

1 AN ACT relating to appropriations providing financing and conditions for the
2 operations, maintenance, support, and functioning of the Transportation Cabinet of the
3 Commonwealth of Kentucky.

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

5 ➔Section 1. Notwithstanding KRS 48.100 and 48.300, the Transportation Cabinet
6 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, 2021, and ending June 30, 2022, for the fiscal year beginning
12 July 1, 2022, and ending June 30, 2023, and for the fiscal year beginning July 1, 2023,
13 and ending June 30, 2024, 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 budget units of the Transportation Cabinet are subject to the provisions of Chapters
17 12, 42, 45, and 48 of the Kentucky Revised Statutes and compliance with the conditions
18 and procedures set forth in this Act.

19 **A. TRANSPORTATION CABINET**

20 **Budget Units**

21 **1. GENERAL ADMINISTRATION AND SUPPORT**

	2021-22	2022-23	2023-24
23 General Fund	1,088,200	80,329,300	81,482,500
24 Restricted Funds	31,400	2,700,800	2,740,400
25 Road Fund	-0-	343,800	345,000
26 TOTAL	1,119,600	83,373,900	84,567,900

27 **(1) Biennial Highway Construction Plan:** The Secretary of the Transportation

1 Cabinet shall produce a single document that shall detail the enacted fiscal biennium
2 2022-2024 Biennial Highway Construction Program and the 2024-2028 Highway
3 Preconstruction Program.

4 (2) **Debt Service:** Included in the above Road Fund appropriation is \$343,800 in
5 fiscal year 2022-2023 and \$345,000 in fiscal year 2023-2024 for debt service on
6 previously authorized bonds.

7 (3) **Adopt-A-Highway Litter Program:** The Transportation Cabinet and the
8 Energy and Environment Cabinet may receive, accept, and solicit grants, contributions of
9 money, property, labor, or other things of value from any governmental agency,
10 individual, nonprofit organization, or private business to be used for the Adopt-a-
11 Highway Litter Program or other statewide litter programs. Any contribution of this
12 nature shall be deemed to be a contribution to a state agency for a public purpose and
13 shall be treated as Restricted Funds under KRS Chapter 45 and reported according to
14 KRS Chapter 48, and shall not be subject to restrictions set forth under KRS Chapter
15 11A.

16 (4) **Riverport Improvements:** Included in the above General Fund appropriation
17 is \$500,000 in each fiscal year to improve public riverports within Kentucky. The
18 Secretary of the Transportation Cabinet, in conjunction with the Kentucky Water
19 Transportation Advisory Board, shall determine how the funds are distributed.

20 **2. AVIATION**

	2021-22	2022-23	2023-24
21			
22	General Fund	30,700	11,006,100
23	Restricted Funds	77,400	22,604,800
24	Federal Funds	-0-	500,000
25	Road Fund	-0-	836,100
26	TOTAL	108,100	34,947,000
27		31,502,600	

(1) **Operational Costs:** Notwithstanding KRS 183.525(5), the above Restricted

1 Funds appropriation includes operational costs of the program in each fiscal year.

2 (2) **Debt Service:** Included in the above Road Fund appropriation is \$836,100 in
3 fiscal year 2022-2023 and \$835,300 in fiscal year 2023-2024 for debt service on
4 previously authorized bonds. Notwithstanding KRS 183.525, \$836,100 in fiscal year
5 2022-2023 and \$835,300 in fiscal year 2023-2024 is transferred to the Road Fund from
6 the Kentucky Aviation Economic Development Fund to support debt service on those
7 bonds.

8 (3) **General Purpose Airports:** Included in the above General Fund
9 appropriation is \$10,000,000 in each fiscal year for aviation economic development to
10 support the development, rehabilitation, and maintenance of publicly owned or operated
11 aviation facilities.

12 **3. DEBT SERVICE**

	2022-23	2023-24
Road Fund	134,952,100	136,700,700

15 (1) **Economic Development Road Lease-Rental Payments:** Included in the
16 above Road Fund appropriation is \$134,952,100 in fiscal year 2022-2023 and
17 \$136,700,700 in fiscal year 2023-2024 for Economic Development Road lease-rental
18 payments relating to projects financed by Economic Development Road Revenue Bonds
19 previously authorized by the General Assembly and issued by the Kentucky Turnpike
20 Authority.

21 (2) **Debt Payment Acceleration Fund Account:** Notwithstanding KRS 175.505,
22 no portion of the revenues to the state Road Fund provided by the adjustments in KRS
23 138.220(2), excluding KRS 177.320 and 177.365, shall accrue to the Debt Payment
24 Acceleration Fund account during the 2022-2024 fiscal biennium.

25 **4. HIGHWAYS**

	2021-22	2022-23	2023-24
General Fund	200,000,000	-0-	-0-

1	Restricted Funds	6,826,300	158,250,600	160,066,500
2	Federal Funds	2,396,300	1,129,133,900	967,036,000
3	Road Fund	11,583,700	1,180,770,800	1,159,982,200
4	TOTAL	220,806,300	2,468,155,300	2,287,084,700

5 **(1) Debt Service:** Included in the above Federal Funds appropriation is
 6 \$77,900,400 in fiscal year 2022-2023 and \$70,356,800 in fiscal year 2023-2024 for debt
 7 service on Grant Anticipation Revenue Vehicle (GARVEE) Bonds previously
 8 appropriated by the General Assembly.

9 **(2) State Supported Construction Program:** Included in the above Road Fund
 10 appropriation is \$472,874,700 in fiscal year 2022-2023 and \$474,361,500 in fiscal year
 11 2023-2024 for the State Supported Construction Program.

12 **(3) Biennial Highway Construction Program:** Included in the Biennial
 13 Highway Construction Program is \$331,274,700 in fiscal year 2022-2023 and
 14 \$332,761,500 in fiscal year 2023-2024 from the Road Fund for state construction projects
 15 in the 2022-2024 Biennial Highway Construction Program.

16 **(4) Highway Construction Contingency Account:** Included in the State
 17 Supported Construction Program is \$16,600,000 in each fiscal year for the Highway
 18 Construction Contingency Account. Notwithstanding KRS 224.43-505(2)(d), included in
 19 the Highway Construction Contingency Account is \$5,000,000 in each fiscal year to
 20 support the Kentucky Pride Fund created in KRS 224.43-505. Notwithstanding KRS
 21 45.247 and 177.320(4), included in the Highway Construction Contingency Account is
 22 \$290,000 in each fiscal year for the Kentucky Transportation Center. Also included in the
 23 Highway Construction Contingency Account for Railroads is \$1,600,000 in each fiscal
 24 year for public safety and service improvements which shall not be expended unless
 25 matched with non-state funds equaling at least 20 percent of the total amount for any
 26 individual project. Additionally, in each fiscal year, up to \$350,000 of the \$1,600,000
 27 appropriation may be used to establish and administer the Kentucky Rail Office in the

1 Kentucky Transportation Cabinet.

2 **(5) 2020-2022 Biennial Highway Construction Plan:** Projects in the enacted
3 2020-2022 Biennial Highway Construction Plan are authorized to continue their current
4 authorization into the 2022-2024 fiscal biennium. If projects in previously enacted
5 highway construction plans conflict with the 2022-2024 Biennial Highway Construction
6 Plan, the projects in the 2022-2024 Biennial Highway Construction Plan shall control.
7 The Secretary shall make every effort to maintain highway program delivery by adhering
8 to the timeframes included in the 2022-2024 Biennial Highway Construction Plan for
9 those projects.

10 **(6) State Match Provisions:** The Transportation Cabinet is authorized to utilize
11 Road Fund or General Fund state construction moneys or Toll Credits to match federal
12 highway moneys.

13 **(7) Federal Aid Highway Funds:** If additional federal highway moneys are made
14 available to Kentucky by the United States Congress, the funds shall be used according to
15 the following priority: (a) Any demonstration specific or project-specific moneys shall be
16 used on the project identified; and (b) All other funds shall be used to ensure that projects
17 in the fiscal biennium 2022-2024 Biennial Highway Construction Plan are funded. If
18 additional federal moneys remain after these priorities are met, the Transportation
19 Cabinet may select projects from the Highway Preconstruction Program.

20 **(8) Road Fund Cash Management:** The Secretary of the Transportation Cabinet
21 may continue the Cash Management Plan to address the policy of the General Assembly
22 to expeditiously initiate and complete projects in the fiscal biennium 2022-2024 Biennial
23 Highway Construction Plan. Notwithstanding KRS Chapter 45, specifically including
24 KRS 45.242 and 45.244, the Secretary may concurrently advance projects in the Biennial
25 Highway Construction Plan by employing management techniques that maximize the
26 Cabinet's ability to contract for and effectively administer the project work. Under the
27 approved Cash Management Plan, the Secretary shall continuously ensure that the

1 unspent project and Road Fund balances available to the Transportation Cabinet are
2 sufficient to meet expenditures consistent with appropriations provided. The
3 Transportation Cabinet shall provide quarterly reports to the Interim Joint Committee on
4 Appropriations and Revenue when the General Assembly is not in session and the
5 Standing Committees on Appropriations and Revenue when the General Assembly is in
6 session beginning July 1, 2022.

7 **(9) Carry Forward of Appropriation Balances:** Notwithstanding KRS 45.229,
8 unexpended Road Fund and General Fund appropriations in the Highways budget unit for
9 the Construction program, the Maintenance program, and the Research program in fiscal
10 year 2021-2022 and in fiscal year 2022-2023 shall not lapse but shall carry forward.
11 Unexpended Federal Funds and Restricted Funds appropriations in the Highways budget
12 unit for the Construction program, the Maintenance program, the Equipment Services
13 program, and the Research program in fiscal year 2021-2022 and in fiscal year 2022-
14 2023, up to the amount of ending cash balances and unissued Highway and GARVEE
15 Bond Funds, to include any interest income earned on those bond funds, and grant
16 balances shall not lapse but shall carry forward.

17 **(10) Federally Supported Construction Program:** Included in the above Federal
18 Funds appropriation is \$1,024,921,000 in fiscal year 2022-2023 and \$869,503,000 in
19 fiscal year 2023-2024 for federal construction projects.

20 **(11) Highways Maintenance:** Included in the above Highways Road Fund
21 appropriation is \$636,168,200 in fiscal year 2022-2023 and \$611,800,700 in fiscal year
22 2023-2024 for Highways Maintenance.

23 **(12) Delayed Project Status Report:** The Secretary of the Transportation Cabinet
24 shall report by September 30 of each fiscal year to the Interim Joint Committee on
25 Transportation any project included in the enacted Biennial Highway Construction Plan
26 which has been delayed beyond the fiscal year for which the project was authorized. The
27 report shall include:

- 1 (a) The county name;
- 2 (b) The Transportation Cabinet project identification number;
- 3 (c) The route where the project is located;
- 4 (d) The length of the project;
- 5 (e) A description of the project and the scope of improvement;
- 6 (f) The type of local, state, or federal funds to be used on the project;
- 7 (g) The stage of development for the design, right-of-way, utility, and
- 8 construction phases;
- 9 (h) The fiscal year in which each phase of the project was scheduled to
- 10 commence;
- 11 (i) The estimated cost for each phase of the project;
- 12 (j) A detailed description of the circumstances leading to the delay; and
- 13 (k) The same information required in paragraphs (a) to (i) of this subsection for
- 14 the project or projects advanced with funds initially scheduled for the delayed project.

15 **(13) Maintenance Reentry Employment Program:** Included in the above Road

16 Fund appropriation is \$250,000 in each fiscal year to support contracting with a 501(c)(3)

17 nonprofit organization that employs individuals on probation or parole supervision to

18 perform crew-based maintenance services. These individuals will be selected with input

19 from the Department of Corrections and shall provide assistance with litter abatement,

20 graffiti removal, and vegetation control.

21 **(14) Federal Highways Match:** Included in the above General Fund appropriation

22 is \$200,000,000 in fiscal year 2021-2022 to match Federal Funds from H.R. 3684, the

23 Infrastructure Investment and Jobs Act. It is the intent of the 2022 General Assembly that

24 these funds are first used to match any project-specific grant from the Act, and then used

25 for matching funds needed for federal projects. Notwithstanding KRS 45.229, the General

26 Fund appropriation balance for Federal Highways Match for fiscal years 2021-2022 and

27 2022-2023 shall not lapse and shall carry forward.

1 **5. JUDGMENTS**

2 (1) **Payment of Judgements:** Road Fund resources required to pay judgements
3 shall be transferred from the State Construction Account at the time when actual
4 payments must be disbursed from the State Treasury.

5 **6. PUBLIC TRANSPORTATION**

6		2021-22	2022-23	2023-24
7	General Fund	63,800	14,075,800	14,075,800
8	Restricted Funds	-0-	680,000	680,000
9	Federal Funds	53,200	32,230,700	28,214,800
10	TOTAL	117,000	46,986,500	42,970,600

11 (1) **Nonpublic School Transportation:** Included in the above General Fund
12 appropriation is \$3,500,000 in each fiscal year for nonpublic school transportation.

13 **7. REVENUE SHARING**

14		2021-22	2022-23	2023-24
15	General Fund	-0-	50,000,000	50,000,000
16	Road Fund	214,500	372,570,900	364,668,100
17	TOTAL	214,500	422,570,900	414,668,100

18 (1) **County Road Aid Program:** (a) Included in the above Road Fund
19 appropriation is \$140,839,100 in fiscal year 2022-2023 and \$137,810,400 in fiscal year
20 2023-2024 for the County Road Aid Program in accordance with KRS 177.320, 179.410,
21 179.415, and 179.440. Notwithstanding KRS 177.320(2) and (4), the above amount has
22 been reduced by \$38,000 in each year, which has been appropriated to the Highways
23 budget unit for the support of the Kentucky Transportation Center.

24 (b) Included in the above General Fund appropriation is \$25,000,000 in each
25 fiscal year for the County Road Aid Program expressly for bridges and paving and
26 rehabilitation of existing roads, which shall be distributed in accordance with KRS
27 177.320, 179.410, 179.415, and 179.440.

1 **(2) Rural Secondary Program:** Included in the above Road Fund appropriation
 2 is \$170,854,000 in fiscal year 2022-2023 and \$167,179,900 in fiscal year 2023-2024 for
 3 the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340,
 4 177.350, and 177.360. Notwithstanding KRS 177.320(1) and (4), the above amount has
 5 been reduced by \$46,000 in each year, which has been appropriated to the Highways
 6 budget unit for the support of the Kentucky Transportation Center.

7 **(3) Municipal Road Aid Program:** (a) Included in the above Road Fund
 8 appropriation is \$59,260,100 in fiscal year 2022-2023 and \$57,985,800 in fiscal year
 9 2023-2024 for the Municipal Road Aid Program in accordance with KRS 177.365,
 10 177.366, and 177.369. Notwithstanding KRS 177.320(4) and 177.365(1), the above
 11 amount has been reduced by \$16,000 in each year, which has been appropriated to the
 12 Highways budget unit for the support of the Kentucky Transportation Center.

13 (b) Included in the above General Fund appropriation is \$25,000,000 in each
 14 fiscal year for the Municipal Road Aid Program expressly for bridges and paving and
 15 rehabilitation of existing roads, which shall be distributed in accordance with KRS
 16 177.365, 177.366, and 177.369.

17 **(4) Energy Recovery Road Fund:** Included in the above Road Fund
 18 appropriation is \$141,800 in fiscal year 2022-2023 and \$141,900 in fiscal year 2023-2024
 19 for the Energy Recovery Road Fund in accordance with KRS 177.977, 177.9771,
 20 177.978, 177.979, and 177.981.

21 **(5) Continuation of the Flex Funds and 80/20 Bridge Replacement Programs:**
 22 The Transportation Cabinet shall continue the Flex Funds and the 80/20 Bridge
 23 Replacement Programs within the Rural Secondary Program.

24 **8. VEHICLE REGULATION**

	2021-22	2022-23	2023-24
25 General Fund	588,800	44,565,200	45,824,800
26 Restricted Funds	94,400	16,777,300	17,029,000

1 completes an initial draw on the line of credit within the biennium immediately
 2 subsequent to the original authorization; and (c) Grant or loan agreements, if applicable,
 3 shall have been finalized and properly signed by all necessary parties. Notwithstanding
 4 the criteria set forth in this subsection, the disposition of 2020-2022 fiscal biennium
 5 nonstatutory appropriated maintenance pools funded from Capital Construction
 6 Investment Income shall remain subject to the provisions of KRS 45.770(5)(c).

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

12 **(4) Appropriations for Projects Not Line-Itemized:** Inasmuch as the
 13 identification of specific projects cannot be ascertained with absolute certainty at this
 14 time, amounts are appropriated for specific purposes to projects which are not
 15 individually identified in this Act in the following area: Aircraft Maintenance Pool.
 16 Notwithstanding any statute to the contrary, projects estimated to cost \$1,000,000 and
 17 over and equipment estimated to cost \$200,000 and over shall be reported to the Capital
 18 Projects and Bond Oversight Committee.

19 **A. TRANSPORTATION CABINET**

20 Budget Units	2021-22	2022-23	2023-24
21 1. GENERAL ADMINISTRATION AND SUPPORT			
22 001. Maintenance Pool - 2022-2024			
23 Road Fund	-0-	4,000,000	4,000,000
24 002. Construct Ballard County Maintenance Facility and Salt Storage Additional			
25 Reauthorization (\$1,584,000 Road Fund)			
26 Road Fund	-0-	2,513,000	-0-
27 003. Construct Clay County District Office Additional Reauthorization			

1	(\$7,445,000 Road Fund)			
2	Road Fund	-0-	13,000,000	-0-
3	004. AASHTOWare			
4	Road Fund	-0-	1,000,000	1,000,000
5	005. Construct Whitley County Maintenance Facility and Salt Structure Additional			
6	Reauthorization (\$1,050,000 Road Fund)			
7	Road Fund	3,000,000	-0-	-0-
8	006. District 6 Office and Materials Lab Additional Reauthorization (\$1,500,000			
9	Road Fund)			
10	Road Fund	-0-	9,500,000	-0-
11	007. Construct Breckinridge County Maintenance Facility			
12	Road Fund	-0-	500,000	2,500,000
13	008. Construct Regional Salt Structures			
14	Road Fund	-0-	2,000,000	-0-
15	009. Construct Union County Maintenance Facility			
16	Road Fund	-0-	500,000	2,500,000
17	010. Construct District 2 Office and Materials Lab			
18	Road Fund	-0-	2,000,000	-0-
19	011. Construct Morgan County Maintenance Facility			
20	Road Fund	-0-	500,000	-0-
21	012. Construct Bath County Maintenance Facility			
22	Road Fund	-0-	500,000	-0-
23	013. Construct Hart County Maintenance Facility			
24	Road Fund	-0-	500,000	-0-
25	014. Construct Mercer County Maintenance Facility			
26	Road Fund	-0-	500,000	-0-
27	015. Permanent Salt Conveyor System - Graves County			

1	Road Fund	-0-	350,000	-0-
2	016. Construct Boyle County Bridge Crew Facility			
3	Road Fund	-0-	200,000	1,300,000
4	2. AVIATION			
5	001. Aircraft Major Maintenance Pool - 2022-2024			
6	General Fund	-0-	800,000	800,000
7	002. Purchase New Jet Fuel Truck			
8	Restricted Funds	-0-	210,000	-0-
9	3. HIGHWAYS			
10	001. Repair Loadometers and Rest Areas - 2022-2024			
11	Road Fund	-0-	3,000,000	3,000,000
12	002. Various Environmental Compliance - 2022-2024			
13	Road Fund	-0-	500,000	500,000
14	003. Road Maintenance Parks - 2022-2024			
15	Road Fund	-0-	1,250,000	1,250,000
16	004. Track Mounted Core Drill Replacement			
17	Restricted Funds	-0-	320,000	-0-
18	005. Jefferson County - Lease			

PART III

TRANSPORTATION CABINET BUDGET SUMMARY

OPERATING BUDGET

	2021-22	2022-23	2023-24
23 General Fund	201,771,500	199,976,400	202,435,400
24 Restricted Funds	7,029,500	201,013,500	199,630,900
25 Federal Funds	2,449,500	1,165,991,700	1,000,377,900
26 Road Fund	11,798,200	1,690,980,700	1,664,038,300
27 SUBTOTAL	223,048,700	3,257,962,300	3,066,482,500

CAPITAL PROJECTS BUDGET				
	2021-22	2022-23	2023-24	
1				
2				
3	General Fund	-0-	800,000	800,000
4	Restricted Funds	-0-	530,000	-0-
5	Road Fund	3,000,000	42,313,000	16,050,000
6	SUBTOTAL	3,000,000	43,643,000	16,850,000
7	TOTAL - TRANSPORTATION CABINET BUDGET			
8		2021-22	2022-23	2023-24
9	General Fund	201,771,500	200,776,400	203,235,400
10	Restricted Funds	7,029,500	201,543,500	199,630,900
11	Federal Funds	2,449,500	1,165,991,700	1,000,377,900
12	Road Fund	14,798,200	1,733,293,700	1,680,088,300
13	TOTAL FUNDS	226,048,700	3,301,605,300	3,083,332,500