AN ACT relating to appropriations measures providing funding and establishing conditions for the operations, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state-supported activities.

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

➔Section 1. The State/Executive Branch Budget is as follows:

PART I

OPERATING BUDGET

(1) Funds Appropriations: There is appropriated out of the General Fund, Road Fund, Restricted Funds accounts, Federal Funds accounts, or Bond Funds accounts for the fiscal year beginning July 1, 2025, and ending June 30, 2026, for the fiscal year beginning July 1, 2026, and ending June 30, 2027, and for the fiscal year beginning July 1, 2027, and ending June 30, 2028, the following discrete sums, or so much thereof as may be necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710. Each appropriation is made by source of respective fund or funds accounts. Appropriations for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and budget units of the state government, and any and all other activities of the government of the Commonwealth, are subject to the provisions of Chapters 12, 42, 45, and 48 of the Kentucky Revised Statutes and compliance with the conditions and procedures set forth in this Act.

(2) Tobacco Settlement Funds: Appropriations identified as General Fund (Tobacco) in Part I, Operating Budget, of this Act are representative of the amounts provided in Part X, Phase I Tobacco Settlement, of this Act and are not to be appropriated in duplication.

A. GENERAL GOVERNMENT

Budget Units

1. OFFICE OF THE GOVERNOR

	2026-27	**2027-28**
General Fund	6,688,100	6,607,200
Restricted Funds	287,900	287,800
TOTAL	6,976,000	6,895,000

(1) Salary Increment: Notwithstanding KRS 64.480(2), the increment provided on the base salary of the Lieutenant Governor shall be the same as that provided for eligible state employees in Part IV of this Act.

Notwithstanding KRS 64.480(4), the increment provided on the base salary of the Governor shall be the same as that provided for eligible state employees in Part IV of this Act.

2. OFFICE OF STATE BUDGET DIRECTOR

	2026-27	**2027-28**
General Fund	3,782,900	3,749,000
Restricted Funds	261,400	261,400
Federal Funds	62,000	-0-
TOTAL	4,106,300	4,010,400

(1) Participation in Transparent Governing - Full Disclosure of Inmate Population Forecasts and Related Materials: The Office of State Budget Director shall provide the methodology, assumptions, data, and all other related materials used to project biennial offender population forecasts conducted by the Office of State Budget Director, the Kentucky Department of Corrections, and any consulting firms, to the Interim Joint Committee on Appropriations and Revenue by October 1, 2027. This submission shall include but not be limited to the projected state, county, and community offender populations for the 2028-2030 fiscal biennium and must coincide with the budgeted amount for these populations. This submission shall clearly divulge the methodology and reasoning behind the budgeted and projected offender population in a commitment to participate in transparent governing.

3. HOMELAND SECURITY

	2026-27	**2027-28**
General Fund	5,632,600	5,626,200
Restricted Funds	4,411,800	4,360,100
Federal Funds	9,955,400	9,983,700
TOTAL	19,999,800	19,970,000

(1) School Safety: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 165.

4. VETERANS' AFFAIRS

	2026-27	**2027-28**
General Fund	38,152,300	40,306,800
Restricted Funds	107,228,800	108,377,900
Federal Funds	200,100	200,100
TOTAL	145,581,200	148,884,800

(1) Weekend and Holiday Premium Pay Incentive: The Kentucky Veterans Centers are authorized to continue the weekend and holiday premium pay incentive for the 2026-2028 fiscal biennium.

(2) Congressional Medal of Honor Recipients - Travel and Per Diem: The Commissioner of the Department of Veterans' Affairs may approve travel and per diem expenses incurred when Kentucky residents who have been awarded the Congressional Medal of Honor attend veterans, military, or memorial events in the Commonwealth of Kentucky.

(3) State Veterans Nursing Home: All state veterans' nursing homes must meet a combined 80 percent bed occupancy rate before any future projects will be considered. Once the 80 percent threshold has been met, it is the intent of the General Assembly that any future beds allocated from the United States Department of Veterans Affairs or reallocated from the Kentucky Department of Veterans' Affairs be dedicated to a state

veterans nursing home in Magoffin County to serve that area.

(4) Kentucky Homeless Veterans Program: Included in the above General Fund appropriation is $300,000 in each fiscal year to provide emergency financial assistance to Kentucky's homeless veterans.

(5) Debt Service: Included in the above General Fund appropriation is $665,000 in fiscal year 2026-2027 and $1,330,000 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(6) Thomson-Hood Veterans Center Additional Positions: Included in the above Restricted Funds appropriation is $5,110,800 in fiscal year 2026-2027 and $5,488,400 in fiscal year 2027-2028 for additional positions at the Thomson-Hood Veterans Center.

(7) Western Kentucky Veterans Center Additional Positions: Included in the above Restricted Funds appropriation is $6,397,400 in fiscal year 2026-2027 and $6,778,600 in fiscal year 2027-2028 for additional positions at the Western Kentucky Veterans Center.

5. KENTUCKY INFRASTRUCTURE AUTHORITY

	2026-27	**2027-28**
General Fund	2,981,600	4,550,300
Restricted Funds	8,306,100	10,782,900
Federal Funds	401,827,000	288,578,900
TOTAL	413,114,700	303,912,100

(1) Debt Service: Included in the above appropriations is $1,151,500 in General Fund and $2,486,000 in Restricted Funds in fiscal year 2026-2027 and $2,781,500 in General Fund and $4,972,000 in Restricted Funds in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(2) Area Development District Reporting and Compensation: Each area development district shall submit a comprehensive financial report to the Kentucky

Infrastructure Authority detailing by September 1, 2026, all expenditures made during the preceding fiscal year to satisfy the requirements of any contract or agreement between the district and the authority. This report shall include details concerning contracted water management planning services and the maintenance of the Water Resource Information System (WRIS) and other relevant contracted services.

The Kentucky Infrastructure Authority shall submit a report to the Interim Joint Committee on Appropriations and Revenue by November 1, 2026. The report shall include information received from the area development districts as well as financial information detailing funding distributed to the area development districts for WRIS and other relevant contracted services.

6. MILITARY AFFAIRS

	2026-27	**2027-28**
General Fund	29,252,300	28,669,500
Restricted Funds	20,687,500	20,782,800
Federal Funds	87,463,800	87,870,800
TOTAL	137,403,600	137,323,100

(1) Kentucky National Guard: Included in the above General Fund appropriation is $4,500,000 in each fiscal year to be expended, subject to the conditions and procedures provided in this Act, which are required as a result of the Governor's declaration of emergency pursuant to KRS Chapter 39A, and the Governor's call of the Kentucky National Guard to active duty when an emergency or exigent situation has been declared to exist by the Governor. Notwithstanding KRS 45.229, any portion of the $4,500,000 not expended shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705) at the end of each fiscal year. In the event that costs for Governor-declared emergencies or the Governor’s call of the Kentucky National Guard for emergencies or exigent situations exceed $4,500,000 annually, up to $100,000,000 for the 2026-2028 fiscal biennium shall be deemed necessary government expenses and shall be paid from

the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

(2) Disaster or Emergency Aid Funds: Subject to the conditions and procedures in this Act, in the event of a presidentially declared disaster or emergency, the Department of Military Affairs may request from the Finance and Administration Cabinet, as a necessary government expense, up to $25,000,000 in each fiscal year from the General Fund to be used as required to match federal aid for which the state would be eligible. These necessary funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

All moneys reimbursed to the state by the Federal Emergency Management Agency (FEMA) for eligible disaster-related expenditures shall be deposited into the Budget Reserve Trust Fund Account (KRS 48.705).

7. COMMISSION ON HUMAN RIGHTS

	2026-27	**2027-28**
General Fund	1,999,200	1,985,900
Restricted Funds	10,000	10,000
Federal Funds	434,200	434,200
TOTAL	2,443,400	2,430,100

8. COMMISSION ON WOMEN

(1) Redistribution of Resources: Notwithstanding KRS 12.020, 12.023, 14.260, 15A.190, 214.554, and 344.510 to 344.530, no General Fund appropriation is provided for the Commission on Women in order to provide additional funding for Domestic Violence Shelters, Rape Crisis Centers, and Children's Advocacy Centers.

9. DEPARTMENT FOR LOCAL GOVERNMENT

	2026-27	**2027-28**
General Fund	10,227,100	12,001,300
Restricted Funds	4,320,700	2,262,300

Federal Funds	242,402,800	242,437,200
TOTAL	256,950,600	256,700,800

(1) Appalachian Regional Commission Matching Funds: Included in the above General Fund appropriation is $240,000 in fiscal year 2026-2027 and $232,500 in fiscal year 2027-2028 for Area Development Districts to match increased Appalachian Regional Commission grants.

(2) Kentucky Mountain Regional Recreation Authority: Included in the above Restricted Funds appropriation is $1,500,000 in each fiscal year for the Kentucky Mountain Regional Recreation Authority. Restricted Funds shall be transferred from the Tourism, Arts and Heritage Cabinet from taxes collected pursuant to KRS 142.400(2).

(3) Local Government Operations: Notwithstanding KRS 65A.020(5)(a), included in the above Restricted Funds appropriation is $2,000,000 in fiscal year 2026-2027 to support the operations of the Department for Local Government.

10. LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND

	2026-27	**2027-28**
General Fund	27,926,700	25,211,700

(1) Allocation of the Local Government Economic Assistance Fund: Notwithstanding KRS 42.470(1)(a), 70 percent of moneys in the Local Government Economic Assistance Fund shall be distributed to each coal producing county on the basis of the ratio of coal severed in each respective county to the coal severed statewide. Notwithstanding KRS 42.470(1)(c), no allocation shall be distributed to non-coal producing counties.

(2) Coal Haul Road System: Notwithstanding KRS 42.455(2), no funds appropriated to the Local Government Economic Assistance Fund are required to be spent on the coal haul road system.

11. LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND

	2026-27	**2027-28**

General Fund		20,494,800	15,059,000

(1) Coal Severance Tax Transfers: Notwithstanding KRS 42.450 to 42.495, 70 percent of the severance and processing taxes on coal collected annually, except items described in subsection (2) below, shall be transferred to the Local Government Economic Development Fund. Notwithstanding KRS 42.450 to 42.495, 30 percent of the severance and processing taxes on coal collected annually, except items described in subsection (2) below, shall be transferred to the Local Government Economic Assistance Fund. Transfers to the Local Government Economic Development Fund and the Local Government Economic Assistance Fund shall be made quarterly in July, October, January, and April based upon actual revenues from the prior quarter.

(2) Coal Severance Tax Collections Calculations and Transfers: The above appropriations from the General Fund are based on the official estimate presented by the Office of State Budget Director. Notwithstanding KRS 42.450 to 42.495, coal severance tax collections during the 2026-2028 fiscal biennium shall first be allocated to the following programs or purposes on a quarterly basis:

(a) Department for Local Government: An annual appropriation of $669,700 in each fiscal year is appropriated as General Fund moneys to the Department for Local Government budget unit for Local Government Economic Development Fund and Local Government Economic Assistance Fund project administration costs;

(b) Debt Service: An annual appropriation of 100 percent of the debt service necessary to support bonds authorized in 2003 Ky. Acts ch. 156, 2005 Ky. Acts ch. 173, 2006 Ky. Acts ch. 252, 2008 Ky. Acts ch. 127, and 2010 (1st Extra. Sess.) Ky. Acts ch. 1, in the amount of $17,747,700 in fiscal year 2026-2027 and $16,786,700 in fiscal year 2027-2028 is appropriated for that purpose;

(c) Osteopathic Medicine Scholarship Program: Notwithstanding KRS 164.7891(11)(b), no transfers shall be made to the Osteopathic Medicine Scholarship Program within the Kentucky Higher Education Assistance Authority;

(d) Pharmacy Scholarships: Notwithstanding KRS 164.7890(11)(c), no transfers shall be made to the Coal County Pharmacy Scholarship Program within the Kentucky Higher Education Assistance Authority; and

(e) Kentucky Coal Fields Endowment Authority: Notwithstanding KRS 42.453(3), no transfers shall be made to the Kentucky Coal Field Endowment Authority.

(3) Allocation of the Local Government Economic Development Fund: Notwithstanding KRS 42.4592(1), 50 percent of Local Government Economic Development Fund moneys shall be allocated in accordance with KRS 42.4592(1)(a), and 50 percent shall be allocated in accordance with KRS 42.4592(1)(b).

(4) Use of the Local Government Economic Development Fund: Notwithstanding KRS 42.450 to 42.495, all funds appropriated to Local Government Economic Development Fund Single-County Accounts shall be allocated to projects with the concurrence of the respective county judge/executive, state senator(s), and state representative(s) of each county. If concurrence is not achieved, the fiscal court of each county may apply for grants through the Department for Local Government pursuant to KRS 42.4588.

12. AREA DEVELOPMENT FUND

(1) Area Development Fund: Notwithstanding KRS 42.345 to 42.370 and 48.185, or any statute to the contrary, no funding is provided for the Area Development Fund.

(2) Area Development District Flexibility: Notwithstanding KRS 42.350(2) and provided that sufficient funds are maintained in the Joint Funding Agreement program to meet the match requirements for the Economic Development Administration grants, Community Development Block Grants, Appalachian Regional Commission grants, or any federal program where the Joint Funding Agreement funds are utilized to meet nonfederal match requirements, an area development district with authorization from its Board of Directors may request approval to transfer funding between the Area

Development Fund and the Joint Funding Agreement Program from the Commissioner of the Department for Local Government.

13. REGIONAL DEVELOPMENT AGENCY ASSISTANCE FUND

	2026-27	**2027-28**
Restricted Funds	6,000,000	6,000,000

14. EXECUTIVE BRANCH ETHICS COMMISSION

	2026-27	**2027-28**
General Fund	667,200	661,500
Restricted Funds	509,300	500,900
TOTAL	1,176,500	1,162,400

(1) Use of Restricted Funds: All penalties collected or received by the Executive Branch Ethics Commission shall be deposited in the State Treasury and credited to a trust and agency fund account to the credit of the Commission to be used by the Commission for the cost of conducting administrative hearings pursuant to KRS Chapter 13B. Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward.

15. SECRETARY OF STATE

	2026-27	**2027-28**
Restricted Funds	6,441,400	6,358,900

(1) Use of Restricted Funds: Notwithstanding KRS 14.140(1) and (3), the above Restricted Funds may be used for the continuation of current activities within the Office of the Secretary of State.

(2) Salary Increment: Notwithstanding KRS 64.480(2), the increment provided on the base salary of the Secretary of State shall be the same as that provided for eligible state employees in Part IV of this Act.

16. BOARD OF ELECTIONS

	2026-27	**2027-28**
General Fund	7,710,600	7,543,100

Restricted Funds	111,800	106,700
Federal Funds	1,829,800	1,829,800
TOTAL	9,652,200	9,479,600

(1) Cost of Elections: Up to $100,000 of costs associated with special elections, KRS 117.345(2) costs associated with additional precincts with a voting machine, KRS 117.343 costs for additional registered voters, and KRS 116.145 costs for additional new registered voters shall be deemed a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). Any reimbursements authorized as a necessary government expense according to the above provisions shall be at the same rates as those established by the State Board of Elections.

17. REGISTRY OF ELECTION FINANCE

	2026-27	**2027-28**
General Fund	1,811,300	1,845,600

18. ATTORNEY GENERAL

	2026-27	**2027-28**
General Fund (Tobacco)	150,000	150,000
General Fund	27,962,800	41,957,900
Restricted Funds	97,805,700	82,417,900
Federal Funds	60,000,400	60,275,600
TOTAL	185,918,900	184,801,400

(1) State Enforcement: Notwithstanding KRS 248.654 and 248.703(4), included in the above General Fund (Tobacco) appropriation is $150,000 in each fiscal year for the state’s diligent enforcement of noncompliant nonparticipating manufacturers.

(2) Expert Witnesses: In addition to such funds as may be appropriated, the Office of the Attorney General and the Unified Prosecutorial System, on behalf of the Commonwealth's Attorneys, may request from the Finance and Administration Cabinet,

as a necessary government expense, such funds as may be necessary for expert witnesses. Upon justification of the request, the Finance and Administration Cabinet shall provide up to $3,000,000 for the 2026-2028 fiscal biennium for this purpose to the Office of the Attorney General and the Unified Prosecutorial System from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). Without charge, the Department of Insurance shall provide the Office of the Attorney General any available information to assist in the preparation of a rate hearing pursuant to KRS 304.17A-095. Expenditures under this subsection shall be reported to the Interim Joint Committee on Appropriations and Revenue by August 1 of each year.

(3) Annual and Sick Leave Service Credit: Notwithstanding any statutory or regulatory restrictions to the contrary, any former employee of the Unified Prosecutorial System who has been appointed to a permanent full-time position under KRS Chapter 18A shall be credited annual and sick leave based on service credited under the Kentucky Retirement Systems solely for the purpose of computation of sick and annual leave. This provision shall only apply to any new appointment or current employee as of July 1, 1998.

(4) Operations of the Office of the Attorney General: Notwithstanding KRS 367.478(2), 367.805(3), and 367.905(5), funds may be expended in support of the operations of the Office of the Attorney General. Included in the above Restricted Funds appropriation in fiscal year 2026-2027 is $15,000,000 to support the operations of the Office of the Attorney General.

(5) Legal Services Contracts: The Office of the Attorney General may present proposals to state agencies specifying legal work that is presently accomplished through personal service contracts that indicate the Office of the Attorney General's capacity to perform the work at a lesser cost. State agencies may agree to make arrangements with the Office of the Attorney General to perform the legal work and compensate the Office of the Attorney General for the legal services.

(6) Civil Action Representation: To ensure adequate representation of the interest of the Commonwealth and to protect the financial condition of the Kentucky Retirement Systems, it has been determined that it is necessary to allow the Attorney General appropriate authority to engage private lawyers as co-counsel in Franklin Circuit Court Civil Action Nos. 17-CI-01348 and 20-CI-00590. Due to the highly complex and specialized nature of that litigation, KRS Chapter 45A, et seq. would prevent the Attorney General from engaging counsel of his choice. Accordingly, to protect the interest of the Commonwealth, and notwithstanding the requirements of KRS Chapter 45A, et seq., which are hereby waived in with respect to the Attorney General retaining private lawyers to prosecute Civil Action Nos. 17-CI-01348 and 20-CI-00590, and any other civil action regarding the same subject matter or seeking the same relief as Civil Action Nos. 17-CI-0138 and 20-CI-00590, the Attorney General is vested with the authority to hire and pay counsel of his choice on any contractual basis the Attorney General deems advisable.

(7) Salary Increment: Notwithstanding KRS 64.480(2), the increment provided on the base salary of the Attorney General shall be the same as that provided for eligible state employees in Part IV of this Act.

(8) Office of Medicaid Fraud and Abuse Control: Included in the above appropriations is $140,000 in General Fund and $420,000 in Federal Funds in each fiscal year to support the Office of Medicaid Fraud and Abuse Control. The Office of Attorney General shall submit an annual report beginning December 1, 2026, to the Interim Joint Committee on Appropriations and Revenue. The report shall include the number of reported fraud incidents, the types of fraud reported, the number of reported fraud incidents investigated by the office, the monetary amount involved in the fraudulent activity, and the resolution of the reported fraud incidents.

(9) Administrative Hearings: Included in the above appropriations is $3,241,200 in Restricted Funds and $1,939,700 in Federal Funds in each fiscal year to

support the cost of Administrative Hearings held by the Office of the Attorney General for the Cabinet for Health and Family Services. The Attorney General shall bill the Cabinet for Health and Family Services on a quarterly basis for the cost, not to exceed $5,180,900 each fiscal year.

(10) Training Incentive Payments: Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is $4,653 in fiscal year 2026-2027 and $4,746 in fiscal year 2027-2028 for each participant for training incentive payments.

(11) Body Armor Grant Program: Included in the above Restricted Funds appropriation is $10,000,000 in each fiscal year of the 2026-2028 biennium for grants to law enforcement and first responders for the purchase of body armor, duty weapons, ammunition, electronic-control devices, and body-worn cameras. Notwithstanding KRS 15.430 and 15.470, excess Restricted Funds from the Department of Criminal Justice Training shall be transferred to the Attorney General for this purpose.

(12) Replace Federal Incentive Funding for Child Support Services: Included in the above appropriations is $2,380,000 in General Fund and $4,620,000 in Federal Funds in each fiscal year to replace federal incentive funding for Child Support Services.

(13) Create Digital Forensics Lab: Included in the above General Fund appropriation is $905,100 in fiscal year 2026-2027 and $587,100 in fiscal year 2027-2028 to create a new computer forensics laboratory in Western Kentucky.

(14) Upgrade Communications Equipment: Included in the above Restricted Funds appropriation is $569,000 in fiscal year 2026-2027 to upgrade communications equipment. Notwithstanding KRS 15.430 and 15.470, excess Restricted Funds from the Department of Criminal Justice Training shall be transferred to the Attorney General for this purpose.

(15) Data Privacy Protections: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 72.

19. UNIFIED PROSECUTORIAL SYSTEM

(1) Prosecutors Advisory Council Administrative Functions: The Prosecutors Advisory Council shall approve compensation for employees of the Unified Prosecutorial System subject to the appropriations in this Act.

a. Commonwealth's Attorneys

	2026-27	**2027-28**
General Fund	78,548,000	80,553,700
Restricted Funds	6,370,400	5,942,100
Federal Funds	331,800	331,800
TOTAL	85,250,200	86,827,600

(1) Salary Increment: Notwithstanding KRS 15.755, the increment provided on the base salary of the Commonwealth's Attorneys shall be the same as that provided for eligible state employees in Part IV of this Act.

(2) Salary Compensation Standardization: Included in the above General Fund appropriation is $1,758,300 in fiscal year 2026-2027 and $2,250,000 in fiscal year 2027-2028 to support the Salary Compensation Standardization for Commonwealth’s Attorneys.

(3) Cloud Storage Cost: Included in the above Restricted Funds appropriation is $794,000 in fiscal year 2026-2027 and $409,000 in fiscal year 2027-2028 for additional cloud storage costs for Commonwealth's Attorneys.

b. County Attorneys

	2026-27	**2027-28**
General Fund	83,259,500	84,354,300
Restricted Funds	876,300	865,900
Federal Funds	87,700	87,700
TOTAL	84,223,500	85,307,900

(1) Salary Increment: Notwithstanding KRS 15.765, the increment provided on the base salary of the County Attorneys shall be the same as that provided for eligible

state employees in Part IV of this Act.

(2) County Attorney Retirement Costs: Notwithstanding KRS 61.5991, included in the above General Fund appropriation is $1,590,600 in each fiscal year to support each County Attorney's Office's share of the anticipated increase over each County Attorney's Office's fiscal year 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile on the Legislative Research Commission's website.

(3) Salary Compensation Standardization: Included in the above General Fund appropriation is $2,455,500 in fiscal year 2026-2027 and $2,864,500 in fiscal year 2027-2028 to support the Salary Compensation Standardization for County Attorneys.

TOTAL - UNIFIED PROSECUTORIAL SYSTEM

	2026-27	**2027-28**
General Fund	161,807,500	164,908,000
Restricted Funds	7,246,700	6,808,000
Federal Funds	419,500	419,500
TOTAL	169,473,700	172,135,500

20. TREASURY

	2026-27	**2027-28**
General Fund	3,480,600	3,452,500
Restricted Funds	2,086,600	2,058,600
Federal Funds	1,185,800	1,197,700
TOTAL	6,753,000	6,708,800

(1) Unclaimed Property Fund: Included in the above Restricted Funds appropriation is $2,086,600 in fiscal year 2026-2027 and $2,058,600 in fiscal year 2027-2028 from the Unclaimed Property Fund to provide funding for services performed by the Unclaimed Property Division of the Department of the Treasury.

(2) Salary Increment: Notwithstanding KRS 64.480(2), the increment provided

on the base salary of the State Treasurer shall be the same as that provided for eligible state employees in Part IV of this Act.

21. AGRICULTURE

	2026-27	**2027-28**
General Fund (Tobacco)	35,426,900	32,739,700
General Fund	11,838,200	21,834,100
Restricted Funds	22,505,100	12,323,200
Federal Funds	12,091,400	12,160,500
TOTAL	81,861,600	79,057,500

(1) Use of Restricted Funds: Notwithstanding KRS 217.570 and 217B.580, included in the above Restricted Funds appropriation is $10,000,000 in fiscal year 2026-2027 to support the operations of the Department of Agriculture.

(2) Farms to Food Banks: Included in the above General Fund (Tobacco) appropriation is $886,500 in fiscal year 2026-2027 and $819,300 in fiscal year 2027-2028 to support the Farms to Food Banks Program. The use of the moneys provided by this appropriation shall be restricted to purchases of Kentucky-grown produce and protein from Kentucky farmers who participate in the Farms to Food Banks Program.

(3) Kentucky Grape and Wine Council: Notwithstanding KRS 260.175(2), no General Fund is provided for the Kentucky Small Farm Wineries Support Fund for use by the Kentucky Grape and Wine Council.

(4) Counties Account: Notwithstanding KRS 248.703(1), included in the above General Fund (Tobacco) appropriation is $11,777,900 in fiscal year 2026-2027 and $10,884,500 in fiscal year 2027-2028 for the counties account as specified in KRS 248.703(1)(a).

(5) State Account: Notwithstanding KRS 248.703(1), included in the above General Fund (Tobacco) appropriation is $21,876,000 in fiscal year 2026-2027 and $20,216,600 in fiscal year 2027-2028 for the state account as specified in KRS

248.703(1)(b).

(6) Tobacco Settlement Funds - Allocations: Notwithstanding KRS 248.711(2), and from the allocation provided therein, counties that are allocated in excess of $20,000 annually may provide up to four percent of the individual county allocation, not to exceed $15,000 annually, to the county council in that county for administrative costs.

(7) Kentucky Rural Mental Health, Suicide Prevention, and Farm Safety Program: Included in the above General Fund (Tobacco) appropriation is $886,500 in fiscal year 2026-2027 and $819,300 in fiscal year 2027-2028 to support the Kentucky Rural Mental Health, Suicide Prevention, and Farm Safety Program known as the Raising Hope Initiative. The Department of Agriculture shall enhance awareness of the National Suicide Prevention Lifeline (988) in rural communities in Kentucky, improve access to information on rural mental health issues and available treatment services, provide outreach, and provide other necessary services to improve the mental health outcomes of rural communities in Kentucky. The Farm Safety and Rural Health Division, at its discretion, may receive, accept, and solicit grants, contributions of money, property, labor, or other things of value from any governmental agency, individual, nonprofit organization, or private business to be used for the Kentucky Rural Mental Health, Suicide Prevention, and Farm Safety Program. The Department of Agriculture may utilize up to $150,000 of the appropriation amount in each fiscal year for program administration purposes. The Department of Agriculture shall coordinate with the Raising Hope Initiative to take custody of and maintain any intellectual property assets that were created or developed by any state agency in connection with the Raising Hope Initiative.

The Department of Agriculture's Office of Agricultural Marketing shall submit a comprehensive annual report to the Interim Joint Committee on Appropriations and Revenue and the Tobacco Settlement Agreement Fund Oversight Committee no later than November 1 of each fiscal year. At a minimum, the report shall include:

(a) An accounting of all expenditures by fund source;

(b) A detailed accounting of all administrative expenses;

(c) The total amount expended on grants, loans, and benefits;

(d) A detailed accounting of all expenses not otherwise classified;

(e) Identification of any unexpended funds and the reason why the funds were not expended; and

(f) An explanation of how all expenditures align with program objectives.

The Division Director of the Farm Safety and Rural Health Division and the Executive Director of the Kentucky Office of Agricultural Marketing shall provide a program update to the Tobacco Settlement Agreement Fund Oversight Committee in November of each fiscal year.

(8) Training Incentive Payments: Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is $4,653 in fiscal year 2026-2027 and $4,746 in fiscal year 2027-2028 for each participant for training incentive payments.

(9) Salary Increment: Notwithstanding KRS 64.480(2), the increment provided on the base salary of the Commissioner of Agriculture shall be the same as that provided for eligible state employees in Part IV of this Act.

(10) Agricultural Economic Development: In accordance with KRS Chapter 154, the Secretary of the Cabinet for Economic Development shall coordinate with and seek guidance from the Commissioner of the Department of Agriculture in considering any projects for economic incentives related to agricultural economic development, agribusiness, or production facilities of sustainable aviation fuel.

22. AUDITOR OF PUBLIC ACCOUNTS

	2026-27	**2027-28**
General Fund	11,669,100	11,588,800
Restricted Funds	26,303,400	25,892,500
TOTAL	37,972,500	37,481,300

(1) Audit Services Contracts: Notwithstanding KRS 45.149, no state agency

shall enter into any contract with a nongovernmental entity for audit services unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within 30 days of receipt of a written request for such services. The agency's request for audit services shall include a comprehensive statement of the scope and nature of the proposed audit.

(2) Financial Audit Receipts: The Auditor of Public Accounts shall provide a listing of fee receipts for all audits and special examinations, itemized by type, agency, or unit of government, as well as billing methodology to the Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year.

(3) Salary Increment: Notwithstanding KRS 64.480(2), the increment provided on the base salary of the Auditor of Public Accounts shall be the same as that provided for eligible state employees in Part IV of this Act.

(4) Ombudsman: The Auditor of Public Accounts may bill the Cabinet for Health and Family Services for costs associated with Ombudsman services on a monthly basis.

(5) Artificial Intelligence Initiative: Included in the above Restricted Funds appropriation is $639,500 in fiscal year 2026-2027 and $439,500 in fiscal year 2027-2028 to support an Artificial Intelligence Initiative.

23. PERSONNEL BOARD

	2025-26	**2026-27**	**2027-28**
General Fund	-0-	11,400	10,200
Restricted Funds	25,000	1,394,700	1,149,400
TOTAL	25,000	1,406,100	1,159,600

(1) Hearing Officer Hourly Rate: Included in the above Restricted Funds appropriation is $80,000 in fiscal year 2026-2027 and $50,000 in fiscal year 2027-2028 to increase the hearing officer hourly rate from $125 to $200 per hour.

(2) Equipment Upgrade: Included in the above Restricted Funds appropriation

is $60,000 in fiscal year 2026-2027 to upgrade the video and audio equipment in the hearing rooms.

(3) Case Management Software: Included in the above Restricted Funds appropriation is $25,000 in fiscal year 2025-2026, $100,000 in fiscal year 2026-2027, and $50,000 in fiscal year 2027-2028 to purchase a new case management system for the Board's operations.

(4) Soundproofing: Included in the above Restricted Funds appropriation is $120,000 in fiscal year 2026-2027 to purchase soundproofing for the boardroom and two hearing rooms.

24. KENTUCKY PUBLIC PENSIONS AUTHORITY

	2026-27	**2027-28**
Restricted Funds	128,315,500	51,426,200

(1) Kentucky Employees Retirement System Nonhazardous Pension Fund: Pursuant to KRS 42.205, included in the above Restricted Funds appropriation is $78,504,500 in fiscal year 2026-2027, to be applied to the unfunded pension liability of the Kentucky Employees Retirement System Nonhazardous pension fund.

(2) Pension Administration System Modernization: Included in the above Restricted Funds appropriation is $750,000 in fiscal year 2026-2027 and $1,500,000 in fiscal year 2027-2028 to support the modernization of the pension administration system.

25. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

a. Accountancy

	2026-27	**2027-28**
Restricted Funds	738,700	749,900

b. Certification of Alcohol and Drug Counselors

	2026-27	**2027-28**
Restricted Funds	405,400	405,400

c. Applied Behavior Analysis Licensing

	2026-27	2027-28
Restricted Funds	70,800	70,800

d. Architects

	2026-27	2027-28
Restricted Funds	461,600	469,300

e. Certification for Professional Art Therapists

	2026-27	2027-28
Restricted Funds	11,200	11,200

f. Barbering

	2026-27	2027-28
Restricted Funds	510,900	519,200

g. Chiropractic Examiners

	2026-27	2027-28
Restricted Funds	301,900	301,900

h. Dentistry

	2026-27	2027-28
Restricted Funds	964,000	976,900

i. Licensed Diabetes Educators

	2026-27	2027-28
Restricted Funds	29,300	29,300

j. Licensure and Certification for Dietitians and Nutritionists

	2026-27	2027-28
Restricted Funds	94,100	94,100

k. Embalmers and Funeral Directors

	2026-27	2027-28
Restricted Funds	597,700	607,400

l. Licensure for Professional Engineers and Land Surveyors

	2026-27	**2027-28**
Restricted Funds	2,147,500	2,178,500

m. Certification of Fee-Based Pastoral Counselors

	2026-27	**2027-28**
Restricted Funds	3,600	3,600

n. Registration for Professional Geologists

	2026-27	**2027-28**
Restricted Funds	109,000	109,000

o. Hairdressers and Cosmetologists

	2026-27	**2027-28**
Restricted Funds	3,509,600	2,561,600

p. Specialists in Hearing Instruments

	2026-27	**2027-28**
Restricted Funds	77,900	77,900

q. Interpreters for the Deaf and Hard of Hearing

	2026-27	**2027-28**
Restricted Funds	49,200	49,200

r. Examiners and Registration of Landscape Architects

	2026-27	**2027-28**
Restricted Funds	88,700	91,200

s. Licensure of Marriage and Family Therapists

	2026-27	**2027-28**
Restricted Funds	133,400	133,400

t. Licensure for Massage Therapy

	2026-27	**2027-28**
Restricted Funds	150,700	150,700

u. Medical Imaging and Radiation Therapy

	2026-27	**2027-28**
Restricted Funds	512,500	521,000

v. Medical Licensure

	2026-27	**2027-28**
Restricted Funds	4,525,500	4,579,500

w. Nursing

	2026-27	**2027-28**
Restricted Funds	10,297,900	10,488,400

x. Licensure for Nursing Home Administrators

	2026-27	**2027-28**
Restricted Funds	101,100	101,100

y. Licensure for Occupational Therapy

	2026-27	**2027-28**
Restricted Funds	241,600	241,600

z. Ophthalmic Dispensers

	2026-27	**2027-28**
Restricted Funds	71,200	71,200

aa. Optometric Examiners

	2026-27	**2027-28**
Restricted Funds	299,800	303,600

ab. Pharmacy

	2026-27	**2027-28**
Restricted Funds	3,070,800	3,124,100

ac. Physical Therapy

	2026-27	**2027-28**
Restricted Funds	719,200	731,800

ad. Podiatry

		2026-27	2027-28
	Restricted Funds	47,600	47,600

ae. Private Investigators

	2026-27	2027-28
Restricted Funds	113,700	113,700

af. Licensed Professional Counselors

	2026-27	2027-28
Restricted Funds	460,800	460,800

ag. Prosthetics, Orthotics, and Pedorthics

	2026-27	2027-28
Restricted Funds	46,300	46,300

ah. Emergency Medical Services

	2026-27	2027-28
General Fund	2,652,800	2,684,600
Restricted Funds	3,055,100	3,057,800
Federal Funds	345,200	348,500
TOTAL	6,053,100	6,090,900

ai. Examiners of Psychology

	2026-27	2027-28
Restricted Funds	306,400	306,400

aj. Respiratory Care

	2026-27	2027-28
Restricted Funds	303,600	309,100

ak. Social Work

	2026-27	2027-28
Restricted Funds	635,600	645,800

al. Speech-Language Pathology and Audiology

	2026-27	**2027-28**
Restricted Funds	222,900	222,900

am. Veterinary Examiners

	2025-26	**2026-27**	**2027-28**
Restricted Funds	62,000	797,500	792,500

TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

	2025-26	**2026-27**	**2027-28**
General Fund	-0-	2,652,800	2,684,600
Restricted Funds	62,000	36,284,300	35,755,700
Federal Funds	-0-	345,200	348,500
TOTAL	62,000	39,282,300	38,788,800

26. KENTUCKY RIVER AUTHORITY

	2026-27	**2027-28**
General Fund	394,300	389,900
Restricted Funds	6,076,400	5,951,500
TOTAL	6,470,700	6,341,400

27. SCHOOL FACILITIES CONSTRUCTION COMMISSION

	2026-27	**2027-28**
General Fund	104,962,400	107,195,800

(1) Debt Service: Included in the above General Fund appropriation is $983,000 in fiscal year 2026-2027 and $1,966,000 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(2) Additional Offers of Assistance: Notwithstanding KRS 157.611 to 157.665, the School Facilities Construction Commission is authorized to make an additional $40,000,000 in offers of assistance during the 2026-2028 fiscal biennium in anticipation of debt service availability during the 2028-2030 fiscal biennium. No bonded

indebtedness based on the above amount is to be incurred during the 2026-2028 fiscal biennium.

(3) Use of Restricted Funds for Debt Service: Notwithstanding KRS 157.618, Restricted Funds in the amount of $8,453,400 in fiscal year 2026-2027 are hereby transferred to the Debt Service Fund to pay debt service on previously issued bonds.

(4) School District Project and Indebtedness Report: The School Facility and Construction Commission, with assistance from the Department of Education, shall compile and submit a report to the Interim Joint Committee on Appropriations and Revenue by June 30, 2027. The report shall be submitted in a format set forth by the Legislative Research Commission and shall include, at a minimum, a list of every local school district's existing bonded projects, the date and amount of any additional tax levy enacted by a school board for each project, any equalization provisions provided for each project, the total amount of debt service payments made by each district, and the amount of debt service remaining and anticipated retirement dates of the debt service associated with each project.

28. TEACHERS' RETIREMENT SYSTEM

	2026-27	**2027-28**
General Fund	1,225,339,000	1,277,624,600
Restricted Funds	21,915,700	23,008,100
TOTAL	1,247,254,700	1,300,632,700

(1) Dependent Subsidy for All Retirees under age 65: Pursuant to KRS 161.675(4), health insurance supplement payments made by the retirement system shall not exceed the amount of the single coverage insurance premium.

(2) Retiree Health Insurance: Pursuant to KRS 161.550(2)(b) and notwithstanding any statute to the contrary, included in the above General Fund appropriation is $96,606,400 and excess state funding for retiree health insurance in the amount of $3,993,600 from fiscal years 2022-2023, 2023-2024, and 2024-2025 totaling

$100,600,000 in fiscal year 2026-2027 and $112,400,000 in fiscal year 2027-2028 to support the state's contribution for the cost of retiree health insurance for members not eligible for Medicare who have retired on or after July 1, 2010. Notwithstanding KRS 161.675, the Teachers' Retirement System Board of Trustees shall provide health insurance supplement payments towards the cost of the single coverage insurance premium based on age and years of service credit of eligible recipients of a retirement allowance, the cost of which shall be paid from the Medical Insurance Fund. Notwithstanding KRS 161.675, the Teachers' Retirement System Board of Trustees shall authorize eligible recipients of a retirement allowance from the Teachers' Retirement System who are less than age 65 to be included in the state-sponsored health insurance plan that is provided to active teachers and state employees under KRS 18A.225. Notwithstanding KRS 161.675(4)(a), the contribution paid by retirees who are less than age 65 who qualify for the maximum health insurance supplement payment for single coverage shall be no more than the sum of (a) the employee contribution paid by active teachers and state employees for a similar plan, and (b) the standard Medicare Part B premium as determined by the Centers for Medicare and Medicaid Services. Notwithstanding KRS 161.675(4)(a), the contribution paid by retirees who are less than age 65 who do not qualify for the maximum health insurance supplement payment for single coverage shall be determined by the same graduated formula used by the Teachers' Retirement System for Plan Year 2026.

(3) Medical Insurance Fund Employee Contributions: Notwithstanding KRS 161.540(1), the employee contribution to the Medical Insurance Fund shall not be changed in each fiscal year.

(4) Sick Leave Liability Reporting: The Teachers' Retirement System shall provide a report on the full actuarial cost of member sick leave, including the total actuarial liabilities of the sick leave and the total actuarial costs to annually finance the sick leave as a percentage of payroll and in total dollars by fund source, to the Public

Pension Oversight Board no later than December 1, 2027.

(5) Actuarially Determined Employer Contribution: Included in the above General Fund appropriation is $1,076,889,000 in fiscal year 2026-2027 and $1,160,459,000 in fiscal year 2027-2028 to provide the full actuarially determined employer contribution. The Teachers' Retirement System shall provide a report on the actuarially determined employer contribution to the Public Pension Oversight Board no later than December 1, 2027.

(6) Update and Maintain Pathway System: Included in the above Restricted Funds appropriation is $900,000 in fiscal year 2026-2027 and $1,700,000 in fiscal year 2027-2028 to update and maintain the Pathway system.

(7) SEEK Employer Contribution Shortfall: Included in the above General Fund appropriation is $47,220,600 in fiscal year 2026-2027 for the deficit between estimated SEEK employer match and the actual SEEK employer match required during the 2024-2026 fiscal biennium.

(8) Legacy Benefits Costs: Included in the above General Fund appropriation is $191,800 in fiscal year 2026-2027 and $334,400 in fiscal year 2027-2028 to provide funds for actuarially determined increases in legacy benefit enhancements.

29. APPROPRIATIONS NOT OTHERWISE CLASSIFIED

	2026-27	**2027-28**
General Fund	16,750,300	16,750,300

(1) Repayment of Awards or Judgments: Included in the above General Fund appropriation is $245,200 in each fiscal year for the repayment of awards or judgments made by the Office of Claims and Appeals against departments, boards, commissions, and other agencies funded with appropriations out of the General Fund. However, awards under $5,000 shall be paid from funds available for the operations of the agency. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(2) Guardian Ad Litem Fees: Included in the above General Fund appropriation is $12,348,300 in each fiscal year for fees to be paid to each guardian ad litem appointed by the court pursuant to KRS 26A.140(1)(a), 199.502(3)(b), 202B.210, 311.732(3)(c), 403.100, 403.727(2), 456.035(2), 620.100, 625.0405, 625.041, and 625.080. The fee shall be fixed by the court and shall not exceed $500. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(3) Reissuance of Uncashed Checks: Included in the above General Fund appropriation is $2,461,800 in each fiscal year to reissue checks written by the State Treasurer and not cashed within the statutory period pursuant to KRS 41.370. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(4) Police Officer, Firefighter, and Active Duty National Guard and Reserve Survivor Benefits: Included in the above General Fund appropriation is $690,900 in each fiscal year for payment of benefits for survivors of state and local police officers, firefighters, and active duty National Guard and Reserve members pursuant to KRS 61.315 and for the cost of insurance premiums for firefighters pursuant to KRS 95A.070. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(5) Attorney General Expense: Included in the above General Fund appropriation is $370,700 in each fiscal year for expenses associated with representation of the Commonwealth and payments for expert witnesses pursuant to KRS 12.215. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(6) Prior Year Claims: Included in the above General Fund appropriation is $253,000 in each fiscal year to allow the Finance and Administration Cabinet to pay any valid expense incurred during the two preceding fiscal years pursuant to KRS 45.231.

Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(7) Involuntary Commitments: Included in the above General Fund appropriation is $63,400 in each fiscal year to provide funding for legal representation for persons requiring involuntary hospitalization pursuant to KRS 202B.210. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(8) Frankfort In Lieu of Taxes: Included in the above General Fund appropriation is $200,000 in each fiscal year for payment to the City of Frankfort in lieu of property taxes normally owed annually pursuant to KRS 45.021. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(9) Medical Malpractice Liability Insurance Reimbursement: Included in the above General Fund appropriation is $77,900 in each fiscal year to reimburse clinics and small, regional health care providers for medical malpractice insurance premiums pursuant to KRS 304.40-075. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(10) Blanket Employee Bonds: Included in the above General Fund appropriation is $39,100 in each fiscal year to cover damages the Commonwealth might incur as the result of a criminal action by an employee when securing bonds. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(11) Funding Sources for Appropriations Not Otherwise Classified: Funds required to pay the costs of items included within Appropriations Not Otherwise Classified are appropriated. Any required expenditure over the above amounts up to $8,249,700 in each fiscal year shall be paid first from the General Fund Surplus Account

(KRS 48.700), if available, or from any available balance in either the Judgments budget unit or the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

The above appropriation is for the payment of Attorney General Expense, Office of Claims and Appeals awards, Guardian Ad Litem, Prior Year Claims, Unredeemed Checks Refunded, Involuntary Commitments - ICF/MR, Frankfort in Lieu of Taxes, Frankfort Cemetery, Police Officer, Firefighter, and National Guard and Reserve Survivor Benefits, Medical Malpractice Liability Insurance Reimbursement, and Blanket Employee Bonds.

30. JUDGMENTS

(1) Payment of Judgments and Carry Forward of General Fund Appropriation Balance: Notwithstanding KRS 45A.275, the payment of judgments that exceed the above appropriation, as may be rendered against the Commonwealth by courts and orders of the State Personnel Board, where applicable, shall be subject to KRS Chapter 45 and shall not be deemed a necessary governmental expense. Notwithstanding KRS 45A.270(1), funds required to pay any award or judgment against any department or agency of the state in excess of the above appropriation, shall be paid out of the funds created or collected for the maintenance and operation of such department or agency and otherwise paid pursuant to KRS 45A.270(2). Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2025-2026 and fiscal year 2026-2027 shall not lapse and shall carry forward.

31. KENTUCKY COMMUNICATIONS NETWORK AUTHORITY

	2026-27	**2027-28**
General Fund	42,326,800	42,228,500
Restricted Funds	10,385,000	10,385,000
TOTAL	52,711,800	52,613,500

(1) Capital Project Reporting: On a quarterly basis, the Kentucky

Communications Network Authority shall submit a report detailing the following for each capital project authorized:

(a) Project scope, including a definition of what project components are critical; costs related to each project component; information regarding which network location node, core equipment site, or end-user location is impacted; project milestones; and any changes or modifications from previous reports;

(b) Financial status, including how much has been spent of the authorization, cost overruns and/or savings, and impact on the Authority's operating budget;

(c) Project timeline detailing progress towards project milestones and project completion status; and

(d) Procurement and contracts, including status of procurement activities detailing contracts awarded and pending, and any changes to contract terms or conditions.

The Authority shall present this quarterly report to the Capital Projects and Bond Oversight Committee.

TOTAL - GENERAL GOVERNMENT

	2025-26	**2026-27**	**2027-28**
General Fund (Tobacco)	-0-	35,576,900	32,889,700
General Fund	-0-	1,766,521,900	1,844,442,300
Restricted Funds	87,000	518,895,800	417,267,800
Federal Funds	-0-	818,217,400	705,736,500
TOTAL	87,000	3,139,212,000	3,000,336,300

B. ECONOMIC DEVELOPMENT CABINET

Budget Unit

1. ECONOMIC DEVELOPMENT

	2026-27	**2027-28**
General Fund	27,379,400	29,433,400
Restricted Funds	5,387,200	3,659,400

Federal Funds	436,000	401,000
TOTAL	33,202,600	33,493,800

(1) Funding for Commercialization and Innovation: Notwithstanding KRS 154.12-278, interest income earned on the balances in the High-Tech Construction/Investment Pool and loan repayments received by the High-Tech Construction/Investment Pool shall be used to support the Office of Entrepreneurship and are appropriated in addition to amounts appropriated above.

(2) Lapse and Carry Forward of General Fund Appropriation Balance for Bluegrass State Skills Corporation: Notwithstanding KRS 45.229, the General Fund appropriation balance for Bluegrass State Skills Corporation training grants for fiscal year 2025-2026 and fiscal year 2026-2027 shall not lapse and shall carry forward. The amount available to the Corporation for disbursement in each fiscal year shall be limited to the unexpended training grant allotment balance at the end of each fiscal year combined with the additional training grant allotment amounts in each fiscal year of the 2026-2028 fiscal biennium, less any disbursements. If the required disbursements exceed the Bluegrass State Skills Corporation training grants allotment balance, notwithstanding KRS 154.12-278, Restricted Funds may be expended for training grants.

(3) Science and Technology Program: Notwithstanding KRS 164.6011 to 164.6035 and any other statute to the contrary, the Cabinet for Economic Development shall have the authority to carry out the provisions of KRS 164.6013 to 164.6035.

(4) Carry Forward of General Fund Appropriation Balance: Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2025-2026 and fiscal year 2026-2027 to the Cabinet for Economic Development, Science and Technology Program, shall not lapse and shall carry forward in the Cabinet for Economic Development.

(5) Executive Officers' Compensation: Notwithstanding KRS 154.10-050(2), any additional executive officers as described in KRS 154.10-050(2) shall not be paid a salary greater than the salary of the Governor of the Commonwealth.

(6) Training Grants: Included in the above General Fund appropriation is $2,400,000 in fiscal year 2026-2027 and $2,325,000 in fiscal year 2027-2028 for the Bluegrass State Skills Corporation to make training grants to support manufacturing-related investments. The Corporation shall utilize these funds for a manufacturer designated by the United States Department of Commerce, United States Census Bureau North American Industry Classification System code of 336111, 336112, 336120, or 336211 that employs at least 10,000 full-time persons at the same facility or at multiple facilities located within the same county to help offset associated costs of retraining its workforce. Notwithstanding KRS 45.229, the General Fund appropriation balance for Bluegrass State Skills Corporation training grants for fiscal year 2025-2026 and fiscal year 2026-2027 shall not lapse and shall carry forward.

(7) Kentucky Product Development Initiative: Notwithstanding KRS 45.229, the balance of the General Fund appropriation authorized in 2022 Ky. Acts ch. 199, Part I, B., 1., (12) shall not lapse and shall carry forward.

(8) KEDFA Forgivable Loan-Carry Forward of Appropriation Balance: Notwithstanding KRS 45.229, the balance of the General Fund appropriation authorized in 2022 Ky. Acts ch. 199, Part I, B., 1., (11) shall not lapse and shall carry forward.

(9) Agricultural Economic Development: In accordance with KRS Chapter 154, the Secretary of the Cabinet for Economic Development shall coordinate with and seek guidance from the Commissioner of the Department of Agriculture in considering any projects for economic incentives related to agricultural economic development, agribusiness, or production facilities of sustainable aviation fuel.

(10) Debt Service: Included in the above General Fund appropriation is $647,500 in fiscal year 2026-2027 and $1,942,500 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(11) State Trade and Export Promotion: Included in the above Federal Funds appropriation is $135,000 in fiscal year 2026-2027 and $100,000 in fiscal year 2027-2028

to expand the federal State Trade and Export Promotion (STEP) program.

(12) Certified Child Care Community Designation Program: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 88.

(13) Financial Assistance Program for Nuclear Energy-Related Projects: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 169.

(14) Pilot Tax Increment Financing Program: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2025 Ky. Acts ch. 98.

C. DEPARTMENT OF EDUCATION

Budget Units

1. SUPPORT EDUCATION EXCELLENCE IN KENTUCKY (SEEK) PROGRAM

	2026-27	2027-28
General Fund	3,534,239,700	3,566,190,200

(1) Common School Fund Earnings: Accumulated earnings for the Common School Fund shall be transferred in each fiscal year to the SEEK Program.

(2) Allocation of SEEK Funds: Notwithstanding KRS 157.360(2)(c), the above General Fund appropriation to the base SEEK Program is intended to provide a base guarantee of $4,626 per student in average daily attendance in fiscal year 2026-2027 and $4,792 per student in average daily attendance in fiscal year 2027-2028, as well as to meet the other requirements of KRS 157.360. Notwithstanding KRS 157.360(2), each district's base funding level shall be adjusted for the number of students demonstrating limited proficiency in English language skills, multiplied by 0.096.

Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall

not exceed the appropriation for this purpose, except as provided in this Act. The total appropriation for the SEEK Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 to 157.440. If the required expenditures exceed these estimates, the Secretary of the Finance and Administration Cabinet, upon the written request of the Commissioner of Education and with the approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the cited sections of the Kentucky Revised Statutes, but any increase of the total appropriation to the SEEK Program is subject to Part III, General Provisions, of this Act and KRS Chapter 48. If funds appropriated to the SEEK Program are insufficient to provide the amount of money required under KRS 157.310 to 157.440, allotments to local school districts may be reduced in accordance with KRS 157.430.

(3) SEEK Lapse: Notwithstanding KRS 45.229, any General Fund amounts appropriated to the SEEK Program that are not necessary to meet the requirements set forth in KRS 157.310 to 157.440 in each fiscal year shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(4) Base SEEK Allotments: Notwithstanding KRS 157.420(2), included in the above General Fund appropriation is $2,043,923,100 in fiscal year 2026-2027 and $2,100,633,800 in fiscal year 2027-2028 for the base SEEK Program as defined by KRS 157.360. Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriation for this purpose, except as provided in this Act.

(5) Tier I Component: Included in the above General Fund appropriation is $248,291,300 in fiscal year 2026-2027 and $237,494,100 in fiscal year 2027-2028 for the Tier I component as established by KRS 157.440. Notwithstanding KRS 157.440(1)(a), the board of education of each school district may levy an equivalent tax rate as defined in KRS 160.470(9)(a) which will produce up to 17.5 percent of those revenues

guaranteed by the SEEK Program. The levy shall be made no later than October 1 of each odd numbered year, and revenue generated by this levy shall be equalized at 150 percent of the statewide average per pupil assessment.

(6) Vocational Transportation: Included in the above General Fund appropriation is $7,833,100 in each fiscal year for vocational transportation.

(7) Teachers' Retirement System Employer Match: Included in the above General Fund appropriation is $529,410,000 in fiscal year 2026-2027 and $541,260,000 in fiscal year 2027-2028 to enable local school districts to provide the employer match for qualified employees.

(8) Salary Supplements for Nationally Certified Teachers: Notwithstanding KRS 157.395, included in the above General Fund appropriation is $4,655,500 in each fiscal year for the purpose of providing salary supplements for public school teachers attaining certification by the National Board for Professional Teaching Standards. Notwithstanding KRS 157.395, if the appropriation is insufficient to provide the mandated salary supplement for teachers who have obtained this certification, the Department of Education is authorized to pro rata reduce the supplement.

(9) SEEK Adjustment Factors: Funds allocated for the SEEK base and its adjustment factors that are not needed for the base or a particular adjustment factor may be allocated to other adjustment factors, if funds for that adjustment factor are not sufficient.

(10) Facilities Support Program of Kentucky/Equalized Nickel Levies: Included in the above General Fund appropriation is $137,176,700 in fiscal year 2026-2027 and $126,577,500 in fiscal year 2027-2028 to provide facilities equalization funding pursuant to KRS 157.440 and 157.620.

(11) Growth Levy Equalization Funding: Included in the above General Fund appropriation is $54,370,400 in fiscal year 2026-2027 and $46,449,200 in fiscal year 2027-2028 to provide facilities equalization funding pursuant to KRS 157.440 and

157.620 for districts meeting the eligibility requirements of KRS 157.621(1) and (4). Notwithstanding KRS 157.621(1)(b)2., a school district that imposes the levy authorized by KRS 157.621(1)(b)1. shall be equalized for that levy, in addition to the equalization funding appropriated in accordance with KRS 157.621(1)(b)2., and all funds for this purpose shall be committed to debt service, new facilities, or major renovations in accordance with KRS 157.440(1)(b). It is the intent of the 2026 General Assembly that any local school district receiving equalization under this subsection shall receive full calculated equalization until the earlier of 20 years of the effective date of this Act, or the date the bonds for the local school district supported by this equalization are retired, in accordance with KRS 157.621(2).

(12) Retroactive Equalized Facility Funding: Included in the above General Fund appropriation is $75,337,300 in fiscal year 2026-2027 and $70,373,200 in fiscal year 2027-2028 to provide equalized facility funding pursuant to KRS 157.440 and 157.620 to districts meeting the eligibility requirements of KRS 157.621(2) and (4). In addition, a local board of education that levied a tax rate subject to recall by January 1, 2014, in addition to the five cents levied pursuant to KRS 157.440(1)(b) and that committed the receipts to debt service, new facilities, or major renovations of existing facilities shall be eligible for equalization funds from the state at 150 percent of the statewide average per pupil assessment. Revenue to generate the five cent equivalent levy may be obtained from levies on property, motor vehicles, or the taxes authorized by KRS 160.593 to 160.597, 160.601 to 160.633, and 160.635 to 160.648 if the levy was dedicated to facilities funding at the time of the levy. The equalization funds shall be used as provided in KRS 157.440(1)(b). Notwithstanding KRS 157.621(2)(a) and (4), for the 2026-2028 fiscal biennium, school districts that levied the tax rate subject to recall prior to January 15, 2024, shall be equalized at 100 percent of the calculated equalization funding, school districts that levied the tax rate subject to recall after January 15, 2024, and before January 15, 2026, shall be equalized at 25 percent of the calculated

equalization funding, and all funds for this purpose shall be committed to debt service, new facilities, or major renovations in accordance with KRS 157.440(1)(b). It is the intent of the 2026 General Assembly that any local school district receiving equalization under this subsection shall receive full calculated equalization until the earlier of 20 years from the effective date of this Act or the date the bonds for the local school district supported by this equalization funding are retired, in accordance with KRS 157.621(2). It is also the intent of the 2026 General Assembly that any local school district that levies a tax rate subject to recall after January 15, 2026, shall not receive equalization in the 2028-2030 fiscal biennium and thereafter.

(13) Equalized Facility Funding: Included in the above General Fund appropriation is $18,746,800 in fiscal year 2026-2027 and $17,186,100 in fiscal year 2027-2028 to provide equalized facility funding pursuant to KRS 157.440 and 157.620 to districts meeting the eligibility requirements of KRS 157.621(3) and (4). Notwithstanding KRS 157.621(3)(c), a school district meeting the criteria of KRS 157.621(3)(a) and (b) shall be equalized at 100 percent of the calculated equalization funding in each fiscal year, and all funds for this purpose shall be committed to debt service, new facilities, or major renovations in accordance with KRS 157.440(1)(b). In addition, notwithstanding KRS 157.621(1) and (3), a school district that has levied a five-cent equivalent rate authorized by KRS 157.621(1)(a) and is not receiving state equalization funding for that levy under KRS 157.621(1)(b), 157.621(3), or any other provision of this Act, shall be equalized at 100 percent of the calculated equalization funding in each fiscal year, and all funds for this purpose shall be committed to debt service, new facilities, or major renovations in accordance with KRS 157.440(1)(b). It is the intent of the 2026 General Assembly that any local school district receiving equalization under this subsection shall receive full calculated equalization until the earlier of 20 years of the effective date of this Act, or the date the bonds for the local school district supported by this equalization are retired, in accordance with KRS 157.621(3).

(14) BRAC Equalized Facility Funding: Notwithstanding KRS 157.621(1)(c)2., included in the above General Fund appropriation is $3,162,200 in fiscal year 2026-2027 and $2,749,400 in fiscal year 2027-2028 to provide equalized facility funding to school districts meeting the eligibility requirements of KRS 157.621(1)(c)1. pursuant to KRS 157.440 and 157.620.

(15) Equalization Funding for Critical Construction Needs Schools: Included in the above General Fund appropriation is $10,136,800 in fiscal year 2026-2027 and $9,781,800 in fiscal year 2027-2028 to school districts in accordance with KRS 157.621(5).

(16) Hold-Harmless Guarantee: A hold-harmless guarantee is established in each fiscal year which provides that every local school district shall receive at least the same amount of SEEK state funding per pupil as was received in fiscal year 1991-1992. If funds appropriated to the SEEK Program are insufficient to provide the amount of money required under KRS 157.310 to 157.440, and allotments to local school districts are reduced in accordance with KRS 157.430, allocations to school districts subject to this provision shall not be reduced.

(17) Residential Youth-at-Risk Programs: In accordance with KRS 157.360, no funds from the SEEK Program shall be distributed to the programs operated by the Kentucky Guard Youth Challenge Division of the Department of Military Affairs. Notwithstanding KRS 157.350, 157.360, 157.410, and any other statute to the contrary, any school district providing educational services to students enrolled in programs operated by the Kentucky Guard Youth Challenge Division of the Department of Military Affairs shall be paid for those services solely from the General Fund appropriation in Part I, A., 6. of this Act, and students enrolled in such programs shall not be included in the average daily attendance for purposes of SEEK Program funding.

(18) Salary Supplements for Certified Audiologists and Speech Language Pathologists: Included in the above General Fund appropriation is $2,312,000 in each

fiscal year for the purpose of providing a $2,000 salary supplement each year for full-time public school Audiologists and Speech Language Pathologists that have active Certificates of Clinical Competence, as offered by the American Speech-Language-Hearing Association. Notwithstanding any statute to the contrary, if the appropriation is insufficient to provide all full-time public school American Speech-Language-Hearing Association certified Audiologists and Speech Language Pathologists with the $2,000 stipend, then the Department of Education is authorized to pro rata reduce the supplement.

(19) Full-Day Kindergarten: Notwithstanding KRS 157.320 or any other statute or regulation to the contrary, the Department of Education shall count each kindergarten pupil in full for that respective school year, for the purpose of determining SEEK funds and any other state funding based in whole or in part on average daily attendance for the district, except that a district shall receive an amount equal to one-half of the state portion of the average statewide per pupil guaranteed base funding level for each student who graduated early under the provisions of KRS 158.142.

(20) SEEK Transportation: Notwithstanding KRS 157.370 and 157.360(2)(c), included in the above General Fund appropriation is $398,884,500 in each fiscal year to support pupil transportation.

(21) Legislative Policy Requirement: The 2026 General Assembly provides the following requirement to local boards of education and the Kentucky Department of Education:

(a) Local school districts that receive state funding from the Support Education Excellence in Kentucky Program shall:

1. Prominently display, in not less than 16-point type, on the local board of education's internet landing page, the district's percentage of students scoring Proficient in Reading, the district's percentage of students scoring Distinguished in Reading, the district's percentage of students scoring Proficient in Mathematics, and the district's

percentage of students scoring Distinguished in Mathematics on the most recent Kentucky Summative Assessment, as defined by KRS 158.6453;

2. Prominently display a web link to the detailed results of the district's performance on the most recent Kentucky Summative Assessment on the local board of education's internet landing page;

3. Display the same information specified in subparagraph 1. of this paragraph at the top of each page of the board's website in a banner format;

4. Prominently display, in not less than 16-point type, on each school's internet landing page, the school's percentage of students scoring Proficient in Reading, the school's percentage of students scoring Distinguished in Reading, the percentage of students scoring Proficient in Mathematics, and the percentage of students scoring Distinguished in Mathematics on the school's most recent Kentucky Summative Assessment;

5. Prominently display on each school's internet landing page, a link to the detailed results of the school's results on the most recent Kentucky Summative Assessment; and

6. Display the same information specified in subparagraph 4. of this paragraph in banner format on each page of the school's website;

(b) The Kentucky Department of Education shall post a rank order by overall academic performance of all schools on its website;

(c) The Kentucky Department of Education shall ensure compliance with this subsection by every district, and offer assistance, as needed;

(d) The 2026 General Assembly is aware of the intention of surrounding states to set increased minimum salaries for classroom teachers in those states by statute or regulation. The General Assembly also recognizes the fact that the local economy heavily affects the salary schedules of classified employees; and

(e) The 2026 General Assembly directs each local board of education to consider

the actions of other states and the local economy and the related effect on recruitment and retention when establishing the salary schedules for classroom teachers and classified employees. Additional funds have been made available to local school districts through increases in SEEK resources. The 2026 General Assembly encourages local school districts to provide certified and classified staff a salary or compensation increase.

(22) SEEK Per Pupil Reporting: Publicly available reports published or distributed by the Kentucky Department of Education related to the SEEK Program disbursements to districts shall include adjustments that capture the total state funding per student by aggregating all state appropriations made on behalf of school districts, including Teachers' Retirement System payments and insurance payments, and express the totals on a per pupil basis using the district's prior year statewide average daily attendance. These calculations shall be separate from and shall not be incorporated into the SEEK formula or used to determine SEEK allotments.

2. OPERATIONS AND SUPPORT SERVICES

	2026-27	**2027-28**
General Fund	64,672,200	63,164,500
Restricted Funds	4,751,300	5,612,800
Federal Funds	565,687,200	565,958,000
TOTAL	635,110,700	634,735,300

(1) Advanced Placement and International Baccalaureate Exams: Notwithstanding KRS 160.348(3), included in the above General Fund appropriation is $960,000 in fiscal year 2026-2027 and $930,000 in fiscal year 2027-2028 to pay the cost of Advanced Placement and International Baccalaureate examinations for those students who meet the eligibility requirements for free or reduced-price meals. Notwithstanding KRS 154A.130(4) and 160.348(5), included in the above General Fund appropriation is $2,600,000 in each fiscal year to pay the cost of Advanced Placement examinations for students on a first-come, first-served basis.

(2) Employee Reporting: The Kentucky Department of Education shall provide a report by August 1 of each year to the Interim Joint Committee on Appropriations and Revenue. At a minimum, the report shall include:

(a) A count and list, by name, of all full-time, part-time, and interim employees employed under KRS Chapter 18A;

(b) A count and list, by name, of all contract employees;

(c) The position title, Kentucky Department of Education office served, and primary work location of every employee;

(d) The employees' level of compensation, on an annualized basis, including the percentage of all fund sources used to compensate the employee; and

(e) For contract employees, the start and end date of the relevant contract, as well as the name of any entity involved in administering the contract.

(3) Certified and Classified Staff Compensation Increase Reporting: The Kentucky Department of Education shall provide a report by September 1 of each year to the Interim Joint Committee on Appropriations and Revenue detailing certified and classified staff compensation increases for the current school year by each local school district. At a minimum, the report shall include:

(a) A brief description of the type of staff compensation increases adopted, such as percentage-based or flat rate, if applicable;

(b) The average percentage rate or dollar amount of the compensation increases, by classification, if applicable;

(c) The effective date of the compensation increases, if applicable;

(d) The manner in which the compensation increases were delineated, such as universally or by job classification, if applicable;

(e) Any monetary compensation in addition to that provided through the district's single salary schedule, such as one-time payments, if applicable;

(f) The date the local board of education adopted the compensation increases, if

applicable; and

(g) Any changes to the local school district's certified and/or classified staff single salary schedule(s), if applicable.

(4) Employment of Leadership Personnel: Notwithstanding KRS 18A.005 to 18A.200, the Kentucky Board of Education shall continue to have sole authority to determine the employees of the Department of Education who are exempt from the classified service and to set those employees' compensation comparable to the competitive market.

(5) School and Community Nutrition Programs: Included in the above Federal Funds appropriation is an additional $100,181,200 in each fiscal year to support increased spending on school and community nutrition programs.

(6) Special Examination: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 118.

3. LEARNING AND RESULTS SERVICES

	2026-27	**2027-28**
General Fund	1,533,139,900	1,735,724,200
Restricted Funds	24,643,000	32,192,000
Federal Funds	621,154,200	619,596,100
TOTAL	2,178,937,100	2,387,512,300

(1) Kentucky Education Technology System: Notwithstanding KRS 157.650 to 157.665, the School for the Deaf and the School for the Blind shall be fully eligible, along with local school districts, to participate in the Kentucky Education Technology System in a manner that takes into account the special needs of the students of these two schools.

(2) Family Resource and Youth Services Centers: Funds appropriated to establish and support Family Resource and Youth Services Centers shall be transferred in each fiscal year to the Cabinet for Health and Family Services consistent with KRS

156.496. The Cabinet for Health and Family Services is authorized to use, for administrative purposes, no more than two percent of the total funds transferred from the Department of Education for the Family Resource and Youth Services Centers. If a certified person is employed as a director or coordinator of a Family Resource and Youth Services Center, that person shall retain his or her status as a certified employee of the school district.

(3) Health Insurance: Included in the above General Fund appropriation is $1,076,821,500 in fiscal year 2026-2027 and $1,277,823,800 in fiscal year 2027-2028 for employer contributions for health insurance and the contribution to the health reimbursement account for employees waiving coverage. Notwithstanding KRS 45.229, General Fund in the amount of $98,310,700 in fiscal year 2025-2026 shall not lapse and shall carry forward into fiscal year 2026-2027.

(4) Program Flexibility: Notwithstanding KRS 158.070(8) and 158.446, local school districts shall be provided additional flexibility in the utilization of funds for Extended School Services and Safe Schools. Local school districts shall continue to address the governing statutes and serve the intended student population but may utilize funds from these programs for general operating expenses in each year of the fiscal biennium. Local school districts that utilize these funds for general operating expenses shall report to the Kentucky Department of Education and the Interim Joint Committee on Education the amount of funding from each program utilized for general operating expenses.

(5) Center for School Safety: Included in the above General Fund appropriation is $15,000,000 in each fiscal year for the Center for School Safety. Notwithstanding KRS 158.446, the Center for School Safety shall allot these moneys for the purposes described in KRS 158.440, 158.441, 158.4415, 158.4416, 158.442, 158.445, and 158.446 at both public and private school buildings, campuses, grounds, recreational areas, or athletic fields, except that no more than $2,000,000 in each fiscal year may be retained for

operating and administrative purposes. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(6) Allocations to School-Based Decision Making Councils: Notwithstanding KRS 160.345(8), for each fiscal year, a local board of education may reduce the allocations to individual schools within the district as outlined in 702 KAR 3:246, secs. 6, 7, and 8. The allocation under 702 KAR 3:246, sec. 6, shall not be less than $100 per pupil in average daily attendance.

(7) Kentucky School for the Blind and Kentucky School for the Deaf: Included in the above General Fund appropriation is $8,289,100 in each fiscal year for the Kentucky School for the Blind and $11,291,800 in each fiscal year for the Kentucky School for the Deaf.

(8) Career and Technical Education: Included in the above General Fund appropriation is $127,115,900 in each fiscal year for career and technical education. Notwithstanding KRS 157.069, of this amount, $70,063,400 in each fiscal year shall be distributed as supplemental funding to local area vocational education centers.

Notwithstanding KRS 157.069, Category II and III programs in districts established after June 21, 2001, shall be included in the distribution. The Department of Education shall classify each comprehensive high school with five or more career and technical education program areas as a local area vocational education center and shall also include any comprehensive high school with fewer than five career and technical education programs in the supplemental funding. The Department of Education shall communicate the updated status with the superintendent of each local school district no later than June 30, 2026. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(9) Redistribution of Resources: Notwithstanding KRS 156.095, 156.553, 156.555, 157.390, 158.070, 158.770, 158.775, 158.805, 161.027, 161.028, 161.030,

161.165, and 161.167, no General Fund is provided for the Professional Development Program, the Commonwealth School Improvement Fund, the Leadership and Mentor Fund, the Middle School Academic Center, the Teacher's Professional Growth Fund, the Teacher Academies Program, the Writing Program, the Kentucky Principal Internship Program, the Kentucky Teacher Internship Program, and the Kentucky Academy for Equity in Teaching in order to increase funding for school-based mental health services providers.

(10) Learning and Results Services Programs: Included in the above General Fund appropriation are the following allocations for the 2026-2028 fiscal biennium, but no portion of these funds shall be utilized for state-level administrative purposes:

(a) $1,900,000 in each fiscal year for AdvanceKentucky;

(b) $1,850,000 in each fiscal year for the Community Education Program;

(c) $23,916,300 in each fiscal year for the Extended School Services Program;

(d) $48,889,000 in each fiscal year for the Family Resource and Youth Services Centers Program;

(e) $10,000,000 in each fiscal year for the Gifted and Talented Program;

(f) $100,000 in each fiscal year for the Hearing and Speech Center;

(g) $100,000 in each fiscal year for the Heuser Hearing and Language Academy;

(h) Notwithstanding KRS 154A.130(4), $1,675,500 in each fiscal year for the Jobs for America’s Graduates Program;

(i) $500,000 in each fiscal year for the Kentucky Alliance of Boys & Girls Clubs;

(j) $12,500,000 in each fiscal year for the Kentucky Educational Collaborative for State Agency Children;

(k) $1,391,000 in each fiscal year for Local School District Life Insurance;

(l) $1,000,000 in each fiscal year for Math Nation;

(m) $5,019,000 in each fiscal year for the Mathematics Achievement Fund;

(n) $84,481,100 in each fiscal year for the Preschool Program;

(o) $15,936,600 in each fiscal year for the Read to Achieve Program;

(p) $11,000,000 in each fiscal year for the Read to Succeed Program;

(q) $2,000,000 in each fiscal year for Save the Children;

(r) $1,200,000 in each fiscal year for the Statewide Reading Research Center;

(s) $700,000 in each fiscal year for Teach for America. Teach for America shall submit a report on the outcomes of the program to the Interim Joint Committee on Education by August 1, 2027;

(t) $500,000 in each fiscal year for the Visually Impaired Preschool Services Program; and

(u) $1,500,000 in each fiscal year for We Lead CS.

Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(11) School-Based Mental Health Services Providers: The Kentucky Center for School Safety, in consultation with the Office of the State School Security Marshal, shall develop criteria to determine which districts shall receive funding to meet the requirements of KRS 158.4416(3)(a). The criteria shall include:

(a) A local district's use of Medicaid funding to supplement General Fund;

(b) An equitable and balanced statewide distribution; and

(c) Any other criteria to support a trauma-informed approach in schools.

(12) School Resource Officers: The Kentucky Department of Education shall reimburse local school districts up to $20,000 for each full-time certified school resource officer.

(13) Federal Remedial Education Grants: It is the intent of the 2026 General Assembly that the Kentucky Department of Education shall apply for all federal grants available for remedial education.

TOTAL - DEPARTMENT OF EDUCATION

	2026-27	**2027-28**

General Fund	5,132,051,800	5,365,078,900
Restricted Funds	29,394,300	37,804,800
Federal Funds	1,186,841,400	1,185,554,100
TOTAL	6,348,287,500	6,588,437,800

D. EDUCATION AND LABOR CABINET

Budget Units

1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT

	2026-27	**2027-28**
General Fund (Tobacco)	1,063,800	983,200
General Fund	13,593,600	13,262,100
Restricted Funds	23,082,900	22,889,600
Federal Funds	5,641,200	5,675,400
TOTAL	43,381,500	42,810,300

(1) Early Childhood Development: Included in the above General Fund (Tobacco) appropriation is $1,063,800 in fiscal year 2026-2027 and $983,200 in fiscal year 2027-2028 for the Early Childhood Advisory Council.

(2) Heuser Hearing Institute: Included in the above General Fund appropriation is $1,920,000 in fiscal year 2026-2027 and $1,860,000 in fiscal year 2027-2028 for the Heuser Hearing Institute to support programs developed to close the education and achievement gaps for deaf and hard-of-hearing adults.

2. PROPRIETARY EDUCATION

	2026-27	**2027-28**
Restricted Funds	542,300	547,300

3. DEAF AND HARD OF HEARING

	2026-27	**2027-28**
General Fund	1,075,400	1,067,600
Restricted Funds	1,360,200	1,326,700

TOTAL	2,435,600	2,394,300

4. KENTUCKY EDUCATIONAL TELEVISION

	2026-27	**2027-28**
General Fund	16,832,100	16,734,000
Restricted Funds	2,038,900	2,038,900
TOTAL	18,871,000	18,772,900

5. ENVIRONMENTAL EDUCATION COUNCIL

	2026-27	**2027-28**
Restricted Funds	524,000	521,700
Federal Funds	429,800	429,800
TOTAL	953,800	951,500

(1) Environmental Education Council: Notwithstanding KRS 224.43-505(2)(b), the Council may use interest received to support the operations of the Council.

6. LIBRARIES AND ARCHIVES

a. General Operations

	2026-27	**2027-28**
General Fund	5,959,200	6,389,100
Restricted Funds	2,466,400	1,902,900
Federal Funds	3,038,300	3,071,000
TOTAL	11,463,900	11,363,000

b. Direct Local Aid

	2026-27	**2027-28**
General Fund	5,554,700	5,554,700
Restricted Funds	1,046,900	1,046,900
TOTAL	6,601,600	6,601,600

(1) Per Capita Grants: Notwithstanding KRS 171.201, no General Fund is provided for nonconstruction state aid.

(2) Public Library Facilities Construction: Included in the above General Fund appropriation is $3,054,700 in each fiscal year for the Public Library Facilities Construction Fund. Notwithstanding KRS 45.229 and 171.027 to 171.223, any expired debt service payments shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

TOTAL - LIBRARIES AND ARCHIVES

	2026-27	**2027-28**
General Fund	11,513,900	11,943,800
Restricted Funds	3,513,300	2,949,800
Federal Funds	3,038,300	3,071,000
TOTAL	18,065,500	17,964,600

7. WORKFORCE DEVELOPMENT

	2026-27	**2027-28**
General Fund	39,026,200	38,471,200
Restricted Funds	12,965,600	12,911,900
Federal Funds	480,160,800	481,629,200
TOTAL	532,152,600	533,012,300

(1) Cafeteria Service Contracts: No state agency shall enter into any contract with a nongovernmental entity for the operation of food services provided in the cafeterias located in the Kentucky Transportation Cabinet office building and/or the Cabinet for Human Resources office building in Frankfort unless the Office of Vocational Rehabilitation has declined in writing to provide such services.

(2) Adult Education: Included in the above General Fund appropriation are sufficient funds in each fiscal year to support the Office of Adult Education. Notwithstanding KRS 45.229, the General Fund appropriation for the Office of Adult Education in each fiscal year shall not lapse and shall carry forward.

(3) Unemployment Insurance System Replacement: Notwithstanding KRS

341.243(8), the Service Capacity Upgrade Fund may collect up to $68,000,000 for the purpose of funding the Replace Unemployment Insurance System project authorized in 2024 Ky. Acts ch. 175, Part II, D., 4., 005. The Office of Unemployment Insurance shall prepare a report detailing the replacement of the unemployment insurance system. The report shall include a description of how the allocated Restricted Funds are being utilized and a timeline of expected completion and implementation of a new system. This report shall be submitted to the Interim Joint Committee on Appropriations and Revenue quarterly, beginning May 1, 2026.

(4) Vocational Rehabilitation: Included in the above General Fund appropriation is $2,300,000 in each fiscal year for the Office of Vocational Rehabilitation to support an increase in the match and maintenance of effort requirement for the Vocational Rehabilitation Grants to States (Basic Support) federal award.

8. WORKPLACE STANDARDS

	2026-27	**2027-28**
General Fund	1,694,800	1,676,000
Restricted Funds	8,448,300	8,357,600
Federal Funds	4,200,000	4,291,500
TOTAL	14,343,100	14,325,100

(1) Youth Employment Programs: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 119.

(2) Court-Awarded Expenses: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2025 Ky. Acts ch. 105.

9. WORKERS' CLAIMS

	2026-27	**2027-28**
Restricted Funds	60,812,900	59,744,500

10. OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

	2026-27	**2027-28**

Restricted Funds	780,800	772,100

11. WORKERS' COMPENSATION FUNDING COMMISSION

	2026-27	**2027-28**
Restricted Funds	88,165,200	86,108,500

12. WORKERS' COMPENSATION NOMINATING COMMITTEE

	2026-27	**2027-28**
Restricted Funds	1,100	1,100

13. DISABILITY DETERMINATIONS

	2026-27	**2027-28**
Restricted Funds	823,600	814,300
Federal Funds	66,308,200	67,255,800
TOTAL	67,131,800	68,070,100

TOTAL - EDUCATION AND LABOR CABINET

	2026-27	**2027-28**
General Fund (Tobacco)	1,063,800	983,200
General Fund	83,736,000	83,154,700
Restricted Funds	203,059,100	198,984,000
Federal Funds	559,778,300	562,352,700
TOTAL	847,637,200	845,474,600

E. ENERGY AND ENVIRONMENT CABINET

Budget Units

1. SECRETARY

	2026-27	**2027-28**
General Fund	4,188,400	4,149,400
Restricted Funds	4,882,300	4,821,900
Federal Funds	1,330,900	1,361,100
TOTAL	10,401,600	10,332,400

2. ADMINISTRATIVE SERVICES

	2026-27	**2027-28**
General Fund	6,145,600	6,112,100
Restricted Funds	6,270,600	6,286,500
Federal Funds	3,695,000	3,751,600
TOTAL	16,111,200	16,150,200

3. ENVIRONMENTAL PROTECTION

	2026-27	**2027-28**
General Fund	29,189,500	30,213,200
Restricted Funds	84,816,000	82,962,100
Federal Funds	39,597,300	40,153,800
TOTAL	153,602,800	153,329,100

(1) Public and Private Dam Rehabilitation: The Department for Environmental Protection shall submit a report to the Legislative Research Commission, Office of Budget Review, by September 1, 2027, recommending the priority ranking and funding mechanisms for rehabilitating public and private high hazard dams within the Commonwealth. The Department may work collaboratively with the Soil and Water Conservation Commission (KRS 146.110).

(2) Debt Service: Included in the above General Fund appropriation is $874,500 in fiscal year 2026-2027 and $1,749,000 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(3) Pollutants of Kentucky Waterways: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 105.

(4) Long-term Post-mining Water Treatment Permits: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2025 Ky. Acts ch. 119.

4. NATURAL RESOURCES

	2026-27	**2027-28**
General Fund (Tobacco)	2,659,600	2,457,900
General Fund	40,384,500	40,416,000
Restricted Funds	24,671,200	23,800,500
Federal Funds	176,361,500	176,912,900
TOTAL	244,076,800	243,587,300

(1) Emergency Forest Fire Suppression: Not less than $2,500,000 of the above General Fund appropriation in each fiscal year shall be set aside for emergency forest fire suppression. Notwithstanding KRS 45.229, any portion of the $2,500,000 not expended for emergency forest fire suppression shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705) at the end of each fiscal year. There is appropriated from the General Fund the necessary funds, subject to the conditions and procedures provided in this Act, which are required as a result of emergency fire suppression activities in excess of $2,500,000 in each fiscal year. Fire suppression costs in excess of $2,500,000 annually shall be deemed necessary government expenses and shall be paid, up to $4,000,000 in each fiscal year, from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

(2) Environmental Stewardship Program: Included in the above General Fund (Tobacco) appropriation is $1,773,100 in fiscal year 2026-2027 and $1,638,600 in fiscal year 2027-2028 for the Environmental Stewardship Program.

(3) Conservation District Local Aid: Included in the above General Fund (Tobacco) appropriation is $886,500 in fiscal year 2026-2027 and $819,300 in fiscal year 2027-2028 for the Division of Conservation to provide direct aid to local conservation districts.

5. ENERGY POLICY

	2026-27	**2027-28**
General Fund	1,617,400	1,572,700

Restricted Funds	613,100	607,100
Federal Funds	62,541,200	62,555,900
TOTAL	64,771,700	64,735,700

6. KENTUCKY NATURE PRESERVES

	2026-27	**2027-28**
General Fund	1,650,800	1,633,900
Restricted Funds	2,640,900	2,622,900
Federal Funds	275,100	278,200
TOTAL	4,566,800	4,535,000

7. PUBLIC SERVICE COMMISSION

	2026-27	**2027-28**
General Fund	13,825,400	13,658,800
Restricted Funds	2,967,500	2,914,400
Federal Funds	1,108,300	1,119,900
TOTAL	17,901,200	17,693,100

(1) Siting and Construction of Nuclear Energy Facilities: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 29.

(2) Energy Planning and Inventory Commission: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 172.

TOTAL - ENERGY AND ENVIRONMENT CABINET

	2026-27	**2027-28**
General Fund (Tobacco)	2,659,600	2,457,900
General Fund	97,001,600	97,756,100
Restricted Funds	126,861,600	124,015,400
Federal Funds	284,909,300	286,133,400

TOTAL	511,432,100	510,362,800

F. FINANCE AND ADMINISTRATION CABINET

Budget Units

1. GENERAL ADMINISTRATION

	2026-27	2027-28
General Fund	9,803,700	13,468,900
Restricted Funds	44,527,000	40,614,100
TOTAL	54,330,700	54,083,000

(1) Kentucky Affordable Prepaid Tuition Trust Fund: Included in the above General Fund appropriation is $5,100,000 in fiscal year 2026-2027 and $5,600,000 in fiscal year 2027-2028 to support projected tuition payments and refunds through fiscal year 2025-2026. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

2. CONTROLLER

	2026-27	2027-28
General Fund	4,216,900	6,818,100
Restricted Funds	19,489,600	16,486,700
TOTAL	23,706,500	23,304,800

(1) Social Security Contingent Liability Fund: Any expenditures that may be required by KRS 61.470 are hereby deemed necessary government expenses and shall be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from any available balance in the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

3. DEBT SERVICE

	2026-27	2027-28
General Fund (Tobacco)	14,100,200	13,880,800

General Fund	560,221,400	718,918,400
TOTAL	574,321,600	732,799,200

(1) Use of Restricted Funds for Debt Service: Notwithstanding KRS 218B.080(3), $12,000,000 in each fiscal year; notwithstanding KRS 286.1-485(3), $9,000,000 in each fiscal year; notwithstanding KRS 243.025(3), $6,000,000 in each fiscal year; and notwithstanding KRS 14.140, $5,000,000 in each fiscal year, are hereby transferred to the Debt Service Fund to be used to pay debt service on General Fund supported bonds previously issued by the Commonwealth.

4. FACILITIES AND SUPPORT SERVICES

	2026-27	**2027-28**
General Fund	9,100,200	9,000,500
Restricted Funds	56,128,700	55,591,600
TOTAL	65,228,900	64,592,100

(1) Capitol Annex Renovation: Notwithstanding KRS 42.425 and any statute to the contrary, the administration and management of the Capitol Annex Renovation project authorized in 2024 Ky. Acts ch. 175, Part II, F., 2., 009. shall be approved by the Director of the Legislative Research Commission or his designee.

5. COUNTY COSTS

	2026-27	**2027-28**
General Fund	29,243,500	29,243,500
Restricted Funds	1,702,500	1,702,500
TOTAL	30,946,000	30,946,000

(1) County Costs: Funds required to pay county costs are appropriated and additional funds may be allotted from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705) by the Secretary of the Finance and Administration Cabinet, subject to the conditions and procedures provided in this Act.

(2) Reimbursement to Sheriffs' Offices for Court Security Services: Notwithstanding KRS 64.092(6), the sheriff or other law enforcement officer serving a Circuit or District Court shall be compensated at the rate of $15 per hour of service. To be eligible for this enhanced rate, deputies providing services must be paid at least $10 per hour.

6. COMMONWEALTH OFFICE OF TECHNOLOGY

	2026-27	2027-28
Restricted Funds	134,485,900	132,286,600
Federal Funds	1,716,600	1,716,600
TOTAL	136,173,300	133,952,100

(1) Computer Services Fund Receipts: The Secretary of the Finance and Administration Cabinet shall provide a listing of fee receipts from the Executive, Judicial, and Legislative Branches of government itemized by appropriation units, cost allocation methodology, and a report detailing the rebate of excess fee receipts to the agencies to the Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year.

(2) Legacy Modernization: The Commonwealth Office of Technology shall prepare a report for the Legacy Modernization capital project authorized in 2024 Ky. Acts ch. 175, Part II, F., 3., 001. The report shall include a list of legacy IT systems that have been completed, the date in which they were completed, the state agency the IT system was for, and a status report for the completion percentage of all other ongoing modernization projects. This report shall be submitted to the Interim Joint Committee on Appropriations and Revenue by October 31 of each fiscal year.

(3) Security Enhancements: Included in the above Restricted Funds appropriation is $625,800 in fiscal year 2026-2027 and $1,719,100 in fiscal year 2027-2028 to support security enhancements in key areas such as email integrity, data classification, directory resilience, and incident response and training.

(4) Centralized Registry of Artificial Intelligence Systems: Included in the

above appropriations is sufficient funding to implement and carry out the provisions of 2025 Ky. Acts ch. 66.

7. REVENUE

	2026-27	**2027-28**
General Fund (Tobacco)	250,000	250,000
General Fund	118,710,200	117,230,900
Restricted Funds	11,814,200	11,338,100
Federal Funds	50,000	50,000
TOTAL	130,824,400	128,869,000

(1) Operations of Revenue: Notwithstanding KRS 132.672, 134.552(2), 136.652, and 365.390(2), funds may be expended in support of the operations of the Department of Revenue.

(2) State Enforcement: Notwithstanding KRS 248.654 and 248.703(4), a total of $250,000 of the Tobacco Settlement payments received in each fiscal year is appropriated to the Finance and Administration Cabinet, Department of Revenue, for the state's diligent enforcement of noncompliant nonparticipating manufacturers.

8. PROPERTY VALUATION ADMINISTRATORS

	2026-27	**2027-28**
General Fund	64,978,600	64,663,500
Restricted Funds	4,786,400	4,786,000
TOTAL	69,765,000	69,449,500

(1) Management of Expenditures: Notwithstanding KRS 132.590 and 132.597, the property valuation administrators are authorized to take necessary actions to manage expenditures within the appropriated amounts contained in this Act.

(2) Salary Increment: Notwithstanding KRS 132.590(3)(b), the increment provided on the base salary or wages of each eligible property valuation administrator shall be the same as that provided for eligible state employees in Part IV of this Act. The

placement and advancement on the proper step of the salary schedule for property valuation administrators as set forth in 132.590(2) shall continue to apply. The increment changes should be applied to the salary schedule for property valuation administrators for the duration of this biennial budget.

TOTAL - FINANCE AND ADMINISTRATION CABINET

	2026-27	**2027-28**
General Fund (Tobacco)	14,350,200	14,130,800
General Fund	796,245,300	959,292,700
Restricted Funds	272,934,300	262,805,600
Federal Funds	1,766,600	1,766,600
TOTAL	1,085,296,400	1,237,995,700

G. HEALTH AND FAMILY SERVICES CABINET

Budget Units

1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT

	2026-27	**2027-28**
General Fund	8,116,000	7,857,600
Restricted Funds	80,657,000	79,204,200
Federal Funds	68,600,000	68,967,200
TOTAL	157,373,000	156,029,000

(1) Human Service Transportation Delivery: Notwithstanding KRS 281.010(28), the Kentucky Works Program shall not participate in the Human Service Transportation Delivery Program or the Coordinated Transportation Advisory Committee.

(2) Federally Funded Positions: Notwithstanding KRS 18A.010(2) and any provisions of this Act to the contrary, direct service units of the Office of Inspector General, Department for Income Support, Office for Children with Special Health Care Needs, Department for Community Based Services, Department for Behavioral Health,

Developmental and Intellectual Disabilities, Department for Family Resource Centers and Volunteer Services, Department for Aging and Independent Living, and the Department for Public Health shall be authorized to establish and fill such positions that are 100 percent federally funded for salary and fringe benefits.

(3) Parkinson's Disease Registry: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2025 Ky. Acts ch. 85.

(4) H.R. 1 Implementation Compliance: The Cabinet for Health and Family Services shall implement all program and eligibility requirements of House Resolution 1, Pub. L. No. 119-21.

2. MEDICAID SERVICES

a. Medicaid Administration

	2026-27	**2027-28**
General Fund	82,619,300	74,094,600
Restricted Funds	34,129,700	32,706,900
Federal Funds	241,290,600	224,326,100
TOTAL	358,039,600	331,127,600

(1) Transfer of Excess Administrative Funds for Medicaid Benefits: If any portion of the above General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the Department for Medicaid Services, the amount may be used for Medicaid Benefits in accordance with statutes governing the functions and activities of the Department for Medicaid Services. In no instance shall these excess funds be used without prior written approval of the State Budget Director to:

(a) Establish a new program;

(b) Expand the services of an existing program; or

(c) Increase rates or payment levels in an existing program.

Any transfer authorized under this subsection shall be approved by the Secretary of

the Finance and Administration Cabinet upon recommendation of the State Budget Director.

(2) Interim Restricted Funds Appropriation Increase: Notwithstanding KRS 48.630, Medicaid Administration may request an allotment of unbudgeted Restricted Funds appropriation not to exceed 10 percent per fiscal year.

(3) H.R. 1 - Community Engagement Program Implementation: Included in the above appropriations is $8,137,900 in General Fund, $700,000 in Restricted Funds, and $26,663,700 in Federal Funds in fiscal year 2026-2027 and $1,532,900 in General Fund and $9,498,700 in Federal Funds in fiscal year 2027-2028 to support implementation of a community engagement program and other needs as required by House Resolution 1, Pub. L. No. 119-21. The Cabinet for Health and Family Services shall expend any federal grant funding received to assist with implementation activities prior to expending the funds appropriated above.

b. Medicaid Benefits

	2025-26	**2026-27**	**2027-28**
General Fund	-0-	2,992,864,600	2,997,453,000
Restricted Funds	55,983,800	2,152,012,600	2,088,385,200
Federal Funds	-0-	17,540,335,300	17,547,678,300
TOTAL	55,983,800	22,685,212,500	22,633,516,500

(1) Intergovernmental Transfers (IGTs): Any funds received through an Intergovernmental Transfer (IGT) agreement between the Department for Medicaid Services and other governmental entities, in accordance with a federally approved State Plan amendment, shall be used to provide for the health and welfare of the citizens of the Commonwealth through the provision of Medicaid Benefits. Revenues from IGTs are contingent upon agreement by the parties, including but not limited to the Cabinet for Health and Family Services, Department for Medicaid Services, and the appropriate providers. The Secretary of the Cabinet for Health and Family Services shall make the

appropriate interim appropriations increase requests pursuant to KRS 48.630.

(2) Medicaid Benefits Budget Deficit: If Medicaid Benefits expenditures are projected to exceed available funds, the Secretary of the Cabinet for Health and Family Services may recommend and implement that reimbursement rates, optional services, eligibles, or programs be reduced or maintained at levels existing at the time of the projected deficit in order to avoid a budget deficit. The projected deficit shall be confirmed and approved by the Office of State Budget Director. No rate, service, eligible, or program reductions shall be implemented by the Cabinet for Health and Family Services without prior written notice of such action to the Interim Joint Committee on Appropriations and Revenue and the State Budget Director. Such actions taken by the Cabinet for Health and Family Services shall be reported, upon request, at the next meeting of the Interim Joint Committee on Appropriations and Revenue.

(3) Disproportionate Share Hospital (DSH) Program: Hospitals shall report the uncompensated care for which, under federal law, the hospital is eligible to receive disproportionate share payments. Disproportionate share payments shall equal the maximum amounts established under federal law. The Department for Medicaid Services shall compile for each fiscal year a report on the total amount of disproportionate share payments made to hospitals. The report shall identify the hospital receiving the DSH payment, the amount of the payment, and the fund source of the payment. The report shall be submitted to the Interim Joint Committee on Appropriations and Revenue and the Medicaid Oversight and Advisory Board by November 15 of each fiscal year.

(4) Hospital Indigent Patient Billing: Hospitals shall not bill patients for services if the services have been reported to the Cabinet and the hospital has received disproportionate share payments for the specific services.

(5) Provider Tax Information: Any provider who posts a sign or includes information on customer receipts or any material distributed for public consumption indicating that it has paid provider tax shall also post, in the same size typeset as the

provider tax information, the amount of payment received from the Department for Medicaid Services during the same period the provider tax was paid. Providers who fail to meet this requirement shall be excluded from the Disproportionate Share Hospital and Medicaid Programs. The Cabinet for Health and Family Services shall include this provision in facilities' annual licensure inspections.

(6) Critical Access Hospitals: Beginning on the effective date of this Act through June 30, 2028, no acute care hospital shall convert to a critical access hospital unless the hospital has either received funding for a feasibility study from the Kentucky Office of Rural Health or filed a written request by January 1, 2026, with the Kentucky Office of Rural Health requesting funding for conducting a feasibility study.

(7) Appeals: An appeal from denial of a service or services provided by a Medicaid managed care organization for medical necessity, or denial, limitation, or termination of a health care service in a case involving a medical or surgical specialty or subspecialty, shall, upon request of the recipient, authorized person, or provider, include a review by a board-eligible or board-certified physician in the appropriate specialty or subspecialty area; except in the case of a health care service rendered by a chiropractor or optometrist, for which the denial shall be made respectively by a chiropractor or optometrist duly licensed in Kentucky as specified in KRS 304.17A-607(1)(b). The physician reviewer shall not have participated in the initial review and denial of service and shall not be the provider of the service or services under consideration in the appeal.

(8) Medicaid Prescription Benefits Reporting: Notwithstanding KRS 205.647, the Department for Medicaid Services shall submit a report to the Interim Joint Committee on Appropriations and Revenue and the Medicaid Oversight and Advisory Board by October 31 of each fiscal year on the dispensing of prescription medications to persons eligible under KRS 205.560. The report shall include:

(a) The total Medicaid dollars paid to the state pharmacy benefit manager by a managed care organization;

(b) The total amount of Medicaid dollars paid to the state pharmacy benefit manager by a managed care organization which were not subsequently paid to a pharmacy licensed in Kentucky;

(c) The average reimbursement by drug ingredient cost, dispensing fee, and any other fee paid by the state pharmacy benefit manager to licensed pharmacies with which the state pharmacy benefit manager shares common ownership, management, or control; or which are owned, managed, or controlled by any of the state pharmacy benefit manager's management companies, parent companies, subsidiary companies, jointly held companies, or companies otherwise affiliated by a common owner, manager, or holding company; or which share any common members on the board of directors; or which share managers in common;

(d) The average reimbursement by drug ingredient cost, dispensing fee, or any other fee paid by the state pharmacy benefit manager to pharmacies licensed in Kentucky which operate 10 locations, 10 or fewer locations, or 10 or more locations; and

(e) All common ownership, management, common members of a board of directors, shared managers, or control of the state pharmacy benefit manager, or any of the state pharmacy benefit manager's management companies, parent companies, subsidiary companies, jointly held companies, or companies otherwise affiliated by a common owner, manager, or holding company with any managed care organization contracted to administer Kentucky Medicaid benefits, any entity which contracts on behalf of a pharmacy, or any pharmacy services administration organization, or any common ownership management, common members of a board of directors, shared managers, or control of a pharmacy services administration organization that is contracted with the state pharmacy benefit manager, with any drug wholesaler or distributor or any of the pharmacy services administration organizations, management companies, parent companies, subsidiary companies, jointly held companies, or companies otherwise affiliated by a common owner, common members of a board of

directors, manager, or holding company.

(9) Interim Restricted Funds Appropriation Increase: Notwithstanding KRS 48.630, Medicaid Benefits may request an allotment of unbudgeted Restricted Funds appropriation not to exceed 10 percent per fiscal year.

(10) Kentucky Access Fund: Notwithstanding KRS 304.17B-021, funds are transferred from this source to Medicaid Benefits in each fiscal year.

(11) 1915(c) Home and Community Based Services (HCBS) Waivers Wait List Management Assessment: The General Assembly recognizes the vital role of waiver services in the daily lives of Kentuckians in home and community based settings and the importance of an efficient and effective system for the delivery of those services. The Department for Medicaid Services shall conduct an analysis and assessment of the wait lists for all of the Kentucky Medicaid 1915(c) HCBS waiver programs. For each of the waiver programs the assessment shall include:

(a) The current eligibility criteria for the waiver program;

(b) A description of the process for an individual to be assessed for a waiver program;

(c) A description of the method used to determine the level of priority for receiving services for an individual on the wait list;

(d) The number of current waiver participants;

(e) The number, demographics, and eligibility category of individuals on the wait list;

(f) The acuity level of individuals on the wait list;

(g) The level of care and services needed by individuals on the wait list;

(h) The average cost of waiver services provided;

(i) The date of entry and length of time on the wait list; and

(j) The number of applicants on the wait list for more than one waiver program as can most accurately be determined.

The results and findings from the assessment and recommendations to achieve a more efficient and effective management of the Kentucky 1915(c) HCBS waiver programs wait lists shall be reported to the Interim Joint Committees on Appropriations and Revenue and Health Services by October 1, 2026.

(12) Michelle P. Waiver Slots: Included in the above appropriations is $1,228,500 in General Fund and $2,866,500 in Federal Funds in fiscal year 2026-2027 to support 75 additional slots and $2,047,500 in General Fund and $4,777,500 in Federal Funds in fiscal year 2027-2028 to support 50 additional slots for a total of 125 slots over the 2026-2028 fiscal biennium.

(13) Supports for Community Living Waiver Slots: Included in the above appropriations is $3,435,000 in General Fund and $8,015,000 in Federal Funds in fiscal year 2026-2027 to support 100 additional slots and $5,152,500 in General Fund and $12,022,500 in Federal Funds in fiscal year 2027-2028 to support 50 additional slots for a total of 150 slots over the 2026-2028 fiscal biennium.

(14) Home and Community Based Waiver Slots: Included in the above appropriations is $1,526,300 in General Fund and $3,561,300 in Federal Funds in fiscal year 2026-2027 to support 125 additional slots and $2,136,800 in General Fund and $4,985,800 in Federal Funds in fiscal year 2027-2028 to support 50 additional slots for a total of 175 slots over the 2026-2028 fiscal biennium.

(15) Medicaid Benefits Program Support: Included in the above appropriation is $55,983,800 in Restricted Funds in fiscal year 2025-2026 to support estimated program needs.

(16) Certified Community Behavioral Health Clinics (CCBHC): Included in the above General Fund appropriation is $1,441,400 in fiscal year 2027-2028 to maintain services at the existing clinics participating in the CCBHC demonstration program.

(17) Pharmacist Payment Parity: Included in the above General Fund appropriation is $128,100 in fiscal year 2026-2027 to support the costs of administrative

activities, including creation of a new pharmacist provider type for implementation of pharmacist payment parity in the Kentucky Medicaid and the Kentucky Children's Health Insurance Programs. Reimbursement for clinical services performed by pharmacists within their scope of practice shall be paid at a rate no less than the rate paid to other nonphysician practitioners for the delivery of similar services. The Department for Medicaid Services shall submit a report on the implementation of pharmacist payment parity within the Medicaid Program including a timeline of activities, expenditures related to any required system updates and other administrative activities undertaken, and expenditures associated with coverage of pharmacists' services by fund source by November 1 of each fiscal year to the Interim Joint Committee on Appropriations and Revenue.

(18) MCO Payments: The Department for Medicaid Services or the Finance and Administration Cabinet shall make 12 monthly payments in each fiscal year to Medicaid managed care vendors contracted to provide services for the Medicaid program. All payments due during a fiscal year shall be issued within that same fiscal year and shall not be deferred, delayed, or transferred to a subsequent fiscal year.

(19) Medicaid Service Reductions: If it is deemed necessary to make reductions in Medicaid services, a priority shall be made to reduce services not expressly authorized by the General Assembly.

(20) Substance Use Disorder Programs: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 68.

(21) Behavioral and Mental Health Services: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2025 Ky. Acts ch. 107.

(22) Medicaid Managed Care Organization Contracts: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2025 Ky. Acts ch. 110.

TOTAL - MEDICAID SERVICES

	2025-26	**2026-27**	**2027-28**
General Fund	-0-	3,075,483,900	3,071,547,600
Restricted Funds	55,983,800	2,186,142,300	2,121,092,100
Federal Funds	-0-	17,781,625,900	17,772,004,400
TOTAL	55,983,800	23,043,252,100	22,964,644,100

3. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES

	2026-27	**2027-28**
General Fund (Tobacco)	1,152,500	1,065,100
General Fund	185,072,300	183,414,200
Restricted Funds	288,266,000	288,463,200
Federal Funds	98,721,000	98,891,200
TOTAL	573,211,800	571,833,700

(1) Disproportionate Share Hospital Funds: Pursuant to KRS 205.640(3)(a)2., mental health disproportionate share funds are budgeted at the maximum amounts permitted by Section 1923(h) of the Social Security Act. Upon publication in the Federal Register of the Annual Institutions for Mental Disease (IMD) Disproportionate Share Hospital (DSH) limit, 92.3 percent of the federal IMD DSH limit goes to the state-operated mental hospitals. If there are remaining funds within the psychiatric pool after all private psychiatric hospitals reach their hospital-specific DSH limit, state mental hospitals may exceed the 92.3 percent limit but may not exceed their hospital-specific DSH limit.

(2) Lease Payments for Eastern State Hospital: Included in the above General Fund appropriation is $9,807,300 in fiscal year 2026-2027 and $9,808,000 in fiscal year 2027-2028 to make lease payments to the Lexington-Fayette Urban County Government to retire its debt for the construction of the new facility.

(3) Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is $1,152,500 in fiscal year 2026-2027 and $1,065,100 in fiscal year 2027-2028 for substance abuse prevention and treatment for pregnant women with a history of substance abuse problems.

(4) Substance Abuse Funding Report: The Department for Behavioral Health, Developmental and Intellectual Disabilities shall compile for each fiscal year a report on the funding received by the Cabinet for Health and Family Services to provide substance abuse prevention, treatment, and recovery services in the Commonwealth. The report shall include the amount, source, and duration of the funding, the purpose of the funding, the number of individuals served, and any available information on outcomes demonstrated as a result of the funding provided for substance abuse prevention, treatment, and recovery services. The report shall be submitted to the Legislative Research Commission, Office of Budget Review, by September 1 of each fiscal year.

(5) Residential Facilities Services: Included in the above Restricted Funds appropriation is $20,000,000 in each fiscal year to support increased costs related to staffing and an increased patient census in state run psychiatric and ICF/ID facilities.

4. PUBLIC HEALTH

	2026-27	**2027-28**
General Fund (Tobacco)	9,379,700	8,668,100
General Fund	83,710,200	93,680,700
Restricted Funds	148,696,000	151,126,800
Federal Funds	508,224,600	497,327,100
TOTAL	750,010,500	750,802,700

(1) Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is $5,301,500 in fiscal year 2026-2027 and $4,899,400 in fiscal year 2027-2028 for the Health Access Nurturing Development Services (HANDS) Program, $620,600 in fiscal year 2026-2027 and $573,500 in fiscal year 2027-2028 for the Healthy

Start Initiatives, $620,600 in fiscal year 2026-2027 and $573,500 in fiscal year 2027-2028 for Early Childhood Mental Health, $620,600 in fiscal year 2026-2027 and $573,500 in fiscal year 2027-2028 for Early Childhood Oral Health, $443,300 in fiscal year 2026-2027 and $409,600 in fiscal year 2027-2028 for the Lung Cancer Screening Program, and $1,773,100 in fiscal year 2026-2027 and $1,638,600 in fiscal year 2027-2028 for Smoking Cessation.

(2) Local and District Health Department Fees: Notwithstanding KRS 211.170 and 211.186, local and district health departments shall retain 90 percent of the fees collected for delivering foundational public health program services to fund the costs of operations, services, and the employer contributions for the Kentucky Employees Retirement System.

(3) Kentucky Pediatric Cancer Research Trust Fund: Included in the above General Fund appropriation is $4,800,000 in fiscal year 2026-2027 and $4,650,000 in fiscal year 2027-2028 to the Kentucky Pediatric Cancer Research Trust Fund for general pediatric cancer research and support of expansion of clinical trials at the University of Kentucky and the University of Louisville. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(4) Lung Cancer Screening MCO: Each Medicaid Managed Care Organization that has a participating contract with the Commonwealth for the next contract renewal cycle shall provide services for lung cancer screenings, which may include genetic prescreen testing.

(5) Central Laboratory Expansion: The Cabinet for Health and Family Services shall submit a yearly report detailing the progress of the Central Laboratory Expansion as set forth in 2024 Ky. Acts ch. 175, Part II, G., 4., 001. The report shall include but not be limited to the targeted and achieved milestones, expenditures incurred, challenges encountered, and mitigation strategies implemented. The report shall be

submitted to the Interim Joint Committee on Appropriations and Revenue with the first report due July 1, 2027.

(6) Area Health Education Centers: Included in the above General Fund appropriation is $2,400,000 in fiscal year 2026-2027 and $2,325,000 in fiscal year 2027-2028 to support the operations of the Commonwealth's eight regional Area Health Education Centers. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(7) Kentucky Early Intervention System (KEIS): The KEIS Program plays a vital role in supporting the development of young children with disabilities. To ensure the program's continued effectiveness, the Department for Public Health shall conduct a feasibility study on the various coaching models used in the program. The study shall, at a minimum, identify the existing coaching models, identify the alternative coaching models, assess the feasibility and cost implications of implementing alternative coaching models, and provide recommendations. The study shall be submitted to the Interim Joint Committee on Health Services by December 1, 2026.

(8) Rural Health Transformation Fund: Included in the above Federal Funds appropriation is $212,905,600 in each fiscal year from the Rural Health Transformation Fund.

(9) Debt Service: Included in the above General Fund appropriation is $11,178,500 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(10) Vital Statistics: Included in the above Restricted Funds appropriation is $1,640,800 in each fiscal year to support increased operating costs within the Office of Vital Statistics.

(11) Drug and Supplement Testing: Included in the above Restricted Funds appropriation is $2,000,000 in fiscal year 2026-2027 and $2,750,000 in fiscal year 2027-

2028 to support mandated medical marijuana and edible analysis and testing.

(12) Ryan White Program: Included in the above Restricted Funds appropriation is $4,000,000 in fiscal year 2026-2027 and $6,000,000 in fiscal year 2027-2028 to support participation growth in the Ryan White Program and to address increased medication costs.

(13) Regulation of Kratom: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 44.

5. FAMILY RESOURCE CENTERS AND VOLUNTEER SERVICES

	2026-27	**2027-28**
General Fund	26,617,200	26,660,700
Federal Funds	12,530,300	12,538,600
TOTAL	39,147,500	39,199,300

(1) Family Resource and Youth Services Centers Funds: No more than two percent of the total funds transferred from the Department of Education to the Family Resource and Youth Services Centers, as consistent with KRS 156.496, shall be used for administrative purposes in each fiscal year.

6. COMMUNITY BASED SERVICES

	2026-27	**2027-28**
General Fund (Tobacco)	10,195,200	9,421,900
General Fund	738,881,900	742,984,300
Restricted Funds	165,229,700	160,967,400
Federal Funds	935,267,400	922,672,800
TOTAL	1,849,574,200	1,836,046,400

(1) Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is $8,422,100 in fiscal year 2026-2027 and $7,783,300 in fiscal year 2027-2028 for the Early Childhood Development Program and $1,773,100 in fiscal year 2026-2027 and $1,638,600 in fiscal year 2027-2028 for the Early Childhood Adoption and

Foster Care Supports Program.

(2) Fostering Success: Included in the above General Fund appropriation is $480,000 in fiscal year 2026-2027 and $465,000 in fiscal year 2027-2028 to support the Fostering Success Program. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(3) Dually Licensed Pediatric Facilities: Included in the above General Fund appropriation is $528,000 in fiscal year 2026-2027 and $511,500 in fiscal year 2027-2028 to provide supplemental payments to dually licensed pediatric facilities for emergency shelter services for children. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(4) Child Care Assistance Program: Included in the above General Fund appropriation is $10,176,000 in fiscal year 2026-2027 and $9,858,000 in fiscal year 2027-2028 to provide services to families at or below 160 percent of the federal poverty level as determined annually by the U.S. Department of Health and Human Services. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(5) Personal Care Homes: Included in the above General Fund appropriation is $11,520,000 in fiscal year 2026-2027 and $11,160,000 in fiscal year 2027-2028 to support reimbursements provided to personal care homes. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(6) Children's Services Contractors: Notwithstanding KRS Chapter 45A, no contracts awarded for the use and benefit of the Department for Community Based Services shall interfere with the contractor’s freedom of religion as set forth in KRS 446.350. Any such contracts shall contain a provision allowing a contractor to allow a

substitute contractor who is also licensed or approved by the Cabinet to deliver the contracted services if the contractor cannot perform a contracted service because of sincerely held religious beliefs as outlined in KRS 446.350.

(7) Victims Advocacy Programs: Included in the above General Fund appropriation is $10,557,700 in each fiscal year for the Children's Advocacy Centers, $13,912,700 in each fiscal year for the Domestic Violence Shelters, and $7,776,100 in each fiscal year for the Rape Crisis Centers to support operational costs.

(8) Employee Child Care Assistance Partnership: Included in the above General Fund appropriation is $1,920,000 in fiscal year 2026-2027 and $1,860,000 in fiscal year 2027-2028 to support the Employee Child Care Assistance Partnership for matching contributions. There shall be a two percent cap on administrative costs for the oversight of this program. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(9) Supplemental Nutrition Assistance Program (SNAP) Administration: Included in the above General Fund appropriation is $43,500,000 in fiscal year 2026-2027 and $58,000,000 in fiscal year 2027-2028 to support the increased state share of SNAP administrative cost responsibility from 50 percent to 75 percent, as required by H.R. 1 of the 119th Congress.

(10) Adoption Records: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 43.

(11) Child Care Benefits: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 84.

(12) Relative and Fictive Kin Caregivers: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 85.

(13) Dependency, Neglect, or Abuse of a Child: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024

Ky. Acts ch. 133 and 144.

(14) Truancy: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 163.

7. AGING AND INDEPENDENT LIVING

	2026-27	**2027-28**
General Fund	48,795,400	47,425,300
Restricted Funds	4,067,300	4,027,800
Federal Funds	38,541,000	38,590,900
TOTAL	91,403,700	90,044,000

(1) Local Match Requirements: Notwithstanding KRS 205.460, entities contracting with the Cabinet for Health and Family Services to provide essential services under KRS 205.455 and 205.460 shall provide local match equal to or greater than the amount in effect during fiscal year 2025-2026. Local match may include any combination of materials, commodities, transportation, office space, personal services, or other types of facility services or funds. The Secretary of the Cabinet for Health and Family Services shall prescribe the procedures to certify the local match compliance.

TOTAL - HEALTH AND FAMILY SERVICES CABINET

	2025-26	**2026-27**	**2027-28**
General Fund (Tobacco)	-0-	20,727,400	19,155,100
General Fund	-0-	4,166,676,900	4,173,570,400
Restricted Funds	55,983,800	2,873,058,300	2,804,881,500
Federal Funds	-0-	19,443,510,200	19,410,992,200
TOTAL	55,983,800	26,503,972,800	26,408,599,200

H. JUSTICE AND PUBLIC SAFETY CABINET

Budget Units

1. JUSTICE ADMINISTRATION

	2026-27	**2027-28**

General Fund (Tobacco)	2,881,200	2,662,700
General Fund	44,664,200	45,238,000
Restricted Funds	3,241,300	2,998,900
Federal Funds	34,826,500	34,848,100
TOTAL	85,613,200	85,747,700

(1) Operation UNITE: (a) Included in the above General Fund appropriation is $1,440,000 in fiscal year 2026-2027 and $1,395,000 in fiscal year 2027-2028 for the Operation UNITE Program. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(b) For the periods ending June 30, 2026, and June 30, 2027, the Secretary of the Justice and Public Safety Cabinet, in coordination with the Chief Executive Officer of Operation UNITE, shall prepare reports detailing for what purpose and function the funds were utilized. The reports shall be submitted to the Interim Joint Committee on Appropriations and Revenue by September 1 of each fiscal year.

(2) Office of Drug Control Policy: Included in the above General Fund (Tobacco) appropriation is $2,659,600 in fiscal year 2026-2027 and $2,457,900 in fiscal year 2027-2028 for the Office of Drug Control Policy.

(3) Court-Appointed Special Advocate Funding: (a) Included in the above General Fund appropriation is $2,880,000 in fiscal year 2026-2027 and $2,790,000 in fiscal year 2027-2028 for grants to support Court-Appointed Special Advocate (CASA) funding programs. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(b) No administrative costs shall be paid from the appropriation provided in paragraph (a) of this subsection.

(4) Restorative Justice: Included in the above General Fund (Tobacco)

appropriation is $221,600 in fiscal year 2026-2027 and $204,800 in fiscal year 2027-2028 to support the Restorative Justice Program administered by the Volunteers of America.

(5) Substance Abuse Treatment Programs: The Secretary of the Justice and Public Safety Cabinet shall compile for each fiscal year a report on funding received by the Cabinet to provide substance abuse treatment, prevention, and recovery programs in the Commonwealth. The report shall include the amount, source, and duration of the funding, the purpose of the funding, the number of individuals served, and any available information on program outcomes. The Secretary shall submit the report to the Interim Joint Committee on Appropriations and Revenue by September 1 of each year.

(6) Northern Kentucky Medical Examiner's Office: Included in the above General Fund appropriation is $1,618,700 in fiscal year 2027-2028 to support the staffing of the Northern Kentucky Medical Examiner's Office.

2. CRIMINAL JUSTICE TRAINING

	2026-27	**2027-28**
Restricted Funds	109,263,200	107,403,000

(1) Kentucky Law Enforcement Foundation Program Fund: Included in the above Restricted Funds appropriation is $105,484,500 in fiscal year 2026-2027 and $106,460,500 in fiscal year 2027-2028 for the Kentucky Law Enforcement Foundation Program Fund.

(2) Training Incentive Payments: Notwithstanding KRS 15.460(1) and 15.420(2)(a)1.a., included in the above Restricted Funds appropriation is $4,653 in fiscal year 2026-2027 and $4,746 in fiscal year 2027-2028 for each full-time participant for training incentive payments, and $2,327 in fiscal year 2026-2027 and $2,373 in fiscal year 2027-2028 for each part-time participant for training incentive payments. KRS 15.460(1)(b) to (f) shall remain applicable, except that the administrative expense reimbursement cap under KRS 15.460(1)(c)3. shall not exceed $1,000,000.

(3) Administrative Reimbursement: Notwithstanding KRS 15.450(3), the

Department of Criminal Justice Training shall not receive reimbursement for the salaries and other costs of administering the fund, to include the Kentucky Law Enforcement Council operations and expenses, Peace Officers Professional Standards Office, attorney positions in Justice Administration, the Professional Development and Wellness Branch, Office of the State School Security Marshal, Office of Kentucky Law Enforcement Council Support, debt service, capital outlay, and Department personnel costs and expenses in excess of $42,663,800 in fiscal year 2026-2027 and $43,214,100 in fiscal year 2027-2028. The Department shall submit a report detailing reimbursed expenditures for the prior fiscal year to the Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year.

(4) Criminal Justice Council: Pursuant to KRS 15.410 to 15.518, the Department of Criminal Justice Training shall not transfer funds from the Kentucky Law Enforcement Foundation Program Fund to support the Criminal Justice Council.

(5) Kentucky Law Enforcement Council Funding: Notwithstanding KRS 15.450 and any other statute to the contrary, funding to support the operations of the Kentucky Law Enforcement Council shall not exceed $622,900 in fiscal year 2026-2027 and $603,500 in fiscal year 2027-2028.

(6) Operating Cost Increases: Included in the above Restricted Funds appropriation is $864,100 in fiscal year 2026-2027 and $764,100 in fiscal year 2027-2028 to support various operating cost increases.

(7) Additional Staff: Included in the above Restricted Funds appropriation is $467,200 in fiscal year 2026-2027 and $496,200 in fiscal year 2027-2028 for additional staff.

3. JUVENILE JUSTICE

	2026-27	**2027-28**
General Fund	173,572,500	182,026,800
Restricted Funds	13,731,900	13,892,100

Federal Funds	10,659,600	10,755,700
TOTAL	197,964,000	206,674,600

(1) Evidence-Based Programming: The Department of Juvenile Justice shall prepare a report detailing expenditures for evidence-based programming provided by the Department, as well as the number of youth served by each program, the number of filled positions providing services and the number of program vacancies, the number of youth on waitlists for services, and any other key performance indicators deemed appropriate by the Department. The Department of Juvenile Justice shall submit this report on a quarterly basis to the Interim Joint Committee on Appropriations and Revenue and the Juvenile Justice Oversight Council beginning November 1, 2026.

(2) Louisville Detention Center Renovation: The Department of Juvenile Justice shall submit a report to the Interim Joint Committee on Appropriations and Revenue by September 1, 2026, detailing the status, progress, and current expenditures of the Renovate Louisville Detention Center project authorized in 2024 Ky. Acts ch. 175, Part II, H., 3., 002.

(3) Jefferson Detention Facilities' Personnel and Operating: Included in the above General Fund appropriation is $6,515,300 in fiscal year 2026-2027 and $12,019,800 in fiscal year 2027-2028 to support the Jefferson Regional Detention Center in Lyndon and the Jefferson County Youth Detention Center in downtown Louisville.

4. STATE POLICE

	2026-27	**2027-28**
General Fund	231,875,800	231,358,900
Restricted Funds	33,759,900	33,233,000
Federal Funds	23,106,500	23,163,900
Road Fund	53,331,100	53,999,900
TOTAL	342,073,300	341,755,700

(1) Call to Extraordinary Duty: There is appropriated from the General Fund to

the Department of Kentucky State Police, subject to the conditions and procedures provided in this Act, funds which are required as a result of the Governor's call of the Kentucky State Police to extraordinary duty when an emergency situation has been declared to exist by the Governor. Funding is authorized to be provided from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

(2) Restricted Funds Uses: Notwithstanding KRS 24A.179, 42.320(2)(h), 65.7631, 189A.050(3)(a), 237.110(18), and 281A.160(2)(b), funds are included in the above Restricted Funds appropriation to maintain the operations and administration of the Department of Kentucky State Police.

(3) Training Incentive Payments: Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is $4,653 in fiscal year 2026-2027 and $4,746 in fiscal year 2027-2028 for each participant for training incentive payments.

(4) Support for Statewide Law Enforcement Purposes: Included in the above Restricted Funds appropriation is $600,000 in each fiscal year for the acquisition of mobile data terminals and docking stations. Notwithstanding KRS 15.430 and 15.470, excess Restricted Funds from the Department of Criminal Justice Training shall be transferred to the Department of Kentucky State Police for this purpose.

(5) Background Check Fees: Pursuant to KRS 7.111, 7.112, and 11.160(1)(e), the Department of Kentucky State Police shall not charge a fee for the cost of background checks requested by the Legislative Research Commission during investigation processes related to confirmations of appointments or reappointments to boards and commissions and administrative law judges.

(6) Statutory Salary Schedule Adjustments: Included in the above General Fund appropriation is $3,802,000 in General Fund and $1,817,900 in Road Fund in fiscal year 2026-2027 and $7,430,500 in General Fund and $3,728,400 in Road Fund in fiscal year 2027-2028 to support the statutory adjustment to the salary schedule based on the

consumer price index for troopers and commercial vehicle enforcement officers.

(7) Kentucky Emergency Warning System Leases: The Department of Kentucky State Police shall prepare a report detailing by county, including but not limited to the number of leases contracted, the cost of each lease, and the number of leases yet to be contracted. The Department of Kentucky State Police shall submit this report to the Interim Joint Committee on Appropriations and Revenue on a quarterly basis beginning November 1, 2026.

(8) Fleet Vehicles: The Department of Kentucky State Police shall prepare a report detailing fleet vehicle purchases, including but not limited to total expenditures, price per vehicle, the timing of purchases, the distribution of new vehicles purchased, as well as the assigned use for each vehicle purchased. The Department of Kentucky State Police shall submit this report on a quarterly basis to the Interim Joint Committee on Appropriations and Revenue beginning November 1, 2026.

(9) Recruitment and Retention Reporting: The Department of Kentucky State Police shall prepare a report detailing recruitment, retention, and demographic statistics, including but not limited to age, gender, race, education-level, and geography, for trooper cadet classes occurring in fiscal years 2025-2026, 2026-2027, and 2027-2028. The Department of Kentucky State Police shall submit this report on a quarterly basis to the Interim Joint Committee on Appropriations and Revenue beginning November 1, 2026.

(10) Sworn Trooper Detail: Notwithstanding any statute to the contrary, beginning with fiscal year 2025-2026, no more than 25 percent of sworn troopers shall be assigned to detail other than a post.

(11) Land Acquisition Authorization: Notwithstanding KRS 56.040, the Department of Kentucky State Police may directly acquire, on behalf of the Commonwealth, any land required for tower sites related to the Kentucky Emergency Warning System or the Emergency Radio System Replacement project authorized in 2024 Ky. Acts ch. 175, Part II, H., 4., 007.

(12) Northern Kentucky Crime Lab: Included in the above General Fund appropriation is $242,000 in fiscal year 2026-2027 and $214,000 in fiscal year 2027-2028 to support the relocation of the Northern Kentucky Crime Lab.

5. CORRECTIONS

a. Corrections Management

	2026-27	2027-28
General Fund	19,043,300	19,130,000
Restricted Funds	399,400	149,000
Federal Funds	100,000	304,300
TOTAL	19,542,700	19,583,300

(1) Local Correctional Facilities: Notwithstanding KRS 441.420, no funds are provided for reimbursement to counties for design fees for architectural and engineering services associated with any new local correctional facility approved by the Kentucky Local Correctional Facilities Construction Authority.

(2) Facility Reporting: (a) The Department of Corrections shall continuously monitor its bed utilization of county jails, halfway houses, Recovery Kentucky drug treatment centers, and all other community correctional residential facilities that are under contract with the Department. This monitoring shall include periodic review of its classification system to ensure that all offenders are placed in the least restrictive housing that provides appropriate security to protect public safety and provide ample opportunity for treatment and successful reentry.

(b) On a monthly basis, the Department shall submit a report detailing the average occupancy rate for each of these facility types outlined in paragraph (a) of this subsection, as well as a projection of bed utilization one year from the reported period, to the Interim Joint Committee on Appropriations and Revenue.

(3) Operational Costs for Inmate Population and Excess Local Jail Per Diem Costs: In the event that actual operational costs and/or actual local jail per diem

payments exceed the amounts appropriated to support the budgeted average daily population of state felons for each fiscal year, the additional payments, up to $10,000,000 in each fiscal year, shall be deemed necessary government expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705), subject to notification as to necessity and amount by the State Budget Director who shall report any certified expenditure to the Interim Joint Committee on Appropriations and Revenue.

b. Adult Correctional Institutions

	2026-27	**2027-28**
General Fund	483,639,900	496,106,100
Restricted Funds	21,302,100	21,373,800
TOTAL	504,684,500	517,575,500

(1) Debt Service: Included in the above General Fund appropriation is $707,000 in fiscal year 2026-2027 and $1,414,000 in fiscal year 2027-2028 to support debt service for new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(2) Transfer to State Institutions: Notwithstanding KRS 532.100(8), state prisoners, excluding the Class C and Class D felons qualifying to serve time in county jails, may be transferred to a state institution within 90 days of final sentencing, if the county jail does not object to the additional 45 days.

(3) Little Sandy Correctional Complex: The Department of Corrections shall prepare a report, including but not limited to the expenditures related to the expansion, the number of full-time positions filled and vacant, the number of offenders housed, and the number of offenders transferred from other facilities by facility. The Department of Corrections shall submit this report on a quarterly basis to the Interim Joint Committee on Appropriations and Revenue beginning November 1, 2026.

(4) Institutional Support: Included in the above General Fund appropriation is $4,000,000 in fiscal year 2026-2027 and $9,000,000 in fiscal year 2027-2028 to support

increased medical costs.

c. Community Services and Local Facilities

	2026-27	**2027-28**
General Fund	257,975,600	260,570,000
Restricted Funds	7,325,700	7,351,800
Federal Funds	870,800	870,800
TOTAL	266,172,100	268,792,600

(1) Local Jails Funding: Notwithstanding KRS 441.605 to 441.695, funds in the amount of $3,000,000 in each fiscal year shall be expended from the Kentucky Local Correctional Facilities Construction Authority for local correctional facility and operational support.

(2) Participation in Transparent Governing - Full Disclosure of Inmate Population Forecasts and Related Materials: The Office of State Budget Director shall provide the methodology, assumptions, data, and all other related materials used to project biennial offender population forecasts conducted by the Office of State Budget Director, the Kentucky Department of Corrections, and any consulting firms, to the Interim Joint Committee on Appropriations and Revenue by October 1, 2027. This submission shall include but not be limited to the projected state, county, and community offender populations for the 2028-2030 fiscal biennium and must coincide with the budgeted amount for these populations. This submission shall clearly divulge the methodology and reasoning behind the budgeted and projected offender population in a commitment to participate in transparent governing.

(3) Calculating Avoided Costs Relating to Legislative Action: Notwithstanding KRS 196.288(5)(a), $4,630,200 has been determined to meet the intent of the statute for the amount of avoided costs to be provided to the Local Corrections Assistance Fund. The actions implemented pursuant to the implementation of 2011 Ky. Acts ch. 2 now are no longer able to be calculated validly due to the length of time they

have been embedded in the criminal justice system.

(4) Program Completion and Sentence Credit Payments: Notwithstanding KRS 197.045(6), payments for program completions resulting in sentencing credit shall not expire and shall continue through the 2026-2028 fiscal biennium. Included in the above General Fund appropriation is $12,000,000 in each fiscal year to support payments for program completions resulting in sentencing credit as prescribed in KRS 197.045(6)(a), (b), and (c). The Department of Corrections shall prepare a report annually, including but not limited to the number of program completions, the cost of payments for each category of sentencing credit, and the programmatic impact on recidivism. The Department of Corrections shall submit this report to the Interim Joint Committee on Appropriations and Revenue by October 1 of each year.

d. Local Jail Support

	2026-27	**2027-28**
General Fund	16,788,600	16,788,600

(1) Local Corrections Assistance Fund Allocation: Notwithstanding KRS 196.288(5)(a), included in the above General Fund appropriation is $4,630,200 in each fiscal year for the Local Corrections Assistance Fund. Moneys in the fund shall be distributed to the counties each year. Amounts distributed from the fund shall be used to support local correctional facilities and programs, including the transportation of prisoners, as follows:

(a) In each fiscal year, the first $3,000,000 received by the fund, or, if the fund receives less than $3,000,000, the entire balance of the fund, shall be divided equally among all counties; and

(b) Any moneys remaining after making the distributions required by paragraph (a) of this subsection shall be distributed to each county based on a ratio, the numerator of which shall be the county's county inmate population on the second Thursday in January during the prior fiscal year, and the denominator of which shall be the total

counties' county inmate population for the entire state on the second Thursday in January during the prior fiscal year.

(2) Life Safety or Closed Jails: Included in the above General Fund appropriation is $860,000 in each fiscal year to provide a monthly payment of an annual amount of $20,000 to each county with a life safety jail or closed jail. The payment shall be in addition to the payment required by KRS 441.206(2).

(3) Inmate Medical Care Expenses: Included in the above General Fund appropriation is $792,800 in each fiscal year for medical care contracts to be distributed, upon approval of the Department of Corrections, to counties by the formula codified in KRS 441.206, and $851,800 in each fiscal year, on a partial reimbursement basis, for medical claims in excess of the statutory threshold pursuant to KRS 441.045. The funding support for medical contracts and catastrophic medical expenses for indigents shall be maintained in discrete accounts. Any medical claim that exceeds the statutory threshold may be reimbursed for that amount in excess of the statutory threshold.

TOTAL - CORRECTIONS

	2026-27	**2027-28**
General Fund	777,447,400	792,594,700
Restricted Funds	29,027,200	28,874,600
Federal Funds	713,300	1,270,700
TOTAL	807,187,900	822,740,000

6. PUBLIC ADVOCACY

	2026-27	**2027-28**
General Fund	96,695,100	96,571,700
Restricted Funds	4,368,100	4,282,800
Federal Funds	2,312,300	2,350,700
TOTAL	103,375,500	103,205,200

(1) Attorney Compensation: Included in the above General Fund appropriation

is $3,610,600 in fiscal year 2026-2027 and $5,404,300 in fiscal year 2027-2028 to support a ten percent annual salary increase for trial attorneys that have a caseload in the Department of Public Advocacy who are reallocated to a new classification series for that department.

(2) Technology Needs: Included in the above General Fund appropriation is $800,000 in each fiscal year to support service fees and contracts for various software and technology supports.

TOTAL - JUSTICE AND PUBLIC SAFETY CABINET

	2026-27	**2027-28**
General Fund (Tobacco)	2,881,200	2,662,700
General Fund	1,324,255,000	1,347,790,100
Restricted Funds	193,391,600	190,684,400
Federal Funds	71,618,200	72,389,100
Road Fund	53,331,100	53,999,900
TOTAL	1,645,477,100	1,667,526,200

J. PERSONNEL CABINET

Budget Units

1. GENERAL OPERATIONS

	2026-27	**2027-28**
Restricted Funds	31,487,900	31,060,100

(1) Public Employee Health Insurance Trust Fund Actuarial Projections: The Department of Employee Insurance shall prepare a report that includes actuarial projections of the operating net gain or loss, recommended reserves, and remaining balance after reserves, by plan year, for all active plan years and a minimum of two upcoming plan years for the Public Employee Health Insurance Trust Fund, as of September 30 of each fiscal year. This report shall be submitted to the Interim Joint Committee on Appropriations and Revenue by December 1 of each year.

(2) Monthly Reporting Requirement: Notwithstanding any statute to the contrary, the Personnel Cabinet shall, on a monthly basis, and no later than 45 days after the last working day of each month, submit to the Legislative Research Commission and the Interim Joint Committee on Appropriations and Revenue data and reports related to the operation and performance of the Kentucky Employees' Health Plan. The monthly submission shall include, at a minimum:

(a) Claims and Enrollment Report, including:

1. A breakdown of all plan enrollments;

2. Medical claims lag;

3. Prescription claims lag;

4. Medical claims on a paid basis; and

5. Prescription claims on a paid basis;

(b) A trust fund cash transactions listing;

(c) A trust fund summary report; and

(d) Any other data or reports necessary to monitor the operation and performance of the Kentucky Employees' Health Plan.

(3) State Health Plan Actuarial Reporting: The Personnel Cabinet shall, on or before May 1, 2026, provide to the General Assembly actuarial reports, studies, and recommendations related to the development and implementation of benefits, enrollment rules, and premium rates for Plan Years 2023, 2024, 2025, 2026, 2027, and 2028.

The cabinet shall also provide documentation of changes in expected claim costs resulting from benefit changes implemented or projected for Plan Years 2026, 2027, and 2028, including the actuarial basis and methodology used for such projections.

In addition, the cabinet shall provide documentation of actuarially projected income and expenses for Plan Years 2026, 2027, and 2028, including the actuarial basis and methodology used for such projections. Such documentation shall include, at a minimum, prior plan experience and the source of that experience, adjustments attributable to plan

or rate changes, claim reserve details, the inflationary trend utilized, and the rationale supporting the selected inflationary trend.

2. PUBLIC EMPLOYEES DEFERRED COMPENSATION AUTHORITY

	2026-27	**2027-28**
Restricted Funds	8,112,800	7,928,800

3. WORKERS' COMPENSATION BENEFITS AND RESERVE

	2026-27	**2027-28**
Restricted Funds	23,618,700	23,061,000

4. FIXED ALLOCATION NON-HAZARDOUS PENSION FUND

	2026-27	**2027-28**
General Fund	63,784,100	63,784,100

(1) Quasi-State Agency Subsidy Distributions: (a) Included in the above General Fund appropriation is $332,100 in each fiscal year to maintain each Non-P1 state agency's fiscal year 2019-2020 baseline subsidy.

(b) Included in the above General Fund appropriation is $18,882,100 in each fiscal year to maintain each Regional Mental Health Unit's fiscal year 2019-2020 baseline subsidy.

(c) Included in the above General Fund appropriation is $25,151,300 in each fiscal year to maintain each health department's fiscal year 2019-2020 baseline subsidy.

(d) The distribution of the baseline subsidy to each employer classification identified in paragraphs (a), (b), and (c) of this subsection shall be distributed in the following manner: In July and January of each year, the Office of State Budget Director shall obtain the total creditable compensation reported by each employer to the Kentucky Public Pensions Authority and utilize that number to determine how much of each total appropriation shall be distributed to each employer within its own unique employer classification. Payments to each employer shall be made on September 1 and April 1 of each fiscal year. The Office of State Budget Director shall provide a report to the Interim

Joint Committee on Appropriations and Revenue by May 1 of each fiscal year. The report shall detail the disbursement of funds in this subsection and include the creditable compensation, by employer, for which disbursements are made.

(e) Notwithstanding KRS 61.5991(6)(b), included in the above General Fund appropriation is $19,418,600 in each fiscal year to support each employer's share of the anticipated retirement costs over each employer's fiscal year 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile on the Legislative Research Commission's website.

5. STATE SALARY AND COMPENSATION FUND

	2026-27	**2027-28**
General Fund	12,500,000	14,625,000
Restricted Funds	2,400,000	3,000,000
Federal Funds	4,500,000	5,625,000
Road Fund	7,000,000	8,750,000
TOTAL	26,400,000	32,000,000

(1) State Employee Salary Compression Pilot Program: Notwithstanding any statute or administrative regulation to the contrary, the Personnel Cabinet Secretary shall establish a State Employee Salary Compression Pilot Program to be implemented in the Cabinet for Health and Family Services and the Kentucky Transportation Cabinet, effective on or after September 1, 2026, subject to the availability of appropriated funds.

Included in the above appropriations is $12,500,000 in General Fund, $7,000,000 in Road Fund, $2,400,000 in Restricted Funds, and $4,500,000 in Federal Funds in fiscal year 2026-2027 and $14,625,000 in General Fund, $8,750,000 in Road Fund, $3,000,000 in Restricted Funds, and $5,625,000 in Federal Funds in fiscal year 2027-2028 which shall be transferred to the appropriate appropriation units of the participating cabinets to support the additional personnel costs incurred as a result of implementing the pilot program.

General Fund moneys in the amount of $27,125,000 from the appropriation set out in 2022 Ky. Acts ch. 199, Part I, N., 1. to implement pay raises for state employees shall be transferred to the State Salary and Compensation Fund for the State Employee Salary Compression Pilot Program.

Notwithstanding KRS 45.229, any General Fund moneys included in the above appropriation that are not required to support the pilot program in the participating cabinets shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

No later than July 1, 2026, the Personnel Cabinet Secretary shall submit a planning report to the Interim Joint Committee on Appropriations and Revenue detailing the proposed methodology, implementation process, and estimated costs associated with the pilot program for each participating cabinet.

No later than November 1, 2026, the Personnel Cabinet Secretary shall submit a progress report to the Interim Joint Committee on Appropriations and Revenue, which shall include, at a minimum:

(a) The amount of funds disbursed under the pilot program and the appropriation units receiving such funds;

(b) The number of employees receiving salary adjustments, disaggregated by cabinet and fund source;

(c) An analysis of salary adjustments by pay grade and tenure; and

(d) The effect of the pilot program on salary compression and supervisory salary differentials within the participating cabinets.

TOTAL - PERSONNEL CABINET

	2026-27	**2027-28**
General Fund	76,284,100	78,409,100
Restricted Funds	65,619,400	65,049,900
Federal Funds	4,500,000	5,625,000
Road Fund	7,000,000	8,750,000

TOTAL	153,403,500	157,834,000

K. POSTSECONDARY EDUCATION

Budget Units

1. COUNCIL ON POSTSECONDARY EDUCATION

	2026-27	2027-28
General Fund (Tobacco)	5,540,900	5,120,500
General Fund	14,048,900	17,401,000
Restricted Funds	11,512,300	7,938,000
Federal Funds	6,057,800	6,145,500
TOTAL	37,159,900	36,605,000

(1) Interest Earnings Transfer from the Strategic Investment and Incentive Trust Fund Accounts: Notwithstanding KRS 164.7911 to 164.7927, included in the above Restricted Funds appropriation is $3,077,300 in fiscal year 2026-2027 from the interest earnings on the Research Challenge and Comprehensive University Excellence trust funds to support the operations of the Council on Postsecondary Education.

(2) Cancer Research and Screening: Included in the above General Fund (Tobacco) appropriation is $5,540,900 in fiscal year 2026-2027 and $5,120,500 in fiscal year 2027-2028 for cancer research and screening. The appropriation in each fiscal year shall be equally shared between the University of Kentucky and the University of Louisville.

(3) Redistribution of Resources: Notwithstanding KRS 164.028 to 164.0282, no General Fund is provided for Professional Education Preparation.

(4) Postsecondary Education Debt: Notwithstanding KRS 45.750 to 45.810, in order to lower the cost of borrowing, any university that has issued or caused to be issued debt obligations through a not-for-profit corporation or a municipality or county government for which the rental or use payments of the university substantially meet the debt service requirements of those debt obligations is authorized to refinance those debt

obligations if the principal amount of the debt obligations is not increased and the rental payments of the university are not increased. Any funds used by a university to meet debt obligations issued by a university pursuant to this subsection shall be subject to interception of state-appropriated funds pursuant to KRS 164A.608.

(5) Disposition of Postsecondary Institution Property: Notwithstanding KRS 45.777, a postsecondary institution's governing board may elect to sell or dispose of real property or major items of equipment and proceeds from the sale shall be designated to the funding sources, on a proportionate basis, used for acquisition of the equipment or property to be sold.

(6) Spinal Cord and Head Injury Research: Included in the above General Fund appropriation is $1,920,000 in fiscal year 2026-2027 and $1,860,000 in fiscal year 2027-2028 for spinal cord and head injury research. In accordance with KRS 211.500 to 211.504, the appropriation in each fiscal year shall be shared between the University of Kentucky and the University of Louisville.

(7) Immunity for Postsecondary Institutions: Notwithstanding any statute to the contrary, a public postsecondary institution, including any affiliated corporation, its officers, employees, and agents, shall be immune from all claims, including class action claims for damages, a declaratory judgment, and equitable relief based on an act or omission if:

(a) The claim arises out of or in connection with tuition paid to the public postsecondary institution for an academic term that included the months of March, April, and May 2020;

(b) The claim alleges losses or damages arising from an act or omission by the public postsecondary institution during or in response to the COVID-19 emergency; and

(c) The alleged act or omission of the public postsecondary institution was related to protecting public health and safety interests in response to the COVID-19 emergency in compliance with federal, state, or local guidance, including but not limited to:

1. Transition to online or otherwise remote instruction;

2. Pause or modification to instruction available through the institution of higher education;

3. Closure of, or modification to, operation of on-campus facilities of the public postsecondary institution; or

4. The public postsecondary institution offered online and otherwise remote learning options that allowed students to complete the coursework in the academic term that included the months of March, April, and May 2020 and receive academic credit.

2. KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

	2026-27	**2027-28**
General Fund	388,503,500	388,711,700
Restricted Funds	61,555,900	61,577,900
Federal Funds	86,000	86,000
TOTAL	450,145,400	450,375,600

(1) College Access Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $187,438,200 in each fiscal year for the College Access Program. Included in the above Restricted Funds appropriation is $22,584,100 in each fiscal year from previous fiscal years' excess Lottery funds held in a trust and agency account. Notwithstanding KRS 164.7891, $1,100,000 in each fiscal year, and notwithstanding 11 KAR 7:010, Section 8, $450,000 in each fiscal year from Restricted Funds is hereby authorized to support the College Access Program.

(2) Kentucky Tuition Grant Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $37,881,600 in each fiscal year for the Kentucky Tuition Grant Program.

(3) Kentucky National Guard Tuition Award Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $7,398,100 in each fiscal year for the National Guard Tuition Award Program.

(4) Kentucky Educational Excellence Scholarships (KEES): Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $90,556,600 in each fiscal year for the Kentucky Educational Excellence Scholarships (KEES). Included in the above Restricted Funds appropriation is $12,300,000 in each fiscal year for KEES.

(5) Work Ready Kentucky Scholarship Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $12,000,500 in each fiscal year for the Work Ready Kentucky Scholarship Program. It is the intent of the General Assembly for Work Ready Kentucky Scholarships to only be awarded to recipients that complete eligible courses.

(6) Dual Credit Scholarship Program: (a) Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $21,149,500 in each fiscal year for the Dual Credit Scholarship Program. Included in the above Restricted Funds appropriation is $6,290,100 in each fiscal year from previous years' excess Lottery funds held in trust and agency account for the Dual Credit Scholarship Program.

(b) Notwithstanding KRS 164.786(1)(f) and 164.787(2)(d), the dual credit tuition rate ceiling shall be one-half of the per credit hour tuition amount charged by the Kentucky Community and Technical College System for in-state students. Notwithstanding KRS 164.786(4)(c), eligible high school students may receive a dual credit scholarship for two career and technical education dual credit courses per academic year and four general education dual credit courses over the junior and senior years, up to a maximum of 12 approved dual credit courses.

(7) Veterinary Medicine Contract Spaces: Included in the above General Fund appropriation is $6,170,000 in fiscal year 2026-2027 and $6,558,200 in fiscal year 2027-2028 for the Veterinary Medicine Contract Spaces program.

(8) Optometry Scholarship Program: Included in the above General Fund appropriation is $814,500 in fiscal year 2026-2027 and $789,000 in fiscal year 2027-2028 for the Optometry Scholarship Program.

(9) Use of Lottery Revenues: Notwithstanding KRS 154A.130(3) and (4), lottery revenues in the amount of $358,424,500 in each fiscal year are appropriated to the Kentucky Higher Education Assistance Authority. Notwithstanding KRS 154A.130(4) and any provisions of this Act to the contrary, if lottery receipts received by the Commonwealth, excluding any unclaimed prize money received under Part III, 20. of this Act, exceed $370,000,000 in fiscal year 2025-2026 or $365,000,000 in each fiscal year of the 2026-2028 fiscal biennium, the additional excess shall be transferred to a trust and agency account and shall not be expended or appropriated without the express authority of the General Assembly.

(10) Redistribution of Resources: Notwithstanding KRS 164.740 to 164.764, 164.7890(11)(c), 164.7891(11)(b), and 164.7894, no General Fund is provided for Work Study, Coal County Pharmacy Scholarships, Osteopathic Medicine Scholarships, and Coal County College Completion Scholarships in order to provide additional funding to the College Access Program and Kentucky Tuition Grant Program.

(11) Teacher Scholarship Program: Notwithstanding KRS 154A.130(4), included in the above appropriation is $2,000,000 in General Fund in each fiscal year and $300,000 in Restricted Funds in each fiscal year for the Teacher Scholarship Program. The Kentucky Higher Education Assistance Authority, in coordination with the Council on Postsecondary Education, shall submit a report on the number of teacher scholarships provided in each fiscal year, the program of study in which recipients are enrolled, recipient retention rates, total number of applications, and the impact of the scholarships on recruitment. This report shall be submitted to the Interim Joint Committee on Education by September 1 of each fiscal year.

(12) General Administration and Support: Included in the above General Fund appropriation is $6,000,000 in each fiscal year to support general administration and support services.

3. EASTERN KENTUCKY UNIVERSITY

	2026-27	**2027-28**
General Fund	72,528,000	71,001,300
Restricted Funds	218,354,400	218,016,300
Federal Funds	135,500,000	135,500,000
TOTAL	426,382,400	424,517,600

(1) Mandated Programs: Included in the above General Fund appropriation are the following:

(a) $4,389,000 in fiscal year 2026-2027 and $4,251,900 in fiscal year 2027-2028 for the Model Laboratory School;

(b) Notwithstanding KRS 61.5991, $4,454,900 in each fiscal year to support the university's share of the anticipated retirement costs over the university's fiscal year 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile on the Legislative Research Commission's website; and

(c) $2,423,200 in each fiscal year to support the Commonwealth’s Property and Casualty Insurance Fund premium.

(2) Debt Service: Included in the above General Fund appropriation is $416,500 in fiscal year 2026-2027 and $1,175,000 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

4. KENTUCKY STATE UNIVERSITY

	2026-27	**2027-28**
General Fund	29,393,200	28,993,800
Restricted Funds	68,862,300	77,848,400
Federal Funds	40,680,600	44,031,000
TOTAL	138,936,100	150,873,200

(1) Mandated Programs: Included in the above General Fund appropriation are the following:

(a) $10,381,000 in each fiscal year to fund the state match payments required of

land-grant universities under federal law; and

(b) $473,600 in each fiscal year to support the Commonwealth's Property and Casualty Insurance Fund premium.

(2) Debt Service: Included in the above General Fund appropriation is $416,500 in fiscal year 2026-2027 and $933,500 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

5. MOREHEAD STATE UNIVERSITY

	2026-27	**2027-28**
General Fund	44,818,300	44,398,600
Restricted Funds	113,086,900	113,086,900
Federal Funds	47,176,400	47,176,400
TOTAL	205,081,600	204,661,900

(1) Mandated Programs: Included in the above General Fund appropriation are the following:

(a) $5,551,600 in fiscal year 2026-2027 and $5,662,600 in fiscal year 2027-2028 for the Craft Academy for Excellence in Science and Mathematics;

(b) Notwithstanding KRS 61.5991, $2,456,500 in each fiscal year to support the university's share of the anticipated retirement costs over the university's fiscal year 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile on the Legislative Research Commission's website; and

(c) $1,274,400 in each fiscal year to support the Commonwealth's Property and Casualty Insurance Fund premium.

(2) Debt Service: Included in the above General Fund appropriation is $416,500 in fiscal year 2026-2027 and $1,045,500 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

6. MURRAY STATE UNIVERSITY

	2026-27	**2027-28**

General Fund	47,834,500	46,947,700
Restricted Funds	159,450,500	159,450,500
Federal Funds	26,494,600	26,494,600
TOTAL	233,779,600	232,892,800

(1) Mandated Programs: Included in the above General Fund appropriation are the following:

(a) $3,872,800 in fiscal year 2026-2027 and $3,751,800 in fiscal year 2027-2028 for the Breathitt Veterinary Center;

(b) Notwithstanding KRS 61.5991, $1,635,500 in each fiscal year to support the university's share of the anticipated retirement costs over the university's fiscal year 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile on the Legislative Research Commission's website; and

(c) $1,451,400 in each fiscal year to support the Commonwealth’s Property and Casualty Insurance Fund premium.

(2) Debt Service: Included in the above General Fund appropriation is $416,500 in fiscal year 2026-2027 and $1,128,500 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

7. NORTHERN KENTUCKY UNIVERSITY

	2026-27	**2027-28**
General Fund	53,353,300	51,976,400
Restricted Funds	221,360,100	221,360,100
Federal Funds	15,450,500	15,450,500
TOTAL	290,163,900	288,787,000

(1) Mandated Programs: Included in the above General Fund appropriation are the following:

(a) $1,270,900 in fiscal year 2026-2027 and $1,231,200 in fiscal year 2027-2028 for the Kentucky Center for Mathematics; and

(b) $1,377,900 in each fiscal year to support the Commonwealth's Property and Casualty Insurance Fund premium.

(2) Debt Service: Included in the above General Fund appropriation is $416,500 in fiscal year 2026-2027 and $1,123,500 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

8. UNIVERSITY OF KENTUCKY

	2026-27	**2027-28**
General Fund	285,748,800	277,198,400
Restricted Funds	8,688,499,300	9,509,319,400
Federal Funds	315,770,000	333,769,000
TOTAL	9,290,018,100	10,120,286,800

(1) Mandated Programs: Included in the above General Fund appropriation are the following:

(a) $34,004,000 in fiscal year 2026-2027 and $32,941,300 in fiscal year 2027-2028 for the College of Agriculture, Food and Environment's Cooperative Extension Service. Of this amount, $4,145,500 in each fiscal year is provided to support extension agent compensation;

(b) $30,176,700 in fiscal year 2026-2027 and $29,233,700 in fiscal year 2027-2028 for the Kentucky Agricultural Experiment Station;

(c) $9,769,200 in fiscal year 2026-2027 and $9,463,900 in fiscal year 2027-2028 for the Center for Applied Energy Research;

(d) $3,913,200 in fiscal year 2026-2027 and $3,791,000 in fiscal year 2027-2028 for the Kentucky Geological Survey;

(e) $3,872,800 in fiscal year 2026-2027 and $3,751,800 in fiscal year 2027-2028 for the Veterinary Diagnostic Laboratory;

(f) $1,958,900 in fiscal year 2026-2027 and $1,897,700 in fiscal year 2027-2028 for the Sanders-Brown Center on Aging;

(g) $1,728,000 in fiscal year 2026-2027 and $1,674,000 in fiscal year 2027-2028 for the College of Agriculture, Food and Environment's Division of Regulatory Services;

(h) $576,000 in fiscal year 2026-2027 and $558,000 in fiscal year 2027-2028 for the College of Agriculture, Food and Environment's Kentucky Small Business Development Center;

(i) $562,800 in fiscal year 2026-2027 and $545,300 in fiscal year 2027-2028 for the University Press of Kentucky;

(j) Notwithstanding KRS 154A.130(4), $480,000 in fiscal year 2026-2027 and $465,000 in fiscal year 2027-2028 for the Human Development Institute for the Supported Higher Education Project;

(k) $432,200 in fiscal year 2026-2027 and $418,700 in fiscal year 2027-2028 for the Center of Excellence in Rural Health;

(l) $912,200 in fiscal year 2026-2027 and $883,700 in fiscal year 2027-2028 for the Kentucky Cancer Registry;

(m) $96,000 in fiscal year 2026-2027 and $93,000 in fiscal year 2027-2028 for the Sports Medicine Research Institute; and

(n) $10,750,900 in each fiscal year to support the Commonwealth's Property and Casualty Insurance Fund premium.

(2) Debt Service: Included in the above General Fund appropriation is $416,500 in fiscal year 2026-2027 and $1,843,000 in fiscal year 2027-2028 to provide new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

9. UNIVERSITY OF LOUISVILLE

	2026-27	**2027-28**
General Fund	132,311,400	128,496,900
Restricted Funds	1,515,148,500	1,547,903,100
Federal Funds	196,365,300	200,610,300
TOTAL	1,843,825,200	1,877,010,300

(1) Mandated Programs: Included in the above General Fund appropriation are the following:

(a) $667,400 in fiscal year 2026-2027 and $646,500 in fiscal year 2027-2028 for the Rural Health Education Program;

(b) $144,000 in fiscal year 2026-2027 and $139,500 in fiscal year 2027-2028 for the Kentucky Autism Training Center;

(c) $96,000 in fiscal year 2026-2027 and $93,000 in fiscal year 2027-2028 for the School of Dentistry to provide dental care to patients with dental issues related to drug use;

(d) $144,000 in fiscal year 2026-2027 and $139,500 in fiscal year 2027-2028 for the Mid-South REACH Grant; and

(e) $5,801,100 in each fiscal year to support the Commonwealth's Property and Casualty Insurance Fund premium.

(2) Debt Service: Included in the above General Fund appropriation is $416,500 in fiscal year 2026-2027 and $1,335,500 in fiscal year 2027-2028 to provide new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

10. WESTERN KENTUCKY UNIVERSITY

	2026-27	**2027-28**
General Fund	78,399,600	76,840,000
Restricted Funds	279,343,600	280,343,600
Federal Funds	44,143,300	44,143,300
TOTAL	401,886,500	401,326,900

(1) Mandated Programs: Included in the above General Fund appropriation are the following:

(a) $5,551,600 in fiscal year 2026-2027 and $5,662,600 in fiscal year 2027-2028 for the Gatton Academy of Mathematics and Science in Kentucky;

(b) $1,680,000 in fiscal year 2026-2027 and $1,627,500 in fiscal year 2027-2028

for the Kentucky Mesonet;

(c) Notwithstanding KRS 61.5991, $1,412,000 in each fiscal year to support the university's share of the anticipated retirement costs over the university's fiscal year 2019-2020 baseline contribution as adjusted and posted under the 2026 Budget Bills tile on the Legislative Research Commission's website; and

(d) $1,866,900 in each fiscal year to support the Commonwealth's Property and Casualty Insurance Fund premium.

(2) Debt Service: Included in the above General Fund appropriation is $416,500 in fiscal year 2026-2027 and $1,214,500 in fiscal year 2027-2028 to provide new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

11. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM

	2026-27	**2027-28**
General Fund	173,057,600	168,225,500
Restricted Funds	556,045,700	561,002,400
Federal Funds	295,517,000	295,516,800
TOTAL	1,024,620,300	1,024,744,700

(1) Mandated Programs: Included in the above General Fund appropriation are the following:

(a) $3,983,800 in fiscal year 2026-2027 and $3,859,300 in fiscal year 2027-2028 for KCTCS-TRAINS;

(b) $960,000 in fiscal year 2026-2027 and $930,000 in fiscal year 2027-2028 for Adult Agriculture Education; and

(c) $3,164,800 in each fiscal year to support the Commonwealth's Property and Casualty Insurance Fund premium.

(2) Firefighters Foundation Program Fund: (a) Included in the above Restricted Funds appropriation is $64,160,100 in fiscal year 2026-2027 and $63,175,400 in fiscal year 2027-2028 for the Firefighters Foundation Program Fund.

(b) Notwithstanding KRS 95A.250(1)(a), included in the above Restricted Funds appropriation are sufficient funds for an incentive payment of $4,653 in fiscal year 2026-2027 and $4,746 in fiscal year 2027-2028, plus an amount equal to the required employer's contribution on the supplement in each fiscal year for each qualified professional firefighter under the Firefighters Foundation Program Fund. KRS 95A.250(1)(b) to (e) shall remain applicable, except that the administrative expense reimbursement cap under KRS 95A.250(1)(e)(3) shall not exceed $500,000.

(c) Notwithstanding KRS 95A.262(2), included in the above Restricted Funds appropriation is $15,300 in each fiscal year for aid payments for each qualified volunteer fire department.

(d) Notwithstanding KRS 95A.200 to 95A.300, $18,800,000 in fiscal year 2026-2027 shall be transferred to support projects as set forth in Part II, Capital Projects Budget, of this Act.

(e) Notwithstanding KRS 95A.200 to 95A.300, included in the above Restricted Funds appropriation is $1,869,900 in each fiscal year for State Fire Rescue Training.

(f) Notwithstanding KRS 95A.200 to 95A.300, included in the above Restricted Funds appropriation is $1,556,000 in fiscal year 2026-2027 to be transferred to the Replace Unsafe Fire Equipment capital project for the Energy and Environment Cabinet as set forth in Part II, Capital Projects Budget, of this Act.

(3) Firefighters Training Center Fund: Notwithstanding KRS 95A.262(3), $1,000,000 in Restricted Funds is provided in each fiscal year for the Firefighters Training Center Fund.

(4) Guaranteed Energy Savings Performance Contracts: Notwithstanding KRS 56.770 and 56.774, guaranteed energy savings performance contracts may be executed for buildings operated by the Kentucky Community and Technical College System under agreements governed by KRS 164.593.

(5) Debt Service: Included in the above General Fund appropriation is $416,500

in fiscal year 2026-2027 and $1,862,000 in fiscal year 2027-2028 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(6) Disposition of KCTCS Property: Notwithstanding KRS 45.777, the KCTCS governing board may elect to sell or dispose of real property or major equipment and proceeds that are surplus to its needs and retain the proceeds of any sale.

(7) Other Postemployment Benefits Trust Fund: By October 1, 2026, the President of the Kentucky Community and Technical College System (KCTCS) is directed to have determined the actuarial liabilities of the KCTCS Other Postemployment Trust Fund effective December 31, 2026, and provide a report to the Interim Joint Committee on Appropriations and Revenue. By January 1, 2027, with the assistance of the State Budget Director and the Secretary of the Finance and Administration Cabinet, the President of KCTCS shall submit a plan to the Legislative Research Commission to have the difference between the balance of the KCTCS Other Postemployment Benefits Trust Fund and the actuarial liabilities of the fund transferred to the Budget Reserve Trust Fund Account (KRS 48.705). It is the intent of the 2026 General Assembly to take action on the plan submitted to the Legislative Research Commission in the 2027 Regular Session.

12. POSTSECONDARY EDUCATION PERFORMANCE FUND

	2026-27	**2027-28**
General Fund	115,000,000	115,000,000

TOTAL - POSTSECONDARY EDUCATION

	2026-27	**2027-28**
General Fund (Tobacco)	5,540,900	5,120,500
General Fund	1,434,997,100	1,415,191,300
Restricted Funds	11,893,219,500	12,757,846,600
Federal Funds	1,123,241,500	1,148,923,400
TOTAL	14,456,999,000	15,327,081,800

L. PUBLIC PROTECTION CABINET

Budget Units

1. SECRETARY

	2026-27	2027-28
Restricted Funds	11,485,300	11,172,000

2. PROFESSIONAL LICENSING

	2026-27	2027-28
Restricted Funds	5,377,800	5,321,900
Federal Funds	204,700	204,700
TOTAL	5,582,500	5,526,600

(1) Additional Personnel: Included in the above Restricted Funds appropriation is $100,900 in fiscal year 2026-2027 and $100,600 in fiscal year 2027-2028 to support additional personnel.

(2) Real Property Boards: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 182.

3. BOXING AND WRESTLING AUTHORITY

	2026-27	2027-28
Restricted Funds	256,400	255,000

4. ALCOHOLIC BEVERAGE CONTROL

	2026-27	2027-28
Restricted Funds	9,177,600	8,636,500
Federal Funds	997,900	1,004,300
TOTAL	10,175,500	9,640,800

(1) Training Incentive Payments: Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is $4,653 in fiscal year 2026-2027 and $4,746 in fiscal year 2027-2028 for each participant for training incentive payments.

(2) Special Temporary Nonprofit License: (a) Notwithstanding any provisions

of KRS Chapters 241 to 244 or administrative regulations promulgated thereunder to the contrary, a special temporary nonprofit license shall be issued to a nonprofit organization for its use at a national conference.

(b) A special temporary nonprofit license shall authorize the holder and its employees or agents to purchase, transport, receive, possess, store, sell, donate, deliver, and serve alcoholic beverages, including wine, malt beverages, and distilled spirits, to be sold by the package or the drink, or to be served free of charge by the drink in person to attendees of national conferences, by auction, or by raffle, or sold or served free of charge by the drink to attendees of national conferences, and to receive alcoholic beverages from distillers, rectifiers, wineries, small farm wineries, brewers, microbreweries, wholesalers, distributors, retailers, or any other person, by gift or donation, for its use at a national conferences.

(c) The location at which the alcoholic beverages are auctioned, sold, raffled, served, or consumed under the provisions of this subsection shall not constitute a public place for the purposes of KRS Chapter 222. Nonprofit events, including national conferences, may be conducted on licensed or unlicensed premises.

(d) A special temporary nonprofit license shall not be issued for any period longer than 30 days.

(e) Notwithstanding any other provision of KRS Chapters 241 to 244, a distiller, rectifier, winery, small farm winery, brewer, microbrewery, wholesaler, distributor, or retailer may donate, give away, or deliver any of its products to a nonprofit organization possessing a special temporary nonprofit license.

(f) Nothing in this subsection shall prohibit the employees of a nonprofit organization that holds a special temporary nonprofit license from serving or selling wine, malt beverages, and distilled spirits by the drink to attendees of national conferences.

(g) Nothing in this subsection shall prohibit the employees of retail drink

licensees, including but not limited to NQ1, NQ2, NQ3, and licensed caterers from serving or selling wine, malt beverages, and distilled spirits by the drink at a national conference on the account of or on behalf of a nonprofit organization that holds a special temporary nonprofit license.

(3) Additional Tobacco, Nicotine, and Vapor Personnel: Included in the above Restricted Funds appropriation is $2,750,000 in fiscal year 2026-2027 and $2,250,000 in fiscal year 2027-2028 to support additional personnel.

5. FINANCIAL INSTITUTIONS

	2026-27	**2027-28**
Restricted Funds	17,785,200	17,651,100

6. HOUSING, BUILDINGS AND CONSTRUCTION

	2026-27	**2027-28**
General Fund	251,100	3,282,000
Restricted Funds	28,935,700	25,761,600
TOTAL	29,186,800	29,043,600

(1) Industrial or Business Project Plan Reviews and Inspections: Notwithstanding KRS 198B.060, permit applicants may request local or state governments to perform plan review, inspection, and enforcement responsibilities related to industrial or business projects.

(2) Inspectors and Reviewers Reporting Requirement: The Department of Housing, Buildings and Construction shall submit a report to the Legislative Research Commission, Office of Budget Review, by December 1 of each fiscal year detailing the number of full-time inspectors and reviewers, in addition to the number of completed inspections and plan reviews.

(3) Operations of the Department: Notwithstanding KRS 227A.050, included in the above Restricted Funds appropriation is $2,977,600 in fiscal year 2026-2027 to support of the operations of the Department of Housing, Buildings and Construction,

Division of General Inspections.

(4) Additional Plumbing Personnel: Included in the above Restricted Funds appropriation is $206,900 in fiscal year 2026-2027 and $206,200 in fiscal year 2027-2028 to support additional personnel.

(5) Additional HVAC Personnel: Included in the above Restricted Funds appropriation is $198,800 in fiscal year 2026-2027 and $198,100 in fiscal year 2027-2028 to support additional personnel.

(6) Additional Hazardous Material Personnel: Included in the above Restricted Funds appropriation is $182,600 in fiscal year 2026-2027 and $182,000 in fiscal year 2027-2028 to support additional personnel.

(7) Additional Electrical Personnel: Included in the above Restricted Funds appropriation is $531,900 in fiscal year 2026-2027 and $530,000 in fiscal year 2027-2028 to support additional personnel.

(8) Additional Boiler Personnel: Included in the above Restricted Funds appropriation is $182,600 in fiscal year 2026-2027 and $182,000 in fiscal year 2027-2028 to support additional personnel.

(9) Additional Building Code Enforcement Personnel: Included in the above Restricted Funds appropriation is $299,700 in fiscal year 2026-2027 and $298,700 in fiscal year 2027-2028 to support additional personnel.

7. INSURANCE

	2026-27	**2027-28**
Restricted Funds	22,745,400	22,525,500

(1) Training Incentive Payments: Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is $4,653 in fiscal year 2026-2027 and $4,746 in fiscal year 2027-2028 for each participant for training incentive payments.

(2) Property and Casualty Actuarial Contract Increase: Included in the above Restricted Funds appropriation is $225,000 in each fiscal year to support an increase in

actuarial contracts.

(3) Financial Standards Actuarial Contract Increase: Included in the above Restricted Funds appropriation is $750,000 in each fiscal year to support an increase in actuarial contracts.

(4) Restricted Fund Transfer: Notwithstanding KRS 304.2-400(2), there is hereby transferred $350,000,000 in fiscal year 2025-2026 from the Insurance Regulatory Trust Fund in the Department of Insurance to the Budget Reserve Trust Fund Account (KRS 48.705). It is the intent of the 2026 General Assembly to reserve $250,000,000 for potential appropriation for Medicaid Benefits in the 2027 Regular Session if deemed necessary for claims payments in fiscal year 2026-2027 or fiscal year 2027-2028.

8. CLAIMS AND APPEALS

	2026-27	**2027-28**
General Fund	2,124,900	2,083,300
Restricted Funds	1,278,300	1,272,700
Federal Funds	771,900	773,500
TOTAL	4,175,100	4,129,500

(1) Victims of Crime: Included in the above appropriations is sufficient funding to implement and carry out the provisions of 2024 Ky. Acts ch. 67.

TOTAL - PUBLIC PROTECTION CABINET

	2026-27	**2027-28**
General Fund	2,376,000	5,365,300
Restricted Funds	97,041,700	92,596,300
Federal Funds	1,974,500	1,982,500
TOTAL	101,392,200	99,944,100

M. TOURISM, ARTS AND HERITAGE CABINET

Budget Units

1. SECRETARY

	2026-27	**2027-28**
General Fund	3,427,400	3,655,500
Restricted Funds	20,616,900	19,574,400
TOTAL	24,044,300	23,229,900

(1) Kentucky Mountain Regional Recreation Authority: Restricted Funds in the amount of $1,500,000 in each fiscal year shall be transferred to the Department for Local Government from taxes collected pursuant to KRS 142.400(2) to support the Kentucky Mountain Regional Recreation Authority.

2. ARTISANS CENTER

	2026-27	**2027-28**
General Fund	1,227,100	1,233,400
Restricted Funds	1,202,400	1,177,300
TOTAL	2,429,500	2,410,700

(1) Feasibility Study: The cabinet shall conduct a feasibility study on the Kentucky Artisan Center's sustainability and its potential acquisition by Berea College and the City of Berea and provide a report regarding its findings to the Interim Joint Committee on Appropriations and Revenue by July 1, 2027.

3. TOURISM

	2026-27	**2027-28**
General Fund	3,461,300	3,431,100
Restricted Funds	72,700	72,700
TOTAL	3,534,000	3,503,800

4. PARKS

	2026-27	**2027-28**
General Fund	64,177,700	61,215,200
Restricted Funds	43,335,000	40,377,000
TOTAL	107,512,700	101,592,200

(1) Park Capital Maintenance and Renovation Fund: Notwithstanding KRS 148.810, no transfer to the Park Capital Maintenance and Renovation Fund shall be made.

(2) Training Incentive Payments: Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is $4,653 in fiscal year 2026-2027 and $4,746 in fiscal year 2027-2028 for each participant for training incentive payments.

(3) Parks Capital Project Tracking Plan and Report: The Department of Parks shall establish a project tracking plan and prepare a report on capital projects authorized in 2024 Ky. Acts ch. 175, Part II, K., 2., including but not limited to the projects funded, the current status of each project and projected completion date, the amount expended on each project, and filled positions associated with the projects. The Department of Parks shall submit this report on a quarterly basis beginning August 1, 2024, to the Interim Joint Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection.

5. HORSE PARK COMMISSION

	2026-27	**2027-28**
General Fund	1,701,300	1,666,900
Restricted Funds	12,175,700	11,890,400
TOTAL	13,877,000	13,557,300

(1) Training Incentive Payments: Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is $4,653 in fiscal year 2026-2027 and $4,746 in fiscal year 2027-2028 for each participant for training incentive payments.

6. STATE FAIR BOARD

	2026-27	**2027-28**
General Fund	6,761,700	6,856,800
Restricted Funds	56,746,600	59,066,000
TOTAL	63,508,300	65,922,800

(1) State Fair Board Property Improvements: Notwithstanding any statute to the contrary, the State Fair Board shall give preference to Kentucky businesses to make improvements to State Fair Board properties for hotel development. The Board shall recommend the participation of Kentucky-based businesses and shall also recommend the participation of other Kentucky-based businesses offering solutions to accomplish the goal of improving hotel development. For the purposes of this subsection, "Kentucky-based business" means a business that has employees working in Kentucky and that operates a principal executive office in Kentucky from which those employees, other offices, and affiliated entities are directed and controlled.

(2) Public-Private Partnerships: Notwithstanding KRS 45A.077(8), the utilization of the public-private partnership delivery method for State Fair Board projects of at least $25,000,000 does not need to be explicitly authorized by the General Assembly.

(3) Kentucky Exposition Center Facility Expansion & Staffing: Included in the above Restricted Funds appropriations is $1,720,600 in fiscal year 2026-2027 and $3,740,100 in 2027-2028 to support the Kentucky Exposition Center facility expansion and staffing.

(4) Rental Services and Increased Contract Costs: Included in the above Restricted Funds appropriations is $950,500 in each fiscal year to support rental services and increased contract costs.

7. FISH AND WILDLIFE RESOURCES

	2026-27	**2027-28**
Restricted Funds	56,861,800	56,241,500
Federal Funds	27,415,400	27,769,800
TOTAL	84,277,200	84,011,300

(1) Fish and Wildlife Resources Peace Officers' Stipend: Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is $4,653 in fiscal

year 2026-2027 and $4,746 in fiscal year 2027-2028 for each participant for training incentive payments.

(2) Fees-in-Lieu-of Stream Mitigation Reporting: The Department of Fish and Wildlife Resources shall develop a report of all projects managed by the Fees-in-Lieu-of Stream Mitigation Program. The Department shall present this report to the Interim Joint Committee on Tourism, Small Business, and Information Technology by August 1 of each fiscal year.

8. HISTORICAL SOCIETY

	2026-27	**2027-28**
General Fund	7,752,700	7,826,500
Restricted Funds	464,600	313,300
Federal Funds	122,000	122,000
TOTAL	8,339,300	8,261,800

9. ARTS COUNCIL

	2026-27	**2027-28**
General Fund	1,776,000	1,747,000
Restricted Funds	76,400	68,200
Federal Funds	827,800	834,800
TOTAL	2,680,200	2,650,000

10. HERITAGE COUNCIL

	2026-27	**2027-28**
General Fund	1,747,500	1,737,000
Restricted Funds	695,200	660,200
Federal Funds	1,050,000	1,065,700
TOTAL	3,492,700	3,462,900

11. KENTUCKY CENTER FOR THE ARTS

	2026-27	**2027-28**

General Fund	597,600	579,000

TOTAL - TOURISM, ARTS AND HERITAGE CABINET

	2026-27	**2027-28**
General Fund	92,630,300	89,948,400
Restricted Funds	192,247,300	189,441,000
Federal Funds	29,415,200	29,792,300
TOTAL	314,292,800	309,181,700

N. STATEWIDE

Budget Units

1. BUDGET RESERVE TRUST FUND

	2026-27	**2027-28**
General Fund	339,815,700	147,929,600

2. KENTUCKY PERMANENT PENSION FUND

	2026-27	**2027-28**

(1) Lapse of Remaining Balance: Of the $67,724,700 unexpended balance from the fiscal year 2023-2024 General Fund appropriation set out in 2022 Ky. Acts ch. 199, Part I, N., 1. to implement pay raises for state employees, $40,599,700 shall lapse in fiscal year 2025-2026.

TOTAL - STATEWIDE

	2026-27	**2027-28**
General Fund	339,815,700	147,929,600
TOTAL	339,815,700	147,929,600

PART II

CAPITAL PROJECTS BUDGET

(1) Capital Construction Fund Appropriations and Reauthorizations: Moneys in the Capital Construction Fund are appropriated for the following capital projects subject to the conditions and procedures in this Act. Items listed without

appropriated amounts are previously authorized for which no additional amount is required. These items are listed in order to continue their current authorization into the 2026-2028 fiscal biennium. Unless otherwise specified, reauthorized projects shall conform to the original authorization enacted by the General Assembly.

(2) Expiration of Existing Line-Item Capital Construction Projects: All appropriations to existing line-item capital construction and information technology projects expire on June 30, 2026, unless specifically reauthorized in this Act with the following exceptions:

(a) A construction or purchase contract for the project shall have been awarded by June 30, 2026;

(b) Permanent financing or a short-term line of credit sufficient to cover the total authorized project scope shall have been obtained in the case of projects authorized for bonds, if the authorized project completes an initial draw on the line of credit within the fiscal biennium immediately subsequent to the original authorization; and

(c) Grant or loan agreements, if applicable, shall have been finalized and properly signed by all necessary parties by June 30, 2026.

Notwithstanding the criteria set forth in this subsection and KRS 45.229 and 45.770(5)(d), funds appropriated to 2026-2028 fiscal biennium nonstatutory maintenance pools shall not lapse and shall carry forward.

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

(4) Appropriations for Projects Not Line-Itemized: Inasmuch as the identification of specific projects in a variety of areas of the state government cannot be ascertained with absolute certainty at this time, amounts are appropriated for specific

purposes to projects which are not individually identified in this Act in the following areas: Kentucky Infrastructure Authority Water and Sewer projects; Flood Control projects; Repair of State-Owned Dams; Guaranteed Energy Savings Performance Contract projects; Wetland and Stream Mitigation projects; General Fund, Investment Income, Restricted Fund, Federal Fund, Bond-funded, and Aircraft maintenance pools; Economic Development projects, which shall include authorization for the High-Tech Construction Pool and the High-Tech Investment Pool; Postsecondary Education pools; Legacy System Retirement Pool; Wastewater Treatment Upgrades Pool; Utility Infrastructure Replacement Pool; and State Fair Board property improvements. Notwithstanding any statute to the contrary, projects estimated to cost $1,000,000 and over and equipment estimated to cost $200,000 and over shall be reported to the Capital Projects and Bond Oversight Committee.

(5) Emergency Repair, Maintenance, and Replacement Account: If funds in the Emergency Repair, Maintenance, and Replacement Account are not sufficient, then up to $1,000,000 of expenditures are to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

(6) Appropriation-Supported Debt: To lower the cost of borrowing, the agencies identified in KRS 45A.850(1)(a) and (2)(a) are authorized to refinance appropriation-supported debt obligations that have previously been issued and for which the Commonwealth is currently making lease-rental payments to meet the current debt service requirements. Such action is authorized provided that the principal amount of any such debt obligation is not increased and the term of the debt obligation is not extended. Any such refinancing shall still be subject to the requirements of KRS 45.750 to 45.810 for reporting to the Capital Projects and Bond Oversight Committee.

(7) Public-Private Partnerships: Notwithstanding KRS 45A.077(8), the utilization of the public-private partnership delivery method for projects of at least

$1,000,000 shall be authorized by the General Assembly.

A. GENERAL GOVERNMENT

Budget Units	2025-26	2026-27	2027-28
1. VETERANS' AFFAIRS			
001. Radcliff Veterans Center HVAC System Replacement Additional			
Bond Funds	16,000,000	-0-	-0-
002. Maintenance Pool - 2026-2028			
Investment Income	-0-	1,000,000	1,000,000
003. Expand Columbarium Wall - Kentucky Veterans Cemetery Northeast			
Federal Funds	-0-	-0-	2,000,000
2. KENTUCKY INFRASTRUCTURE AUTHORITY			
001. KIA Fund A - Federally Assisted Wastewater Program			
Federal Funds	-0-	75,502,000	20,223,000
Bond Funds	-0-	14,560,000	4,045,000
Agency Bonds	-0-	30,000,000	-0-
TOTAL	-0-	120,062,000	24,268,000
002. KIA Fund F - Drinking Water Revolving Loan Program			
Federal Funds	-0-	109,906,000	18,294,000
Bond Funds	-0-	13,124,000	3,659,000
Agency Bonds	-0-	30,000,000	-0-
TOTAL	-0-	153,030,000	21,953,000
3. MILITARY AFFAIRS			
001. Armory Installation Facility Maintenance Pool - 2026-2028			
Investment Income	-0-	4,000,000	4,000,000
002. Kentucky Youth Challenge Academies Maintenance Pool - 2026-2028			
Investment Income	-0-	1,000,000	1,000,000
003. Bluegrass Station Facility Maintenance Pool - 2026-2028			

Restricted Funds	-0-	1,000,000	1,000,000

004. Construct Wendell H. Ford Regional Training Center Unaccompanied Housing Advanced Skills Training

Federal Funds	-0-	21,000,000	-0-

005. Construct Multi-Purpose Building Bluegrass Station

Other Funds	-0-	15,000,000	-0-

006. Construct Civil Support Team Facility Additional Reauthorization ($13,200,000 Federal Funds)

Federal Funds	-0-	11,400,000	-0-

007. Construct New Barracks at Wendell H. Ford Regional Training Center

Federal Funds	-0-	8,000,000	-0-

008. Construct Readiness Center Somerset Additional Reauthorization ($24,750,000 Federal Funds, $8,259,000 Bond Funds)

Federal Funds	-0-	-0-	4,898,000
Investment Income	-0-	-0-	1,633,000
TOTAL	-0-	-0-	6,531,000

009. Construct Jackson Field Maintenance Shop Additional Reauthorization ($15,000,000 Federal Funds)

Federal Funds	-0-	5,000,000	-0-

010. Demolish Bluegrass Station Boiler Plant

Restricted Funds	-0-	4,000,000	-0-

011. Construct and Extend Electric Bluegrass Station

Restricted Funds	-0-	3,500,000	-0-

012. Construct Fitness Center Facility Wendell H. Ford Regional Training Center Additional Reauthorization ($5,000,000 Federal Funds)

Federal Funds	-0-	3,000,000	-0-

013. Kentucky Army National Guard Training Site Master Plan

Federal Funds	-0-	2,000,000	-0-

014. Construct Road Improvements Bluegrass Station

Restricted Funds	-0-	1,500,000	-0-

015. Construct New Barracks at Harold L. Disney Training Site Additional Reauthorization ($3,000,000 Federal Funds)

Federal Funds	-0-	1,000,000	-0-

016. Construct Harold L. Disney Training Site Drainage Improvements Reauthorization ($2,000,000 Federal Funds)

Federal Funds	-0-	2,000,000	-0-

017. Construct Improve Sewer System Bluegrass Station Reauthorization ($5,000,000 Restricted Funds)

018. Extension of Utilities Wendell H. Ford Regional Training Center Reauthorization ($2,000,000 Federal Funds)

019. Construct Support Building Wendell H. Ford Regional Training Center Reauthorization ($3,000,000 Federal Funds)

4. DEPARTMENT FOR LOCAL GOVERNMENT

001. Flood Control Local Match

Investment Income	-0-	6,000,000	-0-

5. ATTORNEY GENERAL

001. Franklin County - Lease

002. Upgrade Technology Additional Reauthorization ($2,000,000 Bond Funds)

Investment Income	-0-	600,000	-0-

6. COMMONWEALTH'S ATTORNEYS

001. Jefferson County - Lease

7. TREASURY

001. Replace HVAC Leibert Units

Investment Income	-0-	354,000	-0-

002. Xerox Check Printer - Secondary

Investment Income -0- 66,000 -0-

8. AGRICULTURE

001. Large Capacity Scale Trucks

Restricted Funds -0- 800,000 -0-

002. Franklin County - Lease

9. KENTUCKY PUBLIC PENSIONS AUTHORITY

001. Pension Administration System Technology Modernization - Planning - Phase I

Restricted Funds -0- -0- 15,000,000

10. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

a. Nursing

001. Jefferson County - Lease

11. KENTUCKY RIVER AUTHORITY

001. Renovate Lock 5

Restricted Funds -0- -0- 4,200,000

002. Maintenance Pool - 2026-2028

Restricted Funds -0- 2,000,000 2,000,000

003. Locks 2 and 3 Upper Guide Wall Repair Reauthorization ($4,131,000 Restricted Funds)

004. Design and Repair Dam 7 Reauthorization ($6,400,000 Restricted Funds)

12. SCHOOL FACILITIES CONSTRUCTION COMMISSION

001. Offers of Assistance - 2024-2026 Reauthorization and Reallocation ($16,309,000 Bond Funds)

Bond Funds -0- 23,691,000 -0-

(1) Reauthorization and Reallocation: The above project is authorized from a reallocation of the projects set forth in 2024 Ky. Acts ch. 175, Part II, A., 10., 005.

002. School Facilities Construction Commission Reauthorization ($89,710,000 Bond Funds)

B. ECONOMIC DEVELOPMENT CABINET

Budget Unit	**2026-27**	**2027-28**

1. ECONOMIC DEVELOPMENT

(1) Economic Development Bond Issues: Before any economic development bonds are issued, the proposed bond issue shall be approved by the Secretary of the Finance and Administration Cabinet and the State Property and Buildings Commission under KRS 56.440 to 56.590. In addition to the terms and conditions of KRS 154.12-100, administration of the Economic Development Bond Program by the Secretary of the Cabinet for Economic Development is subject to the following guideline: project selection shall be documented when presented to the Secretary of the Finance and Administration Cabinet. Included in the documentation shall be the rationale for selection and expected economic development impact.

(2) Use of New Economy Funds: Notwithstanding KRS 154.12-100, 154.12-278(4) and (5), and 154.20-035, the Secretary of the Cabinet for Economic Development may use funds appropriated in the Economic Development Fund Program, High-Tech Construction/Investment Pool, and the Kentucky Economic Development Finance Authority Loan Pool interchangeably for economic development projects.

001.	Economic Development Bond Programs - 2026-2028		
	Bond Funds	5,000,000	5,000,000
002.	High-Tech Construction/Investment Pool - 2026-2028		
	Bond Funds	5,000,000	5,000,000
003.	Kentucky Economic Development Finance Authority Loan Pool - 2026-2028		
	Bond Funds	5,000,000	5,000,000

C. DEPARTMENT OF EDUCATION

Budget Units	**2026-27**	**2027-28**

1.	**OPERATIONS AND SUPPORT SERVICES**		
001.	Maintenance Pool - 2026-2028		
	Investment Income	3,100,000	-0-
2.	**LEARNING AND RESULTS SERVICES**		
001.	State Schools Electrical Upgrades		
	Investment Income	5,151,000	-0-
002.	State Schools Campus Education Improvements		
	Investment Income	2,550,000	-0-
003.	State Schools Lighting Upgrades		
	Investment Income	2,066,000	-0-

D. EDUCATION AND LABOR CABINET

Budget Units		**2026-27**	**2027-28**
1.	**GENERAL ADMINISTRATION AND PROGRAM SUPPORT**		
001.	Maintenance Pool - 2026-2028		
	Investment Income	2,000,000	2,000,000
002.	Franklin County - Lease		
2.	**KENTUCKY EDUCATIONAL TELEVISION**		
001.	Maintenance Pool - 2026-2028		
	Investment Income	750,000	750,000
002.	KET Capitol Production Center Maintenance Pool - 2026-2028		
	Investment Income	500,000	500,000
3.	**LIBRARIES AND ARCHIVES**		
a.	**General Operations**		
001.	Franklin County - Lease		
4.	**WORKFORCE DEVELOPMENT**		
001.	Maintenance Pool - 2026-2028		
	Investment Income	700,000	700,000

002. Hardin County - Lease			
003. Kenton County - Lease			
E. ENERGY AND ENVIRONMENT CABINET			
Budget Units		**2026-27**	**2027-28**
1.	**SECRETARY**		
	001. Maintenance Pool - 2026-2028		
	Investment Income	500,000	500,000
	002. Franklin County - Lease		
2.	**ADMINISTRATIVE SERVICES**		
	001. Franklin County - Lease		
3.	**ENVIRONMENTAL PROTECTION**		
	001. State-Owned Dam Repair - 2026-2028		
	Bond Funds	21,060,000	-0-
	002. State Superfund Sites - 2026-2028		
	Investment Income	1,000,000	1,000,000
	003. Franklin County - Lease		
4.	**NATURAL RESOURCES**		
	001. Replace Unsafe Fire Equipment		
	Restricted Funds	1,556,000	-0-
	002. Franklin County - Lease		
5.	**ENERGY POLICY**		
	001. Franklin County - Lease		
6.	**KENTUCKY NATURE PRESERVES**		
	001. Franklin County - Lease		
7.	**PUBLIC SERVICE COMMISSION**		
	001. Franklin County - Lease		
F. FINANCE AND ADMINISTRATION CABINET			

Budget Unit	**2026-27**	**2027-28**
1. FACILITIES AND SUPPORT SERVICES		
001. Maintenance Pool - 2026-2028		
Investment Income	7,500,000	7,500,000
002. Renovate Cabinet for Human Resources Phase 2		
Investment Income	8,000,000	-0-
003. Deferred Maintenance Historic Properties		
Investment Income	3,000,000	-0-
004. Asphalt Pool		
Investment Income	1,500,000	-0-
005. Roof Pool		
Investment Income	2,000,000	-0-

G. HEALTH AND FAMILY SERVICES CABINET

Budget Units	**2026-27**	**2027-28**
1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT		
001. Maintenance Pool - 2026-2028		
Investment Income	10,700,000	10,700,000
2. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES		
001. Oakwood Renovate/Replace Cottages Phase IV		
Investment Income	12,616,000	-0-
002. Western State Nursing Facility Renovations II		
Investment Income	6,621,000	-0-
003. Hazelwood Upgrade Elevators		
Investment Income	2,880,000	-0-
3. PUBLIC HEALTH		
001. Construct Central Laboratory Expansion		

Bond Funds	-0-	270,000,000
002. Jefferson County - Lease		
4. COMMUNITY BASED SERVICES		
001. Kenton County - Lease		
002. Fayette County - Lease		
003. Warren County - Lease		
004. Daviess County - Lease		
005. Perry County - Lease		
006. Boone County - Lease		
007. Hardin County - Lease		
008. Boyd County - Lease		
009. Campbell County - Lease		
010. Johnson County - Lease		
011. Floyd County - Lease		
012. Shelby County - Lease		
013. Greenup County - Lease		
014. Muhlenberg County - Lease		
015. Madison County - Lease		
016. Marshall County - Lease		
017. Harlan County - Lease		
018. Pulaski County - Lease		
019. Jefferson County - Lease		

H. JUSTICE AND PUBLIC SAFETY CABINET

Budget Units	**2026-27**	**2027-28**
1. CRIMINAL JUSTICE TRAINING		
001. Maintenance Pool - 2026-2028		
Restricted Funds	3,000,000	3,000,000

2. JUVENILE JUSTICE

001. Maintenance Pool - 2026-2028

Investment Income 7,200,000 7,200,000

002. Franklin County - Lease

3. STATE POLICE

001. Maintenance Pool - 2026-2028

Investment Income 6,500,000 6,500,000

002. Posts 7 (Richmond) and 10 (Harlan) Construction Additional

Investment Income 8,586,000 -0-

4. CORRECTIONS

a. Adult Correctional Institutions

001. Maintenance Pool - 2026-2028

Investment Income 20,000,000 20,000,000

002. Mechanical, Electrical, Plumbing Upgrades and Replacement Pool

Investment Income 10,000,000 10,000,000

003. Demolition Kentucky State Reformatory Additional Reauthorization and Reallocation ($9,776,000 Bond Funds)

Bond Funds 17,010,000 -0-

(1) Reauthorization and Reallocation: The above project is authorized from a reallocation of the project set forth in 2018 Ky. Acts ch. 169, Part II, H., 4., a., 003.

004. Replace Kentucky State Penitentiary - Utilities Infrastructure Additional

Investment Income 15,758,000 -0-

005. Repair Northpoint Training Center - Exterior Dorms Masonry Tuckpoint Additional

Investment Income 11,787,000 -0-

006. Renovate Northpoint Training Center - Restricted Housing Unit Additional

Investment Income 3,500,000 -0-

007. Southeast State Correctional Complex - Lease

b. Community Services and Local Facilities

001. Campbell County - Lease

002. Fayette County - Lease

5. PUBLIC ADVOCACY

001. Franklin County - Lease

002. Fayette County - Lease

003. Jefferson County - Lease

J. POSTSECONDARY EDUCATION

(1) Postsecondary Education Asset Preservation Pool: The Postsecondary Education Asset Preservation Pool provides funding for individual asset preservation, renovation, and maintenance projects at Kentucky's public postsecondary institutions in Education, General, and state-owned and operated residential housing facilities for fixed asset pedestrian and student parking areas, and for the razing of university-owned buildings. Capital projects as defined in KRS 45.750(1)(f) are hereby authorized from these funds or combination of funds thereof and shall be reported to the Capital Projects and Bond Oversight Committee.

Budget Units	**2025-26**	**2026-27**	**2027-28**
1. KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION			
001. Jefferson County - Lease			
2. EASTERN KENTUCKY UNIVERSITY			
001. Asset Preservation Pool - 2026-2028			
Bond Funds	-0-	10,000,000	8,189,000
002. Construct Health Innovations Center			
Agency Bonds	-0-	330,000,000	-0-
003. Construct Academic Complex			
Agency Bonds	-0-	246,229,000	-0-

004. New Engineering and Technology Center				
Agency Bonds	-0-	150,000,000	-0-
Other Funds	-0-	2,000,000	-0-
TOTAL	-0-	152,000,000	-0-
005. Construct University Hotel and Conference Center				
Other Funds	-0-	130,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

006. Renovate Roark Building			
Agency Bonds	-0-	75,000,000	-0-
007. Construct Alumni & Welcome Center			
Agency Bonds	-0-	20,000,000	-0-
Other Funds	-0-	20,000,000	-0-
TOTAL	-0-	40,000,000	-0-
008. Upgrade and Improve Residence Halls Pool			
Restricted Funds	-0-	10,000,000	-0-
Agency Bonds	-0-	25,000,000	-0-
TOTAL	-0-	35,000,000	-0-
009. IT Hardware Software Networking Systems Pool			
Restricted Funds	-0-	24,000,000	-0-
010. Maintenance Pool - 2026-2028			
Restricted Funds	-0-	20,000,000	-0-
011. Aviation Acquisition Pool - 2026-2028			
Restricted Funds	-0-	5,000,000	-0-
Agency Bonds	-0-	10,000,000	-0-
TOTAL	-0-	15,000,000	-0-
012. Property Acquisitions Pool			
Restricted Funds	-0-	5,000,000	-0-

Other Funds	-0-	5,000,000	-0-
TOTAL	-0-	10,000,000	-0-

013. Utility and Energy Infrastructure Redundancy

Agency Bonds	-0-	10,000,000	-0-

014. Scientific and Research Equipment Pool

Restricted Funds	-0-	4,000,000	-0-
Federal Funds	-0-	2,200,000	-0-
Other Funds	-0-	2,200,000	-0-
TOTAL	-0-	8,400,000	-0-

015. Improve Campus Pedestrian, Parking and Transportation Pool Additional Reauthorization ($8,000,000 Agency Bonds, $3,000,000 Restricted Funds, $3,000,000 Other Funds)

Agency Bonds	-0-	7,000,000	-0-

016. Repurpose and Renovate Commonwealth Hall

Restricted Funds	-0-	6,000,000	-0-

017. Natural Area Improvement Pool

Restricted Funds	-0-	1,000,000	-0-

018. Athletics Capital Improvements Pool Reauthorization ($25,000,000 Agency Bonds, $25,000,000 Restricted Funds, $25,000,000 Other Funds)

019. Maintain/Expand Begley Building Reauthorization ($40,000,000 Agency Bonds)

020. Asset Preservation Pool - 2022-2024 Reauthorization ($8,222,000 Restricted Funds)

021. Guaranteed Energy Savings Performance Contracts

022. Lease - Madison County - Student Housing

023. Lease - Madison County - Land

024. Lease - Multi-Property-Multi-Use 1

025. Lease - Multi-Property-Multi-Use 2				
026. Lease - New Housing Space				
027. Lease - Aviation				
3. KENTUCKY STATE UNIVERSITY				
001. Asset Preservation Pool - 2026-2028				
Bond Funds	-0-	10,000,000	2,360,000
002. Construct Health Sciences Center				
Federal Funds	-0-	4,000,000	-0-
Agency Bonds	-0-	50,000,000	-0-
TOTAL	-0-	54,000,000	-0-
003. Acquire Land				
Restricted Funds	-0-	1,500,000	-0-
Federal Funds	-0-	3,500,000	-0-
TOTAL	-0-	5,000,000	-0-
004. Asset Preservation Pool - 2022-2024 Reauthorization ($2,412,000 Restricted Funds)				
4. MOREHEAD STATE UNIVERSITY				
001. Asset Preservation Pool - 2026-2028				
Bond Funds	-0-	10,000,000	5,065,000
002. Construct New Applied Science Building				
Agency Bonds	-0-	79,400,000	-0-
003. Construct New Residence Hall #3				
Agency Bonds	-0-	56,940,000	-0-
004. Construct New Residence Hall #4				
Agency Bonds	-0-	44,900,000	-0-
005. Construct New Agriculture Sciences Building				
Agency Bonds	-0-	30,665,000	-0-

006. Campus Drainage & Sewer Project				
Agency Bonds	-0-	27,840,000	-0-
007. Renovate Button Auditorium				
Agency Bonds	-0-	26,800,000	-0-
008. Construct New Space Science and Emerging Tech				
Agency Bonds	-0-	24,000,000	-0-
009. Renovate Academic Athletic Center				
Agency Bonds	-0-	20,892,000	-0-
010. Construct New Health Sciences Classroom Building				
Agency Bonds	-0-	20,000,000	-0-
011. Renovate Allie Young Hall				
Agency Bonds	-0-	15,000,000	-0-
012. Repair Camden-Carroll Library				
Agency Bonds	-0-	14,016,000	-0-
013. Capital Renewal and Maintenance Pool - Auxiliary				
Agency Bonds	-0-	12,600,000	-0-
014. Renovate Grote-Thompson Residence Hall				
Agency Bonds	-0-	10,100,000	-0-
015. Renovate Fields Residence Hall				
Agency Bonds	-0-	10,100,000	-0-
016. Capital Renewal and Maintenance Pool - E&G				
Agency Bonds	-0-	9,264,000	-0-
017. Replace Electrical Switchgear B				
Agency Bonds	-0-	7,860,000	-0-
018. Comply with ADA - E&G				
Agency Bonds	-0-	5,755,000	-0-
019. Upgrade Campus Fire & Security Systems				

	Agency Bonds	-0-	5,040,000	-0-
020.	Renovate Jayne Stadium			
	Agency Bonds	-0-	5,000,000	-0-
021.	Renovate and Replace Exterior Precast Panels - Nunn Hall			
	Agency Bonds	-0-	4,320,000	-0-
022.	Acquire Land Related to Master Plan			
	Agency Bonds	-0-	4,000,000	-0-
023.	Capital Renewal and Maintenance Pool - University Farm			
	Agency Bonds	-0-	2,352,000	-0-
024.	Enhance Network/Infrastructure Resources			
	Agency Bonds	-0-	2,000,000	-0-
025.	Comply with ADA - Auxiliary			
	Agency Bonds	-0-	1,000,000	-0-
026.	Upgrade Tech Specific Fire Suppression System			
	Agency Bonds	-0-	1,000,000	-0-
027.	Upgrade IT Safety & Security Infrastructure Pool			
	Agency Bonds	-0-	1,000,000	-0-
028.	Upgrade Document Imaging Technology			
	Agency Bonds	-0-	1,000,000	-0-

029. Construct New Residence Hall #2 Reauthorization ($40,350,000 Agency Bonds)

030. Guaranteed Energy Savings Performance Contracts

5. MURRAY STATE UNIVERSITY

001.	Asset Preservation Pool - 2026-2028			
	Bond Funds	-0-	10,000,000	7,073,000
002.	Education and General Building Systems Improvement Pool - 2026-2028			
	Agency Bonds	-0-	100,000,000	-0-

003. Construct University of Louisville Medical Sciences Building Partnership

Agency Bonds	-0-	60,000,000	-0-

004. Construct Emergency Veterinary and Teaching Clinic

Agency Bonds	-0-	48,500,000	-0-

005. Construct Residential Housing

Agency Bonds	-0-	47,000,000	-0-

006. Renovate Faculty Hall Phase I

Agency Bonds	-0-	25,000,000	-0-

007. Modernize Business Building Electrical, HVAC, and Classrooms

Agency Bonds	-0-	19,000,000	-0-

008. Renovate Wells Hall

Agency Bonds	-0-	16,200,000	-0-

009. Replace College Courts Apartments Additional Reauthorization ($15,000,000 Agency Bonds)

Agency Bonds	-0-	15,000,000	-0-

010. Renovate Pogue Library

Agency Bonds	-0-	15,000,000	-0-

011. Repair Stewart Stadium

Agency Bonds	-0-	9,200,000	-0-

012. Renovate Blackburn HVAC Phase II

Agency Bonds	-0-	7,500,000	-0-

013. Replace Central Cooling Plant Equipment

Agency Bonds	-0-	7,000,000	-0-

014. Construct/Renovate Dining Facility Additional Reauthorization ($30,000,000 Restricted Funds)

Restricted Funds	-0-	5,000,000	-0-

015. Replace Waterfield Windows and Doors

Agency Bonds	-0-	3,500,000	-0-

016. Upgrade Sparks Hall Electrical System

Agency Bonds	-0-	3,270,000	-0-

017. Construct Emergency Generator Docking Station(s) for Residence Halls

Restricted Funds	-0-	2,000,000	-0-

018. Replace Wilson Hall Roof

Restricted Funds	-0-	1,100,000	-0-

019. Replace Alexander Hall Addition Roof

Restricted Funds	-0-	1,100,000	-0-

020. Replace Racer Arena Roof

Restricted Funds	-0-	1,100,000	-0-

021. Athletic Facilities Improvements Pool Reauthorization ($20,000,000 Restricted Funds, $20,000,000 Agency Bonds)

022. Asset Preservation Pool - Residence Halls Reauthorization ($6,000,000 Agency Bonds)

023. Acquire Agriculture Research Farm Land Reauthorization ($1,254,000 Restricted Funds)

024. Renovate Residence Hall Interior Reauthorization ($1,674,000 Agency Bonds)

025. Renovate Residence Hall Electrical System Reauthorization ($4,369,000 Agency Bonds)

026. Acquire Property Reauthorization ($4,180,000 Restricted Funds)

027. Replace Residence Hall Domestic Water Piping Reauthorization ($1,195,000 Agency Bonds)

028. Renovate Residence Hall HVAC System Reauthorization ($1,661,000 Agency Bonds)

029. Guaranteed Energy Savings Performance Contracts

6. NORTHERN KENTUCKY UNIVERSITY

001. Asset Preservation Pool - 2026-2028

Bond Funds	-0-	10,000,000	6,951,000

002. US 27 Mixed Use Development

Other Funds	-0-	200,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45A.077.

003. Renovate Business Academic Center

Agency Bonds	-0-	150,000,000	-0-
Other Funds	-0-	5,000,000	-0-
TOTAL	-0-	155,000,000	-0-

004. Renew/Renovate Nunn Hall

Agency Bonds	-0-	100,000,000	-0-
Other Funds	-0-	5,000,000	-0-
TOTAL	-0-	105,000,000	-0-

005. Renew Mathematics-Education-Psychology Center

Agency Bonds	-0-	99,000,000	-0-

006. Construct Sports Complex

Other Funds	-0-	98,500,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

007. Renew Administrative Center

Agency Bonds	-0-	71,000,000	-0-

008. Renew Special Events Center

Agency Bonds	-0-	50,000,000	-0-

009. Renew E&G Building System Projects Pool

Agency Bonds	-0-	45,000,000	-0-

010. Expand Multi-Purpose Events Center

Other Funds	-0-	32,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

011. Enhance Online Programs Additional

Restricted Funds	-0-	9,500,000	-0-
Agency Bonds	-0-	9,500,000	-0-
TOTAL	-0-	19,000,000	-0-

012. Renew Old Power Plant/Annex

Agency Bonds	-0-	15,000,000	-0-

013. Upgrade IT Infrastructure Pool - 2026-2028

Restricted Funds	-0-	2,950,000	-0-
Agency Bonds	-0-	7,000,000	-0-
TOTAL	-0-	9,950,000	-0-

014. Replace Recreation Field Turf

Restricted Funds	-0-	2,000,000	-0-

015. Acquire Land/Master Plan 2010-2012 Reauthorization ($17,500,000 Agency Bonds, $4,000,000 Restricted Funds, $4,000,000 Other Funds)

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

016. Expand/Renovate Soccer Complex Reauthorization ($16,000,000 Agency Bonds, $36,000,000 Other Funds)

017. Renovate Residence Halls Reauthorization ($15,000,000 Agency Bonds)

018. Renew/Renovate Landrum Academic Center Reauthorization ($49,000,000 Bond Funds, $3,000,000 Other Funds)

019. Renew/Repair Parking Garage Pool Reauthorization ($3,000,000 Agency Bonds)

020. Replace Event Center Technology Reauthorization ($4,500,000 Other Funds)

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

021. Guaranteed Energy Savings Performance Contracts

022. Asset Preservation Pool - 2022-2024 Reauthorization ($1,170,300 Restricted Funds)

7. UNIVERSITY OF KENTUCKY

(1) University of Kentucky Acquisitions: Notwithstanding any statute to the contrary, the University of Kentucky or one of its affiliated corporations, for the benefit of the University's multifaceted education, healthcare, research, and service mission shall be permitted to assume any and all leases, debt instruments, and liabilities associated with any mergers, acquisitions, or partnerships that are hereby authorized in the 2026-2028 Budget of the Commonwealth. Assumption of leases and debt instruments shall be reported to the Capital Projects and Bond Oversight Committee.

001. Asset Preservation Pool - 2026-2028

Bond Funds	-0-	10,000,000	24,330,000

002. Construct/Improve Medical/Administrative Facility 3 Phase 2

Restricted Funds	-0-	2,000,000,000	-0-

003. Construct/Improve Hamburg Medical Park

Restricted Funds	-0-	300,000,000	-0-
Other Funds	-0-	500,000,000	-0-
TOTAL	-0-	800,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

004. Acquire/Improve Medical/Administrative Facility 2

Restricted Funds	-0-	400,000,000	-0-
Other Funds	-0-	400,000,000	-0-
TOTAL	-0-	800,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

005. Construct/Improve Arts and Innovation Complex

Restricted Funds	-0-	200,000,000	-0-
Agency Bonds	-0-	175,000,000	-0-

Other Funds	-0-	400,000,000	-0-
TOTAL	-0-	775,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763 and 45A.077.

006. Construct Fan Experience Districts

Restricted Funds	-0-	75,000,000	-0-
Other Funds	-0-	625,000,000	-0-
TOTAL	-0-	700,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

007. Construct Multi-Use Complex 1

Restricted Funds	-0-	50,000,000	-0-
Agency Bonds	-0-	50,000,000	-0-
Other Funds	-0-	500,000,000	-0-
TOTAL	-0-	600,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

008. Construct/Improve Medical/Administrative Facility 8

Restricted Funds	-0-	200,000,000	-0-
Other Funds	-0-	400,000,000	-0-
TOTAL	-0-	600,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

009. Construct/Improve Medical/Administrative Facility 7

Restricted Funds	-0-	300,000,000	-0-
Other Funds	-0-	300,000,000	-0-
TOTAL	-0-	600,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

010. Construct/Improve Medical/Administrative Facility 6

Other Funds	-0-	500,000,000	-0-

(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
011.	Construct/Improve Medical/Administrative Facility 5			
	Restricted Funds	-0-	500,000,000	-0-
012.	Construct/Improve Medical/Administrative Facility 4			
	Restricted Funds	-0-	500,000,000	-0-
013.	Acquire/Partnership Medical System 2			
	Restricted Funds	-0-	500,000,000	-0-
014.	Acquire/Improve Medical/Administrative Facility 4			
	Restricted Funds	-0-	500,000,000	-0-
015.	Improve Central Plants/Utilities Infrastructure - Phase 2			
	Restricted Funds	-0-	100,000,000	-0-
	Other Funds	-0-	400,000,000	-0-
	TOTAL	-0-	500,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
016.	Construct Research Facility			
	Restricted Funds	-0-	50,000,000	-0-
	Agency Bonds	-0-	450,000,000	-0-
	TOTAL	-0-	500,000,000	-0-
017.	Construct/Improve Student Housing			
	Restricted Funds	-0-	75,000,000	-0-
	Other Funds	-0-	400,000,000	-0-
	TOTAL	-0-	475,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
018.	Construct/Improve Utilities Infrastructure Hamburg			
	Restricted Funds	-0-	200,000,000	-0-
	Other Funds	-0-	200,000,000	-0-
	TOTAL	-0-	400,000,000	-0-

(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
019.	Construct/Improve Utilities Infrastructure UK HealthCare			
	Restricted Funds	-0-	200,000,000	-0-
	Other Funds	-0-	200,000,000	-0-
	TOTAL	-0-	400,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
020.	Construct/Improve Medical/Administrative Facility 2			
	Restricted Funds	-0-	200,000,000	-0-
	Other Funds	-0-	200,000,000	-0-
	TOTAL	-0-	400,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
021.	Improve UK HealthCare IT Systems II			
	Restricted Funds	-0-	400,000,000	-0-
022.	Acquire/Partnership Medical System 1			
	Restricted Funds	-0-	350,000,000	-0-
023.	Construct/Improve Medical/Administrative Facility 10			
	Restricted Funds	-0-	150,000,000	-0-
	Other Funds	-0-	150,000,000	-0-
	TOTAL	-0-	300,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
024.	Acquire/Improve Medical/Administrative Facility 1			
	Restricted Funds	-0-	300,000,000	-0-
025.	Construct/Improve Research/Data Center			
	Agency Bonds	-0-	100,000,000	-0-
	Other Funds	-0-	200,000,000	-0-
	TOTAL	-0-	300,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			

026. Improve Campus Parking and Transportation System				
	Restricted Funds	-0-	50,000,000	-0-
	Other Funds	-0-	250,000,000	-0-
	TOTAL	-0-	300,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

027. Construct/Improve Dining Facilities				
	Restricted Funds	-0-	150,000,000	-0-
	Other Funds	-0-	150,000,000	-0-
	TOTAL	-0-	300,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

028. Construct/Improve Enterprise Data Center				
	Agency Bonds	-0-	225,000,000	-0-
	Other Funds	-0-	75,000,000	-0-
	TOTAL	-0-	300,000,000	-0-
029. Improve UK HealthCare Facilities - UK Chandler Hospital				
	Restricted Funds	-0-	250,000,000	-0-
030. Facilities Renewal and Modernization				
	Restricted Funds	-0-	125,000,000	-0-
	Agency Bonds	-0-	125,000,000	-0-
	TOTAL	-0-	250,000,000	-0-
031. Construct/Improve Parking Facility 1				
	Restricted Funds	-0-	125,000,000	-0-
	Other Funds	-0-	125,000,000	-0-
	TOTAL	-0-	250,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

032. Construct/Improve Academic/Research Facility 2				
	Restricted Funds	-0-	250,000,000	-0-

033. Construct/Improve Academic/Research Facility 1				
	Restricted Funds	-0-	250,000,000	-0-
034. Expand UK HealthCare IT Systems				
	Restricted Funds	-0-	200,000,000	-0-
035. Improve Utilities Infrastructure UK St. Claire				
	Restricted Funds	-0-	100,000,000	-0-
	Other Funds	-0-	100,000,000	-0-
	TOTAL	-0-	200,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
036. Improve Parking/Transportation Systems UK St. Claire				
	Restricted Funds	-0-	100,000,000	-0-
	Other Funds	-0-	100,000,000	-0-
	TOTAL	-0-	200,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
037. Construct/Improve Medical/Administrative Facility 9				
	Restricted Funds	-0-	100,000,000	-0-
	Other Funds	-0-	100,000,000	-0-
	TOTAL	-0-	200,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
038. Construct/Improve Parking/Transportation System Hamburg				
	Other Funds	-0-	200,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
039. Improve Utilities Infrastructure UK King's Daughters				
	Restricted Funds	-0-	100,000,000	-0-
	Other Funds	-0-	100,000,000	-0-
	TOTAL	-0-	200,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				

040. Improve UK King's Daughters Medical Campus				
	Restricted Funds	-0-	200,000,000	-0-
041. Improve Parking/Transportation Systems UK HealthCare				
	Other Funds	-0-	200,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
042. Implement Land Use Plan 1				
	Restricted Funds	-0-	200,000,000	-0-
043. Construct Recreation/Wellness Center				
	Restricted Funds	-0-	100,000,000	-0-
	Other Funds	-0-	100,000,000	-0-
	TOTAL	-0-	200,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
044. Construct/Improve Club Area - Kroger Field				
	Restricted Funds	-0-	100,000,000	-0-
	Other Funds	-0-	100,000,000	-0-
	TOTAL	-0-	200,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
045. Construct Digital Village Building 3				
	Restricted Funds	-0-	95,000,000	-0-
	Other Funds	-0-	95,000,000	-0-
	TOTAL	-0-	190,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
046. Construct/Improve UK St. Claire Main Campus				
	Restricted Funds	-0-	150,000,000	-0-
047. Acquire/Improve Medical/Administrative Facility 5				
	Restricted Funds	-0-	150,000,000	-0-
048. Construct Cancer/Ambulatory Facility Phase 3				

Restricted Funds	-0-	150,000,000	-0-

049. Implement Land Use Plan 2

Restricted Funds	-0-	150,000,000	-0-

050. Acquire E&G Enterprise 2

Restricted Funds	-0-	150,000,000	-0-

051. Acquire E&G Enterprise 1

Restricted Funds	-0-	150,000,000	-0-

052. Construct Hotel/Conference Center

Other Funds	-0-	150,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

053. Construct/Improve Wildcat Coal Lodge

Restricted Funds	-0-	75,000,000	-0-
Other Funds	-0-	75,000,000	-0-
TOTAL	-0-	150,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

054. Construct/Improve Academic/Administrative Facility 2

Restricted Funds	-0-	150,000,000	-0-

055. Construct/Improve Academic/Administrative Facility 1

Restricted Funds	-0-	150,000,000	-0-

056. Construct West End Zone Club Space Additional Reauthorization ($50,000,000 Other Funds)

Restricted Funds	-0-	100,000,000	-0-
Other Funds	-0-	50,000,000	-0-
TOTAL	-0-	150,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

057. Improve Advanced Science and Technology Commercialization Center

Restricted Funds	-0-	130,000,000	-0-

058. Construct/Improve Academic/Research Facility 4				
Restricted Funds	-0-	130,000,000	-0-
059. Improve Singletary Center				
Restricted Funds	-0-	130,000,000	-0-
060. Construct/Improve Dental Sciences Building				
Restricted Funds	-0-	130,000,000	-0-
061. Construct/Improve Academic/Research Facility 3				
Restricted Funds	-0-	125,000,000	-0-
062. Construct/Improve Parking Facility 2				
Other Funds	-0-	125,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
063. Improve Johnson Center				
Agency Bonds	-0-	125,000,000	-0-
064. Improve Coldstream Research Campus				
Restricted Funds	-0-	60,000,000	-0-
Other Funds	-0-	60,000,000	-0-
TOTAL	-0-	120,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
065. Construct Agriculture Federal Research Facility I				
Federal Funds	-0-	108,000,000	-0-
066. Improve State Street Medical Facilities				
Restricted Funds	-0-	100,000,000	-0-
067. Improve Site/Civil Infrastructure UK King's Daughters				
Restricted Funds	-0-	100,000,000	-0-
068. Improve Building Systems UK King's Daughters				
Restricted Funds	-0-	100,000,000	-0-
069. Construct/Improve Building Systems Hamburg				

	Restricted Funds	-0-	100,000,000	-0-
070.	Acquire/Improve Service Core Systems UK King's Daughters			
	Restricted Funds	-0-	100,000,000	-0-
071.	Improve Parking/Transportation Systems UK King's Daughters			
	Restricted Funds	-0-	100,000,000	-0-
072.	Improve Clinical/Ambulatory Services Facilities			
	Restricted Funds	-0-	100,000,000	-0-
073.	Construct/Improve Recreation Services Space 1			
	Restricted Funds	-0-	50,000,000	-0-
	Other Funds	-0-	50,000,000	-0-
	TOTAL	-0-	100,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
074.	Construct/Improve Research Space			
	Restricted Funds	-0-	100,000,000	-0-
075.	Construct/Improve Athletics Facility 1			
	Restricted Funds	-0-	50,000,000	-0-
	Other Funds	-0-	50,000,000	-0-
	TOTAL	-0-	100,000,000	-0-
076.	Improve Student Center Space 2			
	Restricted Funds	-0-	50,000,000	-0-
	Other Funds	-0-	50,000,000	-0-
	TOTAL	-0-	100,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
077.	Construct/Improve Academic/Administrative Facility 3			
	Restricted Funds	-0-	100,000,000	-0-
078.	Acquire Land			
	Restricted Funds	-0-	50,000,000	-0-

	Agency Bonds	-0-	50,000,000	-0-
	TOTAL	-0-	100,000,000	-0-
079.	Improve Gatton Business and Economics Building			
	Agency Bonds	-0-	90,000,000	-0-
080.	Construct Equine/Horticulture Campus			
	Restricted Funds	-0-	90,000,000	-0-
081.	Improve Oswald Building			
	Restricted Funds	-0-	88,500,000	-0-
082.	Improve Chemistry/Physics Building			
	Restricted Funds	-0-	88,000,000	-0-
083.	Improve 4-H Camps			
	Restricted Funds	-0-	80,000,000	-0-
084.	Improve Fine Arts Building			
	Restricted Funds	-0-	80,000,000	-0-
085.	Improve King Library			
	Restricted Funds	-0-	80,000,000	-0-
086.	Improve Patterson Hall			
	Restricted Funds	-0-	80,000,000	-0-
087.	Improve Kastle Hall			
	Restricted Funds	-0-	80,000,000	-0-
088.	Improve Taylor Education Building			
	Restricted Funds	-0-	80,000,000	-0-
089.	Acquire Furnishings/Equipment UK HealthCare			
	Restricted Funds	-0-	75,000,000	-0-
090.	Construct/Improve Site/Civil Infrastructure Hamburg			
	Restricted Funds	-0-	75,000,000	-0-
091.	Construct/Improve Service Core Systems Hamburg			

Restricted Funds	-0-	75,000,000	-0-
092. Acquire/Improve Service Core Systems UK HealthCare			
Restricted Funds	-0-	75,000,000	-0-
093. Improve Markey Cancer Center Facilities			
Restricted Funds	-0-	75,000,000	-0-
094. Improve Building Systems UK HealthCare			
Restricted Funds	-0-	75,000,000	-0-
095. Construct Agriculture Research Facility 2			
Restricted Funds	-0-	75,000,000	-0-
096. Acquire Equipment/Furnishings Pool - Campus			
Restricted Funds	-0-	75,000,000	-0-
097. Construct Agriculture Research Facility 3			
Restricted Funds	-0-	75,000,000	-0-
098. Improve Center for Applied Energy Research Facilities			
Restricted Funds	-0-	75,000,000	-0-
099. Construct/Improve Academic/Administrative Facility 4			
Restricted Funds	-0-	75,000,000	-0-
100. Upgrade/Renovate/Expand Research Labs			
Restricted Funds	-0-	75,000,000	-0-
101. Improve Funkhouser Building			
Restricted Funds	-0-	75,000,000	-0-
102. Construct/Improve Alumni Center			
Restricted Funds	-0-	75,000,000	-0-
103. Construct/Improve Greek Housing			
Restricted Funds	-0-	36,000,000	-0-
Other Funds	-0-	36,000,000	-0-
TOTAL	-0-	72,000,000	-0-

104. Improve Willard Medical Education/Science Building				
Restricted Funds	-0-	70,000,000	-0-
105. Improve Lexington Theological Seminary Facilities				
Restricted Funds	-0-	70,000,000	-0-
106. Construct/Improve CAFE Farm 2				
Restricted Funds	-0-	60,000,000	-0-
107. Construct/Improve Childcare Development Facility				
Restricted Funds	-0-	55,000,000	-0-
108. Construct/Improve Administrative/Support Building				
Restricted Funds	-0-	55,000,000	-0-
109. Construct Tennis Facility				
Restricted Funds	-0-	27,000,000	-0-
Other Funds	-0-	27,000,000	-0-
TOTAL	-0-	54,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

110. Improve Campus Core Quadrangle Facilities				
Restricted Funds	-0-	54,000,000	-0-
111. Acquire/Improve Clinical Facility/Practice 6				
Restricted Funds	-0-	50,000,000	-0-
112. Acquire/Improve Medical/Administrative Facility 7				
Restricted Funds	-0-	50,000,000	-0-
113. Acquire/Improve Medical/Administrative Facility 6				
Restricted Funds	-0-	50,000,000	-0-
114. Improve Medical Pavilion UK St. Claire				
Restricted Funds	-0-	50,000,000	-0-
115. Improve IT/Enterprise Systems 1				
Restricted Funds	-0-	50,000,000	-0-

116. Improve Business Services Center UK St. Claire				
Restricted Funds	-0-	50,000,000	-0-
117. Acquire/Improve Service Core Systems UK St. Claire				
Restricted Funds	-0-	50,000,000	-0-
118. Improve Building Systems UK St. Claire				
Restricted Funds	-0-	50,000,000	-0-
119. Improve Site/Civil Infrastructure UK HealthCare				
Restricted Funds	-0-	50,000,000	-0-
120. Improve UK Good Samaritan Hospital Facilities				
Restricted Funds	-0-	50,000,000	-0-
121. Construct/Improve Ambulatory Care				
Restricted Funds	-0-	50,000,000	-0-
122. Construct/Improve Patient Support Facility				
Restricted Funds	-0-	50,000,000	-0-
123. Construct Agriculture Research Facility - Phase 2				
Restricted Funds	-0-	50,000,000	-0-
124. Improve Research Data Infrastructure				
Restricted Funds	-0-	50,000,000	-0-
125. Construct/Improve Academic/Administrative Facility 5				
Restricted Funds	-0-	50,000,000	-0-
126. Improve Student Services Space				
Restricted Funds	-0-	50,000,000	-0-
127. Improve Health Sciences Research Building				
Restricted Funds	-0-	50,000,000	-0-
128. Improve Angliana Facilities				
Restricted Funds	-0-	50,000,000	-0-
129. Improve Kroger Field 4				

	Restricted Funds	-0-	25,000,000	-0-
	Other Funds	-0-	25,000,000	-0-
	TOTAL	-0-	50,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

130. Purchase/Construct CO2 Capture Process Plant

	Restricted Funds	-0-	1,500,000	-0-
	Federal Funds	-0-	40,000,000	-0-
	Other Funds	-0-	8,500,000	-0-
	TOTAL	-0-	50,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

131. Improve Seaton Center

	Restricted Funds	-0-	50,000,000	-0-

132. Decommission Facilities

	Restricted Funds	-0-	50,000,000	-0-

133. Improve Kroger Field 3

	Restricted Funds	-0-	25,000,000	-0-
	Other Funds	-0-	25,000,000	-0-
	TOTAL	-0-	50,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

134. Improve Site/Civil Infrastructure

	Restricted Funds	-0-	50,000,000	-0-

135. Improve Arboretum Complex

	Restricted Funds	-0-	50,000,000	-0-

136. Construct/Relocate/Replace Greenhouses

	Restricted Funds	-0-	50,000,000	-0-

137. Improve Jacobs Science Building

	Restricted Funds	-0-	48,000,000	-0-

138. Improve McVey Hall				
Restricted Funds	-0-	48,000,000	-0-	
139. Improve Gray Design Building				
Restricted Funds	-0-	45,000,000	-0-	
140. Improve Memorial Hall				
Restricted Funds	-0-	45,000,000	-0-	
141. Research Equipment Pool				
Restricted Funds	-0-	30,000,000	-0-	
Federal Funds	-0-	15,000,000	-0-	
TOTAL	-0-	45,000,000	-0-	
142. Construct/Improve Library Depository Facility				
Restricted Funds	-0-	45,000,000	-0-	
143. Lease/Purchase Enterprise Resource Planning System				
Restricted Funds	-0-	40,000,000	-0-	
144. Construct/Improve Recreation Services Space 2				
Restricted Funds	-0-	20,000,000	-0-	
Other Funds	-0-	20,000,000	-0-	
TOTAL	-0-	40,000,000	-0-	

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

145. Construct/Improve Student Success/Academic Facility 1				
Restricted Funds	-0-	40,000,000	-0-	
146. Improve Building Shell Systems				
Restricted Funds	-0-	40,000,000	-0-	
147. Construct Teaching Pavilion				
Restricted Funds	-0-	38,000,000	-0-	
148. Improve Academic Technical Building				
Restricted Funds	-0-	35,000,000	-0-	

149. Improve Whalen Building and Bay Facility (Kentucky Advanced Manufacturing)

Restricted Funds	-0-	35,000,000	-0-

150. Construct/Improve Recreation Quad

Restricted Funds	-0-	35,000,000	-0-

151. Construct Support Services Building

Restricted Funds	-0-	35,000,000	-0-

152. Improve Moloney Building

Restricted Funds	-0-	35,000,000	-0-

153. Improve Building Mechanical Systems

Restricted Funds	-0-	35,000,000	-0-

154. Expand Kentucky Geological Survey Well Sample and Core Repository

Restricted Funds	-0-	35,000,000	-0-

155. Lease/Purchase Medical Facility/Practice 6

Restricted Funds	-0-	30,000,000	-0-

156. Lease/Purchase Medical Facility/Practice 5

Restricted Funds	-0-	30,000,000	-0-

157. Lease/Purchase Medical Facility/Practice 4

Restricted Funds	-0-	30,000,000	-0-

158. Lease/Purchase Medical Facility/Practice 3

Restricted Funds	-0-	30,000,000	-0-

159. Lease/Purchase Medical Facility/Practice 2

Restricted Funds	-0-	30,000,000	-0-

160. Lease/Purchase Medical Facility/Practice 1

Restricted Funds	-0-	30,000,000	-0-

161. Improve Medical Facility 9

Restricted Funds	-0-	30,000,000	-0-

162. Improve Medical Facility 6				
Restricted Funds	-0-	30,000,000	-0-
163. Improve Medical Facility 5				
Restricted Funds	-0-	30,000,000	-0-
164. Improve Medical Facility 4				
Restricted Funds	-0-	30,000,000	-0-
165. Improve Medical Facility 8				
Restricted Funds	-0-	30,000,000	-0-
166. Improve Medical Facility 18				
Restricted Funds	-0-	30,000,000	-0-
167. Improve Medical Facility 17				
Restricted Funds	-0-	30,000,000	-0-
168. Improve Medical Facility 16				
Restricted Funds	-0-	30,000,000	-0-
169. Improve Medical Facility 15				
Restricted Funds	-0-	30,000,000	-0-
170. Improve Medical Facility 14				
Restricted Funds	-0-	30,000,000	-0-
171. Improve Medical Facility 13				
Restricted Funds	-0-	30,000,000	-0-
172. Improve Medical Facility 12				
Restricted Funds	-0-	30,000,000	-0-
173. Improve Medical Facility 11				
Restricted Funds	-0-	30,000,000	-0-
174. Improve Medical Facility 10				
Restricted Funds	-0-	30,000,000	-0-
175. Improve Medical Facility 7				

	Restricted Funds	-0-	30,000,000	-0-
176.	Improve Stuckert Career Center			
	Restricted Funds	-0-	30,000,000	-0-
177.	Construct/Improve CAFE Farm 1			
	Restricted Funds	-0-	30,000,000	-0-
178.	Improve Enterprise Networking 1			
	Restricted Funds	-0-	30,000,000	-0-
179.	Improve Electrical Infrastructure			
	Restricted Funds	-0-	28,000,000	-0-
180.	Improve Library Facility			
	Restricted Funds	-0-	27,000,000	-0-
181.	Improve Mechanical Infrastructure			
	Restricted Funds	-0-	26,000,000	-0-
182.	Improve IT/Enterprise Systems 3			
	Restricted Funds	-0-	25,000,000	-0-
183.	Improve IT/Enterprise Systems 2			
	Restricted Funds	-0-	25,000,000	-0-
184.	Acquire/Improve Clinical Facility/Practice 5			
	Restricted Funds	-0-	25,000,000	-0-
185.	Acquire/Improve Clinical Facility/Practice 4			
	Restricted Funds	-0-	25,000,000	-0-
186.	Acquire/Improve Clinical Facility/Practice 3			
	Restricted Funds	-0-	25,000,000	-0-
187.	Acquire/Improve Clinical Facility/Practice 2			
	Restricted Funds	-0-	25,000,000	-0-
188.	Acquire/Improve Clinical Facility/Practice 1			
	Restricted Funds	-0-	25,000,000	-0-

189. Implement Patient Communication System				
Restricted Funds	-0-	25,000,000	-0-
190. Construct/Improve Wellness Trial				
Restricted Funds	-0-	25,000,000	-0-
191. Construct Meats/Food Development Center Phase 2				
Restricted Funds	-0-	25,000,000	-0-
192. Construct/Improve Transformative Learning Center				
Restricted Funds	-0-	25,000,000	-0-
193. Improve Peterson Service Building				
Restricted Funds	-0-	25,000,000	-0-
194. Improve Barnhart Building				
Restricted Funds	-0-	25,000,000	-0-
195. Improve Enterprise Networking 2				
Restricted Funds	-0-	25,000,000	-0-
196. Lease/Purchase Enterprise IT Systems				
Restricted Funds	-0-	25,000,000	-0-
197. Improve Student Center Space 3				
Restricted Funds	-0-	25,000,000	-0-
198. Improve W.T. Young Facility				
Restricted Funds	-0-	25,000,000	-0-
199. Improve Critical Infrastructure Building Systems				
Restricted Funds	-0-	25,000,000	-0-
200. Improve Life Safety				
Restricted Funds	-0-	25,000,000	-0-
201. Improve Campus Security and Safety Systems				
Restricted Funds	-0-	20,000,000	-0-
202. Improve Health Park UK King's Daughters				

Restricted Funds	-0-	20,000,000	-0-
203. Improve Site/Civil Infrastructure UK St. Claire			
Restricted Funds	-0-	20,000,000	-0-
204. Improve Medical Pavilion UK King's Daughters			
Restricted Funds	-0-	20,000,000	-0-
205. Construct UK HealthCare Medical Transport Facility			
Restricted Funds	-0-	20,000,000	-0-
206. Improve Campus Security and Safety			
Restricted Funds	-0-	20,000,000	-0-
207. Acquire/Improve Data/Infrastructure Systems			
Restricted Funds	-0-	20,000,000	-0-
208. Construct/Improve Recreation/Services Space 3			
Restricted Funds	-0-	10,000,000	-0-
Other Funds	-0-	10,000,000	-0-
TOTAL	-0-	20,000,000	-0-
(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
209. Construct/Improve Academic/Administrative Facility 2 Design			
Restricted Funds	-0-	20,000,000	-0-
210. Construct/Improve Academic/Administrative Facility 1 Design			
Restricted Funds	-0-	20,000,000	-0-
211. Lease/Purchase Campus IT System			
Restricted Funds	-0-	20,000,000	-0-
212. Construct/Improve Machine Lab			
Restricted Funds	-0-	20,000,000	-0-
213. Improve White Hall Classroom Building			
Restricted Funds	-0-	20,000,000	-0-
214. Improve Athletics Facility 2			

	Restricted Funds	-0-	20,000,000	-0-
215.	Acquire/Improve IT Systems/Infrastructure			
	Restricted Funds	-0-	20,000,000	-0-
216.	Improve Academic Facility			
	Restricted Funds	-0-	20,000,000	-0-
217.	Lease/Purchase Enterprise Network Security			
	Restricted Funds	-0-	20,000,000	-0-
218.	Construct Police Facilities			
	Restricted Funds	-0-	20,000,000	-0-
219.	Acquire/Improve Service Core Systems			
	Restricted Funds	-0-	20,000,000	-0-
220.	Improve Hilary J. Boone Center			
	Restricted Funds	-0-	18,000,000	-0-
221.	Improve Lancaster Aquatic Center 1			
	Restricted Funds	-0-	17,000,000	-0-
222.	Improve Medical Center Library			
	Restricted Funds	-0-	17,000,000	-0-
223.	Construct/Improve Student Success/Academic Facility 2			
	Restricted Funds	-0-	15,000,000	-0-
224.	Construct/Improve UK HealthCare Hamburg Facilities			
	Restricted Funds	-0-	15,000,000	-0-
225.	Acquire Data Center and Networking Hardware UK HealthCare			
	Restricted Funds	-0-	15,000,000	-0-
226.	Construct/Improve Academic/Administrative Facility 3 Design			
	Restricted Funds	-0-	15,000,000	-0-
227.	Improve Boone Tennis Center			
	Restricted Funds	-0-	15,000,000	-0-

228. Construct/Improve Athletics Facility 2			
Restricted Funds	-0-	15,000,000	-0-
229. Acquire Equipment/Furnishings Pool			
Restricted Funds	-0-	15,000,000	-0-
230. Improve Spindletop Hall Facilities			
Restricted Funds	-0-	15,000,000	-0-
231. Construct/Fit-up Retail Space			
Restricted Funds	-0-	10,000,000	-0-
Other Funds	-0-	5,000,000	-0-
TOTAL	-0-	15,000,000	-0-
232. Improve Athletics Facility 3			
Restricted Funds	-0-	15,000,000	-0-
233. Improve Multi-Disciplinary Science Building			
Restricted Funds	-0-	15,000,000	-0-
234. Lease/Purchase High Performance Computer			
Restricted Funds	-0-	15,000,000	-0-
235. Improve CAFE Motor Pool Building			
Restricted Funds	-0-	14,000,000	-0-
236. Construct Agriculture Federal Research Facility II			
Federal Funds	-0-	14,000,000	-0-
237. Construct Metal Arts/Digital Media Building			
Restricted Funds	-0-	14,000,000	-0-
238. Improve Baseball Facility Phase II			
Restricted Funds	-0-	14,000,000	-0-
239. Improve Patterson Office Tower			
Restricted Funds	-0-	12,000,000	-0-
240. Improve University Storage Facility 1			

	Restricted Funds	-0-	12,000,000	-0-
241.	Acquire/Improve Clinical/Research Facility			
	Restricted Funds	-0-	11,000,000	-0-
242.	Acquire Telemedicine/Virtual Intensive Care Unit			
	Restricted Funds	-0-	10,000,000	-0-
243.	Renovate/Improve Nursing Units UK HealthCare			
	Restricted Funds	-0-	10,000,000	-0-
244.	Construct/Improve Academic/Administrative Facility 4 Design			
	Restricted Funds	-0-	10,000,000	-0-
245.	Improve Parking Structure 2 Enterprise Data Center			
	Restricted Funds	-0-	10,000,000	-0-
246.	Improve University Storage Facility 2			
	Restricted Funds	-0-	10,000,000	-0-
247.	Improve Soccer/Softball Facility			
	Restricted Funds	-0-	10,000,000	-0-
248.	Improve Campus Infrastructure			
	Restricted Funds	-0-	10,000,000	-0-
249.	Improve Fume Hood Systems			
	Restricted Funds	-0-	10,000,000	-0-
250.	Improve Scovell Hall			
	Restricted Funds	-0-	10,000,000	-0-
251.	Improve Lancaster Aquatic Center 2			
	Restricted Funds	-0-	10,000,000	-0-
252.	Lease/Purchase Enterprise Infrastructure			
	Restricted Funds	-0-	10,000,000	-0-
253.	Improve Enterprise Cable Infrastructure			
	Restricted Funds	-0-	10,000,000	-0-

254. Improve Senior Center			
Restricted Funds	-0-	10,000,000	-0-
255. Construct/Improve Gymnastics Practice Facility			
Restricted Funds	-0-	10,000,000	-0-
256. Improve Memorial Coliseum			
Restricted Funds	-0-	10,000,000	-0-
257. Improve Athletics Facility 4			
Restricted Funds	-0-	10,000,000	-0-
258. Improve Pence Hall			
Restricted Funds	-0-	10,000,000	-0-
259. Improve Division of Laboratory Animal Resources Facilities			
Restricted Funds	-0-	10,000,000	-0-
260. Improve Building Electrical Systems			
Restricted Funds	-0-	10,000,000	-0-
261. ADA Compliance Pool			
Restricted Funds	-0-	10,000,000	-0-
262. Improve Kroger Field 1 Additional Reauthorization ($15,000,000 Other Funds)			
Restricted Funds	-0-	10,000,000	-0-
263. Improve Anderson Tower			
Restricted Funds	-0-	9,000,000	-0-
264. Improve Mineral Industries Building			
Restricted Funds	-0-	9,000,000	-0-
265. Improve Carnahan House			
Restricted Funds	-0-	8,000,000	-0-
266. Acquire/Improve Golf Facility			
Restricted Funds	-0-	8,000,000	-0-

267. Construct/Improve Academic/Administrative Facility 5 Design				
	Restricted Funds	-0-	7,500,000	-0-
268. Improve Medical Plaza				
	Restricted Funds	-0-	7,000,000	-0-
269. Improve Nutter Training Facility				
	Restricted Funds	-0-	7,000,000	-0-
270. Lease/Purchase Enterprise Voice Infrastructure				
	Restricted Funds	-0-	7,000,000	-0-
271. Renovate Space for a Testing Center				
	Restricted Funds	-0-	7,000,000	-0-
272. Improve Nursing Building				
	Restricted Funds	-0-	7,000,000	-0-
273. Lease/Purchase Enterprise Call Center System				
	Restricted Funds	-0-	7,000,000	-0-
274. Improve Medical Behavioral Science Building				
	Restricted Funds	-0-	6,000,000	-0-
275. Improve Athletics Facility 6				
	Restricted Funds	-0-	6,000,000	-0-
276. Improve Athletics Facility 5				
	Restricted Funds	-0-	6,000,000	-0-
277. Improve Joe Craft Center				
	Restricted Funds	-0-	6,000,000	-0-
278. Improve Joe Craft Football Practice Facility				
	Restricted Funds	-0-	3,000,000	-0-
	Other Funds	-0-	3,000,000	-0-
	TOTAL	-0-	6,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

279. Improve Cooper House				
Restricted Funds	-0-	6,000,000	-0-
280. Acquire Data Center and Networking Hardware UK St. Claire				
Restricted Funds	-0-	5,000,000	-0-
281. Acquire Data Center and Networking Hardware UK King's Daughters				
Restricted Funds	-0-	5,000,000	-0-
282. Construct/Improve Recreational Playing Surfaces				
Restricted Funds	-0-	5,000,000	-0-
283. Construct Athletics Hall of Fame				
Restricted Funds	-0-	5,000,000	-0-
284. Improve Sturgill Development Building				
Restricted Funds	-0-	4,000,000	-0-
285. Replace Basketball Playing Floors				
Restricted Funds	-0-	3,000,000	-0-
286. Improve Athletics Facility 7				
Restricted Funds	-0-	3,000,000	-0-
287. Acquire Transportation Buses				
Restricted Funds	-0-	3,000,000	-0-
288. Improve Indoor/Outdoor Track				
Restricted Funds	-0-	3,000,000	-0-
289. Construct Cross Country Trail				
Restricted Funds	-0-	3,000,000	-0-
290. Construct/Improve Athletics Surfaces 2				
Restricted Funds	-0-	3,000,000	-0-
291. Construct/Improve Athletics Surfaces 1				
Restricted Funds	-0-	3,000,000	-0-
292. Guaranteed Energy Savings Performance Contracts - UK HealthCare				

293. Guaranteed Energy Savings Performance Contracts

294. Construct/Improve Medical/Administrative Facility 3 Reauthorization ($800,000,000 Agency Bonds)

295. Asset Preservation Pool - 2024-2026 Reauthorization ($30,862,000 Agency Bonds)

296. Construct Academic Building Reauthorization ($149,000,000 Restricted Funds)

297. Construct/Improve Medical/Administrative Facility 1 Reauthorization ($300,000,000 Restricted Funds, $500,000,000 Other Funds)

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

298. Construct Health Education Building Reauthorization ($50,000,000 Agency Bonds)

299. Lease - Off Campus 1

300. Lease - Off Campus 3

301. Lease - Off Campus 4

302. Lease - Off Campus 5

303. Lease - Off Campus 6

304. Lease - Off Campus 7

305. Lease - Off Campus 11

306. Lease - Off Campus 12

307. Lease - Off Campus 13

308. Lease - Off Campus 14

309. Lease - Off Campus 15

310. Lease - Off Campus 16

311. Lease - Off Campus 17

312. Lease - Off Campus 18

313. Lease - Off Campus 19

314. Lease - Off Campus 20

315. Lease - Off Campus 21

316. Lease - Off Campus 22

317. Lease - Off Campus 23

318. Lease - Off Campus 24

319. Lease - Off Campus 25

320. Lease - Off Campus 26

321. Lease - Off Campus Housing 1

322. Lease - Off Campus Housing 2

323. Lease - Health Science Colleges 1

324. Lease - Health Science Colleges 2

325. Lease - Health Science Colleges 3

326. Lease - Off Campus Athletics 1

327. Lease - Off Campus Athletics 2

328. Lease - Health Affairs Office 3

329. Lease - Health Affairs Office 4

330. Lease - Health Affairs Office 10

331. Lease - Health Affairs Office 12

332. Lease - Health Affairs Office 14

333. Lease - Health Affairs Office 15

334. Lease - Health Affairs Office 18

335. Lease - Health Affairs Office 19

336. Lease - Health Affairs Office 20

337. Lease - Health Affairs Office 21

338. Lease - Health Affairs Office 22

339. Lease - Health Affairs Office 24

340. Lease - UK HealthCare Off Campus Facility 2

341. Lease - UK HealthCare Off Campus Facility 3

342. Lease - UK HealthCare Off Campus Facility 5

343. Lease - UK HealthCare Off Campus Facility 12

344. Lease - UK HealthCare Off Campus Facility 13

345. Lease - UK HealthCare Off Campus Facility 14

346. Lease - UK HealthCare Off Campus Facility 15

347. Lease - UK HealthCare Off Campus Facility 16

348. Lease - UK HealthCare Off Campus Facility 17

349. Lease - UK HealthCare Off Campus Facility 18

350. Lease - UK HealthCare Off Campus Facility 19

351. Lease - UK HealthCare Off Campus Facility 20

352. Lease - UK HealthCare Off Campus Facility 21

353. Lease - UK HealthCare Off Campus Facility 22

354. Lease - UK HealthCare Off Campus Facility 23

355. Lease - UK HealthCare Off Campus Facility 24

356. Lease - UK HealthCare Off Campus Facility 25

357. Lease - UK HealthCare Off Campus Facility 26

358. Lease - UK HealthCare Off Campus Facility 27

359. Lease - UK HealthCare Off Campus Facility 28

360. Lease - UK HealthCare Off Campus Facility 29

361. Lease - UK HealthCare Off Campus Facility 30

362. Lease - UK HealthCare Off Campus Facility 31

363. Lease - UK HealthCare Off Campus Facility 32

364. Lease - UK HealthCare Off Campus Facility 33

365. Lease - Off Campus 2

366. Lease - College of Medicine 1

367. Lease - College of Medicine 2

368. Lease - Health Affairs Office 1

369. Lease - Health Affairs Office 2

370. Lease - Health Affairs Office 5

371. Lease - Health Affairs Office 6

372. Lease - Health Affairs Office 7

373. Lease - Health Affairs Office 8

374. Lease - Health Affairs Office 9

375. Lease - Health Affairs Office 11

376. Lease - Health Affairs Office 13

377. Lease - Health Affairs Office 16

378. Lease - Health Affairs Office 17

379. Lease - Health Affairs Office 23

380. Lease - UK HealthCare Off Campus Facility 1

381. Lease - UK HealthCare Off Campus Facility 4

382. Lease - UK HealthCare Off Campus Facility 6

383. Lease - UK HealthCare Off Campus Facility 7

384. Lease - UK HealthCare Off Campus Facility 8

385. Lease - UK HealthCare Off Campus Facility 9

386. Lease - UK HealthCare Off Campus Facility 10

387. Lease - UK HealthCare Off Campus Facility 11

388. Lease - Off Campus 8

389. Lease - Off Campus 9

390. Lease - Off Campus 10

391. Lease - UK HealthCare Royal Blue Health 1

392. Lease - UK HealthCare Royal Blue Health 2

393. Lease - UK HealthCare Royal Blue Health 3

394. Lease - UK HealthCare Royal Blue Health 4

	395. Lease - UK HealthCare Royal Blue Health 6				
	396. Lease - UK HealthCare Royal Blue Health 7				
	397. Lease - UK HealthCare Royal Blue Health 8				
8.	**UNIVERSITY OF LOUISVILLE**				
	001. Asset Preservation Pool - 2026-2028				
	Bond Funds	-0-	10,000,000	12,077,000	
	002. Construct Medical Education and Research				
	Agency Bonds	-0-	500,000,000	-0-	
	003. Purchase Residence Housing Facility				
	Agency Bonds	-0-	250,000,000	-0-	
	004. Construct Resident Hall Public - Private Partnership				
	Other Funds	-0-	250,000,000	-0-	
	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.				
	005. Construct Honors College and Student Resident Hall				
	Agency Bonds	-0-	250,000,000	-0-	
	006. Modernize Campus Infrastructure				
	Agency Bonds	-0-	200,000,000	-0-	
	007. Construct Academic Classroom Building				
	Agency Bonds	-0-	170,000,000	-0-	
	008. Construct Resident Hall and Visitor Development				
	Agency Bonds	-0-	160,000,000	-0-	
	009. Construct Athletics Village				
	Other Funds	-0-	150,000,000	-0-	
	010. Construct STEM Building				
	Agency Bonds	-0-	142,000,000	-0-	
	011. Improve Housing Facilities Pool - 2026-2028				
	Agency Bonds	-0-	100,000,000	-0-	

012. Renovate Classrooms & Labs				
Agency Bonds	-0-	100,000,000	-0-
013. Upgrade IT Infrastructure				
Agency Bonds	-0-	75,000,000	-0-
014. Construct Medical Sciences Research Building				
Other Funds	-0-	70,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

015. Construct Center for Bioscience			
Federal Funds	-0-	70,000,000	-0-
016. Construct Center for Military Health/Biology			
Federal Funds	-0-	70,000,000	-0-
017. Construct Belknap Campus Parking Garage			
Agency Bonds	-0-	60,000,000	-0-
018. Construct Natatorium			
Other Funds	-0-	60,000,000	-0-
019. Renovate New Vision of Health Building			
Federal Funds	-0-	60,000,000	-0-
020. Construct Cybersecurity Center with Enhanced Internet Capabilities			
Federal Funds	-0-	10,000,000	-0-
Other Funds	-0-	50,000,000	-0-
TOTAL	-0-	60,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

021. Construct Visitor Center & Student Support Building			
Agency Bonds	-0-	60,000,000	-0-
022. Build-Out 620 Garage Space			
Agency Bonds	-0-	50,000,000	-0-
023. Replace Building Mechanical, Electrical and Plumbing			

	Other Funds	-0-	50,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
024.	Purchase Next Generation/Enterprise Resource Planning Support System			
	Agency Bonds	-0-	50,000,000	-0-
025.	Structural Improvement Pool - 2026-2028			
	Other Funds	-0-	40,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
026.	Renovate Miller Building			
	Agency Bonds	-0-	40,000,000	-0-
027.	Repurpose and Upgrade Research Labs and Spaces			
	Agency Bonds	-0-	30,000,000	-0-
028.	Purchase Land Additional Reauthorization ($10,000,000 Agency Bonds)			
	Agency Bonds	-0-	15,000,000	-0-
	Other Funds	-0-	15,000,000	-0-
	TOTAL	-0-	30,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
029.	Renovate School of Nursing			
	Agency Bonds	-0-	30,000,000	-0-
030.	Update Data Center			
	Agency Bonds	-0-	30,000,000	-0-
031.	Construct Center for AI Excellence			
	Other Funds	-0-	29,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
032.	Expand Basketball/Lacrosse Practice Facility			
	Other Funds	-0-	25,000,000	-0-
033.	Renovate Cardinal Football Stadium			
	Other Funds	-0-	25,000,000	-0-

034. Vivarium Equipment Replacement and Upgrade Pool - 2026-2028				
Agency Bonds	-0-	25,000,000	-0-
035. Construct Indoor Facility				
Other Funds	-0-	20,000,000	-0-
036. Expand Patterson Stadium/Construct Indoor Facility				
Other Funds	-0-	20,000,000	-0-
037. Expand Ulmer Stadium/Construct Indoor Facility				
Other Funds	-0-	15,000,000	-0-
038. Purchase Next Generation/Customer Relationship Management System				
Agency Bonds	-0-	15,000,000	-0-
039. Renovate Precision Medicine Research Center				
Agency Bonds	-0-	14,000,000	-0-
040. Construct Kentucky Center for Precision Medicine				
Federal Funds	-0-	12,500,000	-0-
041. Enhance Workday Financial Management Software				
Other Funds	-0-	10,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

042. Enhance Research Computing Infrastructure				
Other Funds	-0-	10,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

043. Enhance Content Management System				
Other Funds	-0-	10,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

044. Renovate L&N Arena				
Other Funds	-0-	10,000,000	-0-
045. Update, Replace Technology in Athletic Venues				
Other Funds	-0-	10,000,000	-0-

046. Update Green Health Sciences Center Courtyard

Other Funds	-0-	10,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

047. Campus Code Improvement Pool - 2026-2028

Other Funds	-0-	10,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

048. Replace Cardinal Stadium Seats

Other Funds	-0-	10,000,000	-0-

049. Renovate Exterior Envelope Replacement - 55A Additional Reauthorization ($20,000,000 Agency Bonds)

Agency Bonds	-0-	10,000,000	-0-

050. Renovate Cardinal Park

Other Funds	-0-	10,000,000	-0-

051. Expand and Renovate Wright Natatorium

Other Funds	-0-	10,000,000	-0-

052. Athletic Venue Capital Renewal Pool - 2026-2028

Other Funds	-0-	10,000,000	-0-

053. Expand and Renovate Marshall Center Complex

Other Funds	-0-	10,000,000	-0-

054. Replace Electronic Video Boards

Other Funds	-0-	10,000,000	-0-

055. Construct Defense Supply Chain Security System

Federal Funds	-0-	10,000,000	-0-

056. Construct/Renovate Kentucky Center for Precision Medicine Data and Analytical Systems

Federal Funds	-0-	9,326,000	-0-

057. Construct/Renovate Kentucky Center for Precision Medicine Equipment

Federal Funds	-0-	8,000,000	-0-
058. Renovate Cardinal Stadium Club			
Other Funds	-0-	7,500,000	-0-
059. Construct Athletics Office Building			
Other Funds	-0-	7,500,000	-0-
060. Replace Seats in Athletic Venues			
Other Funds	-0-	7,000,000	-0-
061. Construct Belknap 3rd St & Brandeis Corridor Improvements			
Restricted Funds	-0-	1,112,000	-0-
Agency Bonds	-0-	5,635,000	-0-
TOTAL	-0-	6,747,000	-0-
062. Purchase Network System Enhancements			
Other Funds	-0-	6,000,000	-0-
(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
063. Renovate and Update Student/Athlete Dormitory			
Other Funds	-0-	6,000,000	-0-
064. Demolish Resident Halls			
Agency Bonds	-0-	6,000,000	-0-
065. Enhance Security and Firewall System			
Other Funds	-0-	5,000,000	-0-
(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
066. Enhance Computer Processing and Storage			
Other Funds	-0-	5,000,000	-0-
(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
067. Expand and Renovate Tailgate Space			
Other Funds	-0-	5,000,000	-0-
068. Expand and Renovate Athletic Parking Lots			

	Other Funds	-0-	5,000,000	-0-
069.	ADA Building Upgrade Pool - 2026-2028			
	Agency Bonds	-0-	3,000,000	-0-
	Other Funds	-0-	2,000,000	-0-
	TOTAL	-0-	5,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

070.	Renovate Gross Anatomy Lab			
	Other Funds	-0-	5,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

071.	Demolish and Construct Golf Maintenance/Chemical Building			
	Other Funds	-0-	5,000,000	-0-
072.	Renovate Bass Rudd Tennis Center			
	Other Funds	-0-	5,000,000	-0-
073.	Construct Practice Bubble			
	Other Funds	-0-	5,000,000	-0-
074.	Renovate Lynn Soccer Stadium			
	Other Funds	-0-	5,000,000	-0-
075.	Renovate Trager Football Practice Facility			
	Other Funds	-0-	5,000,000	-0-
076.	Renovate Patterson Baseball Stadium			
	Other Funds	-0-	5,000,000	-0-
077.	Renovate Thornton's Academic Center			
	Other Funds	-0-	5,000,000	-0-
078.	Construct Athletic Grounds Building			
	Other Funds	-0-	5,000,000	-0-
079.	Construct Football Practice Field Lighting			
	Other Funds	-0-	5,000,000	-0-

080. Upgrade Regional Biocontainment Laboratories				
	Federal Funds	-0-	5,000,000	-0-
081. Construct Building for Self-Contained Internet Access Point				
	Federal Funds	-0-	5,000,000	-0-
082. Cyber Range, Secure Enclave, Sensitive Compartmented Information Facility				
	Agency Bonds	-0-	5,000,000	-0-
083. Construct Exit Ramp at Chestnut Street Garage				
	Other Funds	-0-	4,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
084. Enhance Workday Human Resources Software				
	Other Funds	-0-	4,000,000	-0-
085. Update and Replace Equipment in ACCN Studio				
	Other Funds	-0-	4,000,000	-0-
086. Renovate and Expand ACCN Studio				
	Other Funds	-0-	4,000,000	-0-
087. Renovate Garvin Brown Boathouse				
	Other Funds	-0-	4,000,000	-0-
088. Renovate Parking Structures				
	Other Funds	-0-	3,600,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
089. Purchase Fiber Infrastructure				
	Other Funds	-0-	3,500,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
090. Install Signage, Wayfinding, and Landscaping				
	Other Funds	-0-	3,000,000	-0-
(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.				
091. Expand, Replace and Maintain Grass Practice Fields				

Other Funds	-0-	3,000,000	-0-

092. Replace Fiber Pathway from ACCN Studio to Venues

Other Funds	-0-	3,000,000	-0-

093. Renovate and Expand Lee Street Facility

Other Funds	-0-	3,000,000	-0-

094. College of Education Academic Renovation Pool - 2026-2028

Other Funds	-0-	3,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

095. Renovate Golf Clubhouse - Shelby County

Other Funds	-0-	3,000,000	-0-

096. Upgrade Plumbing and Sanitary Lines - Dental School

Other Funds	-0-	2,500,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

097. Resurface and Repair Parking Lot

Other Funds	-0-	2,500,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

098. Construct Belknap Stormwater Mitigation Improvements

Other Funds	-0-	2,500,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

099. Construct Connector Speed School to Research Park Additional Reauthorization ($10,000,000 Agency Bonds)

Agency Bonds	-0-	2,400,000	-0-

100. Build Out Space for UofL Departments

Other Funds	-0-	2,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

101. Replace Artificial Turf Field V

Other Funds	-0-	2,000,000	-0-

102. Replace Artificial Turf Field IV

Other Funds	-0-	2,000,000	-0-

103. Renovate Interfaith Center

Other Funds	-0-	1,500,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

104. Guaranteed Energy Savings Performance Contracts

105. Renovate College of Business Academic Space Reauthorization ($15,000,000 Agency Bonds)

106. Asset Preservation - 2024-2026 Reauthorization ($8,638,000 Agency Bonds)

107. Construct Resident Hall Reauthorization ($80,000,000 Agency Bonds)

108. Construct Health Sciences Simulation Center and Collaboration Hub Reauthorization ($20,000,000 Agency Bonds)

109. Construct Student Commons and Recreational Fields Reauthorization ($12,000,000 Agency Bonds)

110. Modernize Steam and Chill Water Plant Reauthorization ($40,000,000 Agency Bonds)

111. Lease - Medical Center One

112. Lease - Nucleus 1 Building

113. Lease - University Point

114. Lease - Cardinal Towne

115. Lease - The Nine at Louisville

116. Lease - Province Apartments

117. Lease - Trager Institute

118. Lease - 1212 S 4th Street, Louisville, KY

119. Lease - Liberty Green Community Center

120. Lease - West Kentucky Community and Technical College

121. Lease - Denny Crum Hall

122. Lease - Soccer Stadium

123. Lease - Founders Square

124. Lease - Rowan Building - A&S Fine Arts

125. Lease - Academic Space 1

126. Lease - Academic Space 2

127. Lease - Arthur Street - Tafel Building

128. Lease - Athletic/Student Dormitory

129. Lease - Housing Facilities

130. Lease - Housing 1

131. Lease - Housing 2

132. Lease - Housing 3

133. Lease - Housing 4

134. Lease - Jefferson County Clinic Space - State of Kentucky

135. Lease - Jefferson County - Clinic Space 1

136. Lease - Jefferson County - Clinic Space 2

137. Lease - Jefferson County - Clinic Space 3

138. Lease - Jefferson County - Office Space 1

139. Lease - Jefferson County - Office Space 2

140. Lease - Jefferson County - Office Space 3

141. Lease - Jefferson County - Office Space 4

142. Lease - Medical Center One 2

143. Lease - Nucleus 1 Building 2

144. Lease - Support Space 1

9. WESTERN KENTUCKY UNIVERSITY

001. Asset Preservation Pool - 2026-2028

Bond Funds	-0-	10,000,000	9,158,000

002. Residential Halls Public-Private Partnership

Restricted Funds	350,000,000	-0-	200,000,000

(1) Authorization: The above authorization is approved pursuant to KRS 45.763 and KRS 45A.077.

003. Construct Potter College Arts and Letters Facilities

Agency Bonds	-0-	280,000,000	-0-

004. Construct Environmental Sciences and Technology Building

Agency Bonds	-0-	250,000,000	-0-

005. Renovate Ogden College of Science and Engineering

Agency Bonds	-0-	250,000,000	-0-

006. Renovate and Expand Center for Research and Development

Agency Bonds	-0-	101,000,000	-0-

007. Construct One Stop Student Service

Agency Bonds	-0-	82,000,000	-0-

008. Renovate Jones Jaggers Hall

Agency Bonds	-0-	60,000,000	-0-

009. Renovate College High Hall

Agency Bonds	-0-	48,400,000	-0-

010. Renovate Raymond Cravens Library

Agency Bonds	-0-	47,600,000	-0-

011. Renovate Kentucky Building

Agency Bonds	-0-	39,900,000	-0-

012. Improve Life Safety Pool and Academic Buildings

Agency Bonds	-0-	34,500,000	-0-

013. Renovate Glasgow Campus

Agency Bonds	-0-	28,500,000	-0-

014. Acquire Furniture, Fixtures, and Equipment - Media

Restricted Funds	-0-	20,000,000	-0-

015. Renovate Center for Research and Development Phase I			
Restricted Funds	-0-	6,000,000	-0-
Other Funds	-0-	6,000,000	-0-
TOTAL	-0-	12,000,000	-0-
016. Renovate Space for Exercise Science Program			
Restricted Funds	-0-	10,000,000	-0-
017. Renovate and Expand Clinical Education Complex			
Other Funds	-0-	10,000,000	-0-
018. Remove and Replace Student Housing at Farm			
Other Funds	-0-	10,000,000	-0-
019. Install Additional Club Seating at Diddle Arena			
Other Funds	-0-	10,000,000	-0-
020. Capital Renewal Pool - 2026-2028			
Agency Bonds	-0-	10,000,000	-0-
021. Acquire Fixtures, Furniture, and Equipment - College of Health and Human Services			
Restricted Funds	-0-	8,000,000	-0-
022. Renovate South Campus for Dental Hygiene			
Agency Bonds	-0-	7,000,000	-0-
023. Expand Track and Field Facilities			
Other Funds	-0-	6,500,000	-0-
024. Renovate South Campus			
Restricted Funds	-0-	6,000,000	-0-
025. Construct Baseball Grandstand			
Other Funds	-0-	6,000,000	-0-
026. Construct State Street Plaza			
Agency Bonds	-0-	6,000,000	-0-

027. Upgrade IT Infrastructure				
Agency Bonds	-0-	6,000,000	-0-
028. Repair and Replace Roof at Center for Research and Development				
Agency Bonds	-0-	6,000,000	-0-
029. Acquire Furniture, Fixtures, and Equipment Diddle Arena				
Other Funds	-0-	5,000,000	-0-
030. Construct South Plaza				
Other Funds	-0-	5,000,000	-0-
031. Acquire Furniture, Fixtures, and Equipment Pool - 2026-2028				
Restricted Funds	-0-	5,000,000	-0-
032. Demolish Grise Hall and Improve Site				
Agency Bonds	-0-	5,000,000	-0-
033. Renovate Certified Registered Nurse Anesthetist (CRNA) Simulation Space				
Agency Bonds	-0-	5,000,000	-0-
034. Renovate W.L. Terry Colonnade				
Agency Bonds	-0-	5,000,000	-0-
035. Renovate Central Heat Plant				
Agency Bonds	-0-	5,000,000	-0-
036. Renovate Grise Hall				
Agency Bonds	-0-	5,000,000	-0-
037. Replace Underground Infrastructure				
Agency Bonds	-0-	5,000,000	-0-
038. Upgrade Softball Facilities and Field				
Restricted Funds	-0-	2,000,000	-0-
Other Funds	-0-	2,000,000	-0-
TOTAL	-0-	4,000,000	-0-
039. Enhance Avenue of Champions Streetscape				

Agency Bonds	-0-	4,000,000	-0-

040. Renovate Owensboro Campus for the Certified Registered Nurse Anesthetist (CRNA) Program

Restricted Funds	-0-	3,000,000	-0-

041. Renovate Medical Center Health Complex for the Certified Registered Nurse Anesthetist (CRNA) Program

Restricted Funds	-0-	3,000,000	-0-

042. Purchase Property/Parking and Street Improvements

Restricted Funds	-0-	3,000,000	-0-

043. Purchase Property for Campus Expansion

Restricted Funds	-0-	3,000,000	-0-

044. Renovate Agricultural Exposition Center Horse Barns

Agency Bonds	-0-	3,000,000	-0-

045. Renovate Hardin Planetarium

Agency Bonds	-0-	3,000,000	-0-

046. Renovate State/Normal Street Properties

Restricted Funds	-0-	2,000,000	-0-

047. Renovate Jones Jaggers Interior

Agency Bonds	-0-	1,300,000	-0-

048. Construct Parking Structure IV Reauthorization ($35,000,000 Agency Bonds)

049. Guaranteed Energy Savings Performance Contracts

050. Lease - Alumni Center

051. Lease - Parking Garage

052. Lease - Nursing/Physical Therapy

053. Lease - Campus Flats

10. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM

001. Asset Preservation Pool - 2026-2028

	Bond Funds	-0-	10,000,000	24,798,000
002.	Construct Student Services Building Downtown Phase I - Jefferson CTC			
	Agency Bonds	-0-	47,300,000	-0-
003.	Construct Prison Education Program - Bluegrass CTC			
	Agency Bonds	-0-	42,000,000	-0-
004.	Construct Newtown Parking Garage - Bluegrass CTC			
	Agency Bonds	-0-	36,900,000	-0-
005.	Construct Allied Health Building - Gateway CTC			
	Agency Bonds	-0-	34,200,000	-0-
006.	Capital Renewal and Deferred Maintenance Pool - 2026-2028			
	Agency Bonds	-0-	32,000,000	-0-
007.	KCTCS College Safety and Security Pool - 2026-2028			
	Agency Bonds	-0-	30,000,000	-0-
008.	Expand Transpark Campus - Southcentral Kentucky CTC			
	Agency Bonds	-0-	29,900,000	-0-
009.	Renovate and Expand Lawrenceburg - Bluegrass CTC			
	Agency Bonds	-0-	29,200,000	-0-
010.	Renovate Winchester 1919 Rollings Hills - Bluegrass CTC			
	Restricted Funds	-0-	2,600,000	-0-
	Agency Bonds	-0-	25,300,000	-0-
	TOTAL	-0-	27,900,000	-0-
011.	Replace Student and Academic Support - Maysville CTC			
	Agency Bonds	-0-	25,400,000	-0-
012.	Expand Glasgow Campus - Southcentral Kentucky CTC			
	Agency Bonds	-0-	22,000,000	-0-
013.	Renovate Leestown Building A - Bluegrass CTC			
	Agency Bonds	-0-	21,000,000	-0-

014. Renovate Main Campus Phase II - Southcentral Kentucky CTC				
Agency Bonds	-0-	17,300,000	-0-
015. Renovate Leestown Building N - Bluegrass CTC				
Agency Bonds	-0-	16,100,000	-0-
016. Renovate Administration Building - Henderson CC				
Agency Bonds	-0-	15,300,000	-0-
017. Renovate Skilled Craft Center - West Kentucky CTC				
Agency Bonds	-0-	14,100,000	-0-
018. Construct Skills Trade Center - Hopkinsville CC				
Agency Bonds	-0-	13,000,000	-0-
019. Renovate Hartfield Library - Henderson CC				
Agency Bonds	-0-	10,300,000	-0-
020. Renovate Harlan Campus - Southeast Kentucky CTC				
Agency Bonds	-0-	10,000,000	-0-
021. KCTCS Information Technology Pool - 2026-2028				
Agency Bonds	-0-	9,500,000	-0-
022. Expand/Relocate CDL Program - Gateway CTC				
Agency Bonds	-0-	9,300,000	-0-
023. Expand Springfield Campus - Elizabethtown CTC				
Agency Bonds	-0-	9,000,000	-0-
024. Upgrade Prestonsburg Campus Buildings - Big Sandy CTC				
Agency Bonds	-0-	7,400,000	-0-
025. Replace HVAC System Phase III - Owensboro CTC				
Agency Bonds	-0-	6,300,000	-0-
026. Replace Roofs - Southeast Kentucky CTC				
Agency Bonds	-0-	6,100,000	-0-
027. Procure Aviation Equipment - Madisonville CC				

Agency Bonds	-0-	6,000,000	-0-
028. Renovate Health Science Programs - Somerset CC			
Agency Bonds	-0-	5,600,000	-0-
029. Renovate Lincoln Trail Building - Elizabethtown CTC			
Agency Bonds	-0-	5,500,000	-0-
030. Upgrade Mechanical Equipment and Controls - Somerset CC			
Agency Bonds	-0-	5,400,000	-0-
031. Property Acquisition Pool - Fire Commission			
Restricted Funds	-0-	5,000,000	-0-
032. KCTCS Property Acquisition Pool - 2026-2028			
Restricted Funds	-0-	5,000,000	-0-
033. KCTCS Equipment Pool - 2026-2028			
Restricted Funds	-0-	2,500,000	-0-
Federal Funds	-0-	2,500,000	-0-
TOTAL	-0-	5,000,000	-0-
034. Renovate Smith Admin Building Lees Campus - Hazard CTC			
Agency Bonds	-0-	5,000,000	-0-
035. Relocate Downtown Infrastructure - Jefferson CTC			
Agency Bonds	-0-	5,000,000	-0-
036. Renovate Mayo Campus - Big Sandy CTC			
Agency Bonds	-0-	4,500,000	-0-
037. Construct Diesel Tech/CDL Building - Hopkinsville CC			
Agency Bonds	-0-	4,500,000	-0-
038. Upgrade IT Infrastructure - Jefferson CTC			
Agency Bonds	-0-	4,500,000	-0-
039. Renovate Boone Campus - Gateway CTC			
Agency Bonds	-0-	4,400,000	-0-

040. Construct District 4 Training Space - Fire Commission				
Restricted Funds	-0-	4,200,000	-0-
041. Construct District 5 Training Space - Fire Commission				
Restricted Funds	-0-	4,200,000	-0-
042. Acquire Harrison County ATC - Maysville CTC				
Restricted Funds	-0-	4,000,000	-0-
043. Upgrade Entrance Ways and Parking - Ashland CTC				
Agency Bonds	-0-	4,000,000	-0-
044. Upgrade ADA Features - Southeast Kentucky CTC				
Agency Bonds	-0-	3,900,000	-0-
045. Replace Roofs Somerset/Laurel North - Somerset CC				
Agency Bonds	-0-	3,800,000	-0-
046. Improve Site Developments - Elizabethtown CTC				
Agency Bonds	-0-	3,700,000	-0-
047. Upgrade HVAC Maysville Campus - Maysville CTC				
Agency Bonds	-0-	3,500,000	-0-
048. Improve Exterior Lees Campus - Hazard CTC				
Agency Bonds	-0-	3,500,000	-0-
049. Construct District 14 Storage Space - Fire Commission				
Restricted Funds	-0-	3,400,000	-0-
050. Upgrade ADA Features - Owensboro CTC				
Agency Bonds	-0-	3,100,000	-0-
051. Replace Roofs North Campus - Madisonville CC				
Agency Bonds	-0-	3,000,000	-0-
052. Improve Sites and Wayfinding - Big Sandy CTC				
Agency Bonds	-0-	3,000,000	-0-
053. Improve Exterior Southwest Phase I - Jefferson CTC				

	Restricted Funds	-0-	2,000,000	-0-
	Agency Bonds	-0-	1,000,000	-0-
	TOTAL	-0-	3,000,000	-0-
054.	Upgrade ADA/Elevators Industrial Education - Hazard CTC			
	Agency Bonds	-0-	2,500,000	-0-
055.	Renovate Flexible Training Center - Hopkinsville CC			
	Agency Bonds	-0-	2,500,000	-0-
056.	Upgrade Exterior Industrial Education - Hazard CTC			
	Agency Bonds	-0-	2,500,000	-0-
057.	Replace Windows and Doors - Somerset CC			
	Agency Bonds	-0-	2,200,000	-0-
058.	Upgrade Tech Drive Parking and Security - Ashland CTC			
	Agency Bonds	-0-	2,200,000	-0-
059.	Repair and Replace Roof Main Campus - Owensboro CTC			
	Agency Bonds	-0-	2,200,000	-0-
060.	Procure Training Equipment - Fire Commission			
	Restricted Funds	-0-	2,000,000	-0-
061.	Replace Anderson Cooling Tower - West Kentucky CTC			
	Agency Bonds	-0-	2,000,000	-0-
062.	Replace Elevators - Ashland CTC			
	Agency Bonds	-0-	1,500,000	-0-
063.	Renovate Anderson Building - West Kentucky CTC			
	Agency Bonds	-0-	1,500,000	-0-
064.	Install Exterior Signage - West Kentucky CTC			
	Restricted Funds	-0-	1,200,000	-0-
065.	Renovate Broadway Building Facade - Jefferson CTC			
	Restricted Funds	-0-	1,200,000	-0-

066. Replace Magoffin LRC Roof - Big Sandy CTC

Agency Bonds -0- 1,200,000 -0-

067. Construct Multicultural Center Atrium Enclosure - Jefferson CTC

Reauthorization ($3,000,000 Restricted Funds)

068. Asset Preservation Pool - 2022-2024 Reauthorization ($26,890,000 Restricted Funds)

069. Lease - Jefferson CTC - Bullitt County Campus

070. Lease - Jefferson CTC - Jefferson Education Center

K. PUBLIC PROTECTION CABINET

Budget Unit	**2026-27**	**2027-28**
1. HOUSING, BUILDINGS AND CONSTRUCTION		
001. Modernize Application System Reauthorization ($3,588,000 Restricted Funds)		

L. TOURISM, ARTS AND HERITAGE CABINET

Budget Units	**2026-27**	**2027-28**
1. ARTISANS CENTER		
001. Maintenance Pool - 2026-2028		
Investment Income	500,000	500,000
2. PARKS		
001. Maintenance Pool - 2026-2028		
Investment Income	10,000,000	10,000,000
3. HORSE PARK COMMISSION		
001. Maintenance Pool - 2026-2028		
Investment Income	1,500,000	1,500,000
4. STATE FAIR BOARD		
001. Maintenance Pool - 2026-2028		
Investment Income	3,000,000	3,000,000

5. FISH AND WILDLIFE RESOURCES

001. Maintenance Pool - 2026-2028

Restricted Funds	1,500,000	1,500,000
Federal Funds	1,500,000	1,500,000
TOTAL	3,000,000	3,000,000

002. Construct Western Kentucky Fish Hatchery

Restricted Funds	33,528,000	-0-

003. Construct Indoor Gun Range and Law Enforcement Training Facility

Restricted Funds	2,000,000	-0-
Federal Funds	18,000,000	-0-
TOTAL	20,000,000	-0-

(1) Project Use: The facility shall be multi-use for all law enforcement agencies to the extent allowable by federal law.

6. HISTORICAL SOCIETY

001. Kentucky Old State Capitol Preservation Additional Reauthorization ($2,185,000 Bond Funds, $169,000 Other Funds)

Investment Income	5,023,000	-0-

7. KENTUCKY CENTER FOR THE ARTS

001. Maintenance Pool - 2026-2028

Investment Income	550,000	550,000

PART III

GENERAL PROVISIONS

1. Funds Designations: Restricted Funds designated in the biennial budget bills are classified in the state financial records and reports as the Agency Revenue Fund, State Enterprise Funds (State Parks, State Fair Board, Insurance Administration, and Kentucky Horse Park), Internal Services Funds (Fleet Management, Computer Services, Correctional Industries, Central Printing, Risk Management, and Property Management),

and selected Fiduciary Funds (Other Expendable Trust Funds). Separate fund records and reports shall be maintained in a manner consistent with the branch budget bills.

The sources of Restricted Funds appropriations in this Act shall include all fees (which includes fees for room and board, athletics, and student activities) and rentals, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments, and other miscellaneous receipts produced or received by a budget unit, except as otherwise specifically provided, for the purposes, use, and benefit of the budget unit as authorized by law. Restricted Funds receipts shall be credited and allotted to the respective fund or account out of which a specified appropriation is made in this Act. All receipts of Restricted Funds shall be deposited in the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42, 45, and 48.

The sources of Federal Funds appropriations in this Act shall include federal subventions, grants, contracts, or other Federal Funds received, income from investments, other miscellaneous federal receipts received by a budget unit, and the Unemployment Compensation Fund, except as otherwise provided, for the purposes, use, and benefit of the budget unit as authorized by law. Federal Funds receipts shall be credited and allotted to the respective fund account out of which a specified appropriation is made in this Act. All Federal Funds receipts shall be deposited in the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42, 45, and 48.

2. Expenditure of Excess Federal Funds Receipts: If receipts received or credited to the Federal Funds accounts of a budget unit during fiscal year 2026-2027 or fiscal year 2027-2028, and any balance forwarded to the credit of these same accounts from the previous fiscal year, exceed the appropriation made by a specific sum for these accounts of the budget unit as provided in Part I, Operating Budget, of this Act, for the fiscal year in which the excess occurs, the excess funds in the accounts of the budget unit shall become available for expenditure for the purpose of the account during the fiscal

year only upon compliance with the conditions and procedures specified in KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.730, and 48.800, and with the authorization of the State Budget Director and approval of the Secretary of the Finance and Administration Cabinet.

Any request made by a budget unit pursuant to KRS 48.630 that relates to Federal Funds shall include documentation showing a comparative statement of revised estimated receipts by fund source and the proposed expenditures by proposed use, with the appropriated sums specified in the Budget of the Commonwealth, and statements which explain the cause, source, and use for any variances which may exist.

Each budget unit shall submit its reports in print and electronic format consistent with the Federal Funds records contained in the fiscal biennium 2026-2028 Branch Budget Request Manual and according to the following schedule in each fiscal year: (a) on or before the beginning of each fiscal year; (b) on or before October 1; (c) on or before January 1; and (d) on or before April 1.

Notwithstanding KRS 48.630, no unbudgeted Restricted Funds shall be allotted or expended without the express authority of the General Assembly, with the exceptions of the Public Service Commission, institutions of higher education, workers' compensation payments paid by the Personnel Cabinet, and KRS 150.255 trust and agency stream and wetland mitigation funds.

3. Interim Appropriation Increases: Notwithstanding KRS 48.630 or any other provision of law, no appropriation from any fund source other than Federal Funds shall exceed the sum specified in this Act, nor shall any unbudgeted appropriation be allotted during the interim period, except unbudgeted Restricted Funds may be allotted for the Public Service Commission, Medicaid Services subject to the provisions in Part I of this Act, institutions of higher education, workers' compensation payments paid by the Personnel Cabinet, and KRS 150.255 trust and agency stream and wetland mitigation funds. Any documentation regarding the necessity, purpose, use, or source of those funds

may be submitted to the Interim Joint Committee on Appropriations and Revenue for informational purposes only and shall not authorize an increase or revision to an appropriation contained in the enacted State/Executive Branch Budget. All appropriations and allotments shall remain within the amounts expressly authorized by this Act.

4. Revision of Appropriation Allotments: Allotments within appropriated sums for the activities and purposes contained in the enacted State/Executive Branch Budget shall conform to KRS 48.610 and may be revised pursuant to KRS 48.605 and this Act.

5. Permitted Appropriation Obligations: No state agency, cabinet, department, office, or program shall incur any obligation against the General Fund or Road Fund appropriations contained in this Act unless the obligation may be reasonably determined to have been contemplated in the enacted State/Executive Branch Budget and is based upon supporting documentation considered by the General Assembly and legislative and executive records.

6. Lapse of General Fund or Road Fund Appropriations Supplanted by Federal Funds: Notwithstanding KRS 45.229, any General Fund appropriation made in anticipation of a lack, loss, or reduction of Federal Funds shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705) to the extent the Federal Funds otherwise become available. Any Road Fund appropriation made in anticipation of a lack, loss, or reduction of Federal Funds shall lapse to the Road Fund Surplus Account to the extent the Federal Funds otherwise become available.

7. Federally Funded Agencies: A state agency entitled to Federal Funds, which would represent 100 percent of the cost of a program, shall conform to KRS 48.730.

8. Lapse of General Fund or Road Fund Excess Debt Service Appropriations: Notwithstanding KRS 48.720, any excess General Fund debt service shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705) unless otherwise directed in this Act. Pursuant to KRS 48.720, any excess Road Fund debt service shall

lapse to the Road Fund Surplus Account unless otherwise directed in this Act.

9. Statutes in Conflict: All statutes and portions of statutes in conflict with any of the provisions of this Act, to the extent of the conflict, are suspended unless otherwise provided by this Act, and any question arising shall be decided by the Attorney General.

10. Interpretation of Appropriations: Notwithstanding KRS 48.500, all questions that arise in interpreting this Act and the Transportation Cabinet Budget shall be decided by the Attorney General, and the decision of the Attorney General shall be final and conclusive.

11. Publication of the Budget of the Commonwealth: The State Budget Director shall cause the Governor's Office for Policy and Management, within 60 days of adjournment of the 2026 Regular Session of the General Assembly, to publish a final enacted budget document, styled the Budget of the Commonwealth, based upon the Legislative Branch Budget, State/Executive Branch Budget, Transportation Cabinet Budget, and Judicial Branch Budget as enacted by the 2026 Regular Session, as well as other Acts which contain appropriation provisions for the 2026-2028 fiscal biennium, and based upon supporting documentation and legislative records as considered by the 2026 Regular Session. This document shall include, for each agency and budget unit, a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by principal budget class, and any other fiscal data and commentary considered necessary for budget execution by the Governor's Office for Policy and Management and oversight by the Interim Joint Committee on Appropriations and Revenue. The enacted State/Executive Branch Budget and Transportation Cabinet Budget shall be revised or adjusted only upon approval by the Governor's Office for Policy and Management as provided in each Part of this Act and by KRS 48.400 to 48.810, and upon review and approval by the Interim Joint Committee on Appropriations and Revenue.

12. State Financial Condition: Pursuant to KRS 48.400, the State Budget Director shall monitor and report on the financial condition of the Commonwealth.

13. Prorating Administrative Costs: The Secretary of the Finance and Administration Cabinet is authorized to establish a system or formula or a combination of both for prorating the administrative costs of the Finance and Administration Cabinet, the Department of the Treasury, and the Office of the Attorney General relative to the administration of programs in which there is joint participation by the state and federal governments for the purpose of receiving the maximum amount of participation permitted under the appropriate federal laws and regulations governing the programs. The receipts and allotments under this section shall be reported to the Interim Joint Committee on Appropriations and Revenue prior to any transfer of funds.

14. Construction of Budget Provisions Regarding Executive Reorganization Orders: Nothing in this Act shall be construed to confirm or ratify, under KRS 12.028, any executive reorganization order unless the executive order was confirmed or ratified by appropriate amendment to the Kentucky Revised Statutes in another Act of the 2026 Regular Session of the General Assembly.

15. Executive Orders: For the purpose of ensuring transparent government, the Governor shall provide a comprehensive report to the Legislative Research Commission simultaneously with each and every executive order issued pertaining to:

(1) Authorizing the expenditure of state funds over $10,000;

(2) Establishing or altering the organization of state agencies;

(3) Establishing or altering the services provided by state government; or

(4) Establishing a new program or altering an existing program administered by state government.

The comprehensive report shall contain the following items:

(1) A complete statement of each essential fact upon which the order is based;

(2) A complete statement of each goal sought through issuance of the order;

(3) A comprehensive analysis explaining how the executive order achieves each stated goal with the least burden placed upon the constitutional rights of the citizens of the Commonwealth of Kentucky and how each stated goal is accomplished with the most efficient use of taxpayer money;

(4) A detailed estimate of the anticipated expenditures of all state funds and all state employee time required for implementation or enforcement itemized in the smallest categories reasonably identifiable and stated in weekly increments; and

(5) A detailed statement of all state funds and all state employee time actually expended for implementation or enforcement of each and every prior executive order upon the same issue or event or substantially similar issue or event itemized in the smallest categories reasonably identifiable and stated in weekly increments.

Each comprehensive report shall be updated every 30 days subsequent to issuance of an executive order and shall be provided to the Legislative Research Commission.

Notwithstanding any statute to the contrary, except as provided in this Act, no state funds or state employee time shall be expended by any person or agency to implement or enforce any executive order issued other than as authorized by KRS Chapters 39A to 39F, as amended by 2021 Regular Session SB 1 and further amended by subsequent acts of the 2021 General Assembly, or other than as may be implemented or enforced for a total sum not exceeding $100,000, inclusive of all state employee time and costs, or other than as may relate to an emergency order issued relative to a natural disaster, or other than as may be approved by the General Assembly.

16. Tax Expenditure Revenue Loss Estimates: By September 1 of each fiscal year, the Office of State Budget Director shall provide to each branch of government detailed estimates for the General Fund and Road Fund for the current and next two fiscal years of the revenue loss resulting from tax expenditures. The Department of Revenue shall provide assistance and furnish data, which is not restricted by KRS 131.190. "Tax expenditure" as used in this section means an exemption, exclusion, or deduction from

the base of a tax, a credit against the tax, a deferral of a tax, or a preferential tax rate. The estimates shall include for each tax expenditure the amount of revenue loss, a citation of the legal authority for the tax expenditure, the year in which it was enacted, and the tax year in which it became effective.

17. Duplicate Appropriations: Any appropriation item and sum in Parts I to X of this Act and in an appropriation provision in any Act of the 2026 Regular Session which constitutes a duplicate appropriation shall be governed by KRS 48.312.

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

19. Severability of Budget Provisions: Appropriation items and sums in Parts I to X of this Act shall conform to KRS 48.311. If any section, any subsection, or any provision is found by a court of competent jurisdiction in a final, unappealable order to be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions.

20. Unclaimed Lottery Prize Money: For fiscal year 2026-2027 and fiscal year 2027-2028, all unclaimed lottery prize money under KRS 154A.110(3) shall be credited to the Kentucky Educational Excellence Scholarship Reserve Account to be held as a subsidiary account within the Finance and Administration Cabinet for the purpose of funding the KEES Program as appropriated in this Act. If the Kentucky Higher Education Assistance Authority certifies to the State Budget Director that the appropriations in this Act for the KEES Program under the existing award schedule are insufficient to meet funds required for eligible applicants, then the State Budget Director shall provide the necessary allotment of funds in the balance of the KEES Reserve Account to fund the KEES Program. Actions taken under this section shall be reported to the Interim Joint Committee on Appropriations and Revenue on a timely basis.

21. Workers' Compensation: Notwithstanding KRS 342.340(1) and 803 KAR

25:021, Section 4, the Personnel Cabinet shall be exempt from procuring excess risk insurance in fiscal year 2026-2027 and fiscal year 2027-2028 for the Workers' Compensation Benefits and Reserve Program administered by the Cabinet.

22. Carry Forward and Undesignated General Fund and Road Fund Carry Forward: Notwithstanding KRS 48.700 and 48.705, and other Parts of this Act, the Secretary of the Finance and Administration Cabinet shall determine and certify, within 30 days of the close of fiscal year 2025-2026 and fiscal year 2026-2027, the actual amount of undesignated balance of the General Fund and the Road Fund for the year just ended. The amounts from the undesignated fiscal year 2025-2026 and fiscal year 2026-2027 General Fund and Road Fund balances that are designated and carried forward for budgeted purposes in the 2026-2028 fiscal biennium shall be determined by the State Budget Director during the close of the respective fiscal year and shall be reported to the Interim Joint Committee on Appropriations and Revenue within 30 days of the close of the fiscal year. Any General Fund undesignated balance in excess of the amount designated for budgeted purposes under this section shall be made available for the General Fund Surplus Expenditure Plan contained in Part VII of this Act unless otherwise provided in this Act. The Road Fund undesignated balance in excess of the amount designated for budgeted purposes under this section shall be made available for the Road Fund Surplus Expenditure Plan contained in Part IX of this Act unless otherwise provided in this Act.

23. Budget Implementation: The General Assembly directs that the Executive Branch shall carry out all appropriations and budgetary language provisions as contained in the State/Executive Branch Budget. The Legislative Research Commission shall review quarterly expenditure data to determine if an agency is out of compliance with this directive. If the Legislative Research Commission suspects that any entity has acted in non-conformity with this section, the Legislative Research Commission may order an audit or review at the agency's expense. Such audit findings, reviews, and reports shall be

subject to the Kentucky Open Records Act. The Secretary of each Cabinet, the Commissioner of Education, or agency head shall provide, in the form and manner prescribed by the Legislative Research Commission, a comprehensive semiannual report, beginning February 1, 2025, to the standing Appropriations and Revenue Committees of the General Assembly or the Interim Joint Committee on Appropriations and Revenue, as appropriate, detailing expenditures related to the appropriations contained within the budgetary language provisions for each budget unit within their cabinet. If an agency does not expend the full General Fund appropriation contained within a budgetary language provision, the unexpended funds shall be transferred to the Budget Reserve Trust Fund Account (KRS 48.705).

24. Appropriations Expenditure Purpose and Transfer Restrictions: Funds appropriated in this Act shall be expended only for the purposes specified and authorized by the General Assembly in this Act. No funds appropriated in this Act shall be transferred to or between any cabinet, department, board, commission, institution, agency, or budget unit of state government unless specifically authorized by the General Assembly in this Act and KRS 48.400 to 48.810. Semiannually, beginning February 1, 2027, the State Budget Director shall submit a letter to the Legislative Research Commission certifying any known violations of any provision of this section for that six-month period or any prior six-month period. Compliance with the provisions of this section shall be reviewed and determined by the Interim Joint Committee on Appropriations and Revenue.

25. Information Technology: All authorized computer information technology projects shall submit a semiannual progress report to the Capital Projects and Bond Oversight Committee and the Information Technology Oversight Committee. The reporting process shall begin six months after the project is authorized and shall continue through completion of the project. The initial report shall establish a timeline for completion and cash disbursement schedule. Each subsequent report shall update the

timeline and budgetary status of the project and explain in detail any issues with completion date and funding.

26. Equipment Service Contracts and Energy Efficiency Measures: The General Assembly mandates that the Finance and Administration Cabinet review all equipment service contracts to maximize savings to the Commonwealth to strictly adhere to the provisions of KRS 56.772, 56.782, and 56.784 in maximizing the use of energy efficiency measures.

27. Debt Restructuring: Notwithstanding any other provision of the Kentucky Revised Statutes, no General Fund or Road Fund debt restructuring transactions shall be undertaken during the 2026-2028 fiscal biennium.

28. Effects of Subsequent Legislation: If any measure enacted during the 2026 Regular Session of the General Assembly subsequent to this Act contains an appropriation or is projected to increase or decrease General Fund revenues, the amount in the Budget Reserve Trust Fund shall be revised to accommodate the appropriation or the reduction or increase in projected revenues. Notwithstanding any provision of KRS 48.120(3) and (4) to the contrary, the official enacted revenue estimates of the Commonwealth described in KRS 48.120(4) shall be adjusted at the conclusion of the 2026 Regular Session of the General Assembly, respectively, to incorporate any projected revenue increases or decreases that will occur as a result of actions taken by the General Assembly subsequent to the passage of this Act by both chambers.

29. Permitted Use of Water and Sewer Bond Funds: Notwithstanding Part II, (3) of this Act and any statute to the contrary, any balances remaining for either closed or open project grant agreements authorized pursuant to bond pools set forth in 2003 Ky. Acts ch. 156, Part II, A., 3., d. Water and Sewer Resources Development Fund for Tobacco Counties and e. Water and Sewer Resources Development Fund For Coal Producing Counties; 2005 Ky. Acts ch. 173, Part II, A., 3., 003. Infrastructure for Economic Development Fund for Coal-Producing Counties and 004. Infrastructure for

Economic Development Fund for Tobacco Counties; 2006 Ky. Acts ch. 252, Part II, A., 2., 003. Infrastructure for Economic Development Fund for Non-Coal Producing Counties and 004. Infrastructure for Economic Development Fund for Coal-Producing Counties; 2008 Ky. Acts ch. 123, Section 3., 004. Infrastructure for Economic Development Fund for Coal-Producing Counties and 005. Infrastructure for Economic Development Fund for Non-Coal Producing Counties; 2008 Ky. Acts ch. 174, Section 2.; and 2009 Ky. Acts ch. 87, Section 2. shall not lapse and shall remain to the credit of projects previously authorized by the General Assembly unless expressly reauthorized and reallocated by action of the General Assembly.

30. Approval of State Aircraft Travel: Notwithstanding KRS 45.101, 174.508, and any other statute or administrative regulation to the contrary, the use of state aircraft by any secretary or other state official of any Executive Branch cabinet for out-of-state travel shall be approved by the State Treasurer. The State Treasurer shall only approve requests which document that the use of state aircraft is the lowest cost option as measured by both travel costs and travel time. The State Treasurer shall not designate approval authority for out-of-state travel on state aircraft by Executive Branch cabinet secretaries or other state officials to any other person. Any requests and documentation regarding the use of state aircraft collected by the State Treasurer shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884.

31. Electronic Access to Budget Information: In accordance with KRS 48.950, the State Budget Director shall continue to work cooperatively with the Legislative Research Commission to provide relevant budgetary information in a timely manner. To ensure that this information is transmitted in its most useful format, the State Budget Director shall provide electronic versions of all documents requested by the Legislative Research Commission in an editable format in order for documents to be manipulated without the use of specialized software. Electronic access shall also include the ability to access and view, but not edit, documents contained in KBUD and all related or successor

budgetary systems of record.

32. Motor Vehicles: Notwithstanding any statute to the contrary, no agency, department, air pollution control district, or political subdivision of the Commonwealth, including the Transportation Cabinet, shall mandate the purchase of electric vehicles, and no Request for Proposal shall limit purchasing of vehicles to solely electric vehicles.

33. Fiscal Year 2027-2028 Funds Expenditure Restriction: Except in the case of a declared emergency, the Governor, all agency heads, and all other constitutional officers shall not expend or encumber in the aggregate more than 50 percent of the funds appropriated by this Act during the first half of fiscal year 2027-2028.

34. Operating Expense Reduction: (1) The State Auditor has identified that in fiscal year 2024-2025 the Executive Branch spent $365,118,727 on the following expense codes:

(a) Employee Training - State Employee Only (E133) $6,718,307;

(b) Advertising Services (E147) $9,362,940;

(c) Temporary Manpower Services (E191) $69,770,650;

(d) Advertising (E255) $29,692,913;

(e) Services Not Otherwise Classified (E257) $51,802,056;

(f) Expenses Related to Trade Shows (E259) $4,605,317;

(g) Food Products (E341) $5,369,478;

(h) Subscriptions (E353) $3,273,091;

(i) In-State Travel (E361) $23,278,869;

(j) Out of State Travel (E362) $7,438,490;

(k) Travel for Non-State Employees (E363) $3,983,338;

(l) Dues (E381) $10,336,469; and

(m) Other (E399) $118,383.22.

(2) The State Budget Director, the Secretary of the Executive Cabinet, and the Secretary of the Finance and Administration Cabinet shall take the necessary steps to

reduce the expenses for the Executive Branch, in codes E361 and E362, in the fourth fiscal quarter of fiscal year 2025-2026. The State Budget Director shall also submit a written report to the Interim Joint Committee on Appropriations and Revenue by August 1, 2026, concerning the Executive Branch expenditures assigned to these codes for fiscal year 2025-2026.

(3) In order to implement the 2026 General Assembly's policy and fiscal directives of the contained in Part I, Operating Budget, of this Act, it will be necessary for the Executive Branch to reduce the operating cost of each agency. To accomplish this policy directive, unless otherwise directed by State or Federal Law or required by Court Order, the State Budget Director, the Secretary of the Finance and Administration Cabinet, and the Secretary of the Personnel Cabinet shall take the necessary steps to reduce, modify, or eliminate the expenditures of state agencies in the following priority order:

(a) Temporary Manpower Services personnel and contracts;

(b) Advertising Services and other advertising costs, by requiring that the prior written approval of the Secretary of the Finance and Administration Cabinet be secured before any expense is incurred in these code areas;

(c) Out-of-state travel should require and receive prior written approval of the Secretary of the Finance and Administration Cabinet;

(d) Practice of providing food and meals that cost more than is set out in the in-state travel guideline allowance for employees attending meetings, unless the prior written approval of the State Budget Director has been secured;

(e) Prior written approval of the agency head for any conference, meeting, or event that will require in-state travel of 20 employees or more;

(f) Prior written approval of the agency head for any expense that will be charged to the eMARS code E257 (Services Not Otherwise Classified), code E399 (Other), or code E259 (Expenses Related to Trade Shows);

(g) Abolishment of positions that have remained vacant for six months;

(h) Moratorium on all discretionary salary increases; and

(i) Reduction, modification, or elimination of programs or services not required by state or federal law or regulation.

(4) Quarterly, beginning June 15, 2026, the Secretary of the Finance and Administration Cabinet and the State Budget Director shall provide a written report to the Interim Joint Committee on Appropriations and Revenue on the actions taken to implement the policy and fiscal directives provided in this Part. That report shall contain at least the following:

(a) A listing of all prior approvals granted that are required by paragraph (3)(b), (3)(c), (3)(d), (3)(e), and (3)(f) of this section;

(b) A comparison of the charges processed to the codes listed in paragraph (1) of this section between the past month of the current fiscal year and the same month of the previous fiscal year; and

(c) The identification of any other policy decisions, directives, or actions taken by the Executive Branch in the past month to reduce the operating cost of programs, services, or activities of the Executive Branch.

35. Operational Expenditures Data: The head of each budget unit shall, by October 1, 2026, submit a report to the Legislative Oversight and Investigations Committee and the Interim Joint Committee on Appropriations and Revenue with the following information and data pertaining to the historical and projected operational expenditures for each budget unit:

(1) Identifying information of the budget unit; and

(2) A description of each program, function, service, or benefit provided by the budget unit, including but not limited to the following:

(a) Measurable outcome data for the program, function, service, or benefit provided in fiscal year 2025-2026 and projected for fiscal years 2026–2027 and 2027–

2028 for programs, functions, services, or benefits that are statutorily mandated;

(b) Measurable outcome data for the program, function, service, or benefit provided in fiscal year 2025-2026 and projected for fiscal years 2026–2027 and 2027–2028 for programs, functions, services, or benefits that are not statutorily mandated;

(c) Identification of any contracts or grants with other state budget units or external providers engaged to provide or assist in providing the program, function, service, or benefit in fiscal years 2025-2026, 2026-2027, or 2027-2028;

(d) The number of full-time, part-time, and other filled positions assigned to the program, function, service, or benefit on July 1 of each fiscal year;

(e) The number and projected cost of all temporary manpower service personnel assigned to the program, function, service, or benefit as of July 1 each fiscal year;

(f) The actual expenditures, by fund source, for each program, function, service, or benefit for fiscal year 2025-2026;

(g) The projected expenditures, by fund source, by fiscal year, for each program, function, service, or benefit for fiscal years 2026-2027 and 2027-2028; and

(h) The actual balance of any Restricted Funds or Agency Trust Funds assigned to the program, function, service, or benefit as of July 1, 2026, and projected to be on July 1, 2027, and July 1, 2028.

The information shall be submitted only in a format prescribed by the Legislative Oversight and Investigations Committee.

The head of each budget unit shall, within 30 days, provide any follow-up or additional information on the programs, functions, services, or benefits provided by the budget unit requested by the Legislative Research Commission or a subcommittee thereof.

Failure to submit timely, complete, and accurate information within the deadlines for submission of the initial report or any additional information requested may result in a two percent reduction per occurrence, not to exceed ten percent, of the General Fund and

Restricted Funds appropriations provided in Part I of this Act for fiscal years 2026-2027 and 2027-2028. The Legislative Oversight and Investigations Committee shall report occurrences of noncompliance to the Legislative Research Commission prior to the 2027 Regular Session of the General Assembly for potential action by the General Assembly.

PART IV

STATE SALARY/COMPENSATION, BENEFIT, AND EMPLOYMENT POLICY

1. Authorized Personnel Complement: On July 1, 2026, and July 1, 2027, the Personnel Cabinet and the Office of State Budget Director shall establish a record for each budget unit of authorized permanent full-time and other positions based upon the enacted State/Executive Branch Budget of the Commonwealth and any adjustments authorized by provisions in this Act. The total number of filled permanent full-time and all other positions shall not exceed the authorized complements pursuant to this section. An agency head may request an increase in the number of authorized positions to the State Budget Director. Upon approval of the State Budget Director, the Secretary of the Personnel Cabinet may authorize the employment of individuals in addition to the authorized complement. A report of the actions authorized in this section shall be provided to the Legislative Research Commission on a monthly basis.

2. Salary Increment: Notwithstanding KRS 18A.355, relating to anniversary date, and notwithstanding KRS 156.808(6)(e) and 163.032(1), a two percent salary increase is provided, effective July 1, 2026, and a two percent salary increase is provided, effective July 1, 2027, on the base salary or wages of each eligible state employee.

3. Employee Cross-Reference: The Personnel Cabinet may permit married couples who are both eligible to participate in the state health insurance plan to be covered under one family health benefit plan.

4. Full-Time Positions: Notwithstanding KRS 18A.005(18)(a), full-time positions in the state parks, where the work assigned is dependent upon fluctuations in tourism, may be assigned work hours from 25 hours per week and remain in full-time

positions.

5. Employer Retirement Contribution Rates: Notwithstanding KRS 61.565 and 61.702, the employer contribution rates for Kentucky Employees Retirement System from July 1, 2026, through June 30, 2028, and except as otherwise provided in this Act, shall be 18.83 percent, consisting of 18.83 percent for pension for hazardous duty employees; for the same period, the employer contribution for employees of the State Police Retirement System shall be 54.33 percent, consisting of 51.84 percent for pension and 2.49 percent for health insurance. Notwithstanding any other provision of this Act or KRS 61.565 or 61.702 to the contrary, the initial actuarially accrued liability employer contribution rate for fiscal year 2026-2027 and for fiscal year 2027-2028, for nonhazardous employees in the Executive Branch departments shall be determined by the State Budget Director by May 1 prior to the beginning of each fiscal year. The employer contribution rate shall include the normal cost contribution of 7.76 percent and be sufficient to adhere to the prorated amount of the actuarially accrued liability to each individual nonhazardous employer as determined by the Kentucky Employees Retirement System. The rates in this section apply to wages and salaries earned for work performed during the described period regardless of when the employee is paid for the time worked.

6. Health Care Spending Account: Notwithstanding KRS 18A.2254(2)(a) and (b), if a public employee waives coverage provided by his or her employer under the Public Employee Health Insurance Program, the employer shall forward a monthly amount to be determined by the Secretary of the Personnel Cabinet for that employee as an employer contribution to a health reimbursement account or a health flexible spending account, but not less than $175 per month, subject to any conditions or limitations imposed by the Secretary of the Personnel Cabinet to comply with applicable federal law. The administrative fees associated with a health reimbursement account or health flexible spending account shall be an authorized expense to be charged to the Public Employee Health Insurance Trust Fund.

7. State Group Health Insurance Plan - Transfer Between Plan Years: Notwithstanding KRS 18A.2254, the Secretary of the Finance and Administration Cabinet and the Secretary of the Personnel Cabinet are authorized to use the excess funds from any prior plan year to satisfy claims or expenses in Plan Year 2022, Plan Year 2023, Plan Year 2024, and Plan Year 2025.

8. State Group Health Insurance Plan - Plan Year Closure: Notwithstanding KRS 18A.2254, Plan Year 2021 shall be considered closed as of June 30, 2026, and the balance from that Plan Year shall be transferred to Plan Year 2022. All other income and expenses attributable to the closed Plan Year shall be deposited in or charged to the Plan Year 2022 account after that date.

9. Mandated Health Coverage: Employer and employee contributions made to the Kentucky Employees Health Plan Trust Fund for Plan Years 2027 and 2028 are sufficient to implement and carry out the provisions of 2024 Ky. Acts ch. 75 and 97.

PART V

FUNDS TRANSFER

The General Assembly finds that the financial condition of state government requires the following action.

Notwithstanding the statutes or requirements of the Restricted Funds enumerated below, there is transferred to the General Fund the following amounts in fiscal year 2026-2027 and fiscal year 2027-2028:

	2026-27	**2027-28**
A. HEALTH AND FAMILY SERVICES CABINET		
1. General Administration and Program Support		
Medical Cannabis Agency Fund	-0-	10,400,000
B. JUSTICE AND PUBLIC SAFETY CABINET		
1. Criminal Justice Training		
Criminal Justice Training	2,368,000	2,368,000

(KRS 15.430 and 136.392(2))

Notwithstanding KRS 15.430 and 136.392(2), these funds transfers to the General Fund support the General Fund debt service for the capital project in 2022 Ky. Acts ch. 199, Part II, H., 2., 002.

TOTAL - FUNDS TRANSFER	2,368,000	12,768,000

PART VI

GENERAL FUND BUDGET REDUCTION PLAN

Pursuant to KRS 48.130 and 48.600, a General Fund Budget Reduction Plan is enacted for state government in the event of an actual or projected revenue shortfall in General Fund revenue receipts, excluding Tobacco Settlement – Phase I receipts, of $15,498,900,000 in fiscal year 2025-2026, $15,882,000,000 in fiscal year 2026-2027, and $16,232,200,000 in fiscal year 2027-2028, as modified pursuant to Part III, 28. of this Act and by related Acts and actions of the General Assembly in any subsequent extraordinary or regular session. Notwithstanding KRS 48.130, direct services, obligations essential to the minimum level of constitutional functions, and other items that may be specified in this Act, are exempt from the requirements of this Plan. Each branch head shall prepare a specific plan to address the proportionate share of the General Fund revenue shortfall applicable to the respective branch. No budget revision action shall be taken by a branch head in excess of the actual or projected revenue shortfall.

The Governor, the Secretary of State, the Attorney General, the Treasurer, the Commissioner of Agriculture, the Auditor of Public Accounts, the Chief Justice, and the Legislative Research Commission shall direct and implement reductions in allotments and appropriations only for their respective branch budget units as may be necessary, as well as take other measures which shall be consistent with the provisions of this Part and biennial branch budget bills.

Pursuant to KRS 48.130(4), in the event of a revenue shortfall of five percent or less, the following General Fund budget reduction actions shall be implemented:

(1) The Local Government Economic Assistance Fund and the Local Government Economic Development Fund shall be adjusted by the Secretary of the Finance and Administration Cabinet to equal revised estimates of receipts pursuant to KRS 42.4582 as modified by the provisions of this Act;

(2) Transfers of excess unappropriated Restricted Funds, notwithstanding any statutes to the contrary, other than fiduciary funds, to the General Fund shall be applied as determined by the head of each branch for its respective budget units. No transfers to the General Fund shall be made from the following:

(a) Local Government Economic Assistance Fund and Local Government Economic Development Fund;

(b) Unexpended debt service from the Tobacco-Settlement Phase I Funds, including but not limited to unexpended debt service and the Tobacco Unbudgeted Interest Income-Rural Development Trust Fund, in either fiscal year; and

(c) The Kentucky Permanent Pension Fund;

(3) Lapse unexpended debt service;

(4) Any unanticipated Phase I Master Settlement Agreement revenues in both fiscal years shall be appropriated according to Part X of this Act and shall not be transferred to the General Fund;

(5) Use of the unappropriated balance of the General Fund surplus shall be applied;

(6) Any language provision that expresses legislative intent regarding a specific appropriation shall not be reduced by a greater percentage than the reduction to the General Fund appropriation for that budget unit;

(7) Lapse contributions appropriated to pensions in excess of statutory requirements;

(8) Lapse contributions appropriated to pension insurance in excess of actuarially required contributions;

(9) Reduce General Fund appropriations in Executive Branch agencies' operating budget units by a sufficient amount to balance either fiscal year. No reductions of General Fund appropriations shall be made from the Local Government Economic Assistance Fund or the Local Government Economic Development Fund;

(10) Notwithstanding subsection (9) of this Part, no reductions shall be made to the Secretary of State, the Attorney General, the Treasurer, the Commissioner of Agriculture, or the Auditor of Public Accounts, or their offices, Commonwealth's Attorneys or their offices, or County Attorneys or their offices. The Governor may request their participation in a budget reduction; however, the level of participation shall be at the discretion of the Constitutional Officer or the Prosecutors Advisory Council, and shall not exceed the actual percentage of revenue shortfall;

(11) Excess General Fund appropriations which accrue as a result of personnel vacancies and turnover, and reduced requirements for operating expenses, grants, and capital outlay shall be determined and applied by the heads of the executive, judicial, and legislative departments of state government for their respective branches. The branch heads shall certify the available amounts which shall be applied to budget units within the respective branches and shall promptly transmit the certification to the Secretary of the Finance and Administration Cabinet and the Legislative Research Commission. The Secretary of the Finance and Administration Cabinet shall execute the certified actions as transmitted by the branch heads.

Branch heads shall take care, by their respective actions, to protect, preserve, and advance the fundamental health, safety, legal and social welfare, and educational well-being of the citizens of the Commonwealth;

(12) Pursuant to KRS 48.130 and 48.600, if the actions contained in subsections (1) to (11) of this Part are insufficient to eliminate an actual or projected General Fund revenue shortfall, then the Governor is empowered and directed to take necessary actions with respect to the Executive Branch budget units to balance the budget by such actions

conforming with the criteria expressed in this Part; and

(13) Within 15 days of the enactment of a General Fund Budget Reduction Plan, the Secretary of each cabinet, the Commissioner of Education, or the head of each agency, shall submit a report to the Interim Joint Committee on Appropriations and Revenue detailing the plan for implementation of the reduction, including any personnel actions, programmatic changes, or other measures necessary to achieve the required reduction.

PART VII

GENERAL FUND SURPLUS EXPENDITURE PLAN

(1) Notwithstanding KRS 48.130(7), 48.140(3), 48.700, and 48.705, there is established a plan for the expenditure of General Fund surplus moneys pursuant to a General Fund Surplus Expenditure Plan contained in this Part for fiscal years 2025-2026, 2026-2027, and 2027-2028. Pursuant to the enactment of the Surplus Expenditure Plan, General Fund moneys made available for the General Fund Surplus Expenditure Plan pursuant to Part III, General Provisions, Section 22. of this Act are appropriated to the following:

(a) Expenditures without a sum-specific appropriation amount, known as Necessary Government Expenses, as authorized in Part I of this Act;

(b) The entire remaining amount to the Budget Reserve Trust Fund; and

(c) No surplus moneys in any fiscal year shall be reserved for Necessary Government Expenses in a subsequent fiscal year.

(2) The Secretary of the Finance and Administration Cabinet shall determine, within 30 days after the close of each fiscal year, based on the official financial records of the Commonwealth, the amount of actual General Fund undesignated fund balance for the General Fund Surplus Account that may be available for expenditure pursuant to the Plan in fiscal year 2026-2027 and fiscal year 2027-2028. The Secretary of the Finance and Administration Cabinet shall certify the amount of actual General Fund undesignated

fund balance available for expenditure to the Legislative Research Commission.

PART VIII

ROAD FUND BUDGET REDUCTION PLAN

There is established a Road Fund Budget Reduction Plan for fiscal years 2025-2026, 2026-2027, and 2027-2028. Notwithstanding KRS 48.130(1) and (3) relating to statutory appropriation adjustments related to the revenue sharing of motor fuels taxes, in the event of an actual or projected revenue shortfall in Road Fund revenue receipts of $1,844,000,000 in fiscal year 2025-2026, $1,836,000,000 in fiscal year 2026-2027, and $1,909,400,000 in fiscal year 2027-2028, as modified by related Acts and actions of the General Assembly in an extraordinary or regular session, the Governor shall implement sufficient reductions as may be required to protect the highest possible level of service.

Within 15 days of the enactment of a Road Fund Budget Reduction Plan, the Secretary of each cabinet or the head of each agency shall submit a report to the Interim Joint Committee on Appropriations and Revenue detailing the plan for implementation of the reduction, including any personnel actions, programmatic changes, or other measures necessary to achieve the required reduction.

PART IX

ROAD FUND SURPLUS EXPENDITURE PLAN

Notwithstanding KRS 48.110, 48.140, and 48.710, there is established a plan for the expenditure of the Road Fund Surplus Account. All moneys in the Road Fund Surplus Account shall be appropriated to the State Construction Account within the Highways budget unit and utilized to support projects in the 2026-2028 Biennial Highway Construction Program.

PART X

PHASE I TOBACCO SETTLEMENT

(1) General Purpose: This Part prescribes the policy implementing aspects of the national settlement agreement between the tobacco industry and the collective states as

described in KRS 248.701 to 248.727. In furtherance of that agreement, the General Assembly recognizes that the Commonwealth of Kentucky is a party to the Phase I Master Settlement Agreement (MSA) between the Participating Tobacco Manufacturers and 46 Settling States which provides reimbursement to states for smoking-related expenditures made over time.

(2) State's MSA Share: The Commonwealth's share of the MSA is equal to 1.7611586 percent of the total settlement amount. Payments under the MSA are made to the states annually in April of each year.

(3) MSA Payment Amount Variables: The total settlement amount to be distributed on each payment date is subject to change pursuant to several variables provided in the MSA, including inflation adjustments, volume adjustments, previously settled states adjustments, and the nonparticipating manufacturers adjustment.

(4) Distinct Identity of MSA Payment Deposits: The General Assembly has determined that it shall be the policy of the Commonwealth that all Phase I Tobacco Settlement payments shall be deposited to the credit of the General Fund and shall maintain a distinct identity as Phase I Tobacco Settlement payments that shall not lapse to the credit of the General Fund surplus but shall continue forward from each fiscal year to the next fiscal year to the extent that any balance is unexpended.

(5) MSA Payment Estimates and Adjustments: Based on the official estimates of the Consensus Forecasting Group, the amount of MSA payments expected to be received in fiscal year 2026-2027 is $82,800,000 and in fiscal year 2027-2028 is $77,400,000. It is recognized that payments to be received by the Commonwealth are estimated and are subject to change. If MSA payments received are less than the official estimates, appropriation reductions shall be applied as follows: after exempting appropriations for debt service, the Attorney General, and the Department of Revenue, 50 percent to the Agricultural Development Fund, 30 percent to the Early Childhood Development Fund, and 20 percent to the Health Care Improvement Fund. If MSA

payments received exceed the official estimates, appropriation increases shall be applied as follows: after exempting appropriations for debt service, the Attorney General, and the Department of Revenue, 50 percent to the Agricultural Development Fund, 30 percent to the Early Childhood Development Fund, and 20 percent to the Health Care Improvement Fund.

a. State Enforcement: Notwithstanding KRS 248.654 and 248.703(4), a total of $150,000 of the MSA payments in each fiscal year is appropriated to the Attorney General for the state's diligent enforcement of noncompliant nonparticipating manufacturers.

b. State Enforcement: Notwithstanding KRS 248.654 and 248.703(4), a total of $250,000 of the MSA payments in each fiscal year is appropriated to the Finance and Administration Cabinet, Department of Revenue for the state's diligent enforcement of noncompliant nonparticipating manufacturers.

c. Debt Service: Notwithstanding KRS 248.654 and 248.703(4), $14,100,200 in MSA payments in fiscal year 2026-2027 and $13,880,900 in MSA payments in fiscal year 2027-2028 are appropriated to the Finance and Administration Cabinet, Debt Service budget unit.

d. Agricultural Development Initiatives: Notwithstanding KRS 248.654 and 248.703(4), $38,086,500 in MSA payments in fiscal year 2026-2027 and $35,197,600 in MSA payments in fiscal year 2027-2028 are appropriated to the Kentucky Agricultural Development Fund to be used for agricultural development initiatives as specified in this Part.

e. Early Childhood Development Initiatives: Notwithstanding KRS 248.654, $20,018,100 in MSA payments in fiscal year 2026-2027 and $18,499,700 in MSA payments in fiscal year 2027-2028 are appropriated to the Early Childhood Development Initiatives as specified in this Part.

f. Health Care Initiatives: Notwithstanding KRS 164.476, 248.654, and

304.17B-003(5), $10,195,200 in MSA payments in fiscal year 2026-2027 and $9,421,800 in MSA payments in fiscal year 2027-2028 are appropriated to the Health Care Improvement Fund for health care initiatives as specified in this Part.

A. STATE ENFORCEMENT

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 248.654 and 248.703(4), appropriations for state enforcement shall be as follows:

1. GENERAL GOVERNMENT

Budget Unit	**2026-27**	**2027-28**
a. Attorney General	150,000	150,000

2. FINANCE AND ADMINISTRATION CABINET

Budget Unit	**2026-27**	**2027-28**
a. Revenue	250,000	250,000

B. DEBT SERVICE

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 248.654 and 248.703(4), appropriations for debt service shall be as follows:

1. FINANCE AND ADMINISTRATION CABINET

Budget Unit	**2026-27**	**2027-28**
a. Debt Service	14,100,200	13,880,900

(1) Debt Service: To the extent that revenues sufficient to support the required debt service appropriations are received from the Tobacco Settlement Program, those revenues shall be made available from those accounts to the appropriate account of the General Fund. All necessary debt service amounts shall be appropriated from the General Fund and shall be fully paid regardless of whether there is a sufficient amount available to be transferred from tobacco-supported funding program accounts to other accounts of the General Fund.

(2) Appropriation of Unexpended Tobacco Debt Service: Any unexpended balance from the fiscal year 2026-2027 or fiscal year 2027-2028 General Fund (Tobacco) debt service appropriation in the Finance and Administration Cabinet, Debt Service budget unit, shall continue and be appropriated to the Department of Agriculture, Kentucky Office of Agricultural Policy.

C. AGRICULTURAL DEVELOPMENT APPROPRIATIONS

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 248.654 and 248.703(4), appropriations for Agricultural Development shall be as follows:

1. DEPARTMENT OF AGRICULTURE

Budget Unit	**2026-27**	**2027-28**
a. Agriculture	35,426,900	32,739,700

(1) Tobacco Settlement Funds - Allocations: Notwithstanding KRS 248.711(2), and from the allocation provided therein, counties that are allocated in excess of $20,000 annually may provide up to four percent of the individual county allocation, not to exceed $15,000 annually, to the county council in that county for administrative costs.

(2) Counties Account: Notwithstanding KRS 248.703(1), included in the above General Fund (Tobacco) appropriation is $11,777,900 in fiscal year 2026-2027 and $10,884,500 in fiscal year 2027-2028 for the counties account as specified in KRS 248.703(1)(a).

(3) State Account: Notwithstanding KRS 248.703(1), included in the above General Fund (Tobacco) appropriation is $21,876,000 in fiscal year 2026-2027 and $20,216,600 in fiscal year 2027-2028 for the state account as specified in KRS 248.703(1)(b).

(4) Farms to Food Banks Program: Included in the above General Fund (Tobacco) appropriation is $886,500 in fiscal year 2026-2027 and $819,300 in fiscal year 2027-2028 to support the Farms to Food Banks Program. The use of the moneys provided

by this appropriation shall be restricted to purchases of Kentucky-grown produce and protein from Kentucky farmers who participate in the Farms to Food Banks Program.

(5) Kentucky Rural Mental Health, Suicide Prevention, and Farm Safety Program: Included in the above General Fund (Tobacco) appropriation is $886,500 in fiscal year 2026-2027 and $819,300 in fiscal year 2027-2028 to support the Kentucky Rural Mental Health, Suicide Prevention, and Farm Safety Program known as the Raising Hope Initiative. The Department of Agriculture shall enhance awareness of the National Suicide Prevention Lifeline (988) in rural communities in Kentucky, improve access to information on rural mental health issues and available treatment services, provide outreach, and provide other necessary services to improve the mental health outcomes of rural communities in Kentucky. The Farm Safety and Rural Health Division, at its discretion, may receive, accept, and solicit grants, contributions of money, property, labor, or other things of value from any governmental agency, individual, nonprofit organization, or private business to be used for the Kentucky Rural Mental Health, Suicide Prevention, and Farm Safety Program. The Department of Agriculture may utilize up to $150,000 of the appropriation amount in each fiscal year for program administration purposes. The Department of Agriculture shall coordinate with the Raising Hope Initiative to take custody of and maintain any intellectual property assets that were created or developed by any state agency in connection with the Raising Hope Initiative.

The Department of Agriculture's Office of Agricultural Marketing shall submit a comprehensive annual report to the Interim Joint Committee on Appropriations and Revenue and the Tobacco Settlement Agreement Fund Oversight Committee no later than November 1 of each fiscal year. At a minimum, the report shall include:

(a) An accounting of all expenditures by fund source;

(b) A detailed accounting of all administrative expenses;

(c) The total amount expended on grants, loans, and benefits;

(d) A detailed accounting of all expenses not otherwise classified;

(e) Identification of any unexpended funds and the reason why the funds were not expended; and

(f) An explanation of how all expenditures align with program objectives.

The Division Director of the Farm Safety and Rural Health Division and the Executive Director of the Kentucky Office of Agricultural Marketing shall provide a program update to the Tobacco Settlement Agreement Fund Oversight Committee in November of each fiscal year.

2. ENERGY AND ENVIRONMENT CABINET

Budget Unit	**2026-27**	**2027-28**
a. Natural Resources	2,659,600	2,457,900

(1) Environmental Stewardship Program: Included in the above General Fund (Tobacco) appropriation is $1,773,100 in fiscal year 2026-2027 and $1,638,600 in fiscal year 2027-2028 for the Environmental Stewardship Program.

(2) Conservation District Local Aid: Included in the above General Fund (Tobacco) appropriation is $886,500 in fiscal year 2026-2027 and $819,300 in fiscal year 2027-2028 for the Division of Conservation to provide direct aid to local conservation districts.

TOTAL - AGRICULTURAL APPROPRIATIONS	38,086,500	35,197,600

D. EARLY CHILDHOOD DEVELOPMENT

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 248.654, appropriations for Early Childhood Development shall be as follows:

1. EDUCATION AND LABOR CABINET

Budget Unit	**2026-27**	**2027-28**
a. General Administration and Program Support	1,063,800	983,200

(1) Early Childhood Development: Included in the above General Fund

(Tobacco) appropriation is $1,063,800 in fiscal year 2026-2027 and $983,200 in fiscal year 2027-2028 for the Early Childhood Advisory Council.

2. CABINET FOR HEALTH AND FAMILY SERVICES

Budget Units	**2026-27**	**2027-28**
a. Community Based Services	10,195,200	9,421,900

(1) Early Childhood Development Program: Included in the above General Fund (Tobacco) appropriation is $8,422,100 in fiscal year 2026-2027 and $7,783,300 in fiscal year 2027-2028 for the Early Childhood Development Program.

(2) Early Childhood Adoption and Foster Care Supports: Included in the above General Fund (Tobacco) appropriation is $1,773,100 in fiscal year 2026-2027 and $1,638,600 in fiscal year 2027-2028 for the Early Childhood Adoption and Foster Care Supports Program.

	2026-27	**2027-28**
b. Public Health	7,606,600	7,029,500

(1) HANDS Program, Healthy Start, Early Childhood Mental Health, and Early Childhood Oral Health: Included in the above General Fund (Tobacco) appropriation is $5,301,500 in fiscal year 2026-2027 and $4,899,400 in fiscal year 2027-2028 for the Health Access Nurturing Development Services (HANDS) Program, $620,600 in fiscal year 2026-2027 and $573,500 in fiscal year 2027-2028 for Healthy Start initiatives, $620,600 in fiscal year 2026-2027 and $573,500 in fiscal year 2027-2028 for Early Childhood Mental Health, $620,600 in fiscal year 2026-2027 and $573,500 in fiscal year 2027-2028 for Early Childhood Oral Health, and $443,300 in fiscal year 2026-2027 and $409,600 in fiscal year 2027-2028 for Lung Cancer Screening.

	2026-27	**2027-28**
c. Behavioral Health, Developmental and Intellectual Disabilities Services	1,152,500	1,065,100

(1) Substance Abuse Prevention and Treatment: Included in the above General Fund (Tobacco) appropriation is $1,152,500 in fiscal year 2026-2027 and

$1,065,100 in fiscal year 2027-2028 for substance abuse prevention and treatment for pregnant women with a history of substance abuse problems.

TOTAL - EARLY CHILDHOOD	20,018,100	18,499,700

APPROPRIATIONS

E. HEALTH CARE IMPROVEMENT APPROPRIATIONS

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 164.476, 248.654 and 304.17B-003(5), appropriations for health care improvement shall be as follows:

1. CABINET FOR HEALTH AND FAMILY SERVICES

Budget Unit	**2026-27**	**2027-28**
a. Public Health	1,773,100	1,638,600

(1) Smoking Cessation Program: Included in the above General Fund (Tobacco) appropriation is $1,773,100 in fiscal year 2026-2027 and $1,638,600 in fiscal year 2027-2028 for Smoking Cessation.

2. JUSTICE AND PUBLIC SAFETY CABINET

Budget Unit	**2026-27**	**2027-28**
a. Justice Administration	2,881,200	2,662,700

(1) Office of Drug Control Policy: Included in the above General Fund (Tobacco) appropriation is $2,659,600 in fiscal year 2026-2027 and $2,457,900 in fiscal year 2027-2028 for the Office of Drug Control Policy.

(2) Restorative Justice: Included in the above General Fund (Tobacco) appropriation is $221,600 in fiscal year 2026-2027 and $204,800 in fiscal year 2027-2028 to support the Restorative Justice Program administered by the Volunteers of America.

3. POSTSECONDARY EDUCATION

Budget Unit	**2026-27**	**2027-28**
a. Council on Postsecondary Education	5,540,900	5,120,500

(1) Cancer Research and Screening: Included in the above General Fund

(Tobacco) appropriation is $5,540,900 in fiscal year 2026-2027 and $5,120,500 in fiscal year 2027-2028 for cancer research and screening. The appropriation in each fiscal year shall be equally shared between the University of Kentucky and the University of Louisville.

TOTAL - HEALTH CARE	10,195,200	9,421,800
TOTAL - PHASE I TOBACCO SETTLEMENT FUNDING PROGRAM	82,800,000	77,400,000

PART XI

STATE/EXECUTIVE BRANCH BUDGET SUMMARY

OPERATING BUDGET

	2025-26	**2026-27**	**2027-28**
General Fund (Tobacco)	-0-	82,800,000	77,399,900
General Fund	-0-	15,339,971,100	15,637,362,300
Restricted Funds	56,070,800	16,471,110,100	17,145,036,700
Federal Funds	-0-	23,526,208,600	23,411,648,800
Road Fund	-0-	60,331,100	62,749,900
SUBTOTAL	56,070,800	55,480,420,900	56,334,197,600

CAPITAL PROJECTS BUDGET

	2025-26	**2026-27**	**2027-28**
Restricted Funds	350,000,000	19,920,546,000	226,700,000
Federal Funds	-0-	707,334,000	46,915,000
Bond Funds	16,000,000	194,445,000	392,705,000
Agency Bonds	-0-	8,057,078,000	-0-
Investment Income	-0-	190,058,000	90,533,000
Other Funds	-0-	9,529,800,000	-0-
SUBTOTAL	366,000,000	38,599,261,000	756,853,000

TOTAL - STATE/EXECUTIVE BUDGET

	2025-26	**2026-27**	**2027-28**
General Fund (Tobacco)	-0-	82,800,000	77,399,900
General Fund	-0-	15,339,971,100	15,637,362,300
Restricted Funds	406,070,800	36,391,656,100	17,371,736,700
Federal Funds	-0-	24,233,542,600	23,458,563,800
Road Fund	-0-	60,331,100	62,749,900
Bond Funds	16,000,000	194,445,000	392,705,000
Agency Bonds	-0-	8,057,078,000	-0-
Investment Income	-0-	190,058,000	90,533,000
Other Funds	-0-	9,529,800,000	-0-
TOTAL FUNDS	422,070,800	94,079,681,900	57,091,050,600