

1 AN ACT making appropriations for the operations, maintenance, support, and  
2 functioning of the Judicial Branch of the government of the Commonwealth of Kentucky  
3 and its various officers, boards, commissions, subdivisions, and other state-supported  
4 activities.

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

6 ➔Section 1. The Judicial Branch Budget is as follows:

7 **PART I**  
8 **OPERATING BUDGET**

9 **(1) Funds Appropriations:** There is appropriated out of the General Fund,  
10 Restricted Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1,  
11 2025, and ending June 30, 2026, and for the fiscal year beginning July 1, 2026, and  
12 ending June 30, 2027, and for the fiscal year beginning July 1, 2027, and ending June 30,  
13 2028, the following sums to be used for the purposes of the Judicial Branch of the  
14 government of the Commonwealth of Kentucky, including the Supreme Court, Court of  
15 Appeals, Circuit Court, Family Court, District Court, the Administrative Office of the  
16 Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance  
17 Contingency Fund, and for services performed by the Circuit Court Clerks' offices,  
18 including both Circuit and District Court support.

19 **A. JUDICIAL BRANCH**

20 **Budget Units**

21 **1. COURT OF JUSTICE**

22 **a. Court Operations and Administration**

	<b>2026-27</b>	<b>2027-28</b>
24 General Fund	406,082,200	411,796,400
25 Restricted Funds	61,311,000	61,848,600
26 Federal Funds	1,706,300	1,524,900
27 TOTAL	469,099,500	475,169,900

1           **(1) Defined Calculations:** Included in the above General Fund appropriation is  
2 \$4,775,600 in fiscal year 2026-2027 and \$8,571,500 in fiscal year 2027-2028 to provide  
3 funds for the increase in the employer cost of health and life insurance.

4           **(2) Annual Increment:** Included in the above General Fund appropriation is  
5 \$2,367,000 in fiscal year 2026-2027 and \$4,757,700 in fiscal year 2027-2028 for a one  
6 percent annual increment in each year of the biennium for elected and non-elected  
7 personnel.

8           **(3) Full Funding of Current Services:** Included in the above General Fund  
9 appropriation is \$13,541,000 in fiscal year 2026-2027 and \$13,541,000 in fiscal year  
10 2027-2028 to fully fund current services in this appropriation unit.

11           **(4) Compensation Plan:** Included in the above General Fund appropriation is  
12 \$37,050,300 in fiscal year 2026-2027 and \$37,050,300 in fiscal year 2027-2028 to  
13 increase compensation in the Judicial Branch for eligible employees and elected and non-  
14 elected personnel at the discretion of the Chief Justice.

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

20           **(5) Funds Required to Maintain Mandated Services:** Included in the above  
21 General Fund appropriation is \$8,780,200 in fiscal year 2026-2027 and \$8,418,500 in  
22 fiscal year 2027-2028 to maintain mandated services.

23           **(6) Replacement of Restricted Funds:** Included in the above General Fund  
24 appropriation is \$7,945,200 in fiscal year 2026-2027 and \$7,945,200 in fiscal year 2027-  
25 2028 to move all deputy clerks funded out of master commissioner excess fees to the  
26 General Fund.

27           **(7) AED/Medical Kits:** Included in the above General Fund appropriation is

1 \$1,562,000 in fiscal year 2026-2027 and \$1,562,000 in fiscal year 2027-2028 to provide  
2 AED and Medical Kits in court-occupied facilities.

3 **(8) Additional positions - Administrative Office of the Courts:** Included in the  
4 above General Fund appropriation is \$1,084,600 in fiscal year 2026-2027 and \$1,038,900  
5 in fiscal year 2027-2028 for 12 additional positions for the Administrative Office of the  
6 Courts.

7 **(9) Additional positions - Deputy Clerks:** Included in the above General Fund  
8 appropriation is \$1,258,800 in fiscal year 2026-2027 and \$1,193,800 in fiscal year 2027-  
9 2028 for 17 additional deputy clerk positions.

10 **(10) Civil Filing Fees:** Pursuant to its authority, if the Supreme Court retains the  
11 increases in civil filing fees that were effective in 2008 and 2018, the additional income  
12 resulting from the fee increases, not to exceed \$15,468,100 in each fiscal year, shall be  
13 deposited into a trust and agency account for court operations and salaries for non-elected  
14 personnel. Any revenue generated by these increases in excess of the \$15,468,100 in each  
15 fiscal year shall be deposited into the General Fund.

16 **b. Local Facilities Fund**

	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
17 General Fund	8,910,400	156,279,000	162,867,800

18  
19 **(1) Uninsured Costs Due to Flooding:** Included in the above General Fund  
20 appropriation is \$8,910,400 in fiscal year 2025-2026 for file restoration, remediation, and  
21 repairs due to flooding in Franklin and Hardin Counties.

22 **(2) Local Facility Projects:** Included in the above General Fund appropriation is  
23 \$13,652,200 in fiscal year 2027-2028 to support the use allowance for five judicial  
24 centers authorized by the 2024 General Assembly.

25 **(3) Full Funding of Current Services:** Included in the above General Fund  
26 appropriation is \$2,628,100 in fiscal year 2026-2027 and \$2,628,100 in fiscal year 2027-  
27 2028 to fully fund current services.

1           **(4) Operating Paid to Counties:** Included in the above General Fund  
2 appropriation is \$2,076,100 in fiscal year 2026-2027 and \$4,276,700 in fiscal year 2027-  
3 2028 for inflationary increase on operating expenses paid to counties.

4           **(5) Insurance on Building Contents:** Included in the above General Fund  
5 appropriation is \$448,500 in fiscal year 2026-2027 and \$448,500 in fiscal year 2027-2028  
6 to purchase insurance to cover remediation and restoration of paper court records in each  
7 court facility.

8           **(6) Boyle County Temporary Space and Fit-up:** Included in the above General  
9 Fund appropriation is \$5,260,000 in fiscal year 2026-2027 and \$260,000 in fiscal year  
10 2027-2028 for leased space and fit-up for all court and clerk functions.

11           **(7) Bell County Temporary Space and Fit-up:** Included in the above General  
12 Fund appropriation is \$3,120,000 in fiscal year 2026-2027 and \$120,000 in fiscal year  
13 2027-2028 for leased space and fit-up for all court and clerk functions.

14           **(8) Bell County Use Allowance and Equipment:** Included in the above General  
15 Fund appropriation is \$2,806,100 in fiscal year 2026-2027 to support use allowance and  
16 equipment and \$2,056,100 in fiscal year 2027-2028 to support use allowance.

17           **(9) Indirect Rate Paid to Counties:** Included in the above General Fund  
18 appropriation is \$5,501,600 in fiscal year 2026-2027 and \$5,831,600 in fiscal year 2027-  
19 2028 to compensate counties for operating and maintaining court facilities.

20           **(10) Jefferson County Offsite Archive:** Included in the above General Fund  
21 appropriation is \$994,000 in fiscal year 2026-2027 and \$150,000 in fiscal year 2027-2028  
22 for leased space and a storage system for archiving boxes.

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

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

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

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

16           (c) Notwithstanding KRS 45.750, any maintenance project estimated to cost  
17 \$3,000,000 or less for a local court facility is not considered to be a capital project  
18 requiring authorization of the General Assembly in the Judicial Branch budget bill and  
19 may be completed using funds appropriated to the Judicial Branch for maintenance of  
20 local facilities or other agency funds of the Judicial Branch.

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

22           **(1) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended  
23 balance remaining at the close of fiscal year 2025-2026 shall not lapse and shall continue  
24 into fiscal year 2026-2027, and any unexpended balance remaining at the close of fiscal  
25 year 2026-2027 shall not lapse and shall continue into fiscal year 2027-2028 to provide  
26 for cost overruns in authorized court facilities projects not to exceed 15 percent of the use  
27 allowance in accordance with KRS Chapter 26A.

1 **TOTAL – COURT OF JUSTICE**

2		<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
3	General Fund	8,910,400	562,361,200	577,664,200
4	Restricted Funds	-0-	61,311,000	61,848,600
5	Federal Funds	-0-	1,706,300	1,524,900
6	<b>TOTAL</b>	<b>8,910,400</b>	<b>625,378,500</b>	<b>638,037,700</b>

7 **2. JUDICIAL RETIREMENT SYSTEM**

8			<b>2026-27</b>	<b>2027-28</b>
9	Restricted Funds		643,000	647,300
10	<b>TOTAL</b>		<b>643,000</b>	<b>647,300</b>

11 **(1) Administrative Expenses:** Pursuant to KRS 21.540, administrative expenses  
 12 shall be paid out of an administrative account which shall be funded by transfers of the  
 13 necessary moneys, in appropriate ratio, from the funds described in KRS 21.550 and  
 14 21.560.

15 **(2) Pension Benefit Increase:** Notwithstanding KRS 21.405(5), no pension  
 16 benefit increase shall be granted to recipients of a retirement allowance under KRS  
 17 21.345 to 21.580 on July 1, 2026, or July 1, 2027.

18 **TOTAL - JUDICIAL BRANCH**

19		<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
20	General Fund	8,910,400	562,361,700	574,664,200
21	Restricted Funds	-0-	61,954,000	62,495,900
22	Federal Funds	-0-	1,706,300	1,524,900
23	<b>TOTAL</b>	<b>8,910,400</b>	<b>626,021,500</b>	<b>638,685,000</b>

24 **PART II**

25 **CAPITAL PROJECTS BUDGET**

26 **(1) Authorization of Capital Projects:** It is the intent of the General Assembly  
 27 that any capital project proposed by any state government entity, including the agencies

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

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

18       **(3) Deferred Funding:** (a) General Fund support to provide operating costs  
19 of \$1,911,000 and \$3,000,000 for nonrecurring equipment and furniture for five projects  
20 authorized by the 2024 General Assembly is deferred to the 2028-2030 fiscal biennium.

21       (b) General Fund support to provide operating costs totaling \$301,200 and  
22 annualized use allowance totaling \$3,231,000 and \$750,000 for nonrecurring equipment  
23 and furniture costs for the Spencer County project is deferred to the 2028-2030 fiscal  
24 biennium.

25       (c) General Fund support to provide operating costs totaling \$444,000 and  
26 annualized use allowance totaling \$4,734,000 and \$1,000,000 for nonrecurring  
27 equipment and furniture costs for the Boyle County project is deferred to the 2028-2030

1 fiscal biennium.

2 (d) It is the intent of the General Assembly that the projects in paragraphs (a), (b),  
 3 and (c) of this subsection shall be funded using resources previously appropriated for  
 4 projects that no longer require use allowance debt payments in the 2028-2030 fiscal  
 5 biennium.

6 **(4) Local Facilities Use Allowance Contingency Fund:** For any court facility  
 7 project which is occupied and use allowance funding is insufficient, the use allowance  
 8 payments shall be approved from the Local Facilities Use Allowance Contingency Fund.  
 9 If funds are not available in the Local Facilities Use Allowance Contingency Fund, the  
 10 Chief Justice may transfer funds from other Judicial Branch accounts in accordance with  
 11 Part III, General Provisions, Section 7. of this Act to make the necessary payments.

12 **A. JUDICIAL BRANCH**

13 **Budget Units**

14	<b>1. LOCAL FACILITIES FUND</b>	<b>2026-27</b>	<b>2027-28</b>
15	<b>Project</b>		
16	<b>001.</b> Spencer County (Project Scope: \$33,661,000)		
17	<b>002.</b> Boyle County (Project Scope: \$49,236,000)		
18	<b>003.</b> Bell County - Renovation (Project Scope: \$20,910,000)		
19	<b>004.</b> Maintenance Pool - Renovations	\$41,800,000	-0-
20	<b>005.</b> Maintenance Pool - Security	\$3,000,000	-0-
21	<b>2. LEASE AUTHORIZATIONS</b>		
22	<b>001.</b> Jefferson County - Lease - Parking		

23 **PART III**

24 **GENERAL PROVISIONS**

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

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

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

8 **3. Duplicate Appropriations:** Any appropriation item and sum in this Act and  
9 in an appropriation provision in another Act of the 2026 Regular Session of the General  
10 Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.

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

14 **5. Carry Forward of Funds:** Notwithstanding KRS 45.229, any unexpended  
15 balance remaining at the close of the fiscal years ending June 30, 2026, June 30, 2027,  
16 and June 30, 2028, shall not lapse and shall continue into the next fiscal year.

17 **6. Final Budget Document:** The Director of the Administrative Office of the  
18 Courts shall prepare a final budget document reflecting the 2026-2028 biennial budget of  
19 the Court of Justice. A copy shall be provided to the Legislative Research Commission,  
20 and an informational copy shall be furnished to the Finance and Administration Cabinet,  
21 within 60 days of the adjournment of the 2026 Regular Session of the General Assembly.

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

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

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

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

10 **10. Debt Restructuring:** Notwithstanding any other provision of the Kentucky  
11 Revised Statutes, use allowance payments shall not be amended to reflect debt  
12 restructuring transactions undertaken by a county during the 2026-2028 fiscal biennium.

13 **11. Court Facility Maintenance Fund Report:** For each of the periods ending  
14 June 30, 2026, June 30, 2027, and June 30, 2028, the Director of the Administrative  
15 Office of the Courts shall prepare a court facility maintenance report. This report shall  
16 detail all court facility maintenance undertaken by the Court of Justice, to include any  
17 cost-sharing with counties, as well as detail regarding future maintenance needs. This  
18 report shall include a statewide expenditure summary followed by individual county  
19 expenditures detailing the state's and county's respective share of expenditures. The  
20 Administrative Office of the Courts shall provide this report to the Interim Joint  
21 Committee on Appropriations and Revenue by September 15 of each fiscal year.

22 **12. Court of Justice Reserve Account:** Notwithstanding KRS 27A.055(4),  
23 expenditures may be made effective immediately from the Court of Justice Reserve  
24 Account at the discretion of the Chief Justice.

#### 25 **PART IV**

#### 26 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

27 The Judicial Branch shall participate in any Budget Reduction Plan or Surplus

1 Expenditure Plan in accordance with KRS Chapter 48, except that obligations essential to  
2 the constitutional duties and use allowance of the Judicial Branch shall be exempt from  
3 any Budget Reduction Plan. The level of participation in a Budget Reduction Plan shall  
4 be at the discretion of the Chief Justice and shall not exceed the actual percentage of  
5 revenue shortfall.