

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. The Judicial Branch Budget is as follows:

7 **PART I**

8 **OPERATING BUDGET**

9 **(1) Funds Appropriations:** There is appropriated out of the General Fund,
10 Restricted Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1,
11 2023, and ending June 30, 2024, for the fiscal year beginning July 1, 2024, and ending
12 June 30, 2025, and for the fiscal year beginning July 1, 2025, and ending June 30, 2026,
13 the following sums to be used for the purposes of the Judicial Branch of the government
14 of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals,
15 Circuit Court, Family Court, District Court, the Administrative Office of the Courts,
16 Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency
17 Fund, and for services performed by the Circuit Court Clerks' offices, including both
18 Circuit and District Court support.

19 **A. JUDICIAL BRANCH**

20 **Budget Units**

21 **1. Court of Justice**

22 **a. Court Operations and Administration**

	2024-25	2025-26
24 General Fund	342,510,600	352,575,900
25 Restricted Funds	53,309,200	53,750,200
26 Federal Funds	3,627,600	1,895,200
27 TOTAL	399,447,400	408,221,300

1 **(1) Defined Calculations:** Included in the above General Fund appropriation is
2 \$5,008,400 in fiscal year 2024-2025 and \$8,236,700 in fiscal year 2025-2026 to provide
3 funds for the increase in the employer cost of health and life insurance.

4 **(2) Annual Increment:** Included in the above General Fund appropriation is
5 \$2,247,100 in fiscal year 2024-2025 and \$4,552,700 in fiscal year 2025-2026 for a one
6 percent annual increment in each year of the biennium for non-elected court personnel,
7 justices, judges, and circuit clerks.

8 **(3) Salary Parity Plan:** Included in the above General Fund appropriation is
9 \$22,004,300 in fiscal year 2024-2025 and \$22,004,300 in fiscal year 2025-2026 to
10 increase salaries of all non-elected court personnel, justices, judges, and circuit clerks to
11 improve salary parity of the Judicial Branch.

12 Any increase in creditable compensation resulting from the pay raises provided by
13 this subsection shall be exempt from reduction under KRS 61.598, and the pay raises
14 shall be fully used to determine the member's creditable compensation, final
15 compensation, and resulting retirement benefits, regardless of the member's actual
16 retirement date or the system from which the member retires.

17 **(4) Judgeships authorized by the 2022 General Assembly:** Included in the
18 above General Fund appropriation is \$4,702,400 in fiscal year 2025-2026 for nine
19 judgeships that were authorized by the 2022 General Assembly without an appropriation
20 of funds.

21 **(5) Mental Health Court Expansion:** Included in the above General Fund
22 appropriation is \$1,587,900 in fiscal year 2024-2025 and \$1,491,900 in fiscal year 2025-
23 2026 for expansion of mental health court by ten sites.

24 **(6) Additional positions:** Included in the above General Fund appropriation is
25 \$1,218,400 in fiscal year 2024-2025 and \$1,143,400 in fiscal year 2025-2026 for 15
26 additional positions for the Administrative Office of the Courts.

27 **(7) Civil Filing Fees:** Pursuant to its authority, if the Supreme Court retains the

1 increases in civil filing fees that were effective in 2008 and 2018, the additional income
 2 resulting from the fee increases, not to exceed \$15,468,100 in each fiscal year, shall be
 3 deposited into a trust and agency account for court operations and salaries for non-elected
 4 personnel. Any revenue generated by these increases in excess of the \$15,468,100 in each
 5 fiscal year shall be deposited into the General Fund.

6 **b. Local Facilities Fund**

	2024-25	2025-26
8 General Fund	132,190,500	137,178,600

9 **(1) Local Facility Projects:** Included in the above General Fund appropriation is
 10 \$3,219,100 in fiscal year 2024-2025 and \$8,207,200 in fiscal year 2025-2026 to support
 11 the use allowance, operating, and non-recurring furniture and equipment costs for six
 12 judicial centers authorized by the 2020 General Assembly and two judicial center projects
 13 authorized by the 2022 General Assembly.

14 **(2) Additional Use Allowance:** Included in the above General Fund
 15 appropriation is \$1,462,200 in fiscal year 2024-2025 and \$1,462,200 in fiscal year 2025-
 16 2026 for additional use allowance for the Butler, Clinton, and Crittenden projects
 17 authorized by the 2020 General Assembly.

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

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

1 exceed the authorized annual use allowance.

2 **(5) Court Facility Maintenance Fund:** (a) Notwithstanding KRS
3 26A.090(2), when there is no debt on court facility construction or renovation projects
4 authorized prior to the 2000 Regular Session of the General Assembly, use allowance is
5 restricted to compensation equal to two percent annually of capital costs to be paid to the
6 county unit of government and two percent annually to be retained by the Administrative
7 Office of the Courts and directed to a separate fund specifically for maintenance of court
8 facilities.

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

11 (c) Notwithstanding KRS 45.750, any maintenance project estimated to cost
12 \$3,000,000 or less for a local court facility is not considered to be a capital project
13 requiring authorization of the General Assembly in the Judicial Branch budget bill and
14 may be completed using funds appropriated to the Judicial Branch for maintenance of
15 local facilities or other agency funds of the Judicial Branch.

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

17 **(1) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended
18 balance remaining at the close of fiscal year 2023-2024 shall not lapse and shall continue
19 into fiscal year 2024-2025, and any unexpended balance remaining at the close of fiscal
20 year 2024-2025 shall not lapse and shall continue into fiscal year 2025-2026 to provide
21 for cost overruns in authorized court facilities projects not to exceed 15 percent of the use
22 allowance in accordance with KRS Chapter 26A.

23 **TOTAL - Court of Justice**

	2024-25	2025-26
24		
25	474,701,100	489,754,500
26	53,309,200	53,750,200
27	3,627,600	1,895,200

1	TOTAL	531,637,900	545,399,900
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2 **2. JUDICIAL RETIREMENT SYSTEM**

		2024-25	2025-26
3			
4	General Fund	660,000	703,000
5	Restricted Funds	695,000	700,200
6	TOTAL	1,355,000	1,403,200

7 **(1) Judicial Retirement Benefits:** Notwithstanding KRS 21.525, General Fund
8 amounts are included to provide actuarial-assessed judicial retirement benefits pursuant
9 to KRS 21.345 to 21.580.

10 **(2) Administrative Expenses:** Pursuant to KRS 21.540, administrative expenses
11 shall be paid out of an administrative account which shall be funded by transfers of the
12 necessary moneys, in appropriate ratio, from the funds described in KRS 21.550 and
13 21.560.

14 **(3) Pension Benefit Increase:** Notwithstanding KRS 21.405(5), no pension
15 benefit increase shall be granted to recipients of a retirement allowance under KRS
16 21.345 to 21.580 on July 1, 2024, or July 1, 2025.

17 **TOTAL - JUDICIAL BRANCH**

		2024-25	2025-26
18			
19	General Fund	475,361,100	490,457,500
20	Restricted Funds	54,004,200	54,450,400
21	Federal Funds	3,627,600	1,895,200
22	TOTAL	532,992,900	546,803,100

23 **PART II**

24 **CAPITAL PROJECTS BUDGET**

25 **(1) Authorization of Capital Projects:** It is the intent of the General Assembly
26 that any capital project proposed by any state government entity, including the agencies
27 and subdivisions of the Court of Justice, shall be authorized by the General Assembly

1 prior to the project's financing and construction, in accordance with KRS 7A.010,
2 7A.120, 45.750, 45.760, 45.763, 45.765, and 48.110. Pursuant to KRS 45.760(1), the
3 amount allotted, from all sources, for expenditure on any capital project, including leases
4 as defined by KRS 45.750, shall not exceed the estimated cost as shown in this Act.

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

17 **(3) Court Facility Planning Process:** A feasibility study completed by a
18 certified architect not otherwise involved with the project shall be provided to the Project
19 Development Board to assist in making a determination whether the needs of the
20 community and the Court of Justice can best be met through the construction of a
21 freestanding building, or through an addition and/or renovation of the existing court
22 facility.

23 **(4) Deferred Funding:** (a) General Fund support to provide operating costs
24 totaling \$240,000 and annualized use allowance payments totaling \$2,352,900 and
25 \$500,000 for nonrecurring equipment and furniture costs for the Owsley County project
26 is deferred to the 2026-2028 biennium.

27 (b) It is the intent of the General Assembly that the project in paragraph (a) of this

1 subsection shall be funded using resources previously appropriated for projects that no
2 longer require use allowance debt payments in the 2026-2028 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 **A. JUDICIAL BRANCH**

10 **Budget Units**

11	1. Local Facilities Fund	2024-2025	2025-2026
12	Project	Project Scope	
13	001. Owsley	\$28,015,000	
14	002. Court of Appeals Building	\$14,100,000	
15	003. Maintenance Pool - HVAC	\$26,750,000	
16	004. Maintenance Pool - Roof	\$9,095,000	
17	005. Maintenance Pool - Electrical	\$11,235,000	
18	006. Maintenance Pool - Renovations	\$6,420,000	
19	2. Lease Authorizations		
20	001. Franklin County - Lease - Court of Appeals		
21	002. Jefferson County - Lease - Parking		
22	003. Madison County - Lease - Family Court		

23 **PART III**

24 **GENERAL PROVISIONS**

25 **1. Expenditure Authority:** The Director of the Administrative Office of the
26 Courts, with the approval of the Chief Justice, may expend any of the funds appropriated
27 for court operations and administration in any lawful manner and for any legal purpose

1 that the Chief Justice shall authorize or direct. No executive agency of state government
2 shall have the power to restrict or limit the expenditure of funds appropriated to the
3 Judicial Branch of government.

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

8 **3. Duplicate Appropriations:** Any appropriation item and sum in this Act and
9 in an appropriation provision in another Act of the 2024 Regular Sessions of the General
10 Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.

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

14 **5. Carry Forward of Funds:** Notwithstanding KRS 45.229, any unexpended
15 balance remaining at the close of the fiscal years ending June 30, 2024, June 30, 2025,
16 and June 30, 2026, shall not lapse and shall continue into the next fiscal year.

17 **6. Final Budget Document:** The Director of the Administrative Office of the
18 Courts shall prepare a final budget document reflecting the 2024-2026 biennial budget of
19 the Court of Justice. A copy shall be provided to the Legislative Research Commission,
20 and an informational copy shall be furnished to the Finance and Administration Cabinet,
21 within 60 days of the adjournment of the 2024 Regular Session of the General Assembly.

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

27 **8. Appropriations Revisions:** Proposed revisions to General Fund, Restricted

1 Funds, and Federal Funds appropriations in this Act shall be made and reported to the
2 Interim Joint Committee on Appropriations and Revenue pursuant to KRS 48.630(10).
3 The Director of the Administrative Office of the Courts shall notify, on a timely basis, the
4 Legislative Research Commission of the most current estimates of anticipated receipts for
5 the affected fiscal year and an accompanying statement which explains variations from
6 the anticipated amount.

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

10 **10. Debt Restructuring:** Notwithstanding any other provision of the Kentucky
11 Revised Statutes, use allowance payments shall not be amended to reflect debt
12 restructuring transactions undertaken by a county during the 2024-2026 fiscal biennium.

13 **11. Court Facility Maintenance Fund Report:** For each of the periods ending
14 June 30, 2024, June 30, 2025, and June 30, 2026, the Director of the Administrative
15 Office of the Courts shall prepare a court facility maintenance report. This report shall
16 detail all court facility maintenance undertaken by the Court of Justice, to include any
17 cost-sharing with counties, as well as detail regarding future maintenance needs. This
18 report shall include a statewide expenditure summary followed by individual county
19 expenditures detailing the state's and county's respective share of expenditures. The
20 Administrative Office of the Courts shall provide this report to the Interim Joint
21 Committee on Appropriations and Revenue by September 15 of each fiscal year.

22 **PART IV**

23 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

24 The Judicial Branch shall participate in any Budget Reduction Plan or Surplus
25 Expenditure Plan in accordance with KRS Chapter 48, except that obligations essential to
26 the constitutional duties and use allowance of the Judicial Branch shall be exempt from
27 any Budget Reduction Plan. The level of participation in a Budget Reduction Plan shall

- 1 be at the discretion of the Chief Justice and shall not exceed the actual percentage of
- 2 revenue shortfall.