Hood Redesign - Phase II			
2	Restricted Funds	-0-	9,750,000	-0-
3	008. Expand Jim Patterson Stadium			
4	Other Funds	-0-	9,500,000	-0-
5	009. Purchase Networking System			
6	Restricted Funds	-0-	8,000,000	-0-
7	010. Construct Athletics Office Building			
8	Other Funds	-0-	7,500,000	-0-
9	011. Purchase Research Computing Infrastructure			
10	Restricted Funds	-0-	7,000,000	-0-
11	012. Replace Papa John's Stadium Seats			
12	Other Funds	-0-	5,460,000	-0-
13	013. Construct Belknap Stormwater Improvements			
14	Restricted Funds	-0-	5,000,000	-0-
15	014. Regional Biocontainment Laboratory Pressurization Upgrade			
16	Restricted Funds	-0-	5,000,000	-0-
17	015. Renovate Vivarium Facilities			
18	Restricted Funds	-0-	5,000,000	-0-
19	016. Expand Auto Book Storage and Retrieval System			
20	Restricted Funds	-0-	4,900,000	-0-
21	017. Purchase Content Management System			
22	Restricted Funds	-0-	4,000,000	-0-
23	018. Renovate Parking Structures			
24	Restricted Funds	-0-	3,600,000	-0-
25	019. Purchase Fiber Instructure			
26	Restricted Funds	-0-	3,500,000	-0-
27	020. Purchase Security and Firewall Infrastructure			

1	Restricted Funds	-0-	3,000,000	-0-
2	021. Replace Parking Services Hardware and Software			
3	Restricted Funds	-0-	2,600,000	-0-
4	022. Renovate Flexner Way Mall			
5	Restricted Funds	-0-	2,500,000	-0-
6	023. Resurface and Repair Parking Lots			
7	Restricted Funds	-0-	2,500,000	-0-
8	024. Renovate Chemistry Teaching Laboratories and Auditorium			
9	Restricted Funds	-0-	2,200,000	-0-
10	025. Construct Belknap 3rd Street Improvements			
11	Restricted Funds	-0-	2,180,000	-0-
12	026. Purchase Computer Processing System and Storage			
13	Restricted Funds	-0-	2,000,000	-0-
14	027. Purchase Identity Management Solution			
15	Restricted Funds	-0-	2,000,000	-0-
16	028. Renovate Belknap Physical Plant Building			
17	Restricted Funds	-0-	2,000,000	-0-
18	029. Renovate College of Business Classrooms			
19	Restricted Funds	-0-	2,000,000	-0-
20	030. Renovate Kosair Charities Pediatric Center			
21	Restricted Funds	-0-	2,000,000	-0-
22	031. Replace Electronic Video Boards			
23	Other Funds	-0-	2,000,000	-0-
24	032. Construct College of Business Courtyard and Café			
25	Restricted Funds	-0-	1,800,000	-0-
26	033. Construct Plant-Based Pharmaceutical Research Facility			
27	Restricted Funds	-0-	1,700,000	-0-

1	034. Construct Athletic Grounds Building			
2	Other Funds	-0-	1,550,000	-0-
3	035. Renovate Life Sciences Building Vivarium			
4	Restricted Funds	-0-	1,500,000	-0-
5	036. Renovate Miller Hall Infrastructure			
6	Restricted Funds	-0-	1,500,000	-0-
7	037. Renovate Threlkeld Hall Infrastructure			
8	Restricted Funds	-0-	1,500,000	-0-
9	038. New Football Practice Field Lighting			
10	Other Funds	-0-	1,330,000	-0-
11	039. Construct Belknap Century Corridor Improvement			
12	Restricted Funds	-0-	1,250,000	-0-
13	040. Replace Artificial Turf Field III			
14	Other Funds	-0-	1,250,000	-0-
15	041. Replace Artificial Turf Field IV			
16	Other Funds	-0-	1,250,000	-0-
17	042. Construct Artificial Turf Field for Intramurals			
18	Restricted Funds	-0-	1,215,000	-0-
19	043. Construct Athletic Equipment and Apparel Storage Facility			
20	Other Funds	-0-	1,200,000	-0-
21	044. Renovate College of Business Green Roof			
22	Restricted Funds	-0-	1,150,000	-0-
23	045. Academic Space 1 - Lease			
24	046. Academic Space 2 - Lease			
25	047. Housing 1 - Lease			
26	048. Housing 2 - Lease			
27	049. Housing 3 - Lease			

1	050. Housing 4 - Lease			
2	051. Jefferson County - Clinic Space 1 - Lease			
3	052. Jefferson County - Clinic Space 2 - Lease			
4	053. Jefferson County - Clinic Space 3 - Lease			
5	054. Clinic Space - State of Kentucky - Lease			
6	055. Jefferson County - Office Space 1 - Lease			
7	056. Jefferson County - Office Space 2 - Lease			
8	057. Jefferson County - Office Space 3 - Lease			
9	058. Jefferson County - Office Space 4 - Lease			
10	059. Medical Center One - Lease			
11	060. Medical Center One - 2 - Lease			
12	061. Nucleus 1 Building - Lease			
13	062. Nucleus 1 Building - 2 - Lease			
14	063. Master of Fine Arts - Lease			
15	064. University Pointe and Cardinal Towne - Lease			
16	065. Arthur Street - Lease			
17	066. Support Space 1 - Lease			
18	067. Guaranteed Energy Savings Performance Contracts			
19	068. Upgrade STEM Instruction Buildings			
20	Restricted Funds	-0-	50,000,000	-0-
21	069. Renovation and Adaptation Projects for Various Buildings			
22	Restricted Funds	-0-	50,000,000	-0-
23	070. Renovate School of Medicine Building 55A			
24	Restricted Funds	-0-	42,000,000	-0-
25	071. Construct College of Business Building			
26	Restricted Funds	-0-	120,000,000	-0-
27	072. Renovate Natural Science Building			

1	Restricted Funds	-0-	30,000,000	-0-
2	073. Construct Institute for Product Realization			
3	Other Funds	-0-	35,980,000	-0-
4	074. Renovate Dental School Administrative Space			
5	Restricted Funds	-0-	1,000,000	-0-
6	075. Demolish and Replace Miller Resident Hall			
7	Agency Bonds	-0-	70,600,000	-0-
8	076. Construct Multidisciplinary Engineering Building #1			
9	Restricted Funds	-0-	65,000,000	-0-
10	077. Renovate and Expand Threlkeld Resident Hall			
11	Agency Bonds	-0-	33,275,000	-0-
12	078. Renovate Ekstrom Library			
13	Restricted Funds	-0-	57,200,000	-0-
14	079. Land Purchase			
15	Restricted Funds	-0-	15,000,000	-0-
16	10. WESTERN KENTUCKY UNIVERSITY			
17	001. Renovate or Replace Garrett Conference Center			
18	Restricted Funds	-0-	3,500,000	-0-
19	Other Funds	-0-	35,000,000	-0-
20	TOTAL	-0-	38,500,000	-0-
21	002. Construct Indoor Athletic Training Facility			
22	Other Funds	-0-	18,000,000	-0-
23	003. Capital Renewal Pool - 2018-2020			
24	Restricted Funds	-0-	10,000,000	-0-
25	004. Renovate and Expand Clinical Education Complex			
26	Other Funds	-0-	8,000,000	-0-
27	005. Construct Football Pressbox			

1	Other Funds	-0-	5,200,000	-0-
2	006. Renovate Central Heat Plant			
3	Restricted Funds	-0-	5,000,000	-0-
4	007. Renovate South Campus			
5	Restricted Funds	-0-	5,000,000	-0-
6	008. Repair or Replace Roof at Center for Research and Development			
7	Restricted Funds	-0-	5,100,000	-0-
8	009. Upgrade IT Infrastructure			
9	Restricted Funds	-0-	6,000,000	-0-
10	010. Construct Track and Field Facilities Phase I			
11	Other Funds	-0-	4,700,000	-0-
12	011. Construct Baseball Grandstand			
13	Other Funds	-0-	4,500,000	-0-
14	012. Renovate and Improve Softball Complex			
15	Other Funds	-0-	3,500,000	-0-
16	013. Acquire Furnishings and Equipment for Diddle Arena			
17	Other Funds	-0-	3,000,000	-0-
18	014. Acquire Furnishings and Equipment Pool - 2018-2020			
19	Restricted Funds	-0-	3,000,000	-0-
20	015. Add Club Seating at Diddle Arena			
21	Other Funds	-0-	3,000,000	-0-
22	016. Hilltopper Hall Furnishings and Equipment			
23	Other Funds	-0-	3,000,000	-0-
24	017. Renovate/Construct College Heights Foundation Building			
25	Other Funds	-0-	3,000,000	-0-
26	018. Construct Science Gallery			
27	Other Funds	-0-	2,500,000	-0-

1	019. Construct South Plaza			
2	Other Funds	-0-	2,500,000	-0-
3	020. Renovate Free Stall Horse Barns			
4	Restricted Funds	-0-	1,800,000	-0-
5	021. Construct Tertiary Data Center			
6	Restricted Funds	-0-	1,500,000	-0-
7	022. Remove and Replace Student Housing at Farm			
8	Other Funds	-0-	1,500,000	-0-
9	023. Renovate State and Normal Street Properties			
10	Restricted Funds	-0-	1,500,000	-0-
11	024. Renovate Tate Page Hall			
12	Restricted Funds	-0-	1,200,000	-0-
13	025. Renovate Grise Hall Restrooms, ADA			
14	Restricted Funds	-0-	1,000,000	-0-
15	026. Renovate Jones Jaggars Interior			
16	Restricted Funds	-0-	1,000,000	-0-
17	027. Alumni Center - Lease			
18	028. Nursing and Physical Therapy - Lease			
19	029. Parking Garage - Lease			
20	030. Guaranteed Energy Savings Performance Contracts			
21	031. Upgrade Underground Infrastructure			
22	Restricted Funds	-0-	55,000,000	-0-
23	032. Renovate Helm/Cravens Library			
24	Restricted Funds	-0-	68,300,000	-0-
25	033. Improve Life Safety Pool/Academic Facilities			
26	Restricted Funds	-0-	27,500,000	-0-

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

1	001. Construct Technology Drive Campus Expansion - Ashland CTC			
2	Restricted Funds	-0-	12,500,000	-0-
3	002. Capital Renewal and Deferred Maintenance Pool - 2018-2020			
4	Restricted Funds	-0-	5,000,000	5,000,000
5	003. KCTCS Information Technology Infrastructure Upgrade			
6	Restricted Funds	-0-	4,750,000	4,750,000
7	004. Construct Advanced Manufacturing Center - Jefferson CTC,			
8	Downtown - Additional			
9	Restricted Funds	-0-	5,000,000	-0-
10	005. Construct Advanced Manufacturing Center - Bluegrass CTC, Danville			
11	Restricted Funds	-0-	5,000,000	-0-
12	006. KCTCS Equipment Pool - 2018-2020			
13	Restricted Funds	-0-	5,000,000	-0-
14	007. Renovate Facilities Maysville Campus			
15	Restricted Funds	-0-	5,000,000	-0-
16	008. Renovate Falkenstine - Southeast CTC, Cumberland			
17	Restricted Funds	-0-	5,000,000	-0-
18	009. Renovate Learning Resource Center, Ashland CTC			
19	Restricted Funds	-0-	4,800,000	-0-
20	010. Renovate Sullivan Technology Center - Henderson CC			
21	Restricted Funds	-0-	4,600,000	-0-
22	011. Construct Addition to Building 2 - Somerset CC South			
23	Restricted Funds	-0-	4,500,000	-0-
24	012. Renovate Administration Building Newtown Campus - Bluegrass CTC			
25	Restricted Funds	-0-	4,500,000	-0-
26	013. Replace HVAC System Phase I - Owensboro CTC			
27	Restricted Funds	-0-	4,400,000	-0-

1	014. Acquisition of KCTCS System Office Building			
2	Restricted Funds	-0-	4,000,000	-0-
3	015. Renovate Administration Building - Whitesburg - Southeast Kentucky			
4	CTC			
5	Restricted Funds	-0-	3,800,000	-0-
6	016. Renovate Auditorium Building- Hopkinsville CC			
7	Restricted Funds	-0-	3,800,000	-0-
8	017. Renovate Southeastern Campus - Owensboro CTC			
9	Restricted Funds	-0-	3,700,000	-0-
10	018. Renovate Dental Hygiene Clinic - Big Sandy CTC - Mayo Campus			
11	Restricted Funds	-0-	3,000,000	-0-
12	019. Renovate Technical Campus - Madisonville CC			
13	Restricted Funds	-0-	3,000,000	-0-
14	020. Renovations Main Campus - West Kentucky CTC			
15	Restricted Funds	-0-	2,700,000	-0-
16	021. Improve Parking Lots - Jefferson CTC			
17	Restricted Funds	-0-	2,500,000	-0-
18	022. Renovate Downtown Campus – Owensboro CTC			
19	Restricted Funds	-0-	2,500,000	-0-
20	023. Relocate Student Center - Henderson CC			
21	Restricted Funds	-0-	2,200,000	-0-
22	024. Replace HVAC Units - Somerset CC South Campus			
23	Restricted Funds	-0-	2,200,000	-0-
24	025. Construct National Responder Preparedness Center Parking Lot -Fire			
25	Commission			
26	Restricted Funds	-0-	2,000,000	-0-
27	026. KCTCS CEMCS Upgrades Pool			

1	Restricted Funds	-0-	2,000,000	-0-
2	027. Repair/Replace Roofs - Hazard CTC			
3	Restricted Funds	-0-	2,000,000	-0-
4	028. Replace Meece HVAC System - Somerset CC - North Campus			
5	Restricted Funds	-0-	2,000,000	-0-
6	029. Stabilize Soil Technical Campus - Hazard CTC			
7	Restricted Funds	-0-	2,000,000	-0-
8	030. Upgrade HVAC Systems - Big Sandy CTC - Collegewide			
9	Restricted Funds	-0-	2,000,000	-0-
10	031. Replace Roofs - Big Sandy CTC - Collegewide			
11	Restricted Funds	-0-	1,700,000	-0-
12	032. Soil Stabilization Godbey - Southeast - Cumberland			
13	Restricted Funds	-0-	1,500,000	-0-
14	033. Upgrade Sprinkler Systems - West Kentucky CTC			
15	Restricted Funds	-0-	1,500,000	-0-
16	034. Upgrade Welding Shop - Big Sandy CTC - Mayo Campus			
17	Restricted Funds	-0-	1,500,000	-0-
18	035. Fire Commission Driver Simulator			
19	Restricted Funds	-0-	1,000,000	-0-
20	036. Fire Commission Fire Trucks			
21	Restricted Funds	-0-	600,000	-0-
22	037. Jefferson CTC - Bullitt County Campus - Lease			
23	038. Jefferson CTC - Jefferson County - Lease			
24	039. Jefferson CTC - Jefferson Education Center - Lease			
25	040. KCTCS System Office - Lease			
26	041. Maysville CTC - Rowan Campus - Lease			
27	042. Maysville CTC - Rowan County - Lease			

- 1 **043.** Guaranteed Energy Savings Performance Contracts
- 2 **044.** Improve Facilities - Bluegrass CTC, Winchester-Clark County Campus
- 3 Restricted Funds -0- 8,000,000 -0-

K. PUBLIC PROTECTION CABINET

5 Budget Units	2018-19	2019-20
6 1. FINANCIAL INSTITUTIONS		
7 001. Franklin County - Lease		
8 2. HOUSING, BUILDINGS AND CONSTRUCTION		
9 001. Online Jurisdiction Program		
10 Restricted Funds	1,666,000	-0-
11 002. Franklin County - Lease		
12 3. INSURANCE		
13 001. Franklin County - Lease		

L. TOURISM, ARTS AND HERITAGE CABINET

15 Budget Units	2018-19	2019-20
16 1. PARKS		
17 001. Maintenance Pool - 2018-2020		
18 Bond Funds	10,000,000	10,000,000
19 002. Construct Lodge and/or Resort Facilities at Yatesville Lake		
20 (1) Authorization: The above authorization is approved pursuant to KRS		
21 45A.077.		
22 003. Construct or Renovate Lodge Facilities at Natural Bridge		
23 (1) Authorization: The above authorization is approved pursuant to KRS		
24 45A.077.		
25 004. Franklin County - Lease		
26 2. HORSE PARK COMMISSION		
27 001. Campground Utility Infrastructure		

1	Restricted Funds	1,500,000	-0-
2	002. Maintenance Pool - 2018-2020		
3	Investment Income	600,000	600,000
4	3. STATE FAIR BOARD		
5	001. Maintenance Pool - 2018-2020		
6	Bond Funds	3,000,000	3,000,000
7	002. Kentucky International Convention Center Roof Replacement		
8	Bond Funds	5,000,000	-0-
9	003. Construct Agri-Plex at Kentucky Exposition Center		
10	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.		
11	004. Construct Gate One Hotel at Kentucky Exposition Center		
12	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.		
13	005. Construct Hotel Development at Kentucky Exposition Center		
14	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.		
15	4. FISH AND WILDLIFE RESOURCES		
16	001. Fees-in-Lieu-of Stream Mitigation Projects Pool		
17	Restricted Funds	20,000,000	20,000,000
18	5. KENTUCKY CENTER FOR THE ARTS		
19	001. Maintenance Pool - 2018-2020		
20	Investment Income	160,000	160,000

PART III

GENERAL PROVISIONS

23 **1. Funds Designations:** Restricted Funds designated in the biennial budget bills
24 are classified in the state financial records and reports as the Agency Revenue Fund, State
25 Enterprise Funds (State Parks, State Fair Board, Insurance Administration, and Kentucky
26 Horse Park), Internal Services Funds (Fleet Management, Computer Services,
27 Correctional Industries, Central Printing, Risk Management, and Property Management),

1 and selected Fiduciary Funds (Other Expendable Trust Funds). Separate fund records and
2 reports shall be maintained in a manner consistent with the branch budget bills.

3 The sources of Restricted Funds appropriations in this Act shall include all fees
4 (which includes fees for room and board, athletics, and student activities) and rentals,
5 admittances, sales, bond proceeds, licenses collected by law, gifts, subventions,
6 contributions, income from investments, and other miscellaneous receipts produced or
7 received by a budget unit, except as otherwise specifically provided, for the purposes, use,
8 and benefit of the budget unit as authorized by law. Restricted Funds receipts shall be
9 credited and allotted to the respective fund or account out of which a specified
10 appropriation is made in this Act. All receipts of Restricted Funds shall be deposited in
11 the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42,
12 45, and 48.

13 The sources of Federal Funds appropriations in this Act shall include federal
14 subventions, grants, contracts, or other Federal Funds received, income from investments,
15 other miscellaneous federal receipts received by a budget unit, and the Unemployment
16 Compensation Fund, except as otherwise provided, for the purposes, use, and benefit of
17 the budget unit as authorized by law. Federal Funds receipts shall be credited and allotted
18 to the respective fund account out of which a specified appropriation is made in this Act.
19 All Federal Funds receipts shall be deposited in the State Treasury and credited to the
20 proper account as provided in KRS Chapters 12, 42, 45, and 48.

21 **2. Expenditure of Excess Restricted Funds or Federal Funds Receipts:** If
22 receipts received or credited to the Restricted Funds accounts or Federal Funds accounts
23 of a budget unit during fiscal year 2018-2019 or fiscal year 2019-2020, and any balance
24 forwarded to the credit of these same accounts from the previous fiscal year, exceed the
25 appropriation made by a specific sum for these accounts of the budget unit as provided in
26 Part I, Operating Budget, of this Act, for the fiscal year in which the excess occurs, the
27 excess funds in the accounts of the budget unit shall become available for expenditure for

1 the purpose of the account during the fiscal year only upon compliance with the
2 conditions and procedures specified in KRS 48.400, 48.500, 48.600, 48.605, 48.610,
3 48.620, 48.630, 48.730, and 48.800, and with the authorization of the State Budget
4 Director and approval of the Secretary of the Finance and Administration Cabinet.

5 Prior to authorizing the appropriation of any excess, unbudgeted Restricted Funds
6 pursuant to this section, the State Budget Director and the Secretary of the Finance and
7 Administration Cabinet shall review the adequacy of the General Fund Surplus Account
8 with respect to its availability to support authorized expenditures from the General Fund
9 Surplus Account, known as Necessary Government Expenses. If General Fund Surplus
10 Account moneys are determined by this review to be adequate to meet known or
11 anticipated Necessary Government Expenses during fiscal year 2018-2019 or fiscal year
12 2019-2020, respectively, then the appropriation increase may be approved. If the review
13 indicates that there are insufficient funds available or reasonably estimated to become
14 available to the General Fund Surplus Account to meet known or projected Necessary
15 Government Expenses for the fiscal years enumerated above, the State Budget Director
16 and the Secretary of the Finance and Administration Cabinet may disapprove the request
17 for additional Restricted Funds expenditure authority and may direct the excess Restricted
18 Funds identified to the General Fund Surplus Account in order to meet Necessary
19 Government Expense obligations. The results of any review shall be reported to the
20 Interim Joint Committee on Appropriations and Revenue in accordance with KRS
21 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.730, and 48.800.

22 Any request made by a budget unit pursuant to KRS 48.630 that relates to
23 Restricted Funds or Federal Funds shall include documentation showing a comparative
24 statement of revised estimated receipts by fund source and the proposed expenditures by
25 proposed use, with the appropriated sums specified in the Budget of the Commonwealth,
26 and statements which explain the cause, source, and use for any variances which may
27 exist.

1 Each budget unit shall submit its reports in print and electronic format consistent
2 with the Restricted Funds and Federal Funds records contained in the fiscal biennium
3 2018-2020 Branch Budget Request Manual and according to the following schedule in
4 each fiscal year: (a) on or before the beginning of each fiscal year; (b) on or before
5 October 1; (c) on or before January 1; and (d) on or before April 1.

6 **3. Interim Appropriation Increases:** No appropriation from any fund source
7 shall exceed the sum specified in this Act until the agency has documented the necessity,
8 purpose, use, and source, and the documentation has been submitted to the Interim Joint
9 Committee on Appropriations and Revenue for its review and action in accordance with
10 KRS 48.630. Proposed revisions to an appropriation contained in the enacted Executive
11 Budget or allotment of an unbudgeted appropriation shall conform to the conditions and
12 procedures of KRS 48.630 and this Act.

13 Notwithstanding KRS 48.630(3), (4), and (5), any proposed and recommended
14 actions to increase appropriations for funds specified in Section 2. of this Part shall be
15 scheduled consistent with the timetable contained in that section in order to provide
16 continuous and timely budget information.

17 **4. Revision of Appropriation Allotments:** Allotments within appropriated
18 sums for the activities and purposes contained in the enacted Executive Budget shall
19 conform to KRS 48.610 and may be revised pursuant to KRS 48.605 and this Act.

20 **5. Permitted Appropriation Obligations:** No state agency, cabinet,
21 department, office, or program shall incur any obligation against the General Fund or
22 Road Fund appropriations contained in this Act unless the obligation may be reasonably
23 determined to have been contemplated in the enacted budget and is based upon
24 supporting documentation considered by the General Assembly and legislative and
25 executive records.

26 **6. Lapse of General Fund or Road Fund Appropriations Supplanted by**
27 **Federal Funds:** Any General Fund or Road Fund appropriation made in anticipation of a

1 lack, loss, or reduction of Federal Funds shall lapse to the General Fund or Road Fund
2 Surplus Account, respectively, to the extent the Federal Funds otherwise become
3 available.

4 **7. Federally Funded Agencies:** A state agency entitled to Federal Funds, which
5 would represent 100 percent of the cost of a program, shall conform to KRS 48.730.

6 **8. Lapse of General Fund or Road Fund Excess Debt Service**
7 **Appropriations:** Pursuant to KRS 48.720, any excess General Fund or Road Fund debt
8 service shall lapse to the respective surplus account unless otherwise directed in this Act.

9 **9. Statutes in Conflict:** All statutes and portions of statutes in conflict with any
10 of the provisions of this Act, to the extent of the conflict, are suspended unless otherwise
11 provided by this Act.

12 **10. Construction of Budget Provisions on Statutory Budget Administration**
13 **Powers and Duties:** Nothing in this Act is to be construed as amending or altering
14 Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the duties and
15 powers of the Secretary of the Finance and Administration Cabinet except as otherwise
16 provided in this Act.

17 **11. Interpretation of Appropriations:** All questions that arise in interpreting any
18 appropriation in this Act as to the purpose or manner for which the appropriation may be
19 expended shall be decided by the Secretary of the Finance and Administration Cabinet
20 pursuant to KRS 48.500, and the decision of the Secretary of the Finance and
21 Administration Cabinet shall be final and conclusive.

22 **12. Publication of the Budget of the Commonwealth:** The State Budget
23 Director shall cause the Governor's Office for Policy and Management, within 60 days of
24 adjournment of the 2018 Regular Session of the General Assembly, to publish a final
25 enacted budget document, styled the Budget of the Commonwealth, based upon the
26 Legislative Budget, Executive Budget, Transportation Cabinet Budget, and Judicial
27 Budget as enacted by the 2018 Regular Session, as well as other Acts which contain

1 appropriation provisions for the 2018-2020 fiscal biennium, and based upon supporting
2 documentation and legislative records as considered by the 2018 Regular Session. This
3 document shall include, for each agency and budget unit, a consolidated budget summary
4 statement of available regular and continuing appropriated revenue by fund source,
5 corresponding appropriation allocations by program or subprogram as appropriate, budget
6 expenditures by principal budget class, and any other fiscal data and commentary
7 considered necessary for budget execution by the Governor's Office for Policy and
8 Management and oversight by the Interim Joint Committee on Appropriations and
9 Revenue. The enacted Executive Budget and Transportation Cabinet Budget shall be
10 revised or adjusted only upon approval by the Governor's Office for Policy and
11 Management as provided in each Part of this Act and by KRS 48.400, 48.500, 48.600,
12 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and
13 48.810, and upon review and approval by the Interim Joint Committee on Appropriations
14 and Revenue.

15 **13. State Financial Condition:** Pursuant to KRS 48.400, the State Budget
16 Director shall monitor and report on the financial condition of the Commonwealth.

17 **14. Prorating Administrative Costs:** The Secretary of the Finance and
18 Administration Cabinet is authorized to establish a system or formula or a combination of
19 both for prorating the administrative costs of the Finance and Administration Cabinet, the
20 Department of the Treasury, and the Office of the Attorney General relative to the
21 administration of programs in which there is joint participation by the state and federal
22 governments for the purpose of receiving the maximum amount of participation permitted
23 under the appropriate federal laws and regulations governing the programs. The receipts
24 and allotments under this section shall be reported to the Interim Joint Committee on
25 Appropriations and Revenue prior to any transfer of funds.

26 **15. Construction of Budget Provisions Regarding Executive Reorganization**
27 **Orders:** Nothing in this Act shall be construed to confirm or ratify, under KRS 12.027 or

1 12.028, any executive reorganization order unless the executive order was confirmed or
2 ratified by appropriate amendment to the Kentucky Revised Statutes in another Act of the
3 2018 Regular Session of the General Assembly.

4 **16. Budget Planning Report:** By August 15, 2019, the State Budget Director, in
5 conjunction with the Consensus Forecasting Group, shall provide to each branch of
6 government, pursuant to KRS 48.120, a budget planning report.

7 **17. Tax Expenditure Revenue Loss Estimates:** By November 30, 2019, the
8 Office of State Budget Director shall provide to each branch of government detailed
9 estimates for the General Fund and Road Fund for the current and next two fiscal years of
10 the revenue loss resulting from tax expenditures. The Department of Revenue shall
11 provide assistance and furnish data, which is not restricted by KRS 131.190. "Tax
12 expenditure" as used in this section means an exemption, exclusion, or deduction from
13 the base of a tax, a credit against the tax, a deferral of a tax, or a preferential tax rate. The
14 estimates shall include for each tax expenditure the amount of revenue loss, a citation of
15 the legal authority for the tax expenditure, the year in which it was enacted, and the tax
16 year in which it became effective.

17 **18. Duplicate Appropriations:** Any appropriation item and sum in Parts I to X of
18 this Act and in an appropriation provision in any Act of the 2018 Regular Session which
19 constitutes a duplicate appropriation shall be governed by KRS 48.312.

20 **19. Priority of Individual Appropriations:** KRS 48.313 shall control when a
21 total or subtotal figure in this Act conflicts with the sum of the appropriations of which it
22 consists.

23 **20. Severability of Budget Provisions:** Appropriation items and sums in Parts I
24 to X of this Act shall conform to KRS 48.311. If any section, any subsection, or any
25 provision is found by a court of competent jurisdiction in a final, unappealable order to be
26 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the
27 remaining sections, subsections, or provisions.

1 **21. Unclaimed Lottery Prize Money:** For fiscal year 2018-2019 and fiscal year
2 2019-2020, all unclaimed lottery prize money under KRS 154A.110(3) shall be credited
3 to the Kentucky Educational Excellence Scholarship Reserve Account to be held as a
4 subsidiary account within the Finance and Administration Cabinet for the purpose of
5 funding the KEES Program as appropriated in this Act. If the Kentucky Higher Education
6 Assistance Authority certifies to the State Budget Director that the appropriations in this
7 Act for the KEES Program under the existing award schedule are insufficient to meet
8 funds required for eligible applicants, then the State Budget Director shall provide the
9 necessary allotment of funds in the balance of the KEES Reserve Account to fund the
10 KEES Program. Actions taken under this section shall be reported to the Interim Joint
11 Committee on Appropriations and Revenue on a timely basis.

12 **22. Workers' Compensation:** Notwithstanding KRS 342.340(1) and 803 KAR
13 25:021, Section 5, the Personnel Cabinet shall be exempt from procuring excess risk
14 insurance in fiscal year 2018-2019 and fiscal year 2019-2020 for the Workers'
15 Compensation Benefits and Reserve Program administered by the Cabinet.

16 **23. Carry Forward and Undesignated General Fund and Road Fund Carry**
17 **Forward:** Notwithstanding KRS 48.700 and 48.705, and other Parts of this Act, the
18 Secretary of the Finance and Administration Cabinet shall determine and certify, within
19 30 days of the close of fiscal year 2017-2018 and fiscal year 2018-2019, the actual
20 amount of undesignated balance of the General Fund and the Road Fund for the year just
21 ended. The amounts from the undesignated fiscal year 2017-2018 and fiscal year 2018-
22 2019 General Fund and Road Fund balances that are designated and carried forward for
23 budgeted purposes in the 2018-2020 fiscal biennium shall be determined by the State
24 Budget Director during the close of the respective fiscal year and shall be reported to the
25 Interim Joint Committee on Appropriations and Revenue within 30 days of the close of
26 the fiscal year. Any General Fund undesignated balance in excess of the amount
27 designated for budgeted purposes under this section shall be made available for the

1 General Fund Surplus Expenditure Plan contained in Part VII of this Act unless otherwise
2 provided in this Act. The Road Fund undesignated balance in excess of the amount
3 designated for budgeted purposes under this section shall be made available for the Road
4 Fund Surplus Expenditure Plan contained in Part IX of this Act unless otherwise provided
5 in this Act.

6 **24. Reallocation of Appropriations Among Budget Units:** The Executive
7 Branch shall operate within the appropriations authorized in this Act for each budget unit
8 as prescribed by KRS 48.400 to 48.730, subject to the conditions and procedures stated in
9 this section or other Parts of this Act.

10 The Secretary of a Cabinet, the Commissioner of the Department of Education, and
11 other agency heads may request a reallocation among budget units under his or her
12 administrative authority of up to ten percent of General Fund appropriations contained in
13 Part I, Operating Budget, of this Act for fiscal years 2018-2019 and 2019-2020 for
14 approval by the State Budget Director. A request shall explain the need and use for the
15 transfer authority under this section.

16 The amount of transfer of General Fund appropriations shall be separately recorded
17 and reported in the system of financial accounts and reports provided in KRS Chapter 45.

18 The State Budget Director shall report a transfer made under this section, in writing,
19 to the Interim Joint Committee on Appropriations and Revenue at least 30 days prior to
20 the proposed transfer. The Committee shall review the transfer in the same manner and
21 procedure as provided for an interim unbudgeted appropriation action under KRS 48.630.

22 **25. Local School District Expenditure Flexibility:** Notwithstanding KRS
23 160.470(6) or any statute to the contrary, during fiscal year 2018-2019 and fiscal year
24 2019-2020 local school districts may adopt and the Kentucky Board of Education may
25 approve a working budget that includes a minimum reserve less than two percent of the
26 total budget. The Kentucky Department of Education shall monitor the financial position
27 of any district that receives approval for a working budget with a reserve of less than two

1 percent and shall provide a financial report for those districts at each meeting of the
2 Kentucky Board of Education.

3 **26. Report on Local School District Administrative Expenditures:** It is the
4 intent of the General Assembly that, pursuant to its constitutional mandate to provide for
5 an efficient system of common schools, local school districts shall reduce their
6 administrative costs to the extent feasible in order to provide quality instruction for all
7 students in the Commonwealth.

8 Each local school district shall submit a report to the Legislative Research
9 Commission and the Department of Education no later than December 1 of each fiscal
10 year, which shall include:

11 (1) All expenses charged to the Instruction (1XXX), Student Support Services
12 (21XX), Instructional Staff Support Services (22XX), District Administrative Support
13 Services (23XX), School Administrative Support Services (24XX), and Business Support
14 Services (25XX) function codes in the "MUNIS Uniform Chart of Accounts" (revised
15 effective July 1, 2017), delineated by the relevant subfunction codes, for the previous
16 fiscal year;

17 (2) A comparison of the previous fiscal year's expenses, as detailed in subsection
18 (1) of this section, with the same expenses in the preceding fiscal year;

19 (3) A detailed section explaining steps taken to reduce administrative
20 expenditures while maintaining and expanding instructional expenditures; and

21 (4) A copy of the district's policy for maintaining a reserve fund balance in
22 compliance with appropriate government and accounting standards.

23 The Department of Education shall submit a report to the Legislative Research
24 Commission by December 31 of each fiscal year verifying the information submitted by
25 local school districts in subsections (1) and (2) of this section.

26 **27. Faculty Employment:** Notwithstanding KRS 164.230 and 164.360, each
27 Board of Regents or Board of Trustees of a state-funded university or the Kentucky

1 Community and Technical College System may reduce the number of faculty, including
2 tenured faculty, when the reduction is a result of the Board discontinuing or modifying an
3 academic program upon determining that program changes are in the university's or
4 college's best interest due to low enrollment, financial feasibility, budgetary constraints,
5 or declaration of financial exigency.

6 Notwithstanding KRS 164.230 and 164.360, when a faculty reduction occurs
7 pursuant to this section, the board shall provide ten days' notice in writing to the faculty
8 member or members being removed as a result of the reduction stating the Board's
9 reasoning. The provisions of this section supersede any and all policies governing the
10 faculty employment approved by a Board of Regents or Board of Trustees.

11 **28. Employee Layoffs, Furloughs, and Reduced Hours:** Notwithstanding any
12 statute to the contrary, the following process and procedure is established for July 1,
13 2018, through June 30, 2020, in the event that the Commonwealth or any agency
14 determines that it is desirable for the Executive Branch to layoff, furlough, or reduce
15 hours of employees:

16 (1) For the purposes of this section:

17 (a) "Appointing authority" means the agency head or any person whom he has
18 authorized by law to designate to act on behalf of the agency with respect to employee
19 appointments, position establishments, payroll documents, register requests, waiver
20 requests, requests for certification, or other position actions;

21 (b) "Secretary" means the Secretary of the Personnel Cabinet as provided for in
22 KRS 18A.015;

23 (c) "Furlough" or "reduction in hours" means the temporary reduction of hours an
24 employee is scheduled to work by the appointing authority within a pay period;

25 (d) "Layoff" means discharge of employment subject to the rights contained in
26 this section; and

27 (e) "Employees" includes all persons employed by the Executive Branch,

1 including but not limited to employees of KRS Chapter 18A, KRS Chapter 16, KRS
2 Chapter 156, the Kentucky Teachers' Retirement System, the Kentucky Higher Education
3 Student Loan Corporation, the Kentucky Housing Corporation, and the Kentucky Lottery
4 Corporation;

5 (2) An appointing authority has the authority to layoff or furlough employees or
6 reduce hours of employment for any of the following reasons:

- 7 (a) Lack of funds or budgetary constraints;
- 8 (b) A reduction in the agency's spending authorization;
- 9 (c) Lack of work;
- 10 (d) Abolishment of a position; or
- 11 (e) Other material change in duties or organization;

12 (3) The appointing authority shall determine the job classifications affected and
13 the number of employees laid-off in each classification and each county to which a layoff
14 applies. In the same department or office, county, and job classification, interim and
15 probationary employees shall be laid-off before any full-time or part-time employees with
16 status are laid-off. For purposes of layoff, "probationary employee" does not include an
17 employee with status serving a promotional probation;

18 (4) The Secretary shall approve all actions taken under subsection (2) of this
19 section and no such layoff, furlough, or reduction of hours may begin until such approval
20 has been granted. The appointing authority with the approval of the Secretary has the
21 authority to determine the extent, effective dates, and length of any action taken under
22 subsection (2) of this section;

23 (5) In determining the employees to be laid-off, the appointing authority shall
24 consider all employees under the same appointing authority, within the job classification
25 affected, and within the county affected. Consideration shall be given to the following
26 relevant factors:

- 27 (a) Job performance evaluations;

1 (b) Seniority;

2 (c) Education, training, and experience; and

3 (d) Disciplinary record;

4 (6) Any employee whose position is subject to layoff, furlough, or reduction of
5 hours shall be provided written notice containing the reason for the action as set forth in
6 subsection (2) of this section at 15 days in advance of the effective date of the action;

7 (7) Any employee with status who is laid-off shall be eligible to apply as a
8 reemployment applicant for positions with the same job classification from which he or
9 she was laid-off, in the cabinet from which he or she was laid-off. For a period of two
10 years, a reemployment applicant shall be hired before any applicant except another
11 reemployment applicant with greater seniority who is on the same register. A
12 reemployment applicant shall not be removed from any register except as provided by
13 KRS 18A.032. When a reemployment applicant is removed from a register, he or she
14 shall be notified in writing. A reemployment applicant who accepts any classified
15 position, or who retires through the Kentucky Retirement Systems or Kentucky Teachers'
16 Retirement System, shall cease to have eligibility rights as a reemployment applicant;

17 (8) With the approval of the Secretary, the Personnel Cabinet may place
18 employees subject to a reduction in force;

19 (9) Furloughs or reduction of hours during a pay period shall not result in the loss
20 of eligibility for any benefit otherwise due the employee;

21 (10) The Secretary shall have the authority to promulgate comprehensive
22 administrative regulations governing this section; and

23 (11) A layoff, furlough, or reduction of hours implemented in accordance with this
24 section shall not be considered a penalization of the employee for the purposes of KRS
25 Chapters 16, 18A, and 156, and shall be appealable to the State Personnel Board, the
26 Kentucky Technical Education Personnel Board, the Department of Kentucky State
27 Police Personnel Board, or other applicable administrative body.

1 **29. Appropriations Expenditure Purpose and Transfer Restrictions:** Funds
2 appropriated in this Act shall not be expended for any purpose not specifically authorized
3 by the General Assembly in this Act nor shall funds appropriated in this Act be
4 transferred to or between any cabinet, department, board, commission, institution, agency,
5 or budget unit of state government unless specifically authorized by the General
6 Assembly in this Act and KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630,
7 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810. Compliance with the
8 provisions of this section shall be reviewed and determined by the Interim Joint
9 Committee on Appropriations and Revenue.

10 **30. Fiscal Year 2019-2020 Funds Expenditure Restriction:** Except in the case
11 of a declared emergency, the Governor, all agency heads, and all other constitutional
12 officers shall not expend or encumber in the aggregate more that 55 percent of the funds
13 appropriated by this Act during the first half of fiscal year 2019-2020.

14 **31. Budget Implementation:** The General Assembly directs that the Executive
15 Branch shall carry out all appropriations and budgetary language provisions as contained
16 in the State/Executive Budget. The Legislative Research Commission shall review
17 quarterly expenditure data to determine if an agency is out of compliance with this
18 directive. If the Legislative Research Commission suspects that any entity has acted in
19 non-conformity with this section, the Legislative Research Commission may order an
20 audit or review at the agency's expense. Such audit findings, reviews, and reports shall be
21 subject to the Kentucky Open Records Law.

22 **32. Information Technology:** All authorized computer information technology
23 projects shall submit a semiannual progress report to the Capital Projects and Bond
24 Oversight Committee. The reporting process shall begin six months after the project is
25 authorized and shall continue through completion of the project. The initial report shall
26 establish a timeline for completion and cash disbursement schedule. Each subsequent
27 report shall update the timeline and budgetary status of the project and explain in detail

1 any issues with completion date and funding.

2 **33. Equipment Service Contracts and Energy Efficiency Measures:** The
3 General Assembly mandates that the Finance and Administration Cabinet review all
4 equipment service contracts to maximize savings to the Commonwealth to strictly adhere
5 to the provisions of KRS 56.722, 56.782, and 56.784 in maximizing the use of energy
6 efficiency measures.

7 **34. Debt Restructuring:** Notwithstanding any other provision of the Kentucky
8 Revised Statutes, no General Fund or Road Fund debt restructuring transactions shall be
9 undertaken during the 2018-2020 fiscal biennium.

10 **35. Effects of Subsequent Legislation:** If any measure enacted during the 2018
11 Regular Session of the General Assembly subsequent to this Act contains an
12 appropriation or is projected to increase or decrease General Fund revenues, the amount
13 in the Budget Reserve Trust Fund shall be revised to accommodate the appropriation or
14 the reduction or increase in projected revenues. Notwithstanding any provision of KRS
15 48.120(4) and (5) to the contrary, the official enacted revenue estimates of the
16 Commonwealth described in KRS 48.120(5) shall be adjusted at the conclusion of the
17 2018 Regular Session of the General Assembly to incorporate any projected revenue
18 increases or decreases that will occur as a result of actions taken by the General Assembly
19 subsequent to the passage of this Act by both chambers.

20 **36. Permitted Use of Water and Sewer Bond Funds:** Notwithstanding Part II,
21 (3) of this Act and any statute to the contrary, any balances remaining for either closed or
22 open project grant agreements authorized pursuant to bond pools set forth in 2003 Ky.
23 Acts ch. 156, Part II, A., 3., d. Water and Sewer Resources Development Fund for
24 Tobacco Counties and e. Water and Sewer Resources Development Fund For Coal
25 Producing Counties; 2005 Ky. Acts ch. 173, Part II, A., 3., 003. Infrastructure for
26 Economic Development Fund for Coal-Producing Counties and 004. Infrastructure for
27 Economic Development Fund for Tobacco Counties; 2006 Ky. Acts ch. 252, Part II, A.,

1 2., 003. Infrastructure for Economic Development Fund for Non-Coal Producing
2 Counties and 004. Infrastructure for Economic Development Fund for Coal-Producing
3 Counties; 2008 Ky. Acts ch. 123, Section 3., 004. Infrastructure for Economic
4 Development Fund for Coal-Producing Counties and 005. Infrastructure for Economic
5 Development Fund for Non-Coal Producing Counties; and 2008 Ky. Acts ch. 174,
6 Section 2.; and 2009 Ky. Acts ch. 87, Section 2. shall not lapse and shall remain to the
7 credit of projects previously authorized by the General Assembly unless expressly
8 reauthorized and reallocated by action of the General Assembly.

9 **37. Approval of State Aircraft Travel:** Notwithstanding KRS 44.060, 45.101,
10 174.508, and any other statute or administrative regulation to the contrary, the use of state
11 aircraft by any secretary of any Executive Branch cabinet for out-of-state travel shall be
12 approved by the Secretary of the Finance and Administration Cabinet. The Secretary of
13 the Finance and Administration Cabinet shall only approve requests which document that
14 the use of state aircraft is the lowest cost option as measured by both travel costs and
15 travel time. The Secretary of the Finance and Administration Cabinet shall not designate
16 approval authority for out-of-state travel on state aircraft by Executive Branch cabinet
17 secretaries to any other person.

18 **PART IV**

19 **STATE SALARY/COMPENSATION, BENEFIT, AND EMPLOYMENT POLICY**

20 **1. Authorized Personnel Complement:** On July 1, 2018, and July 1, 2019, the
21 Personnel Cabinet and the Office of State Budget Director shall establish a record for
22 each budget unit of authorized permanent full-time and other positions based upon the
23 enacted Executive Budget of the Commonwealth and any adjustments authorized by
24 provisions in this Act. The total number of filled permanent full-time and all other
25 positions shall not exceed the authorized complements pursuant to this section. An
26 agency head may request an increase in the number of authorized positions to the State
27 Budget Director. Upon approval, the Secretary of the Personnel Cabinet may authorize

1 the employment of individuals in addition to the authorized complement. A report of the
2 actions authorized in this section shall be provided to the Interim Joint Committee on
3 Appropriations and Revenue on a monthly basis.

4 **2. Salary Adjustments:** Notwithstanding KRS 18A.355 and 156.808(6)(e) and
5 (12), no increment is provided in either fiscal year on the base salary or wages of each
6 eligible state employee on their anniversary date.

7 **3. Employee Cross-Reference:** The Personnel Cabinet may permit married
8 couples who are both eligible to participate in the state health insurance plan to be
9 covered under one family health benefit plan.

10 **4. Full-Time Positions:** Notwithstanding KRS 18A.005(18)(a), full-time
11 positions in the state parks, where the work assigned is dependent upon fluctuation in
12 tourism, may be assigned work hours from 25 hours per week and remain in full-time
13 positions.

14 **5. Employer Retirement Contribution Rates:** Pursuant to KRS 61.565 and
15 61.702, the employer contribution rates for Kentucky Employees Retirement Systems
16 from July 1, 2018, through June 30, 2020, shall be 83.43 percent, consisting of 71.03
17 percent for pension and 12.40 percent for health insurance for nonhazardous duty
18 employees and 36.85 percent, consisting of 34.39 percent for pension and 2.46 percent for
19 health insurance for hazardous duty employees; for the same period the employer
20 contribution for employees of the State Police Retirement System shall be 146.28 percent,
21 consisting of 119.05 percent for pension and 27.23 percent for health insurance. The rates
22 above apply to wages and salaries earned for work performed during the described period
23 regardless of when the employee is paid for the time worked.

24 **6. Issuance of Paychecks to State Employees:** Notwithstanding 101 KAR
25 2:095, Section 10, the state payroll that would normally be scheduled to be paid on June
26 30, 2019, and June 30, 2020, shall not be issued prior to July 1, 2019, and July 1, 2020.

27 **7. Health Care Spending Account:** Notwithstanding KRS 18A.2254(2)(a) and

1 (b), if a public employee waives coverage provided by his or her employer under the
2 Public Employee Health Insurance Program, the employer shall forward a monthly
3 amount to be determined by the Secretary of the Personnel Cabinet for that employee as
4 an employer contribution to a health reimbursement account or a health flexible spending
5 account, but not less than \$175 per month, subject to any conditions or limitations
6 imposed by the Secretary of the Personnel Cabinet to comply with applicable federal law.
7 The administrative fees associated with a health reimbursement account or health flexible
8 spending account shall be an authorized expense to be charged to the Public Employee
9 Health Insurance Trust Fund.

10 **8. State Group Health Insurance Plan – Plan Year Closure:** Notwithstanding
11 KRS 18A.2254, Plan Years 2010, 2011, 2012, 2013, 2014, and 2015 shall be considered
12 closed as of June 30, 2018, and all balances from those Plan Years shall be transferred to
13 Plan Year 2016. All other income and expenses attributable to the closed Plan Years shall
14 be deposited in or charged to the Plan Year 2016 account after that date.

15 **9. State Group Health Insurance Plan – Transfer Between Plan Years:**
16 Notwithstanding KRS 18A.2254, the Secretary of the Finance and Administration
17 Cabinet and the Secretary of the Personnel Cabinet are authorized to use the excess funds
18 from Plan Year 2016, Plan Year 2017, and Plan Year 2018 or any combination thereof to
19 satisfy claims or expenses in Plan Year 2019 and Plan Year 2020.

20 **10. Turnover Savings Reporting:** The Secretary of the Personnel Cabinet shall
21 submit a monthly report to the Interim Joint Committee on Appropriations and Revenue
22 listing, for each appropriation unit, the number of Personnel Target or Current Authorized
23 Personnel (CAP), the amount allocated for budgeted positions, the fund source, and the
24 amount of savings resulting from vacant positions. The Personnel Target or CAP
25 reporting shall include any modifications since enactment of the biennial budget.
26 Reporting shall begin on August 15, 2018, with each report reflecting activity of the
27 previous month and being due the following 15th.

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PART V
FUNDS TRANSFER

The General Assembly finds that the financial condition of state government requires the following action.

Notwithstanding the statutes or requirements of the Restricted Funds enumerated below, there is transferred to the General Fund the following amounts in fiscal year 2018-2019 and fiscal year 2019-2020:

	2017-18	2018-19	2019-20
A. GENERAL GOVERNMENT			
1. Secretary of State			
Agency Revenue Fund	-0-	1,500,000	1,500,000
2. School Facilities Construction Commission			
Agency Revenue Fund	-0-	26,000,000	-0-
(KRS 157.618)			
B. ENERGY AND ENVIRONMENT CABINET			
1. Secretary			
Kentucky Pride Trust Fund	-0-	2,006,300	2,006,300
(KRS 224.43-505(2)(a)3.)			
Notwithstanding KRS 224.43-505(2)(a)3., these funds transfers to the General Fund support the General Fund debt service on the bonds sold as appropriated by 2003 Ky. Acts ch. 156, Part II, A., 3., c..			
2. Environmental Protection			
Insurance Administration Fund	-0-	11,500,000	11,500,000
(KRS 224.60-130, 224.60-140, 224.60-145, and 224.60-150)			
3. Environmental Protection			
Waste Tire Trust Fund	-0-	3,000,000	3,000,000
(KRS 224.50-880)			

1 **4. Kentucky Nature Preserves Commission**

2 Kentucky Heritage Land

3 Conservation Fund -0- 2,500,000 2,500,000

4 (KRS 146.570)

5 **C. FINANCE AND ADMINISTRATION CABINET**

6 **1. General Administration**

7 Other Expendable Trust Fund -0- 75,000,000 75,000,000

8 (KRS 42.205)

9 These funds transfers to the General Fund partially support employer retirement
10 contributions.

11 **2. Commonwealth Office of Technology**

12 Computer Services Fund 2,800,000 2,800,000 2,800,000

13 (KRS 45.253)

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

15 **1. General Administration and Program Support**

16 Malt Beverage Education Fund -0- 500,000 500,000

17 **E. PERSONNEL CABINET**

18 **1. General Operations**

19 Agency Revenue Fund -0- 2,689,000 2,693,800

20 These funds transfers to the General Fund support General Fund debt service on
21 bonds for the new Personnel/Payroll system.

22 **2. General Operations**

23 Enterprise Fund -0- 135,140,500 175,364,400

24 (KRS 18A.2254(3))

25 These funds transfers to the General Fund partially support employer retirement
26 contributions.

27 **F. POSTSECONDARY EDUCATION**

1 **1. Kentucky Community and Technical College**2 **System**

3	Other Special Revenue Fund	-0-	2,000,000	2,000,000
4	(KRS 95A.262(14))			

5 **G. PUBLIC PROTECTION CABINET**6 **1. Financial Institutions**

7	Agency Revenue Fund	-0-	3,000,000	3,000,000
8	(KRS 286.1-485)			

9 **2. Insurance**

10	Agency Revenue Fund	-0-	20,000,000	20,000,000
11	(KRS 304.2-300 and 304.2-400)			

12 **H. TOURISM, ARTS AND HERITAGE CABINET**13 **1. Secretary**

14	Other Special Revenue Fund	-0-	1,000,000	-0-
15	TOTAL - FUNDS TRANSFER	2,800,000	288,635,800	301,864,500

16 **PART VI**17 **GENERAL FUND BUDGET REDUCTION PLAN**

18 Pursuant to KRS 48.130 and 48.600, a General Fund Budget Reduction Plan is
 19 enacted for state government in the event of an actual or projected revenue shortfall in
 20 General Fund revenue receipts, excluding Tobacco Settlement – Phase I receipts, of
 21 \$11,005,900,000 in fiscal year 2018-2019 and \$11,290,000,000 in fiscal year 2019-2020,
 22 as determined by KRS 48.120 and modified by related Acts and actions of the General
 23 Assembly in an extraordinary or regular session. Notwithstanding KRS 48.130, direct
 24 services, obligations essential to the minimum level of constitutional functions, and other
 25 items that may be specified in this Act, are exempt from the requirements of this Plan.
 26 Each branch head shall prepare a specific plan to address the proportionate share of the
 27 General Fund revenue shortfall applicable to the respective branch. No budget revision

1 action shall be taken by a branch head in excess of the actual or projected revenue
2 shortfall.

3 The Governor, Constitutional Officers, the Chief Justice, and the Legislative
4 Research Commission shall direct and implement reductions in allotments and
5 appropriations only for their respective branch budget units as may be necessary, as well
6 as take other measures which shall be consistent with the provisions of this Part and
7 biennial branch budget bills.

8 Notwithstanding KRS 48.130(4)(a) and (b), in the event of a revenue shortfall of
9 five percent or less, General Fund budget reduction actions shall be implemented in the
10 following sequence:

11 (1) The Local Government Economic Assistance and the Local Government
12 Economic Development Funds shall be adjusted by the Secretary of the Finance and
13 Administration Cabinet to equal revised estimates of receipts pursuant to KRS 42.4582 as
14 modified by the provisions of this Act;

15 (2) Transfers of excess unappropriated Restricted Funds, notwithstanding any
16 statutes to the contrary, other than fiduciary funds, to the General Fund shall be applied as
17 determined by the head of each branch for its respective budget units. No transfers to the
18 General Fund shall be made from the following:

19 (a) Local Government Economic Assistance and Local Government Economic
20 Development Funds;

21 (b) Unexpended debt service from the Tobacco-Settlement Phase I Funds,
22 including but not limited to unexpended debt service and the Tobacco Unbudgeted
23 Interest Income-Rural Development Trust Fund, in either fiscal year;

24 (c) Multi-County Coal Severance Fund; and

25 (d) The Kentucky Permanent Pension Fund;

26 (3) Unexpended debt service;

27 (4) Any unanticipated Phase I Master Settlement Agreement revenues in both

1 fiscal years shall be appropriated according to Part X of this Act and shall not be
2 transferred to the General Fund;

3 (5) Use of the unappropriated balance of the General Fund surplus shall be
4 applied;

5 (6) Any language provision that expresses legislative intent regarding a specific
6 appropriation shall not be reduced by a greater percentage than the reduction to the
7 General Fund appropriation for that budget unit;

8 (7) Reduce General Fund appropriations in Executive Branch agencies' operating
9 budget units by a sufficient amount to balance either fiscal year. No reductions of General
10 Fund appropriations shall be made from the Local Government Economic Assistance
11 Fund or the Local Government Economic Development Fund;

12 (8) Notwithstanding subsection (7) of this Part, no reductions shall be made to the
13 Constitutional Officers or their offices, Commonwealth's Attorneys or their offices, or
14 County Attorneys or their offices. The Governor may request their participation in a
15 budget reduction; however, the level of participation shall be at the discretion of the
16 Constitutional Officer or the Prosecutors Advisory Council, and shall not exceed the
17 actual percentage of revenue shortfall;

18 (9) Excess General Fund appropriations which accrue as a result of personnel
19 vacancies and turnover, and reduced requirements for operating expenses, grants, and
20 capital outlay shall be determined and applied by the heads of the executive, judicial, and
21 legislative departments of state government for their respective branches. The branch
22 heads shall certify the available amounts which shall be applied to budget units within the
23 respective branches and shall promptly transmit the certification to the Secretary of the
24 Finance and Administration Cabinet and the Legislative Research Commission. The
25 Secretary of the Finance and Administration Cabinet shall execute the certified actions as
26 transmitted by the branch heads.

27 Branch heads shall take care, by their respective actions, to protect, preserve, and

1 advance the fundamental health, safety, legal and social welfare, and educational well-
2 being of the citizens of the Commonwealth;

3 (10) Funds available in the Budget Reserve Trust Fund shall be applied in an
4 amount not to exceed 25 percent of the Trust Fund balance in fiscal year 2018-2019 and
5 50 percent in fiscal year 2019-2020; and

6 (11) Pursuant to KRS 48.130 and 48.600, if the actions contained in subsections
7 (1) to (10) of this Part are insufficient to eliminate an actual or projected General Fund
8 revenue shortfall, then the Governor is empowered and directed to take necessary actions
9 with respect to the Executive Branch budget units to balance the budget by such actions
10 conforming with the criteria expressed in this Part.

11 **PART VII**

12 **GENERAL FUND SURPLUS EXPENDITURE PLAN**

13 (1) Notwithstanding KRS 48.130(7), 48.140(3), 48.700, and 48.705, there is
14 established a plan for the expenditure of General Fund surplus moneys pursuant to a
15 General Fund Surplus Expenditure Plan contained in this Part for fiscal years 2018-2019
16 and 2019-2020. Pursuant to the enactment of the Surplus Expenditure Plan, General Fund
17 moneys made available for the General Fund Surplus Expenditure Plan pursuant to Part
18 III, General Provisions, Section 23, of this Act are appropriated to the following:

19 (a) Authorized expenditures without a sum-specific appropriation amount, known
20 as Necessary Government Expenses, including but not limited to Emergency Orders
21 formally declared by the Governor in an Executive Order;

22 (b) For the surplus moneys from fiscal year 2017-2018, to the Kentucky
23 Retirement Systems to be applied to the unfunded pension liability of the Kentucky
24 Employees Retirement System nonhazardous pension fund; and

25 (c) For the surplus moneys from fiscal year 2018-2019:

26 1. The Teachers' Retirement System in an amount up to \$70,000,000 to be
27 applied to the Medical Insurance Fund; and

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PART IX

ROAD FUND SURPLUS EXPENDITURE PLAN

Notwithstanding KRS 48.110, 48.140, and 48.710, there is established a plan for the expenditure of the Road Fund Surplus Account. All moneys in the Road Fund Surplus Account shall be appropriated to the State Construction Account within the Highways budget unit and utilized to support projects in the 2018-2020 Biennial Highway Construction Program.

PART X

PHASE I TOBACCO SETTLEMENT

(1) General Purpose: This Part prescribes the policy implementing aspects of the national settlement agreement between the tobacco industry and the collective states as described in KRS 248.701 to 248.727. In furtherance of that agreement, the General Assembly recognizes that the Commonwealth of Kentucky is a party to the Phase I Master Settlement Agreement (MSA) between the Participating Tobacco Manufacturers and 46 Settling States which provides reimbursement to states for smoking-related expenditures made over time.

(2) State's MSA Share: The Commonwealth's share of the MSA is equal to 1.7611586 percent of the total settlement amount. Payments under the MSA are made to the states annually in April of each year.

(3) MSA Payment Amount Variables: The total settlement amount to be distributed on each payment date is subject to change pursuant to several variables provided in the MSA, including inflation adjustments, volume adjustments, previously settled states adjustments, and the nonparticipating manufacturers adjustment.

(4) Distinct Identity of MSA Payment Deposits: The General Assembly has determined that it shall be the policy of the Commonwealth that all Phase I Tobacco Settlement payments shall be deposited to the credit of the General Fund and shall maintain a distinct identity as Phase I Tobacco Settlement payments that shall not lapse to

1 the credit of the General Fund surplus but shall continue forward from each fiscal year to
2 the next fiscal year to the extent that any balance is unexpended.

3 **(5) MSA Payment Estimates and Adjustments:** Based on the official estimates
4 of the Consensus Forecasting Group, the amount of MSA payments expected to be
5 received in fiscal year 2017-2018 is \$114,600,000, in fiscal year 2018-2019 is
6 \$119,500,000, and in fiscal year 2019-2020 is \$118,100,000. It is recognized that
7 payments to be received by the Commonwealth are estimated and are subject to change. If
8 MSA payments received are less than the official estimates, appropriation reductions
9 shall be applied as follows: after exempting appropriations for debt service and the
10 Department of Revenue, 50 percent to the Agricultural Development Fund, 30 percent to
11 the Early Childhood Development Fund, and 20 percent to the Health Care Improvement
12 Fund. If MSA payments received exceed the official estimates, appropriation increases
13 shall be applied as follows: after exempting appropriations for debt service and the
14 Department of Revenue, 50 percent to the Agricultural Development Fund, 30 percent to
15 the Early Childhood Development Fund, and 20 percent to the Health Care Improvement
16 Fund.

17 **a. State Enforcement:** Notwithstanding KRS 248.654 and 248.703(4), a total of
18 \$250,000 of the MSA payments received in each fiscal year of the 2018-2020 biennium is
19 appropriated to the Finance and Administration Cabinet, Department of Revenue for the
20 state's enforcement of noncompliant nonparticipating manufacturers.

21 **b. Debt Service:** Notwithstanding KRS 248.654 and 248.703(4), \$28,974,900 in
22 MSA payments in fiscal year 2018-2019 and \$31,878,700 in MSA payments in fiscal year
23 2019-2020 are appropriated to the Finance and Administration Cabinet, Debt Service
24 budget unit.

25 **c. Agricultural Development Initiatives:** Notwithstanding KRS 248.654 and
26 248.703(4), \$44,810,600 in MSA payments in fiscal year 2018-2019 and \$42,636,600 in
27 MSA payments in fiscal year 2019-2020 are appropriated to the Kentucky Agricultural

1 Development Fund to be used for agricultural development initiatives as specified in this
2 Part.

3 **d. Early Childhood Development Initiatives:** Notwithstanding KRS 248.654,
4 \$28,891,900 in MSA payments in fiscal year 2018-2019 and \$27,930,800 in MSA
5 payments in fiscal year 2019-2020 are appropriated to the Early Childhood Development
6 Initiatives as specified in this Part.

7 **e. Health Care Initiatives:** Notwithstanding KRS 164.476, 248.654, and
8 304.17B-003(5), MSA payments in the amounts of \$18,604,000 in fiscal year 2018-2019
9 and \$17,391,400 in fiscal year 2019-2020 are appropriated to the Health Care
10 Improvement Fund for health care initiatives as specified in this Part.

11 **(6) MSA Lapse – Fiscal Year 2017-2018:** The Consensus Forecasting Group
12 increased the fiscal year 2017-2018 Phase I Master Settlement Agreement revenues by
13 \$21,800,000 to \$114,600,000. There is \$2,025,600 in actual receipts from fiscal year
14 2015-2016 and \$6,415,600 in actual receipts from fiscal year 2016-2017 that remain
15 unappropriated. Notwithstanding KRS 248.703(6), the total of \$8,441,200 representing
16 unanticipated MSA receipts in fiscal year 2015-2016 and fiscal year 2016-2017 shall
17 lapse to the General Fund. If MSA receipts in fiscal year 2017-2018 are greater than
18 \$92,800,000, but less than \$114,600,000, notwithstanding KRS 248.703(6), the amount
19 above \$92,800,000 shall lapse to the General Fund. If MSA receipts in fiscal year 2017-
20 2018 are greater than \$114,600,000, notwithstanding KRS 248.703(6), a total of
21 \$21,800,000 shall lapse to the General Fund and the amount of fiscal year 2017-2018
22 MSA receipts above \$114,600,000 shall not lapse to the General Fund but shall be
23 appropriated in accordance with Part X, (5) of this Act.

24 **(7) MSA Adjustments:** In the event of an actual or projected revenue shortfall in
25 the General Fund revenue receipts, excluding Phase I MSA revenues, in fiscal years
26 2017-2018, 2018-2019, and 2019-2020, in accordance with this Part and Part VI, General
27 Fund Budget Reduction Plan, of this Act, no transfers shall be made to the General Fund

1 from unexpended debt service from Phase I MSA revenues or from unanticipated Phase I
 2 MSA revenues. Unexpended debt service in fiscal years 2017-2018, 2018-2019, and
 3 2019-2020, shall be appropriated in accordance with Part X, B., 1., a., (3) of this Act.
 4 Unanticipated Phase I MSA revenues in fiscal years 2018-2019 and 2019-2020 shall be
 5 appropriated in accordance with Part X, (5) of this Act.

A. STATE ENFORCEMENT

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

8 Notwithstanding KRS 248.654 and 248.703(4), appropriations for state enforcement
 9 shall be as follows:

1. FINANCE AND ADMINISTRATION CABINET

Budget Unit	2018-19	2019-20
a. Revenue	250,000	250,000

B. DEBT SERVICE

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

15 Notwithstanding KRS 248.654 and 248.703(4), appropriations for debt service shall
 16 be as follows:

1. FINANCE AND ADMINISTRATION CABINET

Budget Unit	2018-19	2019-20
a. Debt Service	28,974,900	31,878,700

20 **(1) Debt Service:** To the extent that revenues sufficient to support the required
 21 debt service appropriations are received from the Tobacco Settlement Program, those
 22 revenues shall be made available from those accounts to the appropriate account of the
 23 General Fund. All necessary debt service amounts shall be appropriated from the General
 24 Fund and shall be fully paid regardless of whether there is a sufficient amount available to
 25 be transferred from tobacco-supported funding program accounts to other accounts of the
 26 General Fund.

27 **(2) General Fund (Tobacco) Debt Service Lapse:** Notwithstanding Part X, (4)

1 of this Act, \$2,065,000 in fiscal year 2017-2018, \$2,031,400 in fiscal year 2018-2019,
2 and \$1,987,500 in fiscal year 2019-2020 shall lapse to the General Fund.

3 **(3) Appropriation of Unexpended Tobacco Debt Service:** Any unexpended
4 balance from fiscal year 2017-2018, fiscal year 2018-2019, or fiscal year 2019-2020
5 General Fund (Tobacco) debt service appropriation in the Finance and Administration
6 Cabinet, Debt Service budget unit, shall continue and be appropriated to the Governor's
7 Office of Agricultural Policy.

8 C. AGRICULTURAL DEVELOPMENT APPROPRIATIONS

9 GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

10 Notwithstanding KRS 248.654 and 248.703(4), appropriations for Agricultural
11 Development shall be as follows:

12 1. GENERAL GOVERNMENT

13 Budget Unit	2018-19	2019-20
14 a. Governor's Office of 15 Agricultural Policy	40,553,300	38,379,300

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

20 **(2) Counties Account:** Notwithstanding KRS 248.703(1), included in the above
21 General Fund (Tobacco) appropriation is \$16,869,000 in fiscal year 2018-2019 and
22 \$15,841,300 in fiscal year 2019-2020 for the counties account as specified in KRS
23 248.703(1)(a).

24 **(3) Directive for Fiscal Year 2018-2019 and Fiscal Year 2019-2020 General**
25 **Fund (Tobacco) Appropriations:** Notwithstanding KRS 248.709 and 248.727, included
26 in the above General Fund (Tobacco) appropriation is \$7,000,000 in fiscal year 2018-
27 2019 and \$6,000,000 in fiscal year 2019-2020 to be used for capital improvements to the

1 agricultural event space and other facilities at the Kentucky State Fair and Exposition
 2 Center. The grant process for the proposed projects shall require the State Fair Board to
 3 submit an application to the Agricultural Development Board. The application shall be
 4 subject to the review, approval, and evaluation criteria established by the Agricultural
 5 Development Board. Any grants approved by the Agricultural Development Board to the
 6 State Fair Board shall not require a match by the applicant. The highest priority and the
 7 purpose of grants approved shall be for projects related to deferred maintenance,
 8 renovation, and remodeling of event space primarily used for animal and other
 9 agricultural-related events or the demolition of unusable facilities. New construction
 10 projects dedicated primarily to agricultural events at the Kentucky State Fair and
 11 Exposition Center may be considered by the Agricultural Development Board if there are
 12 unused appropriations remaining after grant funds have been approved for maintenance,
 13 renovation, remodeling, and demolition projects, which shall have the highest priority
 14 among the projects considered. If the total grant funds awarded to the State Fair Board are
 15 less than the General Fund (Tobacco) appropriation of \$13,000,000 reserved in the 2018-
 16 2020 fiscal biennium for the State Fair Board, any uncommitted or unobligated
 17 appropriations shall not be approved by the Agricultural Development Board for any
 18 other project until appropriated by the General Assembly.

19 **2. DEPARTMENT OF AGRICULTURE**

20 Budget Unit	2018-19	2019-20
21 a. Agriculture	500,000	500,000

22 (1) **Farms to Food Banks:** Included in the above General Fund (Tobacco)
 23 appropriation is \$500,000 in each fiscal year to support the Farms to Food Banks Program
 24 to benefit both Kentucky farmers and the needy by providing fresh, locally grown
 25 produce to food pantries.

26 **3. ENERGY AND ENVIRONMENT CABINET**

27 Budget Unit	2018-19	2019-20
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1	a. Natural Resources	3,757,300	3,757,300
2	(1) Environmental Stewardship Program: Included in the above General Fund		
3	(Tobacco) appropriation is \$2,500,000 in each fiscal year for the Environmental		
4	Stewardship Program.		
5	(2) Conservation District Local Aid: Included in the above General Fund		
6	(Tobacco) appropriation is \$907,300 in each fiscal year for the Division of Conservation		
7	to provide direct local aid to local conservation districts.		
8	(3) Match for Conservation Program: Included in the above General Fund		
9	(Tobacco) appropriation is \$350,000 in each fiscal year to provide the nonfederal match		
10	for a federal conservation program.		
11	TOTAL - AGRICULTURAL	44,810,600	42,636,600
12	APPROPRIATIONS		

D. EARLY CHILDHOOD DEVELOPMENT

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

15 Notwithstanding KRS 248.654, appropriations for Early Childhood Development
 16 shall be as follows:

17 **1. GENERAL GOVERNMENT**

18	Budget Unit	2018-19	2019-20
19	a. Office of the Governor	2,050,000	2,050,000

20 **(1) Governor’s Office for Early Childhood Development:** Included in the
 21 above General Fund (Tobacco) appropriation is \$2,050,000 in each fiscal year for the
 22 Early Childhood Advisory Council.

23 **2. CABINET FOR HEALTH AND FAMILY SERVICES**

24	Budget Units	2018-19	2019-20
25	a. Community Based Services	13,211,100	12,250,000

26 **(1) Early Childhood Development Program:** Included in the above General
 27 Fund (Tobacco) appropriation is \$10,711,100 in fiscal year 2018-2019 and \$9,750,000 in

1 appropriation is \$3,773,000 in fiscal year 2018-2019 and \$3,342,100 in fiscal year 2019-
 2 2020 for Smoking Cessation.

3 **2. JUSTICE AND PUBLIC SAFETY CABINET**

4 Budget Unit	2018-19	2019-20
5 a. Justice Administration	7,831,000	7,362,800

6 **(1) Office of Drug Control Policy:** Included in the above General Fund
 7 (Tobacco) appropriation is \$7,831,000 in fiscal year 2018-2019 and \$7,362,800 in fiscal
 8 year 2019-2020 for the Office of Drug Control Policy to support opioid prevention,
 9 treatment, and recovery initiatives.

10 **3. POSTSECONDARY EDUCATION**

11 Budget Unit	2018-19	2019-20
12 a. Council on Postsecondary	7,000,000	6,686,500
13 Education		

14 **(1) Cancer Research and Screening:** Included in the above General Fund
 15 (Tobacco) appropriation is \$7,000,000 in fiscal year 2018-2019 and \$6,686,500 in fiscal
 16 year 2019-2020 for cancer research and screening. The appropriation each fiscal year
 17 shall be equally shared between the University of Kentucky and the University of
 18 Louisville.

19 TOTAL - HEALTH CARE	18,604,000	17,391,400
20 TOTAL - PHASE I TOBACCO SETTLEMENT		
21 FUNDING PROGRAM	121,531,400	120,087,500

22 **PART XI**

23 **STATE/EXECUTIVE BRANCH BUDGET SUMMARY**

24 **OPERATING BUDGET**

	2017-18	2018-19	2019-20
26 General Fund (Tobacco)	-0-	121,531,400	120,087,500
27 General Fund	26,771,800	11,097,295,200	11,327,342,700

1	Restricted Funds	-0-	8,463,848,900	8,745,114,900
2	Federal Funds	-0-	12,764,790,800	13,138,845,700
3	Road Fund	-0-	110,543,900	112,085,400
4	SUBTOTAL	26,771,800	32,558,010,200	33,443,476,200

CAPITAL PROJECTS BUDGET

6		2017-18	2018-19	2019-20
7	Restricted Funds	10,500,000	5,485,467,500	83,834,500
8	Federal Funds	-0-	69,826,000	29,946,000
9	Bond Funds	-0-	275,803,000	94,014,000
10	Agency Bonds	-0-	602,885,000	-0-
11	Investment Income	-0-	7,035,000	5,485,000
12	Other Funds	6,000,000	1,440,691,000	3,400,000
13	SUBTOTAL	16,500,000	7,881,707,500	216,679,500

TOTAL - STATE/EXECUTIVE BUDGET

15		2017-18	2018-19	2019-20
16	General Fund (Tobacco)	-0-	121,531,400	120,087,500
17	General Fund	26,771,800	11,097,295,200	11,327,342,700
18	Restricted Funds	10,500,000	13,949,316,400	8,828,949,400
19	Federal Funds	-0-	12,834,616,800	13,168,791,700
20	Road Fund	-0-	110,543,900	112,085,400
21	Bond Funds	-0-	275,803,000	94,014,000
22	Agency Bonds	-0-	602,885,000	-0-
23	Investment Income	-0-	7,035,000	5,485,000
24	Other Funds	6,000,000	1,440,691,000	3,400,000
25	TOTAL FUNDS	43,271,800	40,439,717,700	33,660,155,700