

1 AN ACT relating to aviation development, making an appropriation therefor, and
2 declaring an emergency.

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

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 183 IS CREATED TO
5 READ AS FOLLOWS:

6 *(1) The Department of Aviation shall undertake a continuing study of the needs of*
7 *publicly owned or operated general aviation airports in the Commonwealth for*
8 *the purpose of bringing existing facilities to acceptable standards or for the*
9 *replacement of existing facilities when required.*

10 *(2) The department shall develop a recommended six (6) year aviation plan that*
11 *identifies the individual projects or portions thereof that are scheduled to be*
12 *developed at each publicly owned or operated general aviation airport and are*
13 *funded in part by the aviation economic development fund established in KRS*
14 *183.525. The recommended six (6) year aviation plan shall include a*
15 *recommended biennial aviation development plan. The recommended six (6) year*
16 *aviation plan and recommended biennial aviation development plan shall be*
17 *submitted to the General Assembly as required by subsection (6)(f) of Section 3 of*
18 *this Act. The six (6) year aviation plan shall include but shall not be limited to the*
19 *following information for each project:*

20 *(a) The name of the airport;*

21 *(b) A Kentucky Department of Aviation project identification number;*

22 *(c) A description of the project and the scope of improvement;*

23 *(d) The amount of local, state, or federal funds to be used on the project;*

24 *(e) The stage of development for the design and development phase;*

25 *(f) The fiscal year in which each phase of the project should commence;*

26 *(g) The estimated cost for each phase of the project; and*

27 *(h) The estimated cost to complete the project.*

1 (3) The department shall identify projects in the six (6) year aviation plan that may,
2 in accordance with this section, be advanced from later years, to maximize the
3 use of all funds available to the cabinet, and to plan for the historical precedent
4 of projects being delayed due to unforeseen circumstances. As required by
5 Section 3 of this Act, the Governor shall submit to the General Assembly, as part
6 of the proposed biennial aviation development plan, a list of projects from the last
7 four (4) years of the six (6) year aviation plan, not to exceed ten percent (10%) of
8 the recommended biennial aviation development appropriation, which can be
9 advanced if additional money is received and all projects included in the enacted
10 biennial aviation development plan have been advanced or completed to the
11 extent possible.

12 (4) The department shall, on a quarterly basis, transmit electronically to the General
13 Assembly through the Legislative Research Commission a report on all activity
14 relating to all projects with open activity conducted by the department during the
15 biennium. The data for each project shall contain activity on projects funded
16 through the department, including but not limited to the following:

17 (a) The Kentucky Department of Aviation project identification number;

18 (b) The airport name;

19 (c) Type of work;

20 (d) Description of the project;

21 (e) The year the project was enacted in a six (6) year aviation plan, and the
22 notation "A" if the project is active and the notation "I" if the project is
23 inactive;

24 (f) The phase code "D" for the design phase and "C" for the development
25 phase;

26 (g) The original budget estimate and fiscal year each phase is expected to begin
27 as enacted in the six (6) year aviation plan;

1 (h) The name of the contractor, current contract amount, and the current
 2 amount earned by the contractor;

3 (i) The estimated date for completion of the project, current percentage of work
 4 completed based upon time, and the actual contract completion date;

5 (j) The department's engineer's estimate for the project; and

6 (k) Total expenditures by phase.

7 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 183 IS CREATED TO
 8 READ AS FOLLOWS:

9 (1) The Department of Aviation shall develop a statewide prioritization process for
 10 the use of funds in the aviation economic development fund established in KRS
 11 183.525. This prioritization process shall be used for the development of the
 12 recommended biennial aviation development plan and the recommended six (6)
 13 year aviation plan pursuant to Section 1 of this Act.

14 (2) The prioritization process shall be based on an objective and quantifiable
 15 analysis that considers, at a minimum, the following factors relative to the cost of
 16 the project:

17 (a) If runway-related, runway pavement conditions;

18 (b) Age and condition of other airport facilities;

19 (c) Traffic;

20 (d) Proximity to other airports;

21 (e) Potential benefits from technological upgrades; and

22 (f) Economic, educational, and workforce development potential.

23 (3) (a) The department shall weight the factors used in subsection (2) of this
 24 section for each of the proposed projects and shall attempt to gauge the
 25 potential return on the project investment.

26 (b) The department shall solicit input from localities, metropolitan planning
 27 organizations, area development districts, and other stakeholders in its

1 *development of the prioritization process pursuant to this section.*

2 ➔Section 3. KRS 48.110 is amended to read as follows:

3 Each branch budget recommendation shall contain a complete financial plan for the
4 branch of government for each of the next two (2) fiscal years. Each branch budget
5 recommendation shall include:

6 (1) A budget message signed by:

7 (a) The Governor for the executive branch;

8 (b) The Chief Justice for the judicial branch; and

9 (c) The co-chairmen of the Legislative Research Commission for the legislative
10 branch;

11 (2) (a) Statements of income and receipts for the two (2) fiscal years last concluded,
12 and the estimated income and receipts, for each budget unit of the branch of
13 government for the current fiscal year and each of the next two (2) fiscal
14 years.

15 (b) The statements of income and estimated income shall be itemized by budget
16 unit and fund, and shall show separately receipts from:

17 1. Current income;

18 2. Refunds and reimbursements of expenditures;

19 3. The sale of assets; and

20 4. Receipts on account of the income of prior years.

21 (c) Existing sources of income and receipts shall be analyzed as to their equity,
22 productivity and need for revision, and any proposed new sources of income
23 or receipts shall be explained;

24 (3) A statement of the surplus in any account and in any special fund of the branch of
25 government. If a surplus exists in any account of the branch of government the
26 statement shall show the excess of all current assets over all current liabilities as of
27 the beginning of each of the two (2) fiscal years last concluded, and all changes in

- 1 these accounts during each of such two (2) fiscal years;
- 2 (4) A statement as of the close of the last completed fiscal year and as of the close of
3 the current fiscal year showing, for each budget unit the total funded debt, the value
4 of sinking fund assets, the net funded debt, the floating liabilities as of the end of
5 the current fiscal year, and the total debt as of the close of the last completed fiscal
6 year and as of the close of the current fiscal year;
- 7 (5) Summary and detailed comparative statements of expenditures itemized by budget
8 unit for each of the two (2) fiscal years last concluded and requests for
9 appropriations by funds or accounts, the budget of the current year, and the
10 recommendations for appropriations for each of the next two (2) fiscal years.
11 Following the lists of actual and proposed expenditures of each budget unit there
12 shall be a detailed explanation of the actual and proposed expenditures, to include
13 activities, beneficiaries and expected results of the programs or services of the
14 budget units;
- 15 (6) A draft of the proposed branch budget bill containing:
- 16 (a) Recommendations of the branch of government for appropriations for the next
17 two (2) fiscal years, and drafts of such revenue and other acts as may be
18 recommended for implementing the proposed financial plan;
- 19 (b) Recommended appropriations for extraordinary expenses and capital outlays,
20 which shall be itemized in the proposed branch budget bill for the branch by
21 budget unit. The title of each budget unit shall be worded to limit each
22 appropriation to the specific use or purpose intended;
- 23 (c) A plan for the reduction of the branch budget if there is a revenue shortfall of
24 five percent (5%) or less in the general fund or road fund. In recommending
25 budget reductions, the Governor, the Chief Justice, and the Legislative
26 Research Commission shall not recommend universal percentage reductions,
27 but shall weigh the needs of all budget units and shall strive to protect the

1 highest possible level of service in their respective branches. Services which
2 are not essential to constitutional functions shall be subject to reduction.

3 Transfer of funds may be authorized by the budget reduction plan;

- 4 (d) 1. A plan for the expenditure of a general fund or road fund surplus of up
5 to two and one-half percent (2.5%).
- 6 2. The plan shall include provisions for the expenditure of a surplus, and
7 may provide for additional moneys for nonrecurring expenditures for
8 which an appropriation was not made in a branch budget bill, or for a
9 program or service authorized by law for which an appropriation was not
10 made, or which was not fully funded.
- 11 3. In lieu of recommending the appropriation of funds, the plan may
12 instead recommend the retention of surplus funds in the surplus account
13 of the general fund or road fund for investment until appropriated by the
14 General Assembly;
- 15 (e) 1. A recommended state capital projects program and a recommended
16 program for the purchase of major items of equipment.
- 17 2. The recommended capital construction program shall include:
- 18 a. A complete list and summary description of each specific capital
19 construction project recommended for funding during the
20 biennium; and
- 21 b. For each project:
- 22 i. The agency and purpose for which it will be used;
- 23 ii. The justification for the project;
- 24 iii. Its estimated completion date;
- 25 iv. The total estimated cost of completing the project;
- 26 v. The estimated cost of the project during the biennium;
- 27 vi. The recommended sources of funds for the entire project;

1 and

2 vii. The dollar amounts recommended for appropriation and the
3 dollar amounts, listed by source, that are anticipated
4 from every other source of funds for the biennium.

5 3. All information required by subparagraph 2. of this paragraph shall be
6 included in each branch budget recommendation. Each branch budget
7 bill shall contain only a complete list of the specific capital construction
8 projects recommended for funding during the biennium and, for each
9 project, the information specified in subparagraph 2.b.v., vi., and vii. of
10 this paragraph.

11 4. A report which details the effect of recommended new debt on the debt
12 position of the Commonwealth shall be submitted at the same time the
13 recommended capital program is submitted. Information shall be
14 presented separately, and in total, for the general fund, road fund, and
15 any affected restricted fund account.

16 5. Information in the report shall include but not be limited to the
17 following:

18 a. Debt service on existing appropriation-supported debt, as a
19 percentage of anticipated total revenues;

20 b. Debt service on existing appropriation-supported debt, as a
21 percentage of anticipated available revenues;

22 c. The sum of debt service on existing appropriation-supported debt
23 and debt service on recommended new appropriation-supported
24 debt, as a percentage of anticipated total revenues;

25 d. The sum of debt service on existing appropriation-supported debt
26 and debt service on recommended new appropriation-supported
27 debt, as a percentage of anticipated available revenues;

- 1 e. The sum of debt service on existing appropriation-supported debt
2 and debt service on recommended new appropriation-supported
3 debt, as a percentage of estimated state total personal income; and
- 4 f. The sum of existing appropriation-supported debt and
5 recommended new appropriation-supported debt, as a percentage
6 of estimated state total personal income.
- 7 6. The recommended program for the purchase of major items of
8 equipment submitted by the head of each branch of government shall
9 include:
- 10 a. A complete list and summary description of each specific major
11 item of equipment recommended for purchase during the
12 biennium; and
- 13 b. For each major item of equipment:
- 14 i. The agency and purpose for which it will be used;
- 15 ii. The justification for the purchase;
- 16 iii. The estimated cost of the item, including ancillary expenses
17 and any expenses necessary to make the equipment
18 functional and operational;
- 19 iv. The recommended sources of funds; and
- 20 v. The dollar amounts recommended for appropriation and
21 anticipated from every other source of funds for the
22 purchase.
- 23 7. All information required by subparagraph 5. of this paragraph shall be
24 included in the executive branch budget recommendation. The branch
25 budget bill for the executive branch shall contain only a complete list of
26 each specific item of major equipment recommended for purchase
27 during the biennium and, for each item, the information specified in

1 subparagraph 6.b.iii., iv., and v. of this paragraph;

2 (f) The branch budget recommendation for the Transportation Cabinet shall
3 include the following information:

4 1. A separate branch budget bill;

5 2. A recommended biennial highway construction plan, which shall be
6 presented as a separate bill, and which shall include a list of individual
7 transportation projects included in the last four (4) years of the six (6)
8 year road plan, not to exceed ten percent (10%) of the recommended
9 biennial highway construction appropriation, which can be advanced if:

10 a. Additional funds are received; and

11 b. All projects included in the biennial highway construction plan
12 have been advanced or completed to the extent possible;~~and~~

13 3. *A recommended biennial aviation development plan, which shall be*
14 *presented as a separate bill, and which shall include a list of*
15 *individual projects included in the last four (4) years of the six (6) year*
16 *aviation plan, not to exceed ten percent (10%) of the recommended*
17 *biennial aviation development appropriation, which can be advanced*
18 *if:*

19 *a. Additional funds are received; and*

20 *b. All projects included in the biennial aviation development plan*
21 *have been advanced or completed to the extent possible;*

22 4. The six (6) year road plan *and the six (6) year aviation plan.* The
23 Governor shall have ten (10) working days after submission of the
24 branch budget recommendation,~~and~~ the recommended biennial
25 highway construction plan, *and the recommended biennial aviation*
26 *development plan* to submit the six (6) year road plan *and the six (6)*
27 *year aviation plan.* The six (6) year road plan *and the six (6) year*

1 aviation plan shall be submitted in a form and format cooperatively
 2 developed by the Transportation Cabinet and the General Assembly and
 3 approved by the Legislative Research Commission; and

- 4 (g) 1. In the executive branch budget recommendation, as a separate section,
 5 an amount sufficient to meet unexpected contingencies or emergencies,
 6 including but not limited to natural or man-made disasters, civil
 7 disorders, court orders requiring or resulting in the expenditure of state
 8 funds, or other related causes.
- 9 2. The amount shall be based on the nature, type, and frequency of named
 10 categories of events which may, from past experience, be reasonably
 11 anticipated.
- 12 3. This portion of the budget recommendation shall detail similar incidents
 13 and the nature and amount of the expenditures for each during the ten
 14 (10) years immediately preceding.

15 The total amount of appropriations recommended from any fund shall not exceed
 16 the cash resources estimated to be available and to become available to meet expenditures
 17 under the appropriations;

18 (7) A certificate of the branch of government as to the accuracy of the statements of
 19 financial condition, of income and receipts, and of expenditures; and

20 (8) Such other information as is deemed desirable, or is required by law or regulation.

21 ➔Section 4. KRS 183.010 is amended to read as follows:

22 As used in this chapter unless the context otherwise requires:

23 (1) ~~"Federal Aviation Administration" shall mean that agency or board of the United~~
 24 ~~States government empowered to regulate operation of aircraft; aviation facilities~~
 25 ~~and persons operating and maintaining aircraft;~~

26 (2) ~~"Secretary" means the secretary of the Transportation Cabinet;~~

27 (3) ~~"Cabinet" means the Transportation Cabinet;~~

- 1 **(2) "Department" means the Department of Aviation;**
2 **(3) "Federal Aviation Administration" means the agency of the United States**
3 **government empowered to regulate operation of aircraft; aviation facilities; and**
4 **persons operating and maintaining aircraft; and**
5 **(4) "Secretary" means the secretary of the Transportation Cabinet**, ~~the statutory~~
6 ~~administrative department of the Commonwealth of Kentucky].~~