COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT LEGISLATIVE RESEARCH COMMISSION 2025 REGULAR SESSION

MEASURE

2025 BR NUMBER <u>1511</u>

FISCAL SUMMARY

HOUSE BILL NUMBER <u>545 – HCS 1</u>

TITLE AN ACT relating to authorizing the payment of certain claims against the state which have been duly audited and approved according to law and have not been paid because of the lapsing or insufficiency of former appropriations against which the claims were chargeable or the lack of an appropriate procurement document in place, making an appropriation therefor, and declaring an emergency.

| SPONSOR Representative Timmy Truett |
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| STATE FISCAL IMPACT: YES NO UNCERTAIN |
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| OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE |
| APPROPRIATION UNIT(S) IMPACTED: |
| FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED Capital Funds |

| FISCAL ESTIMATES | 2024-2025 | 2025-2026 | ANNUAL IMPACT AT FULL | | | | |
|------------------|-----------|------------------------|------------------------|--|--|--|--|
| | | | IMPLEMENTATION | | | | |
| REVENUES | | | | | | | |
| EXPENDITURES | | \$150,808,91 – GF | \$150,808,91 - GF | | | | |
| | | \$731,409.91 – FF | \$731,409.91 – FF | | | | |
| | | \$241,337.49 – Res F | \$241,337.49 – Res F | | | | |
| | | \$66,594.68 – Cap F | \$66,594.68 – Cap F | | | | |
| NET EFFECT | | (\$150,808,91) – GF | (\$150,808,91) – GF | | | | |
| | | (\$731,409.91) – FF | (\$731,409.91) – FF | | | | |
| | | (\$241,337.49) – Res F | (\$241,337.49) – Res F | | | | |
| | | (\$66,594.68) – Cap F | (\$66,594.68) – Cap F | | | | |

^() indicates a decrease/negative

PURPOSE OF MEASURE: The purpose of House Bill 545, House Committee Substitute 1, is to authorize payment of certain prior year claims against the Commonwealth. Any claim against the Commonwealth originating prior to July 1, 2022, and other claims unable to be paid under Finance and Administration policies must have legislative approval.

FISCAL EXPLANATION: Section 1 of the bill appropriates \$64,460.58 from the General Fund; \$241,337.49 from Restricted Funds; \$731,409.91 from Federal Funds; and \$66,594.68 Capital Funds for a total of \$1,103,802.66 for claims against the Commonwealth.

Page 1 of 2 LRC 2025Section 2 of the measure appropriates \$86,348.33 from the General Fund for payment of State Treasury Checks that were not presented for payment within a period of five years from the date of issuance as required by KRS 41.370 and 413.120.

The total fiscal impact for both sections for all fund sources is \$1,190,150.99.

DATA SOURCE(S): <u>Finance and Administration Cabinet data.</u>
PREPARER: <u>Jennifer Hays</u> NOTE NUMBER: <u>112</u> REVIEW: <u>JMR</u> DATE: <u>2/27/2025</u>

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