

FREE CONFERENCE COMMITTEE REPORT

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The Free Conference Committee on **HB 263** 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. The Legislative Branch Budget is as follows:

PART I

OPERATING BUDGET

Funds Appropriations: Funds are appropriated to the Legislative Research Commission for the Legislative Branch of government out of the General Fund and Restricted Funds accounts for the fiscal year beginning July 1, 2023, and ending June 30, 2024, for the fiscal year beginning July 1, 2024, and ending June 30, 2025, and for the fiscal year beginning July 1, 2025, and ending June 30, 2026, in the following discrete sums, or so much thereof as may be necessary. Each appropriation is made by the source of respective fund or funds accounts to be used for the purposes of the Legislative Branch of government of the Commonwealth of Kentucky.

A. LEGISLATIVE BRANCH

Budget Units

2024-25 2025-26

1. General Assembly

1	General Fund	23,812,200	25,995,800
2	Restricted Funds	75,000	175,000
3	TOTAL	23,887,200	26,170,800

4 **(1) Kentucky Legislative Ethics Commission:** Included in the above General Fund
 5 appropriation is \$567,700 in each fiscal year of the 2024-2026 fiscal biennium for the Kentucky
 6 Legislative Ethics Commission. Included in the above Restricted Funds appropriation is \$75,000
 7 in fiscal year 2024-2025 and \$175,000 in fiscal year 2025-2026 for the Kentucky Legislative
 8 Ethics Commission.

9 **(2) Kentucky Long-Term Policy Research Center:** Notwithstanding KRS 7B.010 to
 10 7B.090, operation of the Kentucky Long-Term Policy Research Center and its governing board
 11 shall continue to be suspended effective July 1, 2024, and shall remain suspended for the 2024-
 12 2026 fiscal biennium or until funding is restored. No funds are appropriated for the Kentucky
 13 Long-Term Policy Research Center for fiscal year 2024-2025 and fiscal year 2025-2026.

14 **(3) Pension Benefit Increase:** Notwithstanding KRS 6.521(3), no pension benefit
 15 increase shall be granted to recipients of a retirement allowance under KRS 6.500 to 6.577 on
 16 July 1, 2024.

17 **(4) Legislators Compensation:** Notwithstanding KRS 6.190 and 6.213, the daily
 18 compensation provided by KRS 6.190 and the interim expense allowance provided by KRS
 19 6.213 for members of the General Assembly shall be as authorized by the 2022-2024 biennium
 20 and shall continue as adjusted on January 1, 2025, by the salary increment provided to state
 21 employees in the State/Executive Branch Budget.

	2024-25	2025-26
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23 **2. Legislative Research Commission**

24	General Fund	65,857,600	65,944,600
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25 **(1) Legislative Record:** Notwithstanding KRS 7.105, distribution of the final issue of
 26 the Legislative Record and the interim Legislative Record shall be suspended effective July 1,
 27 2024.

1 **(2) Legislative Publications:** Notwithstanding KRS Chapters 27A and 57, the Acts of
 2 the General Assembly, the Journals of the Senate and House of Representatives, and the official
 3 Kentucky statute publications may be distributed by use of electronic versions only, at the
 4 discretion of the Director of the Legislative Research Commission.

5 **(3) Council of State Governments:** Included in the above General Fund appropriation is
 6 \$1,000,000 in fiscal year 2024-2025 to be distributed to the Council on State Governments to
 7 host a meeting of the Southern Legislative Conference in 2026.

8 **(4) Medicaid Oversight and Review Committee:** Included in the above General Fund
 9 appropriation is \$500,000 in fiscal year 2024-2025 to support staffing and operations of the
 10 Medicaid Oversight and Review Committee. The Committee shall conduct an assessment of the
 11 current Medicaid reimbursement rates, develop a proposal for the future rebasing of Medicaid
 12 reimbursement rates, and undertake additional activities as deemed necessary.

13 **(5) Efficient and Effective School District Governance Task Force:** Included in the
 14 above General Fund appropriation is \$250,000 in fiscal year 2024-2025 to support the Efficient
 15 and Effective School District Governance Task Force to assess the efficiency and effectiveness
 16 of the operations, management, and policies of Kentucky school districts with student enrollment
 17 greater than 75,000.

18 **(6) Kentucky Talent Attraction Initiative:** Included in the above General Fund
 19 appropriation is \$250,000 in fiscal year 2024-2025 for consulting, strategic support, and to
 20 convene a working group that shall be established by the Legislative Research Commission.

21 **TOTAL - OPERATING BUDGET**

22		2024-25	2025-26
23	General Fund	89,669,800	91,940,400
24	Restricted Funds	75,000	175,000
25	TOTAL	89,744,800	92,115,400

26 **Unexpended Balance:** Notwithstanding KRS 45.229, any unexpended balance remaining
 27 at the close of fiscal year 2023-2024 shall not lapse but shall continue into fiscal year 2024-2025,

1 and any unexpended balance in any succeeding fiscal year shall not lapse but shall continue into
 2 the following fiscal year.

3 **TOTAL - LEGISLATIVE BRANCH BUDGET**

4		2024-25	2025-26
5	General Fund	89,669,800	91,940,400
6	Restricted Funds	75,000	175,000
7	TOTAL	89,744,800	92,115,400

8 **PART II**

9 **GENERAL PROVISIONS**

10 **1. Expenditure Authority:** The Director of the Legislative Research Commission,
 11 under the supervision of the Legislative Research Commission, may expend any of the funds
 12 appropriated for legislative operation and administration in any lawful manner and for any legal
 13 purpose consistent with the policies and practices of the Commission. No executive agency or
 14 statute governing the executive agencies of state government shall have the power to restrict or
 15 limit the actions of, or the expenditure of funds appropriated to, the Legislative Research
 16 Commission for the Legislative Branch of government.

17 **2. Capitol and Capitol Annex Capital Construction Expenditures:** Any expenditure
 18 authorized by the Director of the Legislative Research Commission, under the supervision of the
 19 Legislative Research Commission, relating to implementation of KRS 56.463(4)(b), or relating
 20 to the Capitol Building, and funded by previous or current appropriations to the Legislative
 21 Research Commission for the Legislative Branch of government shall not be governed by KRS
 22 7A.010, 7A.120, 45.750 to 45.810, 48.010(16), 48.020, and 48.110.

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

27 **4. Duplicate Appropriation:** Any appropriation item and sum in this Act and in an

1 appropriation provision in another Act of the 2024 Regular Session of the General Assembly
2 which constitutes a duplicate appropriation shall be governed by KRS 48.312.

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

5 **6. Appropriations Revisions:** Proposed revisions to Restricted Funds appropriations in
6 this Act shall be made and reported pursuant to KRS 48.630(10).

7 **7. Allowance in Lieu of Stationery:** Notwithstanding KRS 6.220, in lieu of stationery,
8 there shall be allowed to each member of the House of Representatives the sum of \$350 and to
9 each member of the Senate the sum of \$650. This allowance shall be paid out of the State
10 Treasury at the beginning of each legislative session.

11 **8. Salary Adjustments:** In each fiscal year, employees of the Legislative Research
12 Commission shall receive a salary adjustment in accordance with the salary adjustment provided
13 to state employees in the state/executive branch budget.

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

17 **PART III**

18 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

19 The Legislative Branch shall participate in any Budget Reduction Plan or Surplus
20 Expenditure Plan in accordance with KRS Chapter 48, except that obligations essential to the
21 constitutional duties of the Legislative Branch shall be exempt from any Budget Reduction Plan.
22 The level of participation in a Budget Reduction Plan shall be at the discretion of the Director
23 and shall not exceed the actual percentage of revenue shortfall."
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Senate Members

House Members

The above-named members, in separate votes by house, all concur in the provisions of this report.

DATE

For Clerk's Use:

Adopted: _____

Repassage Vote: _____