

FREE CONFERENCE COMMITTEE REPORT

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The Free Conference Committee on **HB 268** has met as provided in the Rules of the House and Senate and hereby reports the following to be adopted:

_____ GA X SCS _____ HCS

For the above-referenced bill, with these amendments (if applicable):

Committee (list by chamber and number): _____;

Floor (list by chamber and number): _____; and

The following Free Conference Committee action:

Beginning on page 1, after line 3, delete all language in its entirety and insert in lieu thereof the following:

"➔Section 1. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; A. General Government, 11. Local Government Economic Assistance Fund, at page 1284, as amended by 2018 Kentucky Acts Chapter 203, is further amended to read as follows:

11. LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND

	2018-19	2019-20
General Fund	26,257,600	22,825,700

(1) **Additional Coal Severance Transfer:** Notwithstanding KRS 42.450 to 42.495, an additional amount equal to \$3,686,100 in fiscal year 2018-2019 and \$642,900 in fiscal year 2019-2020 shall be transferred from the Local Government Economic Development Fund to the Local Government Economic Assistance Fund established by KRS 42.450 to be allocated in accordance with KRS 42.470(1).

(2) **Jefferson County Mineral Severance:** Notwithstanding KRS 42.450 to 42.495, all funds distributed to Jefferson County in accordance with KRS 42.470(2)(a) shall be *distributed by the Department for Local Government directly to the Waterfront Botanical Gardens in each*

1 ~~fiscal year [used by the Jefferson County Fiscal Court for the Waterfront Botanical Gardens].~~

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

5 (4) **Excess Coal Severance Tax Receipts:** Notwithstanding KRS 42.450 to 42.495, 100
6 percent of the severance and processing taxes on coal collected annually in excess of the official
7 estimate presented by the Office of State Budget Director shall be transferred in each fiscal year
8 from the General Fund to the Local Government Economic Assistance Fund on a quarterly basis
9 and appropriated for allocation in accordance with KRS 42.470(1).

10 ➔Section 2. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; A. General
11 Government, 13. Area Development Fund, at page 1285, is amended to read as follows:

12 **13. AREA DEVELOPMENT FUND**

13 ~~[2018-19]~~ ~~[2019-20]~~

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

16 (2) **Area Development District Flexibility:** Notwithstanding KRS 42.350(2) and
17 provided that sufficient funds are maintained in the Joint Funding Agreement Program to meet
18 the match requirements for the Economic Development Administration grants, Community
19 Development Block Grants, Appalachian Regional Commission grants, or any federal program
20 where the Joint Funding Agreement funds are utilized to meet nonfederal match requirements, an
21 area development district with authorization from its Board of Directors may request approval to
22 transfer funding between the Area Development Fund and the Joint Funding Agreement Program
23 from the Commissioner of the Department for Local Government. ~~[Joint Funding Agreement~~
24 ~~grants from the Community Economic Development Block Grant Program and the Appalachian~~
25 ~~Regional Commission shall be matched on a dollar-for-dollar basis.]~~

26 ➔Section 3. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; B. Economic
27 Development, 1. Economic Development, at page 1295, as amended by 2018 Kentucky Acts

1 Chapter 203, is further amended to read as follows:

2 **1. ECONOMIC DEVELOPMENT**

	2018-19	2019-20
4 General Fund	25,496,800	25,606,300 <u>26,666,800</u>
5 Restricted Funds	2,888,800	2,950,000
6 Federal Funds	397,500	-0-
7 TOTAL	28,783,100	28,556,300 <u>29,616,800</u>

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

13 **(2) Lapse and Carry Forward of General Fund Appropriation Balance for**
 14 **Bluegrass State Skills Corporation:** Notwithstanding KRS 45.229, the General Fund
 15 appropriation balance for Bluegrass State Skills Corporation training grants for fiscal year 2017-
 16 2018 and fiscal year 2018-2019 shall not lapse and shall carry forward. The amount available to
 17 the Corporation for disbursement in each fiscal year shall be limited to the unexpended training
 18 grant allotment balance at the end of fiscal year 2016-2017 combined with the additional training
 19 grant allotment amounts for each fiscal year of the 2018-2020 biennium, less any disbursements.
 20 If the required disbursements exceed the Bluegrass State Skills Corporation training grants
 21 allotment balance, notwithstanding KRS 154.12-278, Restricted Funds may be expended for
 22 training grants.

23 **(3) Science and Technology Program:** Notwithstanding KRS 164.6017, 164.6021(1),
 24 164.6023(8), 164.6029(1), 164.6031(3), 164.6037(1), and 164.6039(3) and (7), the Cabinet for
 25 Economic Development shall have the authority to carry out the provisions of KRS 164.6019 to
 26 164.6041. Included in the above General Fund appropriation is \$4,792,800 in each fiscal year to
 27 support the Science and Technology Program.

1 117, Pt. II, B., 1. and 2016 Ky. Acts ch. 149, Pt. II, B., 1. for economic development projects in
 2 the 2018-2020 fiscal biennium.

3 *Budget Unit* 2018-19 2019-20

4 **1. ECONOMIC DEVELOPMENT**

5 **001. Economic Development Bond Program - 2020**

6 *Bond Funds* -0- 25,000,000

7 ➔Section 5. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; C. Department
 8 of Education, 2. Operations and Support Services, at pages 1298 to 1299, is amended to read as
 9 follows:

10 **2. OPERATIONS AND SUPPORT SERVICES**

	2018-19	2019-20
11 General Fund	56,243,700	56,326,300
12 Restricted Funds	7,401,500	7,401,500
13 Federal Funds	389,132,300	389,178,100
14 TOTAL	452,777,500	452,905,900

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

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

22 **(3) School Food Services:** Included in the above General Fund appropriation is
 23 \$3,555,900 in each fiscal year for the School Food Services Program.

24 **(4) Review of the Classification of Primary and Secondary School Buildings:**
 25 Included in the above General Fund appropriation is \$600,000 in each fiscal year to implement
 26 KRS 157.420(9) and (10). Notwithstanding KRS 45.229, any portion of the \$600,000 that has
 27 not been expended by the end of fiscal year 2018-2019 shall not lapse and shall carry forward

1 into fiscal year 2019-2020. Notwithstanding KRS 157.420(9) and (10), only schools classified as
 2 A1, A2, A3, A4, A5, A6, C2, and D1 shall be included in the evaluation process.
 3 Notwithstanding KRS 157.420(9) and (10), the Department of Education may limit the school
 4 buildings included in the evaluation process based on the time elapsed since the building's
 5 construction or last major renovation as defined in 702 KAR 4:160. The Department of
 6 Education shall provide an updated list of school buildings evaluated by the process pursuant to
 7 KRS 157.420(9) and (10) to the Legislative Research Commission by October 1, 2019.

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

12 **(6) School Technology**~~[in Coal Counties]:~~ Included in the above General Fund
 13 appropriation is \$1,750,000 in each fiscal year for the Kentucky Datastream Initiative for the
 14 purposes of enhancing education technology in local school districts. Notwithstanding KRS
 15 42.726 to 42.730, the Secretary of the Finance and Administration Cabinet shall provide
 16 exclusive approval and oversight of all contracts related to the program~~[the purpose of~~
 17 ~~enhancing education technology in local school districts within coal-producing counties. The~~
 18 ~~Commissioner of Education shall use the appropriation in this subsection to continue the Coal~~
 19 ~~County Computing Program in conjunction with the Cabinet for Economic Development through~~
 20 ~~its Department of Commercialization and Innovation].~~

21 ➔Section 6. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; E. Energy and
 22 Environment Cabinet, 3. Natural Resources, at page 1304, is amended to read as follows:

23 **3. NATURAL RESOURCES**

	2018-19	2019-20
24 General Fund (Tobacco)	3,757,300	3,757,300
25 General Fund	37,228,700	37,702,200
26 Restricted Funds	14,698,100	14,661,700

1	Restricted Funds	90,330,600	82,834,500
2	Federal Funds	120,200	120,200
3	TOTAL	90,450,800	82,954,700

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

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

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

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

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

27 (c) Notwithstanding any statute to the contrary, employers of eligible local units of

1 government shall receive an administrative expense reimbursement in an amount equal to 7.65
2 percent of the total annual supplement received greater than \$3,100 for each qualified local
3 officer. Total reimbursements to all employers of this subsection shall not exceed \$525,000 in
4 each fiscal year. If there are insufficient funds to provide for the full provision of the
5 administrative fee, then the amount shall be distributed pro rata to each eligible local unit of
6 government so that each receives the same percentage attributable to its total receipts of the cash
7 salary supplement.

8 **(4) Support for Statewide Law Enforcement Purposes:** (a) Notwithstanding KRS
9 15.470 and any other statute to the contrary, included in the above Restricted Funds appropriation
10 is \$1,442,500 in each fiscal year to be transferred to the Department of Kentucky State Police for
11 the laboratory updates capital project set forth in Part II, H., 3., 002. of this Act.

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

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

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

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

25 **(6) Administrative Costs:** Notwithstanding KRS 15.470 and any other statute to the
26 contrary, the Department of Criminal Justice Training is authorized to transfer Restricted Funds
27 to the Department of Justice Administration to support the Criminal Justice Training attorney

1 positions in each fiscal year of the biennium.

2 (7) Two-Way Radio System Replacement, Phase I Capital Project: Notwithstanding
3 KRS 237.110 to 237.142, included in the above Restricted Funds appropriation is \$1,012,700
4 in fiscal year 2019-2020 to be transferred to the Department of Kentucky State Police for debt
5 service to support bonds authorized for the Two-Way Radio System Replacement, Phase I
6 capital project set forth in Part II, Capital Projects Budget, of this Act.

7 ➔Section 8. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; H. Justice and
8 Public Safety Cabinet, 4. State Police, at pages 1316 to 1317, is amended to read as follows:

9 **4. STATE POLICE**

	2018-19	2019-20
11 General Fund	125,210,700	121,147,800
12 Restricted Funds	38,458,400	<u>32,370,500</u> [31,357,800]
13 Federal Funds	11,097,100	11,097,100
14 Road Fund	105,278,800	106,762,100
15 TOTAL	280,045,000	<u>271,377,500</u> [270,364,800]

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

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

27 **(3) Restricted Funds Uses:** Notwithstanding KRS 24A.179, 42.320(2)(h), 65.7631,

1 189A.050(3)(a), 237.110(18), and 281A.160(2)(b), funds are included in the above Restricted
2 Funds appropriation to maintain the operations and administration of the Kentucky State Police.

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

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

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

11 (b) Included in the above Restricted Funds appropriation is \$3,305,800 in fiscal year
12 2018-2019 and \$872,800 in fiscal year 2019-2020 for the sole purpose of purchasing marked and
13 unmarked vehicles.

14 (c) Included in the above Restricted Funds appropriation is \$4,329,500 in fiscal year
15 2018-2019 for the purposes of paying pension spiking costs and sick leave service credit.

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

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

21 **(8) Two-Way Radio System Replacement, Phase I Capital Project:**

22 **(a) Notwithstanding KRS 237.110 to 237.142, included in the above Restricted Funds**
23 **appropriation is \$1,012,700 in fiscal year 2019-2020 to be transferred from the Department of**
24 **Criminal Justice Training for debt service to support bonds authorized for the Two-Way Radio**
25 **System Replacement, Phase I capital project set forth in Part II, Capital Projects Budget, of**
26 **this Act.**

27 **(b) Pursuant to KRS 150.021(3), the Finance and Administration Cabinet shall**

1 provide \$112,500 in Restricted Funds support for debt service in fiscal year 2019-2020 to
 2 support bonds authorized for the Two-Way Radio System Replacement, Phase I capital project
 3 set forth in Part II, Capital Projects Budget, of this Act.

4 ➔Section 9. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; K.
 5 Postsecondary Education, 1. Council on Postsecondary Education, at pages 1322 to 1323, as
 6 amended by 2018 Kentucky Acts Chapter 203, is further amended to read as follows:

7 **1. COUNCIL ON POSTSECONDARY EDUCATION**

	2018-19	2019-20
8 General Fund (Tobacco)	7,000,000	6,686,500
9 General Fund	35,637,500	35,703,700
10 Restricted Funds	5,368,000	5,273,300
11 Federal Funds	12,772,000	12,322,000
12 TOTAL	60,777,500	59,985,500

14 **(1) Carry Forward of General Fund Appropriation Balance:** Notwithstanding KRS
 15 45.229, the General Fund appropriation in fiscal year 2017-2018 and fiscal year 2018-2019 to the
 16 Adult Education and Literacy Program shall not lapse and shall carry forward. Notwithstanding
 17 KRS 45.229, the General Fund appropriation in fiscal year 2017-2018 to the Science and
 18 Technology Program shall not lapse and shall carry forward and be appropriated to the Cabinet
 19 for Economic Development.

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

25 **(3) Program Elimination:** Notwithstanding KRS 164.028 to 164.0282, no General Fund
 26 is provided for Professional Education Preparation.

27 **(4) Optometry Contract Spaces:** (a)Included in the above General Fund appropriation

1 is \$776,000 in each fiscal year to fund 44 optometry slots. Of those slots, the Council on
2 Postsecondary Education shall contract ten slots for fiscal year 2018-2019 and 15 slots for fiscal
3 year 2019-2020 with the Kentucky College of Optometry for the same supplement available
4 through the Southern Regional Education Board.

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

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

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

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

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

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

25 (9) **Cancer Research and Screening:** Included in the above General Fund (Tobacco)
26 appropriation is \$7,000,000 in fiscal year 2018-2019 and \$6,686,500 in fiscal year 2019-2020
27 for cancer research and screening. The appropriation each fiscal year shall be equally shared

1 between the University of Louisville and the University of Kentucky.

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

- 7 (a) The President of the Council on Postsecondary Education or his representative;
- 8 (b) The Speaker of the House or his representative;
- 9 (c) A minority member of the House appointed by the Speaker;
- 10 (d) The President of the Senate or his representative;
- 11 (e) A minority member of the Senate appointed by the President;
- 12 (f) The Kentucky Commissioner of Agriculture or his representative;
- 13 (g) The Executive Director of the Governor's Office of Agricultural Policy or his
14 representative;
- 15 (h) A representative of the Kentucky Cattlemen's Association;
- 16 (i) A representative of the Kentucky Pork Producers;
- 17 (j) A representative of the Kentucky Poultry Federation;
- 18 (k) A representative of the Kentucky Veterinary Medical Association;
- 19 (l) A representative of the Kentucky Farm Bureau; and
- 20 (m) A representative of the Kentucky Thoroughbred Owners and Breeders (KTOB).

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

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

25 **(12) Optometry Contract Spaces Working Group:** Having determined that there is a
26 need to study the effects of both the establishment of a forgivable loan program for the students
27 of the Optometry Contract Spaces Program and the projected return of Optometry graduates to

1 practice in Kentucky, the Kentucky Council on Postsecondary Education is hereby directed to
2 establish a working group composed of the following:

- 3 (a) The President of the Council on Postsecondary Education or his representative;
- 4 (b) The Speaker of the House or his representative;
- 5 (c) A minority member of the House appointed by the Speaker;
- 6 (d) The President of the Senate or his representative;
- 7 (e) A minority member of the Senate appointed by the President;
- 8 (f) The Dean of the Kentucky College of Optometry at the University of Pikeville or his
9 representative; and
- 10 (g) The President of the Kentucky Optometric Association or his representative.

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

13 **(13) Disposition of Postsecondary Institution Property: Notwithstanding KRS 45.777**
14 **and 164A.575(8), a postsecondary institution's governing board may elect to sell or dispose of**
15 **personal property, real property, or major items of equipment. The sale or disposal shall be**
16 **subject to review by the Council on Postsecondary Education, and approval shall be on a basis**
17 **consistent with the strategic agenda and the mission of the respective universities and the**
18 **Kentucky Community and Technical College System. After the Council on Postsecondary**
19 **Education's approval of the sale, the president of the postsecondary institution, or designee,**
20 **shall submit the proposed sale to the Capital Projects and Bond Oversight Committee at least**
21 **14 days prior to the committee meeting for review and recommendation. The Capital Projects**
22 **and Bond Oversight Committee shall require justification for the equipment or property sale,**
23 **the appraised value of the equipment or property to be sold, and the funding source for**
24 **acquisition of the equipment or property to be sold. Upon recommendation by the Capital**
25 **Projects and Bond Oversight Committee and approval by the Secretary of the Finance and**
26 **Administration Cabinet, proceeds from the sale shall be designated to the funding sources, on**
27 **a proportionate basis, used for acquisition of the equipment or property to be sold.**

1 (14) Postsecondary Institution Property Sales: The Council on Postsecondary
 2 Education shall provide a recommendation to establish a process for the sale or disposal of all
 3 personal property, real property, or major items of equipment owned by postsecondary
 4 institutions to the Interim Joint Committee on Appropriations and Revenue by December 1,
 5 2019.

6 ➔Section 10. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; K.
 7 Postsecondary Education, 4. Kentucky State University, at page 1324, is amended to read as
 8 follows:

9 **4. KENTUCKY STATE UNIVERSITY**

	2018-19	2019-20
11 General Fund	<u>25,749,000</u> [25,459,000]	25,259,100
12 Restricted Funds	19,220,000	19,220,000
13 Federal Funds	19,000,000	19,000,000
14 TOTAL	<u>63,969,000</u> [63,679,000]	63,479,100

15 (1) **Land Grant Match:** Included in the above General Fund appropriation is \$3,990,000
 16 in fiscal year 2018-2019 and \$3,700,000 in ~~each~~ fiscal year 2019-2020 to fund the state match
 17 payments required of land-grant universities under federal law.

18 ➔Section 11. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; M. Tourism,
 19 Arts and Heritage Cabinet, 1. Secretary, at page 1328, as amended by 2018 Kentucky Acts
 20 Chapter 203, is further amended to read as follows:

21 **1. SECRETARY**

	2018-19	2019-20
23 General Fund	3,158,700	3,213,700
24 Restricted Funds	14,703,200	14,703,200
25 TOTAL	17,861,900	17,916,900

26 (1) **Tourism Grants:** Included in the above Restricted Funds appropriation is \$350,000
 27 in each fiscal year to support the Local Tourism~~[Theater]~~ Grant Program. The Kentucky

1 Department of Tourism shall develop and administer the Local Tourism~~[Theater]~~ Grant Program
 2 for the purpose of supporting local theater programs and museums which complement the
 3 statewide tourism marketing efforts. The department shall set ~~[program]~~ guidelines, timelines,
 4 funding cycles, reporting requirements, reimbursement procedures, and all other logistics and
 5 programmatic details necessary to manage and effectuate the grant program. The Local
 6 Tourism~~[Theater]~~ Grant Program shall be open to all eligible local theater programs and
 7 museums in Kentucky, and the department shall provide grant program information on the
 8 department's industry Web site page and send notifications for applying for funding through the
 9 local tourism offices or the designated tourism representative from each county and/or city which
 10 is named and submitted to the Kentucky Department of Tourism by the applicable county
 11 judge/executive or mayor. Any funds that are not fully expended through the corresponding
 12 annual grant cycle by approved recipients shall lapse to the credit of the Tourism, Meeting, and
 13 Convention Marketing Fund.

14 ➔Section 12. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; M. Tourism,
 15 Arts and Heritage Cabinet, 4. Parks, at page 1329, is amended to read as follows:

16 **4. PARKS**

	2017-18	2018-19	2019-20
18 General Fund	8,831,600	46,549,700	<u>50,232,500</u> [48,111,500]
19 Restricted Funds	-0-	51,840,600	51,840,600
20 TOTAL	8,831,600	98,390,300	<u>102,073,100</u> [99,952,100]

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

23 **(2) Debt Service:** Included in the above General Fund appropriation is \$424,500 in fiscal
 24 year 2018-2019 and \$3,394,500~~[\$1,273,500]~~ in fiscal year 2019-2020 for new debt service to
 25 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

26 **(3) Capitol Annex Cafeteria:** Included in the above General Fund appropriation is
 27 \$234,400 in each fiscal year to support the Capitol Annex cafeteria operated by the Department

1 of Parks.

2 →Section 13. 2018 Kentucky Acts Chapter 169, Part II, Capital Projects Budget; L.
3 Tourism, Arts and Heritage Cabinet, 1. Parks, at page 1364, is amended to read as follows:

4 **1. PARKS**

5 **001.** Maintenance Pool - 2018-2020

6 Bond Funds	10,000,000	10,000,000
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7 **002.** Construct Lodge and/or Resort Facilities at Yatesville Lake

8 (1) **Authorization:** The above authorization is approved pursuant to KRS 45A.077.

9 **003.** Construct or Renovate Lodge Facilities at Natural Bridge

10 (1) **Authorization:** The above authorization is approved pursuant to KRS 45A.077.

11 **004.** Franklin County - Lease

12 **005. Waste Water Treatment and Infrastructure Upgrades Pool.**

13 <u>Bond Funds</u>	<u>-0-</u>	<u>20,100,000</u>
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14 **006. Lodge Roof Replacements and Repairs Pool**

15 <u>Bond Funds</u>	<u>-0-</u>	<u>11,600,000</u>
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16 **007. Utilities and Communications Cabling Infrastructure Replacement Pool**

17 <u>Bond Funds</u>	<u>-0-</u>	<u>10,800,000</u>
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18 **008. Life Safety System Upgrade and ADA Improvements Pool**

19 <u>Bond Funds</u>	<u>-0-</u>	<u>4,100,000</u>
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20 **009. Hospitality Upgrades Pool**

21 <u>Bond Funds</u>	<u>-0-</u>	<u>3,400,000</u>
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22 →Section 14. 2018 Kentucky Acts Chapter 169, Part I, Operating Budget; N. Budget
23 Reserve Trust Fund, at page 1330, as amended by 2018 Kentucky Acts Chapter 203, is further
24 amended to read as follows:

25 **N. BUDGET RESERVE TRUST FUND**

26 **Budget Units**

27 **1. BUDGET RESERVE TRUST FUND**

	2018-19	2019-20
1		
2	General Fund	<u>33,165,100</u> [33,455,100] – <u>180,613,000</u> [195,064,500]
3	➔Section 15. Whereas the provisions of this Act provide ongoing support for programs	
4	funded in the 2018-2020 executive branch biennial budget, an emergency is declared to exist, and	
5	this Act takes effect upon its passage and approval by the Governor or upon its otherwise	
6	becoming law.".	
7		

