

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. Notwithstanding 2020 Ky. Acts ch. 96, the Judicial Branch Budget is
7 as follows:

8 **PART I**
9 **OPERATING BUDGET**

10 **(1) Funds Appropriations:** Notwithstanding KRS 48.110, 48.120(4), 48.300,
11 and any statute to the contrary, there is appropriated out of the General Fund, Restricted
12 Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1, 2020, and
13 ending June 30, 2021, and for the fiscal year beginning July 1, 2021, and ending June 30,
14 2022, the following sums to be used for the purposes of the Judicial Branch of the
15 government of the Commonwealth of Kentucky, including the Supreme Court, Court of
16 Appeals, Circuit Court, Family Court, District Court, the Administrative Office of the
17 Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance
18 Contingency Fund, and for services performed by the Circuit Court Clerks' offices,
19 including both Circuit and District Court support.

20 **A. JUDICIAL BRANCH**

21 **Budget Units**

22 **1. Court of Justice**

23 **a. Court Operations and Administration**

	2020-21	2021-22
24 General Fund	270,755,000	270,755,000
25 Restricted Funds	52,343,600	52,343,600
26 Federal Funds	3,190,000	3,190,000

1 authorized by KRS Chapter 26A.

2 (4) **Use Allowance Payments to Counties:** Pursuant to KRS 26A.090(2),
3 beginning with court facility construction or renovation projects authorized by the 2000
4 Regular Session of the General Assembly and all subsequent court facility projects, use
5 allowance payments are restricted to the court's proportional share of the annual principal
6 and interest costs in connection with the construction or renovation of the facility, not to
7 exceed the authorized annual use allowance.

8 (5) **Court Facility Maintenance Fund:** (a) Notwithstanding KRS
9 26A.090(2), when there is no debt on court facility construction or renovation projects
10 authorized prior to the 2000 Regular Session of the General Assembly, use allowance is
11 restricted to compensation equal to two percent annually of capital costs to be paid to the
12 county unit of government and two percent annually to be retained by the Administrative
13 Office of the Courts and directed to a separate fund specifically for maintenance of court
14 facilities.

15 (b) The fund created pursuant to paragraph (a) of this subsection shall be used for
16 routine, ongoing, planned, and unanticipated maintenance for court facilities.

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

	2020-21	2021-22
18 General Fund	-0-	-0-

19
20 (1) **Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended
21 balance remaining at the close of fiscal year 2019-2020 shall not lapse and shall continue
22 into fiscal year 2020-2021 to provide for cost overruns in authorized court facilities
23 projects not to exceed 15 percent of the use allowance in accordance with KRS Chapter
24 26A.

25 **TOTAL - COURT OF JUSTICE**

	2020-21	2021-22
26 General Fund	385,269,200	385,198,400

1	Restricted Funds	52,343,600	52,343,600
2	Federal Funds	3,190,000	3,190,000
3	TOTAL	440,802,800	440,732,000

4 **2. Judicial Retirement System**

5		2020-21	2021-22
6	General Fund	7,147,500	7,147,500

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

9 **(2) Administrative Expenses:** Pursuant to KRS 21.540, administrative expenses
 10 shall be paid out of an administrative account which shall be funded by transfers of the
 11 necessary moneys, in appropriate ratio, from the funds provided for in KRS 21.550 and
 12 21.560.

13 **(3) Pension Benefit Increase:** Notwithstanding KRS 21.405(5), no pension
 14 benefit increase shall be granted to recipients of a retirement allowance under KRS
 15 21.345 to 21.580 on July 1, 2020, or July 1, 2021.

16 **TOTAL - JUDICIAL BRANCH**

17		2020-21	2021-22
18	General Fund	392,416,700	392,345,900
19	Restricted Funds	52,343,600	52,343,600
20	Federal Funds	3,190,000	3,190,000
21	TOTAL	447,950,300	447,879,500

22 **PART II**

23 **CAPITAL PROJECTS BUDGET**

24 **(1) Authorization of Capital Projects:** It is the intent of the General Assembly
 25 that any capital project proposed by any state government entity, including the agencies
 26 and subdivisions of the Court of Justice, shall be authorized by the General Assembly
 27 prior to the project's financing and construction, in accordance with KRS 7A.010,

1 7A.120, 45.750, 45.760, 45.763, 45.765, and 48.110. Pursuant to KRS 45.760(1), the
2 amount allotted, from all sources, for expenditure on any capital project, including leases
3 as defined by KRS 45.750, shall not exceed the estimated cost as shown in this Act.

4 **(2) Capital Projects and Bond Oversight Committee:** Capital construction
5 projects and major items of equipment that are not specifically listed in this Act may be
6 authorized only after submission of the project to the Capital Projects and Bond
7 Oversight Committee and in accordance with the other requirements of KRS 45.760(7).
8 Moneys may be transferred to the allotment account of any capital project only after
9 submission of the project to the Capital Projects and Bond Oversight Committee and in
10 accordance with the other requirements of KRS 45.760(6). As required by KRS 45.760,
11 all capital construction items authorized in this Act shall be constructed in accordance
12 with this Act, supporting documentation considered by the General Assembly, and
13 Judicial Branch budget records. Any modifications to the scope of a capital construction
14 project or to a lease shall be reported to the Capital Projects and Bond Oversight
15 Committee before execution.

16 **(3) Court Facility Planning Process:** The county shall require the Project
17 Development Board to hire a certified architect not otherwise involved with the project to
18 conduct an independent feasibility study to determine whether the needs of the
19 community and the Court of Justice can best be met through the construction of a
20 freestanding building, or through an addition and/or renovation of the existing court
21 facility. The cost for this study shall be an accepted and approved portion of the planning
22 process, and shall be eligible for reimbursement from the bond proceeds.

23 **(4) Deferred Funding:** (a) General Fund support to provide operating costs
24 totaling \$2,053,500, annualized use allowance payments totaling \$13,313,300, and
25 nonrecurring furniture and equipment costs of \$3,575,000 for Barren, Butler, Clinton,
26 Crittenden, Jessamine, and Scott Counties is deferred to the 2022-2024 fiscal biennium.

27 (b) It is the intent of the General Assembly that all projects in paragraph (a) of

1 this subsection shall be funded using resources previously appropriated for projects that
2 no longer require use allowance debt payments in the 2022-2024 fiscal biennium.

3 **(5) Local Facilities Use Allowance Contingency Fund:** For any court facility
4 project which is occupied and use allowance funding is insufficient, the use allowance
5 payments shall be approved from the Local Facilities Use Allowance Contingency Fund.
6 If funds are not available in the Local Facilities Use Allowance Contingency Fund, the
7 Chief Justice may transfer funds from other Judicial Branch accounts in accordance with
8 Part III, General Provisions, Section 7. of this Act to make the necessary payments.

9 **(6) Edmonson County Courthouse Additional Parking Lot:** (a) General
10 Fund support of \$70,800 in fiscal year 2020-2021 is contained in the Local Facilities
11 Fund for an additional parking lot in Brownsville. This funding shall be contingent upon
12 the local unit of government contributing \$20,000 towards the completion of the
13 additional parking lot.

14 (b) Notwithstanding any statute to the contrary, any unexpended balance from the
15 appropriation set forth in paragraph (a) of this subsection shall be transferred to the
16 Budget Reserve Trust Fund Account (KRS 48.705).

17 **A. JUDICIAL BRANCH**

18 **Budget Units**

19 **1. Local Facilities Fund**

Project	Project Scope
001. Barren	31,615,000
002. Butler	11,860,000
003. Clinton	17,435,000
004. Crittenden	11,965,000
005. Jessamine	28,440,000
006. Scott	37,330,000

27 **2. Lease Authorizations**

1 within 60 days of the adjournment of the 2020 Regular Session of the General Assembly
2 and the 2021 Regular Session of the General Assembly.

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

8 **8. Appropriations Revisions:** Notwithstanding KRS 48.630(10), no revisions
9 for unbudgeted Restricted Funds appropriations for expenditure shall be allotted or
10 expended that have not been appropriated in any enacted branch budget bill or without
11 the express authority of the General Assembly. Proposed revisions to unbudgeted Federal
12 Funds appropriations for expenditure in this Act shall be made and reported to the Interim
13 Joint Committee on Appropriations and Revenue. The Director of the Administrative
14 Office of the Courts shall notify, on a timely basis, the Legislative Research Commission
15 of the most current estimates of anticipated receipts for the affected fiscal year and an
16 accompanying statement which explains variations from the anticipated amount.

17 **9. Issuance of Paychecks to Employees:** Notwithstanding 101 KAR 2:095,
18 Section 10, the state payroll that would normally be scheduled to be paid on June 30,
19 2020, June 30, 2021, and June 30, 2022, shall not be issued prior to July 1, 2020, July 1,
20 2021, and July 1, 2022, respectively.

21 **10. Maximum Salary of Trial Commissioners:** Pursuant to KRS 24A.100(3), no
22 trial commissioner shall be compensated at a rate greater than \$7,200. No funding is
23 provided for trial commissioners commissioned in counties with a residing District Judge.

24 **11. Authorized Personnel Complement:** On July 1, 2020, the Administrative
25 Office of the Courts shall establish a record for each budget unit of authorized permanent
26 full-time and other positions based upon the enacted Judicial Budget of the
27 Commonwealth and any adjustments authorized by provisions in this Act. The total

1 number of filled permanent full-time and all other positions shall not exceed the
2 authorized complements pursuant to this section. The Director of the Administrative
3 Office of the Courts may request an increase in the number of authorized positions to the
4 Chief Justice. Upon approval, the Administrative Office of the Courts may authorize the
5 employment of individuals in addition to the authorized complement. A report of the
6 actions authorized in this section shall be provided to the Interim Joint Committee on
7 Appropriations and Revenue on a monthly basis.

8 **12. Debt Restructuring:** Notwithstanding any other provision of the Kentucky
9 Revised Statutes, use allowance payments shall not be amended to reflect debt
10 restructuring transactions undertaken by a county during the 2020-2022 fiscal biennium.

11 **13. Court Facility Maintenance Fund Report:** For each of the periods ending
12 June 30, 2020, and June 30, 2021, the Director of the Administrative Office of the Courts
13 shall prepare a court facility maintenance report. This report shall detail all court facility
14 maintenance undertaken by the Court of Justice, to include any cost-sharing with
15 counties, as well as detail regarding future maintenance needs. This report shall include a
16 statewide expenditure summary followed by individual county expenditures detailing the
17 state's and county's respective share of expenditures. The Administrative Office of the
18 Courts shall provide this report to the Interim Joint Committee on Appropriations and
19 Revenue by September 15 of each fiscal year.

20 **14. Biennial Audits:** The Auditor of Public Accounts shall have the right to
21 review, upon request, the accountant's work papers.

22 **15. Budgetary Restructuring:** The Court of Justice is hereby notified that it is
23 the intent of the General Assembly that, beginning with the 2022-2024 biennium, the
24 Court of Justice shall establish new appropriation units specific to the Supreme Court,
25 Court of Appeals, Circuit Court, Family Court, District Court, Administrative Office of
26 the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance
27 Contingency Fund, and for services performed by the Circuit Court Clerks' offices. The

1 Court of Justice shall also begin tracking expenditures by location for each of the new
2 appropriation units identified herein.

3 **16. Unexpended Use Allowance:** Notwithstanding any provision of the Kentucky
4 Revised Statutes, any General Fund moneys appropriated for project-related expenses or
5 use allowance payments in fiscal years 2020-2021 and 2021-2022 that are not expended
6 specifically for project-related expenses or use allowance payments in the fiscal year in
7 which appropriated shall be transferred to the Budget Reserve Trust Fund Account (KRS
8 48.705).

9 **17. Public Health Emergency:** For the duration of the Governor's declaration of
10 a State of Emergency in response to the novel coronavirus (COVID-19), the Chief Justice
11 of the Commonwealth is authorized to declare a Judicial Emergency to protect the health
12 and safety of court employees, elected officials, and the general public. A Judicial
13 Emergency shall extend any administrative actions deadlines, and statutory timelines and
14 statutes of limitations for court filings and proceedings, including but not limited to KRS
15 446.030, 500.050, and Chapters 342, 376, 403, 413, 456, and 620. The extensions
16 provided herein shall be effective until 30 days after the emergency order of the Chief
17 Justice or the Governor ends, whichever is later. This provision shall apply both
18 prospectively and retroactively.

19 **PART IV**

20 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

21 The Judicial Branch shall participate in any Budget Reduction Plan or Surplus
22 Expenditure Plan in accordance with KRS Chapter 48, except that obligations essential to
23 the constitutional duties and use allowance of the Judicial Branch shall be exempt from
24 any Budget Reduction Plan. The level of participation in a Budget Reduction Plan shall
25 be at the discretion of the Chief Justice and shall not exceed the actual percentage of
26 revenue shortfall.