AN ACT relating to government agencies, making an appropriation therefor, and declaring an emergency.

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

➔Section 1. Pursuant to KRS 141.020(2)(a)2.d., the appropriations contained in this Act are supported solely by funds from the budget reserve trust fund account established by KRS 48.705 and shall not be identified as GF appropriations when certifying the reduction conditions pursuant to KRS 141.020(2)(b) and (c).

➔Section 2. (1) It is the intent of the 2026 General Assembly to appropriate General Fund moneys in the amount of $10,000,000 in fiscal year 2025-2026, $400,000,000 in fiscal year 2026-2027, and $400,000,000 in fiscal year 2027-2028 from the budget reserve trust fund account established by KRS 48.705. These funds shall be distributed to various state government agencies to support one-time expenditures, including but not limited to the following categories:

(a) Water and sewer project pools;

(b) Economic Development investments; and

(c) Smaller one-time local infrastructure projects and investments.

(2) The General Assembly recognizes that the projects and allocations identified in this section represent an initial phase of planned investments, and additional projects and appropriations within these categories or other categories may be authorized before the conclusion of the 2026 Regular Session.

➔Section 3. Whereas the provisions of this Act provide ongoing support for state government agencies and their functions, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.