

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

19 **A. JUDICIAL BRANCH**

20 **Budget Units**

21 **1. Court of Justice**

22 **a. Court Operations and Administration**

	2020-21	2021-22
24 General Fund	270,755,000	272,099,600
25 Restricted Funds	52,343,600	57,112,200
26 Federal Funds	3,190,000	4,212,100
27 TOTAL	326,288,600	333,423,900

1 **(1) Defined Calculations:** Included in the above General Fund appropriation is
 2 \$1,045,800 in fiscal year 2020-2021 and \$1,344,600 in fiscal year 2021-2022 to provide
 3 funds for the increase in the employer cost of health and life insurance and the employer
 4 cost of retirement.

5 **(2) Civil Filing Fees:** Pursuant to its authority, if the Supreme Court retains the
 6 increases in civil filing fees that were effective in 2008 and 2018, the additional income
 7 resulting from the fee increases, not to exceed \$15,468,100 in fiscal year 2020-2021 and
 8 \$15,468,100 in fiscal year 2021-2022, shall be deposited into a trust and agency account
 9 for court operations and salaries for non-elected personnel. Any revenue generated by
 10 these increases in excess of the \$15,468,100 in fiscal year 2020-2021 and in fiscal year
 11 2021-2022 shall be deposited into the General Fund.

12 **b. Local Facilities Fund**

	2020-21	2021-22
14 General Fund	114,514,200	114,443,400

15 **(1) Local Facility Projects:** Included in the above General Fund appropriation is
 16 \$2,345,700 in fiscal year 2020-2021 and fiscal year 2021-2022 to support the use
 17 allowance costs for two judicial center projects authorized by the 2018 General
 18 Assembly.

19 **(2) Maintenance Pool:** Included in the above General Fund appropriation is
 20 \$3,000,000 in fiscal year 2020-2021 and in fiscal year 2021-2022 to create a maintenance
 21 pool for planned and unanticipated non-capital projects for local courthouses and judicial
 22 centers.

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

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

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

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

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

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

18 **(1) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended
 19 balance remaining at the close of fiscal year 2019-2020 shall not lapse and shall continue
 20 into fiscal year 2020-2021, and any unexpended balance remaining at the close of fiscal
 21 year 2020-2021 shall not lapse and shall continue into fiscal year 2021-2022 to provide
 22 for cost overruns in authorized court facilities projects not to exceed 15 percent of the use
 23 allowance in accordance with KRS Chapter 26A.

24 **TOTAL - COURT OF JUSTICE**

	2020-21	2021-22
25 General Fund	385,269,200	386,543,000

1	Restricted Funds	52,343,600	57,112,200
2	Federal Funds	3,190,000	4,212,100
3	TOTAL	440,802,800	447,867,300

4 **2. Judicial Retirement System**

5		2020-21	2021-22
6	General Fund	7,147,500	8,017,100

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	394,560,100
19	Restricted Funds	52,343,600	57,112,200
20	Federal Funds	3,190,000	4,212,100
21	TOTAL	447,950,300	455,884,400

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) Deferred Funding:** (a) General Fund support to provide operating costs
17 totaling \$2,354,800, annualized use allowance payments totaling \$14,491,900, and
18 nonrecurring furniture and equipment costs of \$4,075,000 for Barren, Butler, Clinton,
19 Crittenden, Jessamine, Scott, and Madison Counties is deferred to the 2022-2024 fiscal
20 biennium.

21 (b) General Fund support to provide operating costs totaling \$680,800 and
22 nonrecurring furniture and equipment costs of \$2,000,000 for two judicial center projects
23 authorized by the 2018 General Assembly is deferred to the 2022-2024 fiscal biennium.

24 (c) It is the intent of the General Assembly that all projects in paragraph (a) of
25 this subsection shall be funded using resources previously appropriated for projects that
26 no longer require use allowance debt payments in the 2022-2024 fiscal biennium.

27 **(4) Local Facilities Use Allowance Contingency Fund:** For any court facility

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

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

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

14 **A. JUDICIAL BRANCH**

15 **Budget Units**

16 **1. Local Facilities Fund**

Project	Project Scope
18 001. Barren	31,615,000
19 002. Butler	11,860,000
20 003. Clinton	17,435,000
21 004. Crittenden	11,965,000
22 005. Jessamine	28,440,000
23 006. Scott	37,330,000
24 007. Madison	12,490,000

25 **2. Lease Authorizations**

- 26 **001.** Franklin County - Lease - Court of Appeals
- 27 **002.** Jefferson County - Lease - Parking

1 **PART III**

2 **GENERAL PROVISIONS**

3 **1. Expenditure Authority:** The Director of the Administrative Office of the
4 Courts, with the approval of the Chief Justice, may expend any of the funds appropriated
5 for court operations and administration in any lawful manner and for any legal purpose
6 that the Chief Justice shall authorize or direct. No executive agency of state government
7 shall have the power to restrict or limit the expenditure of funds appropriated to the
8 Judicial Branch of government.

9 **2. Severability of Budget Provisions:** Appropriation items and sums in this Act
10 conform to KRS 48.311. If any section, any subsection, or any provision thereof shall be
11 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the
12 remaining sections, subsections, or provisions.

13 **3. Duplicate Appropriations:** Any appropriation item and sum in this Act and
14 in an appropriation provision in another Act of the 2021 Regular Session of the General
15 Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.

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

19 **5. Carry Forward of Funds:** Notwithstanding KRS 45.229, any unexpended
20 balance remaining at the close of the fiscal years ending June 30, 2021, and June 30,
21 2022, shall not lapse and shall continue into the next fiscal year.

22 **6. Final Budget Document:** The Director of the Administrative Office of the
23 Courts shall prepare a final budget document reflecting the 2020-2022 biennial budget of
24 the Court of Justice. A copy shall be provided to the Legislative Research Commission,
25 and an informational copy shall be furnished to the Finance and Administration Cabinet,
26 within 60 days of the adjournment of the 2021 Regular Session of the General Assembly.

27 **7. Transferability of Funds:** The Chief Justice of the Commonwealth of

1 Kentucky shall have the ability to transfer funds to other programs and budget units
2 within the Judicial Branch. Any funds transferred to other budget units within the Judicial
3 Branch may be used to support any activity, program, or operation of the budget unit or
4 program receiving the respective funds.

5 **8. Appropriations Revisions:** Proposed revisions to General Fund, Restricted
6 Funds, and Federal Funds appropriations in this Act shall be made and reported pursuant
7 to KRS 48.630(10). The Director of the Administrative Office of the Courts shall notify,
8 on a timely basis, the Legislative Research Commission of the most current estimates of
9 anticipated receipts for the affected fiscal year and an accompanying statement which
10 explains variations from the anticipated amount.

11 **9. Issuance of Paychecks to Employees:** Notwithstanding 101 KAR 2:095,
12 Section 10, the state payroll that would normally be scheduled to be paid on June 30,
13 2020, June 30, 2021, and June 30, 2022, shall not be issued prior to July 1, 2020, July 1,
14 2021, and July 1, 2022, respectively.

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

18 **11. Authorized Personnel Complement:** On July 1, 2020, the Administrative
19 Office of the Courts shall establish a record for each budget unit of authorized permanent
20 full-time and other positions based upon the enacted Judicial Budget of the
21 Commonwealth and any adjustments authorized by provisions in this Act. The total
22 number of filled permanent full-time and all other positions shall not exceed the
23 authorized complements pursuant to this section. The Director of the Administrative
24 Office of the Courts may request an increase in the number of authorized positions to the
25 Chief Justice. Upon approval, the Administrative Office of the Courts may authorize the
26 employment of individuals in addition to the authorized complement. A report of the
27 actions authorized in this section shall be provided to the Interim Joint Committee on

1 Appropriations and Revenue on a monthly basis.

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

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

14 **14. Budgetary Restructuring:** The Court of Justice is hereby notified that it is
15 the intent of the General Assembly that, beginning with the 2022-2024 biennium, the
16 Court of Justice shall establish new appropriation units specific to the Supreme Court,
17 Court of Appeals, Circuit Court, Family Court, District Court, Administrative Office of
18 the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance
19 Contingency Fund, and for services performed by the Circuit Court Clerks' offices. The
20 Court of Justice shall also begin tracking expenditures by location for each of the new
21 appropriation units identified herein.

22 **15. Unexpended Use Allowance:** Notwithstanding any provision of the Kentucky
23 Revised Statutes, any General Fund moneys appropriated for project-related expenses or
24 use allowance payments in fiscal year 2020-2021 that are not expended specifically for
25 project-related expenses or use allowance payments in fiscal year 2020-2021 shall be
26 transferred to the Budget Reserve Trust Fund Account (KRS 48.705).

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PART IV

1 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

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