

1 AN ACT making appropriations for the operations, maintenance, support, and
2 functioning of the Judicial Branch of the government of the Commonwealth of Kentucky
3 and its various officers, boards, commissions, subdivisions, and other state-supported
4 activities.

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

6 ➔Section 1. The Judicial Branch Budget is as follows:

7 **PART I**
8 **OPERATING BUDGET**

9 **(1) Funds Appropriations:** There is appropriated out of the General Fund,
10 Restricted Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1,
11 2018, and ending June 30, 2019, and for the fiscal year beginning July 1, 2019, and
12 ending June 30, 2020, the following sums to be used for the purposes of the Judicial
13 Branch of the government of the Commonwealth of Kentucky, including the Supreme
14 Court, Court of Appeals, Circuit Court, Family Court, District Court, the Administrative
15 Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use
16 Allowance Contingency Fund, and for services performed by the Circuit Court Clerks'
17 offices, including both Circuit and District Court support.

18 **1. Court of Justice**

19 **a. Court Operations and Administration**

	2018-19	2019-20
21 General Fund	280,600,800	286,108,300
22 Restricted Funds	36,993,200	37,269,000
23 Federal Funds	2,059,400	1,456,200
24 TOTAL	319,653,400	324,833,500

25 **(1) Pay Equity Initiative:** Included in the above General Fund appropriation is
26 \$13,135,900 in fiscal year 2018-2019 and \$16,082,300 in fiscal year 2019-2020 for pay
27 equity for all non-elected and elected personnel.

1 **(2) Defined Calculations:** Included in the above General Fund appropriation is
 2 \$24,589,800 in fiscal year 2018-2019 and \$27,149,500 in fiscal year 2019-2020 to
 3 provide funds for the increase in the employer cost of health and life insurance, the
 4 employer cost of retirement, and one percent annual increments in each fiscal year for all
 5 non-elected and elected personnel.

6 **(3) Replacement of Federal Funds:** Included in the above General Fund
 7 appropriation is \$274,000 in fiscal year 2018-2019 and \$275,400 in fiscal year 2019-2020
 8 to replace Federal Funds.

9 **(4) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended
 10 balance remaining at the close of fiscal year 2017-2018 shall not lapse and shall continue
 11 into fiscal year 2018-2019, and any unexpended balance remaining at the close of fiscal
 12 year 2018-2019 shall not lapse and shall continue into fiscal year 2019-2020.

13 **(5) Civil Filing Fees:** Pursuant to its authority, if the Supreme Court retains the
 14 increase in civil filing fees that was effective in 2008, the additional income resulting
 15 from the fee increases, not to exceed \$5,000,000 in each fiscal year of the biennium, shall
 16 be deposited into a trust and agency account for court operations. Any revenue generated
 17 by these increases in excess of the \$5,000,000 in each fiscal year of the biennium shall be
 18 deposited into the General Fund.

19 **b. Local Facilities Fund**

	2018-19	2019-20
20 General Fund	110,480,200	109,720,200

21 **(1) Local Facility Assessments:** Included in the above General Fund
 22 appropriation is \$760,000 in fiscal year 2018-2019 to conduct assessments on
 23 courthouses that have not had a substantial renovation or new judicial center prior to
 24 1996.

25 **(2) CERS Increase:** Included in the above General Fund appropriation is
 26 \$622,500 in each fiscal year of the biennium to reimburse counties for increased CERS
 27

1 rates on janitorial and maintenance staff in the judicial centers and courthouses.

2 **(3) Local Court Facility Compensation:** Included in the above General Fund
 3 appropriation are moneys to compensate local units of government for providing court
 4 space and for costs incurred in the development of local court facilities as defined in KRS
 5 Chapter 26A and provided in Part II of this Act, and to perform all other acts required or
 6 authorized by KRS Chapter 26A.

7 **(4) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended
 8 balance remaining at the close of fiscal year 2017-2018 shall not lapse and shall continue
 9 into fiscal year 2018-2019, and any unexpended balance remaining at the close of fiscal
 10 year 2018-2019 shall not lapse and shall be continued into fiscal year 2019-2020.

11 **c. Local Facilities Use Allowance Contingency Fund**

	2018-19	2019-20
12 General Fund	-0-	-0-

14 **(1) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended
 15 balance remaining at the close of fiscal year 2017-2018 shall not lapse and shall continue
 16 into fiscal year 2018-2019, and any unexpended balance remaining at the close of fiscal
 17 year 2018-2019 shall not lapse and shall continue into fiscal year 2019-2020 to provide
 18 for cost overruns in authorized court facilities projects not to exceed 15 percent of the use
 19 allowance in accordance with KRS Chapter 26A.

20 **TOTAL - COURT OF JUSTICE**

	2018-19	2019-20
21 General Fund	391,081,000	395,828,500
22 Restricted Funds	36,993,200	37,269,000
23 Federal Funds	2,059,400	1,456,200
24 TOTAL	430,133,600	434,553,700

26 **2. Judicial Retirement System**

	2018-19	2019-20
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1 General Fund 10,131,600 10,737,900

2 (1) **Judicial Retirement Benefits:** General Fund amounts are included to provide
3 actuarial-assessed judicial retirement benefits pursuant to KRS 21.345 to 21.580.

4 **TOTAL - OPERATING BUDGET**

	2018-19	2019-20
6 General Fund	401,212,600	406,566,400
7 Restricted Funds	36,993,200	37,269,000
8 Federal Funds	2,059,400	1,456,200
9 TOTAL	440,265,200	445,291,600

10 **PART II**

11 **CAPITAL PROJECTS BUDGET**

12 **Budget Units**

13 **1. Local Facilities Fund**

Project	Project Scope
15 001. Bath	9,315,000
16 002. Butler	9,315,000
17 003. Crittenden	6,003,000
18 004. Jessamine	10,102,000
19 005. Jefferson	2,590,000
20 006. Lease-Purchase Court of Appeals Office Building – Franklin County	

21 (1) **Jefferson County:** General Fund support of \$226,000 is contained in the
22 Local Facilities Fund budget in each fiscal year for use allowance payments.

23 (2) **Deferred Funding:** General Fund support to provide operating costs totaling
24 \$646,800, annualized use allowance payments totaling \$2,805,600, and nonrecurring
25 furniture and equipment costs of \$2,000,000 for Bath, Butler, Crittenden, and Jessamine
26 Counties is deferred to the 2020-2022 fiscal biennium.

27 (3) **Authorization:** The above authorization to lease-purchase is approved

1 pursuant to KRS 45.763.

2 **2. Lease Authorizations**

3 **001.** Franklin County - Lease - Court of Appeals

4 **002.** Jefferson County - Lease - Parking

5 **(1) Local Facilities Projects - Authorized:** Nothing in this Act shall reduce
6 funding of court facility projects authorized by the General Assembly.

7 **(2) Local Facilities Use Allowance Contingency Fund:** For any court facility
8 project which is occupied and use allowance funding is insufficient, the use allowance
9 payments shall be approved from the Local Facilities Use Allowance Contingency Fund.
10 If funds are not available in the Local Facilities Use Allowance Contingency Fund, the
11 use allowance payments shall be deemed a necessary government expense and shall be
12 paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust
13 Fund Account (KRS 48.705).

14 **TOTAL - JUDICIAL BRANCH BUDGET**

	2018-19	2019-20
15 General Fund	401,212,600	406,566,400
16 Restricted Funds	36,993,200	37,269,000
17 Federal Funds	2,059,400	1,456,200
18 TOTAL	440,265,200	445,291,600

19 **PART III**

20 **GENERAL PROVISIONS**

21 **1. Expenditure Authority:** The Director of the Administrative Office of the
22 Courts, with the approval of the Chief Justice, may expend any of the funds appropriated
23 for court operations and administration in any lawful manner and for any legal purpose
24 that the Chief Justice shall authorize or direct. No executive agency of state government
25 shall have the power to restrict or limit the expenditure of funds appropriated to the
26 Judicial Branch of government.
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1 **2. Severability of Budget Provisions:** Appropriation items and sums in this Act
2 conform to KRS 48.311. If any section, any subsection, or any provision thereof shall be
3 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the
4 remaining sections, subsections, or provisions.

5 **3. Duplicate Appropriations:** Any appropriation item and sum in this Act and
6 in an appropriation provision in another Act of the 2018 Regular Session of the General
7 Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.

8 **4. Priority of Individual Appropriations:** KRS 48.313 shall control when a
9 total or subtotal figure in this Act conflicts with the sum of the appropriations of which it
10 consists.

11 **5. Carry Forward of Restricted and Federal Funds:** Notwithstanding KRS
12 45.229, any unexpended balance remaining in the Court's Restricted Funds accounts or
13 Federal Funds accounts at the close of the fiscal years ending June 30, 2018, and June 30,
14 2019, shall not lapse and shall continue into the next fiscal year.

15 **6. Final Budget Document:** The Chief Justice shall cause the Director of the
16 Administrative Office of the Courts to prepare a final budget document reflecting the
17 2018-2020 biennial budget of the Court of Justice. A copy shall be provided to the
18 Legislative Research Commission, and an informational copy shall be furnished to the
19 Finance and Administration Cabinet, within 60 days of the adjournment of the 2018
20 Regular Session of the General Assembly.

21 **7. Transferability of Funds:** The Chief Justice of the Commonwealth of
22 Kentucky shall have the ability to transfer funds to other programs and budget units
23 within the Judicial Branch. Any funds transferred to other budget units within the Judicial
24 Branch may be used to support any activity, program, or operation of the budget unit or
25 program receiving the respective funds.

26 **8. Appropriations Revisions:** Proposed revisions to Restricted Funds and
27 Federal Funds appropriations in this Act shall be made and reported pursuant to KRS

1 48.630(10). The Director of the Administrative Office of the Courts shall notify on a
2 timely basis the Legislative Research Commission of the most current estimates of
3 anticipated receipts for the affected fiscal year and an accompanying statement which
4 explains variations from the anticipated amount.

5 **9. Maximum Salary of Trial Commissioners:** Notwithstanding KRS
6 24A.100(3), funds are included to continue the statutory maximum salary of trial
7 commissioners as provided for in the Judicial Branch Budget Recommendation.

8 **10. Issuance of Paychecks to Employees:** Notwithstanding 101 KAR 2:095,
9 Section 10, the state payroll that would normally be scheduled to be paid on June 30,
10 2018, June 30, 2019, and June 30, 2020, shall not be issued prior to July 1, 2018, July 1,
11 2019, and July 1, 2020.

12 **PART IV**

13 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

14 The Judicial Branch shall participate in any Budget Reduction Plan or Surplus
15 Expenditure Plan in accordance with the provisions of KRS Chapter 48.