

1 AN ACT relating to court facilities and declaring an emergency.

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

3 ➔Section 1. KRS 26A.090 is amended to read as follows:

4 As used in KRS 26A.090 to 26A.115, unless the context otherwise requires:

5 (1) "Operating costs allowance" means compensation equivalent to the annual expenses
6 borne by the unit of government for utilities, janitorial service, rent, insurance, and
7 necessary maintenance, repair, and upkeep of the court facility which do not
8 increase the permanent value or expected life of the court facility, but keeps the
9 court facility~~it~~ in efficient operating condition; ~~and, at the election of the~~
10 ~~Administrative Office of the Courts, capital costs of interior or mechanical~~
11 ~~renovations for the benefit of the court.~~

12 (2) "Use allowance" means:

13 **(a)** Compensation equal to four percent (4%) annually of the total original capital
14 costs and the cost of capitalized renovation of the court facility, except that if
15 indebtedness has been incurred in respect to those~~such~~ capital costs at an
16 interest rate equal to or greater than seven percent (7%), compensation shall
17 be at a rate of eight percent (8%) annually of that portion of the capital costs
18 for which the rate applies; ~~and~~

19 **(b)** For refinanced projects constructed or renovated prior to July 1, 1994, the use
20 allowance payment shall not change for the term of the original bond issue ~~and~~
21 unless there is a change in the space occupied; ~~and~~

22 **(c)** For court facilities renovated or constructed after July 1, 1994, "use
23 allowance" means the court's proportional share of the annual principal and
24 interest cost in connection with the renovation or construction, but not to
25 exceed eight percent (8%) annually of capital costs, or, if there is no debt, four
26 percent (4%) annually of capital costs; and ~~and~~

27 **(d)** Beginning with court facility construction or renovation projects authorized

1 by the 2000 Regular Session of the General Assembly, "use allowance" means
 2 the court's proportional share of the annual principal and interest costs in
 3 connection with the construction or renovation of the facility, not to exceed
 4 the authorized annual use allowance;[~~]~~

5 (3) "Capital costs" means:

6 **(a)** The costs borne by the unit of government, excluding grants, conditioned by
 7 the grantor agency specifically for court facility construction or renovation,
 8 for acquisition of property, and for construction and capitalized renovation
 9 including interest accruing during construction or renovation, but no other
 10 interest of each court facility; **and**[~~. If capital costs are not documented,~~
 11 ~~reasonable estimates provided by qualified appraisers will suffice.]~~

12 **(b)** After July 14, 2000, capital costs, for the purpose of computing the maximum
 13 annual use allowance, shall not exceed the project scope as authorized by the
 14 General Assembly in the judicial branch budget or as increased and approved
 15 under KRS 26A.164;[~~]~~

16 (4) "Capitalized renovation" means all remodeling involving the structural or
 17 mechanical systems, except for remodeling that involves substantial demolition of
 18 the original structure. Remodeling involving substantial demolition of the original
 19 structure shall constitute construction resulting in a new court facility;[~~]~~

20 (5) "Unit of government" means a county, city, urban-county government, **consolidated**
 21 **local government, unified local government, charter county,** special district, or
 22 corporate entity created for the purpose of constructing or holding title to a court
 23 facility **that provides or is authorized to provide a court facility under this**
 24 **chapter;**[~~]~~

25 (6) "Court facility" means the land and buildings owned or operated by a unit of
 26 government in which space for the Court of Justice is provided. Judges' benches,
 27 jury and witness boxes, and fixed seating shall be considered as permanent building

1 fixtures;~~[-]~~

2 (7) "Court **Facilities Construction Standards Board**~~[facilities standards committee]"~~
 3 means **the board established under subsection (1) of Section 6 of this Act; and**~~[a~~
 4 ~~committee consisting of the Chief Justice or his designee; one (1) judge each of the~~
 5 ~~Court of Appeals, the Circuit Court, and the District Court appointed by the~~
 6 ~~Supreme Court; the president of the Circuit Clerks' Association; the chairmen of the~~
 7 ~~House and Senate Judiciary Committees of the General Assembly; the secretary of~~
 8 ~~the Finance and Administration Cabinet; the director of the Administrative Office~~
 9 ~~of the Courts; and a county judge/executive appointed by the Governor. Each~~
 10 ~~appointed member shall serve for a term of four (4) years from the date of his~~
 11 ~~appointment or until he vacates the office in respect to which he was appointed,~~
 12 ~~whichever is earlier]~~

13 **(8) "New project" means any court facility construction or renovation project**
 14 **authorized by the General Assembly on or after the effective date of this Act.**

15 ➔Section 2. KRS 26A.100 is amended to read as follows:

16 (1) The Circuit and the District Court shall be held in the county courthouse of each
 17 county unless otherwise ordered by the Supreme Court, in which case it may be
 18 held at any other location made available by the county and owned, leased, or
 19 controlled by the county. Circuit or District Court may also be held in~~[such]~~ other
 20 locations in the county as may be convenient and approved by the Supreme Court.

21 (2) Every county, **consolidated local government**, or urban-county government shall
 22 provide~~[such]~~ reasonably available space which would not disrupt the operation of
 23 county government as necessary in the county courthouse, or in other county
 24 facilities as permitted in subsection (1) of this section, for:

- 25 (a) A courtroom or courtrooms for the Circuit and the District Court;
- 26 (b) Chambers for the Circuit Judge and District Judge or Judges;
- 27 (c) Office space for the Circuit and District Court staffs;

- 1 (d) Office and storage space for the circuit clerk's operations;
- 2 (e) Jury facilities for the Circuit and the District Court;
- 3 (f) Office space for other officers of the Court of Justice including pretrial release
- 4 officers, court reporters, court administrators, judges' secretaries, friends of
- 5 the court, and commissioners; and
- 6 (g) Any~~[Such]~~ other facilities necessary for the operation of the Circuit and the
- 7 District Court as may be agreed upon by the county, consolidated local
- 8 government, or urban-county government and the Administrative Office of
- 9 the Courts.
- 10 (3) If all necessary facilities for the holding of Circuit or District Court, for the clerk's
- 11 operations, or for the operation of the court or its ancillary functions, are not
- 12 available in county facilities, every city shall, upon request of the Administrative
- 13 Office of the Courts, provide~~[such]~~ reasonably available space which would not
- 14 disrupt the operation of city government as necessary in the city's facilities for the
- 15 operations of Circuit or District Court, or both. The city shall be responsible for
- 16 providing space for the operations listed in subsection (2) of this section.
- 17 (4) If all necessary facilities for the holding of Circuit or District Court, for the clerk's
- 18 operations, or for the operation of the court or its ancillary functions, are not
- 19 available in county or city facilities, every agency of state government, special
- 20 district, and independent agency of local government~~[,]~~ other than a city~~[,]~~ may,
- 21 upon the request of the Administrative Office of the Courts, provide~~[such]~~ space as
- 22 necessary in facilities owned, leased, or controlled by that~~[such]~~ organization for
- 23 the operations of Circuit or District Court, or both. The agency may provide space
- 24 for the operations listed in subsection (2) of this section.
- 25 (5) If all necessary facilities for the holding of Circuit or District Court, for the clerk's
- 26 operations, or for the operation of the court or its ancillary functions, are not
- 27 available in public facilities, private facilities may be rented, leased, purchased, or

1 otherwise acquired~~[,]~~ by the Administrative Office of the Courts pursuant to
 2 permission granted by the Chief Justice~~[for such acquisition and]~~ in compliance
 3 with~~[the provisions of]~~ KRS Chapters 45 and 56, **and as authorized by the**
 4 **General Assembly in the judicial branch budget bill.**

5 **(6) For new projects authorized on or after the effective date of this Act, the county**
 6 **fiscal court or the legislative body of the unit of government, acting as the unit of**
 7 **government and property owner, shall have full authority and responsibility for**
 8 **the planning, design, financing, and construction of the court facility in**
 9 **accordance with the standards established under Section 6 and the requirements**
 10 **of this chapter.**

11 ➔Section 3. KRS 26A.107 is amended to read as follows:

12 (1) The **Administration Office of the Courts shall conduct a**~~[Court Facilities~~
 13 ~~Standards Committee shall provide for]~~ periodic review of each court facility **in**
 14 **each county and assess the condition, adequacy, and needs of each facility. The**
 15 **review shall be conducted at least once every four (4) years using uniform**
 16 **assessment methodology**~~[and may make recommendations for improvements].~~

17 (2) **The Administrative Office of the Courts shall develop and maintain a court**
 18 **facility assessment county ranking that prioritizes court facility needs statewide**
 19 **using a consistent scoring methodology. The ranking shall classify the condition**
 20 **of each county's court facility as critical, high, moderate, or adequate.**

21 (3) (a) **The Administrative Office of the Courts shall submit to the Interim Joint**
 22 **Committees on Appropriations and Revenue and Judiciary a report on court**
 23 **facility needs no later than October 1 of each odd-numbered year.**

24 **(b) The report shall include:**

25 **1. The current court facility assessment county ranking;**

26 **2. A recommended prioritized list of counties for new construction or**
 27 **major renovation, with cost estimates for each recommended project;**

- 1 3. A six (6) year capital plan as required by KRS 7A.120; and
- 2 4. A summary of the status of all projects currently in progress.

3 (4) This section shall not be construed to vest in the Administrative Office of the
 4 Courts any authority over the design, construction, contracting, or management
 5 of new projects. The role of the Administrative Office of the Courts under this
 6 section shall be advisory and informational only.

7 ~~No use allowance shall be paid respecting any capital costs contracted for any court~~
 8 ~~facility after July 1, 1978, unless the construction or renovation receives prior~~
 9 ~~concurrence by the Court Facilities Standards Committee.~~

10 ➔Section 4. KRS 26A.110 is amended to read as follows:

11 (1) Each local unit of government that provides a court facility or space for court
 12 operations~~[Counties, urban county governments, and cities providing space for~~
 13 ~~court operations]~~ pursuant to KRS 26A.100 shall also provide at its expense
 14 adequate:

- 15 (a)~~(1)~~ Lighting;
- 16 (b)~~(2)~~ Heating;
- 17 (c)~~(3)~~ Electricity;
- 18 (d)~~(4)~~ Other utilities, except telephone service; and
- 19 (e)~~(5)~~ Janitorial services;

20 except as otherwise provided by agreement between the local unit of government
 21 and the Court of Justice~~[as an adjunct to the providing of space required by that~~
 22 ~~section].~~

23 (2) For new projects authorized on or after the effective date of this Act, the county
 24 fiscal court or the legislative body of the local unit of government and the
 25 Administrative Office of the Courts shall enter into a lease agreement that
 26 specifies the respective obligations of the parties regarding utilities, janitorial
 27 service, maintenance, and related costs. The lease agreement shall be prepared

1 and executed by the county attorney on behalf of the county fiscal court or the
 2 local unit of government.

3 ➔Section 5. KRS 26A.115 is amended to read as follows:

4 (1) For court facility projects authorized by the General Assembly prior to the
 5 effective date of this Act, operating costs allowance and use allowance payments
 6 shall continue to be made from the judicial branch budget bill appropriation, and
 7 subsection (3) of this section and Section 12 of this Act shall not alter the
 8 obligations of the parties to those projects~~[Each unit of government providing~~
 9 ~~space in a court facility to the Court of Justice under the provisions of KRS~~
 10 ~~26A.100 shall be paid an operating costs allowance plus a use allowance to be~~
 11 ~~administered by the Administrative Office of the Courts].~~

12 (2) The precise amount paid for operating costs allowance and use allowance permitted
 13 under subsection (1) of this section shall be computed by allocating to the Court of
 14 Justice its proportionate share of each category according to the relative portion of
 15 the floor space in the facility which is occupied by the Court of Justice.
 16 Compensation shall be calculated on an annualized basis, may be in the form of
 17 rental per square footage, and shall be paid quarterly. Should the availability of
 18 space provided to the Court of Justice be limited by the governmental unit to a part-
 19 time basis, the compensation shall be apportioned according to the number of days
 20 or partial days per week in which it is made available, one (1) day or partial day per
 21 week being considered as one-fifth (0.2) of the time.

22 (3) For new projects authorized on or after the effective date of this Act, the General
 23 Assembly shall provide for funding of debt service and operating costs as
 24 established in Section 12 of this Act~~[If requested by a unit of government,~~
 25 ~~operating costs allowance and use allowance payments due in accordance with~~
 26 ~~subsection (2) of this section shall be due and payable to the unit of government not~~
 27 ~~less than ten (10) days prior to the interest due date for the bonds, notes, or other~~

1 ~~debt obligations issued to finance the capital costs for court facility space provided~~
2 ~~to the Court of Justice by the requesting unit of government].~~

3 ➔SECTION 6. A NEW SECTION OF KRS CHAPTER 26A IS CREATED TO
4 READ AS FOLLOWS:

5 (1) There is established the Court Facilities Construction Standards Board with the
6 following members:

7 (a) The Chief Justice of the Commonwealth, or his or her designee, who shall
8 serve as chair;

9 (b) The director of the Administrative Office of the Courts, or his or her
10 designee;

11 (c) One (1) District Judge, appointed by the Supreme Court, serving a two (2)
12 year term;

13 (d) One (1) Circuit Judge, appointed by the Supreme Court, serving a two (2)
14 year term;

15 (e) One circuit clerk, appointed by the Chief Justice from a list of three (3)
16 names submitted by the Kentucky Association of Circuit Court Clerks,
17 serving a two (2) year term;

18 (f) Two (2) county judges/executive appointed by the Governor from a list of
19 four (4) names submitted by the Kentucky County Judge/Executive
20 Association, serving staggered terms of two (2) years;

21 (g) One (1) county attorney, appointed by the Attorney General, serving a two
22 (2) year term;

23 (h) One (1) architect licensed under KRS Chapter 323, appointed by the
24 Governor; and

25 (i) The secretary of the Finance and Administration Cabinet, or his or her
26 designee.

27 (2) The Court Facilities Construction Standards Board shall:

- 1 (a) Establish and periodically update minimum standards for the design,
2 construction, and renovation of court facilities, including standards
3 governing:
- 4 1. Courtroom size, configuration, and number;
5 2. Security infrastructure, including separation of judicial officers, court
6 personnel, and support functions;
7 3. Accessibility for persons with disabilities;
8 4. Technology infrastructure;
9 5. Space requirements for circuit clerk's offices, judges' chambers, jury
10 rooms, witness rooms, and support functions; and
11 6. Energy efficiency and building systems;
- 12 (b) Review and approve any county or local unit of government request for a
13 variance from the established standards upon a showing of good cause by
14 the county fiscal court or the legislative body of the local unit of
15 government; and
- 16 (c) Make the standards and any approved variances available to county fiscal
17 courts and the legislative bodies of local units of government, and the
18 General Assembly.
- 19 (3) For new projects authorized on or after the effective date of this Act:
- 20 (a) The county fiscal court or legislative body of the local unit of government,
21 as property owner, shall have full authority and responsibility for the
22 planning, design, financing, and construction of the court facility, in
23 compliance with the standards established by the Court Facilities
24 Construction Standards Board under subsection (2) of this section;
- 25 (b) 1. The county attorney shall serve as legal counsel for all contracts and
26 legal matters associated with the new project, including contracts for
27 architectural and engineering services, construction management,

1 general contracting, specialty contracting, financing, and any disputes
2 arising out of the project.

3 2. The county attorney may retain outside counsel with the approval of
4 the fiscal court or the legislative body of the local unit of government.

5 3. This chapter shall not be interpreted to require review or approval of
6 the Administrative Office of the Courts or the Court of Justice of any
7 contract or settlement entered into by the county fiscal court or the
8 legislative body of the local unit of government in connection with a
9 new project;

10 (c) All contracts for design and construction shall be procured in accordance
11 with applicable law governing public procurement by the applicable county
12 government or local unit of government;

13 (d) The Administrative Office of the Courts shall provide an ex officio,
14 nonvoting representative to the Local Project Development Board
15 established under subsection (4) of this section to advise on the operational
16 needs of the Court of Justice. The Administrative Office of the Courts shall
17 not have authority to approve, reject, or modify any design, contract, or
18 procurement decision for a new project; and

19 (e) The county fiscal court or the legislative body of the local unit of
20 government shall ensure that the completed facility meets the standards of
21 the Court Facilities Construction Standards Board before the facility is
22 accepted by the Court of Justice for use.

23 (4) (a) For each new project, the county fiscal court or the legislative body of the
24 local unit of government shall establish a Local Project Development
25 Board, composed of the following members:

26 1. The highest elected official of the county government or the local unit
27 of government, who shall serve as chair;

- 1 2. The most senior Circuit Judge of the Circuit Court in the county
- 2 where the facility is located;
- 3 3. The most senior District Judge of the District Court in the county
- 4 where the facility is located;
- 5 4. The circuit clerk of the county;
- 6 5. An at-large citizen member who resides in the county where the
- 7 facility is located, appointed by the fiscal court or the legislative body
- 8 of the local unit of government;
- 9 6. The executive director of the Kentucky Bar Association, or his or her
- 10 designee; and
- 11 7. A representative of the Administrative Office of the Courts appointed
- 12 by the Chief Justice, who shall be an ex officio, nonvoting member,
- 13 except for purposes of achieving a quorum or breaking a tie vote of
- 14 the board.

15 (b) The Local Project Development Board shall;

- 16 1. Oversee project development, including selection of the design
- 17 professional, review of project program documents, approval of the
- 18 project budget, and coordination with the fiscal court or legislative
- 19 body of the local unit of government, and the county attorney on
- 20 procurement and construction management; and
- 21 2. Report to the county fiscal court or the legislative body of the local
- 22 unit of government on the progress of the project.

23 (5) The Local Project Development Board shall submit the proposed plan for any

24 project to the Court Facilities Construction Standards Board and shall not begin

25 work on any project until the plans have been approved by the Court Facilities

26 Construction Standards Board.

27 (6) Prior to occupancy of a completed new project, the Court Facilities Construction

1 **Standards Board shall conduct or commission a review of the facility to confirm**
 2 **the facility meets the applicable standards. If deficiencies are identified, the fiscal**
 3 **court or the legislative body of the local unit of government shall have a**
 4 **reasonable opportunity to cure the deficiencies before occupancy.**

5 **(7) As required by KRS 7A.120, the Administrative Office of the Courts shall submit**
 6 **a six (6) year capital plan to the General Assembly in each odd-numbered year,**
 7 **consistent with the requirements of Section 3 of this Act.**

8 **(8) This section shall not alter the rights, obligations, or procedures applicable to**
 9 **court facility projects authorized prior to the effective date of this Act.**

10 ➔Section 7. KRS 26A.160 is amended to read as follows:

11 (1) **For court facilities projects that are under construction prior to the effective date**
 12 **of this Act,** the Chief Justice shall establish rules of procedure or guidelines on
 13 matters relating to the design~~[, financing,]~~ and construction of court facilities. The
 14 rules or guidelines shall encompass:

- 15 (a) The duties and responsibilities of the Administrative Office of the Courts
 16 under this section;
- 17 (b) Criteria for evaluating the feasibility or practicability of various contracting or
 18 construction methods;
- 19 (c) A project management system for managing, monitoring, and reporting on
 20 projects through all phases from funding to completion, including change-
 21 order procedures;
- 22 (d) Assistance to counties in evaluating proposals for architectural, construction,
 23 or other professional services;
- 24 (e) Methods for financing energy savings projects, Americans with Disabilities
 25 Act projects, and other improvement projects;
- 26 (f) Kentucky standards for court facilities, including detailed requirements for
 27 space, construction, interior and exterior finishes, structural and mechanical

1 systems, fixed and moveable furniture and equipment, and maximum unit cost
2 for court facilities throughout the Commonwealth; and

3 (g) The maintenance and operation of court facilities after construction.

4 (2) **For purposes of this section, a court facilities project shall be considered under**
5 **construction if ground has been broken on the site of the project. Any court**
6 **facilities project that has been authorized by the General Assembly prior to the**
7 **effective date of this Act, but is not under construction prior to that date shall be**
8 **considered a new project for purposes of control and oversight and shall proceed**
9 **under Section 6 of this Act**~~The Administrative Office of the Courts shall oversee~~

10 ~~the design, financing, and construction of court facilities . The Administrative~~
11 ~~Office of the Courts shall:~~

12 ~~(a) Assess the need for court facilities construction or renovation throughout the~~
13 ~~Commonwealth. The assessment shall consider the age, space adequacy,~~
14 ~~projected needs, structural soundness, mechanical and electrical systems,~~
15 ~~security needs, and interior and exterior quality of existing court facilities;~~

16 ~~(b) Develop a project program for the construction or renovation of court~~
17 ~~facilities that the Administrative Office of the Courts determines to be most in~~
18 ~~need of construction or renovation, based on the needs assessment required~~
19 ~~under paragraph (a) of this subsection. The project program shall detail a~~
20 ~~complete and specifically defined court facilities project that conforms to the~~
21 ~~Kentucky standards for court facilities established under paragraph (f) of~~
22 ~~subsection (1) of this section, and shall include itemized space requirements,~~
23 ~~space relationships, design goals, scope limits, site considerations, cost~~
24 ~~estimates, and a proposed project budget;~~

25 ~~(c) Establish the financial condition of any county that contains a court facility~~
26 ~~for which a project program under paragraph (b) of this subsection has been~~
27 ~~developed to determine the county's ability to participate in the proposed~~

- 1 project. The Administrative Office of the Courts may discharge this
2 responsibility by obtaining certification of the county's financial condition
3 from the Department for Local Government under KRS 147A.021(5);
- 4 (d) Develop a prioritized list, with cost estimates, based on land availability and
5 the considerations required by this section, of proposed court facilities
6 projects, and submit the list to the Chief Justice for approval and to the Court
7 Facilities Standards Committee for informational purposes only. Upon
8 approval by the Chief Justice, the Administrative Office of the Courts shall
9 submit the prioritized list to the Capital Planning Advisory Board, by April 15
10 of each odd-numbered year, in accordance with KRS 7A.120; and
- 11 (e) Develop and maintain uniform contracts to be used by local units of
12 government when procuring architectural, construction, financial, or other
13 services relating to court facilities projects authorized by the General
14 Assembly.
- 15 (3) Before the Administrative Office of the Courts submits a budget request for court
16 projects under KRS 48.050, each local unit of government that is expected to
17 participate in financing a requested court project shall enter into a written
18 memorandum of agreement with the Administrative Office of the Courts. Each
19 county with a court project authorized by the 2000 General Assembly shall enter
20 into a written memorandum of agreement with the Administrative Office of the
21 Courts. The agreement shall be developed by the Administrative Office of the
22 Courts, shall specify the rights, duties, and obligations of the local unit of
23 government and the Administrative Office of the Courts relating to the project, and
24 shall be contingent upon the project's authorization by the General Assembly].
- 25 ~~(3)~~~~(4)~~ A~~[No]~~ contract or~~[and no]~~ modification to any contract relating to the design,
26 financing, or construction of court facilities projects authorized by the General
27 Assembly ***that is under construction prior to the effective date of this Act***, shall

1 **not** be executed unless first reviewed and approved by the Administrative Office of
2 the Courts.

3 ~~(4)~~~~(5)~~ All court facilities projects **subject to this section**, beginning with those
4 authorized by the 2000 General Assembly, shall comply with the Kentucky
5 standards for court facilities established under paragraph (f) of subsection (1) of this
6 section **or as established by the Court Facilities Construction Standards Board**.

7 No other standards shall be used.

8 ~~(5)~~~~(6)~~ This section shall not affect or apply to any contract executed prior to July 14,
9 2000.

10 ~~(6)~~~~(7)~~ All local units of government or any other entity providing space to the Court
11 of Justice under KRS 26A.100 shall, consistent with the law, comply with the rules
12 of procedure and guidelines established by the Chief Justice and administered by
13 the Administrative Office of the Courts under this section.

14 ➔Section 8. KRS 26A.162 is amended to read as follows:

15 (1) **For court facility projects authorized prior to the effective date of this Act, the**
16 **following shall apply:**

17 **(a)** The use allowance in the judicial branch budget recommendation submitted
18 under KRS 48.100 shall be determined as if bonds will be issued for a term of
19 twenty (20) years at the prevailing market rate, computed from the estimated
20 date that the Court of Justice will occupy the facility. If the market rate for the
21 bonds has increased when the bonds are to be sold, the director of the
22 Administrative Office of the Courts may approve an extension in the bond
23 term, up to a total of twenty-five (25) years, but only as necessary to keep the
24 annual use allowance within the budgeted amount. All bonds issued by any
25 local unit of government for court facilities projects shall be limited to the
26 term approved by the Administrative Office of the Courts;~~;~~

27 **(b)**~~(2)~~ Before approving any bond issue for a term exceeding twenty-five (25)

1 years, the director of the Administrative Office of the Courts shall submit a
 2 proposal for the extended term to the Interim Joint Committee on
 3 Appropriations and Revenue and the Capital Projects and Bond Oversight
 4 Committee. The proposal shall include a statement of the necessity for the
 5 extended bond term and the impact of the extended term on the project's
 6 budgeted scope and authorized annual use allowance; and[-]

7 ~~(c)(3)~~ Within thirty (30) days after receiving a proposal to extend a bond term
 8 beyond twenty-five (25) years, the Interim Joint Committee on Appropriations
 9 and Revenue and the Capital Projects and Bond Oversight Committee shall
 10 either approve or disapprove the proposal and shall then promptly notify the
 11 director of the Administrative Office of the Courts. If either committee
 12 disapproves the proposal, the director of the Administrative Office of the
 13 Courts shall take one (1) of the following actions and shall notify the
 14 committee of its decision in writing within thirty (30) days:

15 ~~1.(a)~~ Disapprove and take no further action on the proposal;

16 ~~2.(b)~~ Revise the proposal to comply with the committee's objections; or

17 ~~3.(c)~~ ~~Determine to~~ Approve and proceed with the proposal over the
 18 committee's objection.

19 **(2) For new projects authorized on or after the effective date of this Act, debt service**
 20 **shall be funded as provided in Section 12 of this Act, and no use allowance under**
 21 **this section shall apply.**

22 ➔Section 9. KRS 26A.164 is amended to read as follows:

23 (1) There is created a court facility use allowance contingency fund. The fund shall
 24 consist of money appropriated to it in the judicial branch budget by the General
 25 Assembly. Money in the fund shall not lapse but shall be carried forward to the next
 26 fiscal year or biennium.

27 (2) The Court of Justice may agree to increase the budgeted scope of a court project or

1 project pool authorized in a judicial branch budget bill enacted by the General
 2 Assembly, and may use the use allowance contingency fund to cover any resulting
 3 increase in the budgeted annual use allowance~~[, if and only]~~ if:

- 4 (a) The appropriate unit of government first submits a proposal for the increase to
 5 the Court Facilities Construction Standards Board~~[Committee]~~, and the Court
 6 Facilities Construction Standards Board~~[Committee]~~ approves the increase;
 7 (b) The annual use allowance for the project or project pool, adjusted for the
 8 proposed increase in scope, would not exceed the annual use allowance
 9 specified for that project or project pool in the multiyear use allowance
 10 schedule set out in the judicial branch budget bill by more than fifteen percent
 11 (15%); and
 12 (c) The requirements of KRS 26A.166 have been met.

13 **(3) This section shall not apply to any new project, as defined in Section 1 of this Act,**
 14 **for which funding contingencies shall be addressed through the fiscal court or**
 15 **the legislative body of the local unit of government as provided in Section 12 of**
 16 **this Act.**

17 ➔Section 10. KRS 26A.166 is amended to read as follows:

18 (1) **For court facility projects authorized prior to the effective date of this Act, the**
 19 **following shall apply:**

20 (a) Before the Court of Justice gives final approval to an increase in the budgeted
 21 scope of an authorized project or project pool listed in a judicial branch
 22 budget bill which would result in an increased use allowance, the director of
 23 the Administrative Office of the Courts shall submit a proposal for the
 24 increase to the Capital Projects and Bond Oversight Committee at least
 25 fourteen (14) days prior to the committee meeting. The proposal shall include:

26 ~~1.[(a)]~~ The multiyear use allowance specified in the judicial branch
 27 budget bill;

- 1 ~~2.(b)~~ The proposed increase in the use allowance;
- 2 ~~3.(e)~~ The reasons and necessity for the proposed increase;
- 3 ~~4.(d)~~ A statement as to whether or how the proposed use of funds
- 4 conforms with the requirements of the law; and
- 5 ~~5.(e)~~ Any other information that the committee requests; ~~[-]~~

6 ~~(b)(2)~~ Within thirty (30) days after receiving a proposal to increase the use

7 allowance, the Capital Projects and Bond Oversight Committee shall either

8 approve or disapprove the proposal and shall then promptly notify the director

9 of the Administrative Office of the Courts of its decision; ~~[-]~~

10 ~~(c)(3)~~ If the Capital Projects and Bond Oversight Committee disapproves the

11 proposal, the director of the Administrative Office of the Courts shall take one

12 (1) of the following actions and shall notify the committee of its decision in

13 writing within thirty (30) days of receiving the committee's notice of

14 disapproval:

- 15 (a) Revise the proposal to comply with the committee's objections;
- 16 (b) Cancel and take no further action on the proposal; or
- 17 (c) Determine to implement the proposal over the committee's objection; ~~[-]~~

18 ~~(d)(4)~~ The Administrative Office of the Courts shall report to the Capital

19 Projects and Bond Oversight Committee within thirty (30) days of any action

20 taken by the Court of Justice to approve a scope increase of a project within a

21 pool which would increase the use allowance for that project; and ~~[-]~~

22 ~~(e)(5)~~ The Capital Projects and Bond Oversight Committee shall maintain

23 records of proposals, findings, decisions, and actions taken under this section.

24 When appropriate, the committee shall provide this information to other

25 legislative committees or to the General Assembly.

26 **(2) For new projects authorized on or after the effective date of this Act, any material**

27 **increase in project scope or cost shall be reported to the Capital Projects and**

1 (2) For new projects authorized on or after the effective date of this Act, the county
2 fiscal court or the legislative body of the local unit of government shall report to
3 the Administrative Office of the Courts on project status on a quarterly basis, and
4 the Administrative Office of the Courts shall include a summary of the status of
5 all new projects in its annual report to the General Assembly.

6 ➔SECTION 12. A NEW SECTION OF KRS CHAPTER 26A IS CREATED TO
7 READ AS FOLLOWS:

8 (1) For each new court facility project authorized by the General Assembly on or
9 after the effective date of this Act, the General Assembly shall specify the
10 authorized project scope and maximum project cost in the judicial branch budget
11 bill, and shall appropriate funds for debt service and operating costs.

12 (2) Funds for debt service on bonds issued by or on behalf of the fiscal court or other
13 legislative body of the local unit of government for the construction of a court
14 facility shall be appropriated by the General Assembly to the Finance and
15 Administration Cabinet for disbursement to the county fiscal court or directly to
16 the bond trustee on a schedule consistent with the county's bond payment
17 obligations.

18 (3) For court facility projects authorized prior to the effective date of this Act, use
19 allowance payments shall continue to be paid from the judicial branch budget bill
20 appropriation through the Administrative Office of the Courts as provided in
21 Section 5 of this Act, and this section shall not alter those obligations.

22 (4) (a) A county fiscal court that receives funds under subsection (1) of this section
23 shall use those funds exclusively for debt service on bonds and costs
24 associated with construction issued for the authorized court facility project.

25 (b) Any funds received in excess of debt service obligations in any fiscal year
26 shall be held in trust for future debt service payments or returned to the
27 general fund as directed in the judicial branch budget bill enacted by the

1 General Assembly.

2 (5) The county fiscal court shall report annually to the Administrative Office of the
3 Courts and to the Finance and Administration Cabinet on the receipt and
4 application of funds provided under this section.

5 (6) Operating costs for new projects, including utilities, janitorial services, and
6 routine maintenance shall be included in the lease agreement between the county
7 fiscal court or the local unit of government and the Court of Justice pursuant to
8 Section 4 of this Act, and the General Assembly may appropriate funds for
9 operating costs to the county fiscal court or the local unit of government directly.

10 ➔SECTION 13. A NEW SECTION OF KRS CHAPTER 26A IS CREATED TO
11 READ AS FOLLOWS:

12 (1) For new projects authorized on or after the effective date of this Act, the county
13 fiscal court or the local unit of government, as property owner, shall be
14 responsible for all maintenance of the court facility, including routine
15 maintenance, capital maintenance, and major repairs.

16 (2) The lease agreement entered into under Section 4 of this Act shall specify the
17 maintenance obligations of the county fiscal court or the local unit of
18 government and shall include a maintenance schedule and standards consistent
19 with the standards established by the Court Facilities Construction Standards
20 Board under Section 6 of this Act.

21 (3) The General Assembly may appropriate funds for maintenance of new court
22 facilities to the county fiscal court of the local unit of government directly as
23 specified in the judicial branch budget bill enacted adopted by the General
24 Assembly.

25 (4) The county fiscal court or the local unit of government shall report annually to
26 the Administrative Office of the Courts on the maintenance activities undertaken
27 and the condition of the court facility. The Administrative Office of the Courts

1 *shall include a summary of maintenance activities and facility conditions for all*
2 *new projects in its annual report to the General Assembly.*

3 ➔Section 14. (1) The provisions of this Act applying to new projects shall
4 apply to all court facility construction and renovation projects authorized by the General
5 Assembly on or after the effective date of this Act.

6 (2) All court facilities projects authorized prior to the effective date of this Act
7 shall continue to be governed by the law in effect at the time of authorization, and this
8 Act shall not impair or modify any existing bond covenant, use allowance obligation,
9 memorandum of understanding, or contract related to those projects.

10 ➔Section 15. Whereas the provisions of this Act affect capital projects and
11 budget processes subject to a fiscal year, an emergency is declared to exist, and this Act
12 takes effect July 1, 2026.