

# 2008-2010 BUDGET OF THE COMMONWEALTH

## BUDGET IN BRIEF



**STEVEN L.  
BESHEAR**

GOVERNOR,  
COMMONWEALTH  
OF KENTUCKY

**MARY E.  
LASSITER**

STATE  
BUDGET  
DIRECTOR

*Kentucky*  
UNBRIDLED SPIRIT™

This page intentionally left blank

## PREFACE

The Budget of the Commonwealth for the 2008-2010 biennium is the financial plan for Kentucky State Government as enacted by the Regular Session of the 2008 General Assembly. It is published by the Office of State Budget Director, Governor's Office for Policy and Management in accordance with KRS Chapter 48.

The 2008-2010 Budget is presented in three volumes:

- **Volume I:** State Agency Program Budget Detail
- **Volume II:** Capital Projects
- **Budget in Brief:** Budget Summary Data and Appropriations Acts

These documents provide the detail to support the budget in legislative form as presented in the budget bill.

This page intentionally left blank



## ACKNOWLEDGMENTS

<b>OFFICE OF STATE BUDGET DIRECTOR</b>	
Mary E. Lassiter	State Budget Director
<b>GOVERNOR'S OFFICE FOR POLICY AND MANAGEMENT</b>	
John T. Hicks	Deputy State Budget Director
Allen Holt	Deputy State Budget Director
Tammy Broyles	Internal Policy Analyst
Mark Coleman	Policy and Budget Analyst
Susan Drury	Administrative Secretary
Michaela Giles	Policy and Budget Analyst
Vicki Goins	Policy and Budget Analyst
Christina Gordley	Policy and Budget Analyst
Ryan Green	Policy and Budget Analyst
Mike Grisham	Systems Technician Specialist IT
Donna Hammond	Executive Secretary
Traci Hedrick	Administrative Specialist
Joe Lancaster	Policy and Budget Analyst
Kathi Marshall	Policy and Budget Analyst
Glenna Mays	Policy and Budget Analyst
Jim McWilliams	Policy and Budget Analyst
Marty Miller	Internal Policy Analyst
Jeanie Perry	Internal Policy Analyst
Geoff Pinkerton	Policy and Budget Analyst
Janet Rivers	Executive Staff Advisor
Bob Shimer	Policy and Budget Analyst
Carla Tabeling	Policy and Budget Analyst
Janice Tomes	Policy and Budget Analyst
Larissa Watson	Administrative Specialist
Rachelle Wilkins	Systems Technician Specialist IT
Lori Woodside	Policy and Budget Analyst
<b>GOVERNOR'S OFFICE FOR ECONOMIC ANALYSIS</b>	
Bob Cox	Deputy Executive Director
Martha Armstrong	Administrative Specialist
Thomas Jones	Financial Investment and Forecasting Program Specialist
Manoj Shanker	Financial Investment and Forecasting Program Analyst
Gene Brown-Zaparanick	Financial Investment and Forecasting Program Analyst
<b>GOVERNOR'S OFFICE FOR POLICY RESEARCH</b>	
Greg Harkenrider	Policy Research Consultant
Michael Jones	Policy Research Consultant

This page intentionally left blank

## Table of Contents

	<u>PAGE</u>
General Fund Summary.....	1
Road Fund Summary.....	2
Tobacco Settlement – Phase 1 Summary .....	3
Capital Projects Summary .....	4
Capital Projects Overview.....	4
General Fund Revenue Receipts.....	9
General Fund Expenditures .....	10
Distribution of General Fund Appropriations.....	11
Distribution of All Funds Appropriations.....	12
Debt Financing .....	13
Revenue Estimates .....	17
Commonwealth of Kentucky Summary.....	23
Executive Branch Summary.....	25
House Bill 406 w/veto message.....	27
House Bill 410.....	283
House Bill 514.....	363
House Bill 608 w/veto message.....	371
Legislative Branch Summary .....	435
House Bill 407 .....	437
Judicial Branch Summary .....	443
House Bill 408 w/veto message.....	445
Other .....	457
State of the Commonwealth 2008 .....	457
2008 State Budget Address.....	465

This page intentionally left blank

**2008-2010 BUDGET OF THE COMMONWEALTH  
GENERAL FUND SUMMARY**

	<u>Revised FY 2008</u>	<u>Enacted FY 2009</u>	<u>Enacted FY 2010</u>
<b>RESOURCES</b>			
Beginning Balance	579,280,800	62,967,600	39,541,600
Consensus Revenue Forecast	8,633,038,000	8,823,597,000	9,096,259,000
Tobacco Settlement - Phase I	117,470,000	119,690,000	121,580,000
Other Resources	3,300,000	62,450,000	40,950,000
Fund Transfers -Enacted	76,089,200		
Fund Transfers - Budget Reduction Order	51,198,200		
Fund Transfers Recommended	43,952,400	301,654,400	129,215,400
<b>Total Resources</b>	<b>9,504,328,600</b>	<b>9,370,359,000</b>	<b>9,427,546,000</b>
<b>Continued Appropriations Reserve</b>			
Budget Reserve Trust Fund	231,489,700	214,775,400	214,775,400
Executive Branch	46,036,900	1,000,000	1,000,000
Legislative Branch	7,104,900	2,986,300	6,829,400
Judicial Branch	3,983,100	14,764,700	2,732,700
<b>Total Continued Appropriations Reserve</b>	<b>288,614,600</b>	<b>233,526,400</b>	<b>225,337,500</b>
<b>TOTAL RESOURCES</b>	<b>9,792,943,200</b>	<b>9,603,885,400</b>	<b>9,652,883,500</b>
<b>APPROPRIATIONS</b>			
<b>Executive Branch</b>			
2006 Session Appropriations	9,025,680,200	9,082,339,400	9,349,255,700
Tobacco Settlement - Phase I	117,470,000	119,690,000	121,580,000
Dedicated Revenue Adjustments	9,379,100		
2007 Session Appropriations	19,547,300		
2007 Special Session Appropriations	12,619,500		
Necessary Government Expenses	50,200,000		
Budget Reductions	(65,262,400)		
Current Year Appropriations	150,504,300		
Lapses - Expenditure Reductions	(188,719,600)	(189,760,700)	(203,510,700)
<b>Total Executive Branch</b>	<b>9,131,418,400</b>	<b>9,012,268,700</b>	<b>9,267,325,000</b>
<b>Judicial Branch</b>	<b>277,411,700</b>	<b>265,835,800</b>	<b>295,885,800</b>
<b>Legislative Branch</b>	<b>49,245,200</b>	<b>52,712,900</b>	<b>55,452,600</b>
<b>TOTAL APPROPRIATIONS</b>	<b>9,458,075,300</b>	<b>9,330,817,400</b>	<b>9,618,663,400</b>
<b>BALANCE</b>	<b>334,867,900</b>	<b>273,068,000</b>	<b>34,220,100</b>
<b>Continued Appropriations Reserve</b>			
Budget Reserve Trust Fund	214,775,400	214,775,400	23,658,000
Executive Branch	46,036,900	1,000,000	1,000,000
Legislative Branch	7,104,900	2,986,300	6,829,400
Judicial Branch	3,983,100	14,764,700	2,732,700
<b>Total Continued Appropriations Reserve</b>	<b>271,900,300</b>	<b>233,526,400</b>	<b>34,220,100</b>
<b>ENDING BALANCE</b>	<b>62,967,600</b>	<b>39,541,600</b>	<b>0</b>



**2008-2010 BUDGET OF THE COMMONWEALTH  
ROAD FUND SUMMARY**

	<u>Revised FY 2008</u>	<u>Enacted FY 2009</u>	<u>Enacted FY 2010</u>
<b>RESOURCES</b>			
Revenue Estimate: January 16, 2008	1,282,801,400	1,324,806,400	1,405,103,400
Road Fund Surplus Plan	21,163,300		
<b>TOTAL RESOURCES</b>	<b><u>1,303,964,700</u></b>	<b><u>1,324,806,400</u></b>	<b><u>1,405,103,400</u></b>
<b>APPROPRIATIONS</b>			
Transportation Cabinet			
Revenue Sharing	265,848,100	287,698,900	318,070,100
Aviation	4,000,000	11,414,100	11,313,300
Highways	681,874,600	680,624,200	755,167,500
Vehicle Regulation	18,234,700	26,417,600	27,277,100
Debt Service	181,143,200	148,513,000	136,599,000
General Administration and Support	78,887,600	74,390,100	74,769,900
Capital Construction	6,795,000	17,992,000	4,150,000
<b>Subtotal</b>	<b><u>1,236,783,200</u></b>	<b><u>1,247,049,900</u></b>	<b><u>1,327,346,900</u></b>
Justice & Public Safety Cabinet			
Kentucky State Police	50,000,000	60,000,000	60,000,000
Vehicle Enforcement	13,881,500	13,881,500	13,881,500
<b>Subtotal</b>	<b><u>63,881,500</u></b>	<b><u>73,881,500</u></b>	<b><u>73,881,500</u></b>
Finance and Administration Cabinet			
Administration	400,000	400,000	400,000
Revenue	2,000,000	2,325,000	2,325,000
<b>Subtotal</b>	<b><u>2,400,000</u></b>	<b><u>2,725,000</u></b>	<b><u>2,725,000</u></b>
Commerce Cabinet - Artisans Center			
Environmental Protection	300,000	300,000	300,000
Kentucky State Treasurer	250,000	250,000	250,000
Homeland Security	350,000	250,000	250,000
<b>TOTAL APPROPRIATIONS</b>	<b><u>1,303,964,700</u></b>	<b><u>1,324,806,400</u></b>	<b><u>1,405,103,400</u></b>
<b>ENDING BALANCE</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

**2008-2010 BUDGET OF THE COMMONWEALTH  
TOBACCO SETTLEMENT - PHASE I SUMMARY**

	<u>Enacted FY 2009</u>	<u>Enacted FY 2010</u>
<b>Revenue *</b>	<b>275,000</b>	<b>275,000</b>
<b>Rural Development - (50%)</b>		
Governor's Office of Agricultural Policy	35,041,000	34,917,600
Department of Education - Operations and Support Services Debt Service		91,000
Council on Postsecondary Education Debt Service		976,000
Finance and Administration Debt Service	15,416,500	15,417,900
University of Kentucky	250,000	250,000
Environmental and Public Protection - Natural Resources	9,000,000	9,000,000
<b>Subtotal</b>	<b>59,707,500</b>	<b>60,652,500</b>
<b>Health Improvement - (25%)</b>		
Office of Drug Control Policy	1,923,400	1,923,400
Health and Family Services		
Governor's Office of Wellness and Physical Activity	2,793,000	2,840,300
Council on Postsecondary Education -		
Lung Cancer Research Program	5,586,100	5,680,600
Environmental and Public Protection - Insurance (Kentucky Access)	19,551,300	19,881,900
<b>Subtotal</b>	<b>29,853,800</b>	<b>30,326,200</b>
<b>Early Childhood Development - (25%)</b>		
Division of Early Childhood Development Services	1,525,000	1,525,000
Health and Family Services - Community Based Services	8,970,400	9,220,400
Health and Family Services - Human Support Services	175,000	175,000
Health and Family Services - Public Health	16,856,300	17,078,900
Health and Family Services - Mental Health/Mental Retardation	975,000	975,000
Health and Family Services - Children with Special Health Care Needs	352,000	352,000
Postsecondary Education -		
Kentucky Higher Education Assistance Authority	1,000,000	1,000,000
<b>Subtotal</b>	<b>29,853,700</b>	<b>30,326,300</b>
<b>TOTAL TOBACCO SETTLEMENT - PHASE I</b>	<b>119,690,000</b>	<b>121,580,000</b>

\* House Bill 390, as enacted by the 2003 General Assembly, appropriated \$275,000 of Phase I Tobacco Funds to carry out the provisions of KRS 131. This amount is deducted before the allocations to Rural Development, Health Improvement, and Early Childhood are made.

**2008-2010 BUDGET OF THE COMMONWEALTH  
CAPITAL PROJECTS SUMMARY**

	<b>Enacted FY 2008</b>	<b>Enacted FY 2009</b>	<b>Enacted FY 2010</b>	<b>Total Enacted</b>
<b>SOURCE OF FUNDS</b>				
<b>Executive Branch</b>				
Restricted Funds	7,680,100	2,036,075,600	32,838,200	2,076,593,900
Federal Funds		130,183,700	14,046,500	144,230,200
Bond Fund	5,700,000	669,581,000		675,281,000
Road Fund		17,992,000	4,150,000	22,142,000
Agency Bond Fund	54,200,000	589,013,000		643,213,000
Capital Construction Surplus		2,500,000		2,500,000
Investment Income		4,301,000	7,801,000	12,102,000
Other Funds	113,730,000	746,458,000	2,159,000	862,347,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>181,310,100</b>	<b>4,196,104,300</b>	<b>60,994,700</b>	<b>4,438,409,100</b>
<b>EXPENDITURES BY CABINET</b>				
<b>Executive Branch</b>				
General Government		679,301,700	3,491,000	682,792,700
Commerce		23,789,000	10,835,000	34,624,000
Economic Development		50,000,000		50,000,000
Department of Education		6,675,000	675,000	7,350,000
Education Cabinet		400,000	400,000	800,000
Environmental and Public Protection		50,605,000	2,900,000	53,505,000
Finance and Administration		43,800,000	6,800,000	50,600,000
Health and Family Services		144,005,000		144,005,000
Justice and Public Safety		4,550,000	2,050,000	6,600,000
Postsecondary Education	181,310,100	3,139,486,600	29,193,700	3,349,990,400
Transportation		53,492,000	4,650,000	58,142,000
<b>TOTAL EXPENDITURES</b>	<b>181,310,100</b>	<b>4,196,104,300</b>	<b>60,994,700</b>	<b>4,438,409,100</b>

**Capital Projects Overview**

The Commonwealth's capital projects program for the Executive Branch for the 2008-2010 biennium is presented in total within Volume II of the Budget of the Commonwealth. This overview section focuses on the capital projects priorities, policies, and fund sources for the next two years.

**Total Bonded Indebtedness**

The Budget of the Commonwealth includes a total of **\$1,508,494,000** in debt financing. The \$1,508,494,000 in budgeted debt includes **\$650,281,000** in bond funded capital projects from the General Fund, **\$643,213,000** in bond funded capital projects to be financed from Restricted Funds (Agency Bonds), **\$135,000,000** in Road Fund-supported bonds, and \$80,000,000 in other authorizations.

## **Bond Financed Capital Policy Emphasis - Bonds for Education and Economic Development and Infrastructure**

The largest proportion of new bond-financed project activity, \$624.9 million (41 percent), is directed to education purposes, postsecondary education and elementary and secondary education. Of that amount, \$518.9 is appropriated for postsecondary education purposes.

### **Postsecondary Education**

Collectively, the postsecondary education system received \$113.1 million in General Fund-supported bonds as well as \$405.8 million in Agency Bonds for a total of \$518.9 in bonded indebtedness.

- **Bucks for Brains**

The Budget of the Commonwealth provides \$67,500,000 in General Fund-supported, taxable debt to finance the Bucks for Brains program, more formally referred to as the Research Challenge and Regional University Excellence Trust Funds. They consist of the Endowment Match Program, Research Capital Match Program, and the Translational Research Program of the Research Challenge Trust Fund. Of the total, \$60 million is allocated to Endowment Match and Research Capital Match programs. The University of Kentucky will be eligible to match two-thirds of the \$50 million directed to the Research Challenge Trust Fund (approximately \$33.4 million) and the University of Louisville will be eligible to match one-third (approximately \$16.6 million). The funds may be used for either program. The Board of Trustees of each university will determine the amount allocated between the two programs. \$10 million will be devoted to the Regional University Excellence Trust Fund, a program that allocates the Bucks for Brains funding to the six regional, comprehensive universities. The Endowment Match Program matches gifts with state funds. The enacted budget allows a regional or comprehensive public postsecondary education institution to fund a capital project from these funds if the University's Board of Regents authorizes the use of the funds for that purpose. The Endowment Match Program matches gifts with state funds to create new endowments or expand existing endowments for chairs, professorships, fellowships, and research-related mission support at the two public research institutions. The funds allocated to the Research Capital Match Program are for research-related capital projects, including laboratory renovation, fit-out of new and existing research space, and renovation of other research-related space. The institutions must match the bond proceeds resulting in a potential total of \$120 million for endowments. The remaining \$7,500,000 is provided to the University of Louisville for translational research and related activities. These funds are not subject to a matching fund requirement.

- **Capital Pool for Maintenance, Other Postsecondary Education Priorities**

A Capital Renewal Pool of \$13.9 million was budgeted for use by the nine postsecondary education institutions to address capital renewal and maintenance needs. The postsecondary education system has not received a pool of state funds for capital renewal and maintenance since the 2000-2002 biennial budget. The \$13.9 million will leverage some of the institutions' own funds to enable a larger investment in deferred maintenance on the campuses. A \$5.7 million bond funded project was approved for Morehead State University to address an emergency need to replace the campus' power plant to comply with clean air requirements. The University of Kentucky received \$20 million to expand and upgrade the Livestock Disease Diagnostic Center in Lexington. The Kentucky Community and Technical College System received an additional \$4,000,000 in Bond Funds to assist in the location of the new Community College and Lab building at the Eastern State Hospital site in Lexington.

- **Agency Bonds for Postsecondary Education – Record Level**

The enacted budget includes a record amount of agency bond projects for postsecondary education institutions, \$405,813,000 in bond authorizations that will be supported by the universities' own funds. This is the third biennial budget in a row in which the agency bond authorization was set at the highest levels ever. The 2006-2008 budget included \$234.3 million. Over \$100 million is devoted to housing and dining projects at the universities.

## **Elementary and Secondary Education**

- **School Facilities**

The School Facilities Construction Commission (SFCC) was authorized by the 2006 General Assembly to make offers of assistance to local school districts for new construction and renovation projects. The 2008-2010 Budget of the Commonwealth approves \$100 million in new bonds to honor these offers of assistance to local school districts. The 2008-2010 Budget of the Commonwealth also authorizes SFCC to make an additional \$100 million in offers of assistance over the next two years, to be funded in the 2010-2012 budget.

- **Education Technology**

The 2008-2010 Budget of the Commonwealth provides \$4 million in Bond Funds for the second phase of the statewide Student Data Management System. This project completes the implementation of a single, statewide Student Information System to manage student data, plan for educational programs, monitor student performance, and comply with state and federal reporting requirements in Kentucky's public schools. It will provide an efficient means to collect and use student data at the individual schools and districts while establishing a state-level database based on a unique student identifier.

## **Economic Development – Fort Knox Impact, Horse Park Roads, and Bluegrass Station**

The Budget of the Commonwealth includes \$50 million in new Economic Development Bond Funds supported from the General Fund. These Bond Funds will provide for critical infrastructure needs, including water and sewer projects needed to accommodate growth in the area around Fort Knox. The changes resulting from the 2005 recommendations of the Base Realignment and Closure Commission (BRAC) will significantly impact Fort Knox and nearby local communities. To address the expected increase in traffic congestion of the roads in proximity to the army base at Fort Knox, the Budget of the Commonwealth includes \$50 million in Highway bonds for the costs of preconstruction activities for road projects deemed necessary by the Secretary of the Transportation Cabinet.

The Budget of the Commonwealth includes \$10,300,000 in Road Funds to upgrade the roads and pedways at the Kentucky Horse Park in preparation for the 2010 World Equestrian Games.

The Budget of the Commonwealth includes \$4,400,000 in Agency Bonds for the renovation of water and electrical system infrastructure at Bluegrass Station in Fayette County. Bluegrass Station, formerly an Army Depot, is a state-owned facility managed by the Department of Military Affairs that provides leased space for private industry and governmental agencies, serving 37 tenants and containing over 2 million square feet of leased space. This investment is necessary to upgrade the fire suppression, drinking water, and electrical capacity at Bluegrass Station.

## **Infrastructure Development**

The Budget of the Commonwealth provides \$225,000,000 in two Infrastructure for Economic Development pools, one for Coal-Producing counties (\$75,000,000) and one for non-coal counties (\$150,000,000). The primary purpose of both pools is the funding of water and sewer related projects. The debt service for these bonds is funded from coal severance revenues and Tobacco Settlement-Phase I revenues within the General Fund. The enacted budget also includes \$230 million in Agency Bonds for the wastewater (\$200,000,000) and drinking water (\$30,000,000) revolving loan funds. The Kentucky Infrastructure Authority will leverage loan repayments from the two revolving loan programs to support the new bonds to significantly increase the amount of loan funds available to the program.

The Budget of the Commonwealth also includes \$17.5 million in bonds for the Kentucky River Authority's Dam and Lock Renovation Pool. These funds will be used for critically needed repairs to several dams and locks on the Kentucky River. The renovation of Dam 9 in Jessamine County is currently underway. Among the potential uses of the funds are: the Authority's capital improvement plans include the reconstruction of Dam 3 in Owen County, continuing to make progress with the Army Corps of Engineers on the design and



construction of replacing Dam 10 near Boonesboro, potential crest gates on Dam 9, and the renovations and improvements to Locks 1 through 4.

### **Human Services – Eastern State Hospital and Hazelwood Intermediate Care Facility**

The enacted budget authorizes the replacement of Eastern State Hospital, one of the oldest psychiatric hospital facilities in the country. The Finance and Administration Cabinet is authorized to enter into an agreement with the Lexington-Fayette Urban-County Government, or its public properties corporation, to provide financing for a new Eastern State Hospital to be constructed on the University of Kentucky's Coldstream Research Campus on Newtown Pike in Lexington. Once occupied, the Cabinet for Health and Family Services is authorized to make lease-rental payments to the Lexington-Fayette Urban-County Government, or its public properties corporation.

The Budget of the Commonwealth approved \$10,000,000 in Bond Funds to construct new residential units on the campus of Hazelwood Intermediate Care Facility for the Mentally Retarded to accommodate the transfer of licensed beds and associated patients from Central State Hospital to the Hazelwood campus in Jefferson County.

### **Information Technology – Public Safety Communications Improvements and the Automated Vehicle Information System (AVIS) Replacement**

Additional investment was approved for information technology (IT) programs and upgraded business systems. The IT system replacements recommended in this budget replace IT systems dating back twenty or more years. These include the remaining phase of the public safety communications infrastructure known as KEWS (Kentucky Emergency Warning System), which was developed in the wake of the 1974 tornadoes that rampaged through Kentucky (\$18 million in bonds). The additional funding will enable this critical public safety system to complete the installation of the statewide system in the remaining 48 counties in the western half of the state. The Transportation Cabinet and the 120 County Clerks have been providing motor vehicle licensing services to the public through an outdated statewide vehicle registration system. This system is known as the Automated Vehicle Information System (AVIS). The 2007 General Assembly added an additional \$1 to vehicle registration fees to generate a fund source to replace the AVIS system. The Budget of the Commonwealth includes a \$25 million bond funded project to replace the old AVIS system with a modern system that will streamline and improve the vehicle registration process throughout the Commonwealth.

### **Maintenance Projects**

The Budget of the Commonwealth also includes funding for maintaining and restoring state owned assets, and to protect existing investments in important facilities. Agency Maintenance Pools finance maintenance and renovation projects costing less than \$600,000 each and keep minor problems from escalating into more costly major maintenance or renovation needs. The 2008-2010 Budget of the Commonwealth provides approximately \$28.5 million for state agency maintenance pools. These pools are funded from a combination of cash sources (\$11.5 million) and Bond Funds (\$17 million). The cash funding is critical to enable the hundreds of small maintenance projects to be executed without the limitation that bonding imposes to fund only those projects with a useful life of at least 20 years. The Kentucky Center for the Arts received \$8,954,000 for a Major Maintenance and Renovation pool. These funds will address critical infrastructure improvements required to maintain the safety and facility integrity of the Kentucky Center for the Arts, a state facility that has not had significant infrastructure improvements since it was constructed in the early 1980's. The Kentucky State Fair Board received \$2 million in Bond Funds for a long-deferred first phase upgrade of its HVAC systems at the Kentucky Fair and Exposition Center.

### **Life Safety – Protection of the Public**

The Budget of the Commonwealth includes capital projects that protect life safety and improve the general welfare of Kentuckians, including funds for Flood Control and Dam Repair projects (\$4.2 million). These funds will be used to assist local communities to meet the matching fund requirements for federal flood control projects, and to repair high-hazard state-owned dams to protect property and the lives of citizens

living in the flood plain downstream from these dams. The Budget of the Commonwealth also includes additional funding for the Drinking Water and Wastewater Revolving Loan funds within the Kentucky Infrastructure Authority's budget (\$8 million in bonds to match \$40 million in Federal Funds).

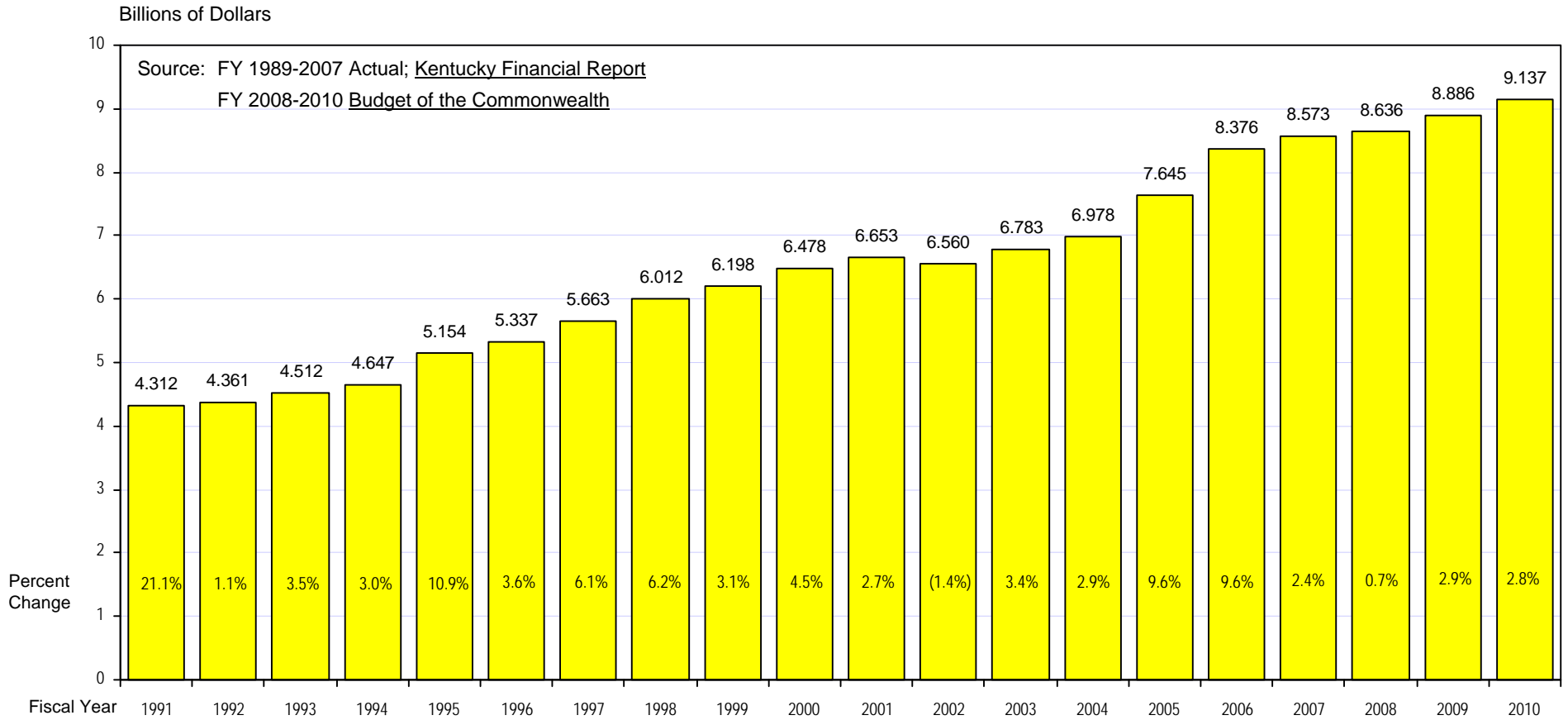
### **Bond Project Implementation Timing Limitations**

The Budget of the Commonwealth provides authorization in fiscal year 2009 for most General Fund-supported bond financed projects, but provides practical limits on the timing of the implementation of the projects resulting from the appropriation of less than a full-year's debt service for the majority of projects until the second fiscal year of the biennium. Moreover, the fiscal year 2009 General Fund budget assumed that a significant amount of previously authorized debt service would be unexpended and would lapse to balance the budget. The combination of the two actions results in very little ability to move forward with the design or initial phases of new bond projects in the first year of the biennium.

# General Fund Revenue Receipts

## Fiscal Years 1991-2010

(Billions of dollars – rounded)

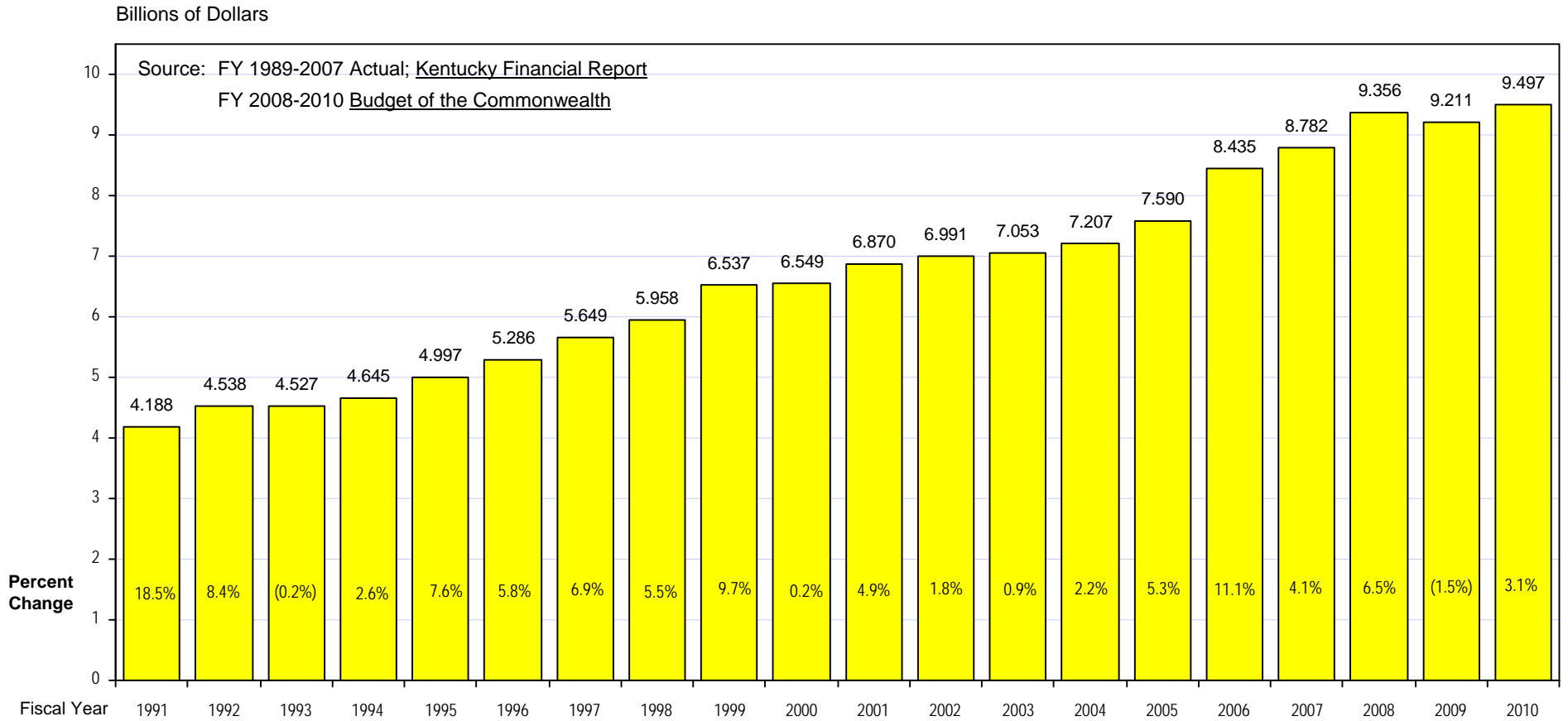


- Excludes Tobacco Settlement – Phase I Funds
- Excludes Fund Transfers

# General Fund Expenditures

## Fiscal Years 1991-2010

(Billions of dollars – rounded)

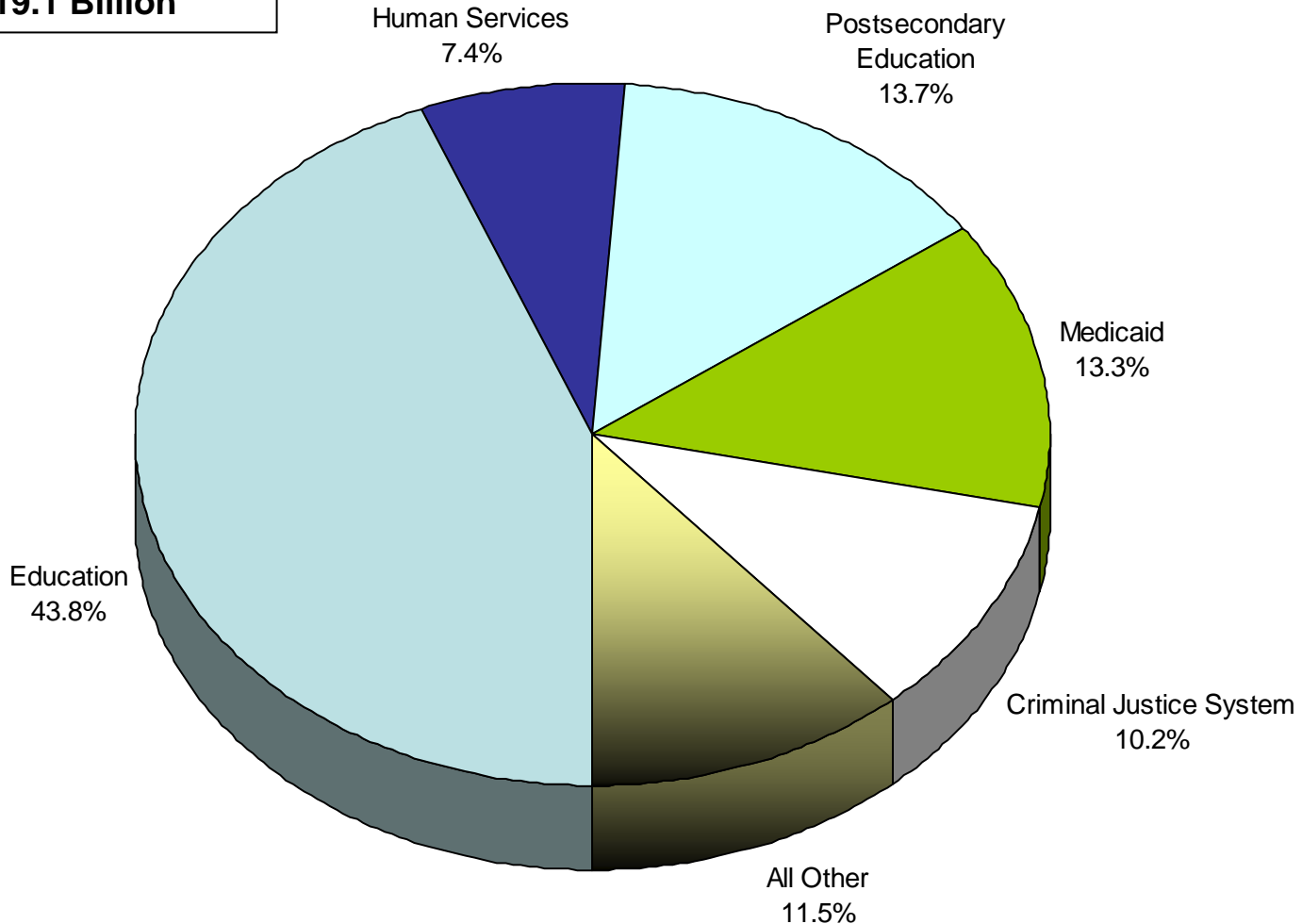


Excludes Tobacco Settlement – Phase I Funds

## 2008-2010 Biennium

# Distribution of General Fund Appropriations

Total = \$19.1 Billion



Excludes Tobacco Settlement – Phase I Funds

\* Education includes the Department of Education, Teachers' Retirement System, School Facilities Construction Commission and the Education Professional Standards Board.

\*\* Human Services include the Health and Family Services Cabinet (net of Medicaid).

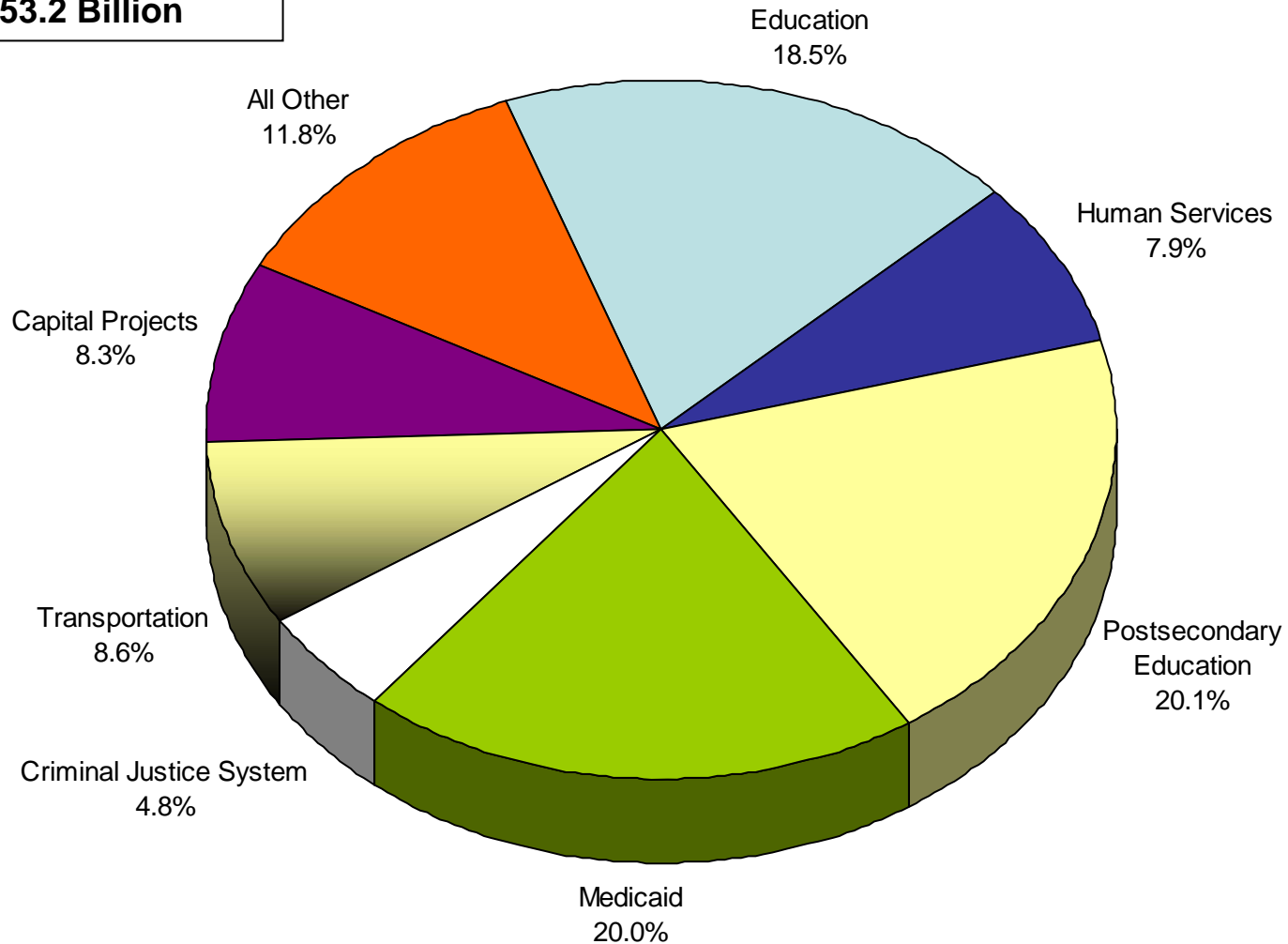
\*\*\* Criminal Justice System includes the Unified Prosecutorial System, Justice and Public Safety Cabinet and the Judicial Branch.



## 2008-2010 Biennium

# Distribution of All Funds Appropriations

Total = \$53.2 Billion



\* Education includes the Department of Education, Teachers' Retirement System, School Facilities Construction Commission and the Education Professional Standards Board.

\*\* Human Services include the Health and Family Services Cabinet (net of Medicaid).

\*\*\* Criminal Justice System includes the Unified Prosecutorial System, Justice and Public Safety Cabinet and the Judicial Branch.

## **DEBT FINANCING**

### **2008-2010 Budget of the Commonwealth**

The 2008 Kentucky General Assembly enacted \$1,508,494,000 in new debt-financed projects.

#### **Structure**

The Commonwealth's indebtedness is classified as either appropriation supported or non-appropriation supported debt.

**Appropriation supported debt** carries the name of the Commonwealth and is either (i) a general obligation of the state, or (ii) a project revenue obligation of one of its debt-issuing agencies created by the Kentucky General Assembly to finance various projects which is subject to state appropriation for all or a portion of the debt service on the bonds.

General obligation bonds pledge the full faith, credit and taxing power of the Commonwealth for the repayment of debt. The Kentucky Constitution requires voter approval by general referendum prior to the issuance of general obligation bonds in amounts exceeding \$500,000. Kentucky has not issued general obligation bonds since 1966. The Commonwealth has no general obligation bonds outstanding.

Project revenue notes and bonds are issued by various debt issuing authorities of the Commonwealth. The revenues produced by the projects funded by the debt are pledged as security for repayment of the debt. Project revenues are not a direct obligation of the Commonwealth. Project revenues are, in some cases, derived partially or solely from biennial appropriations of the General Assembly. In other cases, the direct revenues generated from the project funded constitute the entire source of payment.

**Moral obligation debt or non-appropriation debt** carries the name of the Commonwealth for the benefit and convenience of other agencies or municipal corporations within the state. This type of indebtedness is a special obligation of the issuer, secured and payable solely from the sources pledged for the payment thereof and does not constitute a debt, liability, obligation or a pledge of the faith and credit of the Commonwealth. The General Assembly does not intend to appropriate any General Funds to fulfill the financial obligations represented by these types of indebtedness. In the event of a shortfall, the issuer covenants to request from the Governor and the General Assembly sufficient amounts to pay debt service.

**APPROPRIATION SUPPORTED DEBT SERVICE  
AS A PERCENT OF TOTAL REVENUE (%)**

<b>Fiscal Year</b>	<b>Percent of Total Revenue</b>	<b>Fiscal Year</b>	<b>Percent of Total Revenue</b>
1987	5.01	1999	5.05
1988	5.41	2000	5.90
1989	5.40	2001	5.58
1990	5.24	2002	5.18
1991	5.14	2003	5.70
1992	6.18	2004	5.39
1993	5.99	2005	4.81
1994	5.90	2006	4.89
1995	5.70	2007	4.29
1996	5.62	2008	6.21
1997	5.61	2009	5.84*
1998	5.27	2010	6.43*

\*Estimated. Assumes all new appropriated debt is issued by June 30, 2010.

The above analysis for fiscal years 2008 through 2010 is premised on the following assumptions:

- Fiscal years 2008-2010 General Fund and Road Fund revenues are based on the enacted Revenue Estimates.
- Agency Fund revenues are based on actual fiscal year 2007 revenue from the Supplementary Information to the fiscal year 2007 Comprehensive Annual Financial Report and a 2.0 percent growth rate for fiscal years 2008 through fiscal year 2010.
- All previously appropriated but unissued debt was assumed issued by June 30, 2008.

## DEBT APPROPRIATED BY RECENT SESSIONS OF THE GENERAL ASSEMBLY

<u>Biennium</u>	<u>Principal Debt Appropriated</u>	<u>Biennium</u>	<u>Principal Debt Appropriated</u>
1984-86	\$ 535,929,000	1998-00 <sup>2</sup>	\$1,091,928,000
1986-88	494,721,100	2000-02 <sup>3</sup>	1,046,927,600
1988-90	364,171,900	2002-04 <sup>4</sup>	828,936,380
1990-92	1,148,218,400	2004-06 <sup>5</sup>	1,906,315,300
1992-94	439,375,100	2006-08 <sup>6</sup>	2,110,528,000
1994-96	429,575,900	2008-10 <sup>7</sup>	1,508,494,000
1996-98 <sup>1</sup>	242,182,000		

**<sup>1</sup> Enacted in the 1996-1998 Budget of the Commonwealth, and the 1997 Second Extraordinary Session of the Kentucky General Assembly.**

Excludes \$60,000,000 of Agency Bonds for Kentucky Infrastructure Authority that was unable to be acted on.

**<sup>2</sup> Debt Enacted in the 1998-2000 Budget of the Commonwealth.**

\$600,830,000 General Fund; \$268,100,000 Road Fund; and \$96,100,000 Agency Funds. \$201,000,000 was appropriated for the School Facilities Construction Commission; however, debt service was appropriated for only \$108,130,000 in debt. \$126,898,000 was appropriated in the General Fund Surplus Expenditure Plan in fiscal year 1998-99.

**<sup>3</sup> Debt Enacted in the 2000-2002 Budget of the Commonwealth.**

General Fund Appropriation:	\$901,202,600
Road Fund Appropriation:	\$ 28,200,000
Agency Fund Appropriation:	\$117,525,000

The 2000 Session of the Kentucky General Assembly appropriated \$1,053,015,600 of debt. The Secretary of the Finance and Administration Cabinet, through authority granted in the Appropriations Act, determined that \$6,088,000 of debt appropriated projects would be funded with General Fund cash, thereby reducing the appropriated amount to \$1,046,927,600.

**<sup>4</sup> Debt Enacted in the 2002-2004 Budget of the Commonwealth.**

General Fund Appropriation:	\$621,936,380
Agency Fund Appropriation:	\$207,000,000

**<sup>5</sup> Debt Enacted in the 2004-2006 Budget of the Commonwealth.**

General Fund Appropriation:	\$1,204,589,300
Road Fund Appropriation:	\$ 450,000,000
Agency Fund Appropriation:	\$ 251,726,000

The 2005 Session of the Kentucky General Assembly also appropriated \$150,000,000 of Grant Anticipation Revenue Vehicle (GARVEE) bonds supported by Federal Highway Funds received by the Transportation Cabinet.

**<sup>6</sup> Debt Enacted in the 2006-2008 Budget of the Commonwealth.**

General Fund Appropriation:	\$1,492,991,000
Road Fund Appropriation:	\$ 350,000,000
Agency Fund Appropriation:	\$ 267,537,000

The 2006 Session of the Kentucky General Assembly also appropriated \$290,000,000 of Grant Anticipation Revenue Vehicle (GARVEE) bonds supported by Federal Highway Funds received by the Transportation Cabinet.

<sup>7</sup> **Debt Enacted in the 2008-2010 Budget of the Commonwealth.**

General Fund Appropriation:	\$ 650,281,000
Road Fund Appropriation:	\$ 135,000,000
Agency Fund Appropriation:	\$ 643,213,000
Other Authorization:	\$ 80,000,000

The 2008 Session of the Kentucky General Assembly also authorized \$231,000,000 of Grant Anticipation Revenue Vehicle (GARVEE) bonds supported by the Transportation Cabinet Federal Highway Trust Funds.



**GENERAL FUND DETAILED CONSENSUS REVENUE ESTIMATE  
AS MODIFIED BY LEGISLATIVE ACTION**

<b><u>SOURCE</u></b>	<b><u>Actual FY 2007</u></b>	<b><u>Estimate FY 2008</u></b>	<b><u>Estimate FY 2009</u></b>	<b><u>Estimate FY 2010</u></b>
<b><u>Selected Sales and Gross Receipts Taxes</u></b>				
Sales & Use	\$2,817,652,253	\$2,897,600,000	\$2,977,800,000	\$3,066,600,000
Cigarette Excise Tax	13,056,369	14,900,000	14,900,000	14,800,000
Cigarette Surtax	155,712,098	155,500,000	155,100,000	154,100,000
Cigarette Floor Stock Tax	9,746	0	0	0
Distilled Spirits Case Sales	98,874	102,000	106,000	110,000
Insurance Tax Foreign Companies	36,952,894	36,500,000	37,000,000	37,500,000
Insurance Tax Companies Other Than Life	84,547,124	85,800,000	88,800,000	90,900,000
Insurance Tax Fire Prevention Fund	4,377,967	4,700,000	4,900,000	5,200,000
Pari-Mutuel	5,489,552	5,300,000	5,200,000	5,000,000
Race Track Admission	190,362	200,000	200,000	200,000
Beer Consumption	6,344,079	6,300,000	6,300,000	6,300,000
Distilled Spirits Consumption	10,094,572	10,500,000	10,900,000	11,300,000
Wine Consumption	2,326,331	2,300,000	2,400,000	2,400,000
Beer Wholesale	46,806,186	46,700,000	47,800,000	48,900,000
Distilled Spirits Wholesale	25,139,117	27,300,000	29,400,000	31,700,000
Wine Wholesale	11,392,111	12,400,000	13,400,000	14,500,000
Other Tobacco Products and Snuff	8,636,348	9,300,000	8,500,000	8,500,000
Telecommunications Taxes	51,623,000	53,000,000	52,000,000	51,900,000
<b>TOTAL SELECTED SALES AND GROSS RECEIPTS TAXES</b>	<b>\$3,280,448,983</b>	<b>\$3,368,402,000</b>	<b>\$3,454,706,000</b>	<b>\$3,549,910,000</b>
<b><u>License and Privilege Taxes</u></b>				
Coal Severance Tax	\$221,952,516	\$223,700,000	\$223,700,000	\$224,000,000
Mineral Severance Tax	14,822,013	15,500,000	16,300,000	17,200,000
Natural Gas Severance Tax	32,339,897	26,500,000	29,300,000	30,000,000
Oil Production	6,198,342	8,000,000	8,000,000	8,000,000
Corporate License	11,734,452	7,600,000	6,000,000	4,000,000
Cigarette License	92,106	70,000	70,000	70,000
Race Track License	283,675	300,000	300,000	300,000
Marijuana and Controlled Substance Tax	109,992	0	0	0
Bank Franchise Tax	63,912,315	67,200,000	69,800,000	72,300,000
Corporation Organization	115,755	200,000	200,000	200,000
Cir. Ct. Clk. - Driver License Receipts	603,807	600,000	600,000	600,000
Sand and Gravel License	5,100	0	0	0
Relicensure Fees (Driver's License)	0			
(D. S. & Wine) Distiller License				
(D. S. & Wine) Rectifier License				
(D. S. & Wine) Wholesaler License				
(D. S. & Wine) Retail Drink License				
(D. S. & Wine) Retail Package License				
(D. S. & Wine) Vintner License				
(D. S. & Wine) Transporter License				
(D. S. & Wine) Special License				
(D. S. & Wine) Railroad System License				
Restaurant Wine Licenses				
(Beer) Distributor License				
(Beer) Retailer License				
(Beer) Transporter License				

**GENERAL FUND DETAILED CONSENSUS REVENUE ESTIMATE  
AS MODIFIED BY LEGISLATIVE ACTION**

<b><u>SOURCE</u></b>	<b><u>Actual FY 2007</u></b>	<b><u>Estimate FY 2008</u></b>	<b><u>Estimate FY 2009</u></b>	<b><u>Estimate FY 2010</u></b>
(Beer) Special Transporter License				
(Beer) Storage License				
Alcoholic Beverage License Suspension	659,151	800,000	800,000	800,000
Limited Liability Entity Tax	0	93,000,000	108,900,000	113,200,000
<b>TOTAL LICENSE AND PRIVILEGE TAXES</b>	<b>\$352,829,121</b>	<b>\$443,470,000</b>	<b>\$463,970,000</b>	<b>\$470,670,000</b>
<b><u>Income Taxes</u></b>				
Corporation Income Tax	\$988,064,957	\$551,500,000	\$513,400,000	\$506,000,000
Individual Income Tax	3,041,535,604	3,370,000,000	3,472,800,000	3,629,700,000
<b>TOTAL INCOME TAXES</b>	<b>\$4,029,600,561</b>	<b>\$3,921,500,000</b>	<b>\$3,986,200,000</b>	<b>\$4,135,700,000</b>
<b><u>Property Taxes</u></b>				
Real Property	\$228,300,000	\$242,000,000	\$256,500,000	\$271,900,000
Tangible Personal Property	\$81,700,000	\$86,100,000	\$89,300,000	\$92,200,000
Motor Vehicles	\$103,700,000	\$106,900,000	\$110,200,000	\$113,600,000
Building and Loan Association Capital Stock	\$2,900,000	\$3,000,000	\$3,100,000	\$3,200,000
Delinquent Property	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000
Omitted Intangible Personal Property	\$7,100,000	\$250,000	\$0	\$0
Omitted Tangible Personal Property	\$10,700,000	\$6,000,000	\$6,100,000	\$6,200,000
Apportioned Vehicles	\$7,000,000	\$5,500,000	\$5,100,000	\$5,200,000
Public Service Companies	\$42,600,000	\$38,700,000	\$40,100,000	\$41,500,000
Other Property	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>TOTAL PROPERTY TAXES</b>	<b>\$492,500,000</b>	<b>\$496,950,000</b>	<b>\$518,900,000</b>	<b>\$542,300,000</b>
<b><u>Inheritance Taxes</u></b>				
Inheritance Tax	\$43,578,107	\$48,000,000	\$48,000,000	\$48,000,000
<b>TOTAL INHERITANCE TAXES</b>	<b>\$43,578,107</b>	<b>\$48,000,000</b>	<b>\$48,000,000</b>	<b>\$48,000,000</b>
<b><u>Departmental Fees, Sales and Rentals</u></b>				
Public Service Commission Assessments-	\$14,593,067	\$10,706,000	\$13,000,000	\$13,000,000
Insurance - Retaliatory Taxes & Fees-	1,547,010	1,900,000	2,100,000	2,200,000
Sec. of State - Process Agents Fees	0	100,000	100,000	100,000
Insurance - Miscellaneous Receipts	0	200,000	200,000	200,000
Circuit Court Clk. - Civil Filing Fee Receipts-	11,338,790	12,400,000	19,500,000	20,200,000
Circuit Court Clk. - Bond Filing Fee-	519,733	500,000	3,200,000	3,190,000
Circuit Court Clk. - 10% Bond Fee-	686,538	704,000	690,000	676,000
Circuit Court Clk. - Receipts for Services-	5,075,912	5,600,000	6,850,000	7,350,000
Strip Mining & Reclamation Fees-	1,108,250	1,500,000	1,500,000	1,500,000
Strip Mining & Reclamation - Fines Coll.	799,708	1,000,000	1,200,000	1,400,000
Master Commissioner Sales-	0			
Miscellaneous - Pub Advoc; Sec State Fee	3,967,778	4,500,000	4,700,000	5,000,000
<b>TOTAL DEPARTMENTAL FEES, SALES AND RENTALS</b>	<b>\$39,636,786</b>	<b>\$39,110,000</b>	<b>\$53,040,000</b>	<b>\$54,816,000</b>

**GENERAL FUND DETAILED CONSENSUS REVENUE ESTIMATE  
AS MODIFIED BY LEGISLATIVE ACTION**

<b><u>SOURCE</u></b>	<b><u>Actual FY 2007</u></b>	<b><u>Estimate FY 2008</u></b>	<b><u>Estimate FY 2009</u></b>	<b><u>Estimate FY 2010</u></b>
<b><u>Investment Receipts</u></b>				
General Depository Investment Income **	\$30,501,690	\$16,400,000	\$20,000,000	\$23,700,000
Circuit Court Clk. - Interest Income	1,490,170	0	0	0
Interest on Investments - Withholding Accounts				
Ky Asset/Liab - TRAN	0	0	0	0
<b>TOTAL INVESTMENT RECEIPTS</b>	<b>\$31,991,860</b>	<b>\$16,400,000</b>	<b>\$20,000,000</b>	<b>\$23,700,000</b>
<b><u>Miscellaneous Revenue</u></b>				
Lottery	\$186,625,113	\$187,500,000	\$198,500,000	\$202,000,000
Legal Process - Clk. Supreme Court	116,706	131,000	2,236,000	2,218,000
Dept. of Rev. Legal Process Taxes - Co. Clk.	3,135,400	3,100,000	3,000,000	2,900,000
Dept. of Rev. Penalty & Int. of Co. Officials	(29,468)	0	0	0
Legal Process - Attorney General's Office	0			
Judgment Fees for Delinquent Taxes	0			
TVA - In Lieu of Taxes - State Portion	10,037,326	12,400,000	13,000,000	13,800,000
F.H.A. - In Lieu of Taxes	73,168	0	0	0
R.E.C.C. and R.T.C.C. In Lieu of Taxes	310	0	0	0
Business Development - In Lieu of Taxes	0	0	0	0
Abandoned Property	38,238,637	33,400,000	41,200,000	17,500,000
Circuit Court Clk. - Fish & Wildlife Fines	70,595	70,000	70,000	70,000
Cir. Ct. Clk. - Criminal/Traffic Fines & Costs	24,852,725	25,000,000	26,500,000	26,800,000
Circuit Court Clk. - Bond Forfeitures	1,483,153	1,500,000	1,500,000	1,500,000
Fines Dept Insurance	717,032	800,000	820,000	870,000
NREP - Haz. Material & Waste - Fines & Pen.	0			
Workplace & Employment Standards, Fees, Fines	1,199,815	1,800,000	1,800,000	1,900,000
Sale of NOx Credits	811,600	2,850,000	13,350,000	1,900,000
Unclassified Receipts	0			
Other Fines & Unhonored Checks	23,788,218	21,830,000	21,630,000	21,230,000
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>\$291,120,330</b>	<b>\$290,381,000</b>	<b>\$323,606,000</b>	<b>\$292,688,000</b>
<b>MISCELLANEOUS NOT IN REVENUE ESTIMATES</b>	<b>\$12,151,295</b>	<b>\$10,000,000</b>	<b>\$11,000,000</b>	<b>\$11,000,000</b>
<b>REVENUE INITIATIVES</b>	<b>\$0</b>	<b>\$2,125,000</b>	<b>\$6,625,000</b>	<b>\$8,425,000</b>
<b>TOTAL GENERAL FUND</b>	<b>\$8,573,857,043</b>	<b>8,636,338,000</b>	<b>8,886,047,000</b>	<b>9,137,209,000</b>

**GENERAL FUND  
CONSENSUS FORECAST  
2008-2010 ENACTED ESTIMATE**

**General Fund Revenues (million \$)**

	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Estimate</u>	<u>FY 2009 Estimate</u>	<u>FY 2010 Estimate</u>
Sales & Use	2,749.8	2,817.7	2,897.6	2,977.8	3,066.6
Individual Income	2,918.6	3,041.5	3,370.0	3,472.8	3,629.7
Corporation Inc & LLET*	1,045.1	999.8	644.5	622.3	619.2
Coal Severance	224.5	222.0	223.7	223.7	224.0
Cigarette & OTP	184.2	177.4	179.7	178.5	177.4
Property	502.5	492.5	497.0	518.9	542.3
Lottery	190.0	186.6	187.5	198.5	202.0
Other	561.4	636.3	636.4	693.5	676.0
<b>Total General Fund</b>	<b>8,376.1</b>	<b>8,573.8</b>	<b>8,636.3</b>	<b>8,886.0</b>	<b>9,137.2</b>

**Annual Percentage Growth Rates**

	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Estimate</u>	<u>FY 2009 Estimate</u>	<u>FY 2010 Estimate</u>
Sales & Use	6.0	2.5	2.8	2.8	3.0
Individual Income	-3.9	4.2	10.8	3.1	4.5
Corp. Inc & LLET*	70.6	-4.3	-35.5	-3.4	-0.5
Coal Severance	21.7	-1.1	0.8	0.0	0.1
Cigarette & OTP	446.5	-3.7	1.3	-0.7	-0.6
Property	6.3	-2.0	0.9	4.4	4.5
Lottery	17.8	-1.8	0.5	5.9	1.8
Other	2.2	13.3	0.0	9.0	-2.5
<b>Total General Fund</b>	<b>9.6</b>	<b>2.4</b>	<b>0.7</b>	<b>2.9</b>	<b>2.8</b>

\* Includes corporate license tax for FY 2006 & FY 2007 only

**CHANGES TO JANUARY 2008  
 CONSENSUS FORECAST GROUP ESTIMATE**

	<b>FY 2008 Revised</b>	<b>FY 2009 Enacted</b>	<b>FY 2010 Enacted</b>
<b>Other General Fund Resources</b>			
Vendor Compensation		9,900,000	10,300,000
Abandoned Property receipts greater than forecasted		29,900,000	6,200,000
Wendell H. Ford Regional Training Center		1,000,000	1,000,000
Cigarette Rolling Papers Tax Adjustment		(750,000)	(750,000)
Lottery Additional		7,000,000	7,000,000
Court Related Fee Increases		13,400,000	13,400,000
HB 538 - Exclusion of Sales Tax for over-the-counter Drugs		(1,200,000)	(1,200,000)
HB 568-Interest accrual on rebates		2,000,000	2,000,000
HB 608-Travelers' checks escheatment period change	2,300,000		
HB 693-Interest rate on refunds	1,000,000	1,200,000	3,000,000
<b>Total-Other Resources</b>	<b>3,300,000</b>	<b>62,450,000</b>	<b>40,950,000</b>

This page intentionally left blank

**Commonwealth of Kentucky**

	<u>Revised FY 2008</u>	<u>Requested FY 2009</u>	<u>Requested FY 2010</u>	<u>Enacted FY 2009</u>	<u>Enacted FY 2010</u>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	9,343,735,900	11,795,240,650	12,796,899,650	9,400,888,100	9,700,594,100
Special Appropriation	32,066,800				
Current Year Appropriation	150,504,300	340,600	341,900		
Continuing Appropriation	288,614,600	250,240,700	242,051,800	233,526,400	35,562,100
Budget Reduction	-65,262,416				
Salary Compensation Fund		778,200	778,200		
Base Deduction	-19,342,300				
Mandated Allotments	47,714,600				
Other	9,379,100	2,000,000	2,000,000		
<b>Total General Fund</b>	<u>9,787,410,584</u>	<u>12,048,600,150</u>	<u>13,042,071,550</u>	<u>9,634,414,500</u>	<u>9,736,156,200</u>
<b>Tobacco Settlement-Phase I</b>					
Tobacco Settlement - I	94,000,000	120,109,300	121,999,200	119,690,000	121,580,000
Continuing Appropriation	57,159,100	28,921,200	15,978,400	19,903,700	6,960,900
Other	23,470,000				
<b>Total Tobacco Settlement-Phase I</b>	<u>174,629,100</u>	<u>149,030,500</u>	<u>137,977,600</u>	<u>139,593,700</u>	<u>128,540,900</u>
<b>Restricted Funds</b>					
Balance Forward	475,259,934	313,411,578	277,695,755	262,651,700	179,715,800
Current Receipts	4,484,337,507	4,606,007,100	4,767,291,800	4,592,188,400	4,742,724,700
Non-Revenue Receipts	988,439,759	724,174,900	740,673,600	951,271,200	682,183,100
Fund Transfers	-108,540,900			-117,442,800	-58,349,000
<b>Total Restricted Funds</b>	<u>5,839,496,300</u>	<u>5,643,593,578</u>	<u>5,785,661,155</u>	<u>5,688,668,500</u>	<u>5,546,274,600</u>
<b>Federal Funds</b>					
Balance Forward	73,722,400	34,714,845	26,082,500	34,812,500	25,908,100
Current Receipts	7,518,532,100	7,953,855,555	8,238,425,400	7,686,264,000	7,947,163,600
Non-Revenue Receipts	5,898,300	5,450,800	5,405,800	5,209,500	5,158,800
<b>Total Federal Funds</b>	<u>7,598,152,800</u>	<u>7,994,021,200</u>	<u>8,269,913,700</u>	<u>7,726,286,000</u>	<u>7,978,230,500</u>
<b>Road Fund</b>					
Regular Appropriation	1,255,136,900	1,342,901,500	1,427,431,300	1,306,814,400	1,400,953,400
Surplus Expenditure Plan	21,163,300				
Current Year Appropriation	98,100				
Other-Road	20,771,400				
<b>Total Road Fund</b>	<u>1,297,169,700</u>	<u>1,342,901,500</u>	<u>1,427,431,300</u>	<u>1,306,814,400</u>	<u>1,400,953,400</u>
<b>Highway Bonds</b>					
Balance Forward	45,755,300				
Current Receipts				60,000,000	
Non-Revenue Receipts	350,000,000			50,000,000	
<b>Total Highway Bonds</b>	<u>395,755,300</u>			<u>110,000,000</u>	
<b>TOTAL SOURCE OF FUNDS</b>	<u>25,092,613,784</u>	<u>27,178,146,928</u>	<u>28,663,055,305</u>	<u>24,605,777,100</u>	<u>24,790,155,600</u>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	5,382,832,700	6,356,979,100	6,721,099,500	5,565,538,400	5,793,813,400
Operating Expenses	2,568,714,800	2,786,880,538	2,891,172,338	2,574,354,100	2,649,079,500
Grants, Loans or Benefits	13,640,956,200	15,175,390,750	15,935,496,950	13,671,963,400	14,036,345,100
Debt Service	766,612,400	878,300,700	1,054,290,300	856,638,000	886,393,800
Capital Outlay	203,569,000	229,057,900	223,810,700	183,317,200	183,896,000
Construction	1,777,900,200	1,002,618,662	1,088,884,962	1,313,183,000	1,057,144,100
<b>TOTAL EXPENDITURES</b>	<u>24,340,585,300</u>	<u>26,429,227,650</u>	<u>27,914,754,750</u>	<u>24,164,994,100</u>	<u>24,606,671,900</u>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	9,364,167,500	11,806,448,350	12,805,738,550	9,406,216,300	9,701,606,200
Tobacco Settlement-Phase I	143,307,900	133,052,100	128,960,100	132,632,800	128,540,900

Restricted Funds	5,576,844,600	5,372,258,223	5,531,101,900	5,508,952,700	5,414,522,300
Federal Funds	7,563,340,300	7,969,722,000	8,254,029,300	7,700,377,900	7,961,049,100
Road Fund	1,297,169,700	1,342,901,500	1,427,431,300	1,306,814,400	1,400,953,400
Highway Bonds	395,755,300			110,000,000	
<b>TOTAL EXPENDITURES</b>	24,340,585,300	26,624,382,173	28,147,261,150	24,164,994,100	24,606,671,900
<b>EXPENDITURES BY UNIT</b>					
Executive Branch	23,993,630,400	26,184,569,573	27,669,365,050	23,793,452,300	24,211,557,700
Legislative Branch	54,491,800	55,448,800	64,516,600	48,959,400	56,794,200
Judicial Branch	292,463,100	384,363,800	413,379,500	322,582,400	338,320,000
<b>TOTAL EXPENDITURES</b>	24,340,585,300	26,624,382,173	28,147,261,150	24,164,994,100	24,606,671,900



# Executive Branch

---

- House Bill 406
- House Bill 410
- House Bill 514
- House Bill 608

This page intentionally left blank

**Executive Branch**

	<u>Revised FY 2008</u>	<u>Requested FY 2009</u>	<u>Requested FY 2010</u>	<u>Enacted FY 2009</u>	<u>Enacted FY 2010</u>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	9,014,177,200	11,398,421,150	12,352,779,350	9,082,339,400	9,349,255,700
Special Appropriation	32,066,800				
Current Year Appropriation	150,504,300	340,600	341,900		
Continuing Appropriation	277,526,600	232,489,700	232,489,700	215,775,400	26,000,000
Budget Reduction	-65,262,416				
Salary Compensation Fund		778,200	778,200		
Base Deduction	-17,377,500				
Mandated Allotments	47,714,600				
Other	9,379,100	2,000,000	2,000,000		
<b>Total General Fund</b>	<b>9,448,728,684</b>	<b>11,634,029,650</b>	<b>12,588,389,150</b>	<b>9,298,114,800</b>	<b>9,375,255,700</b>
<b>Tobacco Settlement-Phase I</b>					
Tobacco Settlement - I	94,000,000	120,109,300	121,999,200	119,690,000	121,580,000
Continuing Appropriation	57,159,100	28,921,200	15,978,400	19,903,700	6,960,900
Other	23,470,000				
<b>Total Tobacco Settlement-Phase I</b>	<b>174,629,100</b>	<b>149,030,500</b>	<b>137,977,600</b>	<b>139,593,700</b>	<b>128,540,900</b>
<b>Restricted Funds</b>					
Balance Forward	440,278,134	278,497,978	253,219,955	227,738,100	165,240,000
Current Receipts	4,467,157,107	4,590,974,400	4,750,683,700	4,577,155,700	4,726,116,600
Non-Revenue Receipts	980,237,459	715,972,600	732,471,300	943,068,900	673,980,800
Fund Transfers	-108,540,900			-117,442,800	-58,349,000
<b>Total Restricted Funds</b>	<b>5,779,131,800</b>	<b>5,585,444,978</b>	<b>5,736,374,955</b>	<b>5,630,519,900</b>	<b>5,506,988,400</b>
<b>Federal Funds</b>					
Balance Forward	73,722,400	34,714,845	26,082,500	34,812,500	25,908,100
Current Receipts	7,515,459,000	7,952,724,155	8,237,254,800	7,685,132,600	7,945,993,000
Non-Revenue Receipts	5,898,300	5,450,800	5,405,800	5,209,500	5,158,800
<b>Total Federal Funds</b>	<b>7,595,079,700</b>	<b>7,992,889,800</b>	<b>8,268,743,100</b>	<b>7,725,154,600</b>	<b>7,977,059,900</b>
<b>Road Fund</b>					
Regular Appropriation	1,255,136,900	1,342,901,500	1,427,431,300	1,306,814,400	1,400,953,400
Surplus Expenditure Plan	21,163,300				
Current Year Appropriation	98,100				
Other-Road	20,771,400				
<b>Total Road Fund</b>	<b>1,297,169,700</b>	<b>1,342,901,500</b>	<b>1,427,431,300</b>	<b>1,306,814,400</b>	<b>1,400,953,400</b>
<b>Highway Bonds</b>					
Balance Forward	45,755,300				
Current Receipts				60,000,000	
Non-Revenue Receipts	350,000,000			50,000,000	
<b>Total Highway Bonds</b>	<b>395,755,300</b>			<b>110,000,000</b>	
<b>TOTAL SOURCE OF FUNDS</b>	<b>24,690,494,284</b>	<b>26,704,296,428</b>	<b>28,158,916,105</b>	<b>24,210,197,400</b>	<b>24,388,798,300</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	5,143,590,300	6,059,792,700	6,405,415,700	5,327,020,200	5,547,790,900
Operating Expenses	2,462,650,900	2,652,882,738	2,737,725,038	2,449,542,200	2,508,819,700
Grants, Loans or Benefits	13,640,956,200	15,175,390,750	15,935,496,950	13,671,963,400	14,036,345,100
Debt Service	766,612,400	878,300,700	1,054,290,300	856,638,000	886,393,800
Capital Outlay	201,920,400	220,429,500	215,045,700	175,105,500	175,064,100
Construction	1,777,900,200	1,002,618,662	1,088,884,962	1,313,183,000	1,057,144,100
<b>TOTAL EXPENDITURES</b>	<b>23,993,630,400</b>	<b>25,989,415,050</b>	<b>27,436,858,650</b>	<b>23,793,452,300</b>	<b>24,211,557,700</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	9,045,736,600	11,401,439,950	12,358,020,450	9,079,478,700	9,346,670,000
Tobacco Settlement-Phase I	143,307,900	133,052,100	128,960,100	132,632,800	128,540,900

Restricted Funds	5,551,393,700	5,338,585,423	5,502,094,500	5,465,279,900	5,375,514,900
Federal Funds	7,560,267,200	7,968,590,600	8,252,858,700	7,699,246,500	7,959,878,500
Road Fund	1,297,169,700	1,342,901,500	1,427,431,300	1,306,814,400	1,400,953,400
Highway Bonds	395,755,300			110,000,000	
<b>TOTAL EXPENDITURES</b>	<b>23,993,630,400</b>	<b>26,184,569,573</b>	<b>27,669,365,050</b>	<b>23,793,452,300</b>	<b>24,211,557,700</b>
<b>EXPENDITURES BY UNIT</b>					
General Government	1,063,229,700	1,626,008,000	1,742,903,300	971,696,400	993,672,400
Commerce	229,203,000	281,738,150	296,402,950	216,506,600	218,080,900
Economic Development	65,453,600	62,014,200	70,297,000	29,332,500	31,798,900
Department of Education	4,513,631,100	5,171,231,700	5,519,515,400	4,577,659,000	4,640,890,400
Education Cabinet	874,260,300	918,067,700	928,242,000	858,681,000	855,506,200
Environmental and Public Protection	626,956,900	674,317,900	702,187,900	562,957,000	580,100,000
Finance and Administration	560,589,600	793,929,900	803,335,500	729,348,700	727,750,100
Health and Family Services	7,129,672,900	7,856,859,800	8,257,142,000	7,285,265,600	7,561,802,900
Justice and Public Safety	876,639,900	1,093,512,623	1,141,848,500	858,264,100	888,715,800
Personnel	53,013,600	61,644,300	64,105,300	70,256,200	87,194,800
Postsecondary Education	5,105,569,000	5,532,349,000	5,927,018,300	5,239,769,000	5,446,699,200
Transportation	2,895,410,800	2,112,896,300	2,216,366,900	2,393,716,200	2,179,346,100
<b>TOTAL EXPENDITURES</b>	<b>23,993,630,400</b>	<b>26,184,569,573</b>	<b>27,669,365,050</b>	<b>23,793,452,300</b>	<b>24,211,557,700</b>



COMMONWEALTH OF KENTUCKY  
OFFICE OF THE GOVERNOR

STEVEN L. BESHEAR  
GOVERNOR

700 CAPITAL AVENUE  
SUITE 100  
FRANKFORT, KY 40601  
(502) 564-2611  
FAX: (502) 564-2517

**VETO MESSAGE FROM THE**  
**GOVERNOR OF THE COMMONWEALTH OF KENTUCKY**  
**REGARDING HOUSE BILL 406 OF THE**  
**2008 REGULAR SESSION**

**1. Kentucky Infrastructure Authority Compensation to Area Development Districts**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 7, lines 13 through 16 in their entirety.

*I am vetoing this part because the appropriations are insufficient to provide this level of funding to the Area Development Districts and still allow the Authority to operate its programs. The vetoed part states that within the appropriation for the Kentucky Infrastructure Authority is \$2,214,700 in each year of the biennium to be disbursed to Area Development Districts for water management planning services and maintenance of the Water Resources Information System.*

*The Authority has distributed \$1,513,500 to the Area Development Districts in each of the last two fiscal years to provide for water management planning services and updates to the Water Resources Information Systems. The Authority plans to continue its relationship with the Area Development Districts, but the appropriation amounts cannot accommodate a forty-six percent increase in funding to the Districts while still providing the services required of the Authority.*



An Equal Opportunity Employer M/F/D

## **2. School Facilities Construction Commission – Use of Local District Capital Outlay Funds**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 30, line 15, after the word “Program”, delete “,”

Page 30, line 16 beginning with the word “if” and ending with the word “percent”

*I am vetoing this part because in these challenging economic times, school districts will need maximum flexibility to implement their respective operating and capital budgets.*

*The vetoed part restricts the ability of local school districts to use capital outlay funds for maintenance expenditures or the purchase of property insurance without forfeiting eligibility for offers of assistance from the School Facilities Construction Commission. Only districts with prior year general fund balances of less than two percent would retain such flexibility. The General Assembly has permitted local school districts to use capital outlay funds for maintenance or property insurance upon approval of the Commissioner of Education since 2003. School districts’ flexible focus funds have been reduced and they will be mandated to provide a 1 percent salary increase to their employees. Moreover, there have been no reports of abuse of this policy or problems with any local school district’s financial standing due to the existing policy. The Commissioner of the Department of Education has the authority to decide whether a district should be permitted this flexibility and it is my judgment that he is the most appropriate person to make this decision.*

## **3. Economic Development Cabinet Use of New Economy Funds for ConnectKentucky**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 39, lines 19 through 21 in their entirety.

*I am vetoing this part because of the need to allocate scarce resources in the most efficient manner possible.*

*The vetoed part requires funding of \$1.2 million in each year of the biennium to administer the ConnectKentucky program from the Cabinet for Economic Development’s High-Tech Investment Pool without specifically identifying any services to be rendered to the state or providing for any oversight, control or performance measures relative to the services being rendered. This amount represents a twenty-six percent increase over current grant levels for these services in a budget that decreases most appropriations. I*

*support wholeheartedly the continuation of the broadband initiative and accessibility of high speed internet throughout the Commonwealth and am proud of the great strides made by ConnectKentucky to date. I am directing the Cabinet for Economic Development to confer with ConnectKentucky, consider the program needs related to the continuation of the broadband initiative, and structure a funding plan in a fiscally responsible manner that furthers the good work that has been done in this area.*

#### **4. Environmental and Public Protection Cabinet – Forestry Tree Nurseries**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 63, line 18, after “Marshall County” delete the rest of the line.

Page 63, line 19, beginning with “normal” through “biennium”.

*I am vetoing this provision because the Secretary of the Environmental and Public Protection Cabinet will need unprecedented flexibility in implementing a budget that has been reduced approximately twenty-two percent from its fiscal year 2008 base level of funding.*

*The vetoed part mandates the two state tree nurseries maintain normal business operations through the biennium.*

*Every effort will be made to maintain the current two nurseries with available funding. The protection of the citizens of the Commonwealth is of utmost importance to me. The same governmental program that is responsible for maintaining these tree nurseries is also responsible for all of the fire suppression activities in the state. Therefore the Secretary must have the flexibility to use any available funds to ensure that the health and safety of the citizens of the Commonwealth are maintained.*

#### **5. Environmental and Public Protection Cabinet - Horse Racing Authority**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 66, lines 5 through 11 in their entirety.

*I am vetoing this part because the General Assembly did not provide an alternative funding source for the operational costs of the regulatory functions required of the Authority.*

*The vetoed part imposes a limitation on assessments paid by Kentucky thoroughbred race tracks to the Horse Racing Authority for each live-day of racing for the 2008-2010 biennium.*

*The smaller tracks in Kentucky are struggling financially. These tracks are critical to the success of year-round horse racing in the Commonwealth and I am committed to implementing measures to protect and grow this industry.*

*We are working with representatives of the race tracks to establish an acceptable level of interim funding. I will be appointing a task force to recommend an appropriate funding mechanism for the Authority which will protect the integrity, long-term viability and growth of the racing industry. The task force will also be asked to address issues critical to the regulatory success of the Racing Authority and provide potential solutions to these challenges.*

## **6. Finance and Administration Cabinet - Conveyance of Property**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 69, line 27, in its entirety.

Page 70, lines 1 through 3 in their entirety.

*I am vetoing this part because a similar outcome can be achieved through other methods without removing an appropriate requirement that publicly acquired real estate assets continue to be used for public purposes. This part suspends existing laws to require that the Secretary of the Finance and Administration Cabinet convey to Kenton County the Commonwealth's reversionary interest in certain property in Covington, Kentucky and is being pursued to allow the County's lessee to obtain a mortgage for improvements. I am directing the Secretary of Finance and Administration to work with Kenton County to allow the county to obtain mortgage financing to improve the property for its continued use for public purposes.*

## **7. Personnel Cabinet State Salary and Compensation Fund - Use of Funds for Increased Retirement Contributions**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 99, lines 24 through 27 in their entirety.

Page 100, lines 1 through 3 in their entirety.

*I am vetoing this part because the increased employer contribution rates are already set forth in Part IV of House Bill 406; therefore, there is no need to tie the distribution of the*



*funds to another piece of legislation. This part directs that no funds shall be distributed from the Kentucky Retirement System Employer Contribution Supplement of the State Salary and Compensation Fund unless the 2008 General Assembly adopts the provisions contained in 08 RS HB 600/SCS. The amounts appropriated to the State Salary and Compensation Fund are to provide the General Fund share of the increased employer contribution rates to the Kentucky Employees Retirement Systems for nonhazardous duty employees, hazardous duty employees, and employees of the State Police Retirement System, contained in Part IV, State Salary/Compensation and Employment Policy of House Bill 406.*

**8. Transportation Cabinet – Kentucky Pride – Highway Contingency Fund**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 117, line 26, after the period, delete the remainder of the line.  
Page 117, line 27 in its entirety.

Page 118, line 4, after the period, delete the remainder of the line.  
Page 118, line 5, beginning with the word, “each” and ending with the “.”

*I am vetoing this part because the Secretary of the Transportation Cabinet needs as much flexibility as possible to respond to potential statewide emergency and life safety situations and opportunities to expand economic development that involve the Commonwealth’s transportation infrastructure.*

*The vetoed part requires an extra \$2.5 million for the Kentucky Pride Fund established in KRS 224.43-505 to be paid from the Secretary of Transportation’s Contingency Fund. The Department of Highways has as its core mission the management and maintenance of the Commonwealth’s transportation infrastructure. While the six-year transportation planning process is an excellent tool for identifying the current and future transportation needs, it is severely underfunded and no plan can possibly foresee every contingency. It is my judgment that the money for the Kentucky Pride Fund should originate from the currently enacted statutory sources, which are \$2.5 million from the road fund and \$2.5 million from the contingency fund.*

## **9. Transportation Cabinet - Rural Secondary Road Program**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 124, line 1, after the period, delete the remainder of the line.

Page 124, lines 2 and 3 in their entirety.

Page 124, line 4, beginning with the word “terms” and ending with the “.”

*I am vetoing this part because the Secretary of the Transportation Cabinet needs as much flexibility as possible to respond to potential statewide emergency and life safety situations and opportunities to expand economic development that involve the Commonwealth’s transportation infrastructure in the counties and cities of the Commonwealth.*

*The vetoed part restricts the use of the Rural Secondary program money within the Revenue Sharing appropriation unit to only state maintained rural and secondary roads. The Secretary of the Transportation Cabinet has historically had the flexibility to use these funds on county roads. Most recently, this flexibility has been provided by the General Assembly in the form of the Secretary’s Contingency Fund. Because the General Assembly reduced the historic size of Secretary’s Contingency Fund, the Secretary must have an alternative funding source to respond to potential emergency situations.*

## **10. Base Realignment and Closure Commission**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 244, lines 5 through 27 in their entirety.

Page 245, lines 1 through 27 in their entirety.

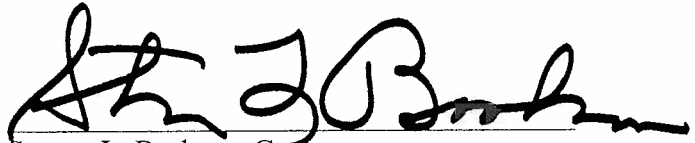
Page 246, lines 1 through 27 in their entirety.

Page 247, lines 1 through 4 in their entirety.

*I am vetoing the entirety of Part XIII of House Bill 406 as enacted because (a) it is duplicative of the Governor’s Task Force on Military Base Realignment established by Executive Order 2008-272 and existing statutory provisions for the oversight of economic development projects; (b) decisions regarding funding for this project should include input from a broader group than is provided in the vetoed part; and (c) opportunities to maximize the leveraging of federal funds for the project can be best achieved through the existing administrative structure. This Part provides for the creation of a commission to oversee the funding provided in House Bill 406 for economic development bond projects related to the Base Realignment and Closure (BRAC) efforts in and around Fort Knox, Kentucky.*

*The changes that will occur in this region are estimated to be equivalent to the largest economic development project in the Commonwealth's history. It is crucial that communities impacted by the project and military personnel be included in the decision-making process. All available sources of funding must be considered and evaluated for leveraging prior to the designation for funding of any individual project from available resources. The existing administrative infrastructure both in the Cabinet for Economic Development and the Transportation Cabinet is best positioned to assure that all funding streams will be maximized to leverage federal and state funds for this region as needed. Most importantly, the Governor's Task Force on Military Base Realignment has a broader mission than the commission created in the vetoed part and provides input and perspective from a broader base of representation to assure that all issues and concerns are considered in the decision-making process for issues related to BRAC.*

This the 14<sup>th</sup> day of April, 2008

A handwritten signature in black ink, appearing to read "Steve Beshear", written over a horizontal line.

Steven L. Beshear, Governor

This page intentionally left blank



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2008 REGULAR SESSION

---

HOUSE BILL NO. 406

AS ENACTED

WEDNESDAY, APRIL 2, 2008

---

VETOED IN PART

MONDAY, APRIL 14, 2008

---

(Informational Copy)

RECEIVED AND FILED  
DATE April 18, 2008  
8:44am

---

TREY GRAYSON  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
BY R. Adler

AN ACT relating to appropriations and revenue measures providing financing and 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:*

**PART I**

**OPERATING BUDGET**

(1) **Funds Appropriations:** There is appropriated out of the General Fund, Road Fund, Restricted Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1, 2007, and ending June 30, 2008, for the fiscal year beginning July 1, 2008, and ending June 30, 2009, and for the fiscal year beginning July 1, 2009, and ending June 30, 2010, 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**

**2008-09**

**2009-10**

1	General Fund	8,480,200	8,665,800
2	Restricted Funds	910,100	283,700
3	TOTAL	9,390,300	8,949,500

4       **(1) Housing Allowance for the Lieutenant Governor:** Included in the above  
5 General Fund appropriation for the Office of the Governor is \$2,500 monthly as a  
6 housing allowance for the Lieutenant Governor's Office.

7       **2. OFFICE OF STATE BUDGET DIRECTOR**

8		<b>2008-09</b>	<b>2009-10</b>
9	General Fund	3,791,900	3,791,900
10	Restricted Funds	134,500	85,300
11	TOTAL	3,926,400	3,877,200

12       **3. STATE PLANNING FUND**

13		<b>2008-09</b>	<b>2009-10</b>
14	General Fund	220,000	220,000

15       **4. ENERGY POLICY**

16		<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
17	General Fund	-0-	1,869,200	1,902,600
18	Restricted Funds	432,700	4,198,200	4,005,000
19	Federal Funds	-0-	755,400	755,400
20	TOTAL	432,700	6,822,800	6,663,000

21       **(1) Energy Research and Development:** (a) Included in the above Restricted  
22 Funds appropriation is \$3,500,000 in fiscal year 2008-2009 and \$3,500,000 in fiscal year  
23 2009-2010 which shall be used, except as specified in paragraph (b) of this subsection,  
24 for research projects relating to clean coal, new combustion technology, thin-seam coal  
25 extraction, safety, tracking and communication devices, coal slurry disposal, synthetic  
26 natural gas produced from coal through gasification processes, and the development of  
27 alternative transportation fuels produced by processes that convert coal or biomass

1 resources or extract oil from oil shale, and other coal research and shall be targeted solely  
 2 to Kentucky's Local Government Economic Development Fund-eligible counties. The  
 3 Office of Energy Policy shall coordinate its efforts with those of Kentucky's universities  
 4 and related Kentucky Community and Technical College System programs in order to  
 5 maximize Kentucky's opportunities for federal funding and receive research grants and  
 6 awards from federal and other sources of funding for the development of clean coal  
 7 technology, coal-to-liquid-fuel conversion, alternate transportation fuels, and biomass  
 8 energy resources.

9 (b) The General Assembly recognizes the importance of proactively addressing the  
 10 issue of carbon management in existing coal-fired and natural gas-fired power plants, and  
 11 the need for the development of technologies to address carbon emissions from all  
 12 sources. Further, the General Assembly recognizes that it is vital for the economic well-  
 13 being of the Commonwealth and its citizens that technologies and strategies for the  
 14 capture, utilization, or mitigation of carbon dioxide emissions be developed and  
 15 demonstrated.

16 Therefore, included in the Restricted Funds appropriation in paragraph (a) of this  
 17 subsection is \$1,000,000 in fiscal year 2008-2009 and \$1,000,000 in fiscal year 2009-  
 18 2010 which shall not be expended unless matched with federal or private funds for the  
 19 purpose of supporting research and development activities at the University of Kentucky  
 20 Center for Applied Energy Research directed toward the development and demonstration  
 21 of technologies for carbon management. These technologies may include: chemical or  
 22 mechanical capture, chemical or biological utilization, mitigation through the use of  
 23 alternative fuel sources, or other relevant technologies.

## 24 **5. HOMELAND SECURITY**

25		<b>2008-09</b>	<b>2009-10</b>
26	General Fund	246,100	290,000
27	Restricted Funds	612,900	612,900



1	Federal Funds	26,882,900	22,951,700
2	Road Fund	250,000	250,000
3	TOTAL	27,991,900	24,104,600

4 **6. DEPARTMENT OF VETERANS' AFFAIRS**

5		<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
6	General Fund	300,000	17,623,400	18,783,200
7	Restricted Funds	1,529,800	26,434,900	26,959,700
8	TOTAL	1,829,800	44,058,300	45,742,900

9 **(1) Weekend and Holiday Premium Pay Incentive:** The Kentucky Veterans'  
10 Centers are authorized to continue the weekend and holiday premium pay incentive  
11 component of the Personnel Pilot Program for the 2008-2010 fiscal biennium.

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

17 **(3) Veterans' Service Organization Funding:** Included in the above General  
18 Fund appropriation is \$100,000 in each fiscal year for grants to the Veterans' Service  
19 Organization programs.

20 **(4) Enhanced Veterans' Nursing Home Services:** The Department of Veterans'  
21 Affairs shall solicit a proposal from the University of Louisville to enhance the quality of  
22 care and access to neurology, geriatric, and other specialty care services for the residents  
23 of the veterans nursing facilities. The department shall submit a progress report to the  
24 Governor and the Legislative Research Commission on this initiative by August 15, 2008.

25 **(5) Veterans' Services Improvement Trust Fund:** The Veterans' Services  
26 Improvement Trust Fund is established in the Department of Veterans' Affairs. The  
27 purpose of this fund is to receive moneys that will be appropriated by the General

1 Assembly to improve services to the veterans of the Commonwealth. Notwithstanding  
 2 KRS 45.229, any balance remaining in the Veterans' Services Improvement Trust Fund at  
 3 the end of a fiscal year shall not lapse and shall be carried forward to the next fiscal year  
 4 to be utilized solely for the purpose of the trust fund as directed by the General Assembly.  
 5 Notwithstanding KRS 45.229, any interest earnings of the trust fund shall become a part  
 6 of the trust fund and shall not lapse.

7 **(6) Excess Agency Receipts:** If Agency Receipts and Restricted Funds are  
 8 received by the Department of Veterans' Affairs in excess of \$26,450,000 in fiscal year  
 9 2008-2009 and \$26,960,000 in fiscal year 2009-2010, 50 percent of those excess amounts  
 10 shall be deposited in the Veterans' Services Improvement Trust Fund established under  
 11 subsection (5) of this section.

12 **(7) Veterans' Cemetery Northeast:** Included in the above General Fund  
 13 appropriation is \$55,000 in fiscal year 2009-2010 for the personnel and operating  
 14 expenses of the Veterans' Cemetery Northeast in Greenup County.

15 **(8) Debt Service - Fourth State Veterans' Nursing Home:** If any debt service is  
 16 required for the issuance of bonds for the construction of the Fourth State Veterans'  
 17 Nursing Home authorized in Part II, Capital Projects Budget, of this Act in fiscal year  
 18 2008-2009 or fiscal year 2009-2010, it shall be deemed a necessary government expense  
 19 and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget  
 20 Reserve Trust Fund Account (KRS 48.705). No bonds shall be sold for this project until it  
 21 has been approved by the United States Department of Veterans' Affairs and the  
 22 Commonwealth has been notified by the United States Department of Veterans' Affairs  
 23 that federal funds are available to support this construction.

24 **7. GOVERNOR'S OFFICE OF AGRICULTURAL POLICY**

	<b>2008-09</b>	<b>2009-10</b>
25		
26	General Fund (Tobacco)	35,041,000 34,917,600
27	Restricted Funds	547,800 480,700

1 TOTAL 35,588,800 35,398,300

2 (1) **Kentucky Agricultural Finance Corporation:** Notwithstanding KRS  
 3 247.978(2), the total amount of principal which a qualified applicant may owe the  
 4 Kentucky Agricultural Finance Corporation at any one time shall not exceed \$5,000,000.

5 (2) **Tobacco Settlement Funds - Allocations:** Notwithstanding KRS 248.711(2),  
 6 and from the allocation provided therein, counties that are allocated in excess of \$20,000  
 7 annually may provide up to four percent of the individual county allocation, not to exceed  
 8 \$15,000 annually, to the county council in that county for administrative costs.

9 (3) **Authorization of Additional Positions:** Included in the above General Fund  
 10 (Tobacco) appropriation is \$80,000 in each fiscal year for two additional positions.

11 (4) **Tobacco Settlement Funds - Debt Service:** Included in the above General  
 12 Fund (Tobacco) appropriation is \$884,000 in fiscal year 2009-2010 for new debt service  
 13 to support \$10,000,000 of new bonds as set forth in Part II, Capital Projects Budget, of  
 14 this Act for the Kentucky Agriculture Heritage Center.

15 (5) **Kentucky Tobacco Export Promotion:** Notwithstanding KRS 248.711, the  
 16 Agricultural Development Board may receive applications for funds to be used for  
 17 Kentucky tobacco export promotion. The board may consider as a criterion for  
 18 application for tobacco export promotion that these funds shall not be used for  
 19 operational expenses of an organization including salary or overhead expenses.

20 **8. KENTUCKY INFRASTRUCTURE AUTHORITY**

	2008-09	2009-10
21 General Fund	955,800	2,472,100
22 Restricted Funds	1,752,600	1,279,400
23 Federal Funds	50,172,600	50,172,600
24 TOTAL	52,881,000	53,924,100

25  
 26 (1) **Administrative Fee on Infrastructure for Economic Development Fund**  
 27 **Projects:** A one-half of one percent administrative fee is authorized to be paid to the

1 Kentucky Infrastructure Authority for the administration of each project funded by the  
 2 Infrastructure for Economic Development Fund for Coal-Producing Counties and the  
 3 Infrastructure for Economic Development Fund for Tobacco Counties. These  
 4 administrative fees shall be paid, upon inception of the project, out of the fund from  
 5 which the project was allocated.

6 **(2) Local Government Economic Development Funds:** Included in the above  
 7 General Fund appropriation is \$370,000 in each year of the biennium from the Local  
 8 Government Economic Development Fund to support services provided to coal-  
 9 producing counties.

10 **(3) Debt Service:** Included in the above General Fund appropriation is \$714,000  
 11 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
 12 Capital Projects Budget, of this Act.

13 ~~[(4) Compensation to Area Development Districts: Included in the above~~  
 14 ~~appropriation is \$2,214,700 in each year of the biennium for disbursement to Area~~  
 15 ~~Development Districts for water management planning services and maintenance of the~~  
 16 ~~Water Resource Information System.] (Veto No. 1)~~

## 17 9. MILITARY AFFAIRS

18		2008-09	2009-10
19	General Fund	10,630,800	10,833,800
20	Restricted Funds	37,711,400	38,086,100
21	Federal Funds	42,182,800	42,182,800
22	TOTAL	90,525,000	91,102,700

23 **(1) Kentucky National Guard:** There is appropriated from the General Fund the  
 24 necessary funds to be expended, subject to the conditions and procedures provided in this  
 25 Act, which are required as a result of the Governor's declaration of emergency pursuant to  
 26 KRS Chapter 39A, and the Governor's call of the Kentucky National Guard to active duty  
 27 when an emergency or exigent situation has been declared to exist by the Governor.

1 These necessary funds shall be made available from the General Fund Surplus Account  
 2 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

3 **(2) Disaster or Emergency Aid Funds:** There is appropriated from the General  
 4 Fund the necessary funds, subject to the conditions and procedures in this Act, which are  
 5 required to match federal aid to which the state would be eligible in the event of a  
 6 presidentially declared disaster or emergency. These necessary funds shall be made  
 7 available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve  
 8 Trust Fund Account (KRS 48.705).

9 **(3) Flood Warning Replacement Funding:** Included in the above appropriation  
 10 is \$100,000 of General Fund moneys in fiscal year 2008-2009 and \$65,000 in General  
 11 Fund moneys in fiscal year 2009-2010 for operational costs for the Integrated Flood  
 12 Warning System.

13 **(4) Patton Museum:** The General Fund moneys of \$12,799,700 appropriated in  
 14 2006 Ky. Acts ch. 252, Part I, A., 8., for fiscal year 2007-2008 shall include \$500,000 to  
 15 provide funds for a grant to support the operations of the Patton Museum.

16 **(5) Search and Rescue Grant Program:** Included in the above General Fund  
 17 appropriation is \$150,000 in fiscal year 2008-2009 and \$150,000 in fiscal year 2009-2010  
 18 to support the Search and Rescue Grant Program.

19 **(6) Debt Service:** Included in the above Restricted Funds appropriation is  
 20 \$1,118,000 in fiscal year 2008-2009 and \$1,659,000 in fiscal year 2009-2010 to support  
 21 agency bonds previously authorized and new agency bonds as set forth in Part II, Capital  
 22 Projects Budget, of this Act.

23 **10. COMMISSION ON HUMAN RIGHTS**

	<b>2008-09</b>	<b>2009-10</b>
24		
25	General Fund	2,001,800
		2,060,400
26	Restricted Funds	1,600
		1,600
27	Federal Funds	278,200
		283,700

1	TOTAL	2,281,600	2,345,700
---	-------	-----------	-----------

2 **11. COMMISSION ON WOMEN**

3		<b>2008-09</b>	<b>2009-10</b>
4	General Fund	239,900	237,900
5	Restricted Funds	10,000	18,200
6	TOTAL	249,900	256,100

7 **12. GOVERNOR'S OFFICE FOR LOCAL DEVELOPMENT**

8		<b>2008-09</b>	<b>2009-10</b>
9	General Fund	9,742,300	11,542,800
10	Restricted Funds	3,616,200	1,240,500
11	Federal Funds	55,564,200	55,564,200
12	TOTAL	68,922,700	68,347,500

13 **(1) Debt Service:** Included in the above General Fund appropriation is \$99,000 in  
 14 fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
 15 Capital Projects Budget, of this Act.

16 **(2) Support of the 12 Multi-County Regional Industrial Park Authorities:**  
 17 Included in the above Restricted Funds appropriation is \$200,000 in fiscal year 2008-  
 18 2009 and \$200,000 in fiscal year 2009-2010 in support of the 12 Multi-County regional  
 19 industrial park authorities. Funds shall be distributed equally to the 12 Multi-County  
 20 regional industrial park authorities for marketing and maintenance of the industrial parks  
 21 and the procurement of property and casualty insurance on the parks.

22 **13. LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND**

23		<b>2008-09</b>	<b>2009-10</b>
24	General Fund	55,093,000	57,155,100

25 **14. LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND**

26		<b>2008-09</b>	<b>2009-10</b>
27	General Fund	51,396,300	51,062,800

1           **(1) Coal Severance Tax Collections Calculations and Transfers:** The above  
2 appropriations from the General Fund are based on the official estimate presented by the  
3 Office of State Budget Director for coal severance tax collections during the biennium,  
4 distributed in accordance with KRS 42.450 to 42.495.

5           **(2) Kentucky Workers' Compensation Funding Commission:**  
6 Notwithstanding KRS 342.122(1)(c), no General Fund appropriation is provided to the  
7 Kentucky Workers' Compensation Funding Commission in fiscal year 2008-2009 and  
8 fiscal year 2009-2010.

9           **(3) Osteopathic Medicine Scholarship Program:** The transfer of moneys from  
10 the General Fund to the Local Government Economic Development Fund shall be made  
11 after the transfer to the Osteopathic Medicine Scholarship Program has been made  
12 pursuant to KRS 164.7891(11) and (12) in the amount of \$854,400 in fiscal year 2008-  
13 2009 and \$854,400 in fiscal year 2009-2010 within the Kentucky Higher Education  
14 Assistance Authority.

15           **(4) Trover Clinic Grant:** Notwithstanding KRS 42.4582 and 42.4585, the  
16 quarterly calculation and transfer of the funds shall be made only after each quarterly  
17 installment of the annual appropriation of \$1,000,000 in fiscal year 2008-2009 and  
18 \$1,000,000 in fiscal year 2009-2010 has been credited to the Trover Clinic Grant within  
19 the Governor's Office for Local Development.

20           **(5) Pharmacy Scholarship Fund:** Notwithstanding KRS 164.7901(11) to (13),  
21 no funds shall be transferred to the Pharmacy Scholarship Program Fund within the  
22 Kentucky Higher Education Assistance Authority in fiscal year 2008-2009 and fiscal year  
23 2009-2010.

24           **(6) School Facilities Construction Commission - 2002-2004:** Notwithstanding  
25 KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing  
26 counties through the Local Government Economic Development Fund in fiscal year  
27 2008-2009 shall be made only after funds totaling \$4,617,900, and in fiscal year 2009-

1 2010 shall be made only after funds totaling \$4,617,900, are appropriated as General  
 2 Fund moneys to the School Facilities Construction Commission to provide debt service to  
 3 support previously authorized bonds.

4 **(7) Water and Sewer Resources Development Fund for Coal-Producing**  
 5 **Counties - 2002-2004:** Notwithstanding KRS 42.4592, the quarterly calculation of the  
 6 allocation of moneys to coal-producing counties through the Local Government  
 7 Economic Development Fund shall be made only after each quarterly installment of the  
 8 annual appropriation of \$4,091,400 in fiscal year 2008-2009 and \$4,091,400 in fiscal year  
 9 2009-2010 is appropriated as General Fund moneys to the Finance and Administration  
 10 Cabinet, Debt Service budget unit, to provide General Fund debt service to support  
 11 previously authorized bonds for the Water and Sewer Resources Development Fund for  
 12 Coal-Producing Counties.

13 **(8) Infrastructure for Economic Development Fund for Coal-Producing**  
 14 **Counties - 2006-2008:** Notwithstanding KRS 42.4592, the quarterly calculation of the  
 15 allocation of moneys to coal-producing counties through the Local Government  
 16 Economic Development Fund shall be made only after each quarterly installment of the  
 17 annual appropriation of \$1,071,400 in fiscal year 2008-2009 and \$1,074,800 in fiscal year  
 18 2009-2010 is appropriated as General Fund moneys to the Finance and Administration  
 19 Cabinet, Debt Service budget unit, to provide General Fund debt service to support  
 20 previously authorized bonds for the Infrastructure for Economic Development Fund for  
 21 Coal-Producing Counties.

22 **(9) Read to Achieve:** Notwithstanding KRS 42.4592, the quarterly calculation of  
 23 the allocation of moneys to coal-producing counties through the Local Government  
 24 Economic Development Fund shall be made only after each quarterly installment of the  
 25 annual appropriation of \$3,000,000 in fiscal year 2008-2009 and \$3,000,000 in fiscal year  
 26 2009-2010 is appropriated as General Fund moneys to the Learning and Results Services  
 27 budget unit for the Read to Achieve Program within the Department of Education.



1           **(10) Flood Control Matching Pool:** Notwithstanding KRS 42.4592, the quarterly  
2 calculation of the allocation of moneys to coal-producing counties through the Local  
3 Government Economic Development Fund shall be made only after each quarterly  
4 installment of the annual appropriation of \$800,000 in fiscal year 2008-2009 and  
5 \$800,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the  
6 Governor's Office for Local Development for the Flood Control Matching Pool.

7           **(11) Kentucky Infrastructure Authority:** Notwithstanding KRS 42.4592, the  
8 quarterly calculation of the allocation of moneys to coal-producing counties through the  
9 Local Government Economic Development Fund shall be made only after each quarterly  
10 installment of the annual appropriation of \$370,000 in fiscal year 2008-2009 and  
11 \$370,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the  
12 Kentucky Infrastructure Authority.

13           **(12) Governor's Office for Local Development:** Notwithstanding KRS 42.4592,  
14 the quarterly calculation of the allocation of moneys to coal-producing counties through  
15 the Local Government Economic Development Fund shall be made only after each  
16 quarterly installment of the annual appropriation of \$669,700 in fiscal year 2008-2009  
17 and \$669,700 in fiscal year 2009-2010 is appropriated as General Fund moneys to the  
18 Community Development Office in the Governor's Office for Local Development.

19           **(13) Mining Engineering Scholarship Program:** Notwithstanding KRS 42.4592,  
20 the quarterly calculation of the allocation of moneys to coal-producing counties through  
21 the Local Government Economic Development Fund shall be made only after each  
22 quarterly installment of the annual appropriation of \$300,000 in fiscal year 2008-2009  
23 and \$300,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the  
24 University of Kentucky budget unit for the Mining Engineering Scholarship Program.

25           **(14) KIA Infrastructure for Economic Development Fund for Coal-Producing**  
26 **Counties - 2004-2006:** Notwithstanding KRS 42.4588, funds totaling \$7,028,200 in  
27 fiscal year 2008-2009 and \$7,028,200 in fiscal year 2009-2010 shall be transferred from

1 the Local Government Economic Development Fund, Multi-County Fund, to the General  
2 Fund to be used by the Finance and Administration Cabinet, Debt Service budget unit, to  
3 support previously authorized bonds for the Infrastructure for Economic Development  
4 Fund for Coal-Producing Counties Bond Pool.

5 **(15) Operation Unite:** Notwithstanding KRS 42.4588, funds totaling \$2,000,000  
6 in fiscal year 2008-2009 and \$2,000,000 in fiscal year 2009-2010 shall be transferred  
7 from the Local Government Economic Development Fund, Multi-County Fund, to the  
8 Office of Drug Control Policy, Justice and Administration budget unit, for Operation  
9 Unite in relation to the Federal Task Force on Drug Abuse.

10 **(16) Drug Courts:** Notwithstanding KRS 42.4588, \$1,800,000 in fiscal year 2008-  
11 2009 and \$1,800,000 in fiscal year 2009-2010 shall be transferred from the Local  
12 Government Economic Development Fund, Multi-County Fund, to the Drug Court  
13 Program in the Office of Drug Control Policy, Justice Administration budget unit.

14 **(17) Tourism Marketing Program:** Notwithstanding KRS 42.4588, \$500,000 in  
15 fiscal year 2008-2009 and \$500,000 in fiscal year 2009-2010 shall be transferred from the  
16 Local Government Economic Development Fund, Multi-County Fund, to the Tourism  
17 budget unit within the Commerce Cabinet for the Tourism Marketing Program.

18 **(18) Energy Research and Development Fund:** (a) Notwithstanding KRS  
19 42.4588, \$3,500,000 in fiscal year 2008-2009 and \$3,500,000 in fiscal year 2009-2010  
20 shall be transferred from the Local Government Economic Development Fund, Multi-  
21 County Fund, to the Office of Energy Policy budget unit. These funds shall be used,  
22 except as specified in paragraph (b) of this subsection, for research projects relating to  
23 clean coal, new combustion technology, thin-seam coal extraction, safety, tracking and  
24 communication devices, coal slurry disposal, synthetic natural gas produced from coal  
25 through gasification processes, and the development of alternative transportation fuels  
26 produced by processes that convert coal or biomass resources or extract oil from oil shale,  
27 and other coal research and shall be targeted solely to Kentucky's Local Government

1 Economic Development Fund-eligible counties. The Office of Energy Policy shall  
 2 coordinate its efforts with those of Kentucky's universities and related Kentucky  
 3 Community and Technical College System programs in order to maximize Kentucky's  
 4 opportunities for federal funding and receive research grants and awards from federal and  
 5 other sources of funding for the development of clean coal technology, coal-to-liquid-fuel  
 6 conversion, alternate transportation fuels, and biomass energy resources.

7 (b) The General Assembly recognizes the importance of proactively addressing the  
 8 issue of carbon management in existing coal-fired and natural gas-fired power plants, and  
 9 the need for the development of technologies to address carbon emissions from all  
 10 sources. Further, the General Assembly recognizes that it is vital for the economic well-  
 11 being of the Commonwealth and its citizens that technologies and strategies for the  
 12 capture, utilization, or mitigation of carbon dioxide emissions be developed and  
 13 demonstrated.

14 Therefore, included in the appropriation to the Office of Energy Policy from the  
 15 Local Government Economic Development Fund, Multi-County Fund in paragraph (a) of  
 16 this subsection is \$1,000,000 in fiscal year 2008-2009 and \$1,000,000 in fiscal year 2009-  
 17 2010 which shall not be expended unless matched with federal or private funds for the  
 18 purpose of supporting research and development activities at the University of Kentucky  
 19 Center for Applied Energy Research directed toward the development and demonstration  
 20 of technologies for carbon management. These technologies may include: chemical or  
 21 mechanical capture, chemical or biological utilization, mitigation through the use of  
 22 alternative fuel sources, or other relevant technologies.

23 **(19) KIA Infrastructure for Economic Development Fund for Coal-Producing**  
 24 **Counties - 2006-2008:** Notwithstanding KRS 42.4588, funds totaling \$7,499,600 in  
 25 fiscal year 2008-2009 and \$7,523,300 in fiscal year 2009-2010 shall be transferred from  
 26 the Local Government Economic Development Fund, Multi-County Fund, to the General  
 27 Fund to be used by the Finance and Administration Cabinet, Debt Service budget unit, to

1 support previously authorized bonds for the Infrastructure for Economic Development  
2 Fund for Coal-Producing Counties Bond Pool.

3 **(20) Debt Service:** All necessary debt service amounts shall be appropriated from  
4 the General Fund and shall be fully paid regardless of whether there are sufficient moneys  
5 available to be transferred from coal severance tax-supported funding program accounts  
6 to other accounts of the General Fund.

7 **(21) Parameters for County Flexibility:** Notwithstanding KRS 42.4588(2), Local  
8 Government Economic Development Fund allocations may be used to support the  
9 nonrecurring investments in public health and safety, economic development, public  
10 infrastructure, information technology development and access, and public water and  
11 wastewater development, with the concurrence of both the respective fiscal court and the  
12 Governor's Office for Local Development or the Kentucky Infrastructure Authority, as  
13 appropriate.

14 **(22) Kentucky Wood Products Competitiveness Corporation:** Notwithstanding  
15 KRS 42.4586, no funds shall be transferred to the Secondary Wood Products  
16 Development Fund.

17 **(23) Coal Severance Tax Receipts:** Notwithstanding KRS 45.229, the  
18 appropriations of coal severance tax receipts made in this Act shall not lapse but shall be  
19 carried forward at the end of each fiscal year.

20 **(24) School Technology in Coal Counties:** Notwithstanding KRS 42.4592, the  
21 quarterly calculation of the allocation of moneys to coal-producing counties through the  
22 Local Government Economic Development Fund shall be made only after each quarterly  
23 installment of the annual appropriation of \$2,500,000 in fiscal year 2008-2009 and  
24 \$2,500,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the  
25 Office of Operations and Support Services budget unit within the Department of  
26 Education as set forth in Part I, D., 2., of this Act for the purpose of enhancing education  
27 technology in local school districts within coal-producing counties.

1           **(25) Support of the 12 Multi-County Regional Industrial Park Authorities:**  
 2 Notwithstanding KRS 42.4588, funds totaling \$200,000 in fiscal year 2008-2009 and  
 3 \$200,000 in fiscal year 2009-2010 shall be transferred from the Local Government  
 4 Economic Development Fund, Multi-County Fund, to the Governor's Office for Local  
 5 Development to be distributed equally to the 12 Multi-County regional industrial park  
 6 authorities located in coal counties to be used for marketing and maintenance of the  
 7 industrial parks and for procurement of property and casualty insurance on the parks.

8           **(26) Mine Safety:** Notwithstanding KRS 42.4582 and 42.4585, the quarterly  
 9 calculation and transfer of moneys from the General Fund to the Local Government  
 10 Economic Development Fund shall be made only after each quarterly installment of the  
 11 annual appropriation of \$3,000,000 in fiscal year 2008-2009 and \$3,000,000 in fiscal year  
 12 2009-2010 has been made to the Mine Safety and Licensing budget unit.

13           **(27) Robinson Scholars Program:** Notwithstanding KRS 42.4592, the quarterly  
 14 calculation of the allocation of moneys to coal-producing counties through the Local  
 15 Government Economic Development Fund shall be made only after each quarterly  
 16 installment of the annual appropriation of \$1,000,000 in fiscal year 2008-2009 and  
 17 \$1,000,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the  
 18 University of Kentucky for the Robinson Scholars Program.

19 **15. AREA DEVELOPMENT FUND**

	2008-09	2009-10
21           General Fund	691,200	691,200

22           **(1) Appropriation Limit:** Notwithstanding KRS 48.185, funds recommended  
 23 from the General Fund for the Area Development Fund shall be limited to these amounts.

24 **16. EXECUTIVE BRANCH ETHICS COMMISSION**

	2008-09	2009-10
26           General Fund	448,500	448,500
27           Restricted Funds	46,000	46,000

1	TOTAL	494,500	494,500
---	-------	---------	---------

2 **17. SECRETARY OF STATE**

3		<b>2008-09</b>	<b>2009-10</b>
4	General Fund	2,050,000	2,050,000
5	Restricted Funds	897,000	961,000
6	TOTAL	2,947,000	3,011,000

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

10 **(2) Redacting Service:** Notwithstanding KRS 14.140(1) and (3), the Secretary of  
11 State is authorized to expend up to \$390,000 in Restricted Funds during the 2008-2010  
12 biennium for redacting services.

13 **18. BOARD OF ELECTIONS**

14		<b>2008-09</b>	<b>2009-10</b>
15	General Fund	4,210,700	2,847,400
16	Restricted Funds	569,400	569,300
17	Federal Funds	12,241,000	12,241,000
18	TOTAL	17,021,100	15,657,700

19 **(1) Help America Vote Act of 2002:** Amounts above those appropriated that are  
20 necessary to match Federal Funds from the Help America Vote Act shall be deemed a  
21 necessary government expense and shall be paid from the General Fund Surplus Account  
22 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

23 **(2) Cost of Elections:** Notwithstanding KRS 116.145, the State Board of  
24 Elections shall set a rate for the fee for new voter registration paid to the county clerks  
25 within the available appropriated resources. The State Board of Elections shall also set a  
26 fixed rate for the expenses outlined in KRS 117.343 within the available appropriated  
27 resources. Notwithstanding KRS 117.345(2), the State Board of Elections shall set a rate

1 for the expenses outlined in KRS 117.345(2) for precincts with a voting machine within  
 2 the available appropriated resources, not to exceed \$300 per precinct per election. These  
 3 rates and all assumptions as to the number of precincts, registered voters, and new voter  
 4 registrations shall be communicated to the Secretary of the Finance and Administration  
 5 Cabinet and the State Budget Director by November 1, 2008, for fiscal year 2008-2009  
 6 and by November 1, 2009, for fiscal year 2009-2010.

7 Costs associated with special elections, KRS 117.345(2) costs associated with  
 8 additional precincts with a voting machine, KRS 117.343 costs for additional registered  
 9 voters, and KRS 116.145 costs for additional new registered voters shall be deemed a  
 10 necessary government expense and shall be paid from the General Fund Surplus Account  
 11 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). Any  
 12 reimbursements authorized as a necessary government expense according to the above  
 13 provisions shall be at the same rates as those established by the State Board of Elections  
 14 as provided in the above paragraph.

15 **19. REGISTRY OF ELECTION FINANCE**

	<b>2008-09</b>	<b>2009-10</b>
16		
17	General Fund	1,347,400
		1,382,200

18 **20. ATTORNEY GENERAL**

	<b>2008-09</b>	<b>2009-10</b>
19		
20	General Fund	12,873,800
		13,284,000
21	Restricted Funds	9,261,400
		9,269,900
22	Federal Funds	2,550,800
		2,607,100
23	TOTAL	24,686,000
		25,161,000

24 **(1) Expert Witnesses:** In addition to such funds as may be appropriated, the  
 25 Office of the Attorney General may request from the Finance and Administration Cabinet,  
 26 as a necessary government expense, such funds as may be necessary for expert witnesses.  
 27 Upon justification of the request, the Finance and Administration Cabinet shall provide

1 up to \$275,000 for the 2008-2010 fiscal biennium for this purpose to the Office of the  
2 Attorney General. The Office of Insurance shall provide the Office of the Attorney  
3 General any available information to assist in the preparation of a rate hearing pursuant to  
4 KRS 304.17A-095.

5 **(2) Annual and Sick Leave Service Credit:** Notwithstanding any statutory or  
6 regulatory restrictions to the contrary, any former employee of the Unified Prosecutorial  
7 System who has been appointed to a permanent full-time position under KRS Chapter  
8 18A shall be credited annual and sick leave based on service credited under the Kentucky  
9 Retirement Systems solely for the purpose of computation of sick and annual leave. This  
10 provision shall only apply to any new appointment or current employee as of July 1,  
11 1998.

12 **(3) Legal Services Contracts:** The Office of the Attorney General may present  
13 proposals to state agencies specifying legal work that is presently accomplished through  
14 Personal Service Contracts that indicate the Office of the Attorney General's capacity to  
15 perform the work at a lesser cost. State agencies may agree to make arrangements with  
16 the Office of the Attorney General to perform the legal work and compensate the Office  
17 of the Attorney General for the legal services. Notwithstanding KRS Chapter 45A, the  
18 Office of the Attorney General may contract with outside law firms on a contingency  
19 basis.

20 **(4) Child Sexual Abuse License Plate Revenue:** Notwithstanding KRS 186.162,  
21 the Transportation Cabinet shall review the costs related to the distribution of child  
22 victims' license plates. Any revenue received from the sale or renewal of those plates in  
23 excess of actual costs shall be transferred to the Child Victims' Trust Fund on an annual  
24 basis.

25 **(5) Compensatory Leave Conversion to Sick Leave:** If the Office of the  
26 Attorney General determines that internal budgetary pressures warrant further austerity  
27 measures, the Attorney General may institute a policy to suspend payment of 50 hour



1 blocks of compensatory time for those attorneys who have accumulated 240 hours of  
2 compensatory time and instead convert those hours to sick leave.

3 **(6) Reasonable Costs of Litigation:** Notwithstanding KRS 48.005(5) and (7),  
4 the Attorney General's Office may first recover its reasonable costs of litigation, as  
5 determined by the court, and any remaining funds after consumer restitution is made shall  
6 be deposited in the General Fund Surplus Account (KRS 48.700). Any costs recovered  
7 under this subsection shall be reported to the Interim Joint Committee on Appropriations  
8 and Revenue.

9 **21. UNIFIED PROSECUTORIAL SYSTEM**

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

13 **a. Commonwealth's Attorneys**

	<b>2008-09</b>	<b>2009-10</b>
14 General Fund	33,147,800	33,147,800
15 Restricted Funds	1,484,800	1,557,600
16 Federal Funds	97,800	114,300
17 TOTAL	34,730,400	34,819,700

18 **b. County Attorneys**

	<b>2008-09</b>	<b>2009-10</b>
19 General Fund	28,153,200	28,153,200
20 Restricted Funds	303,700	303,700
21 Federal Funds	570,200	584,700
22 TOTAL	29,027,100	29,041,600

23 **TOTAL - UNIFIED PROSECUTORIAL SYSTEM**

	<b>2008-09</b>	<b>2009-10</b>
24 General Fund	61,301,000	61,301,000

1	Restricted Funds	1,788,500	1,861,300
2	Federal Funds	668,000	699,000
3	TOTAL	63,757,500	63,861,300

4 **22. TREASURY**

5		<b>2008-09</b>	<b>2009-10</b>
6	General Fund	1,927,600	1,927,600
7	Restricted Funds	785,300	801,100
8	Road Fund	250,000	250,000
9	TOTAL	2,962,900	2,978,700

10 **(1) Unclaimed Property Fund:** Included in the above Restricted Funds  
 11 appropriation is a recurring transfer from the Unclaimed Property Fund. In each  
 12 respective fiscal year of the 2008-2010 fiscal biennium, \$785,300 and \$801,100 is  
 13 appropriated to provide funding for services performed by the Unclaimed Property  
 14 Division of the Department of the Treasury.

15 **23. AGRICULTURE**

16		<b>2008-09</b>	<b>2009-10</b>
17	General Fund	20,258,700	21,516,200
18	Restricted Funds	6,351,000	5,625,100
19	Federal Funds	4,765,800	4,706,800
20	TOTAL	31,375,500	31,848,100

21 **(1) Purchase of Agricultural Conservation Easement (PACE) Program:** The  
 22 PACE board may contract directly with land surveyors, real estate appraisers, and other  
 23 licensed professionals as necessary. The Department of Agriculture may receive funds  
 24 from local and private sources to match Federal Funds for the Purchase of Agricultural  
 25 Conservation Easement (PACE) Program.

26 **(2) Metrology Lab Operating Fees:** The Department of Agriculture may  
 27 promulgate administrative regulations establishing license fees, testing fees, and any other

1 fees necessary to operate and maintain a metrology lab in the Department of Agriculture.  
 2 These Restricted Funds receipts shall be utilized for personnel and operations of the  
 3 metrology lab.

4 **(3) Debt Service:** Included in the above General Fund appropriation is \$267,000  
 5 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
 6 Capital Projects Budget, of this Act.

7 **(4) Amusement Rides and Attractions Inspectors:** To provide for the highest  
 8 level of public safety, the Department of Agriculture shall allocate sufficient resources for  
 9 inspectors of amusement rides and attractions.

#### 10 **24. AUDITOR OF PUBLIC ACCOUNTS**

11		2008-09	2009-10
12	General Fund	5,369,800	5,660,300
13	Restricted Funds	4,266,700	4,266,700
14	TOTAL	9,636,500	9,927,000

15 **(1) Auditor's Scholarships:** Notwithstanding KRS 43.200, no funding is  
 16 provided for Auditor's scholarships.

17 **(2) Audit Services Contracts:** No state agency shall enter into any contract with  
 18 a nongovernmental entity for an audit unless the Auditor of Public Accounts has declined  
 19 in writing to perform the audit or has failed to respond within 30 days of receipt of a  
 20 written request. The agency requesting the audit shall furnish the Auditor of Public  
 21 Accounts a comprehensive statement of the scope and nature of the proposed audit.

22 **(3) Audit Records and Status Reports:** The Auditor of Public Accounts shall  
 23 report in writing each 60 days to the Interim Joint Committee on Appropriations and  
 24 Revenue the progress of all state audits, together with copies of all completed audits. The  
 25 Auditor of Public Accounts shall maintain a record of all time and expenses for each  
 26 audit or investigation.

27 **(4) Compensatory Leave Conversion to Sick Leave:** If the Auditor of Public

1 Accounts determines that internal budgetary pressures warrant further austerity measures,  
 2 the State Auditor may institute a policy to suspend payment of 50 hour blocks of  
 3 compensatory time for those auditors who have accumulated 240 hours of compensatory  
 4 time and instead convert those hours to sick leave.

5 **25. PERSONNEL BOARD**

	2008-09	2009-10
6		
7	740,700	793,800

8 **(1) Personnel Board Operating Assessment:** Each agency of the Executive  
 9 Branch with employees covered by KRS Chapter 18A shall be assessed each fiscal year  
 10 the amount required for the operation of the Personnel Board. The agency assessment  
 11 shall be determined by the Secretary of the Finance and Administration Cabinet based on  
 12 the authorized full-time positions of each agency on July 1 of each year of the biennium.  
 13 The Secretary of the Finance and Administration Cabinet shall collect the assessment.

14 **(2) Special Assessment:** As a result of increased workload or for other reasons in  
 15 the best interest of the State Merit System, the Chairman of the Personnel Board may  
 16 request a special assessment to adequately provide for the financial needs and operations  
 17 of the Personnel Board. Any special assessment for Personnel Board operations shall  
 18 receive the prior approval of the State Budget Director and the Secretary of the Finance  
 19 and Administration Cabinet. Should a special assessment be approved, it shall be  
 20 uniformly implemented with the same procedures as the regular Personnel Board  
 21 Operating Assessment.

22 **26. KENTUCKY RETIREMENT SYSTEMS**

	2008-09	2009-10
23		
24	25,905,600	26,725,500

25 **(1) Dependent Subsidy for Retirees - Kentucky Employee Retirement**  
 26 **System:** From January 1, 2008, through June 30, 2010, in addition to the benefits  
 27 conferred under KRS 61.702, a recipient of a nonhazardous monthly retirement allowance

1 shall also be eligible for the dependent subsidy as provided under the terms established by  
 2 the State Group Health Insurance Program. The dependent subsidy conferred to recipients  
 3 of a nonhazardous monthly retirement allowance shall not be considered as a benefit  
 4 protected by the inviolable contract provisions of KRS 61.692, 16.652, and 78.852.

5 **(2) Dependent Subsidy for Retirees - County Employees Retirement System:**

6 From January 1, 2008, through June 30, 2010, in addition to the benefits conferred under  
 7 KRS 61.702, a recipient of a nonhazardous monthly retirement allowance shall also be  
 8 eligible for the dependent subsidy as provided under the terms established by the State  
 9 Group Health Insurance Program. The dependent subsidy conferred to recipients of a  
 10 nonhazardous monthly retirement allowance shall not be considered as a benefit  
 11 protected by the inviolable contract provisions of KRS 61.692, 16.652, and 78.852.

12 **27. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS**

13 **a. Accountancy**

	2008-09	2009-10
14		
15	619,200	619,200

16 **b. Certification of Alcohol and Drug Counselors**

	2008-09	2009-10
17		
18	67,200	67,200

19 **c. Architects**

	2008-09	2009-10
20		
21	375,300	383,400

22 **d. Certification for Professional Art Therapists**

	2008-09	2009-10
23		
24	11,400	11,400

25 **e. Auctioneers**

	2008-09	2009-10
26		
27	442,800	428,800

1	<b>f. Barbering</b>		
2		<b>2008-09</b>	<b>2009-10</b>
3	Restricted Funds	289,400	289,400
4	<b>g. Chiropractic Examiners</b>		
5		<b>2008-09</b>	<b>2009-10</b>
6	Restricted Funds	241,400	247,800
7	<b>h. Dentistry</b>		
8		<b>2008-09</b>	<b>2009-10</b>
9	Restricted Funds	641,800	641,800
10	<b>i. Licensure and Certification for Dietitians and Nutritionists</b>		
11		<b>2008-09</b>	<b>2009-10</b>
12	Restricted Funds	69,600	69,600
13	<b>j. Embalmers and Funeral Directors</b>		
14		<b>2008-09</b>	<b>2009-10</b>
15	Restricted Funds	340,000	340,000
16	<b>k. Licensure for Professional Engineers and Land Surveyors</b>		
17		<b>2008-09</b>	<b>2009-10</b>
18	Restricted Funds	1,411,400	1,411,400
19	<b>l. Certification of Fee-Based Pastoral Counselors</b>		
20		<b>2008-09</b>	<b>2009-10</b>
21	Restricted Funds	3,500	3,500
22	<b>m. Registration for Professional Geologists</b>		
23		<b>2008-09</b>	<b>2009-10</b>
24	Restricted Funds	135,000	135,000
25	<b>n. Hairdressers and Cosmetologists</b>		
26		<b>2008-09</b>	<b>2009-10</b>
27	Restricted Funds	1,117,400	1,143,000

1	<b>o. Specialists in Hearing Instruments</b>		
2		<b>2008-09</b>	<b>2009-10</b>
3	Restricted Funds	52,700	52,700
4	<b>p. Interpreters for the Deaf and Hard of Hearing</b>		
5		<b>2008-09</b>	<b>2009-10</b>
6	Restricted Funds	31,000	31,000
7	<b>q. Examiners and Registration of Landscape Architects</b>		
8		<b>2007-08</b>	<b>2008-09</b>
9	Restricted Funds	3,700	63,700
10	<b>r. Licensure of Marriage and Family Therapists</b>		
11		<b>2008-09</b>	<b>2009-10</b>
12	Restricted Funds	83,200	83,200
13	<b>s. Licensure for Massage Therapy</b>		
14		<b>2008-09</b>	<b>2009-10</b>
15	Restricted Funds	91,500	91,500
16	<b>t. Medical Licensure</b>		
17		<b>2008-09</b>	<b>2009-10</b>
18	Restricted Funds	2,544,800	2,581,100
19	<b>u. Nursing</b>		
20		<b>2008-09</b>	<b>2009-10</b>
21	Restricted Funds	4,929,000	5,023,100
22	<b>v. Licensure for Nursing Home Administrators</b>		
23		<b>2008-09</b>	<b>2009-10</b>
24	Restricted Funds	47,000	47,000
25	<b>w. Licensure for Occupational Therapy</b>		
26		<b>2008-09</b>	<b>2009-10</b>
27	Restricted Funds	86,000	86,000

1	<b>x. Ophthalmic Dispensers</b>			
2			<b>2008-09</b>	<b>2009-10</b>
3	Restricted Funds		48,700	48,700
4	<b>y. Optometric Examiners</b>			
5			<b>2008-09</b>	<b>2009-10</b>
6	Restricted Funds		173,200	170,400
7	<b>z. Pharmacy</b>			
8			<b>2008-09</b>	<b>2009-10</b>
9	Restricted Funds		1,066,400	1,088,200
10	<b>aa. Physical Therapy</b>			
11		<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
12	Restricted Funds	39,600	328,600	332,700
13	<b>ab. Podiatry</b>			
14			<b>2008-09</b>	<b>2009-10</b>
15	Restricted Funds		22,900	23,200
16	<b>ac. Private Investigators</b>			
17			<b>2008-09</b>	<b>2009-10</b>
18	Restricted Funds		80,000	80,000
19	<b>ad. Licensed Professional Counselors</b>			
20			<b>2008-09</b>	<b>2009-10</b>
21	Restricted Funds		126,800	126,800
22	<b>ae. Proprietary Education</b>			
23			<b>2008-09</b>	<b>2009-10</b>
24	Restricted Funds		172,800	172,800
25	<b>af. Examiners of Psychology</b>			
26			<b>2008-09</b>	<b>2009-10</b>
27	Restricted Funds		191,100	191,100



1	<b>ag. Real Estate Appraisers</b>			
2			<b>2008-09</b>	<b>2009-10</b>
3	Restricted Funds		616,400	622,700
4	<b>ah. Real Estate Commission</b>			
5			<b>2008-09</b>	<b>2009-10</b>
6	Restricted Funds		2,541,600	2,574,900
7	<b>ai. Respiratory Care</b>			
8			<b>2008-09</b>	<b>2009-10</b>
9	Restricted Funds		181,100	181,100
10	<b>aj. Social Work</b>			
11			<b>2008-09</b>	<b>2009-10</b>
12	Restricted Funds		145,300	145,300
13	<b>ak. Speech-Language Pathology and Audiology</b>			
14			<b>2008-09</b>	<b>2009-10</b>
15	Restricted Funds		112,200	112,200
16	<b>al. Veterinary Examiners</b>			
17			<b>2008-09</b>	<b>2009-10</b>
18	Restricted Funds		237,800	237,800
19	<b>TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND</b>			
20	<b>COMMISSIONS</b>			
21		<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
22	Restricted Funds	43,300	19,739,200	19,959,300
23	<b>28. KENTUCKY RIVER AUTHORITY</b>			
24			<b>2008-09</b>	<b>2009-10</b>
25	General Fund		304,700	1,078,800
26	Restricted Funds		4,442,500	4,065,100
27	TOTAL		4,747,200	5,143,900

1           **(1) Water Withdrawal Fees:** The water withdrawal fees imposed by the  
2 Kentucky River Authority shall not be subject to state and local taxes. Notwithstanding  
3 KRS 151.710(10), Tier I water withdrawal fees shall be used to support the operations of  
4 the Authority and for contractual services for water supply and quality studies.

5           **(2) Debt Service:** Included in the above General Fund appropriation is \$774,000  
6 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
7 Capital Projects Budget, of this Act.

8           **29. SCHOOL FACILITIES CONSTRUCTION COMMISSION**

9		2008-09	2009-10
10	General Fund	109,623,000	111,003,200

11           **(1) Debt Service:** Included in the above General Fund appropriation is  
12 \$2,531,000 in fiscal year 2008-2009 and \$8,437,000 in fiscal year 2009-2010 for new  
13 debt service to support bonds as set forth in Part II, Capital Projects Budget, of this Act.

14           **(2) Growth Nickel Levy:** The Facilities Support Program of Kentucky is fully  
15 funded in the 2008-2010 fiscal biennium. Notwithstanding KRS 157.621(3), local school  
16 districts may exercise authority expressed in KRS 157.621(1) and (2).

17           **(3) School Facility Revenue:** A local board of education may commit an  
18 equivalent tax rate not to exceed five cents in addition to the taxes levied in KRS  
19 157.440(1)(b). Receipts from the levy shall be committed to debt service, new facilities,  
20 or major renovations of existing school facilities. The tax rate levied by the local board of  
21 education under this provision shall be made no later than October 1 of each odd-  
22 numbered year and shall not be equalized with state funding. The levy shall be subject to  
23 recall.

24           **(4) Urgent Need School Trust Fund:** The Urgent Need School Trust Fund is  
25 established in the Finance and Administration Cabinet for the purpose of assisting school  
26 districts that have urgent and critical construction needs. The Urgent Need School Trust  
27 Fund shall be administered by the School Facilities Construction Commission. The fund

1 may receive state appropriations, contributions, and grants from any source which shall  
 2 be credited to the trust fund and invested until needed. All interest earned on the fund  
 3 shall be retained in the trust fund. Notwithstanding KRS 45.229, moneys in the trust fund  
 4 shall not lapse but shall carry forward at the end of each fiscal year.

5 **(5) Additional Offers of Assistance:** Notwithstanding KRS 157.611 to 157.640,  
 6 157.650, 157.655, 157.660, or 157.665, the School Facilities Construction Commission is  
 7 authorized to make an additional \$150,000,000 in offers of assistance during the 2008-  
 8 2010 biennium in anticipation of debt service availability during the 2010-2012  
 9 biennium. No bonded indebtedness based on the above amount is to be incurred during  
 10 the 2008-2010 biennium.

11 **(6) Use of Local District Capital Outlay Funds:** Notwithstanding KRS  
 12 157.420(4) and (6), a local district may submit a request to the Commissioner of  
 13 Education to use capital outlay funds for maintenance expenditures or for the purchase of  
 14 property insurance in fiscal year 2008-2009 and fiscal year 2009-2010 without forfeiture  
 15 of the district's participation in the School Facilities Construction Commission Program~~;~~  
 16 ~~if the district's general fund carryover in the prior fiscal year is less than two percent~~.  
 17 *(Veto No. 2)*

18 **(7) 2006-2008 Offers of Assistance and Additional Offers of Assistance:**  
 19 Notwithstanding KRS 157.420(4), 157.620, and 157.622, the \$5,000,000 grant from the  
 20 2006-2008 appropriation in 2006 Ky. Acts ch. 252, Part II, to the School Facilities  
 21 Construction Commission awarded to the Graves County School District to address the  
 22 facility needs at Fancy Farm Elementary shall be used to construct a new elementary  
 23 school in the community of Fancy Farm with a student capacity no greater than 300  
 24 students, consistent with the Graves County District Facility Plan in effect at the time the  
 25 grant was awarded, notwithstanding any actions of the Kentucky Board of Education, the  
 26 Graves County Board of Education, or the School Facilities Construction Commission to  
 27 the contrary. The original award of \$5,000,000 shall not be prorated and the full amount

1 of the award shall be expended on this project. The time limit established by the School  
 2 Facilities Construction Commission for the utilization by a school district receiving a  
 3 grant of funds based on the procedures developed by the Urgent Need School Trust Fund  
 4 Advisory Committee, established in 2006 Ky. Acts ch. 252, Part I, A., 29., (4), shall be  
 5 extended by the length of time the recipient school district was prevented or delayed from  
 6 utilizing the grant during the pendency of a legal action which would affect the use of the  
 7 grant.

8 **(8) Prior Offers of Assistance:** Notwithstanding KRS 157.420(4), 157.620, and  
 9 157.622, a district that has received an offer of assistance relating to a Category 5 school  
 10 shall not be required to use the offer of assistance for any specific project identified at the  
 11 time of the original award, except as proscribed in subsection (7) of this section, but may  
 12 use the offer of assistance on any project on the district's approved facility plan that  
 13 relates to a Category 5 school.

14 **30. TEACHERS' RETIREMENT SYSTEM**

	<b>2008-09</b>	<b>2009-10</b>
16 General Fund	177,360,200	201,252,600
17 Restricted Funds	10,102,600	10,851,000
18 TOTAL	187,462,800	212,103,600

19 **(1) State Retirement Obligations:** Notwithstanding KRS 161.550, General Fund  
 20 moneys are appropriated to comply with the obligations of the state under the Teachers'  
 21 Retirement System statutes as provided in KRS 161.220 to 161.716.

22 **(2) Administrative Costs:** In accordance with KRS 161.420, in each fiscal year  
 23 an amount not greater than four percent of the receipts of the state accumulation fund  
 24 shall be set aside into the expense fund or expended for the administration of the  
 25 retirement system. No General Fund moneys are provided in fiscal year 2008-2009 or  
 26 fiscal year 2009-2010 for the cost of administration.

27 **(3) Amortization of Sick Leave:** Included in the above General Fund

1 appropriation is \$5,684,000 in fiscal year 2008-2009 and \$11,965,300 in fiscal year 2009-  
 2 2010 to provide the cost of amortizing the requirements of KRS 161.155, relating to sick  
 3 leave, for members retiring during the 2008-2010 fiscal biennium.

4 **(4) State Medical Insurance Fund Stabilization Contribution:**  
 5 Notwithstanding KRS 161.420 and 161.550, a portion of the state employer contribution  
 6 in a sufficient amount shall be allocated to the Teachers' Retirement System Medical  
 7 Insurance Fund instead of the State Accumulation Fund. Also included in the above  
 8 General Fund appropriation is \$18,210,700 in fiscal year 2009-2010 to amortize the cost  
 9 of the State Medical Insurance Fund Stabilization Contribution with the remainder to be  
 10 amortized under the schedule set forth in KRS 161.553.

11 **(5) Dependent Subsidy for Retirees under age 65:** Notwithstanding KRS  
 12 161.675(4)(a) and (b), from July 1, 2008, through June 30, 2010, for all retirees under the  
 13 age of 65 who participate in the Kentucky Group Health Insurance Program through the  
 14 Kentucky Teachers' Retirement System, the Kentucky Teachers' Retirement System shall  
 15 pay the same dependent subsidy that Executive Branch agencies pay for their active  
 16 employees who have similar coverage. The dependent subsidy is not subject to KRS  
 17 161.714.

18 **(6) Highly Skilled Educators' Retirement Benefits:** Salary supplements  
 19 received by persons selected as highly skilled educators on or after July 1, 2000, shall not  
 20 be included in the total salary compensation for any retirement benefits to which the  
 21 employee may be entitled.

22 **(7) Supplemental Health Insurance Funding:** Notwithstanding KRS  
 23 161.675(4)(a) and (b), included in the above General Fund appropriation is \$50,000 in  
 24 each fiscal year to enable the retirement system to provide a subsidy from July 1, 2008,  
 25 through June 30, 2010, for those retired state members over age 65 that insure their  
 26 spouses under age 65 through the state health insurance plan. The amount of the subsidy  
 27 for those over age 65 shall not exceed the amount of the subsidy for members under age

1 65 that choose couple, family, or parent plus coverage. The spousal subsidy is not subject  
2 to KRS 161.714.

3 **31. JUDGMENTS**

4		2008-09	2009-10
5	General Fund	-0-	-0-

6 **(1) Payment of Judgments and Carry Forward of General Fund**

7 **Appropriation Balance:** The above appropriation is for the payment of judgments as  
8 may be rendered against the Commonwealth by courts and orders of the State Personnel  
9 Board and, where applicable, shall be subject to the provisions of KRS Chapter 45, and  
10 for the payment of medical malpractice judgments against the University of Kentucky and  
11 the University of Louisville in accordance with KRS 164.892 and 164.941.  
12 Notwithstanding KRS 45.229, any remaining appropriation in the Judgments account at  
13 the end of fiscal year 2007-2008 or fiscal year 2008-2009 shall not lapse but shall be  
14 carried forward.

15 Funds required to pay the costs of items included within the Judgments are  
16 appropriated, and any required expenditure over the above amounts is to be paid first  
17 from the General Fund Surplus Account (KRS 48.700), if available, or from the Budget  
18 Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures  
19 provided in this Act.

20 **32. APPROPRIATIONS NOT OTHERWISE CLASSIFIED**

21		2008-09	2009-10
22	General Fund	6,267,500	6,267,500

23 **(1) Funding Sources for Appropriations Not Otherwise Classified:** Funds  
24 required to pay the costs of items included within the Appropriations Not Otherwise  
25 Classified are appropriated. Any required expenditure over the above amounts is to be  
26 paid first from the General Fund Surplus Account (KRS 48.700), if available, or from any  
27 available balance in either the Judgments budget unit appropriation or the Budget Reserve

1 Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in  
2 this Act.

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

8 **(2) Repayment of Awards or Judgments:** Funds are appropriated from the  
9 General Fund for the repayment of awards or judgments made by the Board of Claims  
10 against departments, boards, commissions, and other agencies maintained by  
11 appropriations out of the General Fund. However, awards under \$5,000 shall be paid  
12 from funds available for the operations of the agency.

13 **(3) Guardian Ad Litem Fees:** Included in the above appropriation is funding for  
14 fees to be paid to each guardian ad litem appointed by the court pursuant to KRS 311.732.  
15 The fee shall be fixed by the court and shall not exceed \$500.

16 **(4) Reissuance of Uncashed Checks:** Checks written by the State Treasurer and  
17 not cashed within the statutory period may be presented to the State Treasurer for  
18 reissuance in accordance with KRS 41.370.

19 **(5) Police Officer, Firefighter, and Active Duty National Guard and Reserve**  
20 **Survivor Benefits:** Funds are appropriated for payment of benefits for state and local  
21 police officers and firefighters in accordance with KRS 61.315 and 95A.070.

22 **TOTAL - GENERAL GOVERNMENT**

23		2007-08	2008-09	2009-10
24	General Fund (Tobacco)	-0-	35,041,000	34,917,600
25	General Fund	300,000	566,324,800	599,728,900
26	Restricted Funds	2,005,800	160,826,100	158,848,200
27	Federal Funds	-0-	196,061,700	192,164,300

1	Road Fund	-0-	500,000	500,000
2	TOTAL	2,305,800	958,753,600	986,159,000

3 **B. COMMERCE CABINET**

4 **Budget Units**

5 **1. SECRETARY**

6		<b>2008-09</b>	<b>2009-10</b>
7	General Fund	3,777,700	2,896,700
8	Restricted Funds	1,017,100	1,046,700
9	TOTAL	4,794,800	3,943,400

10 **(1) Outdoor Drama Grants:** Included in the above General Fund appropriation  
 11 is \$405,000 in each fiscal year for the purpose of supporting the following grants:  
 12 Someday Outdoor Drama, \$20,000 in each fiscal year; Stephen Foster, \$81,000 in each  
 13 fiscal year; Pioneer School of Drama, \$28,500 in each fiscal year; Music Theater of  
 14 Louisville, \$9,000 in each fiscal year; Pine Knob Theater, \$29,500 in each fiscal year;  
 15 Kincaid Regional Theater, \$27,500 in each fiscal year; Twilight Cabaret, \$9,000 in each  
 16 fiscal year; Horse Cave Theater, \$60,000 in each fiscal year; Jenny Wiley, \$39,500 in  
 17 each fiscal year; Indian Fort Drama of Berea, \$25,000 in each fiscal year; Fort Harrod  
 18 Drama Productions, \$41,000 in each fiscal year; Greenbo Lake State Resort Park,  
 19 \$10,000 in each fiscal year; and Russell County Ruscotown Players Production, \$25,000  
 20 in each fiscal year.

21 **(2) 2008 Ryder Cup:** Included in the above General Fund appropriation is  
 22 \$950,000 in fiscal year 2008-2009 to support PGA security requirements in the amount of  
 23 \$250,000 and PGA fees in the amount of \$700,000 pursuant to the 2008 Ryder Cup Trade  
 24 Agreement.

25 **2. ARTISANS CENTER**

26		<b>2008-09</b>	<b>2009-10</b>
27	General Fund	358,200	358,200



1	Restricted Funds	1,784,600	1,795,700
2	Road Fund	350,000	350,000
3	TOTAL	2,492,800	2,503,900

### 4 3. TOURISM

5		2007-08	2008-09	2009-10
6	General Fund	-0-	4,368,400	4,368,400
7	Restricted Funds	39,200	9,710,500	9,633,300
8	TOTAL	39,200	14,078,900	14,001,700

9 (1) **Tourism Marketing and Development:** Included in the above Restricted  
10 Funds appropriation is \$500,000 in fiscal year 2008-2009 and \$500,000 in fiscal year  
11 2009-2010 for Tourism Marketing and Development on behalf of the coal-producing  
12 counties. Fees for professional artists and entertainers performing on the Kentucky Music  
13 Trail may be paid from the Tourism Marketing Program.

14 (2) **Bluegrass State Games:** Included in the above General Fund appropriation is  
15 \$50,000 in each fiscal year for the Bluegrass State Games.

### 16 4. PARKS

17		2007-08	2008-09	2009-10
18	General Fund	5,000,000	30,045,900	30,315,900
19	Restricted Funds	-0-	56,957,600	57,197,600
20	TOTAL	5,000,000	87,003,500	87,513,500

21 (1) **Park Capital Maintenance and Renovation Fund:** Notwithstanding KRS  
22 148.810, no transfer to the Park Capital Maintenance and Renovation Fund shall be made.

23 (2) **Debt Service:** Included in the above General Fund appropriation is \$270,000  
24 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
25 Capital Projects Budget, of this Act.

### 26 5. HORSE PARK COMMISSION

27		2007-08	2008-09	2009-10
----	--	---------	---------	---------

1	General Fund	-0-	1,448,200	1,448,200
2	Restricted Funds	114,700	7,200,100	7,322,900
3	TOTAL	114,700	8,648,300	8,771,100

4 **6. STATE FAIR BOARD**

5			<b>2008-09</b>	<b>2009-10</b>
6	General Fund		-0-	181,000
7	Restricted Funds		38,804,400	39,345,000
8	TOTAL		38,804,400	39,526,000

9 **(1) Debt Service:** Included in the above Restricted Funds appropriation is  
10 \$4,424,400 in fiscal year 2008-2009 and \$4,424,400 in fiscal year 2009-2010 for  
11 previously issued bonds.

12 **(2) Debt Service:** Included in the above General Fund appropriation is \$181,000  
13 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
14 Capital Projects Budget, of this Act.

15 **7. FISH AND WILDLIFE RESOURCES**

16			<b>2008-09</b>	<b>2009-10</b>
17	Restricted Funds		31,401,800	31,975,200
18	Federal Funds		13,486,000	13,562,800
19	TOTAL		44,887,800	45,538,000

20 **8. HISTORICAL SOCIETY**

21			<b>2008-09</b>	<b>2009-10</b>
22	General Fund		7,154,200	7,154,200
23	Restricted Funds		757,000	907,500
24	TOTAL		7,911,200	8,061,700

25 **9. ARTS COUNCIL**

26			<b>2008-09</b>	<b>2009-10</b>
27	General Fund		3,719,500	3,831,400

1	Restricted Funds	332,700	215,800
2	Federal Funds	739,300	705,000
3	TOTAL	4,791,500	4,752,200

4       **(1) Open Meetings:** Any entity involved in producing or financing arts on a local  
5 or statewide basis, since the inception of fiscal year 2004-2005, which received a total of  
6 \$25,000 or less as a result of appropriations or grants from state or local governmental  
7 units, shall be exempt from the requirements of KRS 61.800 to 61.850.

8       **(2) Open Records:** Any entity involved in producing or financing arts on a local  
9 or statewide basis, since the inception of fiscal year 2004-2005, which received a total of  
10 \$25,000 or less as a result of appropriations or grants from state or local governmental  
11 units shall be exempt from the requirements of KRS 61.870 to 61.884.

#### 12   **10. HERITAGE COUNCIL**

13		<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
14	General Fund	-0-	908,100	952,100
15	Restricted Funds	40,000	320,300	255,300
16	Federal Funds	-0-	752,300	752,300
17	TOTAL	40,000	1,980,700	1,959,700

#### 18   **11. KENTUCKY CENTER FOR THE ARTS**

19		<b>2008-09</b>	<b>2009-10</b>
20	General Fund	1,112,700	1,509,700

21       **(1) Debt Service:** Included in the above General Fund appropriation is \$397,000  
22 in fiscal year 2009-2010 for debt service to support new bond funds as set forth in Part II,  
23 Capital Projects Budget, of this Act.

#### 24   **TOTAL - COMMERCE CABINET**

25		<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
26	General Fund	5,000,000	52,892,900	53,015,800
27	Restricted Funds	193,900	148,286,100	149,695,000

1	Federal Funds	-0-	14,977,600	15,020,100
2	Road Fund	-0-	350,000	350,000
3	TOTAL	5,193,900	216,506,600	218,080,900

4 **C. ECONOMIC DEVELOPMENT CABINET**

5 **Budget Units**

6 **1. SECRETARY**

7			<b>2008-09</b>	<b>2009-10</b>
8	General Fund		16,024,900	16,140,400
9	Restricted Funds		1,211,300	1,211,300
10	TOTAL		17,236,200	17,351,700

11 **(1) Funding for Commercialization and Innovation:** Notwithstanding  
 12 Subchapter 20 of KRS Chapter 154, interest income earned on the balances in the High-  
 13 Tech Construction/Investment Pool and loan repayments received by the High-Tech  
 14 Construction/Investment Pool shall be used to support the Department for  
 15 Commercialization and Innovation and are appropriated in addition to amounts  
 16 appropriated above.

17 **(2) Louisville Waterfront Development Corporation:** Included in the above  
 18 General Fund appropriation is \$420,800 in fiscal year 2008-2009 and \$420,800 in fiscal  
 19 year 2009-2010 for the Louisville Waterfront Development Corporation.

20 ~~[(3) Use of New Economy Funds: Notwithstanding KRS 154.12-278, funds~~  
 21 ~~totaling \$1,200,000 in each fiscal year from the High-Tech Investment Pool shall be used~~  
 22 ~~for a grant to administer the ConnectKentucky program.] (Veto No. 3)~~

23 **2. NEW BUSINESS DEVELOPMENT**

24			<b>2008-09</b>	<b>2009-10</b>
25	General Fund		1,321,800	1,330,300
26	Restricted Funds		300,000	300,000
27	TOTAL		1,621,800	1,630,300

1    **3.    FINANCIAL INCENTIVES**

	<b>2008-09</b>	<b>2009-10</b>
3           General Fund	5,186,400	7,410,500
4           Restricted Funds	1,744,300	1,781,200
5           TOTAL	6,930,700	9,191,700

6           **(1) Debt Service:** Included in the above General Fund appropriation is  
7    \$2,210,000 in fiscal year 2009-2010 for debt service to support new bonds as set forth in  
8    Part II, Capital Projects Budget, of this Act.

9           **(2) Carry Forward of General Fund Appropriation Balance for Bluegrass**  
10   **State Skills Corporation:** Notwithstanding KRS 45.229, the General Fund appropriation  
11   balance for training grants for fiscal year 2008-2009 and for fiscal year 2009-2010 for the  
12   Bluegrass State Skills Corporation shall not lapse and shall carry forward.

13          **(3) Metropolitan College:** Included in the above General Fund appropriation is  
14   \$1,992,300 in each fiscal year for the Metropolitan College program where participants  
15   attend the University of Louisville or the Jefferson Community and Technical College.

16    **4.    EXISTING BUSINESS DEVELOPMENT**

	<b>2008-09</b>	<b>2009-10</b>
18           General Fund	3,343,900	3,420,900
19           Federal Funds	199,900	204,300
20           TOTAL	3,543,800	3,625,200

21    **TOTAL - ECONOMIC DEVELOPMENT CABINET**

	<b>2008-09</b>	<b>2009-10</b>
23           General Fund	25,877,000	28,302,100
24           Restricted Funds	3,255,600	3,292,500
25           Federal Funds	199,900	204,300
26           TOTAL	29,332,500	31,798,900

27    **D. DEPARTMENT OF EDUCATION**

1 **Budget Units**2 **1. EXECUTIVE POLICY AND MANAGEMENT**

	2008-09	2009-10
4 General Fund	702,600	729,000

5 **(1) Employment of Personnel:** Notwithstanding KRS 18A.115, the Department  
6 of Education may fill, through memoranda of agreement, not more than 50 percent of its  
7 existing authorized positions below the division director level with individuals employed  
8 as school administrators and educators in Kentucky.

9 **(2) Employment of Leadership Personnel:** Notwithstanding KRS 18A.005 to  
10 18A.200, the Kentucky Board of Education shall continue to have sole authority to  
11 determine the employees of the Department of Education who are exempt from the  
12 classified service and to set their compensation comparable to the competitive market.

13 **2. OPERATIONS AND SUPPORT SERVICES**

	2008-09	2009-10
15 General Fund (Tobacco)	-0-	91,000
16 General Fund	46,275,400	46,766,500
17 Restricted Funds	2,210,100	2,210,100
18 Federal Funds	8,527,800	8,527,800
19 TOTAL	57,013,300	57,595,400

20 **(1) Debt Service:** (a) Included in the above General Fund appropriation is  
21 \$270,000 in fiscal year 2009-2010 for new debt service to support new bonds as set forth  
22 in Part II, Capital Projects Budget, of this Act.

23 (b) Included in the above General Fund (Tobacco) appropriation is \$91,000 in fiscal  
24 year 2009-2010 for new debt service to support new bonds for the FFA Leadership  
25 Training Center Renovation as set forth in Part II, Capital Projects Budget, of this Act.  
26 Future debt service payments for the FFA Leadership Training Center Renovation shall  
27 be provided from the General Fund. It is the intent of the General Assembly that in fiscal

1 year 2010-2011 and fiscal year 2011-2012, the debt service shall be provided from the  
2 General Fund.

3 **(2) School Technology in Coal Counties:** Notwithstanding KRS 42.4588(2) and  
4 (4), included in the above General Fund appropriation is \$2,500,000 in each fiscal year  
5 from the Local Government Economic Development Fund for the purpose of enhancing  
6 education technology in local school districts within coal-producing counties. The  
7 Commissioner of Education shall use the appropriation in this subsection to continue the  
8 Coal County Computing program in conjunction with the Cabinet for Economic  
9 Development through its Department of Commercialization and Innovation.

10 **(3) Education Technology Program:** Included in the above General Fund  
11 appropriation is \$19,500,000 in each fiscal year for the Education Technology Program.

12 **3. LEARNING AND RESULTS SERVICES**

	<b>2008-09</b>	<b>2009-10</b>
13		
14	General Fund (Tobacco)	1,525,000
15	General Fund	839,471,500
16	Restricted Funds	2,621,200
17	Federal Funds	718,019,000
18	TOTAL	1,561,636,700
		1,609,029,900

19 **(1) Funding for Employer Health and Life Insurance:** If the costs for health  
20 insurance or life insurance coverage for employees of local school districts exceed the  
21 levels of appropriated funds, any unexpended Support Education Excellence in Kentucky  
22 appropriations may be used to offset the unbudgeted costs. Any transfer shall be subject  
23 to approval of the Governor upon the written recommendation of the Secretary of the  
24 Finance and Administration Cabinet pursuant to the written request of the Commissioner  
25 of Education. The per-month per-employee administrative assessment shall be remitted to  
26 the Personnel Cabinet by the Department of Education from the General Fund  
27 appropriation for local school district health and life insurance.

1           **(2) Kentucky School for the Blind and Kentucky School for the Deaf:**  
2     Included in the above General Fund appropriation is \$7,223,900 in fiscal year 2008-2009  
3     and \$7,523,700 in fiscal year 2009-2010 for the Kentucky School for the Blind, and  
4     \$9,896,200 in fiscal year 2008-2009 and \$10,201,100 in fiscal year 2009-2010 for the  
5     Kentucky School for the Deaf.

6           **(3) Kentucky Education Technology System:** (a) Area Vocational Education  
7     Centers shall be fully eligible to participate in the Kentucky Education Technology  
8     System. Notwithstanding KRS 157.660, the School Facilities Construction Commission,  
9     in consultation with the Kentucky Board of Education and the Department of Education,  
10    shall develop administrative regulations which identify a methodology by which the  
11    average daily attendance for Area Vocational Education Centers may be equated to the  
12    average daily attendance of other local school districts in order that they may receive their  
13    respective distributions of these funds.

14           (b) The School for the Deaf and the School for the Blind shall be fully eligible,  
15    along with local school districts, to participate in the Kentucky Education Technology  
16    System in a manner that takes into account the special needs of the students of these two  
17    schools.

18           **(4) Family Resource and Youth Services Centers:** Funds appropriated to  
19    establish and support Family Resource and Youth Services Centers shall be transferred in  
20    fiscal year 2008-2009 and in fiscal year 2009-2010 to the Cabinet for Health and Family  
21    Services consistent with KRS 156.497. The Cabinet for Health and Family Services is  
22    authorized to use, for administrative purposes, no more than three percent of the total  
23    funds transferred from the Department of Education for the Family Resource and Youth  
24    Services Centers. If a certified person is employed as a director or coordinator of a Family  
25    Resource and Youth Services Center, that person shall retain his or her status as a  
26    certified employee of the school district.

27           If 70 percent or more of the funding level provided by the state is utilized to support



1 the salary of the director of a center, that center shall provide a report to the Cabinet for  
 2 Health and Family Services identifying the salary of the director. The Cabinet for Health  
 3 and Family Services shall transmit any reports received from Family Resource and Youth  
 4 Services Centers pursuant to this paragraph to the Legislative Research Commission.

5 **(5) Health Insurance:** Included in the above General Fund appropriation is  
 6 \$531,455,000 in fiscal year 2008-2009 and \$577,713,700 in fiscal year 2009-2010 for  
 7 employer contributions for health insurance and the contribution to the health  
 8 reimbursement account for employees waiving coverage.

9 **(6) Learning and Results Services Programs:** Notwithstanding KRS 156.265,  
 10 included in the above General Fund appropriation are the following allocations for the  
 11 2008-2010 fiscal biennium:

12 (a) \$13,228,700 in each fiscal year for the Extended School Services Program;

13 (b) \$57,145,000 in each fiscal year for the Family Resource and Youth Services  
 14 Centers Program;

15 (c) \$75,127,000 in each fiscal year for the Preschool Program;

16 (d) \$6,242,700 in each fiscal year for the Professional Development Program;

17 (e) \$4,709,300 in each fiscal year for the Safe Schools Program;

18 (f) \$1,400,000 in each fiscal year for ACT and WorkKeys testing;

19 (g) \$21,700,100 in each fiscal year for the Textbooks Program;

20 (h) \$1,400,000 in each fiscal year for the Collaborative Center for Literacy  
 21 Development;

22 (i) \$8,369,200 in each fiscal year for the Commonwealth Accountability Testing  
 23 System (CATS);

24 (j) \$616,500 in each fiscal year for the Blind/Deaf Residential Travel Program;

25 (k) \$2,100,000 in each fiscal year for the Community Education Program;

26 (l) \$720,900 in each fiscal year for the Dropout Prevention Program;

27 (m) \$22,558,100 in each fiscal year for the Early Reading Incentive Grant/Read to

1 Achieve Program;

2 (n) \$7,121,500 in each fiscal year for the Gifted and Talented Program;

3 (o) \$4,276,700 in each fiscal year for the School Food Services match;

4 (p) \$10,962,100 in each fiscal year for the State Agency Children Program;

5 (q) \$1,600,000 in each fiscal year for the Teacher Academies Program;

6 (r) \$1,886,700 in each fiscal year for the Teacher Recruitment and Retention

7 Program;

8 (s) \$800,000 in each fiscal year for the Virtual Learning Program;

9 (t) \$11,757,600 in each fiscal year for the Locally Operated Vocational Schools;

10 (u) \$610,300 in each fiscal year for the Writing Program;

11 (v) \$500,000 in each fiscal year for the Every1 Reads Program;

12 (w) \$2,378,700 in each fiscal year for Local School District Life Insurance;

13 (x) \$484,400 in each fiscal year for the Elementary Arts and Humanities Program;

14 (y) \$6,900,000 in each fiscal year for the Mathematics Achievement Fund;

15 (z) \$387,500 in each fiscal year for the Middle School Academic Center;

16 (aa) \$381,500 in each fiscal year for the Leadership and Mentor Fund;

17 (ab) \$994,700 in each fiscal year for the Professional Growth Fund;

18 (ac) \$500,000 in each fiscal year for the Save the Children/Rural Literacy

19 Program;

20 (ad) The allocations referenced in subsection (5) of this section for Local School

21 District Health Insurance;

22 (ae) \$100,000 in each fiscal year for a specialized tutoring program for students

23 with learning disabilities from Appalachian counties;

24 (af) \$430,000 in each fiscal year for the Partnership for Student Success Program;

25 (ag) \$5,649,800 in each fiscal year for the Highly Skilled Educator Program; and

26 (ah) \$1,507,900 in each fiscal year for the Commonwealth School Improvement

27 Fund.

1           **(7) Program Flexibility:** Notwithstanding KRS 157.226(2) and (3), 157.3175(3)  
2 and (4), and 160.345(8) with regard to the state allocation, four programs (Professional  
3 Development, Extended School Services, Textbooks, and Safe Schools) shall continue to  
4 permit the state and local school districts additional flexibility in the distribution of  
5 program funds while still addressing the governing statutes and serving the need and the  
6 intended student population. Notwithstanding KRS 157.226(2) and (3), 157.3175(3) and  
7 (4), and 160.345(8) with regard to the state allocation, local school districts may use  
8 funds from the Professional Development, Extended School Services, Textbooks, and  
9 Safe Schools programs to supplement the Preschool program in fiscal year 2008-2009  
10 and in fiscal year 2009-2010.

11           **(8) Publishing Requirements:** Notwithstanding KRS 158.6453(7), 160.463, and  
12 424.220, public availability of the school district's complete annual financial statement  
13 and the school report card shall be made by publishing the documents in the newspaper of  
14 the largest general circulation in the county, electronically on the Internet, or by printed  
15 copy at a prearranged site at the main branch of the public library within the school  
16 district. If publication on the Internet or by printed copy at the public library is chosen, the  
17 superintendent shall be directed to publish notification in the newspaper of the largest  
18 circulation in the county as to the location where the document can be viewed by the  
19 public. The notification shall include the address of the library or the electronic address of  
20 the Web site on the Internet where the documents can be viewed.

21           **(9) Locally Operated Vocational Programs:** Notwithstanding KRS 157.069, the  
22 supplemental funding distribution shall include Category II and III programs in districts  
23 established after June 21, 2001, with state assistance, if approved by the Commissioner of  
24 Education.

25           **(10) Coordination With Head Start:** Each local district shall work with Head  
26 Start and other existing preschool programs to avoid duplication of services and  
27 programs, to avoid supplanting federal funds, and to maximize Head Start funds in order

1 to serve as many four year old children as possible, and shall maintain certification from  
2 the Head Start director that the Head Start Program is fully utilized. If a local district fails  
3 to comply with the requirements of this section, the Commissioner of the Department of  
4 Education shall withhold preschool funding for an amount equal to the number of Head  
5 Start eligible children served in the district who would have been eligible to be served by  
6 Head Start under the full utilization certification required under this subsection. The  
7 Commissioner of the Department of Education shall resolve any disputes and make a  
8 determination of the district's compliance with the full utilization requirement.

9 **(11) Highly Skilled Educators:** Notwithstanding KRS 158.6455(3), 158.782, and  
10 160.350(3), the Kentucky Department of Education shall have the authority to expend  
11 moneys appropriated for the Highly Skilled Education Assistance Program on  
12 intervention services that may be required by the Federal No Child Left Behind Act of  
13 2001 (Pub. L. 107-110).

14 **(12) Commonwealth School Improvement Fund:** Notwithstanding KRS  
15 158.805, the Commissioner of Education shall be authorized to use the Commonwealth  
16 School Improvement Fund to provide support services to schools needing assistance  
17 under KRS 158.6455 or in order to meet the requirements of No Child Left Behind.

18 **(13) Surplus Property:** Notwithstanding KRS 45A.045, 45.777, and 56.463, any  
19 funds received by the Commonwealth from the disposal of any surplus property at the  
20 Kentucky School for the Blind and the Kentucky School for the Deaf shall be deposited  
21 in a restricted account and shall not be expended without appropriation authority granted  
22 by the General Assembly.

23 **(14) Allocation of Safe School Funds:** Notwithstanding KRS 158.446, the Center  
24 for School Safety shall develop and implement allotment policies for all moneys received  
25 for the purposes of KRS 158.440, 158.441, 158.442, 158.445, and 158.446.

26 **(15) Advisory Council for Gifted and Talented Education:** Notwithstanding  
27 KRS 158.648(1), a member of the State Advisory Council for Gifted and Talented

1 Education may be reappointed but shall not serve more than three consecutive terms.  
2 Notwithstanding KRS 158.648(1), a member of the Kentucky Association for Gifted  
3 Education shall be a voting member of the State Advisory Council for Gifted and  
4 Talented Education.

5 **(16) Program Administration:** The Department of Education is authorized to  
6 expend grant funds for costs related to the administration of programs for which it is  
7 responsible. The department may expend no more than five percent of each grant for  
8 these purposes and these expenditures shall be approved by the Office of the State Budget  
9 Director.

10 **(17) Local District Grant Fund Carry Forward:** Notwithstanding KRS 45.229,  
11 up to ten percent of any non-SEEK state grant fund, other than any state grant fund for the  
12 Read to Achieve Program, appropriated to the Department of Education and disbursed to  
13 a local district that is unexpended during fiscal year 2008-2009 shall be carried forward to  
14 fiscal year 2009-2010. Notwithstanding KRS 45.229, any state grant fund for the Read to  
15 Achieve Program in fiscal year 2008-2009 shall be carried forward to fiscal year 2009-  
16 2010.

17 **(18) Funds Transfer:** The Commissioner of the Department of Education may  
18 transfer any available funds between the Professional Growth Fund and the Professional  
19 Development Leadership Mentor Fund as needed to satisfy the demand and need to  
20 support respective teacher programs.

21 **(19) Georgia Chaffee Teenage Parent Program:** Included in the above General  
22 Fund appropriation is \$250,000 in each fiscal year for the Georgia Chaffee Teenage  
23 Parent Program.

24 **(20) ACT/WorkKeys Testing:** Notwithstanding KRS 158.6453, the payment by  
25 the Department of Education of the cost of the WorkKeys assessment for fiscal year  
26 2008-2009 and fiscal year 2009-2010 shall be limited to students in grade 12.  
27 Notwithstanding KRS 158.6459, the payment of a second ACT examination by the

1 Department of Education for students participating in accelerated learning for fiscal year  
 2 2008-2009 and fiscal year 2009-2010 shall be limited to students eligible for free or  
 3 reduced-price meals. The school shall maintain the student's learning plan and provide  
 4 evidence of consultation among parents, teachers, and the student.

5 **4. SUPPORT EDUCATION EXCELLENCE IN KENTUCKY (SEEK)**  
 6 **PROGRAM**

	2008-09	2009-10
8 General Fund	2,958,306,400	2,973,536,100

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

11 **(2) Base SEEK Allotments:** Notwithstanding KRS 157.420(2), the above  
 12 appropriation includes \$2,297,779,600 in fiscal year 2008-2009 and \$2,312,856,500 in  
 13 fiscal year 2009-2010 for the base SEEK Program as defined by KRS 157.360. Funds  
 14 appropriated to the SEEK Program shall be allotted to school districts in accordance with  
 15 KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the  
 16 appropriations for this purpose, except as provided in this Act. Notwithstanding KRS  
 17 157.360(2)(c), included in the appropriation for the base SEEK Program is \$214,752,800  
 18 in each fiscal year for pupil transportation.

19 **(3) Tier I Component:** Included in the above appropriation is \$176,342,800 in  
 20 fiscal year 2008-2009 and \$171,207,000 in fiscal year 2009-2010 for the Tier I  
 21 component as established by KRS 157.440.

22 **(4) Vocational Transportation:** Included in the above appropriation is  
 23 \$2,416,900 in each fiscal year for vocational transportation.

24 **(5) Secondary Vocational Education:** Included in the above appropriation is  
 25 \$23,289,000 in each fiscal year to provide secondary vocational education in state-  
 26 operated vocational schools.

27 **(6) Teachers' Retirement System Employer Match:** Included in the above

1 appropriation is \$353,283,000 in fiscal year 2008-2009 and \$362,692,700 in fiscal year  
 2 2009-2010 to enable local school districts to provide the employer match for qualified  
 3 employees as provided for by KRS 161.550.

4 **(7) Salary Supplements for Nationally Certified Teachers:** Notwithstanding  
 5 KRS 157.395, included in the above appropriation is \$2,750,000 in fiscal year 2008-2009  
 6 and \$3,000,000 in fiscal year 2009-2010 for the purpose of providing salary supplements  
 7 for public school teachers attaining certification by the National Board for Professional  
 8 Teaching Standards.

9 **(8) Allocation of SEEK Funds:** Notwithstanding KRS 157.360(2)(c), the above  
 10 appropriation to the base SEEK Program is intended to provide a base guarantee of  
 11 \$3,866 per student in average daily attendance in fiscal year 2008-2009 and \$3,909 per  
 12 student in average daily attendance in fiscal year 2009-2010 as well as to meet the other  
 13 requirements of KRS 157.360.

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

1           **(9) Final SEEK Calculation:** Notwithstanding KRS 157.410, on or before  
2 March 1 of each year, the chief state school officer shall determine the exact amount of  
3 the public common school fund to which each district is entitled, and the remainder of the  
4 amount due each district for the year shall be distributed in equal installments beginning  
5 the first month after completion of final calculation and for each successive month  
6 thereafter.

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

11           **(11) Facilities Support Program of Kentucky/Equalized Nickel Levies:**  
12 Included in the above appropriation is \$76,535,400 in fiscal year 2008-2009 and  
13 \$73,040,000 in fiscal year 2009-2010 to provide facilities equalization funding pursuant  
14 to KRS 157.440 and 157.620. Included in the above appropriation is \$14,117,300 in  
15 fiscal year 2008-2009 and \$13,015,300 in fiscal year 2009-2010 to provide facilities  
16 equalization funding pursuant to KRS 157.440, 157.620, and 157.621(2) and (3) for local  
17 school districts which have: (a) Levied the additional tax pursuant to KRS 157.621 for  
18 debt service and new facilities as of January 1, 2008; (b) Levied the five cents under the  
19 provisions of KRS 157.440; (c) Met the growth requirements in KRS 157.621(2) in fiscal  
20 year 2003-2004 or any fiscal year thereafter through fiscal year 2007-2008; and (d)  
21 Levied an additional nickel tax pursuant to KRS 157.621 in addition to (a) and (b) of this  
22 subsection by January 1, 2008.

23           **(12) Retroactive Equalized Facility Funding:** Included in the above  
24 appropriation is \$5,477,300 in fiscal year 2008-2009 and \$6,021,600 in fiscal year 2009-  
25 2010 to provide equalized facility funding to districts meeting the following eligibility  
26 requirements: A local board of education that levied a tax rate subject to recall by January  
27 1, 2008, in addition to the five cents levied pursuant to KRS 157.440(1)(b) and that



1 committed the receipts to debt service, new facilities, or major renovations of existing  
 2 facilities shall be eligible for equalization funds from the state at 150 percent of the  
 3 statewide average per pupil assessment. The equalization funds shall be used as provided  
 4 in KRS 157.440(1)(b). For the 2008-2010 fiscal biennium, equalization shall be provided  
 5 to districts that levied the tax rate subject to recall after June 30, 2007, at 25 percent of  
 6 the calculated equalization funding in fiscal year 2008-2009 and 50 percent of the  
 7 calculated equalization funding in fiscal year 2009-2010. It is the intent of the 2008  
 8 General Assembly that any local school district receiving partial equalization under this  
 9 subsection in the 2008-2010 fiscal biennium shall receive full calculated equalization in  
 10 the 2010-2012 fiscal biennium and thereafter.

11 **(13) Equalized Facility Funding:** Included in the above appropriation is  
 12 \$6,315,100 in fiscal year 2008-2009 and \$5,997,100 in fiscal year 2009-2010 to provide  
 13 equalized facility funding to districts meeting the following eligibility requirements: (a)  
 14 The board of education has levied at least a ten cent equivalent tax rate for building  
 15 purposes or has debt service of at least a ten cent equivalent tax rate as of February 24,  
 16 2005; (b) The district has not received equalized growth facility funding as a result of  
 17 2006 Ky. Acts ch. 252, Part I, D., 4.; (c) The district will not receive retroactive equalized  
 18 facility funding as set forth in this Act; and (d) The district has received approval by the  
 19 Commissioner of Education. Eligible districts shall receive equalization funds from the  
 20 state at 150 percent of the statewide average per pupil assessment, and these funds shall  
 21 be used as provided in KRS 157.440(1)(b). Notwithstanding any other provision of this  
 22 subsection, any local school district receiving equalized facility funding on the effective  
 23 date of this Act from the Kentucky Department of Education or from the School Facilities  
 24 Construction Commission shall continue to receive equalized facility funding for the  
 25 2008-2010 fiscal biennium. No new districts shall be added to this program in the 2008-  
 26 2010 fiscal biennium. Local school districts receiving equalized facility funding under  
 27 this subsection shall not enter into a bond issue during the 2008-2010 fiscal biennium

1 which includes any funding from this program for scheduled amortization payments after  
2 June 30, 2025.

3 **(14) Instructional Days:** (a) Notwithstanding KRS 158.070 and 2006 Ky. Acts ch.  
4 252, Part I, D., 4., (16), the school term for fiscal year 2007-2008 and each fiscal year  
5 thereafter shall include the equivalent of 177 six-hour instructional days and shall include  
6 no less than two six-hour instructional days in addition to those included in the 2005-  
7 2006 school calendar as approved by the Kentucky Department of Education. Districts  
8 may exceed 177 six-hour instructional days.

9 (b) The Commissioner of Education may approve a waiver of the requirements of  
10 paragraph (a) of this subsection for school districts that have developed and implemented  
11 innovative alternative school calendars for fiscal year 2007-2008 and for each year  
12 thereafter. The Commissioner of Education may approve a waiver of the requirements of  
13 paragraph (a) of this subsection for school districts that have experienced an  
14 unanticipated hardship in fiscal year 2007-2008.

15 (c) Prior to the approval of school calendars for fiscal year 2008-2009, the Kentucky  
16 Board of Education shall by administrative regulation establish procedures by which the  
17 Commissioner of Education may approve innovative alternative school calendars.

18 (d) No later than October 31, 2008, the Department of Education shall report to the  
19 Interim Joint Committee on Education the Kentucky Core Content Test results, norm  
20 referenced test results, EXPLORE test results, PLAN test results, and ACT test results for  
21 each school district with a school calendar of less than 177 actual school days.

22 **(15) Local School District Certified and Classified Employee Pay Policy:**  
23 Notwithstanding KRS 157.420, during fiscal year 2008-2009, local school districts shall  
24 provide all certified staff and classified staff a salary or compensation increase of not less  
25 than one percent and, during fiscal year 2009-2010, local school districts shall provide all  
26 certified staff and classified staff a salary or compensation increase, in addition to the  
27 increase provided in fiscal year 2008-2009, of not less than one percent. The salary

1 increases in fiscal year 2008-2009 and fiscal year 2009-2010 for certified staff shall be in  
 2 addition to the normal rank and step increase attained by certified personnel employed by  
 3 local school districts. Classified staff employed by a local board of education that work  
 4 less than full-time shall receive a pro rata share of the salary increase based on terms of  
 5 their employment. The above increase in fiscal year 2008-2009 and fiscal year 2009-2010  
 6 for classified staff shall be in addition to a normal step increase or any increase that might  
 7 result from assuming new duties or obtaining additional qualifications.

8 **(16) Use of Excess SEEK Funds:** If excess funds are available after the final  
 9 SEEK calculation in fiscal year 2008-2009 and fiscal year 2009-2010, the calculated state  
 10 SEEK portion shall be the calculated base SEEK funding minus the local effort required  
 11 pursuant to KRS 157.390(5). The value of real estate used in the calculation shall be the  
 12 lesser of the current year assessment or the prior year assessment increased by four  
 13 percent plus the value of current year new property. The provisions of this subsection  
 14 shall only be implemented if funding is available after any identified need is met pursuant  
 15 to Part I, D., 3., (1), of this Act.

16 **(17) Use of SEEK Funds:** To receive funds under the SEEK program, district  
 17 number 301 shall maintain operations of school number 170 during the time this budget  
 18 is in effect.

19 **TOTAL - DEPARTMENT OF EDUCATION**

	<b>2008-09</b>	<b>2009-10</b>
21 General Fund (Tobacco)	1,525,000	1,616,000
22 General Fund	3,844,755,900	3,907,896,300
23 Restricted Funds	4,831,300	4,831,300
24 Federal Funds	726,546,800	726,546,800
25 TOTAL	4,577,659,000	4,640,890,400

26 **E. EDUCATION CABINET**

27 **Budget Units**

1    **1.    GENERAL ADMINISTRATION AND PROGRAM SUPPORT**

	<b>2008-09</b>	<b>2009-10</b>
3           General Fund	3,249,200	3,249,200
4           Restricted Funds	6,040,200	6,155,500
5           Federal Funds	190,000	190,000
6           TOTAL	9,479,400	9,594,700

7           **(1) East Kentucky Science Center:** Included in the above General Fund  
8 appropriation is up to \$192,200 in fiscal year 2008-2009 and \$192,200 in fiscal year  
9 2009-2010 for the East Kentucky Science Center.

10   **2.    DEAF AND HARD OF HEARING**

	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
11           General Fund	100,000	929,000	929,000
12           Restricted Funds	-0-	457,000	457,000
13           TOTAL	100,000	1,386,000	1,386,000

15   **3.    KENTUCKY EDUCATIONAL TELEVISION**

	<b>2008-09</b>	<b>2009-10</b>
16           General Fund	13,242,800	13,242,800
17           Restricted Funds	1,527,400	1,554,100
18           Federal Funds	700,000	700,000
19           TOTAL	15,470,200	15,496,900

21   **4.    ENVIRONMENTAL EDUCATION COUNCIL**

	<b>2008-09</b>	<b>2009-10</b>
22           Restricted Funds	529,800	542,600
23           TOTAL	529,800	542,600

25   **5.    LIBRARIES AND ARCHIVES**26    **a.    General Operations**

	<b>2008-09</b>	<b>2009-10</b>
--	----------------	----------------

1	General Fund	6,754,900	6,766,900
2	Restricted Funds	1,399,800	1,433,600
3	Federal Funds	2,125,100	2,165,300
4	TOTAL	10,279,800	10,365,800

5       **(1) Local Records Grant Program:** Notwithstanding KRS 142.010(5), included  
6 in the above General Fund appropriation are amounts for the Local Records Grant  
7 program.

8       **(2) Collaboration with Public Entities:** The Department of Libraries and  
9 Archives shall collaborate with Kentucky's public colleges, universities, and libraries to  
10 explore alternatives to meet the archival needs of the Commonwealth.

11       **b. Direct Local Aid**

12		<b>2008-09</b>	<b>2009-10</b>
13	General Fund	6,175,400	6,175,400
14	Restricted Funds	1,261,700	1,156,500
15	Federal Funds	724,000	724,000
16	TOTAL	8,161,100	8,055,900

17       **(1) Per Capita Grants:** Notwithstanding KRS 171.201(2)(b), the department  
18 shall distribute the per capita grants within the available appropriated amounts

19       **(2) Public Library Facilities Construction Fund:** Notwithstanding KRS  
20 142.010(5), included in the above appropriations are funds up to \$255,000 for existing  
21 construction debt assistance grants in both fiscal years.

22       **TOTAL - LIBRARIES AND ARCHIVES**

23		<b>2008-09</b>	<b>2009-10</b>
24	General Fund	12,930,300	12,942,300
25	Restricted Funds	2,661,500	2,590,100
26	Federal Funds	2,849,100	2,889,300
27	TOTAL	18,440,900	18,421,700

1    **6.   OFFICE FOR THE BLIND**

	<b>2008-09</b>	<b>2009-10</b>
3           General Fund	1,328,100	1,328,100
4           Restricted Funds	1,487,400	1,530,700
5           Federal Funds	7,852,200	7,899,200
6 <b>TOTAL</b>	<b>10,667,700</b>	<b>10,758,000</b>

7    **7.   EMPLOYMENT AND TRAINING**

	<b>2008-09</b>	<b>2009-10</b>
9           Restricted Funds	2,665,800	2,368,800
10          Federal Funds	668,384,400	666,007,100
11 <b>TOTAL</b>	<b>671,050,200</b>	<b>668,375,900</b>

12           **(1)   Unemployment Insurance Penalty and Interest Account:** Notwithstanding  
13   KRS 341.835, up to \$3,000,000 from the Unemployment Insurance Penalty and Interest  
14   Account in the Unemployment Compensation Administration Fund may be used during  
15   each fiscal year by the Office of Employment and Training to operate employment,  
16   training, and unemployment insurance programs and up to \$750,000 shall be transferred  
17   in fiscal year 2008-2009 and fiscal year 2009-2010 to the General Administration and  
18   Program Support budget unit of the Education Cabinet to aid in the support of the Office  
19   of Employment and Training programs.

20   **8.   CAREER AND TECHNICAL EDUCATION**

	<b>2008-09</b>	<b>2009-10</b>
22          General Fund	26,628,300	26,778,300
23          Restricted Funds	21,132,100	20,526,100
24          Federal Funds	15,153,900	15,153,900
25 <b>TOTAL</b>	<b>62,914,300</b>	<b>62,458,300</b>

26           **(1)   Participation in the Education Technology Program by Area Vocational**  
27   **Education Centers:** Area Vocational Education Centers shall be fully eligible to

1 participate in the Kentucky Education Technology System. Notwithstanding KRS  
2 157.650, 157.655, 157.660, and 157.665, the School Facilities Construction Commission,  
3 in consultation with the Kentucky Board of Education and the Department of Education,  
4 shall develop administrative regulations which identify a methodology by which the  
5 average daily attendance for Area Vocational Education Centers may be equated to the  
6 average daily attendance of other local school districts in order that they may receive their  
7 respective distributions of these funds. The School Facilities Construction Commission  
8 shall include Area Vocational Education Centers in any offers of assistance to local  
9 school districts for technology assistance during the 2008-2010 fiscal biennium.

10 **(2) Transfer of State-Operated Secondary Vocational Education and**  
11 **Technology Centers:** (a) Notwithstanding KRS 151B.035, 151B.040, 151B.045,  
12 151B.050, 151B.055, and 151B.070, effective at the beginning of fiscal year 2008-2009,  
13 a local board of education may submit a request to the Executive Director of the Office of  
14 Career and Technical Education to assume authority for the management and control of a  
15 state-operated secondary vocational education and technology center. Upon agreement  
16 between the Executive Director of the Office of Career and Technical Education and the  
17 local board of education for the transfer of a state-operated secondary vocational  
18 education and technology center, all personnel, equipment, and supplies shall be  
19 transferred to the local board of education and shall only be utilized for the operation of  
20 the locally operated vocational center. The transfer of management and control of the  
21 secondary area vocational education and technology center shall be considered a  
22 permanent transfer to the local district.

23 (b) A certified employee who is affected by a transfer to the local board of  
24 education under paragraph (a) shall be granted a one year limited contract by the local  
25 board of education and shall be employed on the local district salary schedule. A  
26 classified employee shall be guaranteed employment equal to his or her present status for  
27 at least one complete school term. A transferred employee shall be provided the benefits

1 of comparable employees in the district and shall be subject to all rules and policies of the  
2 local board of education, including but not limited to disciplinary and personnel actions  
3 that are the same as those that may be exercised by the district for any other employee in  
4 the district during a contract period.

5 (c) A transferred employee who has accrued annual leave and compensatory time  
6 shall be paid a lump sum for the accrued time at the effective date of the transfer by the  
7 Office of Career and Technical Education. The employee shall be granted credit for  
8 accrued sick leave up to the maximum allowed for transfers for teachers between school  
9 districts. Sick leave credit shall be awarded to a classified employee based on the local  
10 board policy. Any excess sick leave that a classified or certified employee has earned that  
11 the district will not accept in the transfer may be requested to be held in escrow by the  
12 appropriate state personnel system under KRS Chapter 18A or 151B, and the sick leave  
13 balance shall be restored to the employee if the employee returns to a state government  
14 position.

15 (d) An employee who is to be transferred to a local board of education under  
16 provisions of this subsection but who chooses not to accept a one year limited contract  
17 with the board shall be separated from the state system and the employee's position shall  
18 be abolished. The employee may apply for any state position for which the employee is  
19 qualified but shall not be granted priority over other applicants for a position because the  
20 employee's position was abolished due to a transfer of the vocational education and  
21 technology center. An employee who refuses a contract with the local board shall be  
22 provided a lump-sum payment for accrued annual leave and compensatory time, and the  
23 employee's sick leave balance shall be placed in escrow by the appropriate state personnel  
24 system under KRS Chapter 18A or 151B. The sick leave balance shall be restored to the  
25 employee if the employee returns to a state government position.

26 (e) A certified employee, other than a principal, who has earned continuing status  
27 in the state certified personnel system under KRS Chapter 151B may be granted tenure



1 under the provisions of KRS 161.740(1)(c). A principal may be granted tenure as a  
 2 teacher, but the provisions relating to demotion of the principal under KRS 161.765 shall  
 3 apply.

4 (f) An employee of the Office of Career and Technical Education who is  
 5 transferred to the local school district and who occupies a position covered by the  
 6 Kentucky Teachers' Retirement System shall remain in the Teachers' Retirement System.

7 (g) General Fund moneys previously appropriated to the Office of Career and  
 8 Technical Education for support of the transferred state-operated vocational technical  
 9 school shall be appropriated to the Kentucky Department of Education for support of the  
 10 local board of education center operations effective at the beginning of fiscal year 2008-  
 11 2009. In addition, the local board of education shall receive 100 percent of the Support  
 12 Education Excellence in Kentucky (SEEK) Program funds from the Kentucky  
 13 Department of Education that are generated from students enrolled in the center.

#### 14 **9. VOCATIONAL REHABILITATION**

	2008-09	2009-10
15		
16	General Fund	12,794,700
17	Restricted Funds	2,576,900
18	Federal Funds	42,978,300
19	TOTAL	58,349,900

20 (1) **Interpreter Services:** Included in the above General Fund appropriation is  
 21 \$450,000 in each fiscal year to provide accessibility services for deaf and hard of hearing  
 22 students in postsecondary education institutions.

#### 23 **10. EDUCATION PROFESSIONAL STANDARDS BOARD**

	2008-09	2009-10
24		
25	General Fund	8,973,000
26	Restricted Funds	1,297,400
27	Federal Funds	122,200

1 TOTAL 10,392,600 10,552,200

2 (1) **National Board of Teaching Standards Certification:** Notwithstanding  
 3 KRS 161.134, up to \$800,000 in fiscal year 2008-2009 and \$800,000 in fiscal year 2009-  
 4 2010 is provided for National Board of Teaching Standards Certification from the  
 5 General Fund.

6 (2) **Employment of Leadership Personnel:** Notwithstanding KRS 18A.005 to  
 7 18A.200, the Education Professional Standards Board shall have the sole authority to  
 8 determine the employees of the Education Professional Standards Board staff who are  
 9 exempt from the classified service and to set their compensation comparable to the  
 10 competitive market.

11 (3) **Kentucky Principal Internship Program:** Notwithstanding KRS 161.027,  
 12 no funds are provided in the above appropriations for the operational costs of the  
 13 Kentucky Principal Internship Program in the 2008-2010 fiscal biennium.

14 **TOTAL - EDUCATION CABINET**

	2007-08	2008-09	2009-10
15 General Fund	100,000	80,075,400	80,297,000
16 Restricted Funds	-0-	40,375,500	39,647,500
17 Federal Funds	-0-	738,230,100	735,561,700
18 TOTAL	100,000	858,681,000	855,506,200

20 **F. ENVIRONMENTAL AND PUBLIC PROTECTION CABINET**

21 **Budget Units**

22 **1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT**

	2008-09	2009-10
23 General Fund	7,517,000	8,001,000
24 Restricted Funds	6,560,900	5,963,200
25 Federal Funds	1,554,600	1,566,400
26 TOTAL	15,632,500	15,530,600

1           **(1) Debt Service:** Included in the above General Fund appropriation is \$442,000  
 2 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
 3 Capital Projects Budget, of this Act.

4           **(2) Use of Rockwell Settlement Funds:** Pursuant to KRS 48.005(5), \$1,500,000  
 5 in fiscal year 2007-2008 shall be transferred from the Rockwell International Corporation  
 6 NR Damage Fund to the City of Russellville to acquire, restore, or replace natural  
 7 resources in accordance with the Agreed Order to construct a park along Town Branch  
 8 Creek in Russellville.

9           **2. ENVIRONMENTAL PROTECTION**

	<b>2008-09</b>	<b>2009-10</b>
11           General Fund	22,283,600	23,639,800
12           Restricted Funds	34,923,900	34,974,000
13           Federal Funds	20,802,400	20,558,600
14           Road Fund	300,000	300,000
15           TOTAL	78,309,900	79,472,400

16           **(1) Municipal Solid Waste Landfill Inspectors:** Notwithstanding KRS 224.43-  
 17 320, no funds are provided in the above appropriations for the assignment of full-time  
 18 inspectors to each municipal solid waste landfill operating in the Commonwealth.

19           **(2) Debt Service:** Included in the above General Fund appropriation is \$91,000 in  
 20 fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
 21 Capital Projects Budget, of this Act.

22           **(3) Kentucky Pride Program:** Included in the above Restricted Funds  
 23 appropriation is \$14,750,000 in each fiscal year for the Kentucky Pride Program.

24           **3. NATURAL RESOURCES**

	<b>2008-09</b>	<b>2009-10</b>
26           General Fund (Tobacco)	9,000,000	9,000,000
27           General Fund	11,760,700	14,135,200

1	Restricted Funds	7,144,600	5,072,900
2	Federal Funds	7,253,000	7,253,000
3	TOTAL	35,158,300	35,461,100

4       **(1) Emergency Forest Fire Suppression:** Not less than \$240,000 of the above  
5 General Fund appropriation for each fiscal year shall be set aside for emergency forest  
6 fire suppression. There is appropriated from the General Fund the necessary funds,  
7 subject to the conditions and procedures provided in this Act, which are required as a  
8 result of emergency fire suppression activities in excess of \$240,000. Fire suppression  
9 costs in excess of \$240,000 annually shall be deemed necessary government expenses and  
10 shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget  
11 Reserve Trust Fund Account (KRS 48.705).

12       **(2) Use of Settlement Funds:** Pursuant to KRS 48.005(5), \$1,000,000 shall be  
13 transferred from the Martin County Damage Trust Fund and \$1,000,000 shall be  
14 transferred from the Rockwell International Corporation NR Damage Fund in fiscal year  
15 2008-2009 to the Division of Forestry for purposes of acquisition, restoration, or  
16 replacement of natural resources as required by the settlements' respective Agreed Orders.

17       **(3) Forestry Tree Nurseries:** Included in the above Restricted Funds  
18 appropriation is \$250,000 in each fiscal year for the Department for Natural Resources'  
19 tree nursery programs in Morgan County and Marshall County~~[which shall maintain~~  
20 ~~normal business operations through the biennium]~~. (Veto No. 4)

21       **4. MINE RECLAMATION AND ENFORCEMENT**

22		<b>2008-09</b>	<b>2009-10</b>
23	General Fund	9,531,000	9,689,500
24	Restricted Funds	7,604,400	9,712,900
25	Federal Funds	19,203,500	19,773,200
26	TOTAL	36,338,900	39,175,600

27       **(1) Return of Permit and Acreage Fees:** Included in the above General Fund

1 appropriation is \$600,000 in each fiscal year for the return of permit and acreage fees  
 2 under KRS 350.139. Any required expenditure for this purpose in excess of this amount  
 3 in either fiscal year is appropriated to the department.

4 **(2) Temporary Deposit Escrow Funds:** Notwithstanding KRS 350.060,  
 5 350.070, and 350.139 and pursuant to KRS 350.163 and 350.465(3)(k), \$268,200 in fiscal  
 6 year 2008-2009 and \$300,000 in fiscal year 2009-2010 shall be transferred from the  
 7 Temporary Deposit Escrow account to the Division of Permits.

8 **5. ABANDONED MINE LAND RECLAMATION PROJECTS**

	<b>2008-09</b>	<b>2009-10</b>
Federal Funds	22,000,000	29,000,000

11 **6. ENVIRONMENTAL QUALITY COMMISSION**

	<b>2008-09</b>	<b>2009-10</b>
Restricted Funds	232,100	239,100
<b>TOTAL</b>	<b>232,100</b>	<b>239,100</b>

15 **7. KENTUCKY NATURE PRESERVES COMMISSION**

	<b>2008-09</b>	<b>2009-10</b>
General Fund	1,181,100	1,181,100
Restricted Funds	355,300	355,300
Federal Funds	100,200	45,600
<b>TOTAL</b>	<b>1,636,600</b>	<b>1,582,000</b>

21 **8. PUBLIC PROTECTION COMMISSIONER**

	<b>2008-09</b>	<b>2009-10</b>
Restricted Funds	884,000	900,300

24 **9. BOXING AND WRESTLING AUTHORITY**

	<b>2008-09</b>	<b>2009-10</b>
Restricted Funds	100,000	100,000

27 **10. PETROLEUM STORAGE TANK ENVIRONMENTAL ASSURANCE FUND**

	2008-09	2009-10	
1			
2	General Fund	-0-	1,679,000
3	Restricted Funds	29,183,100	29,261,000
4	TOTAL	29,183,100	30,940,000

5       **(1) Debt Service:** Included in the above General Fund appropriation is  
6 \$1,679,000 in fiscal year 2009-2010 for new debt service to support bonds as set forth in  
7 Part II, Capital Projects Budget, of this Act. Included in the above Restricted Funds  
8 appropriation in fiscal year 2008-2009 is \$25,000,000 for underground storage tank fund  
9 payments from new bonds as set forth in Part II, Capital Projects Budget, of this Act.

#### 10   **11. ALCOHOLIC BEVERAGE CONTROL**

	2008-09	2009-10	
11			
12	General Fund	965,000	965,000
13	Restricted Funds	4,196,800	4,350,300
14	TOTAL	5,161,800	5,315,300

#### 15   **12. CHARITABLE GAMING**

	2008-09	2009-10	
16			
17	Restricted Funds	3,057,600	3,092,900
18	TOTAL	3,057,600	3,092,900

#### 19   **13. BOARD OF CLAIMS/CRIME VICTIMS' COMPENSATION BOARD**

	2008-09	2009-10	
20			
21	General Fund	740,000	740,000
22	Restricted Funds	1,684,200	1,715,300
23	Federal Funds	540,100	540,100
24	TOTAL	2,964,300	2,995,400

#### 25   **14. FINANCIAL INSTITUTIONS**

	2008-09	2009-10	
26			
27	Restricted Funds	9,213,100	9,213,200

1 **15. HORSE RACING AUTHORITY**

	2008-09	2009-10
3 General Fund	443,700	443,700
4 Restricted Funds	28,010,000	27,934,600
5 TOTAL	28,453,700	28,378,300

6 ~~[(1) Racing Dates' Fees and Assessments: The Horse Racing Authority may~~  
7 ~~impose a fee or assessment only on thoroughbred racetracks with an average daily handle,~~  
8 ~~as defined in KRS 138.510(1), equal to or above \$1,200,000, and the fee or assessment~~  
9 ~~imposed shall not exceed the daily assessment or fee charged per day, per racetrack in~~  
10 ~~fiscal year 2005-2006. The Horse Racing Authority shall not impose a fee or assessment~~  
11 ~~on racetracks with an average daily handle, as defined in KRS 138.510(1), below~~  
12 ~~\$1,200,000.] (Veto No. 5)~~

13 **16. HOUSING, BUILDINGS AND CONSTRUCTION**

	2008-09	2009-10
15 General Fund	2,321,000	2,321,000
16 Restricted Funds	15,826,400	17,292,500
17 TOTAL	18,147,400	19,613,500

18 **(1) Funding Flexibility:** Notwithstanding KRS 198B.090(10), 198B.095(2),  
19 198B.615, 198B.676(2), 227.620(5), 227A.050(1)(2), 236.130(3), and 318.136, the  
20 Office of Housing, Buildings and Construction may expend, with the approval of any  
21 affected boards, any Restricted Funds for programs administered by the office. The office  
22 shall return any funds transferred from a board back to the board within the fiscal  
23 biennium.

24 **(2) HVAC Permitting and Inspecting:** Notwithstanding 2007 Ky. Acts ch. 86,  
25 secs. 11 and 12, the effective date of 2007 Ky. Acts ch. 86, secs. 1, 3, 4, 6, 9, and 10 shall  
26 be July 1, 2010, and the effective date of 2007 Ky. Acts ch. 86, secs. 2, 5, 7, and 8 shall  
27 be January 1, 2011.

1 **17. INSURANCE**

	<b>2008-09</b>	<b>2009-10</b>
3           General Fund (Tobacco)	19,551,300	19,881,900
4           Restricted Funds	20,358,300	20,651,000
5           TOTAL	39,909,600	40,532,900

6           **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
7 appropriation is \$19,551,300 in fiscal year 2008-2009 and \$19,881,900 in fiscal year  
8 2009-2010 for the Kentucky Access Program.

9 **18. MINE SAFETY REVIEW COMMISSION**

	<b>2008-09</b>	<b>2009-10</b>
11           General Fund	183,900	187,100
12           Restricted Funds	5,000	5,500
13           TOTAL	188,900	192,600

14 **19. MINE SAFETY AND LICENSING**

	<b>2008-09</b>	<b>2009-10</b>
16           General Fund	13,464,400	13,790,200
17           Restricted Funds	1,947,500	1,952,000
18           Federal Funds	631,100	631,100
19           TOTAL	16,043,000	16,373,300

20 **20. PUBLIC SERVICE COMMISSION**

	<b>2008-09</b>	<b>2009-10</b>
22           General Fund	13,000,000	13,000,000
23           Restricted Funds	840,900	840,900
24           Federal Funds	218,300	218,300
25           TOTAL	14,059,200	14,059,200

26           **(1) Debt Service:** Included in the above General Fund appropriation is \$589,000  
27 in fiscal year 2008-2009 and \$589,000 in fiscal year 2009-2010 for debt service for



1 previously issued bonds.

2       **(2) Lapse of General Fund Appropriation Balance:** Notwithstanding KRS  
3 278.150(3), \$2,860,700 in fiscal year 2008-2009 and \$2,610,700 in fiscal year 2009-2010  
4 shall lapse to the credit of the General Fund.

5       **(3) Telecommunication Access Program:** Notwithstanding KRS 278.5499, the  
6 funding mechanism for the telecommunication device for the deaf distribution program  
7 shall allocate not more than two cents per access line per month.

8 **21. TAX APPEALS**

	<b>2008-09</b>	<b>2009-10</b>
9		
10	General Fund	439,800            439,800

11 **22. LABOR**

	<b>2008-09</b>	<b>2009-10</b>
12		
13	General Fund	2,121,100        2,121,300
14	Restricted Funds	93,911,300      94,777,300
15	Federal Funds	3,239,200        3,236,400
16	TOTAL	99,271,600      100,135,000

17 **23. OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION**

	<b>2008-09</b>	<b>2009-10</b>
18		
19	Restricted Funds	495,300            505,800

20 **24. WORKERS' COMPENSATION BOARD**

	<b>2008-09</b>	<b>2009-10</b>
21		
22	Restricted Funds	949,200            969,000

23 **25. WORKERS' COMPENSATION FUNDING COMMISSION**

	<b>2008-09</b>	<b>2009-10</b>
24		
25	Restricted Funds	107,987,800      108,468,400

26       **(1) Commission Funding:** Notwithstanding KRS 342.122(1)(c), no General  
27 Fund appropriation is provided to the Kentucky Workers' Compensation Funding

1 Commission in fiscal year 2008-2009 and fiscal year 2009-2010.

2       **(2) Mine Safety Funding:** Notwithstanding KRS 342.122(1)(a), \$952,000 in  
3 each year of the biennium from the Coal Workers' Pneumoconiosis Fund shall support  
4 mine safety compliance, education, and training in the Office of Mine Safety and  
5 Licensing.

6 **TOTAL - ENVIRONMENTAL AND PUBLIC PROTECTION CABINET**

7		<b>2008-09</b>	<b>2009-10</b>
8	General Fund (Tobacco)	28,551,300	28,881,900
9	General Fund	85,952,300	92,333,700
10	Restricted Funds	375,471,700	378,347,400
11	Federal Funds	75,542,400	82,822,700
12	Road Fund	300,000	300,000
13	<b>TOTAL</b>	<b>565,817,700</b>	<b>582,685,700</b>

14 **G. FINANCE AND ADMINISTRATION CABINET**

15 **Budget Units**

16 **1. GENERAL ADMINISTRATION**

17		<b>2008-09</b>	<b>2009-10</b>
18	General Fund	8,309,200	8,446,500
19	Restricted Funds	31,617,300	33,843,300
20	Road Fund	400,000	400,000
21	<b>TOTAL</b>	<b>40,326,500</b>	<b>42,689,800</b>

22       **(1) State Motor Vehicle Fleet:** The Secretary of the Finance and Administration  
23 Cabinet shall restrict permanently assigned vehicles to only Constitutional Officers, the  
24 Court of Justice, Executive Cabinet Secretaries, law enforcement, or for other public  
25 safety purposes. A report listing the recipients of permanently assigned vehicles from the  
26 State Motor Vehicle Fleet shall be submitted to the Interim Joint Committee on  
27 Appropriations and Revenue by August 1 of each fiscal year.

1       ~~[(2) Conveyance of Property: Notwithstanding KRS Chapter 45A, the Secretary~~  
 2 ~~of the Finance and Administration Cabinet shall convey to Kenton County, Kentucky any~~  
 3 ~~reverter interest it may have in the real estate located at 34 West Fifth Street, Covington,~~  
 4 ~~Kentucky.] (Veto No. 6)~~

## 5       2.    **CONTROLLER**

6		2008-09	2009-10
7	General Fund	9,196,800	9,224,300
8	Restricted Funds	7,325,900	7,255,100
9	Federal Funds	1,000,000	1,000,000
10	TOTAL	17,522,700	17,479,400

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

## 17       3.    **DEBT SERVICE**

18		2008-09	2009-10
19	General Fund (Tobacco)	15,416,500	15,417,900
20	General Fund	412,196,000	404,968,100
21	TOTAL	427,612,500	420,386,000

22       (1) **New Debt Service:** Included in the above General Fund appropriation is  
 23 \$1,200,000 in fiscal year 2009-2010 for new debt service to support new bonds as set  
 24 forth in Part II, Capital Projects Budget, of this Act for budget units within the Finance  
 25 and Administration Cabinet.

26       (2) **Tobacco Settlement Funds - Debt Service:** To the extent that revenues  
 27 sufficient to support the required debt service appropriations are received from the

1 Tobacco Settlement Program, those revenues shall be made available from those accounts  
 2 to the appropriate account of the General Fund. All necessary debt service amounts shall  
 3 be appropriated from the General Fund and shall be fully paid regardless of whether there  
 4 is a sufficient amount available to be transferred from tobacco-supported funding  
 5 program accounts to other accounts of the General Fund.

6 **4. FACILITIES AND SUPPORT SERVICES**

	<b>2008-09</b>	<b>2009-10</b>
8 General Fund	6,193,400	6,294,600
9 Restricted Funds	34,455,700	34,785,400
10 TOTAL	40,649,100	41,080,000

11 **5. COUNTY COSTS**

	<b>2008-09</b>	<b>2009-10</b>
13 General Fund	16,581,500	16,581,500
14 Restricted Funds	1,932,100	1,932,000
15 TOTAL	18,513,600	18,513,500

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

21 **6. COMMONWEALTH OFFICE OF TECHNOLOGY**

	<b>2008-09</b>	<b>2009-10</b>
23 Restricted Funds	66,265,600	67,182,100
24 Federal Funds	400,000	400,000
25 TOTAL	66,665,600	67,582,100

26 **(1) Computer Services Fund Receipts:** The Secretary of the Finance and  
 27 Administration Cabinet shall provide a listing of fee receipts from the Executive, Judicial,

1 and Legislative Branches of government itemized by appropriation units; cost allocation  
2 methodology; and a report detailing the rebate of excess fee receipts to the agencies to the  
3 Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year.

#### 4 7. REVENUE

	2008-09	2009-10	
5			
6	General Fund (Tobacco)	275,000	275,000
7	General Fund	69,397,300	71,363,400
8	Restricted Funds	7,216,300	7,201,700
9	Road Fund	2,325,000	2,325,000
10	TOTAL	79,213,600	81,165,100

11 (1) **Insurance Surcharge Rate:** Pursuant to KRS 136.392, the insurance  
12 surcharge rate shall be calculated at a rate to provide sufficient funds in the 2008-2010  
13 fiscal biennium for the Firefighters Foundation Program Fund and the Kentucky Law  
14 Enforcement Foundation Program Fund. The calculation of sufficient funds for the  
15 above-named programs shall include any Restricted Funds carried forward from fiscal  
16 years 2007-2008 and 2008-2009 as provided by the General Assembly in this Act.

17 (2) **Road Fund Compliance and Motor Vehicle Property Tax Programs:** The  
18 above Road Fund appropriation in each fiscal year represents the cost of the Road Fund  
19 Compliance and Motor Vehicle Property Tax Programs within the Department of  
20 Revenue and is to be used exclusively for that purpose.

21 (3) **Operations of Revenue:** Notwithstanding KRS 132.672, 136.652, 160.6154,  
22 and 365.390(2), funds may be expended in support of the operations of the Department of  
23 Revenue.

#### 24 8. PROPERTY VALUATION ADMINISTRATORS

	2008-09	2009-10	
25			
26	General Fund	35,345,100	35,354,200
27	Restricted Funds	3,500,000	3,500,000

1 TOTAL 38,845,100 38,854,200

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

5 **TOTAL - FINANCE AND ADMINISTRATION CABINET**

6		2008-09	2009-10
7	General Fund (Tobacco)	15,691,500	15,692,900
8	General Fund	557,219,300	552,232,600
9	Restricted Funds	152,312,900	155,699,600
10	Federal Funds	1,400,000	1,400,000
11	Road Fund	2,725,000	2,725,000
12	TOTAL	729,348,700	727,750,100

13 **H. HEALTH AND FAMILY SERVICES CABINET**

14 **Budget Units**

15 **1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT**

16		2008-09	2009-10
17	General Fund (Tobacco)	2,793,000	2,840,300
18	General Fund	33,076,700	34,526,100
19	Restricted Funds	10,311,100	10,311,100
20	Federal Funds	37,948,700	38,330,500
21	TOTAL	84,129,500	86,008,000

22 (1) **Maximizing Federal Funds:** Pursuant to compliance with the  
23 State/Executive Branch Budget Bill and the Statutory Budget Memorandum, the Cabinet  
24 for Health and Family Services shall maximize Federal Funds for programs within the  
25 Cabinet.

26 (2) **Human Services Transportation Delivery:** Notwithstanding KRS 281.014,  
27 the Kentucky Works Program shall not participate in the Human Services Transportation

1 Delivery Program or the Coordinated Transportation Advisory Committee.

2       **(3) Federally Funded Positions:** Notwithstanding KRS 18A.010(2) and any  
3 provisions of this Act to the contrary, direct service units of the Office of Inspector  
4 General, Department for Human Support Services, Commission for Children with Special  
5 Health Care Needs, Department for Disability Determination Services, Department for  
6 Community Based Services, Department for Medicaid Services, Department for Mental  
7 Health and Mental Retardation Services, and the Department for Public Health shall be  
8 authorized to establish and fill such positions as are 100 percent federally funded for  
9 salary and fringe benefits.

10       **(4) Debt Service:** Included in the above General Fund appropriation is \$204,000  
11 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
12 Capital Projects Budget, of this Act.

13       **(5) Transfer of Funds Between Appropriation Units of the Cabinet:** The  
14 Secretary of the Cabinet for Health and Family Services may, with the prior approval of  
15 the State Budget Director and prior notice to the Interim Joint Committee on  
16 Appropriations and Revenue, transfer General Fund moneys appropriated in this Act from  
17 one appropriation unit within the cabinet to another Cabinet for Health and Family  
18 Services unit to address projected funding shortfalls and other program reasons in the best  
19 interest of the citizens of the Commonwealth.

20 **2. COMMISSION FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS**

	2008-09	2009-10
21		
22	General Fund (Tobacco)	352,000      352,000
23	General Fund	5,719,000      6,038,400
24	Restricted Funds	6,204,900      6,204,900
25	Federal Funds	4,178,700      4,178,700
26	TOTAL	16,454,600      16,774,000

27       **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)

1 appropriation is \$352,000 for Universal Newborn Hearing Screening and Vision  
2 Screening in each fiscal year.

3 **3. MEDICAID SERVICES**

4 **a. Medicaid Administration**

	2008-09	2009-10
6 General Fund	36,488,600	36,488,600
7 Restricted Funds	13,080,000	13,080,000
8 Federal Funds	48,571,500	48,571,500
9 TOTAL	98,140,100	98,140,100

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

- 16 (a) Establish a new program;  
17 (b) Expand the services of an existing program; or  
18 (c) Increase rates or payment levels in an existing program.

19 Any transfer authorized under this subsection shall be approved by the Secretary of  
20 the Finance and Administration Cabinet upon recommendation of the State Budget  
21 Director.

22 **(2) Medicaid Service Category Expenditure Information:** No Medicaid  
23 managed care contract shall be valid and no payment to a Medicaid managed care vendor  
24 by the Finance and Administration Cabinet or the Cabinet for Health and Family Services  
25 shall be made, unless the Medicaid managed care contract contains a provision that the  
26 contractor shall collect Medicaid expenditure data by the categories of services paid for  
27 by the Medicaid Program. Actual statewide Medicaid expenditure data by all categories



1 of Medicaid services, including mandated and optional Medicaid services, special  
 2 expenditures/offsets, and Disproportionate Share Hospital payments by type of hospital,  
 3 shall be compiled by the Department for Medicaid Services for all Medicaid providers  
 4 and forwarded to the Interim Joint Committee on Appropriations and Revenue on a  
 5 quarterly basis. Projections of Medicaid expenditures by categories of Medicaid services  
 6 shall be provided to the Interim Joint Committee on Appropriations and Revenue upon  
 7 request.

8 **b. Medicaid Benefits**

	2007-08	2008-09	2009-10
9 General Fund	112,000,000	1,187,211,700	1,282,652,600
10 Restricted Funds	5,821,700	386,664,800	366,616,100
11 Federal Funds	185,455,300	3,528,485,300	3,717,468,800
12 TOTAL	303,277,000	5,102,361,800	5,366,737,500

14 **(1) Supports for Community Living Slots:** Included in the above appropriation  
 15 is \$809,500 in General Fund moneys and \$1,890,500 in Federal Funds in fiscal year  
 16 2008-2009 to support 50 additional Supports for Community Living slots and \$1,913,600  
 17 in General Fund moneys and \$4,486,400 in Federal Funds in fiscal year 2009-2010 to  
 18 support 50 additional Supports for Community Living slots for a total of 100 additional  
 19 slots over the 2008-2010 fiscal biennium.

20 Supports for Community Living Waiver funds shall be utilized only for direct  
 21 services to qualified Supports for Community Living Waiver recipients, and any  
 22 unexpended funds shall not lapse but shall be carried forward to the next fiscal year for  
 23 the same purpose.

24 **(2) Michelle P. Waiver:** Included in the above appropriation is \$5,246,500 in  
 25 General Fund moneys and \$12,253,500 in Federal Funds in fiscal year 2008-2009 and  
 26 \$5,232,500 in General Fund moneys and \$12,267,200 in Federal Funds in fiscal year  
 27 2009-2010 to support the Michelle P. waiver program.

1           **(3) Carry Forward of General Fund Appropriation Balance:** Notwithstanding  
2 KRS 45.229, any General Fund appropriation unexpended in fiscal year 2008-2009 shall  
3 not lapse but shall be carried forward into the next fiscal year.

4           **(4) Disproportionate Share Hospital Program:** Hospitals shall report indigent  
5 inpatient and outpatient care for which, under federal law, the hospital is eligible to  
6 receive disproportionate share payments. Disproportionate Share Hospital payments shall  
7 equal the maximum amounts established by federal law.

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

11           **(6) Provider Tax Information:** Any provider who posts a sign or includes  
12 information on customer receipts or any material distributed for public consumption  
13 indicating that it has paid provider tax shall also post, in the same size typeset as the  
14 provider tax information, the amount of payment received from the Department for  
15 Medicaid Services during the same period the provider tax was paid. Providers who fail  
16 to meet this requirement shall be excluded from the Disproportionate Share Hospital and  
17 Medicaid Programs. The Cabinet for Health and Family Services shall include this  
18 provision in facilities' annual licensure inspections.

19           **(7) Quality and Charity Care Trust Fund:** No hospital shall be reimbursed  
20 from both the Quality and Charity Care Trust Fund and the Disproportionate Share  
21 Hospital Program for the same service to the same patient. Any hospital that willfully  
22 violates this provision shall be subject to a penalty equal to three times the amount of the  
23 improper charge to the funds, which shall be credited to the General Fund. The Secretary  
24 of the Cabinet for Health and Family Services shall have the authority to secure the  
25 patient information as needed from the participating facilities in order to determine  
26 compliance and enforce this provision. Each facility billing and receiving reimbursements  
27 from the Quality and Charity Care Trust Fund shall be required to identify each patient by

1 Social Security number and indicate whether the patient is classified as indigent or  
2 medically needy. In any fiscal year for which all the parties to the Quality and Charity  
3 Care Trust Agreement so agree, the General Fund appropriation to fulfill the  
4 Commonwealth's contractual obligation relating to the Quality and Charity Care Trust  
5 Agreement or any portion thereof, together with any other funds paid to the Quality and  
6 Charity Care Trust contractual obligation of the parties, or any portion thereof, shall be  
7 transferred to the Department for Medicaid Services as part of its Restricted Funds  
8 appropriation for Medicaid Benefits. In any fiscal year for which all the parties to the  
9 Quality and Charity Care Trust Agreement do not agree to transfer all or any portion of  
10 the Trust's revenues to the Department for Medicaid Services for Medicaid Benefits, the  
11 Quality and Charity Care Trust shall operate pursuant to its contractual provisions.

12 **(8) Kentucky Children's Health Insurance Program (KCHIP):** The Secretary  
13 of the Cabinet for Health and Family Services may transfer funds from Medicaid Benefits  
14 to the KCHIP General Fund or Restricted Funds appropriations to be used to match the  
15 Federal Funds allocation. These transfers may be made to cover both additional regular  
16 allocations and redistribution from the federal government. The Secretary shall  
17 recommend any proposed transfer to the State Budget Director for review and  
18 concurrence prior to transfer. Upon concurrence of the State Budget Director and prior to  
19 the transfer, the Secretary shall make the appropriate interim appropriation increase  
20 requests pursuant to KRS 48.630.

21 **(9) Intergovernmental Transfers (IGT's):** Any funds received through an IGT  
22 agreement between the Department for Medicaid Services and other governmental  
23 entities, in accordance with a federally approved State Plan amendment, shall be used to  
24 provide for the health and welfare of the citizens of the Commonwealth through the  
25 provision of Medicaid Benefits. Revenues from IGT's are contingent upon agreement by  
26 the parties and, when negotiated, the Secretary of the Cabinet for Health and Family  
27 Services shall make the appropriate interim appropriations increase requests pursuant to

1 KRS 48.630.

2 **(10) Medicaid Budget Analysis Reports:** The Department for Medicaid Services  
3 shall submit a quarterly budget analysis report to the Interim Joint Committee on  
4 Appropriations and Revenue. The report shall provide monthly detail of actual  
5 expenditures, eligibles, and average monthly cost per eligible by eligibility category along  
6 with current trailing 12-month averages for each of these figures. The report shall also  
7 provide actual figures for all categories of noneligible-specific expenditures such as  
8 Supplemental Medical Insurance premiums, Kentucky Patient Access to Care,  
9 nonemergency transportation, drug rebates, cost settlements, and Disproportionate Share  
10 Hospital payments by type of hospital. The report shall compare the actual expenditure  
11 experience with those underlying the enacted or revised enacted budget and explain any  
12 significant variances which may occur.

13 **(11) Medicaid Benefits Budget Deficit:** In the event Medicaid Benefits  
14 expenditures are projected to exceed available funds, the Secretary of the Cabinet for  
15 Health and Family Services shall be empowered to recommend that reimbursement rates,  
16 optional services, eligibles, or programs be reduced or maintained at levels existing at the  
17 time of the projected deficit in order to avoid a budget deficit. The projected deficit shall  
18 be confirmed by the Office of State Budget Director. No service, eligible, or program  
19 reductions shall be implemented by the Cabinet for Health and Family Services without  
20 written notice of such action to the Interim Joint Committee on Appropriations and  
21 Revenue and the State Budget Director. Such actions taken by the Cabinet for Health and  
22 Family Services shall be reported, upon request, at the next meeting of the Interim Joint  
23 Committee on Appropriations and Revenue.

24 **(12) Medicaid Benefits Budget Surplus:** In the event Medicaid Benefits  
25 expenditures are less than available funds, the Secretary of the Cabinet for Health and  
26 Family Services may recommend the utilization of available funds to increase  
27 reimbursement rates, support program administration, or expand the Medicaid Program or

1 the number of eligibles. No reimbursement rate, service, eligible, or program shall be  
2 increased without written approval of the State Budget Director and a report to the  
3 Interim Joint Committee on Appropriations and Revenue.

4 **(13) Transfer of Medicaid Benefits Funds:** Any portion of the General Fund  
5 appropriation in either fiscal year that is deemed to be necessary for the administration of  
6 the Medicaid program may be transferred from Medicaid Benefits in accordance with  
7 statutes governing the functions and activities of the Department for Medicaid Services.  
8 The Secretary shall recommend any proposed transfer to the State Budget Director for  
9 approval prior to transfer. Such action shall be reported by the Cabinet for Health and  
10 Family Services to the Interim Joint Committee on Appropriations and Revenue.

11 **(14) Critical Access Hospitals:** Beginning with the effective date of this Act  
12 through June 30, 2010, no acute care hospital shall convert to a critical access hospital  
13 unless the hospital has either received funding for a feasibility study from the Kentucky  
14 State Office of Rural Health or filed a written request by January 1, 2008 with the  
15 Kentucky State Office of Rural Health requesting funding for conducting a feasibility  
16 study.

17 **(15) Medicaid Copayments:** Notwithstanding KRS 205.6312, the Department for  
18 Medicaid Services may impose copayments for services rendered to Medicaid recipients  
19 not to exceed the amounts permitted by federal authority.

20 **(16) Acquired Brain Injury Long Term Care Waiver Program:** Included in the  
21 above appropriation is \$1,948,700 in General Fund moneys and \$4,551,300 in Federal  
22 Funds in fiscal year 2008-2009 to support 50 individuals and \$5,606,300 in General Fund  
23 moneys and \$13,143,700 in Federal Funds in fiscal year 2009-2010 to support 100  
24 additional individuals for a total of 150 slots over the 2008-2010 biennium.

25 **(17) Medicaid Pharmacy:** Notwithstanding KRS 205.6312(4), a pharmacy  
26 provider participating in the Medical Assistance Program shall not be required to serve an  
27 eligible recipient if the recipient does not make the required copayment at the time of

1 service, except for an initial encounter when a recipient presents a condition which could  
 2 result in harm to the recipient if left untreated, in which case the pharmacist shall  
 3 dispense a 72 hour emergency supply of the required medicine. The recipient may then  
 4 return to the pharmacy with the necessary copayment to obtain the remainder of the  
 5 prescription. Only one dispensing fee shall be paid by the Cabinet for the provision of  
 6 both the emergency supply and the remainder of the prescription.

7 **(18) Urban Trauma Center:** Included in the above appropriation is funding to  
 8 provide for payments for costs associated with operating an urban trauma center hospital  
 9 as defined in 907 KAR. 1:013. Payments are conditional upon availability of state  
 10 matching funds and the ability to receive federal financial participation for such  
 11 payments.

12 **(19) Medicaid State Match for Preventive Services By Local and District**  
 13 **Health Departments:** Included in the above appropriation in each year of the fiscal  
 14 biennium are the total state matching funds required to fully support preventive health  
 15 services provided to Medicaid recipients through local and district health departments.  
 16 Such services shall continue, at a minimum, at the current level.

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

27 **TOTAL - MEDICAID SERVICES**

	2007-08	2008-09	2009-10
General Fund	112,000,000	1,223,700,300	1,319,141,200
Restricted Funds	5,821,700	399,744,800	379,696,100
Federal Funds	185,455,300	3,577,056,800	3,766,040,300
TOTAL	303,277,000	5,200,501,900	5,464,877,600

#### 4. MENTAL HEALTH AND MENTAL RETARDATION SERVICES

	2007-08	2008-09	2009-10
General Fund (Tobacco)	-0-	975,000	975,000
General Fund	4,409,600	199,831,300	199,035,300
Restricted Funds	-0-	227,844,600	229,704,900
Federal Funds	-0-	43,120,600	39,920,600
TOTAL	4,409,600	471,771,500	469,635,800

(1) **Disproportionate Share Hospital Funds:** Mental health disproportionate share funds are budgeted at the maximum amounts permitted by the Federal Balanced Budget Act of 1997, as amended by the Federal Benefits Improvements and Protection Act of 2000 and the Medicare Modernization Act of 2003, in the amount of \$34,567,300 in each fiscal year.

(2) **Tobacco Settlement Funds:** Included in the above General Fund (Tobacco) appropriation is \$975,000 in each fiscal year for substance abuse prevention and treatment for pregnant women with a history of substance abuse problems.

(3) **Replacement of Eastern State Hospital:** The Commonwealth recognizes the statutory role of community mental health/mental retardation boards in providing mental health and mental retardation services across the Commonwealth. Notwithstanding any other provision of law to the contrary, the Secretary of the Cabinet for Health and Family Services shall solicit a proposal from the Bluegrass Regional Mental Health and Mental Retardation (MH/MR) Board, Inc. to operate a new Eastern State Facility constructed to replace the existing Eastern State Hospital facility.

1 Notwithstanding any other provision of law to the contrary, upon a finding by the  
 2 secretary that the proposal meets programmatic requirements for the anticipated  
 3 population and its needs and upon a further finding that the financial provisions are  
 4 satisfactory, the cabinet may enter into a contractual arrangement with Bluegrass  
 5 Regional MH/MR Board, Inc. to operate the facility without soliciting competing  
 6 proposals.

7 The replacement of the Eastern State Hospital facility as set forth in Part II, Capital  
 8 Projects Budget, of this Act shall include the establishment of a 12 bed post-acute  
 9 intensive rehabilitation unit for acquired brain injured individuals that shall provide on-  
 10 going active therapy aimed at maximizing recovery and at returning patients to home,  
 11 work, or school, similar to programs in Carbondale, Illinois and Irving, Texas.

12 **(4) Prior Notice Process for Changes to the Operations of Central State**  
 13 **Hospital Intermediate Care Facility for the Mentally Retarded/Developmentally**  
 14 **Disabled:** Notwithstanding KRS 210.045(1)(g), 210.045(1)(h), and 210.045(2), the 60  
 15 day notice requirement contained in KRS 210.045 shall be suspended until July 1, 2010,  
 16 for changes to Central State Hospital ICF MR/DD as referenced in subsection (5) of this  
 17 section. However, the remaining provisions of KRS 210.045 shall continue to be in  
 18 effect.

19 **(5) Hazelwood Intermediate Care Facility for the Mentally**  
 20 **Retarded/Developmentally Disabled:** The Cabinet for Health and Family Services shall  
 21 procure, through the process established by KRS Chapter 45A, a contractual arrangement  
 22 for a nonstate agency to construct residential units to accommodate the transfer of  
 23 licensed ICF MR/DD beds from and associated patients at Central State Hospital to the  
 24 Hazelwood campus. This contract shall include the construction of an outpatient  
 25 psychiatric and medical health clinic and an outpatient psychiatric dental clinic on the  
 26 campus of Hazelwood ICF MR/DD.

27 Included in the above General Fund appropriation is \$400,000 in fiscal year 2008-



1 2009 for site preparation for the Hazelwood ICF MR/DD project and \$884,000 in fiscal  
 2 year 2009-2010 for debt service for new bonds as set forth in Part II, Capital Projects  
 3 Budget, of this Act.

4 **(6) Rental Payments:** If the new mental health facility to replace Eastern State  
 5 Hospital as authorized in this Act is occupied by the Cabinet for Health and Family  
 6 Services during the 2008-2010 fiscal biennium, all associated rental payments shall be  
 7 deemed a necessary government expense and shall be paid from the General Fund  
 8 Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS  
 9 48.705), subject to the conditions and procedures provided in this Act.

10 **(7) Glasgow State Nursing Facility:** The Secretary of the Cabinet for Health and  
 11 Family Services shall develop and submit a plan by December 1, 2008, to the Legislative  
 12 Research Commission, for referral to the appropriate committee, to replace Glasgow State  
 13 Nursing Facility. Should such plan call for the facility to be located elsewhere, before any  
 14 action to relocate the associated beds and patients shall occur, justification of cost and  
 15 economic effects on the Glasgow community shall be addressed.

16 **5. PUBLIC HEALTH**

	<b>2008-09</b>	<b>2009-10</b>
17		
18	General Fund (Tobacco)	16,856,300
19	General Fund	17,078,900
20	Restricted Funds	71,409,200
21	Federal Funds	85,038,600
22	TOTAL	184,332,900
		184,604,000
		357,637,000
		358,392,900

23 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
 24 appropriation is \$9,099,900 in each fiscal year for the Health Access Nurturing  
 25 Development Services Program, \$2,307,600 in fiscal year 2008-2009 and \$2,457,600 in  
 26 fiscal year 2009-2010 for Healthy Start initiatives, \$2,313,400 in each fiscal year for  
 27 Universal Children's Immunizations, \$400,000 in each fiscal year for the Folic Acid

1 Program, \$1,000,000 in fiscal year 2008-2009 and \$1,072,400 in fiscal year 2009-2010  
2 for Early Childhood Mental Health, \$510,500 in each fiscal year for Early Childhood Oral  
3 Health, \$1,000,000 in each fiscal year for the Kentucky Early Intervention Services First  
4 Steps Program, and \$224,900 in fiscal year 2008-2009 and \$225,100 in fiscal year 2009-  
5 2010 for the Reach Out and Read Program.

6 **(2) Local and District Health Department Payments:** The Department for  
7 Public Health shall not impose a cap or other restriction on the number or amount of  
8 services that a local or district health department may provide. The Department for Public  
9 Health shall submit all requests for payment for services provided to the Department for  
10 Medicaid Services that are submitted by a local or district health department.

11 **(3) Medicaid State Match for Preventive Services Through Local and**  
12 **District Health Departments:** Included in the Medicaid Benefits appropriation as set  
13 forth in Part I, H., 3., b., of this Act is the total General Fund state matching dollars  
14 required in each fiscal year to fully support preventive health services provided to  
15 Medicaid recipients through local and district health departments.

16 **(4) Kentucky Prescription Drug Patient Assistance Program:** Included in the  
17 above General Fund appropriation is \$400,000 in fiscal year 2008-2009 and \$600,000 in  
18 fiscal year 2009-2010 to continue the Kentucky Prescription Drug Patient Assistance  
19 Program. The purpose of these funds shall be to consolidate all programs in the Cabinet  
20 for Health and Family Services that assist individuals in obtaining free or reduced price  
21 prescription drugs and to make at least \$150,000 in grants available each year of the  
22 biennium to local agencies and organizations that are providing these services in a  
23 manner that has the potential for expansion or adoption on a statewide basis. Progress in  
24 implementing this system, including the amount of free drugs retained by each local  
25 agency or organization, shall be reported on a semi-annual basis to the Interim Joint  
26 Committees on Appropriations and Revenue and Health and Welfare.

27 **(5) Colon Cancer Screening Program:** The Department for Public Health shall

1 explore the possibility of establishing a colon cancer screening program to provide  
 2 screening services to uninsured individuals age 50 to 64 and others at high risk. The  
 3 Secretary of the Cabinet for Health and Family Services shall determine if funding is  
 4 available for this program.

5 **6. HEALTH POLICY**

	<b>2008-09</b>	<b>2009-10</b>
6		
7	General Fund	553,000
8	Restricted Funds	578,700
9	TOTAL	1,131,700

10 **(1) Voluntary Relinquishment of a Certificate of Need or Licensure:**  
 11 Notwithstanding KRS 216B.061, following the voluntary closure of a health care facility,  
 12 revocation of a certificate of need, or revocation of licensure, the beds, equipment, and  
 13 services provided by the closed facility shall be reserved for applications for any  
 14 certificate of need to reestablish the same services, in whole or part, in the same county as  
 15 the closed health facility.

16 **7. HUMAN SUPPORT SERVICES**

	<b>2008-09</b>	<b>2009-10</b>
17		
18	General Fund (Tobacco)	175,000
19	General Fund	7,534,600
20	Restricted Funds	626,000
21	Federal Funds	3,902,700
22	TOTAL	12,238,300

23 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
 24 appropriation is \$175,000 in each fiscal year for the Children's Advocacy Centers.

25 **8. OMBUDSMAN**

	<b>2008-09</b>	<b>2009-10</b>
26		
27	General Fund	3,287,400

1	Restricted Funds	17,000	17,000
2	Federal Funds	2,126,000	2,192,900
3	TOTAL	5,430,400	5,601,100

4 **9. DISABILITY DETERMINATION SERVICES**

5		<b>2008-09</b>	<b>2009-10</b>
6	Restricted Funds	65,800	65,800
7	Federal Funds	50,432,900	51,465,200
8	TOTAL	50,498,700	51,531,000

9 **10. COMMUNITY BASED SERVICES**

10		<b>2008-09</b>	<b>2009-10</b>
11	General Fund (Tobacco)	8,970,400	9,220,400
12	General Fund	346,147,200	350,145,700
13	Restricted Funds	141,311,600	143,498,700
14	Federal Funds	533,312,100	536,884,300
15	TOTAL	1,029,741,300	1,039,749,100

16 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
 17 appropriation is \$8,970,400 in fiscal year 2008-2009 and \$9,220,400 in fiscal year 2009-  
 18 2010 for the Early Childhood Development Program.

19 **(2) Debt Service:** Included in the above General Fund appropriation is \$91,000 in  
 20 fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
 21 Capital Projects Budget, of this Act.

22 **(3) Private Child Care Provider Reimbursement Rates:** Included in the above  
 23 appropriation is \$3,800,000 in General Fund moneys, \$2,684,100 in Restricted Funds,  
 24 and \$836,100 in Federal Funds in each fiscal year to continue private child care provider  
 25 fiscal year 2007-2008 reimbursement rates.

26 **11. AGING AND INDEPENDENT LIVING**

27		<b>2008-09</b>	<b>2009-10</b>
----	--	----------------	----------------

1	General Fund	32,878,100	32,914,800
2	Restricted Funds	2,515,600	2,515,600
3	Federal Funds	20,337,000	20,375,000
4	TOTAL	55,730,700	55,805,400

5       **(1) Local Match Requirements:** Notwithstanding KRS 205.460, entities  
6 contracting with the Cabinet for Health and Family Services to provide essential services  
7 under KRS 205.455 and 205.460 shall provide local match equal to or greater than the  
8 amount in effect during fiscal year 2007-2008. Local match may include any combination  
9 of materials, commodities, transportation, office space, personal services, or other types  
10 of facility services or funds. The Secretary of the Cabinet for Health and Family Services  
11 shall prescribe the procedures to certify the local match assurance.

12       **TOTAL - HEALTH AND FAMILY SERVICES CABINET**

13		2007-08	2008-09	2009-10
14	General Fund (Tobacco)	-0-	30,121,700	30,641,600
15	General Fund	116,409,600	1,924,136,800	2,024,940,500
16	Restricted Funds	5,821,700	874,258,700	858,319,600
17	Federal Funds	185,455,300	4,456,748,400	4,647,901,200
18	TOTAL	307,686,600	7,285,265,600	7,561,802,900

19       **I. JUSTICE AND PUBLIC SAFETY CABINET**

20       **Budget Units**

21       **1. JUSTICE ADMINISTRATION**

22		2008-09	2009-10
23	General Fund (Tobacco)	1,923,400	1,923,400
24	General Fund	11,746,800	11,884,200
25	Restricted Funds	5,750,800	5,757,000
26	Federal Funds	8,999,200	9,008,500
27	TOTAL	28,420,200	28,573,100

1           **(1) Office of Drug Control Policy:** Included in the above Restricted Funds  
 2 appropriation is \$1,800,000 in fiscal year 2008-2009 and \$1,800,000 in fiscal year 2009-  
 3 2010 for regional Drug Courts in Kentucky's coal-producing counties.

4           **(2) Operation Unite:** Included in the above Restricted Funds appropriation is  
 5 \$2,000,000 in each fiscal year for Operation Unite.

6           **(3) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
 7 appropriation is \$1,923,400 in fiscal year 2008-2009 and \$1,923,400 in fiscal year 2009-  
 8 2010 for the Office of Drug Control Policy.

9           **(4) Parole Board Members:** To efficiently utilize the parole process for  
 10 nonviolent offenders, included in the above General Fund appropriation is \$200,000 in  
 11 each fiscal year to add two full-time members and the necessary support staff to the  
 12 Parole Board.

13           **(5) Parole Board Membership:** Notwithstanding KRS 439.320(1), the Governor  
 14 shall appoint two additional full-time members to the Parole Board within 30 days of the  
 15 effective date of this Act. The two full-time members shall be confirmed by the Senate in  
 16 accordance with KRS 11.160.

17           **(6) Review of Cases:** Notwithstanding 501 KAR 1:30 Section 3(1)(a), a  
 18 nonviolent offender convicted of a Class D felony with an aggregate sentence of one to  
 19 five years confined to a state penal institution or county jail shall have his or her case  
 20 reviewed by the Parole Board after serving 15 percent or two months of the original  
 21 sentence, whichever is longer.

22           **(7) Civil Legal Services for Indigents:** Included in the above General Fund  
 23 appropriation is \$500,000 in fiscal year 2008-2009 and \$500,000 in fiscal year 2009-2010  
 24 to provide free legal services for indigents.

25 **2. CRIMINAL JUSTICE TRAINING**

26	2007-08	2008-09	2009-10
27	Restricted Funds	-0-	50,514,400
			52,525,700

1	Federal Funds	55,700	1,957,400	1,962,900
2	TOTAL	55,700	52,471,800	54,488,600

3       **(1) Kentucky Law Enforcement Foundation Program Fund:** Included in the  
4 above Restricted Funds appropriation is \$49,436,400 in fiscal year 2008-2009 and  
5 \$51,440,100 in fiscal year 2009-2010 for the Kentucky Law Enforcement Foundation  
6 Program Fund.

7       **(2) Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in  
8 the above Restricted Funds appropriation is \$3,100 in fiscal year 2008-2009 and \$3,100  
9 in fiscal year 2009-2010 for each participant for training incentive payments.

10       **(3) Training Incentive Stipends - Justice and Public Safety Cabinet**  
11 **Personnel:** Notwithstanding KRS 15.410, 15.420(2), 15.440(1), 15.460(1), and 15.470(2)  
12 and (4), included in the above Restricted Funds appropriation is sufficient funding for a  
13 \$3,100 annual training incentive stipend for Kentucky state troopers, Kentucky State  
14 Police arson investigators, Kentucky State Police hazardous devices investigators,  
15 Kentucky State Police legislative security specialists, and Kentucky vehicle enforcement  
16 officers.

### 17   **3. JUVENILE JUSTICE**

18		2008-09	2009-10
19	General Fund	85,248,600	87,468,800
20	Restricted Funds	15,879,700	16,948,100
21	Federal Funds	13,696,100	13,698,300
22	TOTAL	114,824,400	118,115,200

23       **(1) Mary Kendall Homes and Gateway Juvenile Diversion:** Included in the  
24 above General Fund appropriation is \$300,000 in each fiscal year of the biennium for the  
25 support of the Mary Kendall Homes and \$300,000 in each fiscal year of the biennium for  
26 the support of Gateway Juvenile Diversion.

### 27   **4. STATE POLICE**

	2007-08	2008-09	2009-10
General Fund	2,583,400	68,591,800	73,926,400
Restricted Funds	4,434,500	17,031,600	17,079,900
Federal Funds	712,000	8,669,800	8,691,400
Road Fund	-0-	60,000,000	60,000,000
<b>TOTAL</b>	<b>7,729,900</b>	<b>154,293,200</b>	<b>159,697,700</b>

(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) **State Police Personnel Training Incentive:** Included in the above Restricted Funds appropriation is sufficient funding for a \$3,100 annual training incentive stipend for state troopers, arson investigators, hazardous devices investigators, and legislative security specialists.

(3) **Restricted Funds Uses:** Notwithstanding KRS 42.320(2)(h), 160.151(1)(c), 189A.050(3)(a), and 237.110(15), funds are included in the above Restricted Funds appropriation to maintain the operations and administration of the Kentucky State Police.

(4) **Dispatcher Training Incentive:** Included in the above General Fund appropriation is sufficient funding for a \$3,100 annual training incentive stipend for dispatchers.

**5. CORRECTIONS**

**a. Corrections Management**

	2008-09	2009-10
General Fund	6,468,900	6,888,900



1	Restricted Funds	135,100	135,100
2	TOTAL	6,604,000	7,024,000

3       **(1) Debt Service:** Included in the above General Fund appropriation is \$270,000  
4 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,  
5 Capital Projects Budget, of this Act.

6       **(2) Appropriations Adjustments:** The General Assembly has determined that  
7 the Department of Corrections shall be permitted to adjust appropriations between the  
8 Community Services and Local Facilities budget unit and the Adult Correctional  
9 Institutions budget unit in fiscal year 2008-2009 and in fiscal year 2009-2010. Only  
10 adjustments necessary to manage the diverse mix of inmate classifications, custody  
11 levels, probation and parole caseloads, and population increases or decreases shall be  
12 permitted. Any appropriations transferred or otherwise directed between these  
13 appropriation units shall be documented and justified in writing. No adjustments may be  
14 made except upon the prior written concurrence of the State Budget Director. The State  
15 Budget Director shall report the adjustments and the necessity of the adjustments to the  
16 Interim Joint Committee on Appropriations and Revenue.

17       **(3) Jailer Mental Health Screening Training:** The Kentucky Commission on  
18 Services and Supports for Individuals with Mental Illness, Alcohol and Other Drug Abuse  
19 Disorders, and Dual Diagnoses shall, in its annual review of the Commission plan,  
20 include in its duties recommendations for improvements in identifying, treating, housing,  
21 and transporting prisoners in jails and juveniles in detention centers with mental illness.  
22 Items to be reviewed shall include but not be limited to recommendations for statutory  
23 and regulatory changes, training and treatment funding, cost sharing, housing and  
24 transportation costs, appropriate treatment sites, and training requirements for local jailers  
25 and other officers of the court who may come in contact with persons incarcerated or in  
26 detention but deemed mentally ill.

27       The training shall continue to be delivered by Regional Mental Health/Mental

1 Retardation Board staff to new jailers and new jail staff, except administrative support, on  
 2 screening and responding to the needs of inmates with mental illness within six months of  
 3 employment. Treatment services may also be provided for within this funding allocation.

4 **b. Adult Correctional Institutions**

5		2007-08	2008-09	2009-10
6	General Fund	19,276,500	256,090,700	268,179,800
7	Restricted Funds	-0-	19,534,100	19,534,100
8	Federal Funds	45,500	1,903,700	1,903,700
9	TOTAL	19,322,000	277,528,500	289,617,600

10 **(1) Time Credit for Program Completion:** Notwithstanding KRS 197.045(1),  
 11 the Department of Corrections shall provide an educational good time credit of 90 days to  
 12 any prisoner who successfully receives a graduate equivalency diploma or a high school  
 13 diploma, a two or four year certification in applied sciences, or a technical education  
 14 diploma as provided and defined by the department, or completes a drug treatment  
 15 program or other treatment program as defined by the department that requires  
 16 participation in the program of six months or more.

17 **(2) Meritorious Credit:** Notwithstanding KRS 197.045(3), an inmate may, at the  
 18 discretion of the Commissioner of the Department of Corrections, be allowed a deduction  
 19 from a sentence not to exceed seven days per month served for meritorious behavior, and  
 20 may be allowed an additional deduction up to seven days per month served for acts of  
 21 exceptional service during times of emergency or for performing duties of outstanding  
 22 importance in connection with institutional operations and programs.

23 **(3) Education Programs at Department of Corrections Facilities:** The  
 24 Kentucky Community and Technical College System (KCTCS) shall provide adult basic  
 25 education classes for the Department of Corrections which are aimed toward acquiring a  
 26 general educational diploma (GED) and various technical trades aimed toward providing  
 27 students with certifications and/or diplomas upon completion of qualifying examinations.

1 The Department of Corrections may use training from providers other than KCTCS only  
 2 in instances where a clearly defined educational or training need cannot be adequately  
 3 addressed by KCTCS.

4 **(4) Canteen Fund Proceeds:** The Department of Corrections shall file  
 5 semiannual reports with the Interim Joint Committee on Appropriations and Revenue  
 6 detailing the revenues and expenditures from the Canteen Fund for each state-operated  
 7 prison, private prison, and the central office of the department. The first report shall be  
 8 due August 1, 2008, and shall provide financial information for the period of January 1,  
 9 2008, through June 30, 2008. Thereafter reports shall be filed every six months from the  
 10 August 1, 2008, date.

11 **(5) Expungement of Dismissed Inmate Disciplinary Reports at Department**  
 12 **of Corrections Institutions:** The warden of each Department of Corrections institution  
 13 shall expunge inmate prison disciplinary reports that have been dismissed or otherwise  
 14 ordered void, and shall further remove any reference to dismissed or voided disciplinary  
 15 reports from inmate records.

16 **(6) Correctional Facility Expansion:** The Secretary of the Justice and Public  
 17 Safety Cabinet shall develop and submit a plan to the Legislative Research Commission,  
 18 for referral to the appropriate committee, which demonstrates the number of additional  
 19 beds to be built by expanding any existing correctional facility, along with a proposal to  
 20 decommission the same or a larger number of beds within the current system and reduce  
 21 the population by the same number and classification of inmates that will inhabit any new  
 22 or expanded facility. The Department of Corrections shall conduct a study to assess which  
 23 existing facility would be best suited for expansion based on a cost benefit analysis,  
 24 population assessment, and classification projection.

25 **c. Community Services and Local Facilities**

	2007-08	2008-09	2009-10
26			
27	General Fund	5,033,800	146,076,800
		149,410,300	

1	Restricted Funds	-0-	2,799,800	2,796,500
2	Federal Funds	-0-	65,000	15,000
3	TOTAL	5,033,800	148,941,600	152,221,800

4       **(1) Excess Local Jail Per Diem Costs:** In the event that actual local jail per diem  
5 payments exceed the amounts provided to support the budgeted average daily population  
6 of state felons in county jails for fiscal year 2008-2009 and fiscal year 2009-2010, the  
7 payments shall be deemed necessary government expenses and may be paid from the  
8 General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account  
9 (KRS 48.705), subject to notification as to necessity and amount by the State Budget  
10 Director who shall report any certified expenditure to the Interim Joint Committee on  
11 Appropriations and Revenue.

12       **(2) Local Jails Funding:** Notwithstanding KRS 441.605 to 441.695, funds in the  
13 amount of \$2,430,800 in fiscal year 2008-2009 and \$2,427,500 in fiscal year 2009-2010  
14 shall be expended from the Kentucky Local Correctional Facilities Construction  
15 Authority for local correctional facility and operational support consistent with  
16 contractual covenants in accordance with bond indentures of the Authority.

17       **(3) Substance Abuse Treatment Programs:** Included in the above General Fund  
18 appropriation is \$4,500,000 in additional funds in fiscal year 2008-2009 and \$5,000,000  
19 in fiscal year 2009-2010 to provide substance abuse treatment for state felons housed in  
20 county jails and for the development and establishment of a secured substance abuse  
21 recovery program for persons suffering from substance abuse who have been charged  
22 with a felony offense.

23       **(4) Probation and Parole Credit:** Notwithstanding KRS 439.344, the period of  
24 time spent on parole shall count as a part of the prisoner's remaining unexpired sentence  
25 when it is used to determine a parolee's eligibility for a final discharge from parole as set  
26 out in subsection (5) of this section or when a parolee is returned as a parole violator for a  
27 violation other than a new felony conviction.

1           **(5) Minimum Expiration of Sentence:** Notwithstanding KRS 439.354, a final  
2 discharge shall be issued when the prisoner has been out of prison on parole a sufficient  
3 period of time to have been eligible for discharge from prison by minimum expiration of  
4 sentence had he not been paroled, provided before this date he had not absconded from  
5 parole supervision or that a warrant for parole violation had not been issued by the board.

6           **(6) Home Incarceration:** Notwithstanding KRS 532.260(1)(b), any person  
7 convicted of a nonviolent, nonsexual Class C or Class D felony who is serving a sentence  
8 in a state-operated prison, contract facility, or county jail may, at the discretion of the  
9 Commissioner of the Department of Corrections, be eligible to serve his or her sentence  
10 outside the walls of the detention facility under the terms of home incarceration using an  
11 approved monitoring device as defined in KRS 532.200, if the felon has 180 days or less  
12 to serve on his or her sentence or, at the discretion of the Commissioner and the approval  
13 by the Secretary of the Justice and Public Safety Cabinet, if the felon has more than 180  
14 days to serve on his or her sentence. Any person serving a sentence on home incarceration  
15 may, at the discretion of the Commissioner of the Department of Corrections, be allowed  
16 to leave his or her premises for gainful employment, and a reasonable and appropriate  
17 amount of the wages earned each pay period shall be used to pay restitution or child  
18 support as required by the court.

19           **(7) Administration of Home Incarceration:** The Department of Corrections  
20 may enter into agreements with private vendors, county jails, or other competent  
21 providers to administer and monitor offenders placed under home incarceration.

22           **(8) Additional Savings from Home Incarceration:** If actions resulting from  
23 subsection (6) of this section achieve more savings than are contemplated in the  
24 appropriations provided in this Act, funds may be expended by the Department of  
25 Corrections to increase funding for drug treatment programs in county jails and for a  
26 secured substance abuse recovery program.

27           **d. Local Jail Support**

	2008-09	2009-10
General Fund	15,940,000	15,940,000

(1) **Inmate Medical Care Expenses:** Included in the above General Fund appropriation is \$931,100 in fiscal year 2008-2009 and \$931,100 in fiscal year 2009-2010 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 \$295,900 in fiscal year 2008-2009 and \$295,900 in fiscal year 2009-2010, 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 which exceeds the statutory threshold may be reimbursed for that amount in excess of the statutory threshold. In no event shall this apply to expenses of an elective, as opposed to emergency, basis, and expenses shall be paid according to the Kentucky Medical Assistance Schedule.

(2) **Local Jail Support:** Included in the above General Fund appropriation is \$960,000 in each fiscal year of the biennium to provide a monthly payment of an annual amount of \$20,000 to each county with a life safety jail or a closed jail. The payment shall be in addition to the monthly payment required by KRS 441.206(2).

**TOTAL - CORRECTIONS**

	2007-08	2008-09	2009-10
General Fund	24,310,300	424,576,400	440,419,000
Restricted Funds	-0-	22,469,000	22,465,700
Federal Funds	45,500	1,968,700	1,918,700
<b>TOTAL</b>	<b>24,355,800</b>	<b>449,014,100</b>	<b>464,803,400</b>

**6. VEHICLE ENFORCEMENT**

	2008-09	2009-10
Restricted Funds	1,461,600	1,461,600
Federal Funds	6,071,000	6,054,200

1	Road Fund	13,881,500	13,881,500
2	TOTAL	21,414,100	21,397,300

3       **(1) Vehicle Enforcement Officers' Training Incentive:** Included in the above  
4 Restricted Funds appropriation is sufficient funding to provide a \$3,100 annual training  
5 incentive stipend for vehicle enforcement officers.

6       **7. PUBLIC ADVOCACY**

7		<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
8	General Fund	1,801,000	31,741,100	35,679,400
9	Restricted Funds	35,200	4,301,900	4,300,000
10	Federal Funds	-0-	1,783,300	1,661,100
11	TOTAL	1,836,200	37,826,300	41,640,500

12       **(1) Compensatory Leave Conversion to Sick Leave:** If the Department of  
13 Public Advocacy determines that internal budgetary pressures warrant further austerity  
14 measures, the Public Advocate may institute a policy to suspend payment of 50 hour  
15 blocks of compensatory time for those attorneys who have accumulated 240 hours of  
16 compensatory time and instead convert those hours to sick leave.

17       **(2) Lexington Public Defender's Office:** Included in the above General Fund  
18 appropriation is \$1,570,000 in fiscal year 2007-2008 and \$1,570,000 in each fiscal year of  
19 the 2008-2010 biennium for the operation of the Lexington Public Defender's Office.

20       **TOTAL - JUSTICE AND PUBLIC SAFETY CABINET**

21		<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
22	General Fund (Tobacco)	-0-	1,923,400	1,923,400
23	General Fund	28,694,700	621,904,700	649,377,800
24	Restricted Funds	4,469,700	117,409,000	120,538,000
25	Federal Funds	813,200	43,145,500	42,995,100
26	Road Fund	-0-	73,881,500	73,881,500
27	TOTAL	33,977,600	858,264,100	888,715,800

1 **J. PERSONNEL CABINET**

2 **Budget Units**

3 **1. GENERAL OPERATIONS**

	2008-09	2009-10
4		
5	Restricted Funds	22,114,700
6	TOTAL	21,605,000

7 **2. PUBLIC EMPLOYEES DEFERRED COMPENSATION AUTHORITY**

	2008-09	2009-10
8		
9	Restricted Funds	6,930,400
		7,236,200

10 **3. WORKERS' COMPENSATION BENEFITS AND RESERVE**

	2008-09	2009-10
11		
12	Restricted Funds	25,136,100
		26,710,700

13 **4. STATE SALARY AND COMPENSATION FUND**

	2008-09	2009-10
14		
15	General Fund	13,994,300
		29,562,200

16 **(1) Kentucky Retirement System Employer Contribution Supplement:** The  
 17 above General Fund appropriation provides a pool of funds to be allocated and distributed  
 18 to employers of members of the Kentucky Employees Retirement System in hazardous  
 19 and nonhazardous positions and employers of members of the State Police Retirement  
 20 System to provide the required General Fund match for the increased employer  
 21 contribution rates contained in and in accordance with the procedures contained in Part  
 22 IV, State Salary/Compensation and Employment Policy, of this Act. The Secretary of the  
 23 Personnel Cabinet shall provide a quarterly report to the Interim Joint Committee on  
 24 Appropriations and Revenue of the distribution of funds from this appropriation.

25 ~~**(2) Use of Funds:** No funds shall be distributed from the Kentucky Retirement~~  
 26 ~~System Employer Contribution Supplement of the State Salary and Compensation Fund,~~  
 27 ~~as set forth in subsection (1) of this section, unless the 2008 General Assembly adopts the~~



1 ~~provisions contained in 08 RS HB 600/SCS. If the funds appropriated to the State Salary~~  
 2 ~~and Compensation Fund are prohibited from distribution as a Kentucky Retirement~~  
 3 ~~System Employer Contribution Supplement those funds shall be transferred to the Budget~~  
 4 ~~Reserve Trust Fund at the end of each fiscal year.] (Veto No. 7)~~

5 **5. STATE GROUP HEALTH INSURANCE FUND**

	2008-09	2009-10
6		
7	2,080,700	2,080,700

8 (1) **Group Health Insurance:** The above General Fund appropriation is provided  
 9 to support a dependent subsidy for full-time employees of quasi-governmental employers,  
 10 excluding state agencies, participating in the State Group Health Insurance program. To  
 11 participate in this fund, each quasi-governmental employer must certify to the Secretary  
 12 of the Personnel Cabinet that no funds received from the pool are being utilized to fund  
 13 any benefits for persons other than full-time employees.

14 **TOTAL - PERSONNEL CABINET**

	2008-09	2009-10
15		
16	16,075,000	31,642,900
17	54,181,200	55,551,900
18	70,256,200	87,194,800

19 **K. POSTSECONDARY EDUCATION**

20 **Budget Units**

21 **1. COUNCIL ON POSTSECONDARY EDUCATION**

	2008-09	2009-10
22		
23	5,586,100	6,656,600
24	53,946,000	59,089,800
25	8,753,200	8,928,600
26	19,099,400	19,099,400
27	87,384,700	93,774,400

1           **(1) Carry Forward of General Fund Appropriation Balance:** Notwithstanding  
2 KRS 45.229, the General Fund appropriation in fiscal year 2007-2008 and fiscal year  
3 2008-2009 to the Adult Education and Literacy Funding Program shall not lapse and shall  
4 carry forward.

5           Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2007-  
6 2008 and fiscal year 2008-2009 to the Science and Technology Funding Program shall  
7 not lapse and shall carry forward.

8           **(2) Strategic Investment and Incentive Trust Funds Interest Income:**  
9 Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917, 164.7919, 164.7921,  
10 164.7923, 164.7925, and 164.7927, interest earnings in the amount of \$343,900 in fiscal  
11 year 2008-2009 and \$343,900 in fiscal year 2009-2010 shall be transferred from Strategic  
12 Investment and Incentive Trust Fund accounts included under these statutes to Agency  
13 Revenue accounts within the Council on Postsecondary Education budget unit in the  
14 following amounts and for the following specified purposes: \$105,500 in each fiscal year  
15 for the Minority Student College Preparation Program, \$188,400 in each fiscal year for  
16 the Southern Regional Board Doctoral Scholars Program, and \$50,000 in each fiscal year  
17 for the P-16 Council.

18           **(3) Interest Earnings Transfer from the Strategic Investment and Incentive**  
19 **Trust Fund Accounts:** Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917,  
20 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, any expenditures from the  
21 Strategic Investment and Incentive Trust Fund accounts in excess of appropriated  
22 amounts by the Council on Postsecondary Education shall be subject to KRS 48.630.

23           **(4) Ovarian Cancer:** Notwithstanding KRS 164.476, General Fund (Tobacco)  
24 moneys in the amount of \$975,000 in each fiscal year shall be allotted from the Lung  
25 Cancer Research Fund to the Ovarian Cancer Screening Outreach Program at the  
26 University of Kentucky. Of that amount, \$200,000 in each fiscal year shall be allotted for  
27 serum Ca-125 tests for women in families at or below 200 percent of the federal poverty

1 level for whom the test has been prescribed by a health care practitioner.

2       **(5) Debt Service:** (a) Included in the above General Fund appropriation is  
3 \$4,936,000 in fiscal year 2009-2010 for new debt service to support new bonds for  
4 postsecondary education budget units as set forth in Part II, Capital Projects Budget, of  
5 this Act, except as provided in paragraph (b) of this subsection.

6       (b) Included in the above General Fund (Tobacco) appropriation is \$885,000 in  
7 fiscal year 2009-2010 for new debt service to support new bonds for the University of  
8 Kentucky's Expand and Upgrade LDDC Phase II project and \$91,000 in fiscal year 2009-  
9 2010 for new debt service to support new bonds for the University of Kentucky's  
10 Renovate 4-H Camps project as set forth in Part II, J., 8., of this Act.

11       (c) Future debt service payments for the Renovate 4-H Camps project shall be  
12 provided from the General Fund. It is the intent of the General Assembly that in fiscal  
13 years 2010-2011 and 2011-2012, the debt service shall be provided from the General  
14 Fund.

15       **(6) Allocation of Funds:** The Council on Postsecondary Education shall allocate  
16 the funds provided in the above appropriation in a manner that maximizes the opportunity  
17 to receive federal matching funds.

18       **(7) Postsecondary Education Debt:** Notwithstanding KRS 45.750 to 45.810, in  
19 order to lower the cost of borrowing, any university that has issued or caused to be issued  
20 debt obligations through a not-for-profit corporation or a municipality or county  
21 government for which the rental or use payments of the university substantially meet the  
22 debt service requirements of those debt obligations is authorized to refinance those debt  
23 obligations if the principal amount of the debt obligations is not increased and the rental  
24 payments of the university are not increased. Any funds used by a university to meet debt  
25 obligations issued by a university pursuant to this subsection shall be subject to  
26 interception of state-appropriated funds pursuant to KRS 164A.608.

27       **(8) Research Challenge Trust Fund:** (a) The \$50,000,000 of General Fund-

1 supported bond funds in fiscal year 2008-2009 for the Research Challenge Trust Fund  
2 provided in Part II, Capital Projects Budget, of this Act, shall be used to support the  
3 Endowment Match Program and the Research Capital Match Program as established in  
4 subsection (9) of this section.

5 (b) The combined funds for the Endowment Match Program and the Research  
6 Capital Match Program shall be apportioned between the University of Kentucky and the  
7 University of Louisville in accordance with KRS 164.7917(1)(c). Notwithstanding KRS  
8 164.7917(2), prior to the issuance of bonds to support the Research Challenge Trust  
9 Fund, the Board of Trustees of each institution shall determine the allocation of funds to  
10 be used for the Endowment Match Program and the Research Capital Match Program and  
11 report that action to the Secretary of the Finance and Administration Cabinet, the  
12 President of the Council on Postsecondary Education, the Capital Projects and Bond  
13 Oversight Committee, and the Interim Joint Committee on Appropriations and Revenue.

14 (9) **Research Capital Match Program:** In accordance with KRS 164.7917(1)(a),  
15 the Council on Postsecondary Education shall create within the Research Challenge Trust  
16 Fund a separate, subsidiary Research Capital Match Program and related account. The  
17 program shall provide funds to the University of Kentucky and the University of  
18 Louisville for research-related capital projects, including but not limited to laboratory  
19 renovation, fit-out of new and existing research space, and renovation of other research-  
20 related space. The Council on Postsecondary Education shall conduct the application,  
21 review, and award process in accordance with KRS 164.7917(2), except that,  
22 notwithstanding KRS 164.7917(2), the Research Capital Match Program funds provided  
23 to an institution shall be subject to a dollar-for-dollar match requirement. The council  
24 shall report awards under the Research Capital Match Program to the Secretary of the  
25 Finance and Administration Cabinet, the Capital Projects and Bond Oversight  
26 Committee, and the Interim Joint Committee on Appropriations and Revenue.

27 (10) **Investment Disbursal of Research Challenge Trust Fund Proceeds:** (a)

1 The proceeds of the Research Challenge Trust Fund provided in Part II, Capital Projects  
2 Budget, of this Act shall be invested at the direction of the Council on Postsecondary  
3 Education.

4 (b) Upon receipt of certification from the president of a university stating that a  
5 formal commitment has been secured to provide the required matching funds under the  
6 Endowment Match Program, the council shall transfer funds from the Research Challenge  
7 Trust Fund Account to the university for management and investment by the university  
8 foundation, if a foundation has previously been created to manage and invest private gifts  
9 and donations on behalf of the university, otherwise by the university itself. Funds  
10 transferred to a university for the Endowment Match Program shall not be managed or  
11 invested by an independent board or foundation separate from the foundation previously  
12 created to manage and invest funds on behalf of the university. Only the investment  
13 earnings from the endowment created or expanded with funds from the Research  
14 Challenge Trust Fund and the required matching funds may be expended.

15 (c) Upon making an award to a university under the Research Capital Match  
16 Program in accordance with subsection (9) of this section, the Council shall transfer the  
17 funds from the Research Challenge Trust Fund Account to the university.

18 **(11) Regional University Excellence Trust Fund:** (a) The proceeds of the  
19 \$10,000,000 authorized in Part II, Capital Projects Budget, of this Act for the Regional  
20 University Excellence Trust Fund, shall be deposited in Regional University Trust Fund  
21 accounts for each institution as provided in KRS 164.7919(1)(a) and (b) and invested at  
22 the direction of the Council on Postsecondary Education until such time as the council  
23 receives a certification from the President of Eastern Kentucky University, Kentucky  
24 State University, Morehead State University, Murray State University, Northern  
25 Kentucky University, or Western Kentucky University stating that a formal commitment  
26 has been secured by the university to provide the required matching funds.

27 (b) Upon receipt of the certification of the matching fund commitment, the

1 council shall transfer the endowment funds from the account to the university for  
 2 management and investment by the university foundation, if a foundation has been  
 3 previously created to manage and invest private gifts and donations on behalf of the  
 4 university, otherwise by the university itself. Funds transferred to a university for the  
 5 Regional University Excellence Trust Fund Program shall not be managed or invested by  
 6 an independent board or foundation separate from the foundation previously created to  
 7 manage and invest funds on behalf of the university. Only the investment earnings from  
 8 the endowments created or expanded with funds from the Regional University Excellence  
 9 Trust Fund and the required matching funds may be expended.

10 (c) If 08 RS SB 157 is enacted and becomes law, then it is the General  
 11 Assembly's intent that the "Regional University Excellence Trust Fund," as used in this  
 12 Act, means the "Comprehensive University Excellence Trust Fund."

13 **(12) Washington, D.C. Internship Program:** Included in the above General Fund  
 14 appropriation is \$100,000 in each fiscal year for scholarships to the Washington Center  
 15 for Internships and Academic Seminars.

16 **(13) Adult Education:** Included in the above General Fund appropriation is  
 17 \$23,526,000 in fiscal year 2008-2009 and \$23,526,000 in fiscal year 2009-2010 for the  
 18 Kentucky Adult Education Funding Program.

19 **(14) Contract Spaces:** Included in the above General Fund appropriation is  
 20 \$4,280,100 in fiscal year 2008-2009 and \$4,442,500 in fiscal year 2009-2010 for the  
 21 Contract Spaces Program.

22 **(15) Veterinary Medicine:** If sufficient General Fund is not provided to fully fund  
 23 154 veterinary slots, the Council on Postsecondary Education shall fully fund the 154  
 24 slots out of the Council's base budget.

25 **(16) Tuition at a Public Postsecondary Institution:** An institution within the  
 26 postsecondary education system as defined in KRS 164.001(16) that provides in-state  
 27 tuition for nonresident children of graduates of the institution may provide the same in-

1 state tuition for nonresident siblings of graduates.

2 **2. KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY**

3		2008-09	2009-10
4	General Fund (Tobacco)	1,000,000	1,000,000
5	General Fund	180,992,100	183,809,000
6	Restricted Funds	31,312,900	30,218,600
7	Federal Funds	1,568,000	1,568,000
8	TOTAL	214,873,000	216,595,600

9 **(1) College Access Program:** Notwithstanding KRS 154A.130(4), included in  
10 the above General Fund appropriation is \$60,262,000 in fiscal year 2008-2009 and  
11 \$60,262,000 in fiscal year 2009-2010 for the College Access Program.

12 **(2) Kentucky Tuition Grant Program:** Notwithstanding KRS 154A.130(4),  
13 included in the above General Fund appropriation is \$32,476,200 in fiscal year 2008-  
14 2009 and \$32,476,200 in fiscal year 2009-2010 for the Kentucky Tuition Grant Program.

15 **(3) Teacher Scholarship Program:** Notwithstanding KRS 154A.130(4),  
16 included in the above General Fund appropriation is \$1,777,100 in fiscal year 2008-2009  
17 and \$1,777,100 in fiscal year 2009-2010 for the Teacher Scholarship Program.

18 **(4) Kentucky National Guard Tuition Assistance Program:** Notwithstanding  
19 KRS 154A.130(4), included in the above General Fund appropriation is \$2,390,500 in  
20 fiscal year 2008-2009 and \$2,906,500 in fiscal year 2009-2010 for the National Guard  
21 Tuition Assistance Program. Included in the above Restricted Funds appropriation is  
22 \$2,354,000 in fiscal year 2008-2009 and \$1,838,000 in fiscal year 2009-2010 for the  
23 Kentucky National Guard Tuition Assistance Program. Notwithstanding KRS 164.7891,  
24 all repayments and interest deposited into the Osteopathic Medicine Scholarship Program  
25 shall be transferred to the Kentucky National Guard Tuition Assistance Program.

26 **(5) Kentucky Education Excellence Scholarships (KEES):** Notwithstanding  
27 KRS 154A.130(4), included in the above General Fund appropriation is \$82,205,900 in

1 fiscal year 2008-2009 and \$84,506,800 in fiscal year 2009-2010 for the Kentucky  
 2 Educational Excellence Scholarships (KEES). Included in the above Restricted Funds  
 3 appropriation is \$9,579,600 in fiscal year 2008-2009 and \$8,541,600 in fiscal year 2009-  
 4 2010 for KEES.

5 (6) **Work Study:** Included in the above General Fund appropriation is \$850,000  
 6 in fiscal year 2008-2009 and \$850,000 in fiscal year 2009-2010 for the Work Study  
 7 Program.

8 (7) **Excess Lottery Revenues:** Lottery revenues transferred to the Kentucky  
 9 Higher Education Assistance Authority in excess of the sum of the General Fund amounts  
 10 set forth in subsections (1), (2), (3), (4), and (5) of this section shall be allocated in  
 11 accordance with KRS 154A.130(4)(b) and Part III, 34., of this Act. If the amount  
 12 allocated to the KEES program exceeds the amount needed to fully fund KEES at the  
 13 statutory individual award amounts, all excess funds shall be transferred to the KEES  
 14 Reserve Trust Fund.

15 **3. EASTERN KENTUCKY UNIVERSITY**

	<b>2008-09</b>	<b>2009-10</b>
16 General Fund	77,245,100	77,999,500
17 Restricted Funds	134,387,500	142,755,500
18 Federal Funds	84,429,000	89,494,700
19 TOTAL	296,061,600	310,249,700

20  
 21 (1) **Debt Service:** Included in the above General Fund appropriation is  
 22 \$2,009,400 in fiscal year 2008-2009 and \$2,029,200 in fiscal year 2009-2010 for debt  
 23 service for previously issued bonds.

24 (2) **Community Operations Board:** Included in the above General Fund  
 25 appropriation is \$200,000 in fiscal year 2008-2009 and \$200,000 in fiscal year 2009-2010  
 26 to provide funds to the Community Operations Board for personnel and programmatic  
 27 operations of the conferencing, meeting, and community areas, and the performing arts



1 center located in Business/Technology Center, Phase II. The Business/Technology  
 2 Center, Phase II shall be governed by the Community Operations Board. Members of the  
 3 board shall serve without compensation and shall not be reimbursed for expenses incurred  
 4 in performance of their duties. The board shall establish policies and procedures for board  
 5 operations and for facility use. The board shall make all decisions regarding use of the  
 6 Business/Technology Center, Phase II including the conferencing and community areas  
 7 and the performing arts center and shall make all decisions regarding personnel and  
 8 programmatic operations of the conferencing and community areas and the performing  
 9 arts center. The board is attached to Eastern Kentucky University for administrative  
 10 purposes and the university shall provide all facility maintenance and operations costs.

11 **4. KENTUCKY STATE UNIVERSITY**

	<b>2008-09</b>	<b>2009-10</b>
12		
13	General Fund	26,927,100
14	Restricted Funds	20,520,900
15	Federal Funds	15,219,100
16	TOTAL	62,667,100

17 (1) **Debt Service:** Included in the above General Fund appropriation is \$909,900  
 18 in fiscal year 2008-2009 and \$908,900 in fiscal year 2009-2010 for debt service for  
 19 previously issued bonds.

20 **5. MOREHEAD STATE UNIVERSITY**

	<b>2008-09</b>	<b>2009-10</b>
21		
22	General Fund	46,682,100
23	Restricted Funds	74,170,500
24	Federal Funds	60,092,700
25	TOTAL	180,945,300

26 (1) **Debt Service:** Included in the above General Fund appropriation is  
 27 \$1,140,600 in fiscal year 2008-2009 and \$1,015,800 in fiscal year 2009-2010 for debt

1 service for previously issued bonds.

2 **6. MURRAY STATE UNIVERSITY**

	<b>2008-09</b>	<b>2009-10</b>
3		
4	General Fund	52,943,200
5	Restricted Funds	53,460,200
6	Federal Funds	88,589,400
7	TOTAL	92,929,200
	12,542,800	12,934,400
	154,075,400	159,323,800

8 **7. NORTHERN KENTUCKY UNIVERSITY**

	<b>2008-09</b>	<b>2009-10</b>
9		
10	General Fund	54,922,000
11	Restricted Funds	55,442,300
12	Federal Funds	145,519,600
13	TOTAL	157,370,300
	15,831,200	18,431,200
	216,272,800	231,243,800

14 **(1) Debt Service:** Included in the above General Fund appropriation is  
 15 \$2,608,500 in fiscal year 2008-2009 and \$2,618,000 in fiscal year 2009-2010 for debt  
 16 service for previously issued bonds.

17 **8. UNIVERSITY OF KENTUCKY**

	<b>2008-09</b>	<b>2009-10</b>
18		
19	General Fund (Tobacco)	250,000
20	General Fund	250,000
21	Restricted Funds	321,252,600
22	Federal Funds	324,366,500
23	TOTAL	1,613,017,100
	199,845,100	1,686,297,400
	2,134,364,800	2,09,837,400
	2,220,751,300	

24 **(1) Debt Service:** Included in the above General Fund appropriation is  
 25 \$4,649,100 in fiscal year 2008-2009 and \$4,682,400 in fiscal year 2009-2010 for debt  
 26 service for previously issued bonds for the University of Kentucky and for Lexington  
 27 Community College.

1           **(2) Mining Engineering Scholarship Program:** Notwithstanding KRS  
2 42.4588(2) and (4), included in the above General Fund appropriation is \$300,000 in each  
3 fiscal year for the Mining Engineering Scholarship from coal severance tax revenues of  
4 the General Fund.

5           **(3) Robinson Scholars Program:** Notwithstanding KRS 45.4592, included in the  
6 above General Fund appropriation is \$1,000,000 in fiscal year 2008-2009 and \$1,000,000  
7 in fiscal year 2009-2010 from the Local Government Economic Development Fund for  
8 the Robinson Scholars Program.

9           **9. UNIVERSITY OF LOUISVILLE**

	2008-09	2009-10
11           General Fund	185,423,000	186,787,700
12           Restricted Funds	581,119,400	602,808,300
13           Federal Funds	119,679,900	123,628,500
14           TOTAL	886,222,300	913,224,500

15           **(1) Debt Service:** Included in the above General Fund appropriation is  
16 \$7,500,600 in fiscal year 2008-2009 and \$7,348,800 in fiscal year 2009-2010 for debt  
17 service for previously issued bonds.

18           **(2) Quality and Charity Care Trust Agreement:** Included in the above General  
19 Fund appropriation is \$20,246,500 in fiscal year 2008-2009 and \$20,204,000 in fiscal  
20 year 2009-2010 to fulfill the Commonwealth's contractual obligation relating to indigent  
21 care furnished via the Quality and Charity Care Trust Agreement. The amount in fiscal  
22 year 2008-2009 includes \$403,600 to accommodate underfunding provided in fiscal year  
23 2007-2008.

24           Notwithstanding KRS 45.229, the General Fund appropriation related to the Quality  
25 and Charity Trust Agreement in fiscal year 2008-2009 shall not lapse but shall carry  
26 forward.

27           **10. WESTERN KENTUCKY UNIVERSITY**

	2008-09	2009-10
1		
2	82,296,300	83,371,600
3	206,289,900	217,857,100
4	38,898,000	41,424,000
5	327,484,200	342,652,700

6       **(1) Debt Service:** Included in the above General Fund appropriation is  
7 \$1,670,000 in fiscal year 2008-2009 and \$1,958,100 in fiscal year 2009-2010 for debt  
8 service for previously issued bonds.

9       **11. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

	2008-09	2009-10
10		
11	219,317,600	224,429,700
12	306,312,100	319,979,700
13	153,788,100	165,492,200
14	679,417,800	709,901,600

15       **(1) Firefighters Foundation Program Fund:** Included in the above Restricted  
16 Funds appropriation is \$29,331,400 in fiscal year 2008-2009 and \$30,364,600 in fiscal  
17 year 2009-2010 for the Firefighters Foundation Program Fund. Notwithstanding KRS  
18 95A.250(1), supplemental payments for each qualified professional firefighter under the  
19 Firefighters Foundation Program Fund shall be \$3,100 in fiscal year 2008-2009 and  
20 \$3,100 in fiscal year 2009-2010. Notwithstanding KRS 95A.200 to 95A.300, \$1,000,000  
21 in fiscal year 2008-2009 and \$1,000,000 in fiscal year 2009-2010 from the Firefighters  
22 Foundation Program Fund is authorized to be expended on firefighter training,  
23 equipment, and support activities. Notwithstanding KRS 95A.200 to 95A.300, an  
24 additional \$1,000,000 in fiscal year 2008-2009 and \$1,000,000 in fiscal year 2009-2010  
25 from the Firefighters Foundation Program Fund is authorized to be spent on a  
26 comprehensive physical aptitude test program for firefighters.

27       **(2) Firefighters Training Center Fund:** Notwithstanding KRS 95A.200 to

1 95A.265, \$500,000 in Restricted Funds is provided in each fiscal year of the 2008-2010  
 2 fiscal biennium for the Firefighters Training Center Fund.

3 **(3) Conveyance of Property:** (a) Notwithstanding KRS 164A.575 or KRS  
 4 Chapter 45A, the Kentucky Community and Technical College System may convey fee  
 5 simple title to certain of its real property located within the City of Covington, Kentucky,  
 6 to the Gateway Community and Technical College Foundation, a Kentucky not-for-profit  
 7 corporation, for future consideration as determined reasonable by the President of the  
 8 Kentucky Community and Technical College System who is hereby authorized to execute  
 9 all necessary documents and take all necessary action to complete the foregoing  
 10 conveyance. All moneys accruing to the Kentucky Community and Technical College  
 11 System as a result of the conveyance shall be used to support capital construction projects  
 12 on the Covington campus of the Gateway Community and Technical College. The  
 13 Kentucky Community and Technical College System shall report a capital construction  
 14 project that uses funds received from the conveyance to the Capital Projects and Bond  
 15 Oversight Committee.

16 (b) Notwithstanding KRS 164A.575 or KRS Chapter 45A, the Kentucky  
 17 Community and Technical College System may convey to the Hopkins County Board of  
 18 Education fee simple title to certain of its real property and improvements that will  
 19 become surplus to Madisonville Community College upon the completion of construction  
 20 of the new Energy and Advanced Technology Center facility on the main campus of the  
 21 college. The conveyance shall be completed at a price that is acceptable to both parties at  
 22 fair market value. Madisonville Community College shall receive for college use the  
 23 proceeds from the conveyance of the real property and improvements.

24 **(4) Salary Increases:** It is the intent of the 2008 General Assembly that  
 25 employees of the Kentucky Community and Technical College System (KCTCS) who are  
 26 in the University of Kentucky personnel system shall be treated the same, with respect to  
 27 compensation plans and salary increases implemented by KCTCS, as all other employees

1 of KCTCS. Specifically, KCTCS shall not utilize the practice of providing lower salary  
 2 increases to KCTCS employees who are in the University of Kentucky personnel system  
 3 in order to offset money paid to the University of Kentucky for the cost of providing  
 4 health insurance to these employees.

5 KCTCS shall make no distinction in compensation plans or salary increases among  
 6 its employees based upon the personnel system to which they belong, except that KCTCS  
 7 may make up the lower salary increases given in the past to those employees of KCTCS  
 8 in the University of Kentucky personnel system which were based upon reimbursing the  
 9 University of Kentucky for the cost of providing health insurance.

10 **TOTAL - POSTSECONDARY EDUCATION**

	<b>2008-09</b>	<b>2009-10</b>
11		
12	General Fund (Tobacco) 6,836,100	7,906,600
13	General Fund 1,301,947,100	1,322,938,400
14	Restricted Funds 3,209,992,500	3,357,790,600
15	Federal Funds 720,993,300	757,686,600
16	TOTAL 5,239,769,000	5,446,322,200

17 **L. TRANSPORTATION CABINET**

18 **Budget Units**

19 **1. GENERAL ADMINISTRATION AND SUPPORT**

	<b>2008-09</b>	<b>2009-10</b>
20		
21	Restricted Funds 48,900	22,000
22	Federal Funds 7,808,300	5,966,500
23	Road Fund 74,390,100	74,769,900
24	TOTAL 82,247,300	80,758,400

25 **(1) Biennial Highway Construction Programs:** The Secretary of the  
 26 Transportation Cabinet is directed to produce a single document that contains two  
 27 separately identified sections, as follows:

1 Section 1 shall detail the enacted fiscal biennium 2008-2010 Biennial Highway  
 2 Construction Program and Section 2 shall detail the Highway Preconstruction Program  
 3 Plan for fiscal year 2008-2009 through fiscal year 2013-2014 as identified by the 2008  
 4 General Assembly. This document shall mirror in data type and format the fiscal year  
 5 2006-2012 Recommended Six-Year Highway Plan as submitted to the 2006 General  
 6 Assembly. The document shall be published and distributed to members of the General  
 7 Assembly and the public within 60 days of adjournment of the 2008 Regular Session of  
 8 the General Assembly.

9 The Secretary of the Transportation Cabinet is further directed to report quarterly to  
 10 the Interim Joint Committee on Appropriations and Revenue and the Interim Joint  
 11 Committee on Transportation all activity, as prescribed by KRS 176.430, relating to all  
 12 projects with open activity conducted by the Transportation Cabinet during the biennium,  
 13 including the year each project phase was enacted in a Six-Year Highway Plan. Pursuant  
 14 to KRS 48.800(5), the Transportation Cabinet shall submit the electronic quarterly report  
 15 in a format prescribed by the Legislative Research Commission.

16 **(2) Debt Service:** Included in the above Road Fund appropriation is \$7,303,300  
 17 in fiscal year 2008-2009 and \$7,287,900 in fiscal year 2009-2010 for debt service on  
 18 previously authorized bonds for the new Transportation Cabinet office building and  
 19 parking structure.

20 **(3) Adopt-A-Highway Litter Program:** The Transportation Cabinet and the  
 21 Environmental and Public Protection Cabinet may receive, accept, and solicit grants,  
 22 contributions of money, property, labor, or other things of value from any governmental  
 23 agency, individual, nonprofit organization, or private business to be used for the Adopt-a-  
 24 Highway Litter Program or other statewide litter programs. Any contribution of this  
 25 nature shall be deemed to be a contribution to a state agency for a public purpose and  
 26 shall be treated as Restricted Funds under KRS Chapter 45 and reported according to  
 27 KRS Chapter 48, and shall not be subject to restrictions set forth under KRS Chapter

1 11A.

2 (4) **SAFE Patrol Program:** The Transportation Cabinet shall continue the SAFE  
 3 Patrol Program at the current service level. The primary mission of the cabinet's SAFE  
 4 Patrol shall be motorist assistance. The SAFE Patrol shall be restricted to providing only  
 5 assistance services on interstates, parkways, and other limited-access highways.

6 **2. AVIATION**

	2008-09	2009-10
8 Restricted Funds	3,691,800	3,723,500
9 Federal Funds	15,000	15,000
10 Road Fund	11,414,100	11,313,300
11 Highway Bond	60,000,000	-0-
12 TOTAL	75,120,900	15,051,800

13 (1) **Operational Costs:** Notwithstanding KRS 183.525(5), the above Restricted  
 14 Funds appropriation includes operational costs of the program in each fiscal year.

15 (2) **Aviation Plan Project Report:** The Secretary of the Transportation Cabinet  
 16 is directed to report quarterly to the Interim Joint Committee on Appropriations and  
 17 Revenue and the Interim Joint Committee on Transportation all activity relating to all  
 18 aviation projects with open activity conducted by the Transportation Cabinet during the  
 19 biennium, including the year each project phase was enacted in a Six-Year Aviation Plan.  
 20 The Transportation Cabinet shall submit the electronic quarterly report in a format  
 21 prescribed by the Legislative Research Commission.

22 (3) **Six-Year Aviation Plan:** The Transportation Cabinet's Aviation Development  
 23 Program shall prioritize and fund airport projects from appropriated Road Fund resources  
 24 in the designated fiscal year as included in the 2008-2014 Six-Year Aviation Plan.

25 (4) **Economic Development Road Bond Debt Service:** Included in the above  
 26 Road Fund appropriation is \$2,652,000 in fiscal year 2008-2009 and \$5,304,000 in fiscal  
 27 year 2009-2010 for Economic Development Road lease-rental payments relating to



1 projects financed by \$60,000,000 in Economic Development Road Revenue Bonds.

2 **3. DEBT SERVICE**

3		2008-09	2009-10
4	Road Fund	148,513,000	136,599,000

5 **(1) Resource Recovery Road Lease-Rental Payments:** Included in the above  
6 Road Fund appropriation is \$9,086,400 in fiscal year 2008-2009 for Resource Recovery  
7 Road lease-rental payments. The Secretary of the Transportation Cabinet shall use Road  
8 Fund resources to meet the lease-rental payments to the Kentucky Turnpike Authority for  
9 Resource Recovery Road projects in the amount certified by the Transportation Cabinet,  
10 pursuant to KRS 143.090. However, if Road Fund resources are not sufficient to meet  
11 lease-rental payments, the additional amount required to meet the obligation shall be  
12 transferred from the proceeds of the tax levied on the severance or processing of coal by  
13 KRS 143.020.

14 **(2) Economic Development Road Lease-Rental Payments:** Included in the  
15 above Road Fund appropriation is \$139,426,600 in fiscal year 2008-2009 and  
16 \$134,389,000 in fiscal year 2009-2010 for Economic Development Road lease-rental  
17 payments relating to projects financed by Economic Development Road Revenue Bonds  
18 previously authorized by the General Assembly and issued by the Kentucky Turnpike  
19 Authority.

20 **(3) Economic Development Road Bond Debt Service:** Included in the above  
21 Road Fund appropriation is \$2,210,000 in fiscal year 2009-2010 for Economic  
22 Development Road lease-rental payments to the Kentucky Turnpike Authority relating to  
23 projects financed by \$50,000,000 in Economic Development Road Revenue Bonds.

24 **(4) Excess Lease-Rental Payments:** Any moneys not required to meet lease-  
25 rental payments or to meet the administrative costs of the Kentucky Turnpike Authority  
26 shall be transferred to the State Construction Account.

27 **(5) Debt Payment Acceleration Fund Account:** Notwithstanding KRS 175.505,

1 no portion of the revenues to the state Road Fund provided by the adjustments in KRS  
 2 138.220(2), excluding KRS 177.320 and 177.365, shall accrue to the Debt Payment  
 3 Acceleration Fund account during the 2008-2010 fiscal biennium.

4 **4. HIGHWAYS**

	2007-08	2008-09	2009-10	
5				
6	General Fund	-0-	-0-	442,000
7	Restricted Funds	37,960,400	79,076,700	80,181,800
8	Federal Funds	4,216,800	686,029,100	720,009,500
9	Road Fund	98,100	680,624,200	755,167,500
10	Highway Bond	-0-	50,000,000	-0-
11	TOTAL	42,275,300	1,495,730,000	1,555,800,800

12 **(1) Debt Service:** Included in the above Federal Funds appropriation is  
 13 \$44,323,900 in fiscal year 2008-2009 and \$43,901,500 in fiscal year 2009-2010 for debt  
 14 service on Grant Anticipation Revenue Vehicle (GARVEE) Bonds previously  
 15 appropriated by the General Assembly.

16 **(2) State Supported Construction Programs:** Included in the above Road Fund  
 17 appropriation is \$289,434,000 in fiscal year 2008-2009 and \$334,358,400 in fiscal year  
 18 2009-2010 for the State Supported Construction Program.

19 **(3) State Resurfacing Program:** Included in the State Supported Construction  
 20 Program in subsection (2) of this section is \$97,000,000 in fiscal year 2008-2009 and  
 21 \$107,000,000 in fiscal year 2009-2010 from the Road Fund for the State Resurfacing  
 22 Program.

23 **(4) Biennial Highway Construction Program:** Included in the State Supported  
 24 Construction Program in subsection (2) of this section is \$161,434,000 in fiscal year  
 25 2008-2009 and \$196,358,400 in fiscal year 2009-2010 from the Road Fund for state  
 26 construction projects in the fiscal biennium 2008-2010 Biennial Highway Construction  
 27 Program. ~~Notwithstanding KRS 224.43-505, no funds to support the Kentucky Pride~~

1 ~~Fund are included in the above Road Fund appropriation.] (Veto No. 8)~~

2       **(5) Highway Construction Contingency Account:** Included in the State  
3 Supported Construction Program in subsection (2) of this section is \$31,000,000 in fiscal  
4 year 2008-2009 and \$31,000,000 in fiscal year 2009-2010 for the Highway Construction  
5 Contingency Account.~~[Included in the above Road Fund appropriation is \$5,000,000 in~~  
6 ~~each fiscal year to support the Kentucky Pride Fund created in KRS 224.43-505.] (Veto~~  
7 ~~No. 8)~~ The Transportation Cabinet may deposit \$4,000,000 from the Highway  
8 Construction Contingency Account in each fiscal year to the Industrial Road Access  
9 Account within the Transportation Cabinet. The Industrial Road Access Account funds  
10 are designated to be used solely by the Secretary of the Economic Development Cabinet.  
11 These funds may be expended, encumbered, or committed only upon the direction of the  
12 Secretary of the Economic Development Cabinet to the Secretary of the Transportation  
13 Cabinet. The Secretary of the Economic Development Cabinet may request from the  
14 Secretary of the Transportation Cabinet additional funds to be deposited to the Industrial  
15 Road Access Account if the funds are necessary to meet specific economic development  
16 opportunities in a local community. Notwithstanding KRS 45.229, any funds not  
17 expended from the Industrial Road Access Account prior to June 30, 2009, shall not lapse  
18 to the State Highway Construction Program, but shall remain in the Industrial Road  
19 Access Account and carry forward into fiscal year 2009-2010. Included in the above Road  
20 Fund appropriation is \$98,000 in fiscal year 2008-2009 for use by Mammoth Caves  
21 National Park to provide a 20 percent state-funded match for federal funds designated for  
22 planning and for design phases for dredging and reconstruction and improvements to the  
23 Green River Ferry loading ramps for year-round operation of the ferry.

24       **(6) 2008-2010 Biennial Highway Construction Plan:** Projects in the enacted  
25 2006-2008 Biennial Highway Construction Plan are authorized to continue their current  
26 authorization into the 2008-2010 fiscal biennium.

27       **(7) Kentucky Transportation Center:** Notwithstanding KRS 177.320(4),

1 included in the above Road Fund appropriation is \$290,000 in fiscal year 2008-2009 and  
2 \$290,000 in fiscal year 2009-2010 for the Kentucky Transportation Center.

3 **(8) New Highway Equipment Purchases:** Notwithstanding KRS 48.710(3),  
4 included in the above Restricted Funds appropriation is \$1,500,000 in fiscal year 2008-  
5 2009 and \$1,500,000 in fiscal year 2009-2010 from the sale of surplus equipment to  
6 purchase new highway equipment.

7 **(9) State Match Provisions:** The Transportation Cabinet is authorized to utilize  
8 state construction moneys or Toll Credits to match federal highway moneys.

9 **(10) Federal Aid Highway Funds:** If additional federal highway moneys are made  
10 available to Kentucky by the United States Congress, the funds shall be used according to  
11 the following priority: (a) Any demonstration-specific or project-specific money shall be  
12 used on the project identified; (b) All projects identified for federal funding in the fiscal  
13 biennium 2008-2010 Biennial Highway Construction Plan shall be given first priority;  
14 and (c) All other funds shall be used to ensure that projects in the fiscal biennium 2008-  
15 2010 Biennial Highway Construction Plan are funded.

16 **(11) Road Fund Cash Management:** The Secretary of the Transportation Cabinet  
17 is authorized to continue the Cash Management Plan to address the policy of the General  
18 Assembly to expeditiously initiate and complete projects in the fiscal biennium 2008-  
19 2010 Biennial Highway Construction Plan. Notwithstanding KRS Chapter 45,  
20 specifically including KRS 45.242 and 45.244, the Secretary may concurrently advance  
21 projects in the Biennial Highway Construction Plan by employing management  
22 techniques that maximize the Cabinet's ability to contract for and effectively administer  
23 the project work. Under the approved Cash Management Plan, the Secretary is directed to  
24 continuously ensure that the unspent project and Road Fund balances available to the  
25 Transportation Cabinet are sufficient to meet expenditures consistent with appropriations  
26 provided.

27 **(12) Carry Forward of Appropriation Balances:** Notwithstanding KRS 45.229,

1 unexpended Road Fund appropriations in the Highways budget unit for the Construction  
 2 program, the Maintenance program, and the Research program in fiscal year 2007-2008  
 3 and in fiscal year 2008-2009 shall not lapse but shall carry forward. Unexpended Federal  
 4 Funds and Restricted Funds appropriations in the Highways budget unit for the  
 5 Construction program, the Maintenance program, and the Research program in fiscal year  
 6 2007-2008 and in fiscal year 2008-2009, up to the amount of ending cash balances and  
 7 grant balances shall not lapse but shall carry forward.

8 **(13) Kentucky Pride Program Report:** The Environmental and Public Protection  
 9 Cabinet shall provide to the Interim Joint Committee on Appropriations and Revenue and  
 10 the Interim Joint Committee on Transportation a program and financial status report of all  
 11 expenditures related to the Kentucky Pride Fund. The status report shall be provided to  
 12 the Interim Joint Committee on Appropriations and Revenue and the Interim Joint  
 13 Committee on Transportation no later than October 1 of each year.

14 **(14) Miscellaneous Road Fund Projects:** (a) The Transportation Cabinet may  
 15 undertake the following miscellaneous road projects using the Highway Construction  
 16 Contingency appropriation contained therein:

17 1. Fayette County Traffic Control Device: Install a traffic light at the  
 18 intersection of Georgetown Road and Spurr Road for \$50,000 from Road Fund resources  
 19 in fiscal year 2008-2009;

20 2. Fayette County Traffic Control Device: Install a left turn signal at the  
 21 intersection of Russell Cave Road and Asbury Lane for \$6,000 from Road Fund resources  
 22 in fiscal year 2008-2009;

23 3. Fayette County Traffic Control Device: Install a left turn signal at the  
 24 intersection of Broadway and Third Street for \$6,000 from Road Fund resources in fiscal  
 25 year 2008-2009;

26 4. Jefferson County Traffic Control Device: Install a left turn signal on  
 27 both sides of the traffic control signal at the intersection of Eastern Parkway and

1 Bardstown Road for \$12,000 from Road Fund resources in fiscal year 2008-2009;

2 5. Jefferson County Traffic Control Device: Install a right turn lane at  
3 Terry Road and Greenwood Road for \$75,000 from Road Fund resources in fiscal year  
4 2008-2009;

5 6. Jefferson County Traffic Control Device: Install a left turn lane at St.  
6 Andrews Church Road and St. Anthony Road for \$150,000 from Road Fund resources in  
7 fiscal year 2008-2009;

8 7. Jefferson County Railroad Crossing: Reimburse \$80,000 to Louisville  
9 Metro Government, from Road Fund resources in fiscal year 2008-2009, for  
10 improvements to the Norfolk Southern Railroad crossing on Breckenridge Lane near the  
11 intersection of Breckenridge Lane and Six Mile Lane. The improvements shall include  
12 the rehabilitation and beautification of all sidewalks, drainage, landscaping, replacement  
13 or refurbishing of handrails, curbs, and retaining walls;

14 8. Kenton County Traffic Control Device: Install a traffic light at the  
15 intersection of Adela Street and Oak Street in Ludlow for \$22,000 from Road Fund  
16 resources in fiscal year 2008-2009;

17 9. Kenton County Sidewalks: Construct sidewalks on the northwest side of  
18 Adela Street from the Ludlow Independent School District to City Park in Ludlow for  
19 \$50,000 from Road Fund resources in fiscal year 2008-2009;

20 10. Kenton County Sidewalk and Brick Repair: Provide for transportation  
21 enhancement and beautification by repairing or replacing the historic brick and sidewalk  
22 located in the 500 block of Linden Street from Adela Street to Helen Street for \$100,000  
23 from Road Fund resources in fiscal year 2008-2009; and

24 11. Clark County Traffic Control Device: Install a four-way traffic signal at  
25 the intersection of KY 1958 and KY 1960.

26 (b) The Transportation Cabinet shall follow the original plans for Scott County  
27 Project Number 7-102.10 as identified in the 2008-2014 Highway Road Plan. The

1 Georgetown Northwest Bypass shall extend directly northward from the existing US  
 2 60/US 460 bypass intersection before proceeding to the existing KY 32. With the safety  
 3 and protection of school children being of the utmost concern to the citizens of the  
 4 Commonwealth, the Transportation Cabinet shall require the Georgetown Northwest  
 5 Bypass project to provide adequate ingress to and egress from Western Elementary  
 6 School.

7 **(15) Wetland Restoration Debt Service:** Included in the above appropriation is  
 8 \$442,000 in fiscal year 2009-2010 for new debt service to support new bonds as set forth  
 9 in Part II, Capital Projects Budget, of this Act.

10 **(16) Innovative Financing:** The Secretary of the Transportation Cabinet, or his or  
 11 her designee, shall be authorized to update the initial financial plan utilizing toll revenues  
 12 as an available funding source for the Louisville-Southern Indiana Ohio River Bridges  
 13 Project.

14 **(17) Interlocal Cooperative Agreement:** Any local government may be permitted  
 15 to enter into an interlocal cooperative agreement with the Transportation Cabinet to  
 16 maintain traffic control devices on state-maintained roads within the local government's  
 17 jurisdiction and shall be reimbursed by the Transportation Cabinet for the contracted cost  
 18 of such maintenance. The agreement may permit local governments to make temporary  
 19 repairs to state-maintained road surfaces within the local government's jurisdiction and  
 20 shall be reimbursed by the Transportation Cabinet for the contracted cost of the  
 21 temporary repairs. The Transportation Cabinet shall report all interlocal cooperative  
 22 agreements entered into under this subsection to the Interim Joint Committee on  
 23 Transportation within seven days of the agreement being finalized. The report shall  
 24 include the local government requesting the assistance from the Cabinet, the scope and  
 25 estimated cost of the service or repair, and the reasons for the necessity of the agreement.

26 **5. JUDGMENTS**

27 **(1) Payment of Judgments:** Road Fund resources required to pay judgments

1 shall be transferred from the State Construction Account at the time when actual  
2 payments must be disbursed from the State Treasury.

3 **6. PUBLIC TRANSPORTATION**

4		2007-08	2008-09	2009-10
5	General Fund	-0-	5,178,200	5,178,200
6	Restricted Funds	-0-	505,600	522,500
7	Federal Funds	33,600	30,907,800	30,944,100
8	TOTAL	33,600	36,591,600	36,644,800

9 **(1) Toll Credits:** The Transportation Cabinet is authorized to maximize to the  
10 extent necessary the use of Toll Credits to match Federal Funds for transit systems capital  
11 grants.

12 **(2) Nonpublic School Transportation:** Included in the above General Fund  
13 appropriation is \$2,950,000 in fiscal year 2008-2009 and \$2,950,000 in fiscal year 2009-  
14 2010 for nonpublic school transportation.

15 **7. REVENUE SHARING**

16		2008-09	2009-10
17	Road Fund	287,698,900	318,070,100
18	TOTAL	287,698,900	318,070,100

19 **(1) County Road Aid Program:** Included in the above Road Fund appropriation  
20 is \$108,618,300 in fiscal year 2008-2009 and \$120,156,400 in fiscal year 2009-2010 for  
21 the County Road Aid Program in accordance with KRS 177.320, 179.410, 179.415, and  
22 179.440. Notwithstanding KRS 177.320(2), the above amounts have been reduced by  
23 \$38,000 in fiscal year 2008-2009 and \$38,000 in fiscal year 2009-2010, which has been  
24 appropriated to the Highways budget unit for the support of the Kentucky Transportation  
25 Center.

26 **(2) Rural Secondary Program:** Included in the above Road Fund appropriation  
27 is \$131,766,500 in fiscal year 2008-2009 and \$145,763,600 in fiscal year 2009-2010 for



1 the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340,  
 2 177.350, and 177.360. [~~These funds shall be set aside for the construction, reconstruction,  
 3 and maintenance of state maintained secondary and rural roads and for no other purpose,  
 4 and shall be expended for these purposes by the Transportation Cabinet according to the  
 5 terms and conditions prescribed in KRS 177.320 to 177.360.~~] (Veto No. 9)  
 6 Notwithstanding KRS 177.320(1), the above amounts have been reduced by \$46,000 in  
 7 fiscal year 2008-2009 and \$46,000 in fiscal year 2009-2010, which has been appropriated  
 8 to the Highways budget unit for the support of the Kentucky Transportation Center.

9 **(3) Municipal Road Aid Program:** Included in the above Road Fund  
 10 appropriation is \$45,702,800 in fiscal year 2008-2009 and \$50,557,600 in fiscal year  
 11 2009-2010 for the Municipal Road Aid Program in accordance with KRS 177.365,  
 12 177.366, and 177.369. Notwithstanding KRS 177.365(1), the above amounts have been  
 13 reduced by \$16,000 in fiscal year 2008-2009 and \$16,000 in fiscal year 2009-2010, which  
 14 has been appropriated to the Highways budget unit for the support of the Kentucky  
 15 Transportation Center.

16 **(4) Energy Recovery Road Fund:** Included in the above Road Fund  
 17 appropriation is \$913,000 in fiscal year 2008-2009 and \$903,000 in fiscal year 2009-2010  
 18 for the Energy Recovery Road Fund in accordance with KRS 177.977, 177.9771,  
 19 177.9772, 177.978, 177.979, and 177.981.

20 **8. VEHICLE REGULATION**

	<b>2008-09</b>	<b>2009-10</b>
21		
22	Restricted Funds	9,756,300
23	Federal Funds	640,600
24	Road Fund	26,417,600
25	TOTAL	36,814,500
26		8,503,500
27		640,600
		27,277,100
		36,421,200

26 **(1) Debt Service:** Included in the above Road Fund appropriation is \$3,357,000  
 27 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II,

1 Capital Projects Budget, of this Act.

2 **TOTAL - TRANSPORTATION CABINET**

3		2007-08	2008-09	2009-10
4	General Fund	-0-	5,178,200	5,620,200
5	Restricted Funds	37,960,400	93,079,300	92,953,300
6	Federal Funds	4,250,400	725,400,800	757,575,700
7	Road Fund	98,100	1,229,057,900	1,323,196,900
8	Highway Bond	-0-	110,000,000	-0-
9	<b>TOTAL</b>	<b>42,308,900</b>	<b>2,162,716,200</b>	<b>2,179,346,100</b>

10 **PART II**

11 **CAPITAL PROJECTS BUDGET**

12 **(1) Capital Construction Fund Appropriations and Reauthorizations:**

13 Moneys in the Capital Construction Fund are appropriated for the following capital  
 14 projects subject to the conditions and procedures in this Act. Items listed without  
 15 appropriated amounts are previously authorized for which no additional amount is  
 16 required. These items are listed in order to continue their current authorization into the  
 17 2008-2010 fiscal biennium. Unless otherwise specified, reauthorized projects shall  
 18 conform to the original authorization enacted by the General Assembly.

19 **(2) Expiration of Existing Line-Item Capital Construction Projects:** All

20 appropriations to existing line-item capital construction projects expire on June 30, 2008,  
 21 unless reauthorized in this Act with the following exceptions: (a) A construction contract  
 22 for the project shall have been awarded by June 30, 2008; or (b) Permanent financing or a  
 23 short-term line of credit sufficient to cover the total authorized project scope shall have  
 24 been obtained in the case of projects authorized for bonds, provided that the authorized  
 25 project completes an initial draw on the line of credit within the biennium immediately  
 26 subsequent to the original authorization; or (c) Grant or loan agreements, if applicable,  
 27 shall have been finalized and properly signed by all necessary parties. Notwithstanding

1 the criteria set forth in this subsection, the disposition of 2006-2008 biennium  
 2 nonstatutory appropriated maintenance pools funded from Capital Construction  
 3 Investment Income shall remain subject to the provisions of KRS 45.770(4)(c).

4 **(3) Bond Proceeds Investment Income:** Investment income earned from bond  
 5 proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage  
 6 rebates and penalties and excess bond proceeds upon the completion of a bond-financed  
 7 capital project shall be used to pay debt service according to the Internal Revenue Service  
 8 Code and accompanying regulations. Notwithstanding KRS 48.010(13)(b) and 48.720 or  
 9 any other provision of this Act, any funds appropriated but not required to pay debt  
 10 service because of this fund source substitution shall be credited to the Statewide  
 11 Deferred Maintenance Fund account each year. Unneeded debt service resulting from any  
 12 other circumstance shall lapse in accordance with KRS 48.010(13)(b) and 48.720 and any  
 13 other provision of this Act except for the following: if the fund balance in the Emergency  
 14 Repair, Maintenance, and Replacement Account falls below \$5,000,000 in fiscal year  
 15 2008-2009, any debt service lapse necessary to bring the fund balance to \$5,000,000 in  
 16 that fiscal year may be credited to the Emergency Repair, Maintenance, and Replacement  
 17 Account. No transfer to the Emergency Repair, Maintenance, and Replacement Account,  
 18 or the Statewide Deferred Maintenance Fund account, shall be made based on the above  
 19 provisions if the lapse from other General Fund accounts is insufficient to meet  
 20 appropriations approved in other Parts of this Act.

21 **(4) Appropriations for Projects Not Line-Itemized:** Inasmuch as the  
 22 identification of specific projects in a variety of areas of the state government cannot be  
 23 ascertained with absolute certainty at this time, amounts are appropriated for specific  
 24 purposes to projects which are not individually identified in this Act in the following  
 25 areas: Kentucky Infrastructure Authority Water and Sewer Projects, and Broadband  
 26 Projects; Kentucky River Authority Locks and Dams Renovation and Maintenance Pool;  
 27 Repair of State-Owned Dams; Land Acquisition; Property Demolition; Guaranteed

1 Energy Savings projects; Wetland and Stream Mitigation; Economic Development  
 2 projects, which shall include authorization for the High-Tech Construction Pool and the  
 3 High-Tech Investment Pool; Infrastructure projects; Capital Renewal and Maintenance  
 4 Pool; Heritage Land Conservation projects; Flood Control projects; Parks Renovation  
 5 Pool; Parks Development Pool; Kentucky Center for the Arts Major Maintenance  
 6 Renovation Pool; Bond-funded maintenance pools; and University Major Items of  
 7 Equipment Pools. Any projects estimated to cost over \$600,000 and equipment estimated  
 8 to cost over \$200,000 shall be reported to the Capital Projects and Bond Oversight  
 9 Committee no later than 30 days after the allocation associated with the project or  
 10 equipment item is made. The report shall identify the need for, and provide a brief  
 11 description of, each project or equipment item.

12 **(5) Bond Issues for Tobacco and Non-Coal Producing Counties:** Any  
 13 authorized bond project from the Infrastructure for Economic Development Fund for  
 14 Tobacco Counties, Water and Sewer Resource Development Fund for Tobacco Counties,  
 15 and Infrastructure for Economic Development Fund for Non-Coal Producing Counties  
 16 may be financed from any associated bond issue for the Infrastructure for Economic  
 17 Development Fund for Tobacco Counties, Water and Sewer Resource Development Fund  
 18 for Tobacco Counties, and Infrastructure for Economic Development Fund for Non-Coal  
 19 Producing Counties.

20 **(6) Capital Construction and Equipment Purchase Contingency Account:** If  
 21 funds in the Capital Construction and Equipment Purchase Contingency Account are not  
 22 sufficient, then expenditures of the fund are to be paid first from the General Fund  
 23 Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund  
 24 Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

25 **(7) Emergency Repair, Maintenance, and Replacement Account:** If funds in  
 26 the Emergency Repair, Maintenance, and Replacement Account are not sufficient, then  
 27 expenditures of the fund are to be paid first from the General Fund Surplus Account

1 (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS  
2 48.705), subject to the conditions and procedures provided in this Act.

3 **(8) Council on Postsecondary Education - Capital Renewal and Maintenance**

4 **Pool:** The Capital Renewal and Maintenance Pool appropriated to the Council on  
5 Postsecondary Education provides funding for individual postsecondary education  
6 institutions to be recommended by the Council on Postsecondary Education to the  
7 Secretary of the Finance and Administration Cabinet from the project listings previously  
8 identified and recommended by the Council for funding in the 2008-2010 fiscal  
9 biennium. The Council shall require matching funds from the institutions. Any individual  
10 project exceeding \$600,000 or any major item of equipment exceeding \$200,000 must be  
11 included in this Act.

12 **(9) Military Affairs - Source of Funds for Maintenance Projects: Royalties**

13 received from the sale of natural resources at the Wendell H. Ford Regional Training  
14 Center in excess of the amount included in the 2008-2010 enacted budget to be deposited  
15 in the General Fund, up to \$250,000 in each fiscal year, shall be deposited to a capital  
16 maintenance pool for the Department of Military Affairs and used to match federal funds  
17 received for maintenance, renovation, and repair of the Department's facilities and major  
18 items of equipment.

19 **(10) Payments for Wetland Restoration:** Obligations due from the Department

20 of Highways from state funds for fees to the fund established by KRS 150.225(3) shall be  
21 deposited into an Other Special Revenue Fund established within the Transportation  
22 Cabinet. Payments in satisfaction of these obligations shall be made from the capital  
23 project appropriation in Part II, K., 1., 017. of this Act.

24 **A. GENERAL GOVERNMENT**

25 **Budget Units** **2008-09** **2009-10**

26 **1. HOMELAND SECURITY**

27 **001. Strategic Voice Mutual Aid System**

1	Federal Funds	11,261,400	-0-
2	<b>002. Mobile Communication Centers</b>		
3	Federal Funds	1,624,300	-0-
4	<b>2. DEPARTMENT OF VETERANS' AFFAIRS</b>		
5	<b>001. Maintenance Pool - 2008-2010</b>		
6	Investment Income	100,000	100,000
7	<b>002. Construct State Veterans' Cemetery - Southeast Kentucky (Leslie County)</b>		
8	Reauthorization (\$200,000 General Fund, \$6,000,000 Federal Funds)		
9	<b>003. State Veterans' Cemetery - Northeast Kentucky (Greenup County) Phase II</b>		
10	<b>(1) State Veterans' Cemetery - Northeast Kentucky (Greenup County)</b>		
11	<b>Phase II:</b> The Department of Veterans' Affairs is authorized to transfer \$200,000 in		
12	General Fund moneys authorized for the Construct State Veterans' Cemetery - Southeast		
13	Kentucky (Leslie County) project as set forth in 002. of this section to the State Veterans'		
14	Cemetery - Northeast Kentucky (Greenup County) Phase II project, if the State Veterans'		
15	Cemetery - Northeast Kentucky (Greenup County) Phase II project receives federal		
16	approval prior to the Construct State Veterans' Cemetery - Southeast Kentucky (Leslie		
17	County) project.		
18	If the \$200,000 in General Fund moneys is transferred to the State Veterans'		
19	Cemetery - Northeast Kentucky (Greenup County) Phase II project, the Department of		
20	Veterans' Affairs is authorized to expend \$200,000 for the purchase of land, site		
21	preparation, or other associated costs for the Construct State Veterans' Cemetery -		
22	Southeast Kentucky (Leslie County) project and it shall be deemed a necessary		
23	government expense and shall be paid from the General Fund Surplus Account (KRS		
24	48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).		
25	<b>004. Construct Fourth State Veterans' Nursing Home</b>		
26	Federal Funds	19,500,000	-0-
27	Bond Funds	10,500,000	-0-

1 TOTAL 30,000,000 -0-

2 (1) **Fourth State Veterans' Nursing Home:** No bonds shall be sold for this  
 3 project until it has been approved by the United States Department of Veterans' Affairs  
 4 and the Commonwealth has been notified by the United States Department of Veterans'  
 5 Affairs that federal funds are available to support this construction.

6 **3. GOVERNOR'S OFFICE OF AGRICULTURAL POLICY**

7 **001. Kentucky Agriculture Heritage Center**

8 Bond Funds 10,000,000 -0-

9 (1) **Kentucky Agriculture Heritage Center:** The bonds shall be issued by  
 10 the Kentucky Asset/Liability Commission or any other applicable state entity authorized  
 11 by law to issue bonds, as designated by the Secretary of the Finance and Administration  
 12 Cabinet.

13 **4. KENTUCKY INFRASTRUCTURE AUTHORITY**

14 **001. KIA Fund F - Drinking Water Revolving Loan Program**

15 Bond Funds 4,000,000 -0-

16 Agency Bonds 30,000,000 -0-

17 TOTAL 34,000,000 -0-

18 (1) **Permitted Use of Funds:** The bond funds shall be used to meet the state  
 19 match requirement for federal funds for the Drinking Water Revolving Loan Program.

20 (2) **Agency Bond Debt Service:** The Kentucky Infrastructure Authority is  
 21 hereby authorized to expend loan repayment receipts on deposit at the trustee bank for the  
 22 Drinking Water Revolving Loan Program to support the KIA Fund F Agency Bonds  
 23 authorized above for projects as provided pursuant to KRS 224A.1115.

24 **002. KIA Fund A - Federally Assisted Wastewater Program**

25 Bond Funds 4,000,000 -0-

26 Agency Bonds 200,000,000 -0-

27 TOTAL 204,000,000 -0-

1           **(1) Permitted Use of Funds:** The bond funds shall be used to meet the state  
2 match requirement for federal funds for the Wastewater Revolving Loan Program.

3           **(2) Agency Bond Debt Service:** The Kentucky Infrastructure Authority is  
4 hereby authorized to expend loan repayment receipts on deposit at the trustee bank for the  
5 Wastewater Revolving Loan Program to support the KIA Fund A Agency Bonds  
6 authorized above for projects as provided pursuant to KRS 224A.111.

7           **003. Hardin County Water District #2 - WX21093035 - Louisville Water**  
8           Wholesale Interconnect Project Reauthorization and Reallocation (\$500,000  
9           Bond Funds)

10           **(1) Reauthorization and Reallocation:** The above project is authorized  
11 from a reallocation of the Hardin County Water District #2 - WX21093009 - Cecilia  
12 Water Storage Tank project as set forth in 2006 Ky. Acts ch. 252, Part II, O., Hardin  
13 County, 009.

14 **5. MILITARY AFFAIRS**

15           **001. Construct Phase VII Wendell H. Ford Regional Training Center**

16	Federal Funds	20,000,000	-0-
----	---------------	------------	-----

17           **002. Maintenance Pool - 2008-2010**

18	Federal Funds	1,000,000	1,000,000
----	---------------	-----------	-----------

19	Investment Income	1,000,000	1,000,000
----	-------------------	-----------	-----------

20	TOTAL	2,000,000	2,000,000
----	-------	-----------	-----------

21           **003. Renovate Bluegrass Station Infrastructure**

22	Agency Bonds	4,400,000	-0-
----	--------------	-----------	-----

23           **004. Construct Pole Barns at Bluegrass Station**

24	Restricted Funds	2,200,000	-0-
----	------------------	-----------	-----

25           **005. Bluegrass Station Maintenance Pool 2008-2010**

26	Restricted Funds	1,000,000	1,000,000
----	------------------	-----------	-----------

27           **006. Expansion of Military Dining Facility Wendell H. Ford Regional Training**



1	Center		
2	Federal Funds	1,300,000	-0-
3	<b>007. Construct Field Maintenance Shop 8 Conversion</b>		
4	Federal Funds	1,200,000	-0-
5	<b>008. Construct Field Maintenance Shop 1 Conversion</b>		
6	Federal Funds	1,200,000	-0-
7	<b>009. Construct Multi-Purpose Machine Gun Range Wendell H. Ford Regional</b>		
8	Training Center		
9	Federal Funds	850,000	-0-
10	<b>010. Purchase Land for Northern Kentucky National Guard Armory</b>		
11	Agency Bonds	3,000,000	-0-

12           **(1) Capitalized Interest:** The Department of Military Affairs is authorized  
 13 to capitalize interest prior to the issuance of the above Agency Bonds for a period not to  
 14 exceed 18 months.

15 **6. GOVERNOR'S OFFICE FOR LOCAL DEVELOPMENT**

16	<b>001. Flood Control Matching Fund</b>		
17	Bond Funds	2,200,000	-0-
18	<b>002. Franklin County - Lease</b>		
19	<b>003. City of Brownsville - Building Improvement Reauthorization (\$200,000</b>		
20	General Fund)		

21           **(1) Reauthorization:** The above project from 2006 Ky. Acts ch. 252, Part  
 22 II, P., Edmonson County, 001., is reauthorized for the 2008-2010 biennium.

23	<b>004. Times Star Commons - Planning Reauthorization (\$750,000 Bond Funds and</b>		
24	\$250,000 General Fund)		

25           **(1) Reauthorization and Purpose of Funds:** Notwithstanding any  
 26 statutory provision or agreement between a state agency and a local government to the  
 27 contrary, any fund balance remaining for grants to the City of Covington for Timestar

1 Commons planning as appropriated in 2006 Ky. Acts ch. 252, Part I, A., 11., (10) and for  
 2 the City of Covington - Times Star Commons - Planning in 2006 Ky. Acts ch. 252, Part  
 3 II, P., Kenton County, 002., shall be reauthorized. The funds appropriated for the  
 4 aforementioned projects and the City of Covington - Times Star Commons - Planning in  
 5 2006 Ky. Acts ch. 252, Part II, P., Kenton County, 001., may be used for land acquisition.

6 **7. ATTORNEY GENERAL**

7 **001. Franklin County - Lease**

8 **8. UNIFIED PROSECUTORIAL SYSTEM**

9 **a. Commonwealth's Attorneys**

10 **001. Jefferson County - Lease**

11 **9. TREASURY**

12 **001. Lease-Purchase of Xerox Laser Printers**

13	Investment Income	141,000	141,000
----	-------------------	---------	---------

14 **10. AGRICULTURE**

15 **001. Animal Shelters**

16	Bond Funds	3,000,000	-0-
----	------------	-----------	-----

17 **002. Franklin County - Lease**

18 **11. KENTUCKY RETIREMENT SYSTEMS**

19 **001. Kentucky Retirement Systems Line of Business Project - Additional**

20	Restricted Funds	2,700,000	-0-
----	------------------	-----------	-----

21 **002. Franklin County - Lease - Perimeter Park West**

22 **12. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS**

23 **a. Nursing**

24 **001. Jefferson County - Lease**

25 **13. KENTUCKY RIVER AUTHORITY**

26 **001. Kentucky River Locks and Dams Maintenance and Renovation Pool -**

27 **Additional**

1	Bond Funds	17,500,000	-0-
2	<b>002. Dam 10 Design and Interim Stabilization - Additional</b>		
3	Restricted Funds	625,000	250,000
4	<b>14. SCHOOL FACILITIES CONSTRUCTION COMMISSION</b>		
5	<b>001. Offers of Assistance - 2006-2008</b>		
6	Bond Funds	100,000,000	-0-
7	<b>002. Urgent Needs School Trust Fund Reauthorization (\$11,800,000 Bond Funds)</b>		
8	<b>003. School Facilities Construction Commission Reauthorization (\$130,800,000</b>		
9	Bond Funds)		
10	<b>004. Category 5 School Buildings Reauthorization (\$12,000,000 Bond Funds)</b>		
11	<b>B. COMMERCE CABINET</b>		
12	<b>Budget Units</b>	<b>2008-09</b>	<b>2009-10</b>
13	<b>1. PARKS</b>		
14	<b>001. Maintenance Pool - 2008-2010</b>		
15	Bond Funds	4,000,000	-0-
16	Investment Income	-0-	2,000,000
17	TOTAL	4,000,000	2,000,000
18	<b>2. HORSE PARK COMMISSION</b>		
19	<b>001. Maintenance Pool - 2008-2010</b>		
20	Investment Income	575,000	575,000
21	<b>3. STATE FAIR BOARD</b>		
22	<b>001. Upgrade HVAC Systems</b>		
23	Bond Funds	2,000,000	-0-
24	<b>002. Maintenance Pool - 2008-2010</b>		
25	Restricted Funds	1,000,000	1,000,000
26	<b>4. FISH AND WILDLIFE RESOURCES</b>		
27	<b>001. Fees-in-Lieu-of Stream Mitigation Projects Pool</b>		







1	<b>001. Hazardous Waste Management Fund - 2008-2010</b>		
2	Restricted Funds	2,100,000	2,100,000
3	<b>002. State-Owned Dam Repair - 2008-2010</b>		
4	Bond Funds	2,000,000	-0-
5	<b>003. State-Funded Leaking Underground Storage Tanks - 2008-2010</b>		
6	Restricted Funds	500,000	500,000
7	<b>004. Franklin County - Lease</b>		
8	<b>005. Franklin County - Lease</b>		
9	<b>3. MINE RECLAMATION AND ENFORCEMENT</b>		
10	<b>001. Franklin County - Lease</b>		
11	<b>4. PETROLEUM STORAGE TANK ENVIRONMENTAL ASSURANCE FUND</b>		
12	<b>001. Petroleum Storage Tank Environmental Assurance Fund</b>		
13	Bond Funds	25,000,000	-0-
14	<b>5. HOUSING, BUILDINGS AND CONSTRUCTION</b>		
15	<b>001. Franklin County - Lease</b>		
16	<b>6. INSURANCE</b>		
17	<b>001. Franklin County - Lease</b>		
18	<b>7. LABOR</b>		
19	<b>001. Franklin County - Lease</b>		
20	<b>002. Franklin County - Lease</b>		
21	<b>G. FINANCE AND ADMINISTRATION CABINET</b>		
22	<b>Budget Units</b>	<b>2008-09</b>	<b>2009-10</b>
23	<b>1. CONTROLLER</b>		
24	<b>001. Statewide Budget System Upgrade</b>		
25	Restricted Funds	1,005,000	-0-
26	<b>002. Investment Management System Upgrade</b>		
27	Restricted Funds	600,000	-0-





1	Other Funds	3,000,000	-0-
2	<b>004. Instant Ticket Vending Machines</b>		
3	Other Funds	2,000,000	-0-
4	<b>005. Network Storage and Associated Infrastructures</b>		
5	Other Funds	350,000	-0-

## H. HEALTH AND FAMILY SERVICES CABINET

7	<b>Budget Units</b>	<b>2008-09</b>	<b>2009-10</b>
---	---------------------	----------------	----------------

### 8 **1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT**

#### 9 **001. Maintenance Pool - 2008-2010**

10	Bond Funds	3,000,000	-0-
----	------------	-----------	-----

### 11 **2. MENTAL HEALTH AND MENTAL RETARDATION SERVICES**

#### 12 **001. Fayette County - Lease**

#### 13 **002. Franklin County - Lease**

#### 14 **003. Construct Hazelwood Intermediate Care Facility for the Mentally** 15 **Retarded/Developmentally Disabled**

16	Bond Funds	10,000,000	-0-
----	------------	------------	-----

17 **(1) Site Preparation:** The Part I, Operating Budget, for Mental  
18 Health/Mental Retardation includes \$400,000 in General Fund support in fiscal year  
19 2008-2009 for site preparation of the Hazelwood ICF MR/DD as set forth in Part I, H., 4.,  
20 (5), of this Act.

#### 21 **004. Construct Replacement of Eastern State Hospital**

22	Other Funds	129,005,000	-0-
----	-------------	-------------	-----

23 **(1) Property Lease:** The Finance and Administration Cabinet and the  
24 Cabinet for Health and Family Services are authorized to execute a long-term lease with  
25 the University of Kentucky for property at the University of Kentucky's Coldstream  
26 Research Campus on Newtown Pike in Lexington, Kentucky for the sum of one dollar per  
27 year for 99 years, on which to locate a new mental health facility to replace Eastern State

1 Hospital.

2 **(2) Financing, Design and Construction, and Lease-Rental Payments:**

3 The Finance and Administration Cabinet is authorized to enter into an agreement with the  
4 Lexington-Fayette Urban-County Government, or its public properties corporation, to  
5 provide the financing for a new mental health facility to replace Eastern State Hospital.  
6 The Finance and Administration Cabinet, on behalf of the Cabinet for Health and Family  
7 Services, shall procure the design and construction of a new mental health facility to  
8 replace Eastern State Hospital. The Cabinet for Health and Family Services is authorized  
9 to make lease-rental payments to the Lexington-Fayette Urban-County Government, or its  
10 public properties corporation, upon the cabinet's occupancy of the new mental health  
11 facility.

12 **(3) Agreement Approval:** Subsections (1) and (2) above are contingent  
13 upon the execution and approval by the University of Kentucky Board of Trustees, the  
14 Secretary of the Finance and Administration Cabinet on behalf of the Cabinet for Health  
15 and Family Services, and the Lexington-Fayette Urban-County Government, or its public  
16 properties corporation, of all contractual agreements required by subsections (1) and (2)  
17 above. The executed agreements shall be reported to the Interim Joint Committee on  
18 Appropriations and Revenue and the Capital Projects and Bond Oversight Committee.

19 **(4) Vacate Facilities:** The Kentucky Community and Technical College  
20 System is authorized to vacate the property on the current Bluegrass Community and  
21 Technical College, Cooper Drive Campus, located in Lexington, Kentucky, as determined  
22 and agreed to by the University of Kentucky and the Kentucky Community and Technical  
23 College System.

24 **(5) Transfer of Existing Property:** The Finance and Administration  
25 Cabinet is authorized to transfer the state property known as Eastern State Hospital,  
26 occupied by the Cabinet for Health and Family Services on West Fourth Street in  
27 Lexington, Kentucky, to the Kentucky Community and Technical College System at an

1 appropriate time consistent with the relocation of the Cabinet for Health and Family  
 2 Services' programs from that property to the new mental health facility, as determined by  
 3 the Secretary of the Finance and Administration Cabinet.

4           **(6) Project Status Report:** Within 90 days of the effective date of this Act,  
 5 the Finance and Administration Cabinet shall report the status of the Replacement of  
 6 Eastern State Hospital project to the Interim Joint Committee on Appropriations and  
 7 Revenue. Project status reports to the Interim Joint Committee on Appropriations and  
 8 Revenue shall be required every six months thereafter, until project completion.

9   **4. DISABILITY DETERMINATION SERVICES**

10       **001.** Franklin County - Lease

11   **5. COMMUNITY BASED SERVICES**

12       **001.** Brooklawn Child and Family Services

13           Bond Funds	2,000,000	-0-
-------------------------	-----------	-----

14           **(1) Permitted Uses:** The above appropriation shall be used to purchase,  
 15 build, renovate, or make improvements for residential housing of children who are in or  
 16 have completed the treatment program.

17       **002.** Boone County - Lease

18       **003.** Boyd County - Lease

19       **004.** Johnson County - Lease

20       **005.** Fayette County - Lease - Centre Parkway

21       **006.** Shelby County - Lease

22       **007.** Jefferson County - Lease

23       **008.** Fayette County - Lease

24       **009.** Kenton County - Lease - Madison Avenue

25       **010.** Hardin County - Lease

26       **011.** Campbell County - Lease

27       **012.** Warren County - Lease



1 governing board shall submit a copy of the certification to the President of the Council on  
 2 Postsecondary Education, the Secretary of the Finance and Administration Cabinet, and  
 3 the Capital Projects and Bond Oversight Committee.

4 **(3) Capital Projects at a Regional or Comprehensive Institution:** A regional  
 5 or comprehensive public postsecondary institution may fund a capital project with  
 6 Regional University Excellence Trust Fund Bond Funds provided under Part II, J., 1.,  
 7 003., of this Act and with other matching funds, if the Board of Regents of the institution  
 8 authorizes the use of the funds for that purpose. The institution shall report the project to  
 9 the Council on Postsecondary Education and the Secretary of the Finance and  
 10 Administration Cabinet, and to the Capital Projects and Bond Oversight Committee  
 11 pursuant to KRS Chapter 45.

12 <b>Budget Units</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
13 <b>1. COUNCIL ON POSTSECONDARY EDUCATION</b>			
14 <b>001. Research Challenge Trust Fund</b>			
15 Bond Funds	-0-	50,000,000	-0-
16 <b>* 002. Capital Renewal and Maintenance Pool</b>			
17 Bond Funds	-0-	13,927,000	-0-

18 **(1) Capital Renewal and Maintenance Pool:** The Capital Renewal and  
 19 Maintenance Pool provides funding for individual projects at Kentucky's public  
 20 postsecondary institutions to upgrade and replace building systems and infrastructure in  
 21 education and general facilities. The individual projects funded from this pool shall be  
 22 submitted by the Council on Postsecondary Education to the Secretary of the Finance and  
 23 Administration Cabinet from the project listings previously submitted by the institutions  
 24 to the council. The council shall determine the allocation of the Capital Renewal and  
 25 Maintenance Pool among the postsecondary education institutions and report that  
 26 allocation to the Secretary of the Finance and Administration Cabinet and the Capital  
 27 Projects and Bond Oversight Committee.

1	<b>003. Regional University Excellence Trust Fund</b>			
2	Bond Funds	-0-	10,000,000	-0-
3	<b>004. KYVC/KYVL Statewide Licenses Pool Phase I</b>			
4	Restricted Funds	-0-	4,000,000	-0-
5	<b>005. Purchase KYVL Research Data Bases Phase I</b>			
6	Restricted Funds	-0-	3,500,000	-0-
7	<b>006. Purchase P-20 Learning Object Repository Phase I</b>			
8	Restricted Funds	-0-	2,000,000	-0-
9	<b>007. Purchase Longitudinal Postsecondary Education Data Warehouse Phase I</b>			
10	Restricted Funds	-0-	2,000,000	-0-
11	<b>008. Complete Statewide Transfer System Phase II</b>			
12	Restricted Funds	-0-	1,500,000	-0-
13	<b>009. Purchase KYVL Integrated Library System - Additional</b>			
14	Restricted Funds	-0-	1,000,000	-0-
15	<b>010. Purchase Multi-Media Streaming System Phase I</b>			
16	Restricted Funds	-0-	1,000,000	-0-
17	<b>011. Purchase Mobile Learning Infrastructure Phase I</b>			
18	Restricted Funds	-0-	1,000,000	-0-
19	<b>012. Install Scholarly and Electronic Comm Repos Phase I</b>			
20	Restricted Funds	-0-	750,000	-0-
21	<b>013. Purchase KYVL Portal - Statewide License Phase II</b>			
22	Restricted Funds	-0-	600,000	-0-
23	<b>014. Purchase KYVL Interlibrary Loan System - Additional Reauthorization</b>			
24	(\$700,000 Restricted Funds)			
25	Restricted Funds	-0-	550,000	-0-
26	<b>015. Expand GoHigher Portal</b>			
27	Restricted Funds	-0-	500,000	-0-

1	<b>016. Upgrade Council on Postsecondary Education Technology Infrastructure</b>			
2	Phase I			
3	Restricted Funds	-0-	500,000	-0-
4	<b>017. Expand UCAN System Statewide Phase I</b>			
5	Restricted Funds	-0-	500,000	-0-
6	<b>018. Install Assistive Technology for Teaching Phase I</b>			
7	Restricted Funds	-0-	500,000	-0-
8	<b>019. Purchase Statewide Lifelong Learning Portal Phase I</b>			
9	Restricted Funds	-0-	500,000	-0-
10	<b>020. Purchase Adult Education Skill/Mobile</b>			
11	Restricted Funds	-0-	500,000	-0-
12	<b>021. Purchase KYVL Interactive Library Tools</b>			
13	Restricted Funds	-0-	300,000	-0-
14	<b>022. Purchase Portable Training Labs</b>			
15	Restricted Funds	-0-	300,000	-0-
16	<b>023. Purchase Interactive Television (ITV) System - Additional Reauthorization</b>			
17	(\$800,000 Restricted Funds)			
18	Restricted Funds	-0-	200,000	-0-
19	<b>024. Install Web site ADA Compliance Restructuring Reauthorization (\$500,000</b>			
20	Restricted Funds)			
21	<b>025. Franklin County - Lease</b>			
22	<b>2. KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION</b>			
23	<b>001. Jefferson County - Lease</b>			
24	<b>002. Upgrade Information Technology Systems</b>			
25	Federal Funds	-0-	850,000	-0-
26	<b>3. EASTERN KENTUCKY UNIVERSITY</b>			
27	<b>001. Construct New Student Housing</b>			

1	Agency Bonds	-0-	21,000,000	-0-
2	<b>002. Miscellaneous Maintenance Pool</b>			
3	Restricted Funds	-0-	5,000,000	5,000,000
4	<b>003. Renovate Residence Hall</b>			
5	Agency Bonds	-0-	10,000,000	-0-
6	<b>004. EKV-UK Dairy Research Project (Meadowbrook Farm)</b>			
7	Agency Bonds	-0-	5,300,000	-0-
8	<b>005. Construct Aramark Food Service Projects</b>			
9	Other Funds	-0-	4,150,000	-0-
10	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
11	45.763.			
12	<b>006. Upgrade Administrative Computing System</b>			
13	Restricted Funds	-0-	1,650,000	1,500,000
14	<b>007. Purchase of Adjacent Property</b>			
15	Restricted Funds	-0-	3,000,000	-0-
16	<b>008. Renovate Baseball Complex</b>			
17	Other Funds	-0-	-0-	2,000,000
18	<b>009. Renovate Property</b>			
19	Restricted Funds	-0-	2,000,000	-0-
20	<b>010. Renovate Women's Softball Complex</b>			
21	Other Funds	-0-	1,500,000	-0-
22	<b>011. Construct E&amp;G Life Safety Begley Elevator Reauthorization (\$750,000</b>			
23	Restricted Funds)			
24	<b>012. Library Studio for Academic Creativity - Additional Reauthorization</b>			
25	(\$1,500,000 Restricted Funds)			
26	Other Funds	-0-	2,800,000	-0-
27	<b>013. Purchase Minor Projects Equipment</b>			





1	<b>005. Capital Renewal and Maintenance Projects Pool</b>			
2	Restricted Funds	-0-	4,162,000	-0-
3	<b>006. Replace Boiler and Add Pollution Control</b>			
4	Restricted Funds	-0-	2,516,000	-0-
5	<b>007. Acquire Land/Campus Master Plan</b>			
6	Restricted Funds	-0-	-0-	1,000,000
7	Federal Funds	-0-	-0-	1,000,000
8	TOTAL	-0-	-0-	2,000,000
9	<b>008. Roof Repair and Replacement Pool</b>			
10	Restricted Funds	-0-	1,855,000	-0-
11	<b>009. Life Safety Upgrade Pool</b>			
12	Restricted Funds	-0-	1,774,000	-0-
13	<b>010. Add New Chiller</b>			
14	Restricted Funds	-0-	1,445,000	-0-
15	<b>011. Athletics Project Pool</b>			
16	Restricted Funds	-0-	1,025,000	-0-
17	<b>012. Implement Emergency Notification System</b>			
18	Restricted Funds	-0-	1,000,000	-0-
19	<b>013. Upgrade On-line Security Reauthorization (\$1,500,000 Restricted Funds)</b>			
20	<b>014. Guaranteed Energy Savings Performance Contracts</b>			
21	<b>5. MOREHEAD STATE UNIVERSITY</b>			
22	<b>001. Construct Campus Recreation Center</b>			
23	Agency Bonds	-0-	39,000,000	-0-
24	<b>002. Construct Athletic Administration and Sports Performance Building</b>			
25	Restricted Funds	-0-	19,201,000	-0-
26	Other Funds	-0-	4,388,000	-0-
27	TOTAL	-0-	23,589,000	-0-

1	<b>003. Construct Morehead/Rowan County Public Safety Complex</b>			
2	Federal Funds	-0-	10,853,000	-0-
3	<b>004. Replace Power Plant Pollution Control System and Boiler Tube</b>			
4	Bond Funds	5,700,000	-0-	-0-
5	<b>005. Renovate Mignon Tower Residence Hall</b>			
6	Agency Bonds	-0-	5,682,000	-0-
7	<b>006. Construct Center for the Performing Arts</b>			
8	Other Funds	-0-	5,000,000	-0-
9	<b>007. Renovate Alumni Tower Residence Hall</b>			
10	Agency Bonds	-0-	4,631,000	-0-
11	<b>008. Capital Renewal and Maintenance Pool - E&amp;G</b>			
12	Restricted Funds	-0-	4,586,500	-0-
13	<b>009. Purchase Equipment for Center for Health, Education, and Research -</b>			
14	<b>Additional Reauthorization (\$24,500,000 Bond Funds and \$1,500,000</b>			
15	<b>Federal Funds)</b>			
16	Restricted Funds	-0-	3,666,000	-0-
17	<b>010. Construct Business Continuance Datacenter</b>			
18	Agency Bonds	-0-	2,500,000	-0-
19	<b>011. Purchase Instructional Tech Initiatives</b>			
20	Restricted Funds	-0-	2,177,100	-0-
21	<b>012. Acquire Land Related to Master Plan</b>			
22	Restricted Funds	-0-	2,000,000	-0-
23	<b>013. Construct Honors College Facility</b>			
24	Restricted Funds	-0-	1,733,000	-0-
25	<b>014. Reconstruct Central Campus - Additional Reauthorization (\$780,000</b>			
26	<b>Restricted Funds)</b>			
27	Restricted Funds	-0-	1,720,000	-0-

1	<b>015. Plan and Design Library Facility</b>			
2	Restricted Funds	-0-	1,350,000	-0-
3	<b>016. Upgrade and Expand Distance Learning - Additional Reauthorization</b>			
4	(\$1,500,000 Restricted Funds)			
5	Restricted Funds	-0-	750,000	-0-
6	<b>017. Purchase Bus</b>			
7	Restricted Funds	-0-	500,000	-0-
8	<b>018. Purchase Equipment for Molecular Biology Lab - Additional Reauthorization</b>			
9	(\$474,000 Restricted Funds)			
10	Restricted Funds	-0-	430,000	-0-
11	<b>019. Expand Life Safety Claypool - Young Building - Additional Reauthorization</b>			
12	(\$600,000 Restricted Funds)			
13	Restricted Funds	-0-	400,000	-0-
14	<b>020. Renovate Button Auditorium - Additional Reauthorization (\$3,000,000</b>			
15	Restricted Funds)			
16	Restricted Funds	-0-	350,000	-0-
17	<b>021. Enhance Library Automation Resources - Additional Reauthorization</b>			
18	(\$670,000 Restricted Funds)			
19	Restricted Funds	-0-	330,000	-0-
20	<b>022. Upgrade Administrative Office Systems Reauthorization (\$2,500,000</b>			
21	Restricted Funds)			
22	<b>023. Comply with ADA - E&amp;G Reauthorization (\$1,700,000 Restricted Funds)</b>			
23	<b>024. Enhance Network/Infrastructure Resources Reauthorization (\$4,750,000</b>			
24	Restricted Funds)			
25	<b>025. Construct Space Science Center Star Theatre and Clean Room</b>			
26	Restricted Funds	-0-	9,641,000	-0-
27	<b>026. Construct Plant Facilities</b>			

1	Restricted Funds	-0-	6,750,000	-0-
2	<b>027. Upgrade Instructional PCs/LANS/Peripherals</b>			
3	Restricted Funds	-0-	5,000,000	-0-
4	<b>6. MURRAY STATE UNIVERSITY</b>			
5	<b>(1) Purpose of Funds:</b> The funds appropriated for the Construct New Science			
6	Complex - Phase III in 2006 Ky. Acts ch. 252, Part II, K., 6., 024., may be used for the			
7	chemistry building, the engineering/physics building, and to replace Murray State			
8	University reserves that have previously been expended on the project in an amount not to			
9	exceed \$2,250,000.			
10	<b>001. Construct College Courts Housing</b>			
11	Other Funds	-0-	17,900,000	-0-
12	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
13	45.763.			
14	<b>002. Replace Franklin Hall</b>			
15	Agency Bonds	-0-	15,000,000	-0-
16	<b>003. Complete Capital Renewal - E&amp;G Pool &lt; \$600,000</b>			
17	Restricted Funds	-0-	14,559,000	-0-
18	<b>004. Complete Capital Renewal - H&amp;D Pool &lt; \$600,000</b>			
19	Agency Bonds	-0-	7,617,000	-0-
20	<b>005. Construct Electrical Generation Plant</b>			
21	Other Funds	-0-	6,050,000	-0-
22	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
23	45.763.			
24	<b>006. Chemistry Instructional &amp; Research Instruments</b>			
25	Restricted Funds	-0-	2,450,000	-0-
26	<b>007. College of Science Instructional/Research Equipment</b>			
27	Restricted Funds	-0-	2,000,000	-0-

1	<b>008. New Residential College - Richmond Hall - Additional Reauthorization</b>			
2	(\$13,077,000 Agency Bonds)			
3	Agency Bonds	-0-	1,923,000	-0-
4	<b>009. Complete Business and Research Center Tenant Space</b>			
5	Restricted Funds	-0-	1,800,000	-0-
6	<b>010. Acquire Land</b>			
7	Restricted Funds	-0-	1,000,000	-0-
8	<b>011. Renovate Buildings - H&amp;D Pool &lt; \$600,000</b>			
9	Agency Bonds	-0-	605,000	-0-
10	<b>012. Lease-Purchase of Fleet Vehicles</b>			
11	Other Funds	-0-	518,000	-0-
12	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
13	45.763.			
14	<b>013. Guaranteed Energy Savings Performance Contracts</b>			
15	<b>7. NORTHERN KENTUCKY UNIVERSITY</b>			
16	<b>001. Acquire and Renovate Residence Halls</b>			
17	Agency Bonds	23,500,000	-0-	-0-
18	<b>002. Construct Center for Informatics - Additional Reauthorization (\$35,500,000</b>			
19	Bond Funds)			
20	Federal Funds	-0-	5,500,000	-0-
21	Other Funds	-0-	10,000,000	-0-
22	TOTAL	-0-	15,500,000	-0-
23	<b>003. Acquire Land/Master Plan - Additional Reauthorization (\$6,000,000</b>			
24	Restricted Funds)			
25	Other Funds	-0-	12,000,000	-0-
26	<b>004. Construct New Baseball Stadium</b>			
27	Other Funds	-0-	8,400,000	-0-

1	<b>005. Renew/Expand Norse Commons</b>			
2	Agency Bonds	-0-	7,000,000	-0-
3	<b>006. Construct Soccer Stadium - Additional Reauthorization (\$5,500,000 Other</b>			
4	Funds)			
5	Other Funds	-0-	2,000,000	-0-
6	<b>007. Construct Track and Field Stadium - Additional Reauthorization (\$5,500,000</b>			
7	Other Funds)			
8	Other Funds	-0-	1,000,000	-0-
9	<b>008. Renew Underground Electrical Infrastructure - Additional Reauthorization</b>			
10	(\$4,800,000 Restricted Funds)			
11	Restricted Funds	-0-	600,000	-0-
12	<b>009. Repair Structural Floor Heaving/E&amp;G Buildings - Additional Reauthorization</b>			
13	(\$4,000,000 Restricted Funds)			
14	Restricted Funds	-0-	800,000	-0-
15	<b>010. Renew E&amp;G Fire Alarm and Security Phase I - Additional Reauthorization</b>			
16	(\$1,400,000 Restricted Funds)			
17	Restricted Funds	-0-	3,000,000	-0-
18	<b>011. E&amp;G Minor Projects Pool</b>			
19	Restricted Funds	-0-	3,000,000	-0-
20	<b>012. Initiate Phase II of Master Plan</b>			
21	Restricted Funds	-0-	2,600,000	-0-
22	<b>013. Housing/Minor Projects Pool</b>			
23	Restricted Funds	-0-	2,200,000	-0-
24	<b>014. Renew/Renovate University Center Phase I - Additional Reauthorization</b>			
25	(\$600,000 Restricted Funds)			
26	Restricted Funds	-0-	1,400,000	-0-
27	<b>015. Enhance Softball Field</b>			

1	Restricted Funds	-0-	1,300,000	-0-
2	<b>016. Construct Central Plaza Phase II - Additional Reauthorization (\$4,900,000</b>			
3	<b>Restricted Funds)</b>			
4	Other Funds	-0-	1,000,000	-0-
5	<b>017. Renew/Renovate Business Education Psychology Center Phase I</b>			
6	Restricted Funds	-0-	1,000,000	-0-
7	<b>018. Lease-Purchase Emergency Communications Project</b>			
8	Other Funds	1,000,000	-0-	-0-
9	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
10	45.763.			
11	<b>019. Renew Elevators Landrum and Administrative Center - Additional</b>			
12	<b>Reauthorization (\$990,000 Restricted Funds)</b>			
13	<b>020. Lease-Purchase Minor Instructional Equipment Pool</b>			
14	Restricted Funds	-0-	988,000	-0-
15	<b>021. Replace Business Education Psychology Center Roof - Additional</b>			
16	<b>Reauthorization (\$680,000 Restricted Funds)</b>			
17	Restricted Funds	-0-	90,000	-0-
18	<b>022. Restore Albright Health Center Roof - Additional Reauthorization (\$680,000</b>			
19	<b>Restricted Funds)</b>			
20	Restricted Funds	-0-	90,000	-0-
21	<b>023. Lease-Purchase Coach Bus</b>			
22	Restricted Funds	-0-	690,000	-0-
23	<b>024. Lease-Purchase Mobile TV Production Unit</b>			
24	Restricted Funds	-0-	650,000	-0-
25	<b>025. Improve Customer Service Systems and Technology</b>			
26	Restricted Funds	-0-	600,000	-0-
27	<b>026. Construct Intramural Fields - Additional Reauthorization (\$1,900,000</b>			



1	Restricted Funds)			
2	Restricted Funds	-0-	400,000	-0-
3	<b>027. Lease-Purchase DNA Analyzer System</b>			
4	Restricted Funds	-0-	390,000	-0-
5	<b>028. Lease-Purchase Mobile Science Lab</b>			
6	Restricted Funds	-0-	320,000	-0-
7	<b>029. Lease-Purchase Large Format Color Press</b>			
8	Restricted Funds	-0-	310,000	-0-
9	<b>030. Lease-Purchase Field Emission Microscope</b>			
10	Restricted Funds	-0-	380,000	-0-
11	<b>031. Lease-Purchase ICP - Mass Spectrometer</b>			
12	Restricted Funds	-0-	300,000	-0-
13	<b>032. Lease-Purchase Materials Strength Testing Equipment</b>			
14	Restricted Funds	-0-	275,000	-0-
15	<b>033. Lease-Purchase FT - IR and Raman Microscope</b>			
16	Restricted Funds	-0-	275,000	-0-
17	<b>034. Lease-Purchase Opto - Paramagnetic Oscillator</b>			
18	Restricted Funds	-0-	250,000	-0-
19	<b>035. Lease-Purchase Direct Analysis Mass Spectrometer</b>			
20	Restricted Funds	-0-	250,000	-0-
21	<b>036. Lease-Purchase Concrete Testing Equipment</b>			
22	Restricted Funds	-0-	215,000	-0-
23	<b>037. Lease-Purchase Calorimetry Instrumentation</b>			
24	Restricted Funds	-0-	215,000	-0-
25	<b>038. Lease-Purchase Nursing Lab Equipment</b>			
26	Restricted Funds	-0-	200,000	-0-
27	<b>039. Enhance Information Technology Infrastructure Reauthorization (\$2,900,000</b>			

1	Restricted Funds)			
2	<b>040. Enhance Instructional Information Technology Reauthorization (\$3,800,000</b>			
3	Restricted Funds)			
4	<b>041. Design/Renovate Albright Health Center</b>			
5	Other Funds	-0-	3,000,000	-0-
6	<b>042. Relocate Early Childcare Center - Additional Reauthorization (\$1,000,000</b>			
7	Restricted Funds)			
8	Other Funds	-0-	3,000,000	-0-
9	<b>043. Replace Admin Application System Phase III - Additional Reauthorization</b>			
10	(\$11,750,000 Restricted Funds)			
11	Other Funds	9,800,000	-0-	-0-
12	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
13	45.763.			
14	<b>044. Lease-Purchase Business Cont./Disaster Recovery</b>			
15	Other Funds	-0-	2,800,000	-0-
16	<b>045. Lease-Purchase Comm. and Network Infrastructure</b>			
17	Other Funds	-0-	2,000,000	-0-
18	<b>046. Construct New College of Business Building</b>			
19	Other Funds	-0-	10,000,000	-0-
20	<b>047. Guaranteed Energy Savings Performance Contracts</b>			
21	<b>048. Kenton County - METS Lease</b>			
22	<b>049. Lease - Academic Space Highland Heights</b>			
23	<b>050. Renovate Old Science Building</b>			
24	Agency Bonds	-0-	27,500,000	-0-
25	<b>051. Construct Health Innovations Center</b>			
26	Agency Bonds	-0-	43,650,000	-0-
27	Other Funds	-0-	4,850,000	-0-

1	TOTAL	-0-	48,500,000	-0-
2	<b>8. UNIVERSITY OF KENTUCKY</b>			
3	<b>001. Expand Patient Care Facility - Hospital Phase III</b>			
4	Restricted Funds	-0-	250,000,000	-0-
5	<b>002. Lease-Purchase New Housing</b>			
6	Other Funds	-0-	75,000,000	-0-
7	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
8	45.763.			
9	<b>003. Construct College of Medicine - Hospital Offices</b>			
10	Restricted Funds	-0-	66,341,000	-0-
11	<b>004. Repair, Upgrade and Expand Central Plants I</b>			
12	Restricted Funds	-0-	55,000,000	-0-
13	<b>005. Lease-Purchase Data Center</b>			
14	Restricted Funds	-0-	40,000,000	-0-
15	<b>006. Upgrade Reynolds Building</b>			
16	Restricted Funds	-0-	35,000,000	-0-
17	<b>007. Acquire Land</b>			
18	Restricted Funds	-0-	35,000,000	-0-
19	<b>008. Construct Parking Structure #9</b>			
20	Other Funds	-0-	34,310,000	-0-
21	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
22	45.763.			
23	<b>009. Upgrade, Renovate, Improve, or Expand Research Labs</b>			
24	Restricted Funds	-0-	33,500,000	-0-
25	<b>010. Construct Baseball Stadium and Clubhouse</b>			
26	Other Funds	-0-	31,900,000	-0-
27	<b>011. Capital Renewal Maintenance Pool</b>			

1	Restricted Funds	-0-	30,000,000	-0-
2	<b>012. Research Equipment Replacement Program</b>			
3	Restricted Funds	-0-	30,000,000	-0-
4	<b>013. Construct Cancer Treatment Facility - Hospital</b>			
5	Restricted Funds	-0-	27,338,000	-0-
6	<b>014. Repair, Upgrade, Improve Electrical Infrastructure</b>			
7	Restricted Funds	-0-	25,000,000	-0-
8	<b>015. Repair, Upgrade, Improve Mechanical Infrastructure</b>			
9	Restricted Funds	-0-	22,800,000	-0-
10	<b>016. Expand/Construct Parking Structure - Hospital</b>			
11	Restricted Funds	-0-	20,149,000	-0-
12	<b>017. Repair, Upgrade, Improve Building Mechanical Systems</b>			
13	Restricted Funds	-0-	20,000,000	-0-
14	<b>018. Lease-Purchase Digital Village Building 2</b>			
15	Restricted Funds	-0-	20,000,000	-0-
16	<b>019. Repair, Upgrade, Improve Building Systems - Hospital</b>			
17	Restricted Funds	-0-	20,000,000	-0-
18	<b>020. Expand/ Renovate Ambulatory Care Facility - Hospital</b>			
19	Restricted Funds	-0-	20,000,000	-0-
20	<b>021. Expand/Renovate Kentucky Clinic - Hospital</b>			
21	Restricted Funds	-0-	20,000,000	-0-
22	<b>022. Lease-Purchase Pollution Controls</b>			
23	Restricted Funds	-0-	19,530,000	-0-
24	<b>023. Expand CRMS and Raymond Civil Engineering Building</b>			
25	Restricted Funds	-0-	18,550,000	-0-
26	<b>024. Construct Track and Field Facility</b>			
27	Other Funds	-0-	17,666,000	-0-

1	<b>025. Expand Pence Hall</b>			
2	Restricted Funds	-0-	16,000,000	-0-
3	<b>026. Construct/Purchase Good Samaritan Medical Office Building</b>			
4	Restricted Funds	-0-	15,730,000	-0-
5	<b>027. Upgrade Clinical Services - Hospital</b>			
6	Restricted Funds	-0-	15,000,000	-0-
7	<b>028. Construct/Renovate Imaging Services - Kentucky Clinic</b>			
8	Restricted Funds	-0-	15,000,000	-0-
9	<b>029. Expand and Upgrade LDDC Phase II</b>			
10	Bond Funds	-0-	20,000,000	-0-
11	<b>030. Construct Remote Cancer Clinic - Hospital</b>			
12	Restricted Funds	-0-	12,880,000	-0-
13	<b>031. Construct Medical Center Physical Plant Building</b>			
14	Restricted Funds	-0-	12,793,000	-0-
15	<b>032. Improve Life Safety Project Pool 1</b>			
16	Restricted Funds	-0-	12,760,000	-0-
17	<b>033. Purchase PACS System Pool</b>			
18	Restricted Funds	-0-	10,585,000	-0-
19	<b>034. Renovate/Upgrade Hospital Facilities</b>			
20	Restricted Funds	-0-	10,000,000	-0-
21	<b>035. Construct Equine Campus</b>			
22	Other Funds	-0-	10,000,000	-0-
23	<b>036. Lease-Purchase/ Upgrade Hospital IT Systems</b>			
24	Restricted Funds	-0-	10,000,000	-0-
25	<b>037. Lease-Purchase ERP Phase 3</b>			
26	Restricted Funds	-0-	10,000,000	-0-
27	<b>038. Implement Land Use Plan - Hospital</b>			

1	Restricted Funds	-0-	10,000,000	-0-
2	<b>039. Sanitary Sewer Expansion/Underground Utilities Expansion and Replacement</b>			
3	Agency Bonds	-0-	10,000,000	-0-
4	<b>040. Expand Coldstream Research Campus</b>			
5	Restricted Funds	-0-	10,000,000	-0-
6	<b>041. Construct Multi-Purpose Room/Stadium Kitchen Facility</b>			
7	Other Funds	-0-	8,000,000	-0-
8	<b>042. Renovate King Library South - 1962 Section</b>			
9	Restricted Funds	-0-	8,000,000	-0-
10	<b>043. Relocate Greenhouses</b>			
11	Restricted Funds	-0-	7,506,000	-0-
12	<b>044. Lease-Purchase Wireless/Cellular Infrastructure</b>			
13	Restricted Funds	-0-	7,000,000	-0-
14	<b>045. Construct Library Depository Facility</b>			
15	Restricted Funds	-0-	7,000,000	-0-
16	<b>046. Lease-Purchase Hospital Dining Facilities and Equipment</b>			
17	Restricted Funds	-0-	7,000,000	-0-
18	<b>047. Lease-Purchase High Performance Research Computers</b>			
19	Restricted Funds	-0-	6,500,000	-0-
20	<b>048. Lease-Purchase UK/UofL/Frankfort Research Network</b>			
21	Restricted Funds	-0-	6,000,000	-0-
22	<b>049. Expand and Renovate W. Kentucky Robinson Station</b>			
23	Restricted Funds	-0-	6,000,000	-0-
24	<b>050. Design Student Center Expansion/Renovation</b>			
25	Restricted Funds	-0-	6,000,000	-0-
26	<b>051. Expand CAER Laboratories</b>			
27	Restricted Funds	-0-	5,000,000	-0-

1	<b>052. Purchase Clinical Enterprise Data Center Hardware Pool</b>			
2	Restricted Funds	-0-	5,000,000	-0-
3	<b>053. Repair, Upgrade, Improve Building Shell Systems</b>			
4	Restricted Funds	-0-	5,000,000	-0-
5	<b>054. Renovate Slone Building, Phase I</b>			
6	Restricted Funds	-0-	5,000,000	-0-
7	<b>055. Purchase Telemedicine/Virtual ICU</b>			
8	Restricted Funds	-0-	5,000,000	-0-
9	<b>056. Construct Facilities Storage Building</b>			
10	Restricted Funds	-0-	4,806,000	-0-
11	<b>057. Expand KGS Well Sample and Core Repository</b>			
12	Restricted Funds	-0-	4,741,000	-0-
13	<b>058. Purchase Digital Medical Record Expansion</b>			
14	Restricted Funds	-0-	4,640,000	-0-
15	<b>059. Purchase Patient System Enterprise</b>			
16	Restricted Funds	-0-	4,640,000	-0-
17	<b>060. Convert Taylor Education Space to Offices and Classroom</b>			
18	Restricted Funds	-0-	4,500,000	-0-
19	<b>061. Renovate Mineral Industries Building</b>			
20	Restricted Funds	-0-	4,450,000	-0-
21	<b>062. Upgrade Clinic Enterprises Network - Hospital Pool</b>			
22	Restricted Funds	-0-	4,250,000	-0-
23	<b>063. Expand Ophthalmology Clinic - Hospital</b>			
24	Restricted Funds	-0-	4,185,000	-0-
25	<b>064. Construct Facilities Support Building - Hospital</b>			
26	Restricted Funds	-0-	4,000,000	-0-
27	<b>065. Renovate Memorial Coliseum Seating Area</b>			

1	Other Funds	-0-	4,000,000	-0-
2	<b>066. Renovate Funkhouser Tower</b>			
3	Restricted Funds	-0-	3,900,000	-0-
4	<b>067. Repair, Upgrade, Improve Building Electrical Systems</b>			
5	Restricted Funds	-0-	3,745,000	-0-
6	<b>068. Upgrade Support Services - Hospital</b>			
7	Restricted Funds	-0-	3,500,000	-0-
8	<b>069. Lease-Purchase Campus Infrastructure Upgrade</b>			
9	Restricted Funds	-0-	3,500,000	-0-
10	<b>070. Renovate Old Pharmacy Building for Biology, Design</b>			
11	Restricted Funds	-0-	3,500,000	-0-
12	<b>071. Lease-Purchase Large Scale Computing</b>			
13	Restricted Funds	-0-	3,500,000	-0-
14	<b>072. Lease-Purchase Data Center Hardware - Hospital Pool</b>			
15	Restricted Funds	-0-	3,350,000	-0-
16	<b>073. Renovate Dentistry Clinic in Kentucky Clinic</b>			
17	Restricted Funds	-0-	3,320,000	-0-
18	<b>074. Renovate/Expand DLAR Quarantine Facility Spindletop</b>			
19	Restricted Funds	-0-	3,288,000	-0-
20	<b>075. Relocate and Expand Dentistry Faculty Practice</b>			
21	Restricted Funds	-0-	3,100,000	-0-
22	<b>076. Renovate Nursing Building</b>			
23	Restricted Funds	-0-	1,988,000	-0-
24	Federal Funds	-0-	1,100,000	-0-
25	TOTAL	-0-	3,088,000	-0-
26	<b>077. Construct Golf Practice Area</b>			
27	Other Funds	-0-	3,000,000	-0-



1	<b>078. Renovate Dentistry Class Lab</b>			
2	Restricted Funds	-0-	3,000,000	-0-
3	<b>079. Construct Cancer Education Facility - Hospital</b>			
4	Restricted Funds	-0-	3,000,000	-0-
5	<b>080. Renovate Reynolds Building, Phase 1</b>			
6	Restricted Funds	-0-	3,000,000	-0-
7	<b>081. Purchase Registration and Scheduling System</b>			
8	Restricted Funds	-0-	3,000,000	-0-
9	<b>082. Purchase Upgrade - HIS Computing Facility</b>			
10	Restricted Funds	-0-	2,900,000	-0-
11	<b>083. Renovate Central Computing Facility</b>			
12	Restricted Funds	-0-	2,813,000	-0-
13	<b>084. Renovate Blazer Hall Cafeteria</b>			
14	Agency Bonds	-0-	2,800,000	-0-
15	<b>085. Construct Stadium Suite Addition</b>			
16	Other Funds	-0-	2,750,000	-0-
17	<b>086. Purchase Telephone System Replacement Pool</b>			
18	Restricted Funds	-0-	2,700,000	-0-
19	<b>087. Renovate Student Center Food Court</b>			
20	Agency Bonds	-0-	2,675,000	-0-
21	<b>088. Repair, Upgrade, Improve Building Elevator Systems</b>			
22	Restricted Funds	-0-	2,540,000	-0-
23	<b>089. Convert Hunt Morgan Space to Class Lab</b>			
24	Restricted Funds	-0-	2,500,000	-0-
25	<b>090. Renovate Teaching Space in the Chemistry/Physics Building</b>			
26	Restricted Funds	-0-	2,500,000	-0-
27	<b>091. Implement Medication Bar Coding System</b>			

1	Restricted Funds	-0-	2,500,000	-0-
2	<b>092. Renovate Diagnostic Treatment Services - Hospital</b>			
3	Restricted Funds	-0-	2,500,000	-0-
4	<b>093. Lease-Purchase Data Repository System</b>			
5	Restricted Funds	-0-	2,500,000	-0-
6	<b>094. Lease-Purchase Data Center Infrastructure</b>			
7	Restricted Funds	-0-	2,500,000	-0-
8	<b>095. Repair Stadium Structure</b>			
9	Other Funds	-0-	2,500,000	-0-
10	<b>096. Renovate Parking Structure #3 - Hospital</b>			
11	Restricted Funds	-0-	2,485,000	-0-
12	<b>097. Renovate Koinonia House</b>			
13	Restricted Funds	-0-	2,371,000	-0-
14	<b>098. Upgrade Critical Care Facility - Hospital</b>			
15	Restricted Funds	-0-	2,200,000	-0-
16	<b>099. Lease-Purchase Enterprise Storage System</b>			
17	Restricted Funds	-0-	2,200,000	-0-
18	<b>100. Repair, Upgrade, Improve Civil/Site Infrastructure</b>			
19	Restricted Funds	-0-	2,200,000	-0-
20	<b>101. Renovate Vivarium in Central DLAR Facility Phase II</b>			
21	Restricted Funds	-0-	2,176,000	-0-
22	<b>102. Renovate Space in McVey Hall</b>			
23	Restricted Funds	-0-	2,150,000	-0-
24	<b>103. Construct Hall of Fame Plaza</b>			
25	Other Funds	-0-	2,100,000	-0-
26	<b>104. Replace Radiology Information System</b>			
27	Restricted Funds	-0-	2,000,000	-0-

1	<b>105. Construct Physicians Services Facilities - Hospital</b>			
2	Restricted Funds	-0-	2,000,000	-0-
3	<b>106. Renovate Soccer Press Box/Seating Addition</b>			
4	Other Funds	-0-	2,000,000	-0-
5	<b>107. Lease-Purchase Remote Site Fiber</b>			
6	Restricted Funds	-0-	2,000,000	-0-
7	<b>108. Renovate Kitchen - Hospital</b>			
8	Restricted Funds	-0-	2,000,000	-0-
9	<b>109. Upgrade Surgical Services - Hospital</b>			
10	Restricted Funds	-0-	2,000,000	-0-
11	<b>110. Purchase Dentistry Billing System Phase III</b>			
12	Restricted Funds	-0-	2,000,000	-0-
13	<b>111. Lease-Purchase Data Storage Equipment and Software Pool</b>			
14	Restricted Funds	-0-	1,950,000	-0-
15	<b>112. Lease-Purchase Data Warehouse/Infrastructure</b>			
16	Restricted Funds	-0-	1,800,000	-0-
17	<b>113. Purchase Identity Management System</b>			
18	Restricted Funds	-0-	1,750,000	-0-
19	<b>114. Lease-Purchase Campus Call Center System</b>			
20	Restricted Funds	-0-	1,500,000	-0-
21	<b>115. Lease-Purchase Network Security Hardware</b>			
22	Restricted Funds	-0-	1,500,000	-0-
23	<b>116. Purchase Radiofrequency Identification System</b>			
24	Restricted Funds	-0-	1,500,000	-0-
25	<b>117. Purchase Managed Care Enterprise</b>			
26	Restricted Funds	-0-	1,160,000	-0-
27	<b>118. Purchase Upgraded Communication Infrastructure</b>			

1	Restricted Funds	-0-	1,014,000	-0-
2	<b>119. Renovate Office Space in Funkhouser</b>			
3	Restricted Funds	-0-	1,000,000	-0-
4	<b>120. Expand Clinical Enterprise Data Center Network Pool</b>			
5	Restricted Funds	-0-	1,000,000	-0-
6	<b>121. Renovate Third Floor Little Library</b>			
7	Restricted Funds	-0-	1,000,000	-0-
8	<b>122. Purchase Upgrade Integrated Library System</b>			
9	Restricted Funds	-0-	1,000,000	-0-
10	<b>123. Renovate Teaching Space in the Funkhouser Building</b>			
11	Restricted Funds	-0-	1,000,000	-0-
12	<b>124. Lease-Purchase UPS System</b>			
13	Restricted Funds	-0-	941,000	-0-
14	<b>125. Lease-Purchase Mainframe Computer - Hospital</b>			
15	Restricted Funds	-0-	800,000	-0-
16	<b>126. Purchase Upgrade for Servers</b>			
17	Restricted Funds	-0-	800,000	-0-
18	<b>127. Handicapped Access Pool</b>			
19	Restricted Funds	-0-	800,000	-0-
20	<b>128. Purchase Staff Scheduling System - Hospital</b>			
21	Restricted Funds	-0-	750,000	-0-
22	<b>129. Purchase Document Scanning System</b>			
23	Restricted Funds	-0-	700,000	-0-
24	<b>130. Purchase Paging Software - Hospital</b>			
25	Restricted Funds	-0-	700,000	-0-
26	<b>131. Purchase Police Communications Equipment</b>			
27	Restricted Funds	-0-	600,000	-0-

1	<b>132. Purchase Shelving for Storage Facility</b>			
2	Restricted Funds	-0-	525,000	-0-
3	<b>133. Install Emergency Generator Computing Facility</b>			
4	Restricted Funds	-0-	500,000	-0-
5	<b>134. Purchase Compact Shelving - Fine Arts Library</b>			
6	Restricted Funds	-0-	500,000	-0-
7	<b>135. Purchase Digital Imaging Equipment</b>			
8	Restricted Funds	-0-	311,000	-0-
9	<b>136. Purchase Electrospray LC Tandem Mass Spectrometer</b>			
10	Restricted Funds	-0-	290,000	-0-
11	<b>137. Purchase 400 MHz NMR Spectrometer</b>			
12	Restricted Funds	-0-	275,000	-0-
13	<b>138. Purchase Precision Machining System</b>			
14	Restricted Funds	-0-	250,000	-0-
15	<b>139. Purchase Physical Chemistry Teaching Laboratory</b>			
16	Restricted Funds	-0-	240,000	-0-
17	<b>140. Purchase Circular Dichroism Spectrometer</b>			
18	Restricted Funds	-0-	210,000	-0-
19	<b>141. Upgrade Audio/Visual Equipment Guignol Theatre</b>			
20	Restricted Funds	-0-	210,000	-0-
21	<b>142. Purchase Metabolic Instructional System</b>			
22	Restricted Funds	-0-	210,000	-0-
23	<b>143. Guaranteed Energy Savings Performance Contracts</b>			
24	<b>144. Lease Med College Off-Campus Clinic - Fayette County</b>			
25	<b>145. Lease Health Affairs Office #2 - Fayette County</b>			
26	<b>146. Lease - E-cavern</b>			
27	<b>147. Lease Kentucky Utilities Building - Fayette County</b>			

1	148. Lease Administrative Office - Fayette County			
2	149. Lease Blazer Parkway - Fayette County			
3	150. Lease Med Center Off-Campus Facility #1 - Fayette County			
4	151. Lease Med Center Grant Project #2 - Fayette County			
5	152. Lease Med Center Grants Projects #1 - Fayette County			
6	153. Lease Health Affairs Office #4 - Fayette County			
7	154. Health Affairs Office Lease #3 - Fayette County			
8	155. Lease Health Affairs Office - Fayette County			
9	156. Lease Good Sam - Hospital - Fayette County			
10	157. Lease Grants Projects #2 - Fayette County			
11	158. Lease Off Campus #3 - Fayette County			
12	159. Lease Off Campus #2 - Fayette County			
13	160. Lease Off Campus #1 - Fayette County			
14	161. Lease Rural Health Expansion - Hazard Perry County			
15	162. Lease Grants Projects #1 - Fayette County			
16	163. Lease Med Center Off Campus Facility #2 - Fayette County			
17	164. Construct Science Research Building #2 - Planning and Design			
18	Restricted Funds	-0-	10,000,000	-0-
19	165. Construct Gatton Building Complex - Planning and Design			
20	Restricted Funds	-0-	10,000,000	-0-
21	166. Lease Health Affairs Office #5 - Fayette County			
22	167. Renovate 4-H Camps			
23	Bond Funds	-0-	2,000,000	-0-
24	<b>9. UNIVERSITY OF LOUISVILLE</b>			
25	001. Expand Papa John's Cardinal Stadium			
26	Restricted Funds	5,000,000	-0-	-0-
27	Other Funds	67,000,000	-0-	-0-

1	TOTAL	72,000,000	-0-	-0-
2	<b>002. Expand Ambulatory Care Building Academic Addition</b>			
3	Other Funds	-0-	60,000,000	-0-
4	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
5	45.763.			
6	<b>003. Expand and Renovate - Dental School</b>			
7	Restricted Funds	-0-	4,000,000	-0-
8	Agency Bonds	-0-	38,700,000	-0-
9	TOTAL	-0-	42,700,000	-0-
10	<b>004. Construct 500 Bed Residence Hall</b>			
11	Other Funds	-0-	40,130,000	-0-
12	<b>005. Construct Health Sciences Campus Parking Structure III</b>			
13	Other Funds	-0-	38,735,000	-0-
14	<b>006. Purchase Land Near Health Sciences Campus - Parcel I</b>			
15	Other Funds	-0-	34,246,000	-0-
16	<b>007. Construct Health Sciences Campus Parking Structure II</b>			
17	Agency Bonds	30,700,000	-0-	-0-
18	<b>008. Purchase Land Near Belknap Campus South</b>			
19	Other Funds	-0-	30,000,000	-0-
20	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
21	45.763.			
22	<b>009. Construct Health Sciences Campus Steam/Chilled Water Plant II</b>			
23	Other Funds	-0-	29,668,000	-0-
24	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
25	45.763.			
26	<b>010. Renovate Capital Renewal Pool</b>			
27	Restricted Funds	-0-	28,265,000	-0-

1	<b>011. Construct Health Sciences Campus Research III Additional</b>			
2	Agency Bonds	-0-	15,800,000	-0-
3	<b>012. Renovate Shelby Campus Infrastructure</b>			
4	Other Funds	-0-	10,050,000	-0-
5	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
6	45.763.			
7	<b>013. Purchase Land Support Service (Northeast Quad)</b>			
8	Other Funds	-0-	10,000,000	-0-
9	<b>014. Expand Student Activities Center</b>			
10	Agency Bonds	-0-	9,960,000	-0-
11	<b>015. Purchase Central Station Property</b>			
12	Other Funds	-0-	9,000,000	-0-
13	<b>016. Purchase Land Near Papa John's Stadium</b>			
14	Restricted Funds	-0-	7,000,000	-0-
15	<b>017. Renovate Ekstrom Library - Additional Reauthorization (\$22,081,000</b>			
16	Restricted Funds)			
17	Restricted Funds	-0-	6,757,000	-0-
18	<b>018. Construct Westside Dining Facility</b>			
19	Agency Bonds	-0-	5,370,000	-0-
20	<b>019. Renovate Natural Science Building - Additional Reauthorization</b>			
21	(\$13,380,000 Restricted Funds)			
22	Restricted Funds	-0-	4,710,000	-0-
23	<b>020. Purchase Computer Processing System</b>			
24	Restricted Funds	-0-	4,000,000	-0-
25	<b>021. Utility Distribution - South Belknap Campus - Additional Reauthorization</b>			
26	(\$6,821,000 Restricted Funds)			
27	Restricted Funds	-0-	3,549,000	-0-



1	<b>022. Expand and Renovate Founders Union Building - Additional Reauthorization</b>			
2	(\$12,190,000 Restricted Funds)			
3	Restricted Funds	-0-	3,447,000	-0-
4	<b>023. Construct Boathouse for Women's Rowing Program</b>			
5	Restricted Funds	-0-	3,370,000	-0-
6	<b>024. Renovate Housing Capital Renewal Pool - Additional Reauthorization</b>			
7	(\$710,000 Restricted Funds)			
8	Restricted Funds	-0-	3,210,000	-0-
9	<b>025. Purchase Magnetic Resonance Imaging System</b>			
10	Federal Funds	-0-	3,000,000	-0-
11	<b>026. Expand College of Business for Equine Industry</b>			
12	Restricted Funds	-0-	3,000,000	-0-
13	<b>027. Expand and Renovate Oppenheimer Hall</b>			
14	Restricted Funds	-0-	2,725,000	-0-
15	<b>028. Purchase Magnetic Resonance Imaging Equipment</b>			
16	Federal Funds	-0-	-0-	2,500,000
17	<b>029. Purchase Positron Emission Tomography System</b>			
18	Federal Funds	-0-	2,500,000	-0-
19	<b>030. Purchase Electronic Research Information System</b>			
20	Restricted Funds	-0-	1,210,000	1,210,000
21	<b>031. Renovate Kersey Library - Additional Reauthorization (\$4,630,000</b>			
22	Restricted Funds)			
23	Restricted Funds	-0-	2,393,000	-0-
24	<b>032. Purchase Land Near Health Sciences Campus Parcel II - Additional</b>			
25	Reauthorization (\$3,875,000 Restricted Funds)			
26	Restricted Funds	-0-	2,159,000	-0-
27	<b>033. Purchase Magnetoencephalography System</b>			

1	Restricted Funds	-0-	430,000	-0-
2	Federal Funds	-0-	1,670,000	-0-
3	TOTAL	-0-	2,100,000	-0-
4	<b>034. Construct Physical Plant Space in Health Sciences Campus Garage</b>			
5	Restricted Funds	-0-	2,027,000	-0-
6	<b>035. Purchase Storage System</b>			
7	Restricted Funds	-0-	2,000,000	-0-
8	<b>036. Purchase Robotic Cranes (2) for Automated Book</b>			
9	Restricted Funds	-0-	-0-	1,995,000
10	<b>037. Renovate Research Resource Center Cage Wash Area</b>			
11	Restricted Funds	-0-	1,484,000	-0-
12	Federal Funds	-0-	500,000	-0-
13	TOTAL	-0-	1,984,000	-0-
14	<b>038. Purchase Visualization System (Planetarium)</b>			
15	Restricted Funds	-0-	-0-	1,900,000
16	<b>039. Renovate Medical School Tower 55A Phase I - Additional Reauthorization</b>			
17	(\$4,225,000 Restricted Funds)			
18	Restricted Funds	-0-	1,592,000	-0-
19	<b>040. Purchase Transmission Electron Microscope</b>			
20	Federal Funds	-0-	-0-	1,500,000
21	<b>041. Purchase High Resolution Tandem Mass Spectrometer</b>			
22	Federal Funds	-0-	-0-	1,500,000
23	<b>042. Purchase Computational Cluster System</b>			
24	Restricted Funds	-0-	-0-	1,200,000
25	<b>043. Purchase Low Pressure Chemical Vapor Deposition Machine and Low</b>			
26	Temperature Oxide System			
27	Federal Funds	-0-	1,000,000	-0-

1	<b>044. Lease Digital Output System</b>			
2	Restricted Funds	-0-	1,000,000	-0-
3	<b>045. Purchase Robotic Telescope System</b>			
4	Federal Funds	-0-	1,000,000	-0-
5	<b>046. Purchase Networking System - Additional</b>			
6	Restricted Funds	-0-	4,000,000	-0-
7	<b>047. Construct Student Health Facility - Additional Reauthorization (\$6,650,000</b>			
8	Restricted Funds)			
9	Restricted Funds	-0-	990,000	-0-
10	<b>048. Purchase Plastic Sintering Machine</b>			
11	Federal Funds	-0-	-0-	900,000
12	<b>049. Purchase Artificial Turf Practice Field Facility</b>			
13	Restricted Funds	-0-	865,000	-0-
14	<b>050. Construct Diversity Center for Excellence - Additional Reauthorization</b>			
15	(\$5,898,000 Other Funds)			
16	Other Funds	-0-	830,000	-0-
17	<b>051. Purchase Additive Microdeposition Machine</b>			
18	Federal Funds	-0-	-0-	825,000
19	<b>052. Purchase Focused Ion Beam Microscope</b>			
20	Federal Funds	-0-	-0-	800,000
21	<b>053. Purchase Laser Jet Cutting System</b>			
22	Federal Funds	-0-	750,000	-0-
23	<b>054. Purchase Plastic Deposition Machine</b>			
24	Federal Funds	-0-	750,000	-0-
25	<b>055. Purchase Intermediate Voltage Transmission Electron Microscope</b>			
26	Restricted Funds	-0-	665,500	-0-
27	<b>056. Purchase Direct Metal Additive Fabrication Machine</b>			

1	Federal Funds	-0-	650,000	-0-
2	<b>057. Purchase PCs, Printers, Scanners for Libraries</b>			
3	Restricted Funds	-0-	159,000	158,500
4	Other Funds	-0-	159,000	159,000
5	TOTAL	-0-	318,000	317,500
6	<b>058. Purchase Hemodialysis Machine</b>			
7	Restricted Funds	-0-	-0-	634,000
8	<b>059. Purchase Ultra Fast Spectroscopy Facility</b>			
9	Federal Funds	-0-	-0-	600,000
10	<b>060. Purchase Computer Systems for College of Education</b>			
11	Restricted Funds	-0-	600,000	-0-
12	<b>061. Purchase Biological Material Deposition Machine</b>			
13	Federal Funds	-0-	600,000	-0-
14	<b>062. Purchase Computer Assisted Instructional Model</b>			
15	Restricted Funds	-0-	300,000	-0-
16	Other Funds	-0-	200,000	-0-
17	TOTAL	-0-	500,000	-0-
18	<b>063. Purchase Gas Chromatography Mass Spectrometer</b>			
19	Restricted Funds	-0-	500,000	-0-
20	<b>064. Purchase Magnetron Sputtering System</b>			
21	Federal Funds	-0-	500,000	-0-
22	<b>065. Purchase Ion Milling System</b>			
23	Federal Funds	-0-	-0-	500,000
24	<b>066. Purchase Linear Ion Trap Mass Spectrometer</b>			
25	Federal Funds	-0-	486,000	-0-
26	<b>067. Construct Utilities, Remove Overhead Lines - Additional Reauthorization</b>			
27	(\$3,194,000 Restricted Funds)			

1	Restricted Funds	-0-	479,000	-0-
2	<b>068. Renovate Code Improvement Pool - Additional Reauthorization (\$3,191,000</b>			
3	Restricted Funds)			
4	Restricted Funds	-0-	479,000	-0-
5	<b>069. Purchase Live Cell Intracellular Nanoprobe Station</b>			
6	Federal Funds	-0-	-0-	400,000
7	<b>070. Purchase TeraHertz Spectroscopy</b>			
8	Federal Funds	-0-	-0-	350,000
9	<b>071. Purchase Multi-Head Sputtering System</b>			
10	Federal Funds	-0-	350,000	-0-
11	<b>072. Purchase High Resolution Scanning Electron Microscope</b>			
12	Restricted Funds	-0-	347,600	-0-
13	<b>073. Purchase Olympus FV1000 Confocal</b>			
14	Restricted Funds	-0-	344,900	-0-
15	<b>074. Purchase Software for Kidney Disease Program</b>			
16	Restricted Funds	-0-	-0-	325,000
17	<b>075. Purchase Reactive Ion Etching System</b>			
18	Federal Funds	-0-	250,000	-0-
19	<b>076. Purchase Spray Develop/Etching System</b>			
20	Federal Funds	-0-	-0-	250,000
21	<b>077. Purchase Gas Injection System</b>			
22	Federal Funds	-0-	240,000	-0-
23	<b>078. Purchase Confocal Microscope</b>			
24	Federal Funds	-0-	-0-	238,700
25	<b>079. Purchase Cathodoluminescence System</b>			
26	Federal Funds	-0-	230,000	-0-
27	<b>080. Purchase Leica TCS SP5 Confocal Microscope</b>			

1	Restricted Funds	-0-	-0-	45,700
2	Federal Funds	-0-	-0-	182,800
3	TOTAL	-0-	-0-	228,500
4	<b>081. Purchase Hysitron Nanoindenter</b>			
5	Federal Funds	-0-	225,000	-0-
6	<b>082. Purchase Temperature and Humidity Control System (4)</b>			
7	Restricted Funds	-0-	-0-	220,000
8	<b>083. Purchase Gene Chip Scanner</b>			
9	Federal Funds	-0-	219,000	-0-
10	<b>084. Purchase Library Chairs and Tables</b>			
11	Restricted Funds	-0-	-0-	200,000
12	<b>085. Purchase Atomic Force Microscope</b>			
13	Federal Funds	-0-	200,000	-0-
14	<b>086. Purchase Advanced Resist Processing System</b>			
15	Federal Funds	-0-	200,000	-0-
16	<b>087. Guaranteed Energy Savings Performance Contracts</b>			
17	<b>088. Purchase Enterprise Application System</b>			
18	Restricted Funds	-0-	2,000,000	-0-
19	<b>089. Purchase Digital Communications System</b>			
20	Restricted Funds	-0-	3,000,000	-0-
21	<b>090. Student Health Facility Lease</b>			
22	<b>091. Jefferson County Housing - Lease</b>			
23	<b>092. West Louisville Outreach Center Lease</b>			
24	<b>093. Lease-Purchase College of Business MBA Program Building</b>			
25	Other Funds	15,000,000	-0-	-0-

26 **(1) Authorization:** The above authorization begins on the effective date of  
 27 this Act.

1	<b>094. Master of Fine Arts Lease</b>			
2	<b>095. Med Center One Lease</b>			
3	<b>096. Renovate Medical Dental Res Building, Phase IV</b>			
4	Restricted Funds	-0-	22,748,000	-0-
5	<b>097. Renovate Life Sciences Building</b>			
6	Restricted Funds	-0-	30,024,000	-0-
7	<b>098. Construct Instructional Facility in HSC Quad</b>			
8	Restricted Funds	-0-	16,900,000	-0-
9	<b>099. Construct HSC Research Facility V</b>			
10	Restricted Funds	-0-	154,000,000	-0-
11	<b>100. Purchase Equipment Replacement Research and Inst</b>			
12	Restricted Funds	-0-	15,000,000	-0-
13	<b>101. Construct Complete Two Shelled Floors of CII</b>			
14	Restricted Funds	-0-	7,526,000	-0-
15	<b>102. Renovate Chemistry Fume Hood Redesign Phase II Additional</b>			
16	Reauthorization (\$4,610,000 Restricted Funds)			
17	Restricted Funds	-0-	8,710,000	-0-
18	<b>103. Construct Fitness &amp; Health Institute</b>			
19	Restricted Funds	-0-	14,707,000	-0-
20	<b>104. Purchase Computer Systems for Nursing School</b>			
21	Restricted Funds	-0-	100,000	100,000
22	<b>105. Renovate Burhans Hall</b>			
23	Restricted Funds	-0-	14,140,000	-0-
24	<b>106. Renovate J. B. Speed Building</b>			
25	Restricted Funds	-0-	9,892,000	-0-
26	<b>107. Renovate Kornhauser Library</b>			
27	Restricted Funds	-0-	14,217,000	-0-

1	<b>108. Renovate KY Lions Eye Research Institute</b>			
2	Restricted Funds	-0-	13,230,000	-0-
3	<b>109. Construct Athletic Academic Support Facility Reauthorization (\$5,000,000</b>			
4	Other Funds)			
5	<b>110. Construct Executive MBA/Business Program Building</b>			
6	Other Funds	20,930,000	-0-	-0-
7	<b>(1) Authorization:</b> The above authorization begins on the effective date of			
8	this Act.			
9	<b>111. Renovate Gross Anatomy Lab</b>			
10	Restricted Funds	-0-	4,570,000	-0-
11	<b>112. Lease Ambulatory Care Building - Jefferson County</b>			
12	<b>113. Lease Haymarket Building - Jefferson County</b>			
13	<b>114. Lease Haymarket Parking - Jefferson County</b>			
14	<b>115. Renovate Miller Information Technology Center</b>			
15	Restricted Funds	-0-	2,900,000	-0-
16	<b>116. Renovate College of Education Building</b>			
17	Restricted Funds	-0-	24,200,000	-0-
18	<b>10. WESTERN KENTUCKY UNIVERSITY</b>			
19	<b>001. Renovate Downing University Center - Phase III</b>			
20	Restricted Funds	-0-	2,000,000	-0-
21	<b>002. Construct Agriculture Research Services Lab</b>			
22	Federal Funds	-0-	22,825,000	-0-
23	<b>003. Renovate Van Meter Hall</b>			
24	Restricted Funds	-0-	2,760,000	-0-
25	Agency Bonds	-0-	18,400,000	-0-
26	TOTAL	-0-	21,160,000	-0-
27	<b>004. Renovate Science Campus Phase III</b>			



1	Restricted Funds	-0-	3,000,000	-0-
2	Federal Funds	-0-	3,000,000	-0-
3	Agency Bonds	-0-	9,000,000	-0-
4	TOTAL	-0-	15,000,000	-0-
5	<b>005. Expand Preston Center - Phase II Construction</b>			
6	Restricted Funds	-0-	1,725,000	-0-
7	Agency Bonds	-0-	11,500,000	-0-
8	TOTAL	-0-	13,225,000	-0-
9	<b>006. Renovate Ivan Wilson Center Phase I</b>			
10	Restricted Funds	-0-	1,380,000	-0-
11	Agency Bonds	-0-	9,200,000	-0-
12	TOTAL	-0-	10,580,000	-0-
13	<b>007. Renovate Garrett Conference Center Phase I</b>			
14	Other Funds	-0-	6,300,000	-0-
15	<b>008. Miscellaneous Maintenance Pool</b>			
16	Restricted Funds	-0-	10,000,000	-0-
17	<b>009. Construct Mesonet Computer Center</b>			
18	Restricted Funds	-0-	800,000	-0-
19	Federal Funds	-0-	5,000,000	-0-
20	TOTAL	-0-	5,800,000	-0-
21	<b>010. Replace Building Ford College Business - Grise Hall Phase I</b>			
22	Agency Bonds	-0-	5,800,000	-0-
23	<b>011. Acquire Property and Construct Parking Lots</b>			
24	Restricted Funds	-0-	690,000	-0-
25	Agency Bonds	-0-	4,600,000	-0-
26	TOTAL	-0-	5,290,000	-0-
27	<b>012. Construct Materials Characterization/ICSET Phase II</b>			

1	Restricted Funds	-0-	600,000	-0-
2	Agency Bonds	-0-	4,500,000	-0-
3	TOTAL	-0-	5,100,000	-0-
4	<b>013. Upgrade Steam Plant Air Quality System</b>			
5	Restricted Funds	2,680,100	-0-	-0-
6	<b>014. Convert WKYU-NPR and WKYU-PBS to Digital/HD</b>			
7	Restricted Funds	-0-	2,645,000	-0-
8	<b>015. Purchase Property for Campus Expansion 2008</b>			
9	Restricted Funds	-0-	2,000,000	-0-
10	<b>016. Develop South Lawn</b>			
11	Restricted Funds	-0-	2,000,000	-0-
12	<b>017. Renovate Helm/Cravens Library Design</b>			
13	Restricted Funds	-0-	1,989,000	-0-
14	<b>018. Renovate Environmental Science and Technology Hall Design</b>			
15	Restricted Funds	-0-	1,940,000	-0-
16	<b>019. Repair/Renovate Parking Structure #1, Phase I</b>			
17	Restricted Funds	-0-	1,750,000	-0-
18	<b>020. Equipment Pool</b>			
19	Restricted Funds	-0-	1,700,000	-0-
20	<b>021. Install Bike Paths</b>			
21	Restricted Funds	-0-	260,000	-0-
22	Federal Funds	-0-	1,040,000	-0-
23	TOTAL	-0-	1,300,000	-0-
24	<b>022. Improve University Drive Intersection</b>			
25	Restricted Funds	-0-	240,000	-0-
26	Federal Funds	-0-	960,000	-0-
27	TOTAL	-0-	1,200,000	-0-

1	<b>023. Renovate Kentucky Building Design</b>			
2	Restricted Funds	-0-	1,130,000	-0-
3	<b>024. Construct Baseball Clubhouse</b>			
4	Other Funds	-0-	1,000,000	-0-
5	<b>025. Renovate Academic Complex Phase I Design - Additional Reauthorization</b>			
6	(\$1,323,000 Restricted Funds)			
7	Restricted Funds	-0-	777,000	-0-
8	<b>026. Repair and Renovate Craig Alumni House</b>			
9	Restricted Funds	-0-	750,000	-0-
10	<b>027. Renovate Agriculture Expo Center</b>			
11	Restricted Funds	-0-	600,000	-0-
12	<b>028. Upgrade IT Infrastructure - Additional Reauthorization (\$2,000,000</b>			
13	Restricted Funds)			
14	Restricted Funds	-0-	300,000	-0-
15	<b>029. Purchase Property/Parking and Street Improvements</b>			
16	Restricted Funds	-0-	2,800,000	-0-
17	<b>030. Guaranteed Energy Savings Performance Contracts</b>			
18	<b>031. WKU Gateway to Downtown Bowling Green - Lease</b>			
19	<b>032. Renovate Underground Electrical Infrastructure</b>			
20	Restricted Funds	-0-	6,000,000	-0-
21	<b>033. Replace College of Education Building Phase II</b>			
22	Restricted Funds	-0-	5,250,000	-0-
23	<b>034. Renovate and Expand Carroll Knicely Center Phase II</b>			
24	Restricted Funds	-0-	1,500,000	-0-
25	<b>035. Upgrade Steam Distribution Plant</b>			
26	Restricted Funds	-0-	7,000,000	-0-
27	<b>036. Construct Central Regional Postsecondary Education Center - Planning and</b>			

1	Design			
2	Restricted Funds	-0-	3,000,000	-0-
3	<b>037. Lease Parking Spaces - WKU Gateway to Downtown</b>			
4	<b>038. Replace Field in Houchens/L.T. Smith Football Stadium</b>			
5	Restricted Funds	-0-	800,000	-0-
6	<b>11. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM</b>			
7	<b>(1) Lexington Community College Classroom/Lab Building:</b> The Kentucky			
8	Community and Technical College System is authorized to construct the LCC			
9	Classroom/Lab Building appropriated in 2005 Ky. Acts ch. 173, Part II, K., 12., 019., on			
10	state property currently known as the main campus of Eastern State Hospital.			
11	<b>(2) Conveyance of Property:</b> The Kentucky Community and Technical College			
12	System may undertake a capital construction project under the provisions of Part I, K.,			
13	11., (3), of this Act.			
14	<b>001. Capital Renewal and Deferred Maintenance Pool</b>			
15	Restricted Funds	-0-	38,000,000	-0-
16	<b>002. KCTCS Property Acquisition Pool</b>			
17	Restricted Funds	-0-	5,500,000	-0-
18	<b>003. Construct Child Development Center - Henderson CTC</b>			
19	Other Funds	-0-	2,225,000	-0-
20	<b>004. Reroof and Enclose Concourses Gray Building - Madisonville CTC</b>			
21	Restricted Funds	-0-	1,700,000	-0-
22	<b>005. Purchase Multi-Engine Aircraft - Somerset CTC</b>			
23	Restricted Funds	-0-	1,645,000	-0-
24	<b>006. Construct Child Care Facility - Ashland CTC</b>			
25	Other Funds	-0-	1,628,000	-0-
26	<b>007. Master Plan Development and Upgrade Pool</b>			
27	Restricted Funds	-0-	850,000	-0-

1	<b>008. Construct Bowling Green Fire Training Center</b>			
2	Restricted Funds	-0-	830,000	-0-
3	<b>009. Construct Area 9 Training Building State Fire and Rescue - Additional</b>			
4	Restricted Funds	-0-	443,000	-0-
5	<b>010. Purchase Articulated Dump Truck - Southeast KY CTC</b>			
6	Restricted Funds	-0-	300,000	-0-
7	<b>011. Purchase Combine for Agriculture Program - Hopkinsville CTC</b>			
8	Restricted Funds	-0-	275,000	-0-
9	<b>012. Purchase D65 Crawler Tractor - Southeast KY CTC</b>			
10	Restricted Funds	-0-	200,000	-0-
11	<b>013. Purchase Horizontal Milling Machine - Hopkinsville CTC</b>			
12	Restricted Funds	-0-	200,000	-0-
13	<b>014. Maysville CTC Montgomery County Center Lease</b>			
14	<b>015. Bullitt County Campus Lease</b>			
15	<b>016. Advanced Manufacturing Training Center Lease</b>			
16	<b>017. KCTCS System Office Lease-Purchase</b>			
17	<b>018. Jefferson CTC - Jefferson Education Center Lease</b>			
18	<b>019. Henderson CC Lease for Applied Technology</b>			
19	<b>020. Guaranteed Energy Savings Performance Contracts</b>			
20	<b>021. KCTCS Information Technology Infrastructure Pool</b>			
21	Restricted Funds	-0-	12,000,000	-0-
22	<b>022. KCTCS Equipment Pool</b>			
23	Restricted Funds	-0-	20,000,000	-0-
24	<b>023. LCC Classroom/Lab Building - Additional Reauthorization (\$31,741,000</b>			
25	Bond Funds)			
26	Bond Funds	-0-	4,000,000	-0-
27	<b>024. Construct Community Intergenerational Center - Hazard CC</b>			

1	Restricted Funds	-0-	3,900,000	-0-
---	------------------	-----	-----------	-----

2 **K. TRANSPORTATION CABINET**

3	<b>Budget Units</b>		<b>2008-09</b>	<b>2009-10</b>
---	---------------------	--	----------------	----------------

4 **1. GENERAL ADMINISTRATION AND SUPPORT**

5 **001. Replace Automated Vehicle Information System (AVIS)**

6	Bond Funds		25,000,000	-0-
---	------------	--	------------	-----

7 **002. Kentucky Horse Park Roads and Pedways - FEI Games**

8	Road Fund		10,300,000	-0-
---	-----------	--	------------	-----

9 **(1) Kentucky Horse Park Roads and Pedways - FEI Games:** Included in  
10 the above Road Fund appropriation is the amount necessary to complete roads, parking  
11 infrastructure, and pedways for the 2010 FEI World Equestrian Championship Games.

12 **003. Road Maintenance Parks**

13	Road Fund		1,500,000	1,500,000
----	-----------	--	-----------	-----------

14 **004. Repair Loadometer and Rest Areas**

15	Road Fund		900,000	600,000
----	-----------	--	---------	---------

16 **005. Purchase TRNS\*PORT Upgrade**

17	Road Fund		1,300,000	-0-
----	-----------	--	-----------	-----

18 **006. Building Renovations and Emergency Repairs**

19	Road Fund		600,000	600,000
----	-----------	--	---------	---------

20 **007. Various Environmental Compliance**

21	Road Fund		500,000	500,000
----	-----------	--	---------	---------

22 **008. Aircraft Maintenance Pool - 2008-2010**

23	Investment Income		500,000	500,000
----	-------------------	--	---------	---------

24 **009. HVAC Maintenance and Repairs**

25	Road Fund		400,000	400,000
----	-----------	--	---------	---------

26 **010. Purchase Bridge Snooper**

27	Road Fund		500,000	-0-
----	-----------	--	---------	-----

1	<b>011. Replace Overhead Doors and Emergency Repairs</b>		
2	Road Fund	200,000	200,000
3	<b>012. Painting and Roof Repair or Replacement</b>		
4	Road Fund	200,000	200,000
5	<b>013. Purchase One Track Mounted Core Drill</b>		
6	Road Fund	375,000	-0-
7	<b>014. Purchase GPS Surveying Equipment</b>		
8	Road Fund	317,000	-0-
9	<b>015. Repair Salt Storage Structures</b>		
10	Road Fund	150,000	150,000
11	<b>016. Purchase GPS Virtual Reference System</b>		
12	Road Fund	150,000	-0-
13	<b>017. 2008 Ryder Cup Parking</b>		
14	Road Fund	600,000	-0-
15	<b>(1) 2008 Ryder Cup Parking:</b> Included in the above Road Fund		
16	appropriation is the amount necessary to complete parking infrastructure improvements at		
17	the Kentucky Fair and Exposition Center pursuant to the 2008 Ryder Cup Trade		
18	Agreement.		
19	<b>018. Wetland Restoration</b>		
20	Bond Funds	10,000,000	-0-

### PART III

#### GENERAL PROVISIONS

23 **1. Funds Designations:** Restricted Funds designated in the biennial budget bills  
24 are classified in the state financial records and reports as the Agency Revenue Fund, State  
25 Enterprise Funds (State Parks, State Fair Board, Insurance Administration, and Kentucky  
26 Horse Park), Internal Services Funds (Fleet Management, Computer Services,  
27 Correctional Industries, Central Printing, Risk Management, and Property Management),

1 and selected Fiduciary Funds (Other Expendable Trust Funds). Separate funds records  
2 and reports shall be maintained in a manner consistent with the branch budget bills.

3 The sources of Restricted Funds appropriations in this Act shall include all fees  
4 (which includes fees for room and board, athletics, and student activities) and rentals,  
5 admittances, sales, bond proceeds, licenses collected by law, gifts, subventions,  
6 contributions, income from investments, and other miscellaneous receipts produced or  
7 received by a budget unit, except as otherwise specifically provided, for the purposes, use,  
8 and benefit of the budget unit as authorized by law. Restricted Funds receipts shall be  
9 credited and allotted to the respective fund or account out of which a specified  
10 appropriation is made in this Act. All receipts of Restricted Funds shall be deposited in  
11 the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42,  
12 45, and 48.

13 The sources of Federal Funds appropriations in this Act shall include federal  
14 subventions, grants, contracts, or other Federal Funds received, income from investments,  
15 other miscellaneous federal receipts received by a budget unit, and the Unemployment  
16 Compensation Fund, except as otherwise provided, for the purposes, use, and benefit of  
17 the budget unit as authorized by law. Federal Funds receipts shall be credited and allotted  
18 to the respective fund account out of which a specified appropriation is made in this Act.  
19 All Federal Funds receipts shall be deposited in the State Treasury and credited to the  
20 proper account as provided in KRS Chapters 12, 42, 45, and 48.

21 **2. Expenditure of Excess Restricted Funds or Federal Funds Receipts:** If  
22 receipts received or credited to the Restricted Funds accounts or Federal Funds accounts  
23 of a budget unit during fiscal year 2008-2009 or fiscal year 2009-2010, and any balance  
24 forwarded to the credit of these same accounts from the previous fiscal year, exceed the  
25 appropriation made by specific sum for these accounts of the budget unit as provided in  
26 Part I, Operating Budget, of this Act, for the fiscal year in which the excess occurs, the  
27 excess funds in the accounts of the budget unit shall become available for expenditure for



1 the purpose of the account during the fiscal year only upon compliance with the  
2 conditions and procedures specified in KRS 48.400, 48.500, 48.600, 48.605, 48.610,  
3 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810 of this Act,  
4 and with the authorization of the State Budget Director and approval of the Secretary of  
5 the Finance and Administration Cabinet.

6 Prior to authorizing the appropriation of any excess, unbudgeted Restricted Funds  
7 pursuant to this section, the State Budget Director and the Secretary of the Finance and  
8 Administration Cabinet shall review the adequacy of the General Fund Surplus Account  
9 with respect to its availability to support authorized expenditures from the General Fund  
10 Surplus Account, known as Necessary Government Expenses. In the event that General  
11 Fund Surplus Account moneys are determined by this review to be adequate to meet  
12 known or anticipated Necessary Government Expenses during fiscal year 2008-2009 or  
13 fiscal year 2009-2010, respectively, then the appropriation increase may be approved. In  
14 the event that the review indicates that there are insufficient funds available or reasonably  
15 estimated to become available to the General Fund Surplus Account to meet known or  
16 projected Necessary Government Expenses for the fiscal years enumerated above, the  
17 State Budget Director and the Secretary of the Finance and Administration Cabinet may  
18 disapprove the request for additional Restricted Funds expenditure authority and may  
19 direct the excess Restricted Funds identified to the General Fund Surplus Account in  
20 order to meet Necessary Government Expense obligations. The results of any review shall  
21 be reported to the Interim Joint Committee on Appropriations and Revenue in accordance  
22 with KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705,  
23 48.710, 48.720, 48.730, 48.800, and 48.810.

24 Any request made by a budget unit pursuant to KRS 48.630 that relates to  
25 Restricted Funds or Federal Funds shall include documentation showing a comparative  
26 statement of revised estimated receipts by fund source and the proposed expenditures by  
27 proposed use, with the appropriated sums specified in the Budget of the Commonwealth,

1 and statements which explain the cause, source, and use for any variances which may  
2 exist.

3 Each budget unit shall submit its reports in print and electronic format consistent  
4 with the Restricted Funds and Federal Funds records contained in the fiscal biennium  
5 2008-2010 Branch Budget Request Manual and according to the following schedule in  
6 each fiscal year: (a) On or before the beginning of each fiscal year; (b) On or before  
7 October 1; (c) On or before January 1; and (d) On or before April 1.

8 **3. Interim Appropriation Increases:** No appropriation from any fund source  
9 shall exceed the sum specified in this Act until the agency has documented the necessity,  
10 purpose, use, and source, and the documentation has been submitted to the Interim Joint  
11 Committee on Appropriations and Revenue for its review and action in accordance with  
12 KRS 48.630. Proposed revisions to an appropriation contained in the enacted  
13 State/Executive Budget or allotment of an unbudgeted appropriation shall conform to the  
14 conditions and procedures of KRS 48.630 and this Act.

15 Notwithstanding KRS 48.630(3), (4), and (5), any proposed and recommended  
16 actions to increase appropriations for funds specified in Section 2. of this Part shall be  
17 scheduled consistent with the timetable contained in that section in order to provide  
18 continuous and timely budget information.

19 **4. Revision of Appropriation Allotments:** Allotments within appropriated  
20 sums for the activities and purposes contained in the enacted State/Executive Budget shall  
21 conform to KRS 48.610 and may be revised pursuant to KRS 48.605 and this Act.

22 **5. Appropriations Expenditure Purpose and Transfer Restrictions:** Funds  
23 appropriated in this Act shall not be expended for any purpose not specifically authorized  
24 by the General Assembly in this Act nor shall funds appropriated in this Act be  
25 transferred to or between any cabinet, department, board, commission, institution, agency,  
26 or budget unit of state government unless specifically authorized by the General  
27 Assembly in this Act and the provisions of KRS 48.400, 48.500, 48.600, 48.605, 48.610,

1 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810. Compliance  
2 with the provisions of this section shall be reviewed and determined by the Interim Joint  
3 Committee on Appropriations and Revenue.

4 **6. Permitted Appropriation Obligations:** No state agency, cabinet,  
5 department, office, or program shall incur any obligation against the General Fund or  
6 Road Fund appropriations contained in this Act unless the obligation may be reasonably  
7 determined to have been contemplated in the enacted budget and is based upon  
8 supporting documentation considered by the General Assembly, legislative and executive  
9 records, and the statutory budget memorandum.

10 **7. Lapse of General Fund or Road Fund Appropriations Supplanted by**  
11 **Federal Funds:** Any General Fund or Road Fund appropriation made in anticipation of a  
12 lack, loss, or reduction of Federal Funds shall lapse to the General Fund or Road Fund  
13 Surplus Account, respectively, to the extent the Federal Funds otherwise become  
14 available.

15 **8. Federally Funded Agencies:** A state agency entitled to Federal Funds, which  
16 would represent 100 percent of the cost of a program, shall conform to KRS 48.730.

17 **9. Lapse of General Fund or Road Fund Excess Debt Service**  
18 **Appropriations:** Pursuant to KRS 48.720, any excess General Fund or Road Fund debt  
19 service shall lapse to the respective surplus account unless otherwise directed in this Act.

20 **10. Statutes in Conflict:** All statutes and portions of statutes in conflict with any  
21 of the provisions of this Act, to the extent of the conflict, are suspended unless otherwise  
22 provided by this Act.

23 **11. Construction of Budget Provisions on Statutory Budget Administration**  
24 **Powers and Duties:** Nothing in this Act is to be construed as amending or altering the  
25 provisions of Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the  
26 duties and powers of the Secretary of the Finance and Administration Cabinet except as  
27 otherwise provided in this Act.

1           **12. Interpretation of Appropriations:** All questions that arise in interpreting any  
2 appropriation in this Act as to the purpose or manner for which the appropriation may be  
3 expended shall be decided by the Secretary of the Finance and Administration Cabinet  
4 pursuant to KRS 48.500, and the decision of the Secretary of the Finance and  
5 Administration Cabinet shall be final and conclusive.

6           **13. Publication of the Budget of the Commonwealth:** The State Budget  
7 Director shall cause the Governor's Office for Policy and Management, within 60 days of  
8 adjournment of the 2008 Regular Session of the General Assembly, to publish a final  
9 enacted budget document, styled the Budget of the Commonwealth, based upon the  
10 Legislative Budget, State/Executive Budget, and Judicial Budget as enacted by the 2008  
11 Regular Session, as well as other Acts which contain appropriation provisions for the  
12 2008-2010 fiscal biennium, and based upon supporting documentation and legislative  
13 records as considered by the 2008 Regular Session, and the statutory budget  
14 memorandum. This document shall include, for each agency and budget unit, a  
15 consolidated budget summary statement of available regular and continuing appropriated  
16 revenue by fund source, corresponding appropriation allocations by program or  
17 subprogram as appropriate, budget expenditures by principal budget class and for the  
18 State/Executive Budget, and any other fiscal data and commentary considered necessary  
19 for budget execution by the Governor's Office for Policy and Management and oversight  
20 by the Interim Joint Committee on Appropriations and Revenue. The enacted  
21 State/Executive Budget shall be revised or adjusted only upon approval by the Governor's  
22 Office for Policy and Management as provided in each Part of this Act and by KRS  
23 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720,  
24 48.730, 48.800, and 48.810, and upon review and action by the Interim Joint Committee  
25 on Appropriations and Revenue.

26           **14. State Financial Condition:** Pursuant to KRS 48.400, the State Budget  
27 Director shall monitor and report on the financial condition of the Commonwealth.

1           **15. Prorating Administrative Costs:** The Secretary of the Finance and  
2 Administration Cabinet is authorized to establish a system or formula or a combination of  
3 both for prorating the administrative costs of the Finance and Administration Cabinet, the  
4 Department of the Treasury, and the Office of the Attorney General relative to the  
5 administration of programs in which there is joint participation by the state and federal  
6 governments for the purpose of receiving the maximum amount of participation permitted  
7 under the appropriate federal laws and regulations governing the programs. The receipts  
8 and allotments under this section shall be reported to the Interim Joint Committee on  
9 Appropriations and Revenue prior to any transfer of funds.

10           **16. Construction of Budget Provisions Regarding Executive Reorganization**  
11 **Orders:** Nothing in this Act shall be construed to confirm or ratify, under KRS 12.027 or  
12 12.028, any executive reorganization order unless the executive order was confirmed or  
13 ratified by appropriate amendment to the Kentucky Revised Statutes in another Act of the  
14 2008 Regular Session of the General Assembly. If any executive reorganization order  
15 issued from sine die adjournment of the 2007 Regular Session to sine die adjournment of  
16 the 2008 Regular Session was not confirmed by the 2008 Regular Session of the General  
17 Assembly, the Secretary of the Finance and Administration Cabinet shall, in consultation  
18 with agency heads and with notification to the Legislative Research Commission, transfer  
19 the balance of funds for any affected program or function for fiscal year 2007-2008 and  
20 any related appropriations and funds for each of the next two fiscal years from the budget  
21 unit in which the program or function was placed by the executive reorganization order to  
22 the budget unit in which the program or function resided prior to the reorganization action  
23 or in which it was placed by action of the 2008 Regular Session of the General Assembly.

24           **17. Budget Planning Report:** By August 15, 2009, the State Budget Director, in  
25 conjunction with the Consensus Forecasting Group, shall provide to each branch of  
26 government, pursuant to KRS 48.117, a budget planning report.

27           **18. Tax Expenditure Revenue Loss Estimates:** By October 15, 2009, the Office

1 of State Budget Director shall provide to each branch of government detailed estimates  
2 for the General Fund and Road Fund for the current and next two fiscal years of the  
3 revenue loss affected by tax expenditures. The Department of Revenue shall provide  
4 assistance and furnish data which is not restricted by KRS 131.190. "Tax expenditure" as  
5 used in this section means an exemption, exclusion, or deduction from the base of a tax, a  
6 credit against the tax, a deferral of a tax, or a preferential tax rate. The estimates shall  
7 include for each tax expenditure the amount of revenue loss, a citation of the legal  
8 authority for the tax expenditure, the year in which it was enacted, and the tax year in  
9 which it became effective.

10 **19. Duplicate Appropriations:** Any appropriation item and sum in Parts I to X of  
11 this Act and in an appropriation provision in any Act of the 2008 Regular Session which  
12 constitutes a duplicate appropriation shall be governed by KRS 48.312.

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

16 **21. Severability of Budget Provisions:** Appropriation items and sums in Parts I  
17 to X of this Act shall conform to KRS 48.311. If any section, any subsection, or any  
18 provision is found by a court of competent jurisdiction in a final, unappealable order to be  
19 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the  
20 remaining sections, subsections, or provisions.

21 **22. Unclaimed Lottery Prize Money:** For fiscal year 2008-2009 and fiscal year  
22 2009-2010, all unclaimed lottery prize money under KRS 154A.110(3) shall be credited  
23 to the Kentucky Educational Excellence Scholarship Reserve Account to be held as a  
24 subsidiary account within the Finance and Administration Cabinet for the purpose of  
25 funding the KEES Program as appropriated in this Act. If the Kentucky Higher Education  
26 Assistance Authority certifies to the State Budget Director that the appropriations in this  
27 Act for the KEES Program under the existing award schedule are insufficient to meet

1 funds required for eligible applicants, then the State Budget Director shall provide the  
2 necessary allotment of funds in the balance of the KEES Reserve Account to fund the  
3 KEES Program. Actions taken under this section shall be reported to the Interim Joint  
4 Committee on Appropriations and Revenue on a timely basis.

5 **23. Sales and Use Tax Collection and Remittance Compensation:**  
6 Notwithstanding KRS 139.570, for the periods after June 30, 2008, the total  
7 reimbursement allowed per taxpayer in any month shall not exceed \$1,500.  
8 Notwithstanding KRS 139.240, 139.250, or 139.700, after the effective date of this Act,  
9 separate permit numbers for a taxpayer with different business locations shall not be  
10 issued.

11 **24. Abandoned Property Held by Financial Institutions:** Notwithstanding  
12 KRS 393.060, the dormancy period for property held or owing by a banking or financial  
13 institution, other than traveler's checks, shall be three years rather than seven years.

14 **25. Sale of Abandoned Property by Finance and Administration Cabinet:**  
15 Notwithstanding KRS 393.125, unclaimed securities held by the Department of the  
16 Treasury may be sold with the receipts, net of estimated claims to be paid, available for  
17 appropriation to the General Fund during the 2008-2010 biennium. The Secretary of the  
18 Finance and Administration Cabinet shall determine when to initiate the sale of securities  
19 based on the market structure and the financial status of the Commonwealth at the time.

20 **26. Premium and Retaliatory Taxes:** Notwithstanding KRS 304.17B-021(4)(d),  
21 premium taxes collected under KRS Chapter 136 from any insurer and retaliatory taxes  
22 collected under KRS 304.3-270 from any insurer shall be credited to the General Fund.

23 **27. Undesignated General Fund and Road Fund Carry Forward:**  
24 Notwithstanding KRS 48.700 and 48.705 and other Parts of this Act, the Secretary of the  
25 Finance and Administration Cabinet shall determine and certify, within 30 days of the  
26 close of fiscal year 2008-2009, the actual amount of undesignated balance of the General  
27 Fund and the Road Fund for the year just ended. The amounts from the undesignated

1 fiscal year 2008-2009 General Fund and Road Fund balances that are designated and  
2 carried forward for budgeted purposes in the 2008-2010 fiscal biennium shall be  
3 determined by the State Budget Director during the close of the respective fiscal year and  
4 shall be reported to the Interim Joint Committee on Appropriations and Revenue within  
5 30 days of the close of the fiscal year. The General Fund undesignated balance in excess  
6 of the amount designated for budgeted purposes under this section shall be made  
7 available for the General Fund Contingency Plan contained in Part VII of this Act. The  
8 Road Fund undesignated balance in excess of the amount designated for budgeted  
9 purposes under this section shall be made available for the Road Fund Surplus  
10 Expenditure Plan contained in Part IX of this Act unless otherwise provided in this Act.

11 **28. Workers' Compensation:** Notwithstanding KRS 342.340(1) or any other  
12 provision of law, public sector self-insured employers are not required to deposit funds as  
13 security, indemnity, or bond to secure the payment of compensation liabilities, provided  
14 that each public sector employer has the authority to impose taxes or raise tuition in an  
15 amount sufficient to recoup payments of compensation liabilities as they are incurred.  
16 Notwithstanding KRS 342.340(1) and 803 KAR 25:021, Section 5, the Personnel Cabinet  
17 shall be exempt from procuring excess risk insurance in fiscal year 2008-2009 and fiscal  
18 year 2009-2010 for the Workers' Compensation Benefits and Reserve program  
19 administered by the Cabinet.

20 **29. Adoption of Budget Reduction:** Notwithstanding KRS 48.130 and 48.600,  
21 the General Assembly adopts and enacts the revised General Fund appropriation levels  
22 for the budget units of the Executive Branch identified in General Fund Budget Reduction  
23 Order 08-01 and enacts the transfers to the General Fund of non-General Fund moneys  
24 identified in General Fund Budget Reduction Order 08-01.

25 **30. Abandonment of Traveler's Checks:** Notwithstanding KRS 393.060,  
26 traveler's checks held or owing by a banking or financial organization shall be presumed  
27 abandoned when the period of time the traveler's checks have been outstanding exceeds



1 seven years, unless the owner has within seven years corresponded in writing with the  
2 banking or financial organization concerning the traveler's checks, or otherwise indicated  
3 an interest as evidenced by a memorandum on file with the banking or financial  
4 organization.

5 **31. Appropriation of Budget Reserve Trust Fund:** Pursuant to KRS 48.705,  
6 \$183,557,900 from the Budget Reserve Trust Fund is available in fiscal year 2009-2010  
7 to be appropriated by the General Assembly in this Act.

8 **32. General Fund Expenditure Reductions:** The Governor shall reduce General  
9 Fund expenditures appropriated in this Act by \$179,900,000 in fiscal year 2008-2009 and  
10 by \$193,900,000 in fiscal year 2009-2010. This reduction shall be achieved in part but not  
11 limited to the following measures:

12 (a) Beginning May 1, 2008, the Kentucky Retirement System shall provide to the  
13 Secretary of the Personnel Cabinet a listing of all employees of the Executive Branch  
14 covered by the Kentucky Employees Retirement System for nonhazardous employees that  
15 have submitted a request to begin to receive retirement benefits the preceding month.  
16 The Secretary of the Personnel Cabinet shall determine each retiring employee's last  
17 agency of employment, final classification, and annual salary, and provide the Office of  
18 the State Budget Director this information by individual agency. The State Budget  
19 Director, the Secretary of the Finance and Administration Cabinet shall utilize this  
20 information and determine the amount of General Fund moneys in the agency budget for  
21 fiscal year 2008-2009 and fiscal year 2009-2010 for the retiring employees' positions.  
22 This information shall be used in addition to other information, including but not limited  
23 to budget reductions included elsewhere in this Act and information provided by each  
24 agency on operating efficiencies and cost-saving measures, to determine: (1) The amount  
25 of General Fund reductions per year that can be obtained from each appropriation unit  
26 associated with personnel cost and retirements to accomplish the goal of reducing the  
27 recurring cost of the executive branch by \$85,000,000 each fiscal year; and (2) The

1 number of funded full-time positions that are reduced by attrition and retirements. The  
2 State Budget Director shall determine the amount of Restricted Funds related to retiring  
3 personnel positions. Notwithstanding any law to the contrary, the amount of Restricted  
4 Funds determined by the State Budget Director to be related to retiring personnel  
5 positions may be transferred to the General Fund.

6 The State Budget Director shall provide a monthly report to the Interim Joint  
7 Committee on Appropriations and Revenue outlining the actions taken or planned  
8 pursuant to this section, including but not limited to the number of employees retiring, the  
9 amount of General Fund projected expenditures reduced, the number of budgeted  
10 authorized full-time positions eliminated, and the amount of other funds to be transferred  
11 to the General Fund as a result of retirements and attrition.

12 The Secretary of the Finance and Administration Cabinet and the State Budget  
13 Director shall not take any action authorized or directed in this section that would affect  
14 the funding or operation of Property Valuation Administrators' Offices or any other  
15 employer not specifically listed in KRS 12.020; and

16 (b) The Finance and Administration Cabinet, in conjunction with other Executive  
17 Branch agency heads, shall identify excess debt service, efficiencies, and cost-saving  
18 measures that will result in a direct savings to the Commonwealth. In addition, the  
19 Finance and Administration Cabinet is directed to restructure the General Fund-supported  
20 debt of the Commonwealth and capture available General Fund debt service in fiscal  
21 years 2008-2009 and 2009-2010 as a result of the restructuring. Debt service payments  
22 shall not commence until after July 1, 2010, for the restructured debt components.

23 **33. Office Space:** Pursuant to KRS 56.463(4)(b), the legislative branch had and  
24 has the legal authority to occupy certain space in the New State Capitol Annex, as of  
25 certain occupancy dates described by the October 1, 2003 Resolution of the Legislative  
26 Research Commission. On or before July 1, 2008, the Secretary of the Finance and  
27 Administration Cabinet shall ensure that the New State Capitol Annex space allocated to

1 the legislative branch by KRS 56.463(4)(b), and designated for occupancy by the October  
2 1, 2003 Resolution of the Legislative Research Commission adopted pursuant to KRS  
3 56.463(4)(b) and as specified in subsections (a) and (b) below, shall be vacated by the  
4 executive branch and available for immediate occupancy by the legislative branch as  
5 follows:

6 (a) The legislative branch shall occupy the following additional space on the  
7 second floor of the New State Capitol Annex: Starting at the center (north-south) hallway  
8 and proceeding west on the south side of the east-west hallway, all space (approximately  
9 3,072 square feet) in the area from the third pilaster to and including the ninth pilaster,  
10 comprising the offices 265 to 275, except for the elevators, public restrooms, and  
11 mechanical maintenance areas. The occupancy by the legislative branch of the space  
12 described in this subsection shall be effective on or before July 1, 2008; and

13 (b) The legislative branch shall occupy the following additional space on the third  
14 and fourth floors of the New State Capitol Annex: Starting at the center (north/south)  
15 hallway on each floor and proceeding west, all space (approximately 4,096 square feet on  
16 each floor) south of the east/west hallway to and including the ninth pilaster, and the area  
17 going south from the center (north/south) hallway on each floor from the first to the third  
18 pilaster on the west side of the hallway; and comprising the area going south from the  
19 center (north/south) hallway on each floor, all space (approximately 3,328 square feet on  
20 each floor) on the west side of each hallway beginning at the third pilaster at the  
21 north/south hallway to the south end of the building; except for the elevators, public  
22 restrooms, and mechanical maintenance areas. The occupancy by the legislative branch of  
23 the space described in this subsection shall be effective on or before July 1, 2008.

24 The Secretary of the Finance and Administration Cabinet shall be authorized to  
25 lease such additional space as may be necessary to comply with the provisions of this  
26 section. Expenditures required by the implementation of this section related to securing, if  
27 necessary, additional leased office space by the executive branch, the relocation of

1 executive branch personnel, and the relocation of offices that is required by this section,  
2 including moving expenses, shall be deemed a necessary government expense and shall  
3 be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve  
4 Trust Fund Account (KRS 48.705) or, if the expenditures required to implement this  
5 section exceed the funds available in those accounts, notwithstanding KRS 45.770, the  
6 Finance and Administration Cabinet shall transfer sufficient funds in the Capital  
7 Construction and Equipment Purchase Contingency Account to a capital project account  
8 to be used for expenditures necessary to implement the requirements of this section. Prior  
9 to making a transfer, the Finance and Administration Cabinet shall present the proposed  
10 transfer to the Capital Projects and Bond Oversight Committee for review at least 14 days  
11 prior to a meeting of the committee as required by KRS 45.800. No portion of funds  
12 transferred for this purpose shall be used for any other purpose. Lack of funds in any of  
13 the accounts referenced in this section shall not excuse compliance with this section.

14 If the Secretary of the Finance and Administration Cabinet fails or refuses to fully  
15 and timely comply with the requirements of this section, the Legislative Research  
16 Commission may petition the Franklin Circuit Court for a writ of mandamus to compel  
17 the Secretary's compliance with the requirements of this section.

18 Any expenditure authorized by the Legislative Research Commission relating to  
19 implementation of KRS 56.463(4)(b) and funded by previous appropriations to the  
20 legislative branch shall not be governed by KRS 7A.010, 7A.120, 45.750 to 45.810,  
21 48.010(14), and 48.020.

22 **34. Lottery Dividends:** KRS 154A.130(1) establishes the intent of the General  
23 Assembly that it shall be the goal of the Kentucky Lottery Corporation to transfer each  
24 year 35 percent of gross revenues to the General Fund. In fiscal year 2008-2009 and  
25 fiscal year 2009-2010, the Kentucky Lottery Corporation shall remit no less than 28  
26 percent of gross revenues each year to the General Fund.

27 Notwithstanding KRS 154A.130(3) and (4), 78 percent of the 28 percent remitted to

1 the General Fund in fiscal year 2008-2009 and 2009-2010 shall be distributed according  
2 to the provisions set out in KRS 154A.130(3) and (4) to support higher education  
3 scholarship programs. The remaining 22 percent of the 28 percent remitted to the General  
4 Fund shall remain in the General Fund to be used to support restoration of higher  
5 education funds.

6 **35. Road Fund Resources:** The Transportation Cabinet may use Road Fund  
7 resources for the purpose of the maintenance or construction of public runways, parking  
8 lots, pedways, or other transportation infrastructures which are connected to a roadway  
9 and can be traversed by a vehicle.

10 **36. Reallocation of Appropriations Among Budget Units:** The Executive  
11 Branch shall operate within the appropriations authorized in this Act for each budget unit  
12 as prescribed by KRS 48.400 to 48.730, subject to the conditions and procedures stated in  
13 this section or other Parts of this Act.

14 The Secretary of a Cabinet, the Commissioner of the Department of Education, and  
15 other agency heads may request, prior to January of each fiscal year, a revision or  
16 reallocation among budget units under their administrative authority of up to ten percent  
17 of General Fund or Restricted Funds appropriations contained in Part I, Operating  
18 Budget, of this Act for fiscal year 2008-2009. No request shall relate to moneys in a  
19 fiduciary fund account unless the account is affected by a reorganization order  
20 promulgated under KRS 12.027. Any request which shall be submitted to and, if  
21 authorized by the State Budget Director, shall be implemented and executed prior to  
22 January 15 of each fiscal year. A request shall explain the need and use for the transfer  
23 authority under this section.

24 The amount of transfer of General Fund and Restricted Funds appropriations shall  
25 be made by Executive Order of the Governor and shall be separately recorded and  
26 reported in the system of financial accounts and reports provided in KRS Chapter 45.

27 The State Budget Director shall report a revision or transfer made under this

1 section, in writing, to the Interim Joint Committee on Appropriations and Revenue at  
2 least 30 days prior to the proposed transfer. The Committee shall review the transfer in  
3 the same manner and procedure as provided for an interim unbudgeted appropriation  
4 action under KRS 48.630.

5 **37. Kentucky Wine and Vine Fest:** The Kentucky Wine and Vine Fest of  
6 Nicholasville, Kentucky, is named and designated as the official state wine festival.

#### 7 **PART IV**

#### 8 **STATE SALARY/COMPENSATION AND EMPLOYMENT POLICY**

9 **1. Maximum Filled Permanent Positions:** Notwithstanding KRS 18A.010(2),  
10 for the 2008-2010 fiscal biennium, the total number of filled permanent positions in the  
11 agencies of the Executive Branch is limited to the number authorized in the enacted  
12 State/Executive Budget of the Commonwealth for the 2008-2010 fiscal biennium.

13 **2. Authorized Personnel Complement:** On July 1, 2008, the Personnel Cabinet  
14 and the Office of State Budget Director shall establish a record for each budget unit of  
15 authorized permanent and other positions based upon the enacted State/Executive Budget  
16 of the Commonwealth and any adjustments authorized by provisions in this Act. The total  
17 number of filled and vacant positions of permanent full-time, permanent part-time, and all  
18 other positions shall not exceed the authorized complements pursuant to this section.  
19 When an agency head certifies that an emergency employment situation exists for a  
20 limited time within a fiscal year, the State Budget Director may approve, and the  
21 Secretary of the Personnel Cabinet may authorize, the employment of individuals in  
22 addition to the authorized complement for the duration of the limited time period so  
23 authorized within the fiscal year. A copy of records, certifications, and actions authorized  
24 in this section shall be provided to the Interim Joint Committee on Appropriations and  
25 Revenue on a monthly basis.

26 **3. Salary Adjustments:** Notwithstanding KRS 18A.355, an increment of one  
27 percent is provided in both fiscal year 2008-2009 and fiscal year 2009-2010 on the base

1 salary or wages of each eligible state employee on their anniversary date.

2 Notwithstanding KRS 151B.035(12), for fiscal years 2008-2009 and 2009-2010, the  
3 salary adjustments for certified and equivalent employees of the Office of Career and  
4 Technical Education shall be made pursuant to the provisions of this Part.  
5 Notwithstanding KRS 151B.035(6)(e), the salary schedule for certified and equivalent  
6 employees of the Office of Career and Technical Education shall be implemented within  
7 the appropriations made in this Act.

8 **4. Monthly Per Employee Health Insurance Benefits Assessment:** The  
9 Personnel Cabinet shall collect a benefits assessment per month per employee eligible for  
10 health insurance coverage in the state group for duly authorized use by the Personnel  
11 Cabinet in administering its statutory and administrative responsibilities, including but  
12 not limited to administration of the Commonwealth's health insurance program.

13 **5. Employee Cross-Reference:** The Personnel Cabinet shall permit married  
14 couples who are both eligible to participate in the state health insurance plan to be  
15 covered under one family health benefit plan.

16 **6. Employer Retirement Contribution Rates:** Notwithstanding KRS 61.565,  
17 the employer contribution rates for the Kentucky Employees Retirement Systems from  
18 July 1, 2008, through June 30, 2009, shall be 10.01 percent, consisting of 5.79 percent for  
19 pension and 4.22 percent for insurance, for nonhazardous duty employees and 24.35  
20 percent, consisting of 9.79 percent for pension and 14.56 percent for insurance, for  
21 hazardous duty employees; for the same period the employer contribution for employees  
22 of the State Police Retirement System shall be no more than 30.07 percent, consisting of  
23 15.28 percent for pension and 14.79 percent for insurance. Notwithstanding KRS 61.565,  
24 the employer contribution rates for the Kentucky Employees Retirement Systems from  
25 July 1, 2009, through June 30, 2010, shall be 11.61 percent, consisting of 6.65 percent for  
26 pension and 4.96 percent for insurance, for nonhazardous duty employees and 24.69  
27 percent, consisting of 9.89 percent for pension and 14.8 percent for insurance for

1 hazardous duty employees; for the same period the employer contribution for employees  
 2 of the State Police Retirement System shall be no more than 33.08 percent, consisting of  
 3 16.81 percent for pension and 16.27 percent for insurance.

4 The General Fund moneys directed to be appropriated by 2006 Ky. Acts ch. 252,  
 5 Part VII, to the Kentucky Retirement Systems to address a portion of the actuarially  
 6 unfunded liability shall be appropriated to the Kentucky Retirement Systems Insurance  
 7 Fund as established in KRS 61.701 and shall be allocated in proportion to the  
 8 contributions required according to KRS 61.702(2) for the Kentucky Employees  
 9 Retirement System Insurance Fund and the State Police Retirement System Insurance  
 10 Fund.

11 **7. Kentucky Employees Retirement Systems Employer Contribution**

12 **Supplement Distribution:** The State Budget Director shall determine the amount of  
 13 funds from the appropriation in Part I, J., 4., of this Act that is necessary for each budget  
 14 unit to implement the required employer contribution rates for retirement established in  
 15 Section 6. of this Part. The State Salary and Compensation Fund shall be supplemented  
 16 by Restricted Funds, Federal Funds, the Road Fund, and other General Fund amounts  
 17 otherwise appropriated to state agencies. The amount of moneys transferred from the  
 18 State Salary and Compensation Fund to state agencies shall not exceed the General Fund  
 19 cost of the increased employer retirement contribution rate for each position. After the  
 20 Secretary of the Personnel Cabinet has distributed the required funds to state agencies,  
 21 then the balance of the funds shall be distributed to other public employers who were  
 22 effected by the increased employer retirement contribution rates in Section 6. of this Part  
 23 on a pro rata basis. The Secretary of the Personnel Cabinet shall provide a quarterly report  
 24 to the Interim Joint Committee on Appropriations and Revenue of the distribution of  
 25 these funds.

26 **8. Employer Health Trust Payments:** The Secretary of the Personnel Cabinet,  
 27 in association with the State Budget Director and Executive Branch agency heads, shall



1 coordinate the timing of employer payments to the State Group Health Trust Fund in such  
 2 a manner that will provide the agencies the flexibility to lapse \$7,000,000 in General  
 3 Fund moneys in each fiscal year.

4 **PART V**

5 **FUNDS TRANSFER**

6 The General Assembly finds that the financial condition of state government  
 7 requires the following action.

8 Notwithstanding the statutes or requirements of the Restricted Funds enumerated  
 9 below, there is transferred to the General Fund the following amounts in fiscal year 2007-  
 10 2008, fiscal year 2008-2009, and fiscal year 2009-2010:

	2007-08	2008-09	2009-10
<b>A. GENERAL GOVERNMENT</b>			
<b>1. Governor's Office of Agricultural Policy</b>			
General Fund (Tobacco)	-0-	12,545,000	11,539,000
<b>2. Governor's Office for Local Development</b>			
Expendable Trust Fund	-0-	2,200,000	2,200,000
(KRS 42.4582)			
<b>3. Governor's Office for Local Development</b>			
Other Special Revenue Fund	572,800	-0-	-0-
<b>4. Local Government Economic Development Fund</b>			
Multi-County Fund - Debt Service	-0-	14,527,800	14,551,500
(KRS 42.4588)			
<b>5. Secretary of State</b>			
Agency Revenue Fund	-0-	1,347,000	1,347,000
(KRS 14.140)			
<b>6. Attorney General</b>			
Other Special Revenue Fund	-0-	350,000	350,000

1	(KRS 367.964)			
2	<b>7. Accountancy</b>			
3	Agency Revenue Fund	440,000	57,800	-0-
4	(KRS 325.250)			
5	<b>8. Architects</b>			
6	Agency Revenue Fund	100,000	54,200	-0-
7	<b>9. Certification for Professional Art Therapists</b>			
8	Agency Revenue Fund	-0-	13,600	-0-
9	(KRS 309.138)			
10	<b>10. Auctioneers</b>			
11	Agency Revenue Fund	35,000	-0-	-0-
12	(KRS 330.050(6))			
13	<b>11. Auctioneers</b>			
14	Recovery Fund	-0-	312,200	-0-
15	(KRS 330.192)			
16	<b>12. Chiropractic Examiners</b>			
17	Agency Revenue Fund	-0-	95,400	-0-
18	<b>13. Dentistry</b>			
19	Agency Revenue Fund	128,000	435,000	-0-
20	(KRS 313.350)			
21	<b>14. Licensure and Certification for Dietitians and Nutritionists</b>			
22	Agency Revenue Fund	1,000	44,000	-0-
23	(KRS 310.041(7))			
24	<b>15. Embalmers and Funeral Directors</b>			
25	Agency Revenue Fund	-0-	113,300	-0-
26	(KRS 316.125 and KRS 316.210)			
27	<b>16. Licensure for Professional Engineers and Land Surveyors</b>			

1	Agency Revenue Fund	470,000	320,400	-0-
2	(KRS 322.420)			
3	<b>17. Certification of Fee-Based Pastoral Counselors</b>			
4	Agency Revenue Fund	-0-	1,900	-0-
5	(KRS 335.650)			
6	<b>18. Registration for Professional Geologists</b>			
7	Agency Revenue Fund	50,000	126,000	-0-
8	(KRS 322A.050)			
9	<b>19. Hairdressers and Cosmetologists</b>			
10	Agency Revenue Fund	280,000	138,000	50,000
11	(KRS 317A.080)			
12	<b>20. Interpreters for the Deaf and Hard of Hearing</b>			
13	Agency Revenue Fund	-0-	54,700	-0-
14	(KRS 309.306)			
15	<b>21. Examiners and Registration of Landscape Architects</b>			
16	Agency Revenue Fund	-0-	53,000	-0-
17	<b>22. Licensure of Marriage and Family Therapists</b>			
18	Agency Revenue Fund	-0-	12,200	-0-
19	(KRS 335.342)			
20	<b>23. Licensure for Massage Therapy</b>			
21	Agency Revenue Fund	14,000	146,700	-0-
22	(KRS 309.356)			
23	<b>24. Medical Licensure</b>			
24	Agency Revenue Fund	670,000	249,600	-0-
25	(KRS 311.610)			
26	<b>25. Nursing</b>			
27	Agency Revenue Fund	1,700,000	343,700	-0-

1	(KRS 314.161)			
2	<b>26. Licensure for Occupational Therapy</b>			
3	Agency Revenue Fund	3,500	98,900	80,000
4	(KRS 319A.060)			
5	<b>27. Optometric Examiners</b>			
6	Agency Revenue Fund	15,000	56,900	-0-
7	(KRS 320.360)			
8	<b>28. Pharmacy</b>			
9	Agency Revenue Fund	190,000	300,000	300,000
10	(KRS 315.195)			
11	<b>29. Physical Therapy</b>			
12	Agency Revenue Fund	-0-	281,100	-0-
13	(KRS 327.080)			
14	<b>30. Podiatry</b>			
15	Agency Revenue Fund	-0-	25,000	25,000
16	(KRS 311.450(3))			
17	<b>31. Private Investigators</b>			
18	Agency Revenue Fund	-0-	35,800	-0-
19	(KRS 329A.030)			
20	<b>32. Licensed Professional Counselors</b>			
21	Agency Revenue Fund	35,000	198,300	75,000
22	(KRS 335.520)			
23	<b>33. Proprietary Education</b>			
24	Agency Revenue Fund	-0-	142,800	30,000
25	(KRS 165A.380)			
26	<b>34. Examiners of Psychology</b>			
27	Agency Revenue Fund	90,000	101,400	45,000

1 (KRS 319.131)

2 **35. Real Estate Appraisers**

3 Agency Revenue Fund -0- 47,100 -0-

4 (KRS 324A.065)

5 **36. Real Estate Commission**

6 Agency Revenue Fund 1,180,000 -0- -0-

7 (KRS 324.410)

8 **37. Respiratory Care**

9 Agency Revenue Fund 24,000 14,300 -0-

10 (KRS 314A.215(3))

11 **38. Social Work**

12 Agency Revenue Fund 83,000 101,600 80,000

13 (KRS 335.140)

14 **39. Speech-Language Pathology and Audiology**

15 Agency Revenue Fund 30,000 85,900 75,000

16 (KRS 334A.120)

17 **40. Veterinary Examiners**

18 Agency Revenue Fund 11,500 139,900 -0-

19 (KRS 321.320)

20 **B. COMMERCE CABINET**

21 **1. Tourism**

22 Agency Revenue Fund 1,086,600 -0- -0-

23 **2. Tourism**

24 Agency Revenue Fund 1,000,000 -0- -0-

25 (KRS 142.406(2)(3))

26 **C. ECONOMIC DEVELOPMENT CABINET**

27 **1. Financial Incentives**

1 Kentucky Economic Development  
 2 Finance Authority -0- 23,000,000 -0-  
 3 (KRS 154.20-010 to 154.20-150 and  
 4 154.20-520)

5 **2. Financial Incentives**

6 Other Special Revenue Fund 1,197,000 1,200,000 1,200,000

7 Balances remaining in the Special Revenue Fund accounts after all appropriations  
 8 authorized in this bill shall lapse to the General Fund Surplus Account at the end of  
 9 each fiscal year, except for funds held in escrow for payments of consultant fees.

10 **3. Existing Business Development**

11 Agency Revenue Fund 10,800 -0- -0-

12 **D. EDUCATION CABINET**

13 **1. Kentucky Educational Television**

14 Agency Revenue Fund 2,000,000 -0- -0-

15 **E. ENVIRONMENTAL AND PUBLIC PROTECTION CABINET**

16 **1. General Administration and Program Support**

17 Kentucky Heritage Land

18 Conservation Fund -0- 10,000,000 -0-

19 (KRS 146.570)

20 A \$10,000,000 capital appropriation from bond funds in Part II, Capital Projects  
 21 Budget, of this Act will be used to replace this transfer of funds to the General  
 22 Fund.

23 **2. General Administration and Program Support**

24 Kentucky Pride Trust Fund -0- 1,250,000 1,250,000

25 (KRS 224.43-505(1))

26 **3. General Administration and Program Support**

27 Kentucky Pride Trust Fund -0- 2,006,300 2,006,300

1 Pursuant to KRS 224.43-505(2)(a)3., these funds transfers to the General Fund  
 2 support the General Fund debt service on the bonds sold as appropriated by 2003  
 3 Ky. Acts ch. 156, Part II, A., 3., c.

4 **4. Natural Resources**

5 Agency Revenue Fund -0- 250,000 250,000  
 6 (KRS 146.570(3), 149.280(2), 149.670, 353.590(3))

7 **5. Public Protection Commissioner**

8 Agency Revenue Fund -0- 600,000 800,000

9 **6. Petroleum Storage Tank Environmental Assurance Fund**

10 Insurance Administration Fund -0- 65,000,000 16,500,000  
 11 (KRS 224.60-130, 224.60-140,  
 12 224.60-145, and 224.60-150)

13 A \$25,000,000 capital appropriation from bond funds in Part II, Capital Projects  
 14 Budget, of this Act will be used to partially replace this transfer of funds to the  
 15 General Fund.

16 **7. Alcoholic Beverage Control**

17 Agency Revenue Fund -0- 500,000 350,000  
 18 (KRS 243.025(1)(3))

19 **8. Board of Claims/Crime Victims' Compensation Board**

20 Agency Revenue Fund -0- -0- 500,000  
 21 (KRS 346.185)

22 **9. Financial Institutions**

23 Agency Revenue Fund 418,800 3,800,000 3,500,000  
 24 (KRS 286.01-485)

25 **10. Housing, Buildings and Construction**

26 Agency Revenue Fund 600,000 1,300,000 1,800,000  
 27 (KRS 198B.090(10),

1	198B.095(2), 198B.615,			
2	198B.676(2), 227.620(5),			
3	227A.050(1)(2), 236.130(3),			
4	and 318.136)			
5	<b>11. Insurance</b>			
6	Agency Revenue Fund	-0-	15,820,000	15,360,000
7	(KRS 304.2-300(1)(4),			
8	304.2-400 and 304.2-440(4))			
9	<b>12. Insurance</b>			
10	Kentucky Access Fund	-0-	71,551,500	5,385,900
11	(KRS 304.2-440(4)			
12	and 304-17B-021)			
13	<b>13. Insurance</b>			
14	Expendable Trust Fund	-0-	16,750,000	-0-
15	(2006 Kentucky Acts Chapter			
16	252, Part XXIII, Section 6)			
17	<b>14. Insurance</b>			
18	Fire and Tornado Insurance Fund	1,000,000	-0-	-0-
19	(KRS 56.180)			
20	<b>15. Workers' Compensation Funding Commission</b>			
21	Insurance Administration Fund	-0-	6,200,000	-0-
22	(KRS 342.1227)			
23	<b>F. FINANCE AND ADMINISTRATION CABINET</b>			
24	<b>1. General Administration</b>			
25	Fleet Management Fund	-0-	4,272,400	1,500,000
26	<b>2. Controller</b>			
27	Rural Development Trust Fund -			



1	Investment Income	3,231,200	-0-	-0-
2	(KRS 248.655)			
3	<b>3. Controller</b>			
4	Early Childhood Development Trust			
5	Fund - Investment Income	252,400	-0-	-0-
6	(KRS 200.151)			
7	<b>4. Controller</b>			
8	Health Care Improvement Trust Fund			
9	- Investment Income	14,000	-0-	-0-
10	(KRS 194A.0550)			
11	<b>5. Controller</b>			
12	Expendable Trust Fund	-0-	3,000,000	-0-
13	<b>6. Debt Service</b>			
14	Unexpended Debt Service Tobacco			
15	Settlement - Phase I	16,257,500	-0-	-0-
16	(KRS 248.655)			
17	<b>7. Facilities and Support Services</b>			
18	Property Management Fund	-0-	750,000	750,000
19	<b>8. Commonwealth Office of Technology</b>			
20	Computer Services Fund	-0-	1,500,000	1,500,000
21	<b>9. Finance and Administration</b>			
22	Capital Construction Investment			
23	Income	-0-	3,300,000	32,783,400
24	Capital appropriations in the amount of \$17,000,000 from bond funds in Part II,			
25	Capital Projects Budget, of this Act will be used to partially replace this transfer of			
26	funds to the General Fund.			
27	<b>10. Finance and Administration</b>			

1	Capital Construction Surplus			
2	Account	-0-	500,000	500,000
3	(KRS 45.775)			
4	<b>G. HEALTH AND FAMILY SERVICES CABINET</b>			
5	<b>1. General Administration and Program Support</b>			
6	Malt Beverage Education Fund	-0-	450,000	450,000
7	<b>2. Commission for Children with Special Health Care Needs</b>			
8	General Fund (Tobacco)	-0-	2,000	2,000
9	<b>3. Mental Health and Mental Retardation Services</b>			
10	General Fund (Tobacco)	-0-	175,000	175,000
11	<b>4. Public Health</b>			
12	Agency Revenue Fund	50,900	-0-	-0-
13	(KRS 194A.050(4), 211.350(10),			
14	211.848(2), 212.025(2), 217.125(2),			
15	219.071, and 221.020(2))			
16	<b>5. Public Health</b>			
17	General Fund (Tobacco)	-0-	4,255,900	4,478,300
18	<b>6. Health Policy</b>			
19	Agency Revenue Fund	200,000	43,700	43,700
20	(KRS 212.025(2))			
21	<b>7. Human Support Services</b>			
22	General Fund (Tobacco)	-0-	75,000	75,000
23	<b>8. Community Based Services</b>			
24	Agency Revenue Fund	43,000	-0-	-0-
25	(KRS 186.040(5))			
26	<b>9. Community Based Services</b>			
27	General Fund (Tobacco)	-0-	1,550,000	1,800,000

1

**H. PERSONNEL**

2

**1. General Operations**

3

Agency Revenue Fund	97,600	-0-	-0-
---------------------	--------	-----	-----

4

**2. General Operations**

5

Other Special Revenue Fund	209,000	-0-	-0-
----------------------------	---------	-----	-----

6

**I. POSTSECONDARY EDUCATION**

7

**1. Council on Postsecondary Education**

8

Postsecondary Workforce

9

Development Trust Fund	-0-	10,000	-0-
------------------------	-----	--------	-----

10

(KRS 164.7925)

11

**2. Council on Postsecondary Education**

12

Lung Cancer Research Fund	-0-	140,000	-0-
---------------------------	-----	---------	-----

13

(KRS 164.476)

14

**3. Council on Postsecondary Education**

15

Technology Initiative Trust Fund	-0-	50,000	-0-
----------------------------------	-----	--------	-----

16

(KRS 164.7921)

17

**4. Kentucky Higher Education Assistance Authority**

18

Expendable Trust Fund	876,900	-0-	-0-
-----------------------	---------	-----	-----

19

(KRS 164.7891(11))

20

**5. Kentucky Higher Education Assistance Authority**

21

Other Special Revenue Fund	483,900	-0-	-0-
----------------------------	---------	-----	-----

22

(KRS 164.7891(11))

23

**J. TRANSPORTATION CABINET**

24

**1. Aviation**

25

Agency Revenue Fund	2,300,000	4,882,100	4,781,300
---------------------	-----------	-----------	-----------

26

(KRS 183.525(4))

27

**2. Aviation**

1	Agency Revenue Fund	100,000	-0-	-0-
2	<b>3. Highways</b>			
3	Other Special Revenue Funds	-0-	10,000,000	-0-
4	The amount of the fund transfer shall be limited to the deposits to the other special			
5	revenue fund established in Part II, (10). In the event that the amount of the fund			
6	transfer made in fiscal year 2008-2009 is less than the full amount authorized, fund			
7	transfers may be made in fiscal year 2009-2010 up to a maximum biennial total of			
8	\$10,000,000.			
9	<b>4. Vehicle Regulation</b>			
10	Agency Revenue Fund	5,500,000	2,500,000	-0-
11	(KRS 186.040(6)(a))			
12	<b>5. Vehicle Regulation</b>			
13	Agency Revenue Fund	-0-	-0-	3,357,000
14	<b>6. Vehicle Regulation</b>			
15	Agency Revenue Fund	900,000	-0-	-0-
16	(KRS 186.240(3))			
17	<b>7. Vehicle Regulation</b>			
18	Agency Revenue Fund	-0-	9,800,000	4,000,000
19	(KRS 186.040(6)(b))			
20	<b>TOTAL - FUNDS TRANSFER</b>	<b>43,952,400</b>	<b>301,654,400</b>	<b>135,845,400</b>

**PART VI****GENERAL FUND BUDGET REDUCTION PLAN**

23 Pursuant to KRS 48.130 and 48.600, a General Fund Budget Reduction Plan is  
24 enacted for state government in the event of an actual or projected deficit in estimated  
25 General Fund revenue receipts of \$9,005,737,000 in fiscal year 2008-2009 and  
26 \$9,258,789,000 in fiscal year 2009-2010 as modified by related Acts and actions of the  
27 General Assembly in an extraordinary or regular session. Direct services, obligations

1 essential to the minimum level of constitutional functions, and other items that may be  
2 specified in this Act, are exempt from the requirements of this Plan. Each branch head  
3 shall prepare a specific plan to address a proportionate share of the General Fund revenue  
4 shortfall applicable to the respective branch. No budget revision action shall be taken by a  
5 branch head in excess of the actual or projected deficit.

6 The Governor, the Chief Justice, and the Legislative Research Commission shall  
7 direct and implement reductions in allotments and appropriations only for their respective  
8 branch budget units as may be necessary, as well as take other measures which shall be  
9 consistent with the provisions of this Part and general branch budget bills.

10 In the event of a revenue shortfall under the provisions of KRS 48.120, General  
11 Fund budget reduction actions shall be implemented in the following sequence:

12 (1) The Local Government Economic Assistance and the Local Government  
13 Economic Development Funds shall be adjusted by the Secretary of the Finance and  
14 Administration Cabinet to equal revised estimates of receipts pursuant to KRS 42.4582 as  
15 modified by the provisions of this Act;

16 (2) Application of unbudgeted surplus from the previous fiscal year and transfers  
17 of excess unappropriated Restricted Funds other than fiduciary funds shall be applied as  
18 determined by the head of each branch for its respective budget units;

19 (3) Funds available in the Budget Reserve Trust Fund shall be applied in an  
20 amount not to exceed 25 percent of the trust fund balance in fiscal year 2008-2009 and 50  
21 percent of the trust fund balance in fiscal year 2009-2010;

22 (4) Excess General Fund appropriations which accrue as a result of personnel  
23 vacancies and turnover, and reduced requirements for operating expenses, grants, and  
24 capital outlay shall be determined and applied by the heads of the executive, judicial, and  
25 legislative departments of state government for their respective branches. The branch  
26 heads shall certify the available amounts which shall be applied to budget units within the  
27 respective branches and shall promptly transmit the certification to the Secretary of the

1 Finance and Administration Cabinet and the Legislative Research Commission. The  
 2 Secretary of the Finance and Administration Cabinet shall execute the certified actions as  
 3 transmitted by the branch heads.

4 Branch heads shall take care, by their respective actions, to protect, preserve, and  
 5 advance the fundamental health, safety, legal and social welfare, and educational well-  
 6 being of the citizens of the Commonwealth; and

7 (5) Notwithstanding KRS 48.130 and 48.600, if the actions contained in  
 8 subsections (1) to (4) of this Part are insufficient to eliminate an actual or projected  
 9 revenue shortfall in the enacted General Fund revenue receipts, then the Governor is  
 10 empowered and directed to take necessary actions with respect to the Executive Branch  
 11 budget units to balance the budget by such actions conforming with the criteria expressed  
 12 in this Part.

## 13 PART VII

### 14 GENERAL FUND CONTINGENCY PLAN

15 Notwithstanding KRS 48.140 and 48.700, there is established a Contingency Plan for the  
 16 expenditure of the undesignated balance in the General Fund.

17 (1) The undesignated balance in the General Fund shall be determined as provided in  
 18 Part III, 27., of this Act.

19 (2) The undesignated balance in the General Fund in excess of the amount designated  
 20 for budget purposes as provided in Part III, 27., of this Act are appropriated as  
 21 provided in subsection (3) of this Part, subject to the following conditions:

22 (a) Expenditures shall be made in the priority order set forth in subsection (3) of  
 23 this Part; and

24 (b) If funds available are not sufficient to completely fund a listed priority, then  
 25 the next priority on the list that can be completely funded shall be funded.

26 (3) The priority list for the Contingency Plan for the expenditure of General Fund  
 27 surplus moneys is as follows:

- 1 (a) Provide, in addition to the salary increase provided in Part I, D., 4., (15) and  
 2 Part IV of this Act, a one percent annual salary increase to all state employees  
 3 and all certified and classified employees of local school districts. This  
 4 increase shall not be provided unless the surplus funds available are sufficient  
 5 to pay 100 percent of the General Fund cost of the salary and associated fringe  
 6 benefits;
- 7 (b) Provide, in addition to the salary increase provided in Part I, D., 4., (15) and  
 8 Part IV of this Act and paragraph (a) of this subsection, a one percent annual  
 9 salary increase to all state employees and all certified and classified employees  
 10 of local school districts. This increase shall not be provided unless the surplus  
 11 funds available are sufficient to pay 100 percent of the General Fund cost of  
 12 the salary and associated fringe benefits;
- 13 (c) Provide \$5,157,000 for one-half year of debt service to support the entirety of  
 14 the following Capital Projects:
- 15 1. Advanced Technology Center - Owensboro CTC
  - 16 Bond Funds \$14,055,000
  - 17 2. Construct Carrollton Campus - Jefferson CTC
  - 18 Bond Funds \$12,000,000
  - 19 3. Energy and Advanced Technology Center - Madisonville CTC
  - 20 Bond Funds \$4,000,000
  - 21 4. Licking Valley Campus - Phase II Maysville CTC
  - 22 Bond Funds \$1,000,000
  - 23 5. Advanced Manufacturing Facility - Bluegrass CTC
  - 24 Bond Funds \$22,000,000
  - 25 6. Urban Campus - Gateway CTC
  - 26 Bond Funds \$21,319,000
  - 27 7. Construct Materials Characterization/ICSET - Phase II -





1 Notwithstanding KRS 48.140 and pursuant to KRS 48.710, there is established a  
2 plan for the expenditure of the Road Fund Surplus Account. All moneys in the Road Fund  
3 Surplus Account shall be deposited in the State Construction Account and utilized to  
4 support projects in the fiscal biennium 2008-2010 Biennial Highway Construction  
5 Program.

## 6 PART X

### 7 PHASE I TOBACCO SETTLEMENT

8 **(1) General Purpose:** This Part prescribes the policy implementing aspects of the  
9 national settlement agreement between the tobacco industry and the collective states as  
10 described in KRS 248.701 to 248.727. In furtherance of that agreement, the General  
11 Assembly recognizes that the Commonwealth of Kentucky is a party to the Phase I  
12 Master Settlement Agreement (MSA) between the Participating Tobacco Manufacturers  
13 and 46 Settling States which provides reimbursement to states for smoking-related  
14 expenditures made over time.

15 **(2) State's MSA Share:** The Commonwealth's share of the MSA is equal to  
16 1.7611586 percent of the total settlement amount. Payments under the MSA are made to  
17 the states annually in April of each year.

18 **(3) MSA Payment Amount Variables:** The total settlement amount to be  
19 distributed each payment date is subject to change pursuant to several variables provided  
20 in the MSA, including inflation adjustments, volume adjustments, previously settled  
21 states adjustments, and the nonparticipating manufacturers adjustment.

22 **(4) Distinct Identity of MSA Payment Deposits:** The General Assembly has  
23 determined that it shall be the policy of the Commonwealth that all Phase I Tobacco  
24 Settlement payments shall be deposited to the credit of the General Fund and shall  
25 maintain a distinct identity as Phase I Tobacco Settlement payments that, shall not lapse  
26 to the credit of the General Fund surplus but shall continue forward from each fiscal year  
27 to the next fiscal year to the extent that any balance is unexpended.

1           **(5) MSA Payment Estimates and Adjustments:** Based on the current estimates  
2 as reviewed by the Consensus Revenue Forecasting Group, the amount of MSA payments  
3 expected to be received in fiscal year 2008-2009 is \$119,690,000 and in fiscal year 2009-  
4 2010 is \$121,580,000. It is recognized that payments to be received by the  
5 Commonwealth are estimated and are subject to change. Any appropriations made from  
6 the estimated receipts are subject to adjustments based on actual receipts as received and  
7 certified by the Secretary of the Finance and Administration Cabinet.

8           **a. State Enforcement:** Notwithstanding KRS 248.654, a total of \$275,000 of  
9 the MSA payments received each fiscal year of the 2008-2010 biennium is appropriated  
10 to the Finance and Administration Cabinet, Department of Revenue for the state's  
11 enforcement of noncompliant nonparticipating manufacturers.

12           **b. Agricultural Development Initiatives:** Fifty percent of the MSA payments,  
13 less the above enforcement appropriations, received in fiscal year 2008-2009, estimated  
14 to be \$59,707,500, and in fiscal year 2009-2010, estimated to be \$60,652,500, is  
15 appropriated to the Kentucky Agricultural Development Fund to be used for agricultural  
16 development initiatives.

17           **c. Early Childhood Development Initiatives:** Twenty-five percent of the MSA  
18 payments, less the above enforcement appropriations, received in fiscal year 2008-2009,  
19 estimated to be \$29,853,700, and in fiscal year 2009-2010, estimated to be \$30,326,300,  
20 is appropriated for Early Childhood Development Initiatives as specified below.

21           **d. Health Care Initiatives:** Twenty-five percent of the MSA payments received,  
22 less the above enforcement appropriations, in fiscal year 2008-2009, estimated to be  
23 \$29,853,800, and in fiscal year 2009-2010, estimated to be \$30,326,200, is appropriated  
24 to the Kentucky Health Care Improvement Fund for health care initiatives as specified  
25 below.

26           **(6) MSA Appropriation Adjustments - Prior Year Receipts Received:** In the  
27 event that Phase I Master Settlement Agreement revenues due from a prior fiscal year are

1 received in a subsequent fiscal year, those revenues are hereby appropriated as follows:  
 2 50 percent to the Agricultural Development Fund, 25 percent to the Early Childhood  
 3 Development Fund, and 25 percent to the Health Care Improvement Fund.

4 **a. Early Childhood Development:** From the 25 percent of the Phase I Master  
 5 Settlement Agreement payments appropriated to the Early Childhood Development Fund,  
 6 the Early Childhood Development Authority shall recommend to the State Budget  
 7 Director for approval the specific appropriations to be made to the existing initiatives.

8 **b. Health Care Improvement:** From the 25 percent of the Phase I Master  
 9 Settlement Agreement payments appropriated to the Health Care Improvement Fund,  
 10 appropriations shall be made pursuant to KRS 304.17B-003(5).

11 **(7) MSA Lapse Provision:** Portions of the amounts appropriated in this Part  
 12 shall lapse as identified in Part V of this Act.

#### 13 **A. STATE ENFORCEMENT**

##### 14 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

##### 15 **1. FINANCE AND ADMINISTRATION CABINET**

16 <b>Budget Unit</b>	<b>2008-09</b>	<b>2009-10</b>
17 a. Revenue	275,000	275,000

##### 18 **B. AGRICULTURAL DEVELOPMENT APPROPRIATIONS**

##### 19 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

##### 20 **1. GENERAL GOVERNMENT**

21 <b>Budget Unit</b>	<b>2008-09</b>	<b>2009-10</b>
22 a. Governor's Office of Agricultural Policy	35,041,000	34,917,600

23 **(1) Tobacco Settlement Funds - Allocations:** Notwithstanding KRS 248.711(2),  
 24 and from the allocation provided therein, counties that are allocated in excess of \$20,000  
 25 annually may provide up to four percent of the individual county allocation, not to exceed  
 26 \$15,000 annually, to the county council in that county for administrative costs.

27 **(2) Agricultural Development Appropriations:** Notwithstanding KRS

1 248.703(1)(a), funds received in the Rural Development Fund that exceed the General  
 2 Fund (Tobacco) moneys appropriated in fiscal year 2007-2008 pursuant to 2006 Ky. Acts  
 3 ch. 252, Part X, B., shall not be subject to distribution to the counties account, as  
 4 specified in KRS 248.703(1)(a), and notwithstanding KRS 248.711, these funds shall be  
 5 allocated to the state account identified in KRS 248.703(1)(b).

6 **(3) Agricultural Development Appropriations:** Notwithstanding KRS  
 7 248.703(1), included in the above General Fund (Tobacco) appropriation is \$16,419,375  
 8 in fiscal year 2008-2009 and \$16,419,375 in fiscal year 2009-2010, for the counties  
 9 account as specified in KRS 248.703(1)(a). Included in the above General Fund  
 10 (Tobacco) appropriation is \$18,621,625 in fiscal year 2008-2009 and \$18,498,225 for  
 11 other projects throughout the state as specified in KRS 248.703(1)(b).

12 **(4) Governor's Office of Agricultural Policy Fund Transfer:** It is recognized  
 13 that Phase I Master Settlement Agreement Revenues to be received by the  
 14 Commonwealth are estimated and are subject to change. In the event that Phase I Master  
 15 Settlement Agreement Revenues are less than the current estimates as reviewed by the  
 16 Consensus Revenue Forecasting Group, the General Fund (Tobacco) Part V, Fund  
 17 Transfer from the Governor's Office of Agricultural Policy to the General Fund shall be  
 18 reduced by an amount equal to 50 percent times the reduction (shortfall) in the Phase I  
 19 Master Settlement Agreement Revenues.

20 **(5) Tobacco Settlement Funds - Debt Service:** Included in the above General  
 21 Fund (Tobacco) appropriation is \$884,000 in fiscal year 2009-2010 for new debt service  
 22 to support \$10,000,000 of new bonds for the Kentucky Agriculture Heritage Center as set  
 23 forth in Part II, Capital Projects Budget, of this Act .

## 24 **2. DEPARTMENT OF EDUCATION**

25 <b>Budget Unit</b>	<b>2008-09</b>	<b>2009-10</b>
26 a. Operations and Support Services	-0-	91,000

27 **(1) Debt Service:** Included in the above General Fund (Tobacco) appropriation

1 is \$91,000 in fiscal year 2009-2010 for new debt service to support new bonds for the  
 2 FFA Leadership Training Center Renovation as set forth in Part II, Capital Projects  
 3 Budget, of this Act.

4 **3. ENVIRONMENTAL AND PUBLIC PROTECTION CABINET**

5 <b>Budget Unit</b>	<b>2008-09</b>	<b>2009-10</b>
6 a. Natural Resources - Conservation	9,000,000	9,000,000

7 (1) **Environmental Stewardship Program:** Included in the above General Fund  
 8 (Tobacco) appropriation is \$9,000,000 in fiscal year 2008-2009 and \$9,000,000 in fiscal  
 9 year 2009-2010 for the Environmental Stewardship Program.

10 **4. FINANCE AND ADMINISTRATION CABINET**

11 <b>Budget Unit</b>	<b>2008-09</b>	<b>2009-10</b>
12 a. Debt Service	15,416,500	15,417,900

13 (1) **Debt Service:** To the extent that revenues sufficient to support the required  
 14 debt service appropriations are received from the Tobacco Settlement Program, those  
 15 revenues shall be made available from those accounts to the appropriate account of the  
 16 General Fund. All necessary debt service amounts shall be appropriated from the General  
 17 Fund and shall be fully paid regardless of whether there is a sufficient amount available to  
 18 be transferred from tobacco-supported funding program accounts to other accounts of the  
 19 General Fund.

20 **5. POSTSECONDARY EDUCATION**

21 <b>Budget Unit</b>	<b>2008-09</b>	<b>2009-10</b>
22 a. Council on Postsecondary Education	-0-	976,000

23 (1) **Debt Service:** Included in the above General Fund (Tobacco) appropriation is  
 24 \$885,000 in fiscal year 2009-2010 for new debt service to support new bonds for the  
 25 University of Kentucky's Expand and Upgrade LDDC Phase II project and \$91,000 in  
 26 fiscal year 2009-2010 for new debt service to support new bonds for the University of  
 27 Kentucky's Renovate 4-H Camps project as set forth in Part II, J., 8., of this Act.

1 **5. KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY**

2 <b>Budget Unit</b>	<b>2008-09</b>	<b>2009-10</b>
3 a. University of Kentucky	250,000	250,000
4 <b>TOTAL - AGRICULTURAL APPROPRIATIONS</b>	<b>59,707,500</b>	<b>60,652,500</b>

5 **C. EARLY CHILDHOOD DEVELOPMENT**

6 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

7 **1. EDUCATION CABINET**

8 <b>Budget Unit</b>	<b>2008-09</b>	<b>2009-10</b>
9 a. Learning and Results Services	1,525,000	1,525,000

10 **2. CABINET FOR HEALTH AND FAMILY SERVICES**

11 **(1) Cabinet For Health and Family Services Fund Transfer:** It is recognized  
 12 that Phase I Master Settlement Agreement Revenues to be received by the  
 13 Commonwealth are estimated and are subject to change. In the event that Phase I Master  
 14 Settlement Agreement Revenues are less than the current estimates as reviewed by the  
 15 Consensus Revenue Forecasting Group, the total General Fund (Tobacco) Part V, Fund  
 16 Transfer from the budget units within the Cabinet for Health and Family Services shall be  
 17 reduced by an amount equal to 25 percent times the reduction (shortfall) in the Phase I  
 18 Master Settlement Agreement Revenues.

19 <b>Budget Units</b>	<b>2008-09</b>	<b>2009-10</b>
20 a. Community Based Services	8,970,400	9,220,400

21 **(1) Early Childhood Development Program:** Included in the above General  
 22 Fund (Tobacco) appropriation is \$8,970,400 in fiscal year 2008-2009 and \$9,220,400 in  
 23 fiscal year 2009-2010 for the Early Childhood Development Program.

24 b. Public Health	16,856,300	17,078,900
---------------------	------------	------------

25 **(1) HANDS Program, Healthy Start, Universal Children's Immunizations,**  
 26 **Folic Acid Program, Early Childhood Mental Health, Early Childhood Oral Health,**  
 27 **Reach Out and Read, and Kentucky Early Intervention Services First Steps:**

1 Included in the above General Fund (Tobacco) appropriation is \$9,099,900 in fiscal years  
 2 2008-2009 and 2009-2010 for the Health Access Nurturing Development Services  
 3 (HANDS) Program; \$2,307,600 in fiscal year 2008-2009 and \$2,457,600 in fiscal year  
 4 2009-2010 for Healthy Start initiatives; \$2,313,400 in fiscal years 2008-2009 and 2009-  
 5 2010 for Universal Children's Immunizations; \$400,000 in fiscal year 2008-2009 and  
 6 \$400,000 in fiscal year 2009-2010 for the Folic Acid Program; \$1,000,000 in fiscal year  
 7 2008-2009 and \$1,072,400 in fiscal year 2009-2010 for Early Childhood Mental Health;  
 8 \$510,500 in fiscal years 2008-2009 and 2009-2010 for Early Childhood Oral Health;  
 9 \$224,900 in fiscal year 2008-2009 and \$225,100 in fiscal year 2009-2010 for Reach Out  
 10 and Read; and \$1,000,000 in fiscal years 2008-2009 and 2009-2010 for the Kentucky  
 11 Early Intervention Services First Steps Program.

12 c. Mental Health and Mental Retardation

13 Services 975,000 975,000

14 (1) **Substance Abuse Prevention and Treatment:** Included in the above General  
 15 Fund (Tobacco) appropriation is \$975,000 in each fiscal year for substance abuse  
 16 prevention and treatment.

17 d. Commission for Children with Special

18 Health Care Needs 352,000 352,000

19 (1) **Universal Newborn Hearing Screening and Vision Screening:** Included in  
 20 the above General Fund (Tobacco) appropriation is \$352,000 in each fiscal year for the  
 21 Universal Newborn Hearing Screening and Vision Screening programs.

22 e. Human Support Services 175,000 175,000

23 (1) **Children's Advocacy Centers:** Included in the above General Fund  
 24 (Tobacco) appropriation is \$175,000 in each fiscal year for Children's Advocacy Centers.

25 **3. POSTSECONDARY EDUCATION**

26 **Budget Unit 2008-09 2009-10**

27 a. Kentucky Higher Education Assistance

1 Authority 1,000,000 1,000,000

2 **(1) Early Childhood Scholarships:** Included in the above General Fund  
3 (Tobacco) appropriation is \$1,000,000 in fiscal year 2008-2009 and \$1,000,000 in fiscal  
4 year 2009-2010 for Early Childhood Scholarships.

5 TOTAL - EARLY CHILDHOOD APPROPRIATIONS 29,853,700 30,326,300

6 **D. HEALTH CARE IMPROVEMENT APPROPRIATIONS**

7 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

8 Notwithstanding KRS 304.17B-003(5), appropriations for health care improvement  
9 shall be as follows:

10 **1. ENVIRONMENTAL AND PUBLIC PROTECTION CABINET**

11 **Budget Unit 2008-09 2009-10**

12 a. Insurance 19,551,300 19,881,900

13 **(1) Kentucky Access Program:** Included in the above General Fund (Tobacco)  
14 appropriation is \$19,551,300 in fiscal year 2008-2009 and \$19,881,900 in fiscal year  
15 2009-2010 for the Kentucky Access Program.

16 **2. CABINET FOR HEALTH AND FAMILY SERVICES**

17 **Budget Unit 2008-09 2009-10**

18 a. General Administration and Program Support 2,793,000 2,840,300

19 **(1) Smoking Cessation Program:** Included in the above General Fund (Tobacco)  
20 appropriation is \$2,793,000 in fiscal year 2008-2009 and \$2,840,300 in fiscal year 2009-  
21 2010 for the Smoking Cessation Program.

22 **3. JUSTICE AND PUBLIC SAFETY CABINET**

23 **Budget Unit 2008-09 2009-10**

24 a. Justice Administration 1,923,400 1,923,400

25 **(1) Office of Drug Control Policy:** Included in the above General Fund  
26 (Tobacco) appropriation is \$1,923,400 in fiscal year 2008-2009 and \$1,923,400 in fiscal  
27 year 2009-2010 for the Office of Drug Control Policy.



1 **4. POSTSECONDARY EDUCATION**

2 <b>Budget Unit</b>	<b>2008-09</b>	<b>2009-10</b>
3 a. Council on Postsecondary Education	5,586,100	5,680,600
4 (1) <b>Ovarian Cancer Screening:</b> Notwithstanding KRS 164.476, General Fund		
5 (Tobacco) moneys in the amount of \$975,000 in fiscal year 2008-2009 and \$975,000 in		
6 fiscal year 2009-2010 shall be allotted from the Lung Cancer Research Fund to the		
7 Ovarian Cancer Screening Outreach Program at the University of Kentucky. In each fiscal		
8 year, \$200,000 in Ovarian Cancer Screening funds shall be allotted for serum Ca-125		
9 tests for women in families at or below 200 percent of the federal poverty level for whom		
10 the test has been prescribed by a health care practitioner.		
11 <b>TOTAL - HEALTH CARE APPROPRIATIONS</b>	<b>29,853,800</b>	<b>30,326,200</b>
12 <b>TOTAL - PHASE I TOBACCO SETTLEMENT</b>		
13 <b>FUNDING PROGRAM</b>	<b>119,690,000</b>	<b>121,580,000</b>

14 **PART XI**15 **STATE/EXECUTIVE BRANCH BUDGET SUMMARY**16 **OPERATING BUDGET**

17	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
18 General Fund (Tobacco)	-0-	119,690,000	121,580,000
19 General Fund	150,504,300	9,082,339,400	9,348,326,200
20 Restricted Funds	50,451,500	5,234,279,900	5,375,514,900
21 Federal Funds	190,518,900	7,699,246,500	7,959,878,500
22 Road Fund	98,100	1,306,814,400	1,400,953,400
23 Highway Bond	-0-	110,000,000	-0-
24 <b>SUBTOTAL</b>	<b>391,572,800</b>	<b>23,552,370,200</b>	<b>24,206,253,000</b>

25 **CAPITAL PROJECTS BUDGET**

26	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
27 General Fund (Tobacco)	-0-	-0-	-0-

1	General Fund	-0-	-0-	-0-
2	Restricted Funds	7,680,100	2,035,121,600	32,838,200
3	Federal Funds	-0-	130,183,700	14,046,500
4	Road Fund	-0-	17,992,000	4,150,000
5	Highway Bond	-0-	-0-	-0-
6	Bond Funds	5,700,000	437,081,000	-0-
7	Agency Bonds	54,200,000	589,013,000	-0-
8	Capital Construction Surplus	-0-	2,500,000	-0-
9	Investment Income	-0-	4,301,000	7,801,000
10	Other Funds	113,730,000	746,458,000	2,159,000
11	SUBTOTAL	181,310,100	3,962,650,300	60,994,700

**TOTAL - STATE/EXECUTIVE BUDGET**

13		2007-08	2008-09	2009-10
14	General Fund (Tobacco)	-0-	119,690,000	121,580,000
15	General Fund	150,504,300	9,082,339,400	9,348,326,200
16	Restricted Funds	58,131,600	7,269,401,500	5,408,353,100
17	Federal Funds	190,518,900	7,829,430,200	7,973,925,000
18	Road Fund	98,100	1,324,806,400	1,405,103,400
19	Highway Bond	-0-	110,000,000	-0-
20	Bond Funds	5,700,000	437,081,000	-0-
21	Agency Bonds	54,200,000	589,013,000	-0-
22	Capital Construction Surplus	-0-	2,500,000	-0-
23	Investment Income	-0-	4,301,000	7,801,000
24	Other Funds	113,730,000	746,458,000	2,159,000
25	TOTAL FUNDS	572,882,900	27,515,020,500	24,267,247,700

26 The above capital projects are directly funded in Part II, Capital Projects Budget, of  
27 this Act.

**PART XII****INSURANCE COVERAGE, AFFORDABILITY AND RELIEF TO SMALL  
EMPLOYERS (ICARE) PROGRAM**

**Section 1.** As used in Sections 1 to 8 of this Part, unless the context requires otherwise:

(1) "Consumer-driven health plan" means a health benefit plan, including a high deductible health plan as defined in 26 U.S.C. sec. 223(c)(2)(A), or a health reimbursement arrangement that meets the requirements of Internal Revenue Code, Notice 2002-45, 2002-2 C.B. 93;

(2) "Eligible employer" or "employer" means an individual that employs two to 25 employees, a corporation, including a foreign corporation, other than a governmental entity, that employs one or more residents of the Commonwealth, or a corporation or an unincorporated entity that is exempt from taxation under the provisions of 26 U.S.C. sec. 501(c), as amended and in effect for the taxable year. An eligible employer must employ no more than 25 employees and meet the eligibility requirements set forth in administrative regulations promulgated by the office. The method of determining the number of employees an employer has and the amount and types of subsidies shall be determined by the office or a third-party administrator selected in accordance with Section 5 of this Part;

(3) "Eligible employee" or "employee" means an employee of an eligible employer whose business is located in the Commonwealth, who has not attained age 65 or is Medicare eligible, and who meets the financial and other eligibility standards set forth in administrative regulations promulgated by the office;

(4) "Health risk assessment" means an assessment to prevent or minimize risk factors for disease and maintain wellness;

(5) "High-cost condition" means a diagnosed specific list of conditions representing the top 20 high-cost conditions in the small group market;

1 (6) "ICARE Program participating insurer" means any insurer who offers a health  
2 benefit plan in the small group market;

3 (7) "Office" means the Office of Insurance; and

4 (8) "Qualified health benefit plan" means a health benefit plan as described in  
5 Section 3(2) of this Part.

6 **Section 2.** (1) There is hereby created and established, under the supervision of  
7 the Office of Insurance, the Insurance Coverage, Affordability and Relief to Small  
8 Employers (ICARE) Program, which is designed to make health insurance more  
9 affordable for small employer groups. The program is being piloted in the small group  
10 market and shall be limited to those employer groups with two to 25 employees,  
11 including small groups with two to 25 employees who are members of an employer-  
12 organized association. This program is in the final two years of a four-year pilot period.

13 (2) All insurers that issue health benefit plans to employers with two to 25  
14 employees, including employers participating in an employer-organized association, as a  
15 condition of doing business in Kentucky, shall be deemed an ICARE Program  
16 participating insurer.

17 (3) The Office of Insurance may, subject to the provisions of this section,  
18 establish an employer health care incentive program for certain employers for the purpose  
19 of reducing the amount of contributions or payments made by those employers and  
20 employees toward the cost of qualified medical insurance and which shall consist of the  
21 following two programs:

22 (a) An employer health care incentive program for the purpose of reducing the  
23 cost to employers and employees for providing qualified health benefit plan coverage  
24 under Section 3(2)(a) or (b) of this Part for an eligible employer with low-income  
25 employees if the eligible employer pays 50 percent or more of the premium cost of that  
26 qualified health benefit plan coverage and meets the insurer's participation requirements  
27 as allowed under KRS 304.17A-200(3). The office may limit premium payments or

1 enrollment under this program, to the extent funding is available. The ICARE Program  
2 shall be available to employer groups that have not provided employer-sponsored health  
3 benefit plan coverage to their employees within the previous 12 months; and

4 (b) An employer health care incentive program for the purpose of reducing the  
5 cost to employers and employees for the purpose of obtaining or maintaining qualified  
6 health benefit plan coverage under Section 3(2)(a), (b), or (c) of this Part for an eligible  
7 employer and employees if the eligible employer pays 50 percent or more of the premium  
8 cost of that health benefit plan coverage and meets the insurer's participation  
9 requirements as allowed under KRS 304.17A-200(3). The office may limit premium  
10 payments or enrollment under this program, to the extent funding is available. The  
11 ICARE Program shall be available to employer groups that have at least one employee  
12 with a high-cost condition. The office shall promulgate administrative regulations to  
13 establish a list of high-cost conditions for the ICARE Program.

14 (4) In order for an eligible employer to qualify for the ICARE Program, the  
15 average annual salary of the employer group shall not exceed 300 percent of the federal  
16 poverty level. This shall not include the annual salary of any person with an ownership  
17 interest in the employer group.

18 (5) The office shall promulgate administrative regulations to establish guidelines  
19 for determination of preference for employer groups based upon federal poverty level,  
20 eligibility criteria, health care incentive payment procedures, program participating  
21 insurer and employer reporting requirements, and administrative guidelines for the  
22 ICARE Program.

23 **Section 3. (1)** Sections 1 to 8 of this Part shall not apply to an insurer that  
24 provides coverage solely to Medicaid recipients, Medicare beneficiaries, CHAMPUS  
25 insureds, or self-insured groups.

26 (2) Each ICARE Program participating insurer shall offer at least three qualified  
27 health benefit plans to employers. A qualified health benefit plan shall be:

1 (a) A consumer-driven health benefit plan, including a health reimbursement  
2 arrangement or health savings account;

3 (b) A basic health benefit plan, as described in KRS 304.17A-096 and 304.17A-  
4 097; or

5 (c) An enriched health benefit plan.

6 (3) Each ICARE Program participating insurer shall offer at least one of each of  
7 the plans listed in subsection (2)(a), (b), or (c) of this section. These plans shall be subject  
8 to the provisions of KRS 304.17A-220.

9 (4) An ICARE Program participating insurer shall conduct a health risk  
10 assessment for each employee enrolled in the ICARE Program and offer a wellness  
11 program, case management services, and disease management services.

12 (5) On and after July 1, 2007, an insurer shall be required to offer a premium rate  
13 that includes a healthy lifestyle discount for employers participating in the ICARE  
14 Program.

15 (6) A separate class of business may be established for health benefit plan rate  
16 filings offered under the ICARE Program in accordance with KRS 304.17A-0952(8)(b).

17 **Section 4. (1)** The amount of health care incentive paid shall be as follows:

18 (a) Forty dollars per employee per month for eligible employers as defined in  
19 Section 2(3)(a) of this Part. The amount shall be reduced annually, at the time of renewal,  
20 in incremental rates of ten dollars; and

21 (b) Sixty dollars per employee per month for eligible employers as defined in  
22 Section 2(3)(b) of this Part. The amount shall be reduced annually, at the time of renewal,  
23 in incremental rates of fifteen dollars.

24 (2) The office may, in lieu of cash payments, issue to individuals vouchers or  
25 other documents certifying that the office will pay a specified amount for health benefit  
26 plan coverage under specified circumstances.

27 (3) Any allocated surplus remaining in the ICARE Program shall be carried

1 forward to the next fiscal year and be used for the ICARE Program in subsequent years  
2 through the end of the pilot period as provided for under Section 2(1) of this Part.

3 (4) The office may limit enrollment for the ICARE Program so not to exceed  
4 annual program funding.

5 (5) A group shall be determined ineligible if the most recent coverage under any  
6 health benefit plan terminated or nonrenewed because of any of the following:

7 (a) The group failed to pay premiums or contributions in accordance with the  
8 terms of the plan or the insurer had not received timely premium payments;

9 (b) The group or any individual in the group performed an act or practice that  
10 constitutes fraud or made an intentional misrepresentation of material fact under the terms  
11 of the coverage; or

12 (c) The group or any individual engaged in intentional and abusive  
13 noncompliance with health benefit plan provisions.

14 **Section 5. (1)** The office may select a third-party administrator to administer the  
15 ICARE Program. The third-party administrator shall be an administrator licensed under  
16 this chapter by the office. The office shall consider criteria in selecting a third-party  
17 administrator that shall include but not be limited to the following:

18 (a) A third-party administrator's proven ability to demonstrate performance of the  
19 following: eligibility determinations, enrollment, payment issuance, reconciliation  
20 processes, and data collection and reporting;

21 (b) The total cost to administer the ICARE Program;

22 (c) A third-party administrator's proven ability to demonstrate that the ICARE  
23 Program be administered in a cost-efficient manner; and

24 (d) A third-party administrator's financial condition and stability.

25 (2) In addition to any duties and obligations set forth in the contract with the  
26 third-party administrator, the third-party administrator shall:

27 (a) Develop and establish policies and procedures for eligibility determinations,

1 enrollment, payment issuance, reconciliation processes, data collection and reporting, and  
2 other responsibilities determined by the office;

3 (b) Submit reports to the office regarding the operation and financial condition of  
4 the ICARE Program. The frequency, content, and form of the reports shall be determined  
5 by the office; and

6 (c) Submit a monthly and annual report to the office. Both reports shall include:

- 7 1. Number of applicants;
- 8 2. Enrolled employer groups by insurance company;
- 9 3. Number of groups previously uninsured for a period of 12 months by  
10 insurance company;
- 11 4. Average premium per group by insurance company;
- 12 5. Number of groups eligible due to an individual with a high-cost condition by  
13 insurance company;
- 14 6. Total amount of health care incentive paid listed by insurance company; and
- 15 7. Any other information requested by the office.

16 (3) The third-party administrator shall be paid for necessary and reasonable  
17 expenses as provided in the contract between the office and the third-party administrator.

18 **Section 6. (1)** The office shall establish and maintain the ICARE Program fund.  
19 All funds shall be held at interest, in a single depository designated in accordance with  
20 KRS 304.8-090(1) under a written trust agreement in accordance with KRS 304.8-095.  
21 All expense and revenue transactions of the fund shall be posted to the Management  
22 Administrative Reporting System (MARS) and its successors; and

23 (2) The office shall work with the Office of Health Policy within the Cabinet for  
24 Health and Family Services to review the availability of federal funds for the ICARE  
25 Program.

26 **Section 7 (1)** The office may implement Sections 1 to 8 of this Part through  
27 arrangements with other agencies of the Commonwealth.



1           (2) The provisions of this section shall not give rise to, nor be construed as giving  
2 rise to, enforceable legal rights for any party or an enforceable entitlement to benefits  
3 other than to the extent that such rights or entitlements exist pursuant to the  
4 administrative regulations of the executive director of insurance.

5           **Section 8.** (1) Each insurer authorized to offer health benefit plans in the  
6 Commonwealth shall disclose the availability of the health insurance purchasing program  
7 as authorized in 42 U.S.C. sec. 1396e to eligible employer groups. In connection with the  
8 initial offering and renewal of any health benefit plan, an insurer shall make a disclosure  
9 as part of its solicitation, sales material, and renewal information of the availability of the  
10 ICARE Program;

11           (2) The manner and content of the disclosure as described in subsection (1) of this  
12 section shall be established through promulgation of administrative regulations by the  
13 Office of Insurance in coordination with the Cabinet for Health and Family Services.

14           **Section 9.** (1) All insurers as defined in KRS 304.17A-005(24) shall provide  
15 upon request to the Cabinet for Health and Family Services, by electronic means and in  
16 the format prescribed by the cabinet, information in accordance with KRS 205.623.

17           (2) All information obtained by the cabinet pursuant to this section shall be  
18 confidential and shall not be open to public inspection.

19           **Section 10.** Pursuant to terms and conditions of Subtitle 17A of KRS Chapter  
20 304, the Commonwealth of Kentucky seeks to explore the feasibility of an Interstate  
21 Reciprocal Health Benefit Plan Compact (IRHBPC) with contiguous states to allow the  
22 residents of the Commonwealth of Kentucky and the residents of contiguous states to  
23 purchase health benefit plan coverage among the states participating with the compact.  
24 The purposes of this compact are, through means of joint and cooperative action among  
25 the compacting states:

26           (1) To promote and protect the interest of consumers purchasing health benefit  
27 plan coverage;

1           (2) To develop uniform minimum standards for health benefit plan products  
2 covered under the compact, while ensuring that the standards established in Kentucky law  
3 and regulation are maintained and protected;

4           (3) To improve coordination of regulatory resources and expertise between state  
5 insurance departments regarding the setting of uniform minimum standards; and

6           (4) To perform these and such other related functions as may be consistent with  
7 the state regulation of the business of insurance.

8           **Section 11.** Any insurer violating Section 9 of this Part shall be fined not less  
9 than one hundred dollars (\$100) for each offense. Failure to respond to each request made  
10 by the Cabinet for Health and Family Services, as required under Section 9 of this Part,  
11 shall constitute a separate offense.

12           **Section 12.** Notwithstanding KRS 304.17A.0952(8)(b), an insurer may  
13 establish a separate class of business to reflect substantial differences in expected claims  
14 experience or administrative cost because the insurer is offering a qualified health benefit  
15 plan under the ICARE Program pursuant to Section 3(3) of this Part.

16           **Section 13.** Notwithstanding KRS 216.2921(1), the Cabinet for Health and  
17 Family Services shall make every effort to make health data findings that can serve as a  
18 basis to educate consumers on the cost and quality of health care and providers for the  
19 purpose of improving patient morbidity and mortality outcomes available to the public,  
20 and state and local leaders in health policy, through the cost-effective and timely use of  
21 the media and the Internet and through distribution of the findings to health facilities and  
22 health-care providers for further dissemination to their patients.

23           **Section 14.** Notwithstanding KRS 216.2923(2)(a), for the purposes of carrying  
24 out the provisions of KRS 216.2920 to 216.2929, the Secretary of the Cabinet for Health  
25 and Family Services shall publish and make publicly available, pursuant to Section 18 of  
26 this Part, information on charges, quality, and outcomes of health care services provided,  
27 and information that relates to the health care financing and delivery system and health

1 insurance premiums and benefits that is in the public interest.

2 Notwithstanding KRS 216.2923(2)(f), the cabinet advisory committee shall utilize  
3 the Health Services Data Advisory Committee as a subcommittee, which shall include a  
4 member of the Division of Women's Physical and Mental Health, to define quality  
5 outcome measurements and to advise the cabinet on technical matters including review of  
6 administrative regulations promulgated pursuant to KRS Chapter 13A, proper  
7 interpretation of the data, and the most cost-effective manner in which it should be  
8 published and disseminated to the public. The Health Services Data Advisory Committee  
9 shall review and make recommendations to the secretary's advisory committee regarding  
10 exploration of technical matters related to data from other health care providers. The  
11 committee shall make recommendations on methods for risk adjusting any data prepared  
12 and published by the cabinet.

13 **Section 15.** Notwithstanding KRS 216.2925(1), every hospital and ambulatory  
14 facility shall be required to report, on a quarterly basis, information regarding the charge  
15 for, quality, and outcomes of the procedures and health-care services performed therein,  
16 and as stipulated by administrative regulations promulgated pursuant to KRS Chapter  
17 13A. The cabinet shall accept data which, at the option of the provider is submitted  
18 through a third party, including but not limited to organizations involved in the  
19 processing of claims for payment, so long as the data elements conform to the  
20 requirements established by the cabinet. On at least a biennial basis, the cabinet shall  
21 conduct a statistical survey that addresses the status of women's health, specifically  
22 including data on patient age, ethnicity, geographic region, and payor sources. The  
23 cabinet shall rely on data from readily available reports and statistics whenever possible.

24 Notwithstanding KRS 216.2925(2), the cabinet shall require for quarterly  
25 submission to the cabinet by any group of providers, except for physicians providing  
26 services or dispensaries, first aid stations, or clinics located within business or industrial  
27 establishments maintained solely for the use of their employees, including those

1 categories within the definition of provider contained in KRS 216.2920 and any further  
2 categories determined by the cabinet, as provided by cabinet promulgation of  
3 administrative regulations pursuant to KRS Chapter 13A, the following:

4 (a) A list of medical conditions, health services, and procedures for which data on  
5 charge, quality, and outcomes shall be collected and published;

6 (b) A timetable for filing the information provided for under paragraph (a) above  
7 on a quarterly basis;

8 (c) A list of data elements that are necessary to enable the cabinet to analyze and  
9 disseminate risk-adjusted charge, quality, and outcome information, including mortality  
10 and morbidity data;

11 (d) An acceptable format for data submission which shall include use of the  
12 uniform:

13 1. Health claim form pursuant to KRS 304.14-135 or any other universal health  
14 claim form to be determined by the cabinet, if in the form of hard copy; or

15 2. Electronic submission formats as required under the federal Health Insurance  
16 Portability and Accountability Act of 1996, 42 U.S.C. Chapter 6A, sec. 300gg et seq., in  
17 the form of magnetic computer tape, computer diskettes, or other electronic media  
18 through an electronic network;

19 (e) Procedures to allow health-care providers at least thirty (30) days to review  
20 information generated from any data required to be submitted by them, with any reports  
21 generated by the cabinet to reflect valid corrections by the provider before the information  
22 is released to the public; and

23 (f) Procedures pertaining to the confidentiality of data collected.

24 Notwithstanding KRS 216.2925(3), the data-gathering activities of the cabinet shall  
25 be coordinated with and not duplicative of other data-collection activities conducted by  
26 the Office of Insurance, as well as other state and national agencies and organizations that  
27 collect the same or substantially similar health-related service, utilization, quality,

1 outcome, financial, or health-care personnel data, and shall review all administrative  
 2 regulations promulgated pursuant to KRS 216.2920 to 216.2929 to prevent duplicate  
 3 filing requirements. The cabinet shall periodically review the use of all data collected  
 4 under KRS 216.2920 to 216.2929 to assure its use is consistent with legislative intent.

5 Notwithstanding KRS 216.2925(4), the cabinet shall conduct outcome analyses and  
 6 effectiveness studies and prepare other reports pertaining to issues involving health-care  
 7 charges and quality.

8 Notwithstanding KRS 216.2925(7), the Cabinet for Health and Family Services  
 9 shall collect all data elements under this section using only the uniform health insurance  
 10 claim form pursuant to KRS 304.14-135, the Professional 837 (ASC X12N 837) format  
 11 or its successor as adopted by the Centers for Medicare and Medicaid Services, or the  
 12 Institutional 837 (ASC X12N 837) format or its successor as adopted by the Centers for  
 13 Medicare and Medicaid Services.

14 **Section 16.** Notwithstanding KRS 216.2927(3), no less than 60 days after  
 15 reports are published and except as otherwise provided, the Cabinet for Health and  
 16 Family Services shall make all aggregate data which does not allow disclosure of the  
 17 identity of any individual patient, and which was obtained for the annual period covered  
 18 by the reports, available to the public. The Health Services Data Advisory Committee  
 19 shall review at least annually current protocols related to the release of data referenced in  
 20 this section and shall make recommendations to the cabinet advisory committee  
 21 referenced in KRS 216.2923. Persons or organizations requesting use of these data shall  
 22 agree to abide by a public use data agreement and by HIPAA privacy rules referenced in  
 23 45 C.F.R. 164. The public use data agreement shall include at a minimum:

- 24 (a) A prohibition against the sale or further release of data; and  
 25 (b) Guidelines for the use and analysis of the data released to the public related to  
 26 provider quality, outcomes, or charges.

27 Notwithstanding KRS 216.2925(3), the cabinet may impose a fee for providing

1 electronic or multiple printed copies of the data.

2       **Section 17.** Notwithstanding KRS 216.2929(1), the Cabinet for Health and  
3 Family Services shall make available on its Web site information on charges for health  
4 care services, which is updated at least annually, in understandable language with  
5 sufficient explanation to allow consumers to draw meaningful comparisons between  
6 every hospital and ambulatory facility in the Commonwealth, and other provider groups  
7 as relevant data become available. Any charge information compiled and reported by the  
8 cabinet shall include the median charge and other percentiles to describe the typical  
9 charges for all of the patients treated by a provider and the total number of patients  
10 represented by the charges, and shall be risk adjusted according to the recommendations  
11 of the Health Data Advisory Committee. The report shall clearly identify the sources of  
12 data used in the report and explain limitations of the data and why differences between  
13 provider charges may be misleading. Every provider that is specifically identified in any  
14 report shall be given 30 days to verify the accuracy of its data prior to public release and  
15 shall be afforded the opportunity to submit comments on its data that shall be included on  
16 the Web site and as part of any printed report of the data. The cabinet shall only provide  
17 linkages to organizations that publicly report comparative charge data for Kentucky  
18 providers using data for all patients treated regardless of payor source, which may be  
19 adjusted for outliers, is risk adjusted, and permits identified providers the opportunity to  
20 comment on their data and includes such comments on the Web site and as part of any  
21 printed report of the data.

22       The Cabinet for Health and Family Services shall make information available on its  
23 Web site, describing quality and outcome measures, in understandable language with  
24 sufficient explanation to allow consumers to draw meaningful comparison between every  
25 hospital and ambulatory facility in the Commonwealth, and other provider groups as  
26 relevant data become available.

27       (a) The cabinet shall utilize only national quality indicators that have been

1 endorsed and adopted by the Agency for Healthcare Research and Quality, the National  
 2 Quality Forum, or the United States Centers for Medicare and Medicaid Services, or shall  
 3 provide linkages only to the following organizations that publicly report quality and  
 4 outcome measures on Kentucky providers:

- 5 1. The United States Centers for Medicare and Medicaid Services;
- 6 2. The Agency for Healthcare Research and Quality;
- 7 3. The Joint Commission on the Accreditation of Health Care Organizations; and
- 8 4. Other organizations that publicly report relevant outcome data for Kentucky  
 9 health care providers, as determined by the Health Services Data Advisory Committee.

10 (b) The cabinet shall utilize or refer the general public to only those nationally  
 11 endorsed quality indicators that:

- 12 1. Are based upon current scientific evidence or relevant national professional  
 13 consensus; and
- 14 2. Have definitions and calculation methods openly available to the general  
 15 public at no charge.

16 Any report the cabinet disseminates or refers the public to shall:

17 (a) Not include data for a provider whose caseload of patients is insufficient to  
 18 make the data a reliable indicator of the provider's performance;

19 (b) Afford providers specifically identified in the report 30 days to verify the  
 20 accuracy of their data prior to the data's public release and the opportunity to submit  
 21 comments on their data, which shall be included on the Web site and as part of any  
 22 printed report of the data;

23 (c) Clearly identify the sources of data used in the report and explain the  
 24 analytical methods used in preparing the data included in the report; and

25 (d) Explain any limitations of the data and how the data should be used by  
 26 consumers.

27 **Section 18.** Notwithstanding KRS 304.17A-700, as used in KRS 304.17A-700

1 to 304.17A-730 and KRS 205.593, 304.14-135, and 304.99-123, "health care provider" or  
 2 "provider" means a provider licensed in Kentucky as defined in KRS 304.17A-005 and,  
 3 for the purposes of KRS 304.17A-700 to 304.17A-730 and KRS 205.593, 304.14-135,  
 4 and 304.99-123 only, shall include physical therapists licensed under KRS Chapter 327,  
 5 psychologists licensed under KRS Chapter 319, social workers licensed under KRS  
 6 Chapter 335, and durable medical equipment dealers holding an active Medicare DME  
 7 provider number. Nothing contained in KRS 304.17A-700 to 304.17A-730 and KRS  
 8 205.593, 304.14-135, and 304.99-123 shall be construed to include physical therapists,  
 9 psychologists, social workers, and durable medical equipment dealers holding an active  
 10 Medicare DME provider number as a health care provider or provider under KRS  
 11 304.17A-005.

12 **Section 19.** Notwithstanding KRS 304.17A-704, within five business days  
 13 from the time of acknowledgment under KRS 304.17A.704(1)(a), an insurer, its agent, or  
 14 designee shall notify the provider, its billing agent, or designee that submitted the claim  
 15 electronically, of all information that is missing from the billing instrument, of any errors  
 16 in the billing instrument, or of any other circumstances which preclude it from being a  
 17 clean claim.

18 Notwithstanding KRS 304.17A-704(2), at the time of acknowledgment under  
 19 paragraph (b) of KRS 304.17A-704(1), an insurer, its agent, or designee, shall notify the  
 20 provider, its billing agent, or designee that submitted the claim, in writing, of all  
 21 information that is missing from the billing instrument, any errors in the billing  
 22 instrument, or of any other circumstances which preclude it from being a clean claim.

23 **Section 20.** Notwithstanding KRS 304.17A-730(1), an insurer that fails to pay,  
 24 deny, or settle a clean claim in accordance with KRS 304.17A-700 to 304.17A-730 and  
 25 KRS 205.593, 304.14-135, and 304.99-123 shall pay interest according to the following  
 26 schedule on the amount of the claim that remains unpaid:

27 (a) For claims that are paid between one and 30 days from the date that payment



1 was due under KRS 304.17A-702, interest at a rate of 12 percent per annum shall accrue  
2 from the date payment was due under KRS 304.17A-702; and

3 (b) For claims that are paid more than 31 days from the date that payment was  
4 due under KRS 304.17A-702, interest at a rate of 14 percent per annum shall accrue from  
5 the date payment was due under KRS 304.17A-702.

### 6 ~~PART XIII~~

#### 7 ~~BASE REALIGNMENT AND CLOSURE (BRAC)~~

8 ~~Section 1. (1) The BRAC Economic Development Commission is hereby created~~  
9 ~~for the purpose of administering the BRAC Economic Development Fund created~~  
10 ~~pursuant to Section 3 of this Part. The commission shall consist of the following~~  
11 ~~members:~~

12 ~~(a) The Secretary of the Cabinet for Economic Development, or a designee, who~~  
13 ~~shall serve as chairman;~~

14 ~~(b) The Secretary of the Transportation Cabinet;~~

15 ~~(c) The Executive Director of the School Facilities Construction Commission;~~  
16 ~~and~~

17 ~~(d) The President of the Kentucky Community and Technical College System.~~

18 ~~(2) Commission members shall be reimbursed for ordinary travel expenses, including~~  
19 ~~meals and lodging, incurred in the performance of duties incident to the provisions~~  
20 ~~of Sections 1 to 3 of this Part.~~

21 ~~(3) A majority of the entire membership of the commission shall constitute a quorum.~~

22 ~~(4) Meetings of the commission shall be held at least twice a year but may be held more~~  
23 ~~frequently as deemed necessary, subject to the call by the chairman or by request of~~  
24 ~~a majority of the commission members. Commission meetings shall concern,~~  
25 ~~among other things, policy matters relating to Base Realignment and Closure~~  
26 ~~(BRAC) 2005 related projects, reports, grant awards, and other matters necessary to~~  
27 ~~carry out the intent of Sections 1 to 3 of this Part.~~

1 ~~(5) No member of the commission shall be subject to any personal liability or~~  
 2 ~~accountability for any loss sustained or damage suffered on account of any action or~~  
 3 ~~inaction of the board.~~

4 ~~(6) The commission shall be attached to the Cabinet for Economic Development for~~  
 5 ~~administrative purposes.~~

6 ~~(7) The Garrison Commander of Fort Knox shall serve as an advisor to the commission.~~

7 ~~(8) The Executive Director of the Lincoln Trail Area Development District shall serve~~  
 8 ~~as secretary to the commission.~~

9 ~~**Section 2. The BRAC Economic Development Commission shall:**~~

10 ~~(1) Formulate policies and procedures necessary to carry out Sections 1 to 3 of this~~  
 11 ~~Part;~~

12 ~~(2) Promulgate administrative regulations necessary to carry out Sections 1 to 3 of this~~  
 13 ~~Part;~~

14 ~~(3) Provide strategic planning to position the Commonwealth to attract new missions to~~  
 15 ~~its federal military installations in the future and to provide funding for projects,~~  
 16 ~~undertaken and financed under Sections 1 to 3 of this Part, related to the expansion~~  
 17 ~~of military missions under Base Realignment and Closure (BRAC) 2005 or future~~  
 18 ~~BRAC reports.~~

19 ~~(a) Subject to the availability of moneys, the commission may award a grant to an~~  
 20 ~~applicant if that application is BRAC related. An application is BRAC related~~  
 21 ~~if the funds requested are for expenses incurred, or to be incurred, for~~  
 22 ~~infrastructure and programmatic requirements to accommodate unanticipated~~  
 23 ~~growth in communities which are in close proximity to, or provide services to,~~  
 24 ~~federal military installations in Kentucky. Selection criteria shall include but~~  
 25 ~~not be limited to the following:~~

26 ~~1. Transportation;~~

27 ~~2. Educational demands due to increase in population;~~

- 1           ~~3. Workforce Development;~~  
 2           ~~4. Health and Human Services; and~~  
 3           ~~5. Infrastructure.~~

4       ~~(b) The commission shall adopt a BRAC strategic plan designed to enhance~~  
 5       ~~Kentucky's position to support and attract new missions to its federal military~~  
 6       ~~installations and establish a process to track the federal BRAC process. The~~  
 7       ~~commission shall make a report to the Interim Joint Committee on Seniors,~~  
 8       ~~Veterans, Military Affairs, and Public Protection by November 30 of each~~  
 9       ~~year regarding the status of the BRAC strategic plan and the federal BRAC~~  
 10       ~~process;~~

11       ~~(4) Review and approve all progress and final reports on projects authorized under~~  
 12       ~~Sections 1 to 3 of this Part;~~

13       ~~(5) Ensure that state funds are not diverted to any other use than that outlined in~~  
 14       ~~Sections 1 to 3 of this Part; and~~

15       ~~(6) Following the approval by the commission, present the project, with supporting~~  
 16       ~~documentation, for review and recommendation at the next regularly scheduled~~  
 17       ~~meeting of the Capital Projects and Bond Oversight Committee. The Secretary of~~  
 18       ~~the Cabinet for Economic Development, or his designee, shall present the project on~~  
 19       ~~behalf of the commission.~~

20       ~~Section 3. (1) The bond proceeds received from Part I, L., 4., and Part II, C., 1.,~~  
 21       ~~001., except for the proceeds allotted under subsection (1) of Part II, C., 1., 001., of this~~  
 22       ~~Act shall be credited to the BRAC Economic Development Fund which is hereby created.~~

23       ~~(2) Federal funds or other funds which may be made available to supplement or match~~  
 24       ~~state funds for BRAC 2005 related purposes or future BRAC related purposes shall~~  
 25       ~~be credited to the fund created in subsection (1) of this section.~~

26       ~~(3) Funds deposited to the credit of the BRAC Economic Development Fund shall be~~  
 27       ~~used for grants as outlined in subsection (3) of Section 2 of this Part. Any moneys~~

1 ~~that the Transportation Cabinet may receive from the BRAC Economic~~  
2 ~~Development Commission shall be used in accordance with the commission's~~  
3 ~~guidelines.~~

4 ~~(4) Notwithstanding KRS 45.229, moneys contained in the BRAC Economic~~  
5 ~~Development Fund shall not lapse but shall be carried forward to the next fiscal year.]~~

6 *(Veto No. 10)*



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2008 REGULAR SESSION

---

HOUSE BILL NO. 410

AS ENACTED

---

WEDNESDAY, APRIL 2, 2008

---

RECEIVED AND FILED  
DATE April 15, 2008  
10:11am Allowed to become  
law without Governor's signature  
TREY GRAYSON  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
BY R. Adler

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

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

- 1           ➔Section 1. KRS 42.4588 is amended to read as follows:
- 2       (1)   (a)   A Local Government Economic Development Program is established to  
3                    consist of a system of grants to counties to attract new industry. Grants from  
4                    funds provided for in KRS 42.4592(1)(a) and (b) shall be administered by the  
5                    Governor's Office for Local Development. Grants from funds provided for in  
6                    KRS 42.4592(1)(c) shall be administered by the Kentucky Economic  
7                    Development Finance Authority.
- 8       (b)   All references in this section to the commissioner of the Governor's Office for  
9                    Local Development relate only to the grants or industrial development  
10                   projects funded through KRS 42.4592(1)(a) and (b). All references in this  
11                   section to the secretary of the Cabinet for Economic Development or the  
12                   Kentucky Economic Development Finance Authority relate only to grants or  
13                   industrial development projects funded through KRS 42.4592(1)(c).
- 14      (2)   Grants obtained under this program shall be used for:
- 15           (a)   Industrial development projects if an industrial firm has agreed with the local  
16                   government, to the satisfaction of the Kentucky Economic Development  
17                   Finance Authority or the Governor's Office for Local Development, to  
18                   develop, in conjunction with the industrial development project,  
19                   manufacturing, processing, assembling, or other facilities approved by the  
20                   secretary of the Cabinet for Economic Development or the commissioner of  
21                   the Governor's Office for Local Development;
- 22           (b)   Industrial development projects if the secretary of the Cabinet for Economic  
23                   Development or the commissioner of the Governor's Office for Local  
24                   Development finds that the project is necessary for the creation of an

1 environment for new industry in order to obtain an agreement from an  
2 industrial firm to develop manufacturing, processing, assembling, or other  
3 facilities approved by the secretary of the Cabinet for Economic Development  
4 or the commissioner of the Governor's Office for Local Development; and

5 (c) Debt service for industrial development projects, as defined in subsection  
6 (2)(a) and (b) of this section, or for facilities approved by the secretary of the  
7 Cabinet for Economic Development or the commissioner of the Governor's  
8 Office for Local Development under the provisions of subsection (3) of this  
9 section.

10 (3) The secretary of the Cabinet for Economic Development or the commissioner of the  
11 Governor's Office for Local Development may approve facilities, other than  
12 manufacturing, processing, or assembling facilities, for industrial development  
13 projects when the secretary or the commissioner finds that the facility will add value  
14 to a product. Value-added facilities shall include data processing,  
15 telecommunication, and distribution facilities but shall not include retail facilities or  
16 coal mining, coal processing, or coal transportation facilities. The secretary or the  
17 commissioner may also approve privately owned facilities for transient lodging and  
18 recreation where the secretary or commissioner finds that the cost of the recreation  
19 component of the facility is equal to, or greater than, the cost of the lodging  
20 component of the facility. The criteria for approval of applications for grants  
21 provided for in subsection (10)(a), (b), and (c) of this section shall be paramount in  
22 the case of lodging and recreational facilities.

23 (4) Applications for grants from funds provided for in KRS 42.4592(1)(a) and (b) shall  
24 be made by the legislative bodies of one (1) or more counties with accounts in the  
25 local government economic development fund. Applications for grants from funds  
26 provided for in KRS 42.4592(1)(c) shall be made by the legislative bodies of two  
27 (2) or more counties with accounts in the local government economic development

- 1 fund. No grant shall be awarded without application for a grant.
- 2 (5) A grant may be awarded for an industrial development project located in a county  
3 that does not have an account in the local government economic development fund,  
4 if the secretary of the Cabinet for Economic Development or the commissioner of  
5 the Governor's Office for Local Development finds that the industrial development  
6 project may be reasonably expected to create jobs for residents of the local unit or  
7 units of government applying for the grant. Application for the grant shall be made  
8 by the legislative bodies of one (1) or more counties with accounts in the local  
9 government economic development fund.
- 10 (6) An industrial development project may include legal, accounting, engineering, and  
11 marketing expenses for a regional industrial park, in addition to the activities set  
12 forth in subsection (11)(a) of this section.
- 13 (7) Grants awarded from funds provided for in KRS 42.4592(1)(a) and (b) shall not  
14 exceed the total balance of the accounts of the applicant counties at the time of the  
15 award of the grant.
- 16 (8) Grants awarded under the provisions of subsection (2)(c) of this section may be for  
17 a period not to exceed the current biennium of the Commonwealth and shall be  
18 limited to an amount not to exceed the amount estimated to be allocated to the  
19 applicant county or counties for the current biennium under the provisions of KRS  
20 42.4592(1)(a) and (b).
- 21 (9) Approval of grant applications shall be by the secretary of the Cabinet for Economic  
22 Development or the commissioner of the Governor's Office for Local Development.  
23 Award of grants from funds provided for in KRS 42.4592(1)(c) shall be by the  
24 Kentucky Economic Development Finance Authority. Award of grants from funds  
25 provided for in KRS 42.4592(1)(a) and (b) shall be by the commissioner of the  
26 Governor's Office for Local Development.
- 27 (10) Criteria for approval of applications and the award of grants to be considered, if



1 applicable, shall include:

- 2 (a) The number of jobs to be created or preserved, directly or indirectly, by the  
3 industrial development project;
- 4 (b) Payrolls, and the taxes generated, both at the state and local levels, by the  
5 industrial development project and taxes generated by the employment created  
6 or preserved by the industrial development project;
- 7 (c) The size, nature, and cost of the industrial development project, including the  
8 prospect of the industrial development project providing long-term jobs in  
9 enterprises consistent with the changing economies of the affected local units  
10 of government;
- 11 (d) The needs, and degree of needs, of the local units of government which will  
12 be affected by the industrial development project;
- 13 (e) The needs of any industrial firm benefiting from the industrial development  
14 project;
- 15 (f) The amount and kind of assistance, if any, available to an industrial firm from  
16 other government agencies through tax exemption or abatement, financing  
17 assistance through industrial development bonds, and otherwise, with respect  
18 to the industrial development project;
- 19 (g) The amount of capital made available to the facility by lenders and by the  
20 industrial firm; and
- 21 (h) The economic feasibility of the facility.

22 (11) For purposes of this section:

- 23 (a) "Industrial development project" includes the acquisition of any real estate and  
24 the construction, acquisition, and installation thereon and with respect thereto  
25 of improvements and facilities necessary and useful for the improvement of  
26 the real estate for conveyance to or lease to industrial firms to be used for  
27 manufacturing, processing, or assembling purposes, including surveys; site

1 tests and inspections; subsurface site work; excavation, removal of structures,  
2 roadways, cemeteries, and other surface obstructions; filling, grading, and  
3 provision of drainage; storm water retention; installation of utilities, such as  
4 water, sewer, sewage treatment, gas, electricity, communication, and other  
5 similar facilities; off-site construction of utility extensions to the boundaries  
6 of the real estate; construction and installation on the real estate of the  
7 industrial firm of buildings, including buildings to be used for worker training  
8 and education; rail facilities; roads; sidewalks; curbs; other improvements to  
9 the real estate necessary to its manufacturing, processing, assembling, or other  
10 approved use by industrial entities; workforce training; and job development  
11 incentive grants;

12 (b) "Industrial firm" means any corporation, limited liability company, limited  
13 liability partnership, partnership, person, or other legal entity, whether  
14 domestic or foreign, which will itself or through its subsidiaries and affiliates  
15 construct and develop a manufacturing, processing, assembling, or other  
16 approved facility on the site of an industrial development project financed  
17 pursuant to this section;

18 (c) "Job development incentive grant" means an award to a county of funds from  
19 its account administered by the Governor's Office for Local Development  
20 pursuant to KRS 42.4592(1)(a) and (b) for the use by the county to encourage  
21 job development for those industrial development projects located in that  
22 county which create at least twenty-five (25) new full-time jobs held by  
23 Kentucky residents who receive a minimum wage of at least one hundred  
24 thirty percent (130%) of the federal minimum wage. Each job development  
25 incentive grant shall be limited to five thousand dollars (\$5,000) for each job  
26 created which fulfills the requirements of this subsection. The industrial firm  
27 receiving the job development incentive grant shall pay its employees at the

1 project site an average wage equal to or greater than one hundred fifty percent  
2 (150%) of the federal minimum wage and shall invest at least ten thousand  
3 dollars (\$10,000) per new job created. After a fiscal court has received  
4 authorization for the job development grant by the Governor's Office for Local  
5 Development, the county, the industrial firm, and the Governor's Office for  
6 Local Development shall enter into an agreement committing the grant funds  
7 to be disbursed at such time as the industrial firm certifies the authenticity of  
8 the following information to be delivered to the county:

- 9 1. The industrial firm has made at least the minimum investment required;
- 10 2. At least twenty-five (25) new full-time Kentucky jobs have been created  
11 at the project site by the industrial firm;
- 12 3. No employee at the project site is paid a salary by the industrial firm  
13 which is less than one hundred thirty percent (130%) of the federal  
14 minimum wage;
- 15 4. The employees at the project site are paid an average wage by the  
16 industrial firm at least equal to one hundred fifty percent (150%) of the  
17 federal minimum wage;
- 18 5. Each employee hired for the project by the industrial firm shall have  
19 worked on a full-time basis at the minimum wages described in this  
20 section at least twelve (12) full consecutive months at the site prior to  
21 any grant funds disbursement; and
- 22 6. No job created by the industrial firm after twenty-four (24) months from  
23 the date of the first eligible hire at the project site shall be considered for  
24 the grant.

25 If the county is satisfied the information provided is accurate and qualifies the  
26 industrial firm for the job development incentive grant as described in the  
27 agreement, it shall forward the certified information to the Governor's Office

1 for Local Development, which shall make the job development grant  
2 disbursement upon sufficient evidence that all terms of the agreement have  
3 been met; and

4 (d) "Regional industrial park" means an industrial development project authorized  
5 for a grant award by the Kentucky Economic Development Finance Authority  
6 for a minimum of three (3) counties eligible for grant funds provided for in  
7 KRS 42.4592(1)(c), which coalition may include a county as approved under  
8 subsection (5) of this section.

9 (12) Findings by the secretary of the Cabinet for Economic Development or the  
10 commissioner of the Governor's Office for Local Development, provided for in  
11 subsections (2)(b), (3), and (5) of this section, shall be made in writing to the  
12 affected counties, the Governor, and the Legislative Research Commission.

13 (13) By October 1 of each odd-numbered year, the secretary of the Cabinet for Economic  
14 Development and the commissioner of the Governor's Office for Local  
15 Development shall each provide, in writing, to the Governor and the Legislative  
16 Research Commission a listing of all applications for grants received pursuant to  
17 this section subsequent to the last report, indicating which applications were  
18 approved or disapproved, with the reason for disapproval when the decision was to  
19 disapprove, and a listing of all grants awarded, with the amount of the award, the  
20 recipient county, and the related industrial development project.

21 (14) (a) Projects specifically authorized by appropriations made by the General  
22 Assembly in an enacted budget bill, with the funding source identified as  
23 funds allocated to individual counties under KRS 42.4592(1)(a) or (b), shall  
24 be deemed approved and shall not be subject to the application process  
25 established in this section.

26 (b) Projects described in paragraph (a) of this subsection shall be subject to a  
27 memorandum of agreement between the entity identified in the

1 appropriation and the Governor's Office for Local Development. The  
 2 memorandum of agreement shall address the legal requirements for the  
 3 disbursement and accounting of funds.

4 (c) Within thirty (30) days of the receipt of a written request from an entity  
 5 designated in the appropriation for funding related to a project described in  
 6 paragraph (a) of this subsection, the Governor's Office for Local  
 7 Development shall prepare and send a memorandum of agreement to the  
 8 designated entity for review and signature. Upon receipt of the signed  
 9 memorandum of agreement from the designated entity, the Governor's  
 10 Office for Local Development shall release the funds for the project for use  
 11 by the designated entity.

12 (d) Funds appropriated for specific projects as described in paragraph (a) of  
 13 this subsection shall not be expended for any other purpose, provided that  
 14 the commissioner of the Governor's Office for Local Development may,  
 15 upon written request by a designated entity identifying an extraordinary  
 16 circumstance or emergency situation, approve the reallocation of funds  
 17 appropriated for a specific project as described in paragraph (a) of this  
 18 subsection to the extent necessary to address the extraordinary  
 19 circumstance or emergency situation. Any approval under this paragraph  
 20 shall be made in writing, and shall be reported to the State Budget Director  
 21 and the Interim Joint Committee on Appropriations and Revenue within  
 22 thirty (30) days of the approval being made.

23 → Section 2. Section 1 of this Act shall apply to projects beginning with those  
 24 authorized in the 2008-2010 biennial budget.

25 → Section 3. The provisions of 2008 Regular Session HB 406/EN are amended as  
 26 follows:

27 On page 6, after line 21, insert the following:

1 "General Fund (Tobacco) -0- 4,420,000";

2 On page 6, line 22, delete "2,472,100" and insert "6,892,100"; and

3 Adjust subsequent subtotals and totals accordingly; and

4 On page 7, delete lines 10 through 12 and insert the following:

5 **"(3) Debt Service:** Included in the above General Fund appropriation is  
6 \$9,554,000 in fiscal year 2009-2010 for new debt service to support new bonds as set  
7 forth in Part II, Capital Projects Budget, of this Act. Included in the above General Fund  
8 (Tobacco) appropriation is \$4,420,000 in fiscal year 2009-2010 for new debt service to  
9 support the new bonds as set forth in Part II, A., 4., 005., of this Act."; and

10 On page 9, line 27, delete "51,062,800" and insert "46,642,800"; and

11 Adjust subsequent subtotals and totals accordingly; and

12 On page 16, after line 18, insert:

13 **"(28) Infrastructure for Economic Development Fund for Coal-Producing**  
14 **Counties - 2008-2010:** Notwithstanding KRS 42.4592, the quarterly calculation of the  
15 allocation of moneys to coal-producing counties through the Local Government  
16 Economic Development Fund shall be made only after each quarterly installment of the  
17 annual appropriation of \$4,420,000 in fiscal year 2009-2010 is appropriated as General  
18 Fund moneys to the Kentucky Infrastructure Authority budget unit, to provide General  
19 Fund debt service to support newly authorized bonds for the Water and Sewer Resources  
20 Development Fund for Coal-Producing Counties."; and

21 On page 117, line 6, delete "79,076,700" and insert "310,076,700"; and

22 Adjust subsequent subtotals and totals accordingly; and

23 On page 122, after line 24, insert the following:

24 **"(18) Grant Anticipation Revenue Vehicle (GARVEE) Bonds:** Included in  
25 the above Restricted Funds appropriation is \$231,000,000 in fiscal year 2008-2009 for  
26 GARVEE Bond Funds to be issued for the Louisville-Southern Indiana Ohio River  
27 Bridges Project. Federal funds made available as a result of the issuance of bonds

1 authorized herein, shall not be expended unless specifically appropriated and identified by  
2 the General Assembly.

3 **(19) New Grant Anticipation Revenue Vehicle (GARVEE) Debt Service:**

4 Included in the above Federal Funds appropriation is \$12,410,800 in fiscal year 2008-  
5 2009 and \$24,821,600 in fiscal year 2009-2010 for GARVEE Bonds debt service  
6 payments relating to projects financed by \$231,000,000 in GARVEE Bonds."; and

7 On page 131, after line 12, by inserting the following:

8 **"004. Infrastructure for Economic Development Fund for Coal-Producing Counties**

9 Bond Funds 50,000,000 -0-

10 **(1) Specific Project Designation Required:** The issuance of bonds authorized  
11 above shall not occur unless specific projects are identified through further action of the  
12 General Assembly. If the General Assembly fails to identify specific projects, the bonds  
13 authorized above shall not be issued.

14 **005. Infrastructure for Economic Development Fund for Non-Coal Producing Counties**

15 Bond Funds 100,000,000 -0-

16 **(1) Specific Project Designation Required:** The issuance of bonds authorized  
17 above shall not occur unless specific projects are identified through further action of the  
18 General Assembly. If the General Assembly fails to identify specific projects, the bonds  
19 authorized above shall not be issued.

20 **006. Knox County Utilities Commission - Fawn Branch Water Project Reauthorization**  
21 **and Reallocation (\$40,000 Bond Funds)**

22 **(1) Reauthorization and Reallocation:** The above project is authorized from a  
23 reallocation of the Knox County Utility Commission - Water Line Extension for Flat  
24 Creek and Hubbs Hollow project as set forth in 2006 Ky. Acts ch. 252, Part II, N., Knox  
25 County, 008..

26 **007. Knox County Fiscal Court - Sewer Line Extending From KY 1232 South to By-**  
27 **Pass Reauthorization and Reallocation (\$202,441 Bond Funds)**

1           **(1) Reauthorization and Reallocation:** The above project is authorized from a  
 2 reallocation of the Knox County Fiscal Court - Water Projects project as set forth in 2003  
 3 Ky. Acts ch. 156, Part XIII, A., Knox County 47..

4   **008.** London/Laurel County Industrial Development Authority - Sewer Upgrade  
 5       Reauthorization and Reallocation (\$50,000 Bond Funds)

6   **009.** London/Laurel County Industrial Development Authority - Building Roof Repair  
 7       for Airport Business Park Reauthorization and Reallocation (\$75,000 Bond  
 8       Funds)

9   **010.** London/Laurel County Tourism - Fire Pump and Sprinkler System Reauthorization  
 10       and Reallocation (\$150,000 Bond Funds)

11   **011.** London Utility Commission - Upgrade 192 Pump Station Reauthorization and  
 12       Reallocation (\$100,000 Bond Funds)

13   **012.** London Utility Commission - Collector Sewer Extensions Inside City Limits  
 14       Reauthorization and Reallocation (\$200,000 Bond Funds)

15   **013.** Laurel Water District #2 - Water System Improvement Reauthorization and  
 16       Reallocation (\$200,000 Bond Funds)

17   **014.** East Laurel Water District - Sewer for Laurel County Fairgrounds and Feltner 4-H  
 18       Camp - SX21125305 - Reauthorization and Reallocation (\$250,000 Bond  
 19       Funds)

20   **015.** East Laurel Water District - Wastewater Line Extensions #3 - SX21125303 -  
 21       Reauthorization and Reallocation (\$600,000 Bond Funds)

22   **016.** Laurel County Water District #2 - Water Improvement Project - WX21125555 -  
 23       Reauthorization and Reallocation (\$128,000 Bond Funds)

24   **017.** Wood Creek Water District - Watershed Protection #1 - WX21125542 -  
 25       Reauthorization and Reallocation (\$247,000 Bond Funds)

26           **(1) Reauthorization and Reallocation:** The above projects are authorized from a  
 27 reallocation of the City of London - London City Park - Capital Construction at the



1 College Park Project as set forth in 2006 Ky. Acts ch. 252, Part II, N., Laurel County,  
2 001.."; and

3 On page 186, after line 19, insert:

4 **"L. COAL SEVERANCE TAX PROJECTS**

5 **(1) Projects Authorization and Appropriation:** Notwithstanding KRS  
6 42.4588(2) and (4), the following projects are authorized and appropriated from Local  
7 Government Economic Development Fund moneys from the respective single county  
8 fund pursuant to KRS 42.4592 for public purposes in the following coal-producing  
9 counties in the manner and amounts enumerated. These projects are determined by the  
10 General Assembly to be important to the furtherance of the public policy objectives and  
11 economic development purposes for which the Local Government Economic  
12 Development Program was established. The amounts appropriated are estimates. Actual  
13 expenditures and encumbrances shall be limited to the actual receipts realized and  
14 available in the respective single county fund. These amounts are composed of estimated  
15 receipts for fiscal year 2007-2008, fiscal year 2008-2009, and fiscal year 2009-2010 in  
16 combination with prior unobligated balances in the respective single county funds. To the  
17 extent that a county that is authorized to proceed with a project enumerated below  
18 receives more single county Local Government Economic Development Fund moneys  
19 than are appropriated in this Act, the county may direct those funds to offset a cost  
20 overrun on any of the projects enumerated below upon approval of the Commissioner of  
21 the Governor's Office for Local Development.

22 **(2) Projects Not To Be Duplicated:** Notwithstanding KRS 42.4588(2) and (4),  
23 to avoid duplication of appropriations for the line-item coal severance tax projects  
24 authorized in this section, the following projects are authorized and appropriated for the  
25 amounts enumerated below under the condition that the project has not received, or  
26 already been authorized by the Governor's Office for Local Development to receive,  
27 funding prior to the effective date of this Act.

1       **(3) Authorization for Current Year Coal Severance Tax Projects:** The  
2 following projects authorized for fiscal year 2007-2008 shall remain authorized for the  
3 2008-2010 biennium.

4       **(4) Project Prioritization:** Notwithstanding KRS 42.4588, the following projects  
5 shall have priority over projects that have been authorized prior to the effective date of  
6 this Act by the Governor's Office for Local Development to receive funding.

7       **(5) Water and Sewer Projects:** The following projects that are related to water  
8 and sewer shall be administered by the Kentucky Infrastructure Authority.

9 <b>Budget Units</b>	2007-08	2008-09	2009-10
-----------------------	---------	---------	---------

10 **1. GENERAL GOVERNMENT**

11       a. Governor's Office for Local Development

12 **Bell County**

13       **001.** Bell County Board of Education - 21st Century Alternative Instruction

14               Material Project

15               Restricted Funds	-0-	20,000	-0-
-----------------------------------	-----	--------	-----

16       **002.** Bell County Board of Education - Cops in School

17               Restricted Funds	-0-	25,000	25,000
-----------------------------------	-----	--------	--------

18       **003.** Bell County Board of Education - K-6 Little League Football - Equipment

19               Restricted Funds	-0-	2,500	2,500
-----------------------------------	-----	-------	-------

20       **004.** Bell County Fiscal Court - Bell County Cemetery Fund

21               Restricted Funds	-0-	5,000	5,000
-----------------------------------	-----	-------	-------

22       **005.** Bell County Fiscal Court - Bell County Industrial Foundation - Supplies

23               and/or Operations

24               Restricted Funds	-0-	50,000	50,000
-----------------------------------	-----	--------	--------

25       **006.** Bell County Fiscal Court - Bell County Literacy Council - Supplies and/or

26               Operations

27               Restricted Funds	-0-	3,000	-0-
-----------------------------------	-----	-------	-----

1	<b>007.</b> Bell County Fiscal Court - Bell County PVA's Office - Equipment			
2	Restricted Funds	-0-	5,000	-0-
3	<b>008.</b> Bell County Fiscal Court - Bell County Senior Citizens - Supplies and/or			
4	Operations			
5	Restricted Funds	-0-	10,000	10,000
6	<b>009.</b> Bell County Fiscal Court - Bell County Volunteer Fire Department -			
7	Construction of New Fire Station at Arjay			
8	Restricted Funds	50,000	-0-	-0-
9	<b>010.</b> Bell County Fiscal Court - Bell Whitley CAA - Supplies and/or Operations			
10	Restricted Funds	-0-	15,000	15,000
11	<b>011.</b> Bell County Fiscal Court - Black Veterans Association - Supplies and/or			
12	Operations			
13	Restricted Funds	-0-	5,000	5,000
14	<b>012.</b> Bell County Fiscal Court - Construction of Arjay Fire Station			
15	Restricted Funds	-0-	-0-	50,000
16	<b>013.</b> Bell County Fiscal Court - County Clerk's Office - Equipment for Clerk's			
17	Office			
18	Restricted Funds	-0-	5,000	-0-
19	<b>014.</b> Bell County Fiscal Court - County Health Department - Equipment and/or			
20	Supplies			
21	Restricted Funds	-0-	5,000	5,000
22	<b>015.</b> Bell County Fiscal Court - First Tee of Pine Mountain			
23	Restricted Funds	-0-	7,500	7,500
24	<b>016.</b> Bell County Fiscal Court - Frakes Senior Citizens - Supplies and/or			
25	Operations			
26	Restricted Funds	-0-	5,000	5,000
27	<b>017.</b> Bell County Fiscal Court - Homeless Shelter - Operations			

1	Restricted Funds	-0-	5,000	5,000
2	<b>018.</b> Bell County Fiscal Court - Middlesboro Airport - Improvements			
3	Restricted Funds	-0-	10,000	-0-
4	<b>019.</b> Bell County Fiscal Court - Middlesboro Historical Society - Operations			
5	Restricted Funds	-0-	5,000	5,000
6	<b>020.</b> Bell County Fiscal Court - Middlesboro Library - Improvements and			
7	Furnishings			
8	Restricted Funds	-0-	5,000	5,000
9	<b>021.</b> Bell County Fiscal Court - Pineville Little League Baseball and Tee Ball			
10	Restricted Funds	-0-	2,500	2,500
11	<b>022.</b> Bell County Fiscal Court - Projects and/or Equipment			
12	Restricted Funds	-0-	500,000	600,000
13	<b>023.</b> Bell County Fiscal Court - PVA's Office - Equipment			
14	Restricted Funds	10,000	-0-	-0-
15	<b>024.</b> Bell County Fiscal Court - Red Bird Senior Citizens - Supplies and/or			
16	Operations			
17	Restricted Funds	-0-	5,000	5,000
18	<b>025.</b> Bell County Fiscal Court - Sheriff's Department - Vehicles and/or Equipment			
19	Restricted Funds	-0-	100,000	50,000
20	<b>026.</b> Bell County Fiscal Court - The Lighthouse Mission - Operations, Equipment,			
21	and/or Supplies			
22	Restricted Funds	-0-	20,000	15,000
23	<b>027.</b> Bell County Fiscal Court - Veterans Park - Improvements			
24	Restricted Funds	-0-	15,000	-0-
25	<b>028.</b> City of Middlesboro - Friends of Shelter Spaying and Neutering Program			
26	Restricted Funds	-0-	5,000	5,000
27	<b>029.</b> City of Middlesboro - Little League Baseball and Tee Ball Field -			

1	Improvements and Equipment			
2	Restricted Funds	-0-	2,500	2,500
3	<b>030. City of Middlesboro - Main Street Program</b>			
4	Restricted Funds	-0-	5,000	5,000
5	<b>031. City of Middlesboro - Projects and/or Equipment</b>			
6	Restricted Funds	-0-	75,000	40,000
7	<b>032. City of Pineville - Fire Department - Equipment and Training Materials</b>			
8	Restricted Funds	-0-	25,000	-0-
9	<b>033. City of Pineville - Main Street Programs</b>			
10	Restricted Funds	-0-	5,000	5,000
11	<b>034. City of Pineville - Police Department Vehicles and/or Equipment</b>			
12	Restricted Funds	-0-	25,000	-0-
13	<b>035. City of Pineville - Projects and/or Equipment</b>			
14	Restricted Funds	-0-	40,000	30,000
15	<b>036. Middlesboro Independent Board of Education - 21st Century Alternative</b>			
16	Instruction Material Project			
17	Restricted Funds	-0-	20,000	-0-
18	<b>037. Middlesboro Independent Board of Education - K-6 Little League Football -</b>			
19	Equipment			
20	Restricted Funds	-0-	2,500	2,500
21	<b>038. Pineville Independent Board of Education - 21st Century Alternative</b>			
22	Instruction Material Project			
23	Restricted Funds	-0-	20,000	-0-
24	<b>039. Pineville Independent Board of Education - K-6 Little League Football -</b>			
25	Equipment			
26	Restricted Funds	-0-	2,500	2,500
27	<b>Boyd County</b>			

1	<b>001.</b> Ashland Independent Board of Education - Building - Ground Improvements -			
2	Curriculum - Technology and Other Additions - Improvements			
3	Restricted Funds	-0-	60,000	15,350
4	<b>002.</b> Ashland Independent Board of Education - Facility Upgrades and			
5	Improvements			
6	Restricted Funds	80,000	-0-	-0-
7	<b>003.</b> Boyd County Board of Education - Building - Ground Improvements -			
8	Curriculum - Technology and Other Additions - Improvements			
9	Restricted Funds	-0-	60,000	15,350
10	<b>004.</b> Boyd County Fiscal Court - Ashland Alliance - Economic Development -			
11	Efforts and Operations			
12	Restricted Funds	-0-	-0-	40,000
13	<b>005.</b> Boyd County Fiscal Court - Ashland National Little League - Installing Lights			
14	and Other Facility - Ground Improvements			
15	Restricted Funds	-0-	61,700	-0-
16	<b>006.</b> Boyd County Fiscal Court - Boyd County Fair - Building - Ground			
17	Improvements and Other Additions - Improvements			
18	Restricted Funds	-0-	10,000	10,000
19	<b>007.</b> Boyd County Fiscal Court - Fair - Building and Ground Improvements			
20	Restricted Funds	10,000	-0-	-0-
21	<b>008.</b> Boyd County Fiscal Court - Fannin Park - Improvements			
22	Restricted Funds	10,000	-0-	-0-
23	<b>009.</b> Boyd County Fiscal Court - Fannin Park and Fields - Building - Ground			
24	Improvements and Other Additions - Enhancements			
25	Restricted Funds	-0-	-0-	10,500
26	<b>010.</b> Boyd County Fiscal Court - Fraley Field - Building - Ground Improvements			
27	and Other Additions and Enhancements			

1	Restricted Funds	-0-	-0-	10,500
2	<b>011.</b> Boyd County Fiscal Court - Fraley Fields - Improvements			
3	Restricted Funds	10,000	-0-	-0-
4	<b>012.</b> Boyd County Fiscal Court - Safe Harbor - Building, Ground Improvements,			
5	and Other Additions and Services			
6	Restricted Funds	-0-	10,000	-0-
7	<b>013.</b> City of Ashland - Neighbors Helping Neighbors - Building Construction -			
8	Renovations - Ground Improvements and Other Additions - Improvements			
9	Restricted Funds	-0-	-0-	50,000
10	<b>014.</b> City of Catlettsburg - Infrastructure and Other Improvements			
11	Restricted Funds	26,004	-0-	-0-
12	<b>015.</b> Fairview Board of Education - Building - Ground Improvements - Curriculum			
13	Technology and Other Additions - Improvements			
14	Restricted Funds	-0-	60,000	15,350
15	<b>Breathitt County</b>			
16	<b>001.</b> Breathitt County Board of Education - Riverbend Fill-in Project			
17	Restricted Funds	-0-	-0-	200,000
18	<b>002.</b> Breathitt County Fiscal Court - Breathitt County Museum - Welcome Center			
19	Phase Two			
20	Restricted Funds	-0-	150,000	-0-
21	<b>003.</b> Breathitt County Fiscal Court - Breathitt County Senior Citizens			
22	Restricted Funds	-0-	-0-	45,000
23	<b>004.</b> Breathitt County Fiscal Court - Breathitt Sheriff's Department			
24	Restricted Funds	-0-	-0-	50,000
25	<b>005.</b> Breathitt County Fiscal Court - Canoe Waterline Extension			
26	Restricted Funds	-0-	345,479	-0-
27	<b>006.</b> Breathitt County Fiscal Court - County Clerk's Office			

1	Restricted Funds	-0-	-0-	25,000
2	<b>007. Breathitt County Fiscal Court - County Coroner's Office</b>			
3	Restricted Funds	-0-	-0-	25,000
4	<b>008. Breathitt County Fiscal Court - County Jailer's Office</b>			
5	Restricted Funds	-0-	-0-	25,000
6	<b>009. Breathitt County Fiscal Court - Jackson Independent School District -</b>			
7	Instructional Equipment and Building Improvements			
8	Restricted Funds	-0-	-0-	50,000
9	<b>010. Breathitt County Fiscal Court - Nim Henson Nursing Home - Replace Roof</b>			
10	and Repairs			
11	Restricted Funds	-0-	-0-	90,000
12	<b>011. Breathitt County Water District - Waterline Extensions for Bowling's Creek</b>			
13	and Brushes Branch Road WX21025022			
14	Restricted Funds	-0-	241,000	-0-
15	<b>012. City of Jackson - Jackson Fire Department - Construction and Equipment</b>			
16	Restricted Funds	-0-	-0-	50,513
17	<b>013. City of Jackson - Jackson Fire Department - Fire Station Phase II</b>			
18	Restricted Funds	-0-	100,000	-0-
19	<b>014. City of Jackson - Parks and Recreation</b>			
20	Restricted Funds	-0-	-0-	100,000
21	<b>Carter County</b>			
22	<b>001. Carter County Board of Education - East Carter High - Football</b>			
23	Restricted Funds	-0-	15,000	-0-
24	<b>002. Carter County Board of Education - East Carter Middle Soccer - Scorer's Box</b>			
25	and Sheds			
26	Restricted Funds	-0-	2,500	-0-
27	<b>003. Carter County Board of Education - West Carter Football - Bleachers</b>			



1	Restricted Funds	-0-	7,000	-0-
2	<b>004.</b> Carter County Board of Education - West Carter School - Soccer Field			
3	Lights			
4	Restricted Funds	15,000	-0-	-0-
5	<b>005.</b> Carter County Fiscal Court - Carter City Fire Department - Equipment and			
6	Operations			
7	Restricted Funds	-0-	10,000	10,000
8	<b>006.</b> Carter County Fiscal Court - Carter County Recreation - Park Development			
9	Restricted Funds	20,000	-0-	-0-
10	<b>007.</b> Carter County Fiscal Court - Carter County Veterans Association - Memorial			
11	Park Completion			
12	Restricted Funds	-0-	-0-	25,000
13	<b>008.</b> Carter County Fiscal Court - Grahn Fire Department - Equipment and			
14	Operations			
15	Restricted Funds	-0-	10,000	10,000
16	<b>009.</b> Carter County Fiscal Court - Grayson Fire Department - Equipment and			
17	Operations			
18	Restricted Funds	-0-	10,000	10,000
19	<b>010.</b> Carter County Fiscal Court - Hitchins Community Center - Improvements			
20	Restricted Funds	-0-	-0-	25,000
21	<b>011.</b> Carter County Fiscal Court - Hitchins Fire Department - Equipment and			
22	Operations			
23	Restricted Funds	-0-	10,000	10,000
24	<b>012.</b> Carter County Fiscal Court - Improvements at Former Hitchins			
25	Elementary/High School Building			
26	Restricted Funds	25,000	-0-	-0-
27	<b>013.</b> Carter County Fiscal Court - Norton Branch Fire Department - Equipment and			

1	Operations			
2	Restricted Funds	-0-	10,000	10,000
3	<b>014.</b> Carter County Fiscal Court - Olive Hill Fire Department - Equipment and			
4	Operations			
5	Restricted Funds	-0-	10,000	10,000
6	<b>015.</b> Carter County Fiscal Court - Olive Hill Historical Center			
7	Restricted Funds	-0-	-0-	25,000
8	<b>016.</b> Carter County Fiscal Court - Webbville Fire Department - Equipment and			
9	Operations			
10	Restricted Funds	-0-	5,000	5,000
11	<b>017.</b> City of Grayson - Downtown Beautification - Sidewalk and Lighting -			
12	Improvements			
13	Restricted Funds	20,000	-0-	-0-
14	<b>018.</b> City of Grayson - Lighting and Sidewalks			
15	Restricted Funds	-0-	25,000	15,000
16	<b>019.</b> City of Grayson - Meals on Wheels			
17	Restricted Funds	-0-	3,000	3,000
18	<b>020.</b> City of Grayson - Police Department - Surveillance Equipment			
19	Restricted Funds	-0-	7,000	7,000
20	<b>021.</b> City of Olive Hill - Downtown Beautification - Sidewalk and Lighting -			
21	Improvements			
22	Restricted Funds	20,000	-0-	-0-
23	<b>022.</b> City of Olive Hill - Lighting and Sidewalks			
24	Restricted Funds	-0-	25,000	15,000
25	<b>023.</b> City of Olive Hill - Meals on Wheels			
26	Restricted Funds	-0-	3,000	3,000
27	<b>024.</b> City of Olive Hill - Police Department - Surveillance Equipment			

1	Restricted Funds	-0-	7,000	7,000
2	<b>Clay County</b>			
3	<b>001.</b> Clay County Fiscal Court - Community Wellness Program - Laurel Creek -			
4	Construction			
5	Restricted Funds	12,000	-0-	-0-
6	<b>002.</b> Clay County Fiscal Court - Emergency Service Ambulance Center -			
7	Construction			
8	Restricted Funds	-0-	250,000	250,000
9	<b>003.</b> Clay County Fiscal Court - Sheriff's Department - Equipment - Vehicle			
10	Restricted Funds	-0-	40,000	-0-
11	<b>004.</b> Clay County Fiscal Court - Volunteer Fire Departments			
12	Restricted Funds	-0-	40,000	40,000
13	<b>005.</b> Clay County Library Board - Capital Construction/Renovations			
14	Restricted Funds	-0-	47,000	-0-
15	<b>Crittenden County</b>			
16	<b>001.</b> Crittenden County Fiscal Court - Dam 50 Tourism Improvements			
17	Restricted Funds	-0-	30,000	-0-
18	<b>002.</b> Crittenden County Fiscal Court - Dycusburg Memorial Park			
19	Restricted Funds	-0-	10,000	-0-
20	<b>003.</b> Crittenden County Fiscal Court - Jail Debt Reduction			
21	Restricted Funds	-0-	260,000	180,000
22	<b>004.</b> Crittenden County Fiscal Court - Mineral Mound Museum			
23	Restricted Funds	-0-	20,000	-0-
24	<b>Daviess County</b>			
25	<b>001.</b> Daviess County Fiscal Court - Downtown Development Projects - Incentives -			
26	Operational Expenses			
27	Restricted Funds	-0-	270,000	61,935

1	<b>002.</b> Daviess County Fiscal Court - Economic Development Incentives			
2	Restricted Funds	50,000	-0-	-0-
3	<b>003.</b> Daviess County Fiscal Court - Economic Development Projects - Incentives -			
4	Operational Expenses			
5	Restricted Funds	-0-	255,717	71,481
6	<b>Elliott County</b>			
7	<b>001.</b> City of Sandy Hook - Downtown Beautification, Building Purchase,			
8	Sidewalk, Street Repairs, and other Upgrades and Improvements			
9	Restricted Funds	50,000	-0-	-0-
10	<b>002.</b> Elliott County Board of Education - Building - Ground Improvements -			
11	Curriculum - Technology - Additions - Enhancements and Operations			
12	Restricted Funds	-0-	38,000	25,000
13	<b>003.</b> Elliott County Board of Education - Elliott County Public Library - Building -			
14	Ground Improvement and Other Additions - Enhancements and Operations			
15	Restricted Funds	-0-	40,000	40,000
16	<b>004.</b> Elliott County Fiscal Court - 4-H and Farmers Market - New Construction -			
17	Ground Improvements - Additions and Enhancements			
18	Restricted Funds	-0-	20,000	-0-
19	<b>005.</b> Elliott County Fiscal Court - 504 Fire Department - Building - Ground			
20	Improvements - Equipment and Other Additions			
21	Restricted Funds	-0-	10,000	10,000
22	<b>006.</b> Elliott County Fiscal Court - Building - Ground Improvements - Equipment			
23	and Other Additions - Enhancements			
24	Restricted Funds	-0-	50,000	40,000
25	<b>007.</b> Elliott County Fiscal Court - Elliott County Ambulance Service - Equipment			
26	and Other Enhancements - Additions			
27	Restricted Funds	-0-	12,500	-0-

1	<b>008.</b> Elliott County Fiscal Court - Elliott County Fire Department - Building -			
2	Ground Improvements - Equipment and Other Additions - Enhancements			
3	Restricted Funds	-0-	10,000	10,000
4	<b>009.</b> Elliott County Fiscal Court - Isonville Fire Department - Building - Ground			
5	Improvements - Equipment and Other Additions - Enhancements			
6	Restricted Funds	-0-	10,000	10,000
7	<b>010.</b> Elliott County Fiscal Court - Isonville Volunteer Fire Department -			
8	Equipment, Building and Ground Improvements, and Other Enhancements			
9	Restricted Funds	25,000	-0-	-0-
10	<b>011.</b> Elliott County Fiscal Court - Laural Gorge Culture Heritage Center - Building			
11	- Ground Improvements and Operations - Laural Gorge Recreations			
12	Development - Enhancement - Additions and Other Improvements to Laural			
13	Gorge Development			
14	Restricted Funds	-0-	30,000	30,000
15	<b>Floyd County</b>			
16	<b>001.</b> City of Allen - Ball Park - Improvements			
17	Restricted Funds	30,000	-0-	-0-
18	<b>002.</b> City of Prestonsburg - Little League Improvements and Operations			
19	Restricted Funds	-0-	10,000	10,000
20	<b>003.</b> City of Prestonsburg - Mountain Arts Center			
21	Restricted Funds	-0-	75,000	75,000
22	<b>004.</b> City of Prestonsburg - Mountain Top Recreational - Repair - Upkeep and			
23	Maintenance			
24	Restricted Funds	200,000	-0-	-0-
25	<b>005.</b> Floyd County Board of Education - Allen Central High School - Academic			
26	and Athletic Program/Athletic Teams - Equipment and Educational Support			
27	Restricted Funds	50,000	-0-	-0-

1	<b>006.</b>	Floyd County Board of Education - Betsy Layne High School - Academic and			
2		Athletic Program - Athletic Teams - Equipment and Educational Support			
3		Restricted Funds	50,000	-0-	-0-
4	<b>007.</b>	Floyd County Board of Education - Betsy Layne High School - Academic and			
5		Athletic Program - Athletic Teams - Equipment and Educational Support			
6		Restricted Funds	-0-	25,000	25,000
7	<b>008.</b>	Floyd County Board of Education - Prestonsburg High School - Academic			
8		and Athletic Program - Athletic Teams - Equipment and Educational Support			
9		Restricted Funds	50,000	-0-	-0-
10	<b>009.</b>	Floyd County Board of Education - Prestonsburg High School - Academic			
11		and Athletic Program - Athletic Teams - Equipment and Educational Support			
12		Restricted Funds	-0-	25,000	25,000
13	<b>010.</b>	Floyd County Board of Education - South Floyd High School - Academic and			
14		Athletic Program - Athletic Teams - Equipment and Educational Support			
15		Restricted Funds	-0-	25,000	25,000
16	<b>011.</b>	Floyd County Board of Education - South Floyd High School - Academic and			
17		Athletic Program - Athletic Teams - Equipment and Educational Support			
18		Restricted Funds	50,000	-0-	-0-
19	<b>012.</b>	Floyd County Fiscal Court - Allen Central High School - Academic and			
20		Athletic Program - Athletic Teams - Equipment and Educational Support			
21		Restricted Funds	-0-	25,000	25,000
22	<b>013.</b>	Floyd County Fiscal Court - Allen Fire Department - Equipment - Operations			
23		Restricted Funds	-0-	2,600	2,600
24	<b>014.</b>	Floyd County Fiscal Court - Allen Fire Department - Equipment - Operations			
25		Restricted Funds	5,200	-0-	-0-
26	<b>015.</b>	Floyd County Fiscal Court - Allen Golf Course - General Operating - Row			
27		Acquisition			

1	Restricted Funds	-0-	25,000	25,000
2	<b>016. Floyd County Fiscal Court - Allen Golf Course - Repairs - Maintenance</b>			
3	Restricted Funds	-0-	25,000	25,000
4	<b>017. Floyd County Fiscal Court - American Legion Post 283 - Martin</b>			
5	Restricted Funds	3,000	-0-	-0-
6	<b>018. Floyd County Fiscal Court - American Legion Post 283 of Martin</b>			
7	Restricted Funds	-0-	2,500	2,500
8	<b>019. Floyd County Fiscal Court - American Veterans</b>			
9	Restricted Funds	-0-	2,500	2,500
10	<b>020. Floyd County Fiscal Court - Auxier Fire Department - Equipment -</b>			
11	Operations			
12	Restricted Funds	-0-	2,600	2,600
13	<b>021. Floyd County Fiscal Court - Auxier Fire Department - Equipment -</b>			
14	Operations			
15	Restricted Funds	5,200	-0-	-0-
16	<b>022. Floyd County Fiscal Court - Betsy Layne Fire Department - Equipment -</b>			
17	Operations			
18	Restricted Funds	-0-	2,600	2,600
19	<b>023. Floyd County Fiscal Court - Betsy Layne Fire Department -</b>			
20	Equipment - Operations			
21	Restricted Funds	5,200	-0-	-0-
22	<b>024. Floyd County Fiscal Court - Branch Library - Minnie</b>			
23	Restricted Funds	75,000	-0-	-0-
24	<b>025. Floyd County Fiscal Court - Branch Library at Minnie</b>			
25	Restricted Funds	-0-	25,000	25,000
26	<b>026. Floyd County Fiscal Court - Coroner - Vehicle</b>			
27	Restricted Funds	30,000	-0-	-0-

1	<b>027.</b> Floyd County Fiscal Court - Cow Creek Fire Department - Equipment -			
2	Operations			
3	Restricted Funds	-0-	2,600	2,600
4	<b>028.</b> Floyd County Fiscal Court - Cow Creek Fire Department -			
5	Equipment - Operations			
6	Restricted Funds	5,200	-0-	-0-
7	<b>029.</b> Floyd County Fiscal Court - David Area Fire Department - Equipment -			
8	Operations			
9	Restricted Funds	-0-	2,600	2,600
10	<b>030.</b> Floyd County Fiscal Court - David Area Fire Department -			
11	Equipment - Operations			
12	Restricted Funds	5,200	-0-	-0-
13	<b>031.</b> Floyd County Fiscal Court - Develop New Mud Creek Park			
14	Restricted Funds	-0-	75,000	75,000
15	<b>032.</b> Floyd County Fiscal Court - Develop Veteran's Cemetery			
16	Restricted Funds	-0-	50,000	50,000
17	<b>033.</b> Floyd County Fiscal Court - Disabled American Veterans Post 128 -			
18	Equipment - Improvements			
19	Restricted Funds	-0-	5,000	5,000
20	<b>034.</b> Floyd County Fiscal Court - Disabled American Veterans Post 169 -			
21	Equipment - Improvements			
22	Restricted Funds	-0-	5,000	5,000
23	<b>035.</b> Floyd County Fiscal Court - Disabled American Veterans Post 169 -			
24	Equipment - Improvements			
25	Restricted Funds	3,000	-0-	-0-
26	<b>036.</b> Floyd County Fiscal Court - Disabled American Veterans Post 18 -			
27	Equipment - Improvements			



1	Restricted Funds	-0-	5,000	5,000
2	<b>037.</b> Floyd County Fiscal Court - Disabled American Veterans Post 18 -			
3	Equipment - Improvements			
4	Restricted Funds	3,000	-0-	-0-
5	<b>038.</b> Floyd County Fiscal Court - Disabled American Veterans Post 5839 -			
6	Equipment - Improvements			
7	Restricted Funds	3,000	-0-	-0-
8	<b>039.</b> Floyd County Fiscal Court - Drift Park - Improvements			
9	Restricted Funds	-0-	25,000	25,000
10	<b>040.</b> Floyd County Fiscal Court - Drift Park - Park Improvements			
11	Restricted Funds	83,000	-0-	-0-
12	<b>041.</b> Floyd County Fiscal Court - Drug Court Initiative			
13	Restricted Funds	-0-	50,000	50,000
14	<b>042.</b> Floyd County Fiscal Court - Drug Rehabilitation			
15	Restricted Funds	50,000	-0-	-0-
16	<b>043.</b> Floyd County Fiscal Court - Elkhorn Park - Educational Program			
17	Restricted Funds	30,000	-0-	-0-
18	<b>044.</b> Floyd County Fiscal Court - Feasibility Study Trail Rides			
19	Restricted Funds	-0-	10,000	10,000
20	<b>045.</b> Floyd County Fiscal Court - Floyd County Rescue Squad			
21	Restricted Funds	-0-	15,000	-0-
22	<b>046.</b> Floyd County Fiscal Court - Garrett Fire Department - Equipment -			
23	Operations			
24	Restricted Funds	-0-	2,600	2,600
25	<b>047.</b> Floyd County Fiscal Court - Garrett Fire Department - Equipment -			
26	Operations			
27	Restricted Funds	5,200	-0-	-0-

1	<b>048.</b> Floyd County Fiscal Court - Left Beaver Fire Department - Equipment -			
2	Operations			
3	Restricted Funds	-0-	2,600	2,600
4	<b>049.</b> Floyd County Fiscal Court - Left Beaver Fire Department -			
5	Equipment - Operations			
6	Restricted Funds	5,200	-0-	-0-
7	<b>050.</b> Floyd County Fiscal Court - Left Beaver Rescue Squad			
8	Restricted Funds	-0-	15,000	-0-
9	<b>051.</b> Floyd County Fiscal Court - Little League Improvements - Operations			
10	Restricted Funds	-0-	30,000	30,000
11	<b>052.</b> Floyd County Fiscal Court - Martin Fire Department - Equipment -			
12	Operations			
13	Restricted Funds	-0-	2,600	2,600
14	<b>053.</b> Floyd County Fiscal Court - Martin Fire Department - Equipment - Operations			
15	Restricted Funds	5,200	-0-	-0-
16	<b>054.</b> Floyd County Fiscal Court - Maytown Fire Department - Equipment -			
17	Operations			
18	Restricted Funds	-0-	2,600	2,600
19	<b>055.</b> Floyd County Fiscal Court - Maytown Fire Department -			
20	Equipment - Operations			
21	Restricted Funds	5,200	-0-	-0-
22	<b>056.</b> Floyd County Fiscal Court - Middle Creek Fire Department - Equipment -			
23	Operations			
24	Restricted Funds	-0-	2,600	2,600
25	<b>057.</b> Floyd County Fiscal Court - Middle Creek Fire Department -			
26	Equipment - Operations			
27	Restricted Funds	5,200	-0-	-0-

1	<b>058.</b> Floyd County Fiscal Court - Mountain Comprehensive Care - Lane House -			
2	Alcohol and Drug Abuse Education			
3	Restricted Funds	50,000	-0-	-0-
4	<b>059.</b> Floyd County Fiscal Court - Mountain Comprehensive Care - Layne House -			
5	Alcohol and Drug Abuse Education			
6	Restricted Funds	-0-	40,000	50,000
7	<b>060.</b> Floyd County Fiscal Court - Mountain Top Recreational - Repair - Upkeep -			
8	Maintenance			
9	Restricted Funds	-0-	200,000	200,000
10	<b>061.</b> Floyd County Fiscal Court - Mud Creek Fire Department - Equipment -			
11	Operations			
12	Restricted Funds	-0-	2,600	2,600
13	<b>062.</b> Floyd County Fiscal Court - Mud Creek Fire Department -			
14	Equipment - Operations			
15	Restricted Funds	5,200	-0-	-0-
16	<b>063.</b> Floyd County Fiscal Court - Prestonsburg Fire Department - Equipment -			
17	Operations			
18	Restricted Funds	-0-	2,600	2,600
19	<b>064.</b> Floyd County Fiscal Court - Prestonsburg Fire Department -			
20	Equipment - Operations			
21	Restricted Funds	5,200	-0-	-0-
22	<b>065.</b> Floyd County Fiscal Court - Purchase Bookmobile			
23	Restricted Funds	-0-	75,000	-0-
24	<b>066.</b> Floyd County Fiscal Court - Right Beaver Area - Park Maintenance - Upkeep			
25	Restricted Funds	-0-	40,000	40,000
26	<b>067.</b> Floyd County Fiscal Court - Senior Citizens - Operating			
27	Restricted Funds	-0-	70,000	70,000

1	<b>068.</b> Floyd County Fiscal Court - Senior Citizens Center - Operating			
2	Restricted Funds	140,000	-0-	-0-
3	<b>069.</b> Floyd County Fiscal Court - Sheriff's Department - One Vehicle			
4	Restricted Funds	-0-	-0-	25,000
5	<b>070.</b> Floyd County Fiscal Court - Sheriff's Department - Two Vehicles			
6	Restricted Funds	60,000	-0-	-0-
7	<b>071.</b> Floyd County Fiscal Court - Southeast Floyd Fire Department - Equipment -			
8	Operations			
9	Restricted Funds	-0-	2,600	2,600
10	<b>072.</b> Floyd County Fiscal Court - Southeast Floyd Fire Department -			
11	Equipment - Operations			
12	Restricted Funds	5,200	-0-	-0-
13	<b>073.</b> Floyd County Fiscal Court - Toler Creek Fire Department - Equipment -			
14	Operations			
15	Restricted Funds	-0-	2,600	2,600
16	<b>074.</b> Floyd County Fiscal Court - Toler Creek Fire Department -			
17	Equipment - Operations			
18	Restricted Funds	5,200	-0-	-0-
19	<b>075.</b> Floyd County Fiscal Court - Wayland Area Fire Department - Equipment -			
20	Operations			
21	Restricted Funds	-0-	2,600	2,600
22	<b>076.</b> Floyd County Fiscal Court - Wayland Area Fire Department -			
23	Equipment - Operations			
24	Restricted Funds	5,200	-0-	-0-
25	<b>077.</b> Floyd County Fiscal Court - Wayland Historical Society - Land Purchase -			
26	East Kentucky Hall of Fame			
27	Restricted Funds	75,000	-0-	-0-

1	<b>078.</b>	Floyd County Fiscal Court - Wayland Park			
2		Restricted Funds	-0-	3,000	3,000
3	<b>079.</b>	Floyd County Fiscal Court - Wayland Sports Hall			
4		Restricted Funds	-0-	100,000	-0-
5	<b>080.</b>	Floyd County Fiscal Court - Wheelwright Fire Department - Equipment -			
6		Operations			
7		Restricted Funds	-0-	2,600	2,600
8	<b>081.</b>	Floyd County Fiscal Court - Wheelwright Fire Department -			
9		Equipment - Operations			
10		Restricted Funds	5,200	-0-	-0-
11	<b>082.</b>	Floyd County Fiscal Court - Wheelwright Swimming Pool - Renovations -			
12		Repairs			
13		Restricted Funds	-0-	40,000	25,000
14	<b>083.</b>	Floyd County Fiscal Court - World War II and Korean Memorial			
15		Restricted Funds	-0-	30,000	-0-
16	<b>Hancock County</b>				
17	<b>001.</b>	Hancock County Fiscal Court - Various Projects			
18		Restricted Funds	136,000	97,472	88,630
19	<b>Harlan County</b>				
20	<b>001.</b>	Harlan County Fiscal Court - Adventure Tourism			
21		Restricted Funds	-0-	316,000	-0-
22	<b>002.</b>	Harlan County Fiscal Court - Black Mountain Utility District - Water Line			
23		Extension			
24		Restricted Funds	-0-	1,000,000	-0-
25	<b>003.</b>	Harlan County Fiscal Court - Black Mountain Utility District - Water Line			
26		Extension Project			
27		Restricted Funds	-0-	-0-	250,000

1	<b>004.</b>	Harlan County Fiscal Court - Cawood Water District - Grays Knob Water			
2		Line Extension			
3		Restricted Funds	-0-	-0-	100,000
4	<b>005.</b>	Harlan County Fiscal Court - Cawood Water District - Smith Project Water			
5		Line Extension			
6		Restricted Funds	750,000	-0-	-0-
7	<b>006.</b>	Harlan County Fiscal Court - Cawood Water District - Water Line Extension -			
8		Bobs Fork Water			
9		Restricted Funds	-0-	50,000	-0-
10	<b>007.</b>	Harlan County Fiscal Court - Courthouse - Building Improvements and			
11		Repairs			
12		Restricted Funds	-0-	150,000	-0-
13	<b>008.</b>	Harlan County Fiscal Court - Courthouse - Repairs			
14		Restricted Funds	250,000	-0-	-0-
15	<b>009.</b>	Harlan County Fiscal Court - Cumberland Senior Citizens Center			
16		Restricted Funds	-0-	50,000	-0-
17	<b>010.</b>	Harlan County Fiscal Court - Cumberland Water Line - Upsizing and			
18		Extension			
19		Restricted Funds	150,000	-0-	-0-
20	<b>011.</b>	Harlan County Fiscal Court - Detention Center - Sewer - Bonded			
21		Indebtedness Retirement			
22		Restricted Funds	-0-	-0-	1,550,000
23	<b>012.</b>	Harlan County Fiscal Court - Detention Center/Sewer - Bonded Indebtedness			
24		Retirement			
25		Restricted Funds	-0-	450,000	-0-
26	<b>013.</b>	Harlan County Fiscal Court - Evarts Depot - Restoration			
27		Restricted Funds	57,000	-0-	-0-

1	<b>014.</b>	Harlan County Fiscal Court - Green Hills Water District - Water Line -			
2		Extension			
3		Restricted Funds	-0-	300,000	-0-
4	<b>015.</b>	Harlan County Fiscal Court - Green Hills Water District - Water Line			
5		Extension			
6		Restricted Funds	325,000	-0-	-0-
7	<b>016.</b>	Harlan County Fiscal Court - Green Hills Water District - Water Line			
8		Extension Project			
9		Restricted Funds	-0-	-0-	100,000
10	<b>017.</b>	Harlan County Fiscal Court - Harlan County 4-H Club			
11		Restricted Funds	-0-	15,000	-0-
12	<b>018.</b>	Harlan County Fiscal Court - Harlan County Sheriff's Department			
13		Restricted Funds	-0-	-0-	50,000
14	<b>019.</b>	Harlan County Fiscal Court - Harlan Little League - Batting Cage/Building			
15		Restricted Funds	100,000	-0-	-0-
16	<b>020.</b>	Harlan County Fiscal Court - Harlan Public Library			
17		Restricted Funds	-0-	15,000	-0-
18	<b>021.</b>	Harlan County Fiscal Court - Hope Center - Drug Rehab			
19		Restricted Funds	249,000	-0-	-0-
20	<b>022.</b>	Harlan County Fiscal Court - Laurels - Debt Retirement			
21		Restricted Funds	-0-	75,000	-0-
22	<b>023.</b>	Harlan County Fiscal Court - Laurels - Indebtedness Retirement			
23		Restricted Funds	-0-	-0-	75,000
24	<b>024.</b>	Harlan County Fiscal Court - Rescue Squads - Building and Equipment			
25		Restricted Funds	-0-	-0-	30,000
26	<b>025.</b>	Harlan County Fiscal Court - Rescue Squads - Medical/Rescue Equipment			
27		Restricted Funds	-0-	20,000	-0-

1	<b>026.</b> Harlan County Fiscal Court - Tri-City - Water Line Extension			
2	Restricted Funds	-0-	450,000	-0-
3	<b>027.</b> Harlan County Fiscal Court - Tri-City - Water/Sewer Expansion and Repairs			
4	Restricted Funds	-0-	-0-	100,000
5	<b>028.</b> Harlan County Fiscal Court - Tri-City Little League - Lights			
6	Restricted Funds	-0-	60,000	-0-
7	<b>029.</b> Harlan County Fiscal Court - Various County Parks - Equipment and			
8	Improvements			
9	Restricted Funds	-0-	50,000	-0-
10	<b>030.</b> Harlan County Fiscal Court - Various District Projects and Operations			
11	Restricted Funds	-0-	-0-	250,000
12	<b>031.</b> Harlan County Fiscal Court - Various Fire Departments - Equipment			
13	Restricted Funds	-0-	-0-	50,000
14	<b>032.</b> Harlan County Fiscal Court - Various Fire Departments - Equipment,			
15	Renovations, and Improvements			
16	Restricted Funds	-0-	50,000	-0-
17	<b>Henderson County</b>			
18	<b>001.</b> City of Corydon - City Hall Parking Lot - Paving			
19	Restricted Funds	-0-	9,204	-0-
20	<b>002.</b> City of Robards - General Development			
21	Restricted Funds	-0-	9,000	-0-
22	<b>003.</b> Henderson County Fiscal Court - Lighting for Fairgrounds			
23	Restricted Funds	-0-	50,000	-0-
24	<b>004.</b> Henderson County Fiscal Court - Purchase Rights-of-Way for Access to New			
25	County Park			
26	Restricted Funds	-0-	50,000	-0-
27	<b>005.</b> Henderson County Fiscal Court - Robards Rockhouse Road Water Line			



1	Extension - East			
2	Restricted Funds	-0-	45,000	-0-
3	<b>006.</b> Henderson County Fiscal Court - Storage Building for Road Department			
4	Equipment			
5	Restricted Funds	-0-	50,000	-0-
6	<b>007.</b> Henderson County Fiscal Court - To Promote Tourism for the Rivers and			
7	Waterways of Henderson County			
8	Restricted Funds	-0-	10,000	-0-
9	<b>008.</b> Henderson County Fiscal Court - Training Room and Equipment Storage for			
10	City/County Rescue Squad			
11	Restricted Funds	-0-	50,000	-0-
12	<b>009.</b> Henderson County Fiscal Court - West Kentucky Regional Energy Team			
13	Restricted Funds	-0-	10,000	-0-
14	<b>010.</b> Henderson County Fiscal Court - Widening of Riverport Road from 22 Feet to			
15	32 Feet			
16	Restricted Funds	-0-	250,000	-0-

**Hopkins County**

18	<b>001.</b> City of Dawson Springs - New City Building - Land Acquisition/Planning and			
19	Design			
20	Restricted Funds	-0-	-0-	100,000
21	<b>002.</b> City of Hanson - Sewer System Improvements Phase II (SX21107003)			
22	Restricted Funds	-0-	113,000	-0-
23	<b>003.</b> City of Madisonville - South Main Sewer Interceptor Phase 1a and 1b			
24	(SX21107008)			
25	Restricted Funds	-0-	-0-	300,000
26	<b>004.</b> City of Madisonville - Study to Relocate Railroad Tracks out of City of			
27	Madisonville			

1	Restricted Funds	-0-	300,000	-0-
2	<b>005.</b> City of Nortonville - City Hall/Library and Museum - Renovation and Repairs			
3	Restricted Funds	-0-	200,000	-0-
4	<b>006.</b> City of White Plains - Sewer Project			
5	Restricted Funds	-0-	160,000	-0-
6	<b>007.</b> Hopkins County Fiscal Court - Anton Volunteer Fire Department - Equipment			
7	Restricted Funds	-0-	10,000	-0-
8	<b>008.</b> Hopkins County Fiscal Court - Charleston Volunteer Fire Department -			
9	Equipment			
10	Restricted Funds	-0-	10,000	-0-
11	<b>009.</b> Hopkins County Fiscal Court - Complete Liberty Church Road			
12	Restricted Funds	-0-	400,820	-0-
13	<b>010.</b> Hopkins County Fiscal Court - County Roads - Upgrade and Repairs			
14	Restricted Funds	-0-	-0-	311,683
15	<b>011.</b> Hopkins County Fiscal Court - Dawson Springs Volunteer Fire Department -			
16	Equipment			
17	Restricted Funds	-0-	10,000	-0-
18	<b>012.</b> Hopkins County Fiscal Court - Earlington Volunteer Fire Department -			
19	Equipment			
20	Restricted Funds	-0-	10,000	-0-
21	<b>013.</b> Hopkins County Fiscal Court - Grapevine Volunteer Fire Department -			
22	Equipment			
23	Restricted Funds	-0-	10,000	-0-
24	<b>014.</b> Hopkins County Fiscal Court - Hanson Volunteer Fire Department -			
25	Equipment			
26	Restricted Funds	-0-	10,000	-0-
27	<b>015.</b> Hopkins County Fiscal Court - Hopkins County Sports Complex - Site			

1	Development and Improvements			
2	Restricted Funds	-0-	225,000	-0-
3	<b>016.</b> Hopkins County Fiscal Court - Madisonville Public Library - Children's			
4	Museum - Renovations - Repairs - Improvements			
5	Restricted Funds	-0-	200,000	-0-
6	<b>017.</b> Hopkins County Fiscal Court - Manitou Volunteer Fire Department -			
7	Equipment			
8	Restricted Funds	-0-	10,000	-0-
9	<b>018.</b> Hopkins County Fiscal Court - Mortons Gap Volunteer Fire Department			
10	Restricted Funds	-0-	10,000	-0-
11	<b>019.</b> Hopkins County Fiscal Court - Nebo Volunteer Fire Department - Equipment			
12	Restricted Funds	-0-	10,000	-0-
13	<b>020.</b> Hopkins County Fiscal Court - Nortonville Volunteer Fire Department -			
14	Equipment			
15	Restricted Funds	-0-	10,000	-0-
16	<b>021.</b> Hopkins County Fiscal Court - Public Works - Equipment			
17	Restricted Funds	-0-	150,000	-0-
18	<b>022.</b> Hopkins County Fiscal Court - Public Works Development Building			
19	Restricted Funds	-0-	100,000	-0-
20	<b>023.</b> Hopkins County Fiscal Court - Public Works Equipment			
21	Restricted Funds	-0-	-0-	200,000
22	<b>024.</b> Hopkins County Fiscal Court - Richland Volunteer Fire Department -			
23	Equipment			
24	Restricted Funds	-0-	10,000	-0-
25	<b>025.</b> Hopkins County Fiscal Court - South Hopkins Volunteer Fire Department -			
26	Equipment			
27	Restricted Funds	-0-	10,000	-0-

1	<b>026.</b> Hopkins County Fiscal Court - Sports Complex - Site Development and			
2	Improvements			
3	Restricted Funds	-0-	-0-	300,000
4	<b>027.</b> Hopkins County Fiscal Court - St. Charles Volunteer Fire Department			
5	Restricted Funds	-0-	10,000	-0-
6	<b>028.</b> Hopkins County Fiscal Court - White Plains Volunteer Fire Department			
7	Restricted Funds	-0-	10,000	-0-
8	<b>029.</b> Madisonville Community College - Coal Employment Opportunities and			
9	Workforce Development Project			
10	Restricted Funds	-0-	150,000	-0-
11	<b>030.</b> Madisonville Community College - Coal Employment Opportunity and			
12	Workforce Development Project			
13	Restricted Funds	-0-	-0-	50,000
14	<b>031.</b> Madisonville Community College - Workforce Development - School Counts			
15	Restricted Funds	-0-	10,000	-0-
16	<b>032.</b> Madisonville Community College - Workforce Development - School Counts			
17	Project			
18	Restricted Funds	-0-	-0-	10,000
19	<b>033.</b> Nebo Water District - Water Tank Project (WX21107018)			
20	Restricted Funds	-0-	18,000	-0-
21	<b>Jackson County</b>			
22	<b>001.</b> Jackson County Fiscal Court - Gray Hawk Fire Department - Equipment for			
23	Fire Department			
24	Restricted Funds	15,000	10,000	10,000
25	<b>002.</b> Jackson County Fiscal Court - Jackson County Library Board			
26	Restricted Funds	30,000	-0-	-0-
27	<b>003.</b> Jackson County Fiscal Court - Library - Operations			

1	Restricted Funds	-0-	5,916	-0-
2	<b>004.</b> Jackson County Fiscal Court - McKee Fire Department - Equipment for Fire			
3	Department			
4	Restricted Funds	15,000	10,000	10,000
5	<b>005.</b> Jackson County Fiscal Court - McKee Police Department - Equipment			
6	Restricted Funds	-0-	10,000	10,000
7	<b>006.</b> Jackson County Fiscal Court - Pond Creek Fire Department - Equipment for			
8	Fire Department			
9	Restricted Funds	15,000	10,000	10,000
10	<b>007.</b> Jackson County Fiscal Court - Sand Gap Fire Department - Equipment for			
11	Fire Department			
12	Restricted Funds	75,000	10,000	10,000
13	<b>008.</b> Jackson County Fiscal Court - Senior Citizens Programs			
14	Restricted Funds	-0-	12,855	6,246
15	<b>009.</b> Jackson County Fiscal Court - Sheriff's Department - Equipment			
16	Restricted Funds	-0-	10,000	10,000
17	<b>Johnson County</b>			
18	<b>001.</b> Johnson County Fiscal Court - Economic Development Projects			
19	Restricted Funds	-0-	125,000	125,000
20	<b>002.</b> Johnson County Fiscal Court - Fire Departments			
21	Restricted Funds	-0-	35,000	35,000
22	<b>003.</b> Johnson County Fiscal Court - Senior Citizens			
23	Restricted Funds	-0-	25,000	25,000
24	<b>004.</b> Johnson County Fiscal Court - Thealka Park - Recreation			
25	Restricted Funds	-0-	25,000	25,000
26	<b>005.</b> Johnson County Fiscal Court - Various Water Lines			
27	Restricted Funds	-0-	250,000	250,000

1	<b>Knott County</b>			
2	001. Knott County Board of Education - Paper Bailers for Schools			
3	Restricted Funds	-0-	35,000	-0-
4	002. Knott County Fiscal Court - Appalachian Artisan Center			
5	Restricted Funds	-0-	300,000	200,000
6	003. Knott County Fiscal Court - ATV Training Facility/Infrastructure and Various			
7	Trailheads			
8	Restricted Funds	-0-	175,000	100,000
9	004. Knott County Fiscal Court - Ball Creek Fire and Rescue - Fire Engine and			
10	Equipment			
11	Restricted Funds	-0-	125,000	125,000
12	005. Knott County Fiscal Court - Bond Payment - Equipment/Improvements -			
13	Sportsplex			
14	Restricted Funds	-0-	700,000	700,000
15	006. Knott County Fiscal Court - Carr Creek Fire Department -			
16	Operations/Equipment			
17	Restricted Funds	-0-	15,000	15,000
18	007. Knott County Fiscal Court - County Parks - Maintenance of Existing			
19	Parks/Construction of Parks at Caney Creek and Carrie			
20	Restricted Funds	-0-	100,000	100,000
21	008. Knott County Fiscal Court - Fisty Fire Department - Operations/Equipment			
22	Restricted Funds	-0-	15,000	15,000
23	009. Knott County Fiscal Court - Garrett Fire Department - Operations/Equipment			
24	Restricted Funds	-0-	15,000	15,000
25	010. Knott County Fiscal Court - Hindman Fire Department -			
26	Equipment/Operations			
27	Restricted Funds	-0-	15,000	15,000

1	<b>011. Knott County Fiscal Court - Jones Fork Fire Department -</b>			
2	Operations/Equipment			
3	Restricted Funds	-0-	15,000	15,000
4	<b>012. Knott County Fiscal Court - Kentucky School of Craft</b>			
5	Restricted Funds	-0-	150,000	150,000
6	<b>013. Knott County Fiscal Court - Kite/Topmost Volunteer Fire Department - Fire</b>			
7	Truck and Equipment			
8	Restricted Funds	-0-	70,000	70,000
9	<b>014. Knott County Fiscal Court - Knott County Amphitheatre</b>			
10	Restricted Funds	-0-	-0-	200,000
11	<b>015. Knott County Fiscal Court - Knott County DAV</b>			
12	Restricted Funds	-0-	50,000	-0-
13	<b>016. Knott County Fiscal Court - Knott County Fire/Rescue -</b>			
14	Operations/Equipment			
15	Restricted Funds	-0-	15,000	15,000
16	<b>017. Knott County Fiscal Court - Knott County Saddle Club - Stable/RV Park for</b>			
17	County Horse Trail			
18	Restricted Funds	-0-	-0-	100,000
19	<b>018. Knott County Fiscal Court - Knott Public Library</b>			
20	Restricted Funds	-0-	50,000	50,000
21	<b>019. Knott County Fiscal Court - Lotts Creek Fire Department -</b>			
22	Operations/Equipment			
23	Restricted Funds	-0-	15,000	15,000
24	<b>020. Knott County Fiscal Court - Pippa Passes Fire Department -</b>			
25	Operations/Equipment			
26	Restricted Funds	-0-	15,000	15,000
27	<b>021. Knott County Fiscal Court - Substance Abuse Treatment Program</b>			

1	Restricted Funds	-0-	30,000	-0-
2	<b>022.</b> Knott County Fiscal Court - Various Adventure Tourism Projects - Including			
3	but not Limited to Purchase of Property and Equipment for Approved Projects			
4	Restricted Funds	-0-	500,000	-0-
5	<b>023.</b> Knott County Fiscal Court - Vicco/Sassafrass Volunteer Fire Department			
6	Restricted Funds	-0-	50,000	-0-
7	<b>024.</b> Knott County Water and Sewer - Various Waterline Extensions - Sewer			
8	Treatment Facility and Fire Hydrants			
9	Restricted Funds	-0-	1,500,000	2,000,000
10	<b>Knox County</b>			
11	<b>001.</b> City of Barbourville - Barbourville Police Department - Equipment			
12	Restricted Funds	10,000	10,000	10,000
13	<b>002.</b> City of Barbourville - Fire Department - Equipment			
14	Restricted Funds	-0-	10,000	10,000
15	<b>003.</b> City of Barbourville - Old Barbourville Gym			
16	Restricted Funds	-0-	10,000	-0-
17	<b>004.</b> City of Barbourville - Softball Complex - Construction			
18	Restricted Funds	-0-	25,000	-0-
19	<b>005.</b> Knox County Board of Education - TV 4			
20	Restricted Funds	10,000	10,000	10,000
21	<b>006.</b> Knox County Fiscal Court - Artemus Fire Department			
22	Restricted Funds	-0-	10,000	10,000
23	<b>007.</b> Knox County Fiscal Court - Bailey Switch Fire Department			
24	Restricted Funds	-0-	10,000	10,000
25	<b>008.</b> Knox County Fiscal Court - Corbin Senior Citizens - Equipment			
26	Restricted Funds	-0-	15,000	-0-
27	<b>009.</b> Knox County Fiscal Court - East Knox Fire Department			



1	Restricted Funds	-0-	10,000	10,000
2	<b>010.</b> Knox County Fiscal Court - Jail Debt Payment			
3	Restricted Funds	-0-	260,000	-0-
4	<b>011.</b> Knox County Fiscal Court - Knox County Health Department - Equipment			
5	Restricted Funds	-0-	20,000	-0-
6	<b>012.</b> Knox County Fiscal Court - Knox County Jail - Roof Replacement			
7	Restricted Funds	-0-	40,000	-0-
8	<b>013.</b> Knox County Fiscal Court - Paris Pike Girdler Restroom Facilities and			
9	Equipment			
10	Restricted Funds	-0-	10,000	-0-
11	<b>014.</b> Knox County Fiscal Court - Poplar Creek Fire Department			
12	Restricted Funds	-0-	10,000	10,000
13	<b>015.</b> Knox County Fiscal Court - Richland Fire Department			
14	Restricted Funds	-0-	10,000	10,000
15	<b>016.</b> Knox County Fiscal Court - Sheriff's Department - Cruisers			
16	Restricted Funds	75,000	75,000	75,000
17	<b>017.</b> Knox County Fiscal Court - Sheriff's Department - Equipment			
18	Restricted Funds	-0-	20,000	20,000
19	<b>018.</b> Knox County Fiscal Court - Stinking Creek Fire Department			
20	Restricted Funds	-0-	10,000	10,000
21	<b>019.</b> Knox County Fiscal Court - Trucks - Payment			
22	Restricted Funds	-0-	100,000	-0-
23	<b>020.</b> Knox County Fiscal Court - Unite - Equipment			
24	Restricted Funds	-0-	10,000	-0-
25	<b>021.</b> Knox County Fiscal Court - West Knox Fire Department			
26	Restricted Funds	-0-	10,000	10,000
27	<b>022.</b> Knox County Fiscal Court - Woodbine Fire Department			

1	Restricted Funds	-0-	10,000	10,000
2	<b>Laurel County</b>			
3	<b>001. City of London - London City Police - Equipment</b>			
4	Restricted Funds	-0-	30,000	-0-
5	<b>002. City of London - Skate Board Park</b>			
6	Restricted Funds	-0-	50,000	-0-
7	<b>003. Laurel County Fiscal Court - Laurel County Fireman's Alliance</b>			
8	Restricted Funds	-0-	91,000	31,000
9	<b>004. Laurel County Fiscal Court - Library - Supplies for Library</b>			
10	Restricted Funds	10,382	5,000	-0-
11	<b>005. Laurel County Fiscal Court - London/Laurel County Rescue Squad</b>			
12	Restricted Funds	-0-	9,000	3,100
13	<b>006. Laurel County Fiscal Court - North Laurel Little League - Capital</b>			
14	Construction			
15	Restricted Funds	45,000	-0-	-0-
16	<b>007. Laurel County Fiscal Court - OPAC</b>			
17	Restricted Funds	-0-	-0-	30,000
18	<b>008. Laurel County Fiscal Court - Optimist Club</b>			
19	Restricted Funds	-0-	-0-	40,000
20	<b>009. Laurel County Fiscal Court - Senior Citizen Program</b>			
21	Restricted Funds	-0-	10,000	-0-
22	<b>010. Laurel County Fiscal Court - Sheriff's Department - Equipment</b>			
23	Restricted Funds	-0-	30,000	40,000
24	<b>Lawrence County</b>			
25	<b>001. City of Louisa - Downtown Beautification Project and Other Additions -</b>			
26	Enhancements - Building, Ground, and Facility Upgrades - Improvements			
27	Restricted Funds	-0-	45,000	30,000

1	<b>002.</b>	City of Louisa - Downtown Beautification, Building, Sidewalk and Street			
2		Improvements, Infrastructure, City Park and City Pool Upgrades, and any			
3		other Enhancements			
4		Restricted Funds	100,000	-0-	-0-
5	<b>003.</b>	Lawrence County Board of Education - Blaine Elementary - Facility and			
6		Ground Improvements, Technology Upgrades, Curriculum, Program, and			
7		other Enhancements, and other Physical Fitness and Playground Equipment			
8		Upgrades			
9		Restricted Funds	25,000	-0-	-0-
10	<b>004.</b>	Lawrence County Board of Education - Fallsburg Elementary - Facility and			
11		Ground Improvements, Technology Upgrades, Curriculum, Program, and			
12		other Enhancements, Physical Fitness and Playground Equipment Upgrades			
13		Restricted Funds	25,000	-0-	-0-
14	<b>005.</b>	Lawrence County Board of Education - Louisa Lower Elementary - Facility			
15		and Ground Improvements, Technology Upgrades, Curriculum, Program, and			
16		other Enhancements, Physical Fitness and Playground Equipment Upgrades			
17		Restricted Funds	25,000	-0-	-0-
18	<b>006.</b>	Lawrence County Board of Education - Louisa Middle School - Facility and			
19		Ground Improvements, Technology Upgrades, Curriculum, Program, and			
20		other Enhancements, Physical Fitness and Playground Equipment Upgrades			
21		Restricted Funds	25,000	-0-	-0-
22	<b>007.</b>	Lawrence County Board of Education - Louisa Upper Elementary - Facility			
23		and Ground Improvements, Technology Upgrades, Curriculum, Program, and			
24		other Enhancements, Physical Fitness and Playground Equipment Upgrades			
25		Restricted Funds	25,000	-0-	-0-
26	<b>008.</b>	Lawrence County Fiscal Court - Big Sandy Water District - Horse Picture			
27		Road - Line Extension			

1	Restricted Funds	-0-	25,000	-0-
2	<b>009.</b> Lawrence County Fiscal Court - Big Sandy Water District - Raven Rock Road			
3	Pump Station - Line Extensions			
4	Restricted Funds	-0-	80,000	-0-
5	<b>010.</b> Lawrence County Fiscal Court - Blaine City Park - Various Construction,			
6	Equipment, and Ground Improvements			
7	Restricted Funds	30,000	-0-	-0-
8	<b>011.</b> Lawrence County Fiscal Court - Blaine Fire Department -			
9	Equipment/Improvements and Other Additions/Enhancements			
10	Restricted Funds	-0-	10,000	5,000
11	<b>012.</b> Lawrence County Fiscal Court - Blankenship Road - Water Line Extensions			
12	Restricted Funds	-0-	35,000	-0-
13	<b>013.</b> Lawrence County Fiscal Court - Cherryville Fire Department -			
14	Equipment/Improvements and Other Additions/Enhancements			
15	Restricted Funds	-0-	10,000	5,000
16	<b>014.</b> Lawrence County Fiscal Court - Fallsburg Fire Department -			
17	Equipment/Improvements and Other Additions/Enhancements			
18	Restricted Funds	-0-	10,000	5,000
19	<b>015.</b> Lawrence County Fiscal Court - Lawrence County Beach Area and Other			
20	County Park Recreational Improvements - Enhancements - Upgrades			
21	Restricted Funds	-0-	50,000	-0-
22	<b>016.</b> Lawrence County Fiscal Court - Lawrence County Fairgrounds Phase I -			
23	Lawrence County Park - Design - Scamatics - Mass Grading and Other			
24	Additions - Enhancements - Improvements to Fairgrounds and Park			
25	Restricted Funds	-0-	165,000	-0-
26	<b>017.</b> Lawrence County Fiscal Court - Lawrence County High School - Athletic			
27	Field - Improvements - Football - Baseball - Softball			

1	Restricted Funds	-0-	90,000	-0-
2	<b>018.</b> Lawrence County Fiscal Court - Lawrence County Humane Society -			
3	Building - Ground Improvements - New Construction - Renovations and			
4	Other Enhancements - Additions			
5	Restricted Funds	-0-	75,000	-0-
6	<b>019.</b> Lawrence County Fiscal Court - Lawrence County Industrial Park - Spec			
7	Building and Other Industrial Park Additions - Enhancements - Improvements			
8	Restricted Funds	-0-	150,000	50,000
9	<b>020.</b> Lawrence County Fiscal Court - Louisa #1 Fire Department -			
10	Equipment/Improvements and Other Additions/Enhancements			
11	Restricted Funds	-0-	10,000	5,000
12	<b>021.</b> Lawrence County Fiscal Court - Louisa #2 Fire Department -			
13	Equipment/Improvements and Other Additions/Enhancements			
14	Restricted Funds	-0-	10,000	5,000
15	<b>022.</b> Lawrence County Fiscal Court - Lowmansville Fire Department -			
16	Equipment/Improvements and Other Additions/Enhancements			
17	Restricted Funds	-0-	10,000	5,000
18	<b>023.</b> Lawrence County Fiscal Court - Phase II Fairgrounds Construction and			
19	Development of New Facilities - Building - Ground Improvements and Other			
20	Lawrence County Park Additions - Enhancements			
21	Restricted Funds	-0-	-0-	350,000
22	<b>024.</b> Lawrence County Fiscal Court - Pump House - Booster Pump - Waterline and			
23	System Improvements - Cynthia Chapel Subdivision			
24	Restricted Funds	-0-	60,000	-0-
25	<b>025.</b> Lawrence County Fiscal Court - Solid Waste Enhancements - Purchase			
26	Dumpsters and Dump Cleanup - County Beautification			
27	Restricted Funds	-0-	30,000	30,000

1	<b>026.</b>	Lawrence County Fiscal Court - Stella Moore Park - Building and Ground			
2		Improvements - Other Enhancements - Additions			
3		Restricted Funds	-0-	40,000	-0-
4	<b>027.</b>	Lawrence County Fiscal Court - Webbville Fire Department -			
5		Equipment/Improvements and Other Additions/Enhancements			
6		Restricted Funds	-0-	10,000	5,000
7	<b>Lee County</b>				
8	<b>001.</b>	City of Beattyville - Renaissance			
9		Restricted Funds	217,500	-0-	-0-
10	<b>002.</b>	Lee County Fiscal Court - Bear Track Community Park			
11		Restricted Funds	-0-	20,000	-0-
12	<b>003.</b>	Lee County Fiscal Court - Heildeburg Community Park - Park Improvements			
13		Restricted Funds	-0-	-0-	20,000
14	<b>004.</b>	Lee County Fiscal Court - Lee County Sports Complex			
15		Restricted Funds	-0-	-0-	225,000
16	<b>005.</b>	Lee County Fiscal Court - Primrose Fire Department - Purchase Fire Truck			
17		Restricted Funds	-0-	80,000	-0-
18	<b>006.</b>	Lee County Fiscal Court - Road Department - Purchase Tractor and 3/4 Ton			
19		Truck (SX21107008)			
20		Restricted Funds	-0-	82,111	-0-
21	<b>007.</b>	Lee County Fiscal Court - Road Equipment			
22		Restricted Funds	-0-	-0-	37,900
23	<b>008.</b>	Lee County Fiscal Court - Two Garbage Trucks			
24		Restricted Funds	-0-	165,000	-0-
25	<b>009.</b>	Lee County Fiscal Court - Various Fire Departments			
26		Restricted Funds	-0-	-0-	60,000
27	<b>010.</b>	Lee County Fiscal Court - Youth Sports - Equipment and Upgrades to			

1	Facilities			
2	Restricted Funds	-0-	30,000	-0-
3	<b>Leslie County</b>			
4	<b>001. City of Hyden - Pedway Project/Sidewalk Repairs - Street Repairs</b>			
5	Restricted Funds	-0-	170,000	-0-
6	<b>002. Leslie County Board of Education - Leslie County High School Band</b>			
7	Restricted Funds	14,000	-0-	-0-
8	<b>003. Leslie County Board of Education - Student Bus Loading Canopy</b>			
9	Restricted Funds	100,000	-0-	-0-
10	<b>004. Leslie County Board of Education - Technology Improvements</b>			
11	Restricted Funds	-0-	100,000	-0-
12	<b>005. Leslie County Fiscal Court - 911 Operations - Improvements</b>			
13	Restricted Funds	-0-	300,000	300,000
14	<b>006. Leslie County Fiscal Court - Beechfork - Community Center - Senior Citizens</b>			
15	- Maintenance and Operations			
16	Restricted Funds	-0-	100,000	100,000
17	<b>007. Leslie County Fiscal Court - Cutshin Senior Citizens - Maintenance and</b>			
18	Operations			
19	Restricted Funds	-0-	100,000	100,000
20	<b>008. Leslie County Fiscal Court - Detention Center Operations - Improvements</b>			
21	Restricted Funds	-0-	1,000,000	500,000
22	<b>009. Leslie County Fiscal Court - General Government</b>			
23	Restricted Funds	-0-	524,809	222,855
24	<b>010. Leslie County Fiscal Court - HCTCS - Leslie County Campus</b>			
25	Restricted Funds	-0-	75,000	75,000
26	<b>011. Leslie County Fiscal Court - Hyden Senior Citizens - Maintenance and</b>			
27	Operations			

1	Restricted Funds	-0-	100,000	100,000
2	<b>012.</b> Leslie County Fiscal Court - Leslie County's Six Volunteer Fire Departments			
3	- Equipment - Operations			
4	Restricted Funds	-0-	60,000	60,000
5	<b>013.</b> Leslie County Fiscal Court - Magistrate District 1, 2, 3, 4 - Road			
6	Improvements - Equipment			
7	Restricted Funds	-0-	400,000	100,000
8	<b>014.</b> Leslie County Fiscal Court - Mary Breckinridge Hospital - Parking Lot			
9	Resurface			
10	Restricted Funds	-0-	-0-	36,000
11	<b>015.</b> Leslie County Fiscal Court - Stinnett - Community Center - Senior Citizens -			
12	Maintenance and Operations			
13	Restricted Funds	-0-	100,000	100,000
14	<b>016.</b> Leslie County Fiscal Court - Transportation - Equipment - Construction -			
15	Operations			
16	Restricted Funds	-0-	1,500,000	500,000
17	<b>017.</b> Leslie County Fiscal Court - Various Waterline Extensions			
18	Restricted Funds	-0-	230,000	220,000
19	<b>Letcher County</b>			
20	<b>001.</b> Letcher County Fiscal Court - Appalachian Area Early Child Care			
21	Development Center			
22	Restricted Funds	-0-	50,000	-0-
23	<b>002.</b> Letcher County Fiscal Court - Appalshop			
24	Restricted Funds	-0-	25,000	-0-
25	<b>003.</b> Letcher County Fiscal Court - ARH Women's Center			
26	Restricted Funds	-0-	100,000	-0-
27	<b>004.</b> Letcher County Fiscal Court - Blackey Community Center			



1	Restricted Funds	-0-	150,000	-0-
2	<b>005.</b> Letcher County Fiscal Court - Campbell's Branch Fire Department Extension			
3	Restricted Funds	-0-	40,000	-0-
4	<b>006.</b> Letcher County Fiscal Court - City Police Departments			
5	Restricted Funds	-0-	15,000	-0-
6	<b>007.</b> Letcher County Fiscal Court - Cowen Community Action Group			
7	Restricted Funds	-0-	10,000	-0-
8	<b>008.</b> Letcher County Fiscal Court - Fields Cliff Water Line Extension			
9	Restricted Funds	-0-	70,000	-0-
10	<b>009.</b> Letcher County Fiscal Court - Fire Training at Neon			
11	Restricted Funds	-0-	100,000	100,000
12	<b>010.</b> Letcher County Fiscal Court - Fish Pond Lake			
13	Restricted Funds	-0-	100,000	100,000
14	<b>011.</b> Letcher County Fiscal Court - Fleming/Neon Bridge Construction			
15	Restricted Funds	-0-	15,000	-0-
16	<b>012.</b> Letcher County Fiscal Court - Fleming/Neon Tim Hall Park			
17	Restricted Funds	-0-	40,000	-0-
18	<b>013.</b> Letcher County Fiscal Court - Fleming/Neon Water Line Upgrades			
19	Restricted Funds	-0-	50,000	-0-
20	<b>014.</b> Letcher County Fiscal Court - Hemphill Community Center			
21	Restricted Funds	-0-	20,000	-0-
22	<b>015.</b> Letcher County Fiscal Court - Highway 119 - Mayking/Payne Gap Water			
23	Project			
24	Restricted Funds	-0-	250,000	-0-
25	<b>016.</b> Letcher County Fiscal Court - Highway 160 - Premium Water Project			
26	Restricted Funds	-0-	250,000	250,000
27	<b>017.</b> Letcher County Fiscal Court - Kingdom Come School			

1	Restricted Funds	-0-	150,000	-0-
2	<b>018.</b> Letcher County Fiscal Court - Knott County Interconnect/Highway 1410			
3	Water Project			
4	Restricted Funds	-0-	1,000,000	-0-
5	<b>019.</b> Letcher County Fiscal Court - Letcher County Animal Shelter			
6	Restricted Funds	-0-	150,000	150,000
7	<b>020.</b> Letcher County Fiscal Court - Letcher County Clerk's Office			
8	Restricted Funds	-0-	30,000	-0-
9	<b>021.</b> Letcher County Fiscal Court - Letcher County Coal Miner's Museum			
10	Restricted Funds	-0-	20,000	-0-
11	<b>022.</b> Letcher County Fiscal Court - Letcher County Community Centers			
12	Restricted Funds	-0-	100,000	-0-
13	<b>023.</b> Letcher County Fiscal Court - Letcher County Domestic Violence Center			
14	Restricted Funds	-0-	50,000	50,000
15	<b>024.</b> Letcher County Fiscal Court - Letcher County Fire Departments			
16	Restricted Funds	-0-	200,000	-0-
17	<b>025.</b> Letcher County Fiscal Court - Letcher County Health Department Purchase			
18	Restricted Funds	-0-	-0-	200,000
19	<b>026.</b> Letcher County Fiscal Court - Letcher County Libraries			
20	Restricted Funds	-0-	50,000	50,000
21	<b>027.</b> Letcher County Fiscal Court - Letcher County Park Lights			
22	Restricted Funds	-0-	-0-	125,000
23	<b>028.</b> Letcher County Fiscal Court - Letcher County Parks and Recreation			
24	Restricted Funds	-0-	250,000	-0-
25	<b>029.</b> Letcher County Fiscal Court - Letcher County Planning Commission			
26	Restricted Funds	-0-	50,000	-0-
27	<b>030.</b> Letcher County Fiscal Court - Letcher County PVA's Office			

1	Restricted Funds	-0-	30,000	-0-
2	<b>031. Letcher County Fiscal Court - Letcher County Sanitation Department</b>			
3	Restricted Funds	-0-	200,000	-0-
4	<b>032. Letcher County Fiscal Court - Letcher County Senior Citizens Centers -</b>			
5	Improvements and Operations			
6	Restricted Funds	-0-	300,000	-0-
7	<b>033. Letcher County Fiscal Court - Letcher County Sheriff's Department -</b>			
8	Operations			
9	Restricted Funds	-0-	60,000	-0-
10	<b>034. Letcher County Fiscal Court - Letcher County Tourism</b>			
11	Restricted Funds	-0-	50,000	-0-
12	<b>035. Letcher County Fiscal Court - Letcher County Veterans Museum - Operations</b>			
13	and Improvements			
14	Restricted Funds	-0-	50,000	-0-
15	<b>036. Letcher County Fiscal Court - Little Shepherd Amphitheater</b>			
16	Restricted Funds	-0-	50,000	50,000
17	<b>037. Letcher County Fiscal Court - Millstone Water Project</b>			
18	Restricted Funds	-0-	375,000	375,000
19	<b>038. Letcher County Fiscal Court - Pert Creek/Pine Creek/Cram Creek Water</b>			
20	Project			
21	Restricted Funds	-0-	250,000	250,000
22	<b>039. Letcher County Fiscal Court - World War II Monument</b>			
23	Restricted Funds	-0-	50,000	-0-
24	<b>Magoffin County</b>			
25	<b>001. City of Salyersville - City Hall Reconstruction</b>			
26	Restricted Funds	50,000	100,000	50,000
27	<b>002. Magoffin County Fiscal Court - Ad Building</b>			

1	Restricted Funds	250,000	250,000	-0-
2	<b>003. Magoffin County Fiscal Court - Fire Departments - Equipment and Operations</b>			
3	Restricted Funds	50,000	50,000	50,000
4	<b>004. Magoffin County Fiscal Court - Industrial Park Land Acquisition</b>			
5	Restricted Funds	-0-	-0-	275,000
6	<b>005. Magoffin County Fiscal Court - Library Board - Library Building Purchase</b>			
7	and Renovation			
8	Restricted Funds	250,000	200,000	200,000
9	<b>006. Magoffin County Fiscal Court - Middle Fork Fire Department - Pumper Truck</b>			
10	Restricted Funds	75,000	-0-	-0-
11	<b>007. Magoffin County Fiscal Court - Renaissance Bank Building</b>			
12	Restricted Funds	-0-	25,000	25,000
13	<b>008. Magoffin County Fiscal Court - Rescue Squad Building - Construction</b>			
14	Restricted Funds	-0-	45,000	35,000
15	<b>009. Magoffin County Fiscal Court - Senior Citizens Building - Reconstruction</b>			
16	Restricted Funds	-0-	25,000	-0-
17	<b>010. Magoffin County Fiscal Court - Sheriff's Department - Purchase Cruisers</b>			
18	Restricted Funds	75,000	-0-	-0-
19	<b>011. Magoffin County Fiscal Court - Sheriff's Office - Equipment</b>			
20	Restricted Funds	-0-	10,000	-0-
21	<b>Martin County</b>			
22	<b>001. Martin County Fiscal Court - Martin County Community Center - Security</b>			
23	System			
24	Restricted Funds	-0-	25,000	-0-
25	<b>002. Martin County Fiscal Court - Sheriff Law Enforcement - Equipment</b>			
26	Restricted Funds	-0-	50,000	-0-
27	<b>003. Martin County Fiscal Court - Spec Building</b>			

1	Restricted Funds	-0-	1,500,000	-0-
2	<b>McCreary County</b>			
3	<b>001. McCreary County Fiscal Court - Park Site Development</b>			
4	Restricted Funds	80,923	-0-	-0-
5	<b>McLean County</b>			
6	<b>001. McLean County Fiscal Court - Myer Creek - Program and Construction</b>			
7	Restricted Funds	-0-	63,000	-0-
8	<b>Menifee County</b>			
9	<b>001. Menifee County Board of Education - HOPE - Abstinence Education</b>			
10	Restricted Funds	-0-	5,000	5,000
11	<b>002. Menifee County Fiscal Court - Develop of Recreational Horse Trail</b>			
12	Restricted Funds	-0-	-0-	20,000
13	<b>003. Menifee County Fiscal Court - Gateway House Homeless Shelter</b>			
14	Restricted Funds	-0-	2,000	2,000
15	<b>004. Menifee County Fiscal Court - Jailer's Office - Transport Vehicle</b>			
16	Restricted Funds	-0-	9,000	-0-
17	<b>005. Menifee County Fiscal Court - Park Pool - Improvements</b>			
18	Restricted Funds	-0-	20,000	-0-
19	<b>006. Menifee County Fiscal Court - Purchase Ambulance</b>			
20	Restricted Funds	-0-	7,000	-0-
21	<b>007. Menifee County Fiscal Court - Purchase and Install Heating/Cooling in</b>			
22	Ambulance Building			
23	Restricted Funds	-0-	11,000	-0-
24	<b>008. Menifee County Fiscal Court - Remodel Wellness Building</b>			
25	Restricted Funds	-0-	25,000	-0-
26	<b>009. Menifee County Fiscal Court - Sheriff's Department - Equipment and</b>			
27	Upgrades			

1	Restricted Funds	-0-	20,000	-0-
2	<b>010.</b> Menifee County Sheriff's - Purchase Hybrid 4-Wheel Vehicle			
3	Restricted Funds	-0-	30,000	-0-
4	<b>011.</b> Menifee County Sheriff's Department - Purchase Uniforms and Equipment			
5	Restricted Funds	5,000	5,000	5,000
6	<b>012.</b> Menifee County Sheriff's Department - Purchase Vehicle			
7	Restricted Funds	-0-	-0-	22,000
8	<b>013.</b> Menifee County Sheriff's Department - Remodeling Crime Watch Programs			
9	Building			
10	Restricted Funds	-0-	40,000	-0-
11	<b>Morgan County</b>			
12	<b>001.</b> Morgan County Board of Education - HOPE - Abstinence Education			
13	Restricted Funds	-0-	5,000	5,000
14	<b>002.</b> Morgan County Board of Education - Morgan County High School - Day			
15	Treatment Drug Program			
16	Restricted Funds	-0-	50,000	50,000
17	<b>003.</b> Morgan County Fiscal Court - Capitol Construction - Athletic Complex			
18	Restricted Funds	-0-	-0-	50,000
19	<b>004.</b> Morgan County Fiscal Court - Gateway House Homeless Shelter			
20	Restricted Funds	-0-	2,000	2,000
21	<b>005.</b> Morgan County Sheriff's Department - Sheriff's Department - Vehicle			
22	Purchase			
23	Restricted Funds	-0-	30,000	-0-
24	<b>Muhlenberg County</b>			
25	<b>001.</b> City of Bremen - Fire Department - Equipment Purchase			
26	Restricted Funds	-0-	10,000	-0-
27	<b>002.</b> City of Central City - Fire Department Equipment			

1	Restricted Funds	-0-	10,000	-0-
2	<b>003. City of Drakesboro - Repair City Building</b>			
3	Restricted Funds	-0-	73,900	-0-
4	<b>004. City of Greenville - Downtown Sidewalk Match</b>			
5	Restricted Funds	-0-	50,000	-0-
6	<b>005. City of Greenville - Fire Department Equipment</b>			
7	Restricted Funds	-0-	10,000	-0-
8	<b>006. City of Greenville - Muhlenberg Community Theater - Debt Service or</b>			
9	Improvements			
10	Restricted Funds	-0-	25,000	-0-
11	<b>007. City of Greenville - Waterwell Drilling and Infrastructure</b>			
12	Restricted Funds	-0-	40,000	-0-
13	<b>008. City of Powderly - Sewage Treatment Upgrade/Police Department Upgrade</b>			
14	Restricted Funds	-0-	10,000	-0-
15	<b>009. City of South Carrollton - Construct/Replace Sidewalks</b>			
16	Restricted Funds	-0-	50,000	-0-
17	<b>010. Muhlenberg County Fiscal Court - Agricultural Center - Roof Repair</b>			
18	Restricted Funds	-0-	27,000	-0-
19	<b>011. Muhlenberg County Fiscal Court - Airport - Terminal Renovations</b>			
20	Restricted Funds	-0-	40,000	-0-
21	<b>012. Muhlenberg County Fiscal Court - Beechmont Fire Department - Equipment</b>			
22	Purchase			
23	Restricted Funds	-0-	25,010	-0-
24	<b>013. Muhlenberg County Fiscal Court - Courthouse Renovations</b>			
25	Restricted Funds	-0-	262,966	370,235
26	<b>014. Muhlenberg County Fiscal Court - Dunmor Fire Department - Equipment</b>			
27	Purchase			

1	Restricted Funds	-0-	20,000	-0-
2	<b>015.</b> Muhlenberg County Fiscal Court - Fire Commission Match			
3	Restricted Funds	-0-	15,000	-0-
4	<b>016.</b> Muhlenberg County Fiscal Court - Graham Fire Department - Truck Purchase			
5	Restricted Funds	-0-	20,000	-0-
6	<b>017.</b> Muhlenberg County Fiscal Court - KY Fuel Associates, Inc. for			
7	Design/Engineering of Coal-To-Diesel Plant to be located in Muhlenberg			
8	County. If KFA does not receive a State Grant for \$2.5 Million, this			
9	Allocation Shall Revert to Muhlenberg County Fiscal Court for Courthouse			
10	Renovations.			
11	Restricted Funds	-0-	625,000	-0-
12	<b>018.</b> Muhlenberg County Fiscal Court - Midland Community Center Repair			
13	Restricted Funds	-0-	25,000	-0-
14	<b>019.</b> Muhlenberg County Fiscal Court - Millport Community Center Repair			
15	Restricted Funds	-0-	27,650	-0-
16	<b>020.</b> Muhlenberg County Fiscal Court - Nelson Creek Fire Department - Truck and			
17	Equipment Purchases			
18	Restricted Funds	-0-	30,000	-0-
19	<b>021.</b> Muhlenberg County Fiscal Court - Repair Dunmor Ballpark			
20	Restricted Funds	-0-	10,700	-0-
21	<b>022.</b> Muhlenberg County Fiscal Court - Replace Emergency Operation Center for			
22	911, Ambulance, and EMS			
23	Restricted Funds	-0-	375,000	375,000
24	<b>023.</b> Muhlenberg County Library Board - Muhlenberg County Libraries - Branch			
25	Library Purchase			
26	Restricted Funds	-0-	50,000	-0-
27	<b>Ohio County</b>			



1	<b>001.</b> Ohio County Fiscal Court - Bluegrass Music Tourism Project			
2	Restricted Funds	-0-	135,000	-0-
3	<b>002.</b> Ohio County Fiscal Court - City of Beaver Dam - Sports Complex			
4	Restricted Funds	-0-	50,000	-0-
5	<b>003.</b> Ohio County Fiscal Court - City of Centertown - Water Tank - Line Extension			
6	Restricted Funds	-0-	100,000	-0-
7	<b>004.</b> Ohio County Fiscal Court - City of Hartford - Wastewater Project			
8	Restricted Funds	-0-	40,000	-0-
9	<b>005.</b> Ohio County Fiscal Court - EMS - Building - Land			
10	Restricted Funds	-0-	125,000	-0-
11	<b>006.</b> Ohio County Fiscal Court - Forosville Weather Siren			
12	Restricted Funds	-0-	20,000	-0-
13	<b>007.</b> Ohio County Fiscal Court - Ohio County Sports Complex			
14	Restricted Funds	-0-	-0-	50,000
15	<b>008.</b> Ohio County Fiscal Court - Ohio County Sports Complex - Improvements			
16	Restricted Funds	-0-	40,000	-0-
17	<b>009.</b> Ohio County Fiscal Court - Park Amphitheater - Blacktop			
18	Restricted Funds	-0-	7,000	-0-
19	<b>010.</b> Ohio County Fiscal Court - Purchase Ambulance			
20	Restricted Funds	-0-	-0-	85,000
21	<b>011.</b> Ohio County Fiscal Court - Road Department - De-Icing Equipment			
22	Restricted Funds	-0-	43,300	-0-
23	<b>012.</b> Ohio County Fiscal Court - Road Department - Excavator			
24	Restricted Funds	-0-	156,000	-0-
25	<b>013.</b> Ohio County Fiscal Court - Road Department - Purchase 4x4 Truck			
26	Restricted Funds	-0-	34,000	-0-
27	<b>014.</b> Ohio County Fiscal Court - Road Department - Purchase Tractor and Mower			

1	Restricted Funds	-0-	-0-	95,000
2	<b>015. Ohio County Fiscal Court - Sports Complex - Improvements</b>			
3	Restricted Funds	50,000	-0-	-0-
4	<b>Owsley County</b>			
5	<b>001. Owsley County Board of Education - Capital Construction and Equipment -</b>			
6	<b>"The Owl"</b>			
7	Restricted Funds	50,000	-0-	-0-
8	<b>002. Owsley County Fiscal Court - Booneville City Fire Department - Equipment</b>			
9	Restricted Funds	20,000	-0-	-0-
10	<b>003. Owsley County Fiscal Court - Equipment</b>			
11	Restricted Funds	-0-	90,000	-0-
12	<b>004. Owsley County Fiscal Court - Island City Fire Department - Equipment</b>			
13	Restricted Funds	20,000	-0-	-0-
14	<b>005. Owsley County Fiscal Court - Owsley County Jail - Jail Operation</b>			
15	Restricted Funds	-0-	79,900	-0-
16	<b>006. Owsley County Fiscal Court - Owsley County Library</b>			
17	Restricted Funds	-0-	-0-	50,000
18	<b>007. Owsley County Fiscal Court - Owsley County Library - Parks - Community</b>			
19	<b>Center</b>			
20	Restricted Funds	-0-	50,000	-0-
21	<b>008. Owsley County Fiscal Court - Owsley County Parks - Community Building</b>			
22	Restricted Funds	-0-	-0-	100,000
23	<b>009. Owsley County Fiscal Court - Owsley County Senior Citizens - Senior</b>			
24	<b>Citizen Program</b>			
25	Restricted Funds	-0-	-0-	39,960
26	<b>010. Owsley County Fiscal Court - Parks</b>			
27	Restricted Funds	-0-	7,982	-0-

1	<b>011. Owsley County Fiscal Court - Senior Citizens Center - Repairs and</b>			
2	Construction			
3	Restricted Funds	80,000	-0-	-0-
4	<b>012. Owsley County Fiscal Court - Vincent Fire Department - Equipment</b>			
5	Restricted Funds	20,000	-0-	-0-
6	<b>013. Owsley County Library Board - Capital Construction</b>			
7	Restricted Funds	-0-	-0-	200,000
8	<b>Perry County</b>			
9	<b>001. City of Buckhorn - Waterline Repair</b>			
10	Restricted Funds	-0-	100,000	50,000
11	<b>002. City of Hazard - Challenger Center</b>			
12	Restricted Funds	-0-	100,000	100,000
13	<b>003. City of Hazard - Park</b>			
14	Restricted Funds	-0-	55,000	45,000
15	<b>004. City of Hazard - University Center of the Mountains</b>			
16	Restricted Funds	-0-	200,000	200,000
17	<b>005. City of Vicco - Water Bill and Water Line Repairs</b>			
18	Restricted Funds	-0-	150,000	-0-
19	<b>006. Hazard Independent Board of Education - Hazard City Schools - Facility and</b>			
20	Extra Curricular Activity Fund			
21	Restricted Funds	-0-	150,000	150,000
22	<b>007. Perry County Board of Education - Facility and Extra Curricular Activity</b>			
23	Fund			
24	Restricted Funds	-0-	150,000	150,000
25	<b>008. Perry County Fiscal Court - Adventure Tourism Initiative</b>			
26	Restricted Funds	-0-	150,000	150,000
27	<b>009. Perry County Fiscal Court - Blacktop - County Road Projects</b>			

1	Restricted Funds	-0-	650,000	625,000
2	<b>010.</b> Perry County Fiscal Court - Community Ministries Incorporated - Family			
3	Support Programs			
4	Restricted Funds	-0-	30,000	30,000
5	<b>011.</b> Perry County Fiscal Court - County Clerk's Office - Upgrades to Virtual			
6	Courthouse			
7	Restricted Funds	-0-	50,000	50,000
8	<b>012.</b> Perry County Fiscal Court - Darkfork Area Water Project			
9	Restricted Funds	-0-	30,000	-0-
10	<b>013.</b> Perry County Fiscal Court - Hospice - New Construction			
11	Restricted Funds	-0-	100,000	100,000
12	<b>014.</b> Perry County Fiscal Court - Housing Development - Alliance Matching			
13	Money for CDBG Grant			
14	Restricted Funds	-0-	100,000	-0-
15	<b>015.</b> Perry County Fiscal Court - Kentucky River Regional Animal Shelter			
16	Restricted Funds	-0-	37,000	27,000
17	<b>016.</b> Perry County Fiscal Court - Operation and Equipment Fund			
18	Restricted Funds	-0-	350,000	200,000
19	<b>017.</b> Perry County Fiscal Court - Senior Citizens - Park Improvements to Senior			
20	Citizens Program and Perry County Park			
21	Restricted Funds	-0-	250,000	250,000
22	<b>018.</b> Perry County Fiscal Court - South Perry Water Project			
23	Restricted Funds	-0-	400,000	400,000
24	<b>019.</b> Perry County Fiscal Court - Volunteer Fire Departments - Equipment and			
25	Operations			
26	Restricted Funds	-0-	130,000	130,000

27 **Pike County**

1	<b>001.</b> City of Elkhorn City - Elkhorn Art Center			
2	Restricted Funds	-0-	50,000	50,000
3	<b>002.</b> City of Elkhorn City - Elkhorn City - Police Vehicle			
4	Restricted Funds	-0-	-0-	50,000
5	<b>003.</b> City of Elkhorn City - Elkhorn City Heritage Council			
6	Restricted Funds	9,000	-0-	-0-
7	<b>004.</b> City of Elkhorn City - Elkhorn City Heritage Council - White Water Park			
8	Feasibility Study			
9	Restricted Funds	20,000	-0-	-0-
10	<b>005.</b> City of Elkhorn City - Elkhorn City Housing Development Corporation			
11	Restricted Funds	-0-	75,000	-0-
12	<b>006.</b> City of Elkhorn City - Elkhorn City Park - Pool			
13	Restricted Funds	-0-	15,000	-0-
14	<b>007.</b> City of Elkhorn City - Elkhorn City Railroad Museum - Equipment,			
15	Operating, and Improvements			
16	Restricted Funds	4,500	-0-	-0-
17	<b>008.</b> City of Elkhorn City - Elkhorn City Renaissance Program - Equipment,			
18	Operating, and Improvements			
19	Restricted Funds	15,000	-0-	-0-
20	<b>009.</b> City of Elkhorn City - Elkhorn City Senior Citizens - Room			
21	Restricted Funds	-0-	40,000	-0-
22	<b>010.</b> City of Elkhorn City - Elkhorn City Water Lines - Repair, Replace, and			
23	Restore - Equipment, Operating, and Improvements			
24	Restricted Funds	100,000	-0-	-0-
25	<b>011.</b> City of Pikeville - Bill Lykins Creek Water Project			
26	Restricted Funds	-0-	400,000	-0-
27	<b>012.</b> City of Pikeville - Bob Amos Debt Service			

1	Restricted Funds	-0-	150,000	150,000
2	<b>013.</b> City of Pikeville - Bob Amos Park - Improvements			
3	Restricted Funds	-0-	-0-	325,000
4	<b>014.</b> City of Pikeville - Buckley Creek Sewer Extensions			
5	Restricted Funds	-0-	180,000	-0-
6	<b>015.</b> City of Pikeville - City Streets - Improvements			
7	Restricted Funds	-0-	100,000	100,000
8	<b>016.</b> City of Pikeville - Hambley Field Debt			
9	Restricted Funds	-0-	200,000	150,000
10	<b>017.</b> City of Pikeville - Marion Branch Economic Development - Construction			
11	Restricted Funds	880,000	-0-	-0-
12	<b>018.</b> City of Pikeville - Marions Branch Sewer Project			
13	Restricted Funds	-0-	220,000	-0-
14	<b>019.</b> City of Pikeville - North Mayo Trail - Fire/Police Station			
15	Restricted Funds	-0-	-0-	250,000
16	<b>020.</b> City of Pikeville - Pikeville Artisan Center - Operation - Maintenance			
17	Restricted Funds	-0-	-0-	5,000
18	<b>021.</b> City of Pikeville - Police Vehicles			
19	Restricted Funds	-0-	100,000	100,000
20	<b>022.</b> City of Pikeville - Thompson Sewer Project			
21	Restricted Funds	-0-	100,000	-0-
22	<b>023.</b> Mountain Water District - Belfry - Pond Area Sewer			
23	Restricted Funds	-0-	2,000,000	850,000
24	<b>024.</b> Mountain Water District - LMI Service Connections			
25	Restricted Funds	-0-	194,600	205,400
26	<b>025.</b> Mountain Water District - Smith Fork Sewer Phase II			
27	Restricted Funds	-0-	800,000	-0-

1	<b>026.</b> Mountain Water District - Sycamore/Lower John's Creek Water Project			
2	Restricted Funds	-0-	-0-	400,000
3	<b>027.</b> Mountain Water District - Various Short Line Extensions			
4	Restricted Funds	-0-	100,000	100,000
5	<b>028.</b> Mountain Water District - Water Treatment Plant - Upgrades			
6	Restricted Funds	-0-	400,000	-0-
7	<b>029.</b> Pike County Board of Education - Belfry - Athletic Complex - Equipment,			
8	Operating; and Improvements			
9	Restricted Funds	45,000	-0-	-0-
10	<b>030.</b> Pike County Board of Education - Belfry Middle School - Operating			
11	Restricted Funds	3,205	-0-	-0-
12	<b>031.</b> Pike County Board of Education - Belfry YSC - Operating			
13	Restricted Funds	3,866	-0-	-0-
14	<b>032.</b> Pike County Board of Education - Bevins Elementary School - Operating			
15	Restricted Funds	1,577	-0-	-0-
16	<b>033.</b> Pike County Board of Education - Blackberry Elementary School - Operating			
17	Restricted Funds	1,475	-0-	-0-
18	<b>034.</b> Pike County Board of Education - Dorton Elementary School - Operating			
19	Restricted Funds	3,561	-0-	-0-
20	<b>035.</b> Pike County Board of Education - East Ridge High School - Athletic			
21	Programs			
22	Restricted Funds	45,000	-0-	-0-
23	<b>036.</b> Pike County Board of Education - East Ridge YSC - Operating			
24	Restricted Funds	6,919	-0-	-0-
25	<b>037.</b> Pike County Board of Education - Elkhorn City Elementary - Operating			
26	Restricted Funds	8,904	-0-	-0-
27	<b>038.</b> Pike County Board of Education - Feds Creek - Operating			

1	Restricted Funds	6,411	-0-	-0-
2	<b>039.</b> Pike County Board of Education - GF Johnson - Operating			
3	Restricted Funds	2,391	-0-	-0-
4	<b>040.</b> Pike County Board of Education - Johns Creek - Operating			
5	Restricted Funds	3,460	-0-	-0-
6	<b>041.</b> Pike County Board of Education - Kimper Elementary School - Operating			
7	Restricted Funds	1,679	-0-	-0-
8	<b>042.</b> Pike County Board of Education - Majestic Elementary School - Operating			
9	Restricted Funds	5,546	-0-	-0-
10	<b>043.</b> Pike County Board of Education - Millard Middle School - Operating			
11	Restricted Funds	3,968	-0-	-0-
12	<b>044.</b> Pike County Board of Education - Mullins - Operating			
13	Restricted Funds	2,646	-0-	-0-
14	<b>045.</b> Pike County Board of Education - Phelps Elementary School - Operating			
15	Restricted Funds	4,426	-0-	-0-
16	<b>046.</b> Pike County Board of Education - Phelps High School - Athletic Field -			
17	Improvements			
18	Restricted Funds	90,000	-0-	-0-
19	<b>047.</b> Pike County Board of Education - Phelps High School - Phelps History			
20	Center - Equipment, Operating, and Improvements			
21	Restricted Funds	70,000	-0-	-0-
22	<b>048.</b> Pike County Board of Education - Phelps High School Athletic Field -			
23	Improvements			
24	Restricted Funds	-0-	50,000	50,000
25	<b>049.</b> Pike County Board of Education - Phelps YSC - Operating			
26	Restricted Funds	7,326	-0-	-0-
27	<b>050.</b> Pike County Board of Education - Pike Central - Operating			



1	Restricted Funds	4,528	-0-	-0-
2	<b>051.</b> Pike County Board of Education - Pike Central High School - Athletic			
3	Complex - Equipment, Operating, and Improvements			
4	Restricted Funds	45,000	-0-	-0-
5	<b>052.</b> Pike County Board of Education - Pikeville High School - Athletic Programs			
6	Restricted Funds	45,000	-0-	-0-
7	<b>053.</b> Pike County Board of Education - Robinson Creek - Operating			
8	Restricted Funds	4,070	-0-	-0-
9	<b>054.</b> Pike County Board of Education - Runyon Elementary School - Operating			
10	Restricted Funds	3,663	-0-	-0-
11	<b>055.</b> Pike County Board of Education - Shelby Valley - Operating			
12	Restricted Funds	3,866	-0-	-0-
13	<b>056.</b> Pike County Board of Education - Southside Elementary School - Operating			
14	Restricted Funds	4,478	-0-	-0-
15	<b>057.</b> Pike County Board of Education - Virgie Middle School - Operating			
16	Restricted Funds	2,035	-0-	-0-
17	<b>058.</b> Pike County Fiscal Court - Appalachian Hospice, Inc.			
18	Restricted Funds	-0-	150,000	150,000
19	<b>059.</b> Pike County Fiscal Court - Belfry Hope - Operations			
20	Restricted Funds	-0-	25,000	-0-
21	<b>060.</b> Pike County Fiscal Court - Black Gem Park Project			
22	Restricted Funds	-0-	75,000	-0-
23	<b>061.</b> Pike County Fiscal Court - Dorton Community Center - Construction			
24	Restricted Funds	-0-	-0-	140,000
25	<b>062.</b> Pike County Fiscal Court - Dorton Fire Department			
26	Restricted Funds	-0-	20,000	-0-
27	<b>063.</b> Pike County Fiscal Court - East Kentucky Expo Center - Operations and			

1	Maintenance			
2	Restricted Funds	-0-	150,000	125,000
3	<b>064. Pike County Fiscal Court - Energy Research Center - Feasibility Study</b>			
4	Restricted Funds	-0-	-0-	150,000
5	<b>065. Pike County Fiscal Court - Fire Department - Equipment - Operations -</b>			
6	Improvements			
7	Restricted Funds	-0-	100,000	100,000
8	<b>066. Pike County Fiscal Court - Fishtrap ATV Trail</b>			
9	Restricted Funds	-0-	100,000	-0-
10	<b>067. Pike County Fiscal Court - Greasy Creek Park Project</b>			
11	Restricted Funds	-0-	50,000	50,000
12	<b>068. Pike County Fiscal Court - Hatfield and McCoy Park at McCarr</b>			
13	Restricted Funds	-0-	74,000	-0-
14	<b>069. Pike County Fiscal Court - Joe's Creek Community Center</b>			
15	Restricted Funds	-0-	10,000	-0-
16	<b>070. Pike County Fiscal Court - Kentucky Hope Incorporated - Operations</b>			
17	Restricted Funds	-0-	25,000	25,000
18	<b>071. Pike County Fiscal Court - Kimper Building Operation - Improvements -</b>			
19	Renovations			
20	Restricted Funds	-0-	100,000	100,000
21	<b>072. Pike County Fiscal Court - Kimper Fire Department - New Trucks</b>			
22	Restricted Funds	135,000	-0-	-0-
23	<b>073. Pike County Fiscal Court - KY HOPE - Equipment, Operating, and</b>			
24	Improvements			
25	Restricted Funds	50,000	-0-	-0-
26	<b>074. Pike County Fiscal Court - Long Fork Fire Department</b>			
27	Restricted Funds	-0-	5,000	5,000

1	<b>075. Pike County Fiscal Court - Phelps Fire Department - Building Expansion</b>			
2	Restricted Funds	30,000	-0-	-0-
3	<b>076. Pike County Fiscal Court - Phelps Help - Operations</b>			
4	Restricted Funds	-0-	25,000	-0-
5	<b>077. Pike County Fiscal Court - Phelps History Center - Operations -</b>			
6	Improvements and Maintenance			
7	Restricted Funds	-0-	35,000	35,000
8	<b>078. Pike County Fiscal Court - Pike County Recreational Department</b>			
9	Restricted Funds	-0-	450,000	450,000
10	<b>079. Pike County Fiscal Court - Pike County Sheriff - Vehicles</b>			
11	Restricted Funds	-0-	100,000	100,000
12	<b>080. Pike County Fiscal Court - Pikeville HOPE - Operations</b>			
13	Restricted Funds	-0-	25,000	-0-
14	<b>081. Pike County Fiscal Court - Pikeville Medical Center - Juvenile Drug</b>			
15	Treatment Program			
16	Restricted Funds	200,000	-0-	-0-
17	<b>082. Pike County Fiscal Court - PRIDE Program</b>			
18	Restricted Funds	-0-	20,000	20,000
19	<b>083. Pike County Fiscal Court - Senior Citizens - Equipment - Operations -</b>			
20	Improvements			
21	Restricted Funds	-0-	50,000	50,000
22	<b>084. Pike County Fiscal Court - Senior Citizens Program - Equipment, Operating,</b>			
23	and Improvements			
24	Restricted Funds	10,000-	-0-	-0-
25	<b>085. Pike County Fiscal Court - Shelby Creek Volunteer Rescue Squad</b>			
26	Restricted Funds	-0-	10,000	10,000
27	<b>086. Pike County Fiscal Court - Shelby Valley Fire Department - Long Fork</b>			

1	Station			
2	Restricted Funds	-0-	5,000	5,000
3	<b>087. Pike County Fiscal Court - Technology Infrastructure</b>			
4	Restricted Funds	-0-	-0-	100,000
5	<b>088. Pike County Fiscal Court - Turkey Creek Fire Department - Equipment and</b>			
6	Operations			
7	Restricted Funds	-0-	-0-	50,000
8	<b>089. Pike County Fiscal Court - US 23 at Robinson Creek Exit onto Collins</b>			
9	Highway North - Lighting and Exit Improvement			
10	Restricted Funds	-0-	-0-	50,000
11	<b>090. Pike County Fiscal Court - West Care of Pike County at Lookout - Female</b>			
12	Drug Treatment - Operations and Maintenance			
13	Restricted Funds	-0-	100,000	100,000
14	<b>Rockcastle County</b>			
15	<b>001. City of Brodhead - Brodhead Fire Department</b>			
16	Restricted Funds	-0-	10,000	8,000
17	<b>002. City of Livingston - Livingston Fire Department</b>			
18	Restricted Funds	-0-	10,000	8,000
19	<b>003. City of Mount Vernon - City Park - Construct Restrooms and Replace Sand</b>			
20	Restricted Funds	-0-	50,000	-0-
21	<b>004. City of Mount Vernon - Kentucky Music Museum Hall of Fame - Operations</b>			
22	and Promotion			
23	Restricted Funds	-0-	100,000	95,363
24	<b>005. City of Mount Vernon - Mt. Vernon Fire Department</b>			
25	Restricted Funds	-0-	10,000	8,000
26	<b>006. Rockcastle County Fiscal Court - Brindler Ridge Fire Department</b>			
27	Restricted Funds	-0-	10,000	8,000

1	<b>007.</b> Rockcastle County Fiscal Court - Courthouse - Renovations and Upgrades			
2	Restricted Funds	-0-	57,624	-0-
3	<b>008.</b> Rockcastle County Fiscal Court - Pongo Fire Department			
4	Restricted Funds	-0-	10,000	8,000
5	<b>009.</b> Rockcastle County Fiscal Court - Quail Fire Department			
6	Restricted Funds	-0-	10,000	8,000
7	<b>010.</b> Rockcastle County Fiscal Court - Rockcastle County Fire Department			
8	Restricted Funds	-0-	10,000	8,000
9	<b>Union County</b>			
10	<b>001.</b> City of Sturgis - Complete Sturgis Amphitheater, Lighting, Sound Equipment,			
11	Furnishings, Heat, and Air			
12	Restricted Funds	-0-	75,000	-0-
13	<b>002.</b> City of Sturgis - Elkwood Golf Course - Clubhouse, Parking Lot, and Storage			
14	Restricted Funds	-0-	250,000	-0-
15	<b>003.</b> City of Sturgis - Sturgis Public Library - Renovations and Expansion			
16	Restricted Funds	-0-	100,000	-0-
17	<b>004.</b> City of Uniontown - Uniontown Public Library - Renovations			
18	Restricted Funds	-0-	50,000	-0-
19	<b>005.</b> Union County Fiscal Court - Boat Dock in Caseyville at Boat Ramp in			
20	Caseyville			
21	Restricted Funds	-0-	25,000	-0-
22	<b>006.</b> Union County Fiscal Court - Central Dispatch System			
23	Restricted Funds	-0-	450,000	-0-
24	<b>007.</b> Union County Fiscal Court - Griggs - Alvey American Legion Post -			
25	Elevators for Disabled Veterans			
26	Restricted Funds	-0-	75,000	-0-
27	<b>008.</b> Union County Fiscal Court - James D. Veatch Museum - Upgrades and			

1	Maintenance			
2	Restricted Funds	30,000	30,000	-0-
3	<b>009.</b> Union County Fiscal Court - Morganfield YMCA - Renovations to			
4	Gymnasium Including HVAC			
5	Restricted Funds	-0-	250,000	-0-
6	<b>010.</b> Union County Fiscal Court - New Ambulance			
7	Restricted Funds	-0-	85,000	-0-
8	<b>011.</b> Union County Fiscal Court - Pride Community Building - Adding Showers			
9	and Other Renovations for Emergencies			
10	Restricted Funds	-0-	5,000	-0-
11	<b>012.</b> Union County Fiscal Court - Purchase Seven Acres of Property and Develop			
12	Small Business Incubator			
13	Restricted Funds	100,000	-0-	-0-
14	<b>013.</b> Union County Fiscal Court - Sturgis Amphitheater - Sound Equipment, Roof			
15	Upgrade, and Seating Refurbishing			
16	Restricted Funds	50,000	-0-	-0-
17	<b>014.</b> Union County Fiscal Court - Various Land Acquisitions			
18	Restricted Funds	-0-	300,000	-0-
19	<b>015.</b> Union County Fiscal Court - Walking Bridge in Waverly			
20	Restricted Funds	-0-	25,000	-0-
21	<b>016.</b> Union County Fiscal Court - Walking Trail from Senior Citizens Center			
22	Through Legion Park			
23	Restricted Funds	-0-	60,000	-0-
24	<b>017.</b> Union County Fiscal Court - West Kentucky Regional Energy Team			
25	Restricted Funds	-0-	10,000	-0-
26	<b>Webster County</b>			
27	<b>001.</b> City of Clay - Park Improvements			

1	Restricted Funds	-0-	35,000	-0-
2	<b>002.</b> City of Dixon - Baker Park - Improvements			
3	Restricted Funds	-0-	35,000	-0-
4	<b>003.</b> City of Dixon - Burnt Mill Road - Water Line Extension			
5	Restricted Funds	25,000	-0-	-0-
6	<b>004.</b> City of Dixon - Lighting for City Park Soccer Field			
7	Restricted Funds	40,000	-0-	-0-
8	<b>005.</b> City of Providence - Debt Service to KIA - Water and Sewer Plant			
9	Restricted Funds	250,000	-0-	-0-
10	<b>006.</b> City of Providence - Fire Station Repair			
11	Restricted Funds	50,000	-0-	-0-
12	<b>007.</b> City of Providence - Purchase Fire Truck			
13	Restricted Funds	200,000	-0-	-0-
14	<b>008.</b> City of Providence - Water and Sewer Debt Service - KIA Loan - A90-01-			
15	A90-015-F00-08			
16	Restricted Funds	-0-	200,000	250,000
17	<b>009.</b> City of Providence - Westerfield Park - Improvements - Equipment			
18	Restricted Funds	-0-	75,000	-0-
19	<b>010.</b> City of Sebree - Park Improvements			
20	Restricted Funds	-0-	35,000	-0-
21	<b>011.</b> City of Sebree - Water Tower and Lines to Replace Damaged Lines			
22	Restricted Funds	-0-	250,000	250,000
23	<b>012.</b> City of Slaughters - Waterline Upgrade, Repairs, and Expansion			
24	Restricted Funds	-0-	100,000	-0-
25	<b>013.</b> City of Wheatcroft - City Park Improvements and Equipment			
26	Restricted Funds	25,000	-0-	-0-
27	<b>014.</b> City of Wheatcroft - Fire Department Building			

1	Restricted Funds	50,000	-0-	-0-
2	<b>015.</b> Webster County Economic Development Corporation - Revolving Loan Fund			
3	- Energy Projects			
4	Restricted Funds	-0-	500,000	-0-
5	<b>016.</b> Webster County Fiscal Court - Blackford Bridge Park and Building			
6	Restricted Funds	-0-	50,000	-0-
7	<b>017.</b> Webster County Fiscal Court - Deer Creek and East Fork, Clean, and Snag for			
8	Damage Due to Ice Storm			
9	Restricted Funds	-0-	-0-	250,000
10	<b>018.</b> Webster County Fiscal Court - Lower Tradewater Conservancy, Clean and			
11	Snag for Damage Done During Ice Storm			
12	Restricted Funds	-0-	150,000	-0-
13	<b>019.</b> Webster County Fiscal Court - Sebree Riverport Entrance - Improvements			
14	Restricted Funds	-0-	250,000	-0-
15	<b>020.</b> Webster County Fiscal Court - Webster County Emergency Management			
16	Agency - Equipping Permanent Emergency Operations Center			
17	Restricted Funds	-0-	10,000	-0-
18	<b>021.</b> Webster County Fiscal Court - Webster County Firefighters Ladder Truck			
19	Restricted Funds	150,000	-0-	-0-
20	<b>022.</b> Webster County Fiscal Court - Webster County Hoover Line Property Fund			
21	Restricted Funds	-0-	48,750	-0-
22	<b>023.</b> Webster County Fiscal Court - West Kentucky Regional Energy Team			
23	Restricted Funds	-0-	10,000	-0-
24	<b>024.</b> Webster County Water District - Infrastructure Improvements Phase II			
25	(WX21233076)			
26	Restricted Funds	296,000	-0-	-0-

27 **Whitley County**



1	<b>001.</b> City of Corbin - Safe Routes to School Sidewalks			
2	Restricted Funds	-0-	140,000	-0-
3	<b>002.</b> City of Williamsburg - Construction - New City Hall			
4	Restricted Funds	-0-	-0-	160,000
5	<b>003.</b> Whitley County Fiscal Court - Various Projects in Whitley County - Public			
6	Health and Safety - Public Infrastructure - and Public Facilities and Other			
7	Projects #4			
8	Restricted Funds	-0-	48,000	48,000
9	<b>004.</b> Whitley County Fiscal Court - Various Projects in Whitley County - Public			
10	Health and Safety - Public Infrastructure - and Public Facilities, and Other			
11	Projects #1			
12	Restricted Funds	-0-	48,000	48,000
13	<b>005.</b> Whitley County Fiscal Court - Various Projects in Whitley County - Public			
14	Health and Safety - Public Infrastructure - and Public Facilities, and Other			
15	Projects #2			
16	Restricted Funds	-0-	56,198	36,966
17	<b>006.</b> Whitley County Fiscal Court - Various Projects in Whitley County - Public			
18	Health and Safety - Public Infrastructure - and Public Facilities, and Other			
19	Projects #3			
20	Restricted Funds	-0-	48,000	48,000
21	<b>Wolfe County</b>			
22	<b>001.</b> Wolfe County Fiscal Court - Community Park			
23	Restricted Funds	-0-	135,000	-0-
24	<b>002.</b> Wolfe County Fiscal Court - Hazel Green/Lee City Volunteer Fire			
25	Department - Blacktop Parking Lot			
26	Restricted Funds	-0-	50,000	-0-
27	<b>003.</b> Wolfe County Fiscal Court - Hazel Green/Lee City Volunteer Fire			

1	Department - Electric and Gas for Heating the Building			
2	Restricted Funds	-0-	5,000	-0-
3	<b>004.</b> Wolfe County Fiscal Court - Hazel Green/Lee City Volunteer Fire			
4	Department - Heating System for Building			
5	Restricted Funds	-0-	30,000	-0-
6	<b>005.</b> Wolfe County Fiscal Court - Hazel Green/Lee City Volunteer Fire			
7	Department - Road Bore Across Route 205 for City Water			
8	Restricted Funds	-0-	20,000	-0-
9	<b>006.</b> Wolfe County Fiscal Court - Red River School - Building and Technology			
10	Improvements			
11	Restricted Funds	-0-	-0-	20,000
12	<b>007.</b> Wolfe County Fiscal Court - Repave Sandy Ridge Road			
13	Restricted Funds	-0-	37,500	-0-
14	<b>008.</b> Wolfe County Fiscal Court - Wolfe County Fire Department in Campton			
15	Restricted Funds	-0-	12,500	-0-
16	<b>009.</b> Wolfe County Fiscal Court - Wolfe County Search and Rescue Team			
17	Restricted Funds	-0-	10,000	-0-";

18 and

19 On page 204, line 13, delete "11,539,000" and insert "7,119,000"; and

20 On page 222, line 21, delete "34,917,600" and insert "30,497,600"; and

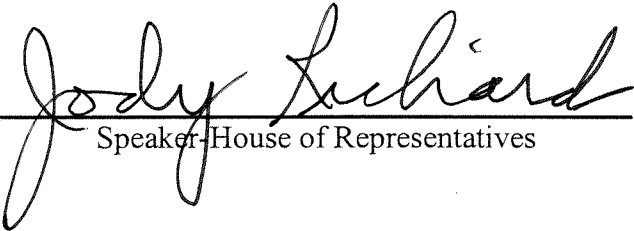
21 On page 223, after line 22, insert:

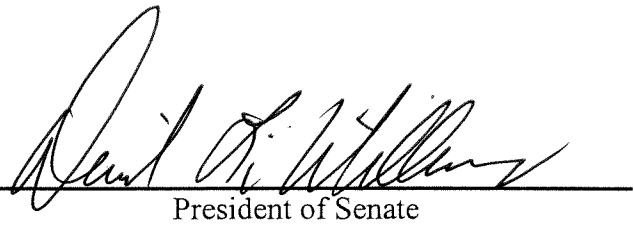
22 "b. Kentucky Infrastructure Authority -0- 4,420,000;

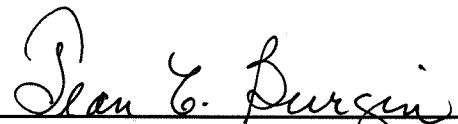
23 **(1) Infrastructure for Economic Development for Non-Coal Producing**  
 24 **Counties:** Included in the above General Fund (Tobacco) appropriation is \$4,420,000 in  
 25 fiscal year 2009-2010 for new debt service to support the new bonds as set forth in Part II,  
 26 A., 4., 005., of this Act."

27 Section 4. Whereas Section 3 of this Act amends 2008 Regular Session HB

1 406/EN, which takes effect upon its passage and approval by the Governor or upon  
2 otherwise becoming law, an emergency is declared to exist, and Section 3 of this Act  
3 takes effect upon its passage and approval by the Governor or upon otherwise becoming  
4 law.

  
\_\_\_\_\_  
Speaker House of Representatives

  
\_\_\_\_\_  
President of Senate

Attest:   
\_\_\_\_\_  
Chief Clerk of House of Representatives

Approved \_\_\_\_\_  
Governor

Date \_\_\_\_\_



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2008 REGULAR SESSION

---

HOUSE BILL NO. 514

AS ENACTED

---

TUESDAY, APRIL 15, 2008

---

RECEIVED AND FILED  
DATE April 24, 2008  
8:08 pm

---

TREY GRAYSON  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
BY R. Adler

AN ACT relating to financial matters of the Commonwealth, making an appropriation therefor, and declaring an emergency.

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

1       ➔Section 1. The provisions of 2008 Regular Session HB 406/EN are amended as  
2 follows:

3       On page 5, line 26, delete "34,917,600" and insert "28,287,600";

4       Adjust subsequent subtotals and totals accordingly;

5       On page 9, line 24, delete "57,155,100" and insert "56,989,350";

6       Adjust subsequent subtotals and totals accordingly;

7       On page 29, delete lines 14 through 23 in their entirety;

8       On page 29, line 24, delete "(4)" and insert "(2)";

9       On page 30, line 5, delete "(5)" and insert "(3)";

10      On page 30, line 11, delete "(6)" and insert "(4)";

11      On page 30, delete lines 11 through 16 and insert the following in lieu thereof:

12      **"(6) Use of Local District Capital Outlay Funds:** (a) 1. Notwithstanding KRS  
13 157.420(4) and (6), a local district may submit a request to the Commissioner of  
14 Education to use capital outlay funds for maintenance expenditures or for the purchase of  
15 property insurance in fiscal year 2008-2009 and fiscal year 2009-2010 without forfeiture  
16 of the district's participation in the School Facilities Construction Commission Program.  
17 Maintenance requests may include other priorities that are not considered major  
18 renovations, such as repair, renovation, or system upgrades that are necessary to maintain  
19 the integrity of an existing school facility; and/or

20      2. A district may submit a request to the Commissioner of Education to use  
21 funds from the per pupil capital outlay allotment to purchase land for a new school or to  
22 modify an existing school if the project is included on the district facility plan for  
23 completion within eight years. The Commissioner may grant or deny the district's request

1 at his or her discretion; and/or

2 3. A district which has experienced an increase in adjusted average daily  
3 attendance, as defined by administrative regulation, of 20 percent or more over a five year  
4 period may submit a request to the Commissioner of Education to use capital outlay funds  
5 for the operation of a new school for the first two years following its opening. The  
6 Commissioner may grant or deny the district's request at his or her discretion; and

7 (b) Notwithstanding KRS 157.615(1), capital outlay funds used for expenditures,  
8 in either fiscal year 2008-2009 or in fiscal year 2009-2010, other than those designated in  
9 KRS 157.420(4) and (5) shall be included in determining the amount of local revenue  
10 available for purposes of calculating unmet need for participation in the School Facilities  
11 Construction Commission funding. The capital outlay funds used for purposes under this  
12 paragraph shall continue to be included in the local revenue available from fiscal year to  
13 fiscal year."; and

14 On page 30, line 17, delete "(7)" and insert "(5)";

15 On page 31, line 7, delete "(8)" and insert "(6)";

16 On page 51, line 15, delete "157.621(2) and (3) for local" and insert  
17 "157.621(1)(b)2..";

18 On page 51, delete lines 16 through 21 in their entirety;

19 On page 51, line 24, delete "following eligibility" and lines 25 through 27 in their  
20 entirety and insert "requirements of KRS 157.621(2)";

21 On page 52, delete lines 1 and 2 in their entirety;

22 On page 52, line 3, delete "in KRS 157.440(1)(b)";

23 On page 52, line 12, delete "following eligibility requirements: (a)" and lines 13  
24 through 27 in their entirety and insert "requirements of KRS 157.621(3).";

25 On page 53, delete line 1;

26 On page 100, line 23, delete "59,089,800" and insert "59,466,800";

1 On page 102, line 2, delete "\$4,936,000" and insert "\$5,313,000";

2 On page 102, line 26, delete "The \$50,000,000" and insert "Included in the  
3 \$57,500,000";

4 On page 103, line 1, delete ", shall be used" and insert "is \$50,000,000";

5 On page 103, line 3, after "section" insert ", and \$7,500,000 for the University of  
6 Louisville to support translational research";

7 On page 103, after line 12, insert the following:

8 "(c) Translational research is research and related activities that have significant  
9 potential to address identified problems through the applied transfer of knowledge to  
10 improve the health and welfare of Kentuckians and by so doing increase the economic  
11 vitality of the Commonwealth. Notwithstanding KRS 164.7917(2), the University of  
12 Louisville shall utilize its Proof of Concept Grant Fund Review Process to identify the  
13 research projects qualified for investment of translational research funds and submit  
14 approved projects to the Council on Postsecondary Education. The Council on  
15 Postsecondary Education shall distribute funds appropriated for translational research in  
16 paragraph (a) of this subsection to the University of Louisville to support the approved  
17 projects. Notwithstanding KRS 164.7917(2), a translational research award under this  
18 subsection shall not be subject to a requirement for matching funds.";

19 On page 127, line 3, before the word "Heritage", insert "Research Capital Match  
20 Program Pool of the Research Challenge Trust Fund";

21 On page 136, line 16, delete "157.621" and insert "157.621(1)(c)";

22 On page 144, line 14, delete "50,000,000" and insert "57,500,000" in lieu thereof;

23 On page 184, after line 27, insert:

24 "**025. Construct Licking Valley Center Phase II - Maysville CTC Reauthorization**  
25 **(\$3,459,000 Restricted Funds and \$1,500,000 Other Funds)";**

26 On page 196, line 5, delete "183,557,900" and insert "191,117,400";

27 On page 218, line 12, delete "\$5,157,000" and insert "\$6,535,000";



1 On page 219, line 14, delete ";"

2 On page 219, after line 14, insert the following:

3 " 12. Renovate Downtown Campus Phase II - Jefferson CTC

4 Bond Funds \$28,612,000

5 13. Construct Business Continuance Datacenter - Morehead State University

6 Bond Funds \$2,500,000;"

7 On page 223, line 9, delete "18,498,225" and insert "11,868,225 in fiscal year 2009-  
8 2010".

9 ➔Section 2. The provisions of 2008 Regular Session HB 410/EN are amended as  
10 follows:

11 On page 9, line 1, delete "4,420,000" and insert "6,630,000";

12 Adjust subsequent subtotals and totals accordingly;

13 On page 9, line 2, delete "6,892,100" and insert "7,997,100";

14 On page 9, line 6, delete "9,554,000" and insert "6,239,000";

15 On page 9, line 8, delete "4,420,000" and insert "6,630,000";

16 On page 9, line 10, delete "46,642,800" and insert "46,256,050";

17 On page 9, line 19, delete "Water and Sewer Resources" and insert "Infrastructure  
18 for Economic";

19 On page 9, line 20, after "Counties.", insert on the next line:

20 **"(29) Infrastructure for Economic Development Fund for Coal-Producing**  
21 **Counties - 2008-2010:** Notwithstanding KRS 42.4582 and 42.4585, the quarterly  
22 calculation and transfer of moneys from the General Fund to the Local Government  
23 Economic Development Fund shall be made only after each quarterly installment of the  
24 annual appropriation of \$1,105,000 in fiscal year 2009-2010 is appropriated to the  
25 Kentucky Infrastructure Authority budget unit, to provide General Fund debt service to  
26 support newly authorized bonds for the Infrastructure for Economic Development Fund  
27 for Coal-Producing Counties.";

1 On page 10, line 9, delete "50,000,000" and insert "75,000,000";

2 On page 10, line 15, delete "100,000,000" and insert "150,000,000";

3 On page 47, line 23, delete "Scamatics" and insert "Schematics";

4 On page 59, line 8, delete "not";

5 On page 62, line 20, delete "Extra Curricular" and insert "Extracurricular";

6 On page 62, line 22, delete "Extra Curricular" and insert "Extracurricular";

7 On page 77, line 19, delete "7,119,000" and insert "4,909,000";

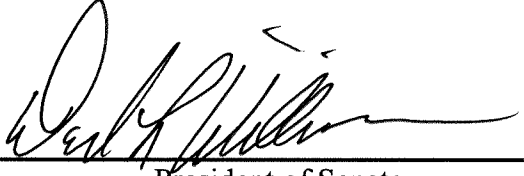
8 On page 77, line 20, delete "30,497,600" and insert "28,287,600";

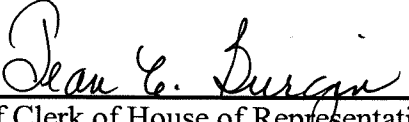
9 On page 77, line 22, delete "4,420,000" and insert "6,630,000"; and

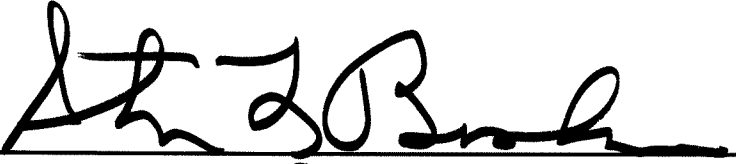
10 On page 77, line 24, delete "4,420,000" and insert "6,630,000".

11 ➔Section 3. Whereas this Act amends 2008 Regular Session HB 406/EN, which  
12 takes effect upon its passage and approval by the Governor or upon otherwise becoming  
13 law, an emergency is declared to exist and this Act takes effect upon its passage and  
14 approval by the Governor or upon otherwise becoming law.

  
\_\_\_\_\_  
Speaker-House of Representatives

  
\_\_\_\_\_  
President of Senate

Attest:   
\_\_\_\_\_  
Chief Clerk of House of Representatives

Approved   
\_\_\_\_\_  
Governor

Date April 24, 2008

This page intentionally left blank

**VETO MESSAGE FROM THE**  
**GOVERNOR OF THE COMMONWEALTH OF KENTUCKY**  
**REGARDING HOUSE BILL 608 OF THE**  
**2008 REGULAR SESSION**

*I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:*

Page 13, line 3, of House Bill 608: "Waste" and "(SX21177010)".

*I am vetoing this part because, according to the Representative and Senator for the district covering Central City, Kentucky, this language was erroneously included in House Bill 608 as a result of a technical drafting error which essentially changed the project from a "water treatment plant expansion" to a "wastewater treatment plant expansion". The Kentucky Infrastructure Authority is being directed to work with the affected community to determine what is needed.*

This the 28<sup>th</sup> day of April, 2008



Steven L. Beshear, Governor

RECEIVED AND FILED  
DATE April 28, 2008  
10:59 Am  
\_\_\_\_\_  
TREY GRAYSON  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
BY R. Adler

This page intentionally left blank



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2008 REGULAR SESSION

---

HOUSE BILL NO. 608

AS ENACTED

---

TUESDAY, APRIL 15, 2008

---

AN ACT relating to projects and declaring an emergency.

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

1       ➔Section 1. The following Infrastructure for Economic Development Fund for  
2 Coal-Producing Counties projects shall be funded from the \$75,000,000 Bond Pool  
3 authorization identified in Part II, A., 4., 004., of 2008 Regular Session HB 406 as  
4 amended by 2008 Regular Session HB 410 and 514:

5	<b>Fiscal Years</b>	<b>2008-09</b>	<b>2009-10</b>
6	<b>Bell County</b>		
7	<b>001.</b> Bell County Fiscal Court - IP Sewer and Water Infrastructure		
8	Bond Funds	1,000,000	-0-
9	<b>002.</b> City of Middlesboro - Noetown Sewer Rehabilitation/Binghamtown Ps		
10	Rehabilitation (SX21013148)		
11	Bond Funds	450,000	-0-
12	<b>003.</b> Pineville Utility Commission - Rehabilitation - Replacement and/or Extension		
13	of Waterlines		
14	Bond Funds	900,000	-0-
15	<b>Boyd County</b>		
16	<b>001.</b> Big Sandy Water District - Fire Hydrant - Purchase and Rehab in Big Sandy		
17	and East Fork District Area - Upgrade to Interconnect with City of Ashland		
18	Bond Funds	200,000	-0-
19	<b>002.</b> Boyd County Fiscal Court - Phase IV Sewer Infrastructure - Improvements -		
20	Marsh Hill Pump Station and Force Main Project and Other Sewer System		
21	Upgrades		
22	Bond Funds	250,000	-0-
23	<b>003.</b> Boyd County Fiscal Court - Sewer Infrastructure - Improvements - Marsh Hill		
24	Pump Station and Force Main Project and Other Sewer System Upgrades		
25	Bond Funds	750,000	-0-



1	<b>004.</b> Boyd County Sanitation District II - Sewer System - Line Extension -		
2	Improvements		
3	Bond Funds	150,000	-0-
4	<b>005.</b> Boyd County Sanitation District II - Sewer System - Line Extension -		
5	Improvements		
6	Bond Funds	350,000	-0-
7	<b>006.</b> Cannonsburg Water District - Water Tank Upgrade/Refurbish and Other		
8	Waterline - System Improvements		
9	Bond Funds	250,000	-0-
10	<b>Breathitt County</b>		
11	<b>001.</b> Breathitt County Fiscal Court - Hwy 30 West Project		
12	Bond Funds	750,000	-0-
13	<b>002.</b> Breathitt County Water District - Hwy 15 South (Watts) Extension		
14	(WX21025004)		
15	Bond Funds	1,600,000	-0-
16	<b>Carter County</b>		
17	<b>001.</b> Carter County Fiscal Court - Rattlesnake Ridge - Water and Sewer Lines		
18	Bond Funds	300,000	-0-
19	<b>002.</b> City of Grayson - US 60 East to Damron Mayo Subdivision (SX21043005)		
20	Bond Funds	550,000	-0-
21	<b>003.</b> City of Olive Hill - Blueberry Ridge Road (SX21043010)		
22	Bond Funds	450,000	-0-
23	<b>004.</b> City of Olive Hill - Facility Plan Update and Feasibility Study to Serve		
24	Pleasant Valley (SX21043026)		
25	Bond Funds	85,000	-0-
26	<b>005.</b> City of Olive Hill - Line Extensions and Upgrades (WX21043025)		
27	Bond Funds	415,000	-0-

1 **Clay County**

2	<b>001.</b> City of Manchester - Muddy Gap Sewer Extension		
3	Bond Funds	125,000	-0-
4	<b>002.</b> City of Manchester - Pennington Hill Tank (WX21051049)		
5	Bond Funds	800,000	-0-
6	<b>003.</b> City of Manchester - Sewer or Water Plant Expansion (WX21051542)		
7	Bond Funds	500,000	-0-
8	<b>004.</b> City of Manchester - Water Treatment Plant Expansion Project		
9	(WX21051542)		
10	Bond Funds	1,000,000	-0-
11	<b>005.</b> Clay County Fiscal Court - Countywide Waterline Extensions (WX21051541)		
12	Bond Funds	250,000	-0-
13	<b>006.</b> Clay County Fiscal Court - Gilberts Creek/Elisha Creek Waterline Extension		
14	(WX21051541)		
15	Bond Funds	100,000	-0-

16 **Crittenden County**

17	<b>001.</b> City of Marion - Wastewater Extension Phase I (SX21055002)		
18	Bond Funds	600,000	-0-
19	<b>002.</b> City of Marion - Water and Sewer Repairs and Extensions		
20	Bond Funds	500,000	-0-
21	<b>003.</b> City of Marion - Water Distribution Upgrade 2 (WX21055003)		
22	Bond Funds	450,000	-0-
23	<b>004.</b> Crittenden-Livingston County Water District - Debt Retirement		
24	Bond Funds	300,000	-0-

25 **Daviess County**

26	<b>001.</b> City of Whitesville - Edge Road Waterline Extension (WX21059029)		
27	Bond Funds	12,000	-0-

1	<b>002.</b> City of Whitesville - Sewer Rehabilitation (SX21059018)		
2	Bond Funds	42,000	-0-
3	<b>003.</b> City of Whitesville - Sewer System Upgrade		
4	Bond Funds	225,000	-0-
5	<b>004.</b> City of Whitesville - Treatment Plant Upgrade (SX21059008)		
6	Bond Funds	32,000	-0-
7	<b>005.</b> East Daviess County Water Association - Operations Center		
8	Bond Funds	225,000	-0-
9	<b>006.</b> Owensboro Municipal Utilities - Replace Undersized and Aging Water Mains		
10	Bond Funds	225,000	-0-
11	<b>007.</b> Regional Water Resource Agency - Subdivision Sewer Extensions		
12	Bond Funds	151,000	-0-
13	<b>008.</b> Southeast Daviess County Water District - Water Tank Construction Project		
14	Bond Funds	225,000	-0-
15	<b>009.</b> West Daviess County Water District - Water Tank Construction Project		
16	Bond Funds	225,000	-0-
17	<b>010.</b> West Daviess County Water District - West Louisville Tank Replacement		
18	(WX21059022)		
19	Bond Funds	488,000	-0-
20	<b>Elliott County</b>		
21	<b>001.</b> Rattlesnake Ridge Water District - Phase VIII Waterline - Water System -		
22	Line Extensions - Upgrades and Other Additions - Enhancements and		
23	Upgrades		
24	Bond Funds	500,000	-0-
25	<b>002.</b> Sandy Hook Sewer District - Sewer System Upgrades - Line Extensions and		
26	Maintenance		
27	Bond Funds	250,000	-0-

1	<b>003.</b> Sandy Hook Water District - Waterline - Water System - Upgrades and Line		
2	Extensions - Including GPS Mapping Mandates and Other Capital		
3	Improvements		
4	Bond Funds	600,000	-0-
5	<b>004.</b> Sandy Hook Water District - Waterline - Water System Upgrades and Line		
6	Extensions - Including GPS Mapping Mandates and Other Capital		
7	Improvements		
8	Bond Funds	500,000	-0-
9	<b>Floyd County</b>		
10	<b>001.</b> Floyd County Fiscal Court - Floyd County Fire Hydrants		
11	Bond Funds	30,000	-0-
12	<b>002.</b> Floyd County Fiscal Court - Floyd County Waterline Replacement - Harold		
13	to Little Mud		
14	Bond Funds	30,000	-0-
15	<b>003.</b> Floyd County Fiscal Court - Harold KY Area - Sewer Plant and Line		
16	Expansion		
17	Bond Funds	1,000,000	-0-
18	<b>004.</b> Floyd County Fiscal Court - Wheelwright Water Plant - Water Source - Water		
19	Line Extension		
20	Bond Funds	290,000	-0-
21	<b>005.</b> Floyd County Fiscal Court - Wheelwright Water Plant - Water Source and		
22	Waterline Extensions		
23	Bond Funds	310,000	-0-
24	<b>006.</b> Wheelwright Utility Commission - Water Treatment Plant Improvements		
25	(WX21071903)		
26	Bond Funds	860,000	-0-
27	<b>Hancock County</b>		

1	<b>001. City of Hawesville - Hawesville - Water and Sewer Improvements</b>		
2	Bond Funds	625,000	-0-
3	<b>002. City of Lewisport - Lewisport - Water and Sewer Improvements</b>		
4	Bond Funds	625,000	-0-
5	<b>003. Hancock County Fiscal Court - Gatewood Area System Improvements</b>		
6	Bond Funds	600,000	-0-
7	<b>Harlan County</b>		
8	<b>001. Black Mountain Utility District - Baxter/Ross Point Sewer Phase II</b>		
9	Bond Funds	250,000	-0-
10	<b>002. Black Mountain Utility District - Wallins Waterline Extension/Expansion</b>		
11	Bond Funds	250,000	-0-
12	<b>003. Harlan County Fiscal Court - Black Mountain Water District - Holmes Mill -</b>		
13	Waterline Extension		
14	Bond Funds	1,150,000	-0-
15	<b>004. Harlan County Fiscal Court - Greenhill Water District - Woodward Water</b>		
16	Project		
17	Bond Funds	200,000	-0-
18	<b>005. Harlan County Fiscal Court - IP Water and Sewer Infrastructure</b>		
19	Bond Funds	1,000,000	-0-
20	<b>Henderson County</b>		
21	<b>001. City of Henderson - Improvement of Drainage and Flow of Waters in Canoe</b>		
22	Creek in and Around City and County		
23	Bond Funds	1,350,000	-0-
24	<b>002. Henderson County Fiscal Court - Water and Sewer Extensions or Repairs</b>		
25	Bond Funds	1,000,000	-0-
26	<b>Hopkins County</b>		
27	<b>001. City of Hanson - Sewer System Improvements Phase II (SX21107003)</b>		

1	Bond Funds	400,000	-0-
2	<b>002.</b> City of Madisonville - South Main Sewer Interceptor Phase 1a and 1b		
3	(SX21107008)		
4	Bond Funds	1,350,000	-0-
5	<b>003.</b> Hopkins County Fiscal Court - Various Water and Sewer Projects		
6	Bond Funds	600,000	-0-
7	<b>Jackson County</b>		
8	<b>001.</b> City of McKee - Sewer Plant		
9	Bond Funds	500,000	-0-
10	<b>002.</b> Jackson County Fiscal Court - Various Waterlines		
11	Bond Funds	500,000	-0-
12	<b>003.</b> Jackson County Fiscal Court - Waterline - Hisel Road, Sturgeon Creek Road,		
13	Dry Branch Road, Terrells Creek Road, Zekes Point Road, Little Wild Dog		
14	Road, Gravel Lick Road, Hog Camp Road, Walkers Branch, Herd Springs, 89		
15	North Toward McKee from Drip Rock, and 89 South to County Line		
16	Bond Funds	850,000	-0-
17	<b>Johnson County</b>		
18	<b>001.</b> City of Paintsville - Sewer Line Connections - Abandoned Package Plants		
19	Bond Funds	250,000	-0-
20	<b>002.</b> Paintsville Utility Commission - Burchett Hollow and Dogwood Fork North		
21	Road		
22	Bond Funds	77,842	-0-
23	<b>003.</b> Paintsville Utility Commission - Green Rock Fork, Greasy Branch Road, O.		
24	Ratliff Road, Asa Creek, Cantrells Fork, and Frozen Branch		
25	Bond Funds	189,247	-0-
26	<b>004.</b> Paintsville Utility Commission - KY 1092 Sparks Branch		
27	Bond Funds	113,528	-0-

1	<b>005.</b> Paintsville Utility Commission - Miscellaneous Short Line Connection		
2	Bond Funds	191,383	-0-
3	<b>006.</b> Paintsville Utility Commission - New Water Treatment Plant (WX21115001)		
4	Bond Funds	750,000	-0-
5	<b>007.</b> Paintsville Utility Commission - Oil Springs Hargis, James Bayes Road,		
6	Pigeon Creek Road, Conley Cemetery Road, and J. Webb Branch Road		
7	Bond Funds	828,000	-0-
8	<b>Knott County</b>		
9	<b>001.</b> Knott County Water and Sewer District - Various Waterline Extension		
10	Projects		
11	Bond Funds	1,000,000	-0-
12	<b>002.</b> Troublesome Creek Environmental Authority - Sewage Treatment Project -		
13	Ball Creek		
14	Bond Funds	1,425,000	-0-
15	<b>Knox County</b>		
16	<b>001.</b> City of Barbourville - Water Project		
17	Bond Funds	400,000	-0-
18	<b>002.</b> City of Barbourville - Water Pumping Project		
19	Bond Funds	385,000	-0-
20	<b>003.</b> City Utilities Commission of Corbin - KY 1232 Barbourville Road Sanitary		
21	Sewer Line Extension (SX21121509)		
22	Bond Funds	700,000	-0-
23	<b>004.</b> City Utilities Commission of Corbin - Sanitary Sewer Line Extension to		
24	Bradford Park (SX21121508)		
25	Bond Funds	300,000	-0-
26	<b>005.</b> Knox County Fiscal Court - Water Tank (WX21121533)		
27	Bond Funds	100,000	-0-

1	<b>006.</b> Knox County Utility Commission - Stinking Creek Waterlines		
2	Bond Funds	375,000	-0-
3	<b>007.</b> Knox County Utility Commission - Water Project		
4	Bond Funds	575,000	-0-
5	<b>008.</b> Knox Utility Commission - Fire Hydrant Replacement and Construction on		
6	Hwy 11		
7	Bond Funds	15,000	-0-
8	<b>Laurel County</b>		
9	<b>001.</b> City of London Utility Commission - Collection Sewer Extensions for 19		
10	Unserved Areas Within The City of London (SX21125182)		
11	Bond Funds	302,900	-0-
12	<b>002.</b> East Laurel Water District - Wastewater Line Extension #1 (SX21125301)		
13	Bond Funds	375,000	-0-
14	<b>003.</b> Laurel County Fiscal Court - Lay New 6" Main Starting on Hammons Lane		
15	into Sublimity Springs Subdivision		
16	Bond Funds	125,000	-0-
17	<b>004.</b> Laurel County Water District #2 - Water Storage Facility Improvement		
18	Project (WX21125555)		
19	Bond Funds	100,000	-0-
20	<b>005.</b> Wood Creek Water District - 20 Inch Waterline to West Laurel Water		
21	Association		
22	Bond Funds	62,100	-0-
23	<b>006.</b> Wood Creek Water District - System Improvement #8 (WX21125534)		
24	Bond Funds	660,000	-0-
25	<b>007.</b> Wood Creek Water District - Watershed Protection Project #1 (WX21125542)		
26	Bond Funds	250,000	-0-
27	<b>Lawrence County</b>		



1	<b>001.</b> Big Sandy Water District - Route 3 and Other Line Extensions and		
2	Improvements		
3	Bond Funds	1,000,000	-0-
4	<b>002.</b> Lawrence County Fiscal Court - Cynthia Chapel Sewer Project - Sewer Line		
5	Extensions and Other Sewer Line Additions - Sewer System Upgrades and		
6	Improvements		
7	Bond Funds	600,000	-0-
8	<b>003.</b> Lawrence County Fiscal Court - Sewer System - Sewer Line Extensions -		
9	Upgrades - Additions and Improvements		
10	Bond Funds	250,000	-0-
11	<b>004.</b> Rattlesnake Ridge Water District - Phase VIII - Water System - Line		
12	Extensions - Upgrades - Additions - Improvements and Other Enhancements		
13	Bond Funds	500,000	-0-
14	<b>Lee County</b>		
15	<b>001.</b> City of Beattyville - Sewer Project		
16	Bond Funds	500,000	-0-
17	<b>002.</b> City of Beattyville - Water and Sewage - Various Water and Sewer Lines		
18	Bond Funds	1,350,000	-0-
19	<b>Leslie County</b>		
20	<b>001.</b> City of Hyden - Wastewater Project Hwy 80 and 421		
21	Bond Funds	250,000	-0-
22	<b>002.</b> Hyden/Leslie County Water District - Grassy Waterline Extensions		
23	(WX21131008)		
24	Bond Funds	500,000	-0-
25	<b>003.</b> Hyden/Leslie County Water District - Hell for Certain Water Project		
26	(WX21131007)		
27	Bond Funds	750,000	-0-



1	Bond Funds	1,000,000	-0-
2	<b>Martin County</b>		
3	001. Martin County Fiscal Court - Martin County Water		
4	Bond Funds	1,350,000	-0-
5	002. Martin County Fiscal Court - Warfield Sewer		
6	Bond Funds	1,000,000	-0-
7	<b>Menifee County</b>		
8	001. Cave Run Water District - Various Water and Sewer Projects		
9	Bond Funds	1,037,390	-0-
10	002. City of Frenchburg - Indian Creek and Water Tank Rehabilitation Project		
11	Bond Funds	75,000	-0-
12	003. City of Frenchburg - Indian Creek and Water Tank Rehabilitation Project		
13	(WX21165002)		
14	Bond Funds	75,000	-0-
15	004. Menifee County Fiscal Court - Payment of Installation of Waterlines - Peter		
16	Trace and Cornwell Branch		
17	Bond Funds	226,360	-0-
18	005. Menifee County Gateway Area Development District - Regional Water		
19	Interconnect - Match/Debt Retirement		
20	Bond Funds	11,250	-0-
21	<b>Morgan County</b>		
22	001. City of West Liberty - Water and Sewer Expansion		
23	Bond Funds	250,000	-0-
24	002. Morgan County Fiscal Court - Various Water and Sewer Projects		
25	Bond Funds	1,327,500	-0-
26	003. Morgan County Gateway Area Development District - Regional Water		
27	Interconnect - Match/Debt Retirement		

1	Bond Funds	22,500	-0-
2	<b>Muhlenberg County</b>		
3	001. City of Central City - Wastewater Treatment Plant Expansion (SX21177010)		
4	Bond Funds	1,550,000	-0-
5	002. Muhlenberg County Fiscal Court - Various Water and Sewer Projects		
6	Bond Funds	700,000	-0-
7	003. Muhlenberg County Water District #1 - Telemetry System Replacement		
8	Bond Funds	100,000	-0-
9	<b>Ohio County</b>		
10	001. Ohio County Fiscal Court - City of Centertown - Water Project		
11	Bond Funds	500,000	-0-
12	002. Ohio County Fiscal Court - City of Hartford - Sewer Intrusion Project		
13	Bond Funds	625,000	-0-
14	003. Ohio County Fiscal Court - Narrows - Waterline Extension		
15	Bond Funds	125,000	-0-
16	004. Ohio County Fiscal Court - Ohio County Regional Water District - Treatment		
17	Plant and Line Connections		
18	Bond Funds	550,000	-0-
19	005. Ohio County Fiscal Court - Ohio County Regional Water District - New		
20	Wastewater Plant and Line Connection		
21	Bond Funds	200,000	-0-
22	006. Ohio County Fiscal Court - Sewer Project Across North Side of Rough River		
23	Bond Funds	100,000	-0-
24	<b>Owsley County</b>		
25	001. City of Booneville - Water and Sewer Expansion		
26	Bond Funds	250,000	-0-
27	002. Owsley County Water District - Waterline Upgrades		

1	Bond Funds	579,000	-0-
2	<b>003. Owsley County Water District - Waterlines - Farra Drive - Southeast Owsley</b>		
3	County Near Perry		
4	Bond Funds	821,000	-0-
5	<b>Perry County</b>		
6	<b>001. Perry County Fiscal Court - North Perry Water - Various Projects</b>		
7	Bond Funds	150,000	-0-
8	<b>002. Perry County Fiscal Court - North Perry Water Project</b>		
9	Bond Funds	350,000	-0-
10	<b>003. Perry County Fiscal Court - South Perry Water - Various Projects</b>		
11	Bond Funds	1,350,000	-0-
12	<b>004. Perry County Fiscal Court - South Perry Water Project</b>		
13	Bond Funds	1,000,000	-0-
14	<b>Pike County</b>		
15	<b>001. City of Pikeville - Telemetry Equipment</b>		
16	Bond Funds	100,000	-0-
17	<b>002. Mountain Water District - Long Fork Road - Virgie - Indian Creek Area -</b>		
18	Sewer Project		
19	Bond Funds	1,400,000	-0-
20	<b>003. Mountain Water District - Short Line Water Extensions</b>		
21	Bond Funds	1,300,000	-0-
22	<b>004. Mountain Water District - Telemetry Equipment</b>		
23	Bond Funds	200,000	-0-
24	<b>005. Mountain Water District - Waterline Extensions</b>		
25	Bond Funds	150,000	-0-
26	<b>Rockcastle County</b>		
27	<b>001. City of Brodhead - Replacing and Upgrading Waterlines</b>		

1	Bond Funds	225,000	-0-
2	<b>002. City of Livingston - Replacing, Upgrading, and Extension of Waterlines</b>		
3	Bond Funds	225,000	-0-
4	<b>003. City of Mount Vernon - Sewer Line Extension - Sewer Plant</b>		
5	Bond Funds	913,700	-0-
6	<b>004. Rockcastle County Fiscal Court - Eastern Rockcastle Water Association - KY</b>		
7	Hwy 1955 Water Storage Tank		
8	Bond Funds	136,300	-0-
9	<b>005. Rockcastle County Fiscal Court - Eastern Rockcastle Water Association -</b>		
10	Waterline Improvements		
11	Bond Funds	200,000	-0-
12	<b>006. Rockcastle County Fiscal Court - Western Rockcastle Water Association -</b>		
13	Waterline Improvements - Upgrading Waterlines and Meter Reading		
14	Equipment		
15	Bond Funds	200,000	-0-
16	<b>Union County</b>		
17	<b>001. City of Morganfield - Various Water and Sewer Lines</b>		
18	Bond Funds	300,000	-0-
19	<b>002. City of Sturgis - Various Water and Sewer Lines</b>		
20	Bond Funds	300,000	-0-
21	<b>003. City of Uniontown - Various Water and Sewer Lines</b>		
22	Bond Funds	300,000	-0-
23	<b>004. City of Waverly - Various Water and Sewer Lines</b>		
24	Bond Funds	100,000	-0-
25	<b>005. Union County Fiscal Court - Various Water and Sewer Lines</b>		
26	Bond Funds	350,000	-0-
27	<b>006. Union County Fiscal Court - Water and Sewer Extensions or Repairs</b>		

1	Bond Funds	1,000,000	-0-
2	<b>Webster County</b>		
3	<b>001. City of Clay - Waterline Repair - Upgrades - Expansions</b>		
4	Bond Funds	250,000	-0-
5	<b>002. City of Providence - Sewer Line Repair - Improvements - Expansion</b>		
6	Bond Funds	350,000	-0-
7	<b>003. City of Sebree - Water Tank - Repairs - Improvements</b>		
8	Bond Funds	360,000	-0-
9	<b>004. City of Slaughters - Waterline Repair - Upgrades - Expansion</b>		
10	Bond Funds	130,000	-0-
11	<b>005. Webster County Fiscal Court - Dixon Sewer Upgrades - Rehab Pump Stations</b>		
12	Bond Funds	230,000	-0-
13	<b>006. Webster County Fiscal Court - Sewer Rehab Equipment - Camera and Related</b>		
14	Equipment Stored by City of Sebree		
15	Bond Funds	30,000	-0-
16	<b>007. Webster County Fiscal Court - Water and Sewer Extensions or Repairs</b>		
17	Bond Funds	1,000,000	-0-
18	<b>Whitley County</b>		
19	<b>001. Whitley County Fiscal Court - Golddust Lane Waterline</b>		
20	Bond Funds	50,000	-0-
21	<b>002. Whitley County Fiscal Court - Mud Creek Road Waterline</b>		
22	Bond Funds	152,000	-0-
23	<b>003. Whitley County Fiscal Court - Sewer Project</b>		
24	Bond Funds	1,065,000	-0-
25	<b>004. Whitley County Water District - Meadow Creek - Tackett Creek Expansion</b>		
26	Project (WX21235432)		
27	Bond Funds	1,148,000	-0-

1 **Wolfe County**2 **001.** City of Campton - Various Water and Sewer Projects

3 Bond Funds 500,000 -0-

4 **002.** City of Campton - Water Plant - Various Water and Sewer Projects

5 Bond Funds 675,000 -0-

6 **003.** Wolfe County Fiscal Court - Various Water and Sewer Projects

7 Bond Funds 675,000 -0-

8 ➔Section 2. The following Infrastructure for Economic Development Fund for  
 9 Non-Coal Producing Counties projects shall be funded from the \$150,000,000 Bond Pool  
 10 authorization identified in Part II, A., 4., 005., of 2008 Regular Session HB 406 as  
 11 amended by 2008 Regular Session HB 410 and 514:

12 <b>Fiscal Years</b>	<b>2008-09</b>	<b>2009-10</b>
------------------------	----------------	----------------

13 **Adair County**

14 **001.** Adair County Water District - Columbia Bypass Transmission Main and  
 15 Storage Tank (WX21001016)

16 Bond Funds 1,225,000 -0-

17 **002.** City of Columbia - Parkview Subdivision Sewer Extension (SX21001012)

18 Bond Funds 273,000 -0-

19 **Allen County**20 **001.** Allen County Fiscal Court - Various Waterline Extensions

21 Bond Funds 72,000 -0-

22 **002.** City of Scottsville - Allen County Library Water Improvement Project

23 Bond Funds 7,500 -0-

24 **003.** City of Scottsville - Bluegrass Drive Sewer

25 Bond Funds 145,000 -0-

26 **004.** City of Scottsville - Computer Mapping and Scanning (SX21003025)

27 Bond Funds 25,000 -0-



1	<b>005.</b> City of Scottsville - Sewer Lines to Future Industrial Property		
2	Bond Funds	100,000	-0-
3	<b>006.</b> City of Scottsville - Sewer Plant Improvements (SX21003027)		
4	Bond Funds	250,000	-0-
5	<b>007.</b> City of Scottsville - Spring Valley Sewer Extension Project (SX21003026)		
6	Bond Funds	250,000	-0-
7	<b>008.</b> City of Scottsville - Wastewater Treatment Plant Improvements		
8	(SX21003027)		
9	Bond Funds	500,000	-0-
10	<b>Anderson County</b>		
11	<b>001.</b> South Anderson Water District - Phase VII Expansions (WX21005004)		
12	Bond Funds	1,800,000	-0-
13	<b>Ballard County</b>		
14	<b>001.</b> City of Barlow - New Sewage Treatment Plant and Collection System		
15	Rehabilitation (SX21007011)		
16	Bond Funds	450,000	-0-
17	<b>002.</b> City of Kevil - Sewer Repair to Stop III (SX21007004)		
18	Bond Funds	450,000	-0-
19	<b>003.</b> City of La Center - Water System Improvements (WX21007017)		
20	Bond Funds	300,000	-0-
21	<b>Barren County</b>		
22	<b>001.</b> Barren County Fiscal Court - Various Water and Sewer Projects		
23	Bond Funds	540,000	-0-
24	<b>002.</b> Caveland Environmental Authority - Duke Street (WX21009024)		
25	Bond Funds	256,000	-0-
26	<b>003.</b> Caveland Environmental Authority - Hwy 90 East - Trailer Park		
27	Bond Funds	460,000	-0-

1	<b>004.</b> Glasgow Water Company - Beaver Creek Water Draft Improvements		
2	(WX21009027)		
3	Bond Funds	240,000	-0-
4	<b>005.</b> Glasgow Water Company - Sanitary Sewer for Hwy 90 West - Barren County		
5	Board of Education (SX21009036)		
6	Bond Funds	500,000	-0-
7	<b>006.</b> Glasgow Water Company - Wastewater Improvement - Austin Tracy School		
8	(SX21009023)		
9	Bond Funds	350,000	-0-
10	<b>007.</b> Glasgow Water Company - Wastewater Treatment Plant Improvement		
11	(SX21009038)		
12	Bond Funds	600,000	-0-
13	<b>008.</b> Green River Water District - Improvements of Waterlines in Barren County		
14	Bond Funds	210,000	-0-
15	<b>Bath County</b>		
16	<b>001.</b> Bath County Water District - Interconnect Project (WX21011017)		
17	Bond Funds	206,250	-0-
18	<b>002.</b> City of Owingsville - US 60 East - Wyoming Road Elementary School Project		
19	Bond Funds	350,000	-0-
20	<b>003.</b> City of Owingsville - US 60 East - Wyoming Road A6 Extension Project		
21	(SX21011009)		
22	Bond Funds	450,000	-0-
23	<b>004.</b> Gateway Area Development District - Regional Water Interconnect -		
24	Match/Debt Retirement		
25	Bond Funds	18,750	-0-
26	<b>005.</b> Sharpsburg Water District - Water Sales Machine Project (WX21011023)		
27	Bond Funds	5,000	-0-

1	006. Sharpsburg Water District - Water Tank Project (WX21011022)		
2	Bond Funds	720,000	-0-
3	<b>Boone County</b>		
4	001. Boone County Fiscal Court - Big Bone Church Road Water Extension -		
5	Stetter Road		
6	Bond Funds	605,000	-0-
7	002. Boone County Fiscal Court - KY 338 - Big Bone Church Road		
8	Bond Funds	400,000	-0-
9	003. Boone County Fiscal Court - Merrell Road Waterline Extension		
10	Bond Funds	150,000	-0-
11	004. Boone County Fiscal Court - Petersburg Rural Water Project (WX21015401)		
12	Bond Funds	1,200,000	-0-
13	005. Boone County Fiscal Court - Williams Road - Merrell Road Phase II		
14	Bond Funds	350,000	-0-
15	006. Boone County Fiscal Court - Williams Road - Merrell Road Phase III		
16	Bond Funds	350,000	-0-
17	007. Boone County Fiscal Court - Williams Road to Merrell Road Waterline		
18	Extension		
19	Bond Funds	150,000	-0-
20	<b>Bourbon County</b>		
21	001. Bourbon County Fiscal Court - City of Millersburg - Various Waterlines		
22	Bond Funds	25,000	-0-
23	002. Bourbon County Fiscal Court - City of Paris - Centerville Sewer Project		
24	(SX21017009)		
25	Bond Funds	425,000	-0-
26	003. Bourbon County Fiscal Court - Paris and Bourbon County Industrial Park		
27	Wastewater Expansion (SX21017003)		

1	Bond Funds	485,000	-0-
2	<b>004.</b> City of North Middletown - North Middletown Sewer System (SX21017012)		
3	Bond Funds	105,000	-0-
4	<b>005.</b> City of Paris - Bourbon County Industrial Park Water Expansion		
5	(WX21017006)		
6	Bond Funds	245,000	-0-
7	<b>006.</b> City of Paris - Bourbon Hills Sanitary Sewer Collection Project		
8	(SX21017006)		
9	Bond Funds	252,900	-0-
10	<b>007.</b> City of Paris - Bourbon Hills Sanitary Sewer Collection Project Phase II		
11	(SX21017011)		
12	Bond Funds	147,900	-0-
13	<b>008.</b> City of Paris - US 68 Bypass Water Transmission Main Extension		
14	(WX21017007)		
15	Bond Funds	220,000	-0-
16	<b>Boyle County</b>		
17	<b>001.</b> City of Danville - Spear's Creek Pump Sanitary Lagoon Construction		
18	(SX21021010)		
19	Bond Funds	450,000	-0-
20	<b>002.</b> City of Danville - Spear's Creek Pump Station (SX21021010)		
21	Bond Funds	550,000	-0-
22	<b>003.</b> City of Danville - Various Water or Sewer Projects		
23	Bond Funds	500,000	-0-
24	<b>Bracken County</b>		
25	<b>001.</b> Bracken County Water District - Phase I County Cleanup (WX21023027)		
26	Bond Funds	1,000,000	-0-
27	<b>002.</b> Bracken County Water District - Phase II County Cleanup (WX21023028)		

1	Bond Funds	250,000	-0-
2	<b>Breckinridge County</b>		
3	<b>001. Breckinridge County Fiscal Court - Waterline Extensions</b>		
4	Bond Funds	700,000	-0-
5	<b>002. City of Cloverport - Water and Sewer Extensions and Improvements</b>		
6	Bond Funds	100,000	-0-
7	<b>003. City of Hardinsburg - McQuady Phase III Waterline Extensions</b>		
8	(WX21027017)		
9	Bond Funds	450,000	-0-
10	<b>004. City of Hardinsburg - Water and Sewer Extensions and Improvements</b>		
11	Bond Funds	100,000	-0-
12	<b>005. City of Irvington - Water and Sewer Extensions and Improvements</b>		
13	Bond Funds	100,000	-0-
14	<b>006. Ohio County Water District - Line Extension (Priority Two)</b>		
15	Bond Funds	250,000	-0-
16	<b>Bullitt County</b>		
17	<b>001. Bullitt County Fiscal Court - Barrelton Hill Road (WX21029004)</b>		
18	Bond Funds	60,000	-0-
19	<b>002. Bullitt County Fiscal Court - Booster Pump Station for Weavers Run</b>		
20	(WX21029018)		
21	Bond Funds	60,000	-0-
22	<b>003. Bullitt County Fiscal Court - Fisher Road (WX21029056)</b>		
23	Bond Funds	30,000	-0-
24	<b>004. Bullitt County Fiscal Court - Samuels Court (WX21029170)</b>		
25	Bond Funds	30,000	-0-
26	<b>005. Bullitt County Fiscal Court - Sewer Line Repair</b>		
27	Bond Funds	150,000	-0-

1	<b>006.</b> Bullitt County Fiscal Court - Skyview Road (WX21029176)		
2	Bond Funds	60,000	-0-
3	<b>007.</b> Bullitt County Fiscal Court - Water and Sewer Extensions and Improvements		
4	Bond Funds	100,000	-0-
5	<b>008.</b> Bullitt County Water District - Various Water Project Installations		
6	Bond Funds	700,000	-0-
7	<b>009.</b> City of Lebanon Junction - Water and Sewer Extensions and Improvements		
8	Bond Funds	100,000	-0-
9	<b>010.</b> City of Mount Washington - Sewer Work		
10	Bond Funds	1,000,000	-0-
11	<b>011.</b> City of Shepherdsville - Installation on Sewers		
12	Bond Funds	1,000,000	-0-
13	<b>Butler County</b>		
14	<b>001.</b> Butler County Fiscal Court - Hwy 1683 Fire Protection (WX21031038)		
15	Bond Funds	320,000	-0-
16	<b>002.</b> Butler County Fiscal Court - Logansport Tank Replacement (WX21031030)		
17	Bond Funds	300,000	-0-
18	<b>003.</b> Butler County Fiscal Court - Small Diameter Waterline Extension and		
19	Replacement (WX21031035)		
20	Bond Funds	450,000	-0-
21	<b>004.</b> Butler County Fiscal Court - Water Treatment Plant Emergency Backup		
22	Power System (WX21031033)		
23	Bond Funds	430,000	-0-
24	<b>005.</b> City of Morgantown - Water Tank Replacement or Improvements		
25	Bond Funds	200,000	-0-
26	<b>Caldwell County</b>		
27	<b>001.</b> Caldwell County Fiscal Court - Water and Sewer Repairs and Line Extensions		

1	Bond Funds	300,000	-0-
2	<b>002. Caldwell County Water District - Waterline Extensions</b>		
3	Bond Funds	500,000	-0-
4	<b>003. Princeton Water and Wastewater Commission - Automated Meter System</b>		
5	Bond Funds	600,000	-0-
6	<b>004. Princeton Water and Wastewater Commission - Inflow and Infiltration Study</b>		
7	of Sanitary Sewer System		
8	Bond Funds	350,000	-0-
9	<b>Calloway County</b>		
10	<b>001. Bendefield Water Association - Bendefield Consumers Interconnect</b>		
11	(WX21035015)		
12	Bond Funds	155,000	-0-
13	<b>002. Calloway County Fiscal Court - Center Ridge #1 - ABS Pipeline Replacement</b>		
14	(WX21035021)		
15	Bond Funds	290,000	-0-
16	<b>003. Center Ridge Water District #4 - Line Rehabilitation (WX21035016)</b>		
17	Bond Funds	190,000	-0-
18	<b>004. City of Hazel - Hazel Overflow Reduction</b>		
19	Bond Funds	60,000	-0-
20	<b>005. City of Murray - Murray Southwest Water Tank (WX21035017)</b>		
21	Bond Funds	1,011,000	-0-
22	<b>006. City of Murray - Murray Waterline Extension to Serve Industrial Park</b>		
23	(WX21035010)		
24	Bond Funds	280,000	-0-
25	<b>007. City of Murray - Poor Farm Road Waterline (WX21035010)</b>		
26	Bond Funds	100,000	-0-
27	<b>008. City of Murray - US 641 - Hwy 80 Industrial Park Sewer Project</b>		

1	(SX21035009)		
2	Bond Funds	250,000	-0-
3	<b>009.</b> City of Murray - US 641 - Hwy 80 Sewer Extension (SX21035009)		
4	Bond Funds	100,000	-0-
5	<b>010.</b> Dexter-Almo Heights Water District - Brinn Road Interconnect		
6	(WX21035025)		
7	Bond Funds	144,000	-0-
8	<b>011.</b> Murray Water District #2 - Hicks Cemetery and Cherry Corner Road		
9	Extension (WX21035020)		
10	Bond Funds	220,000	-0-
11	<b>Campbell County</b>		
12	<b>001.</b> City of Bellevue - Storm Water Infrastructure		
13	Bond Funds	200,000	-0-
14	<b>002.</b> City of Dayton - Water and Sewer		
15	Bond Funds	200,000	-0-
16	<b>003.</b> City of Newport - Miscellaneous Storm Water Infrastructure		
17	Bond Funds	600,000	-0-
18	<b>004.</b> City of Southgate - Sewer and Storm Water Infrastructure		
19	Bond Funds	100,000	-0-
20	<b>005.</b> City of Wilder - St. Johns Sewer Lines		
21	Bond Funds	100,000	-0-
22	<b>006.</b> Northern Kentucky Water District - 2006 Campbell County		
23	Unserved/Underserved System Improvements - Koenig (WX21037203)		
24	Bond Funds	1,000,000	-0-
25	<b>007.</b> Northern Kentucky Water District - Campbell County System Improvements		
26	(WX21037203)		
27	Bond Funds	1,200,000	-0-



1	<b>008. Northern Kentucky Water District - Campbell County Unserved/Underserved</b>		
2	System Improvements (WX21037203)		
3	Bond Funds	750,000	-0-
4	<b>Carlisle County</b>		
5	<b>001. Carlisle County Sanitation District #1 - Wastewater Treatment Plant Surge</b>		
6	Basin (SX21039001)		
7	Bond Funds	600,000	-0-
8	<b>002. City of Arlington - AC Main Replacement (WX21039016)</b>		
9	Bond Funds	350,000	-0-
10	<b>003. City of Arlington - Emergency Sewer Repair</b>		
11	Bond Funds	60,000	-0-
12	<b>004. City of Bardwell - Hillcrest Subdivision Extension (SX21039007)</b>		
13	Bond Funds	85,000	-0-
14	<b>005. City of Bardwell - Water Tank and District System Project (WX21039015)</b>		
15	Bond Funds	300,000	-0-
16	<b>006. Cunningham Water District - Line Replacement Phase I (WX21039023)</b>		
17	Bond Funds	155,000	-0-
18	<b>Carroll County</b>		
19	<b>001. Carroll County Water District - 2007 Capacity Upgrade (WX21041303)</b>		
20	Bond Funds	350,000	-0-
21	<b>002. Carroll County Water District - Capacity Upgrade 2007 (WX21041303)</b>		
22	Bond Funds	200,000	-0-
23	<b>003. City of Carrollton - Regional Wastewater Treatment Plant (SX21041200)</b>		
24	Bond Funds	350,000	-0-
25	<b>Casey County</b>		
26	<b>001. Casey County Water District - Various Water Projects</b>		
27	Bond Funds	375,000	-0-

1	<b>002.</b> City of Liberty - Water Plant Expansion and Force Main (WX21045004)		
2	Bond Funds	400,000	-0-
3	<b>003.</b> East Casey County Water District - Campbellsville Interconnection and Pump		
4	Station		
5	Bond Funds	120,000	-0-
6	<b>004.</b> East Casey County Water District - System Improvements #1		
7	Bond Funds	980,000	-0-
8	<b>Christian County</b>		
9	<b>001.</b> Christian County Fiscal Court - HWEA Butler Road - Sewer Extension		
10	(SX21047016)		
11	Bond Funds	300,000	-0-
12	<b>002.</b> Christian County Fiscal Court - HWEA Butler Road - Sewer Extension		
13	(SX21047016)		
14	Bond Funds	100,000	-0-
15	<b>003.</b> Christian County Fiscal Court - HWEA Russellville Road - Sewer Extension		
16	(SX21047018)		
17	Bond Funds	200,000	-0-
18	<b>004.</b> Christian County Fiscal Court - HWEA Russellville Road - Sewer Extension		
19	(SX21047018)		
20	Bond Funds	350,000	-0-
21	<b>005.</b> Christian County Water District - Various Water Projects		
22	Bond Funds	800,000	-0-
23	<b>006.</b> City of Oak Grove - Construct Interconnecting Water Transmission Line		
24	Bond Funds	300,000	-0-
25	<b>007.</b> Hopkinsville Water Environment Authority - Moss Water Treatment Plant		
26	Upgrade and Expansion (WX21047028)		
27	Bond Funds	1,000,000	-0-

1	<b>008.</b> Hopkinsville Water Environment Authority - US 41A Water Main		
2	Improvement and Interconnect Project (WX21047013)		
3	Bond Funds	350,000	-0-
4	<b>Clark County</b>		
5	<b>001.</b> City of Winchester - Various Water/Sewer Projects		
6	Bond Funds	900,000	-0-
7	<b>002.</b> Clark County Fiscal Court - East Clark Water District Schoolville Road,		
8	Mina Station, and Stewarts Mill (WX21049021)		
9	Bond Funds	525,000	-0-
10	<b>003.</b> Clark County Fiscal Court - Water and Sewer Project		
11	Bond Funds	925,000	-0-
12	<b>004.</b> Winchester Municipal Utilities - Colby Hills Sanitary Sewer Improvements		
13	(SX21049019)		
14	Bond Funds	450,000	-0-
15	<b>Clinton County</b>		
16	<b>001.</b> City of Albany - Duvall Valley Water System Improvements (WX21053006)		
17	Bond Funds	250,000	-0-
18	<b>002.</b> City of Albany - Waterline Extensions		
19	Bond Funds	350,000	-0-
20	<b>003.</b> City of Albany - Waterline Extensions		
21	Bond Funds	600,000	-0-
22	<b>Cumberland County</b>		
23	<b>001.</b> City of Burkesville - Water Treatment Plant Project		
24	Bond Funds	1,150,000	-0-
25	<b>002.</b> Cumberland County Fiscal Court - Waterline Expansion		
26	Bond Funds	110,000	-0-
27	<b>Edmonson County</b>		

1	<b>001.</b> Edmonson County Water District - Water Service to New Customers		
2	(WX21061025)		
3	Bond Funds	700,000	-0-
4	<b>002.</b> Edmonson County Water\Sewer District - Phase II Collection System		
5	(SX21061005)		
6	Bond Funds	750,000	-0-
7	<b>Estill County</b>		
8	<b>001.</b> City of Irvine - Estill County Regional Wastewater System (SX21065005)		
9	Bond Funds	900,000	-0-
10	<b>Fayette County</b>		
11	<b>001.</b> Lexington-Fayette Urban-County Government - Expansion Area 2a Class A		
12	Pump Station and Trunk Sewer (SX21067006)		
13	Bond Funds	3,100,000	-0-
14	<b>002.</b> Lexington-Fayette Urban-County Government - Leesway Neighborhood		
15	Underserved Areas		
16	Bond Funds	600,000	-0-
17	<b>Fleming County</b>		
18	<b>001.</b> City of Flemingsburg - Fox Spring Avenue - Waterline Replacement		
19	(WX21069024)		
20	Bond Funds	200,000	-0-
21	<b>002.</b> City of Flemingsburg - Water Upgrades (WX21069016)		
22	Bond Funds	450,000	-0-
23	<b>003.</b> Fleming County Water Association - Loops (WX21069012)		
24	Bond Funds	200,000	-0-
25	<b>004.</b> Fleming County Water Association - Loops New Waterlines (WX21069012)		
26	Bond Funds	300,000	-0-
27	<b>005.</b> Fleming County Water Association - Waterline Upgrade - KY 111 Near		

1	Hillsboro (WX21069020)		
2	Bond Funds	350,000	-0-
3	<b>006. Western Fleming County Water District - Raw Water Pump Station Upgrade</b>		
4	(WX21069011)		
5	Bond Funds	150,000	-0-
6	<b>Franklin County</b>		
7	<b>001. City of Frankfort - Frankfort Sewer Department - Holmes Street - Contract III</b>		
8	A-2 (SX21073017)		
9	Bond Funds	733,000	-0-
10	<b>002. Farmdale Sanitation District - New .75 Million Gallons A Day Wastewater</b>		
11	Treatment Plant (SX21073029)		
12	Bond Funds	550,000	-0-
13	<b>003. Farmdale Water District - Water Tank (WX21073010)</b>		
14	Bond Funds	992,000	-0-
15	<b>004. Frankfort Plant Board - Bain Moore Hill - Red Bridge Waterline Extension</b>		
16	Phase II (WX21073009)		
17	Bond Funds	100,000	-0-
18	<b>005. Frankfort Plant Board - Peaks Mill Road Second Feed Project (WX21073007)</b>		
19	Bond Funds	225,000	-0-
20	<b>006. Peaks Mill Water District - Peaks Mill US 127 Loop Water Project</b>		
21	Bond Funds	550,000	-0-
22	<b>Fulton County</b>		
23	<b>001. City of Fulton - Municipal Water System - Line Replacement (WX21075007)</b>		
24	Bond Funds	245,000	-0-
25	<b>002. City of Hickman - Davis Park Project (WX21075011)</b>		
26	Bond Funds	250,000	-0-
27	<b>003. City of Hickman - Sewer Rehabilitation (SX21075007)</b>		

1	Bond Funds	500,000	-0-
2	<b>004. City of Hickman - Water Treatment Plant Rehabilitation (WX21075005)</b>		
3	Bond Funds	5,000	-0-
4	<b>Gallatin County</b>		
5	<b>001. City of Glencoe - Sewer Line Extension I-71 Exit</b>		
6	Bond Funds	200,000	-0-
7	<b>002. City of Warsaw - Sewer Line Extension Scenic View Subdivision</b>		
8	Bond Funds	500,000	-0-
9	<b>Garrard County</b>		
10	<b>001. City of Berea - Berea Water and Sewer Line Improvements</b>		
11	Bond Funds	85,000	-0-
12	<b>002. City of Lancaster - Sewer Line</b>		
13	Bond Funds	506,750	-0-
14	<b>003. City of Lancaster - Sewer Line Extension - Glenmore Estates (SX21079010)</b>		
15	Bond Funds	450,000	-0-
16	<b>004. City of Lancaster - Utility Security Improvements Part B</b>		
17	Bond Funds	85,000	-0-
18	<b>005. Garrard County Water Association - Extension 12</b>		
19	Bond Funds	85,000	-0-
20	<b>006. Garrard County Water Association - Waterline Service</b>		
21	Bond Funds	129,000	-0-
22	<b>007. Kirksville Water Association - Hwy 1295 Waterline Extension - Garrard</b>		
23	County		
24	Bond Funds	139,000	-0-
25	<b>008. Kirksville Water Association - Waterline</b>		
26	Bond Funds	189,500	-0-
27	<b>Grant County</b>		

1	<b>001. City of Corinth - Marathon Drive Sewer Line Extension (SX21081901)</b>		
2	Bond Funds	500,000	-0-
3	<b>002. Grant County Fiscal Court - Waterline Extensions to Two Unserved Areas</b>		
4	Bond Funds	50,000	-0-
5	<b>003. Grant County Sanitary Sewer District - Grant County Sewer Extension Phase</b>		
6	I (SX21081303)		
7	Bond Funds	250,000	-0-
8	<b>004. Grant County Sanitary Sewer District - Grant County Sewer Extension Phase</b>		
9	I (SX21081303)		
10	Bond Funds	400,000	-0-
11	<b>Graves County</b>		
12	<b>001. City of Mayfield - Mayfield/Graves County Regional Water - 1,000,000</b>		
13	Gallon Tank (WX21083044)		
14	Bond Funds	1,050,000	-0-
15	<b>002. City of Wingo - Complete Water Treatment Plant Improvements</b>		
16	Bond Funds	200,000	-0-
17	<b>003. Graves County Fiscal Court - Bendefield Water Association Consumer</b>		
18	Merger		
19	Bond Funds	55,000	-0-
20	<b>004. Graves County Fiscal Court - Flyover Graves County/Mayfield Aerial Photo</b>		
21	Bond Funds	75,000	-0-
22	<b>005. Graves County Fiscal Court - Holifield Heights - Replace Treatment Facility</b>		
23	(SX21083026)		
24	Bond Funds	75,000	-0-
25	<b>006. Graves County Fiscal Court - Mayfield Interconnect - Hardman and Mayfield</b>		
26	Electric Water System (WX21083010)		
27	Bond Funds	400,000	-0-

1	<b>007.</b> Hickory Water District - Graves County Fiscal Court - Extend Line to Start at		
2	Hwy 1241 and End at Hwy 849		
3	Bond Funds	350,000	-0-
4	<b>008.</b> Symsonia Water District - Graves County Fiscal Court - Storage Tank, Wells,		
5	and Filler House		
6	Bond Funds	595,000	-0-
7	<b>Grayson County</b>		
8	<b>001.</b> City of Leitchfield - Grayson County High School Area Sewers/Maple Leaf		
9	Estates (SX21085005)		
10	Bond Funds	750,000	-0-
11	<b>002.</b> City of Leitchfield - Raw Water Intake (WX21085021)		
12	Bond Funds	200,000	-0-
13	<b>003.</b> Grayson County Water District - Project 17 Line Extensions (WX21085019)		
14	Bond Funds	740,000	-0-
15	<b>Green County</b>		
16	<b>001.</b> Green County Fiscal Court - Green - Taylor Water District Project		
17	Bond Funds	175,000	-0-
18	<b>002.</b> Green County Fiscal Court - Summersville Sewer System Upgrades		
19	Bond Funds	240,000	-0-
20	<b>003.</b> Green County Fiscal Court - Taylor Water District Project		
21	Bond Funds	300,000	-0-
22	<b>004.</b> Green County Sanitation District #1 - Green County/Summersville Sewer		
23	System Improvements, Upgrade, and Expansion (SX21087002)		
24	Bond Funds	400,000	-0-
25	<b>Greenup County</b>		
26	<b>001.</b> Cannonsburg Water District - Greenup County Waterline Extensions		
27	Bond Funds	150,000	-0-



1	<b>002. City of Bellefonte - Storm/Sanitary Sewer</b>		
2	Bond Funds	81,000	-0-
3	<b>003. City of Flatwoods - 500,000 Gallon Water Tank</b>		
4	Bond Funds	300,000	-0-
5	<b>004. City of Flatwoods - Replace Pump Stations</b>		
6	Bond Funds	100,000	-0-
7	<b>005. City of Grayson - Expansion of Water or Sewer into Greenup County</b>		
8	Bond Funds	50,000	-0-
9	<b>006. City of Greenup - Interconnects of Water System With Cannonsburg Water</b>		
10	District Lines		
11	Bond Funds	50,000	-0-
12	<b>007. City of Greenup - Water Sewer Upgrades or Equipment</b>		
13	Bond Funds	200,000	-0-
14	<b>008. City of Raceland - Brown Street Collapsed Sewer Repair (SX21089058)</b>		
15	Bond Funds	20,000	-0-
16	<b>009. City of Raceland - Loop Lines for Chinn Street and Winters Drive</b>		
17	(WX21089050)		
18	Bond Funds	20,000	-0-
19	<b>010. City of Raceland - Meade Street and Turley Avenue Water Upgrade</b>		
20	(WX21089052)		
21	Bond Funds	17,000	-0-
22	<b>011. City of Raceland - System Improvement and Maintenance Project</b>		
23	(WX21089051)		
24	Bond Funds	60,000	-0-
25	<b>012. City of Raceland - Water and Sewer Upgrades and Water Park Infrastructure</b>		
26	Bond Funds	150,000	-0-
27	<b>013. City of Russell - 1,000,000 Gallon Water Tank (WX21089016)</b>		

1	Bond Funds	350,000	-0-
2	<b>014.</b> City of Russell - Greenup County Fiscal Court - Russell/Flatwoods - Russell		
3	Heights Sewer (SX21089012)		
4	Bond Funds	300,000	-0-
5	<b>015.</b> City of South Shore - Sewer Upgrades and Expansion		
6	Bond Funds	200,000	-0-
7	<b>016.</b> City of Worthington - Storm/Sanitary Sewer Rehabilitation		
8	Bond Funds	400,000	-0-
9	<b>017.</b> City of Wurtland - Refurbish Uhlen Branch Water Tank (WX21089054)		
10	Bond Funds	47,000	-0-
11	<b>018.</b> City of Wurtland - Rehabilitate and Refurbish the Chinn Street Lift Station		
12	(SX21089059)		
13	Bond Funds	55,000	-0-
14	<b>019.</b> City of Wurtland - Sewer Upgrades and Maintenance		
15	Bond Funds	200,000	-0-
16	<b>020.</b> Greenup County Fiscal Court - South Shore - McKell Branch Water and		
17	Sewer Work for Meeting Room Expansion/Renovation		
18	Bond Funds	50,000	-0-
19	<b>Hardin County</b>		
20	<b>001.</b> City of West Point - Water and Sewer Improvements (SX21093001)		
21	Bond Funds	300,000	-0-
22	<b>002.</b> Hardin County Fiscal Court - 144 Transmission Main Upgrade Project		
23	Bond Funds	300,000	-0-
24	<b>003.</b> Hardin County Fiscal Court - 1882 Transmission Main Upgrade Project		
25	Bond Funds	450,000	-0-
26	<b>004.</b> Hardin County Fiscal Court - Renovation of the City Springs Water Plant in		
27	Elizabethtown		

1	Bond Funds	1,000,000	-0-
2	<b>Harrison County</b>		
3	<b>001.</b> City of Cynthiana - Phase II Water System Improvements (WX21097002)		
4	Bond Funds	835,000	-0-
5	<b>002.</b> Harrison County Water Association - Phase 10A (East) Water Main		
6	Extensions (WX21097015)		
7	Bond Funds	820,000	-0-
8	<b>Hart County</b>		
9	<b>001.</b> City of Munfordville - Foodland (SX21099004)		
10	Bond Funds	100,000	-0-
11	<b>002.</b> City of Munfordville - Water Improvements (WX21099019)		
12	Bond Funds	150,000	-0-
13	<b>003.</b> Edmonson County Water District - Hart County Waterlines (WX21061024)		
14	Bond Funds	450,000	-0-
15	<b>004.</b> Green River Valley Water District - Hardy Valley Road 2700 Feet Water		
16	Extension Project (WX21099013)		
17	Bond Funds	60,000	-0-
18	<b>005.</b> Green River Valley Water District - Jones Schoolhouse Road Water Main		
19	Extensions (WX21099013)		
20	Bond Funds	40,000	-0-
21	<b>006.</b> Green River Valley Water District - Maxey Knob Road Pumping Station		
22	(WX21099013)		
23	Bond Funds	40,000	-0-
24	<b>007.</b> Green River Valley Water District - Walter Steward Road, Poteet Road,		
25	Eudura Road, and Northtown Water Extensions (WX21099013)		
26	Bond Funds	140,000	-0-
27	<b>008.</b> Green River Valley Water District - Water Improvement (WX21099004)		

1	Bond Funds	500,000	-0-
2	<b>009.</b> Green River Valley Water District - Water Main Extensions Magnolia Gas		
3	Storage Road (WX21099013)		
4	Bond Funds	20,000	-0-
5	<b>Henry County</b>		
6	<b>001.</b> City of Campbellsburg - Henry County Industrial Park Pump Station		
7	Bond Funds	100,000	-0-
8	<b>002.</b> City of Eminence - Wastewater Treatment Plant Expansion (SX21103001)		
9	Bond Funds	350,000	-0-
10	<b>003.</b> City of New Castle - Wastewater Line Extension (SX21103007)		
11	Bond Funds	425,000	-0-
12	<b>004.</b> City of New Castle - Wastewater Line Extension (WX21103007)		
13	Bond Funds	50,000	-0-
14	<b>005.</b> Henry County Water District #2 - KY 389 Extension (WX21103030)		
15	Bond Funds	25,000	-0-
16	<b>006.</b> Henry County Water District #2 - Pennywinkle Road Extension		
17	(WX21103031)		
18	Bond Funds	55,000	-0-
19	<b>007.</b> Henry County Water District #2 - Systemwide Betterment Project		
20	(WX21103042)		
21	Bond Funds	50,000	-0-
22	<b>008.</b> Henry County Water District #2 - Systemwide Betterment Project		
23	(WX21103042)		
24	Bond Funds	300,000	-0-
25	<b>Hickman County</b>		
26	<b>001.</b> City of Clinton - Sewer Rehabilitation (SX21105004)		
27	Bond Funds	730,000	-0-

1	<b>002. City of Columbus - Water System</b>		
2	Bond Funds	65,000	-0-
3	<b>003. City of Columbus - Water System (WX21105005)</b>		
4	Bond Funds	40,000	-0-
5	<b>004. Hickman County Fiscal Court - Clinton - Automated Metering</b>		
6	(WX21105006)		
7	Bond Funds	65,000	-0-
8	<b>Jessamine County</b>		
9	<b>001. City of Nicholasville - Alta Avenue Parallel Sewer Project (SX21113013)</b>		
10	Bond Funds	200,000	-0-
11	<b>002. City of Nicholasville - Brookview Sewer Replacement Project (SX21113014)</b>		
12	Bond Funds	400,000	-0-
13	<b>003. City of Nicholasville - Crenshaw Lane Waterline Extension (WX21113026)</b>		
14	Bond Funds	150,000	-0-
15	<b>004. City of Nicholasville - Lone Oak Sewer Extension Project (SX21113012)</b>		
16	Bond Funds	150,000	-0-
17	<b>005. City of Wilmore - Asbury College Campus Water Mains Replacement</b>		
18	(WX21113025) and (WX21113024)		
19	Bond Funds	200,000	-0-
20	<b>006. City of Wilmore - Asbury College/Fletcher Early Building Waterline</b>		
21	Replacement (WX21113025)		
22	Bond Funds	20,000	-0-
23	<b>007. City of Wilmore - System Improvements</b>		
24	Bond Funds	80,000	-0-
25	<b>008. City of Wilmore - Wilmore Wastewater System Improvements (SX21113003)</b>		
26	Bond Funds	100,000	-0-
27	<b>009. Jessamine South Elkhorn Water District - Catnip Hill Pike 1.0 Mg Elevated</b>		

1	Storage Tank (WX21113016)		
2	Bond Funds	1,000,000	-0-
3	<b>Kenton County</b>		
4	<b>001.</b> City of Covington - Covington Flood Protection Storm Sewer Project		
5	Bond Funds	300,000	-0-
6	<b>002.</b> City of Covington - Pointe Benton Storm Water Sewer Improvement Project		
7	Bond Funds	300,000	-0-
8	<b>003.</b> Kenton County Fiscal Court - Storm Work Dixie Sidewalk at Notre Dame		
9	Academy		
10	Bond Funds	124,000	-0-
11	<b>004.</b> Northern Kentucky Water District - Pike Street - Bromley		
12	Bond Funds	300,000	-0-
13	<b>005.</b> Northern Kentucky Water District - Robbins Street Water Project		
14	Bond Funds	300,000	-0-
15	<b>006.</b> Northern Kentucky Water District - Unserved and Underserved Project 2		
16	(WX21117207)		
17	Bond Funds	500,000	-0-
18	<b>007.</b> Sanitation District #1 of Northern Kentucky - Latonia Combined Sewer		
19	Separation Project (SX21117102)		
20	Bond Funds	950,000	-0-
21	<b>008.</b> Sanitation District #1 of Northern Kentucky - Montague Sewer Replacement		
22	(SX21117103)		
23	Bond Funds	500,000	-0-
24	<b>Larue County</b>		
25	<b>001.</b> City of Hodgenville - Hamilton Acres Sanitary Sewer Rehabilitation		
26	(SX21123003)		
27	Bond Funds	200,000	-0-

1	<b>002.</b> City of Hodgenville - Water and Sewer Improvements (SX21123002)		
2	Bond Funds	300,000	-0-
3	<b>003.</b> Larue County Water District #1 - Howardstown Water Tower and Line		
4	Extensions (WX21123016)		
5	Bond Funds	250,000	-0-
6	<b>004.</b> Larue County Water District #1 - Water Storage Tank (WX21123007)		
7	Bond Funds	300,000	-0-
8	<b>005.</b> Larue County Water District #1 - Waterline Upgrade (WX21123006)		
9	Bond Funds	450,000	-0-
10	<b>Lewis County</b>		
11	<b>001.</b> Garrison Quincy Water District - Garrison Sewer Phase I (SX21135001)		
12	Bond Funds	1,000,000	-0-
13	<b>002.</b> Lewis County Sanitation District #1 - South Along KY 57 and Subdivision		
14	On Evans Rd (SX21135008)		
15	Bond Funds	200,000	-0-
16	<b>003.</b> Lewis County Sanitation District #1 - South Along KY 57 and Subdivision		
17	On Evans Road (SX21135008)		
18	Bond Funds	200,000	-0-
19	<b>004.</b> Vanceburg Electric Plant Board - AA Collector (SX21135012)		
20	Bond Funds	100,000	-0-
21	<b>Lincoln County</b>		
22	<b>001.</b> City of Crab Orchard - Sewer Lift Station Cedar Creek Area		
23	Bond Funds	90,000	-0-
24	<b>002.</b> City of Crab Orchard - Upgrade Waterlines at Stingy Creek Road and Fall		
25	Lick Road		
26	Bond Funds	158,400	-0-
27	<b>003.</b> City of Stanford Water Commission - Wastewater Treatment Plant Expansion		

1	Project (SX21137003)		
2	Bond Funds	1,551,600	-0-
3	<b>Livingston County</b>		
4	<b>001. City of Grand Rivers - Sewer System Improvements (SX21139001)</b>		
5	Bond Funds	500,000	-0-
6	<b>002. City of Salem - Lift Station Upgrade</b>		
7	Bond Funds	50,000	-0-
8	<b>003. City of Salem - Water Meters Upgrade</b>		
9	Bond Funds	50,000	-0-
10	<b>004. City of Smithland - Wastewater Treatment Plant Improvement</b>		
11	Bond Funds	100,000	-0-
12	<b>005. Crittenden-Livingston County Water District - Debt Retirement</b>		
13	Bond Funds	600,000	-0-
14	<b>006. Grand Rivers Water District - W. D. Gillium Road Extension</b>		
15	Bond Funds	80,000	-0-
16	<b>007. Grand Rivers Water District - West Mississippi Street Extension</b>		
17	Bond Funds	70,000	-0-
18	<b>008. Ledbetter Water and Sanitation District - Debt Retirement</b>		
19	Bond Funds	100,000	-0-
20	<b>Logan County</b>		
21	<b>001. City of Adairville - Water Tank Upgrade</b>		
22	Bond Funds	150,000	-0-
23	<b>002. City of Auburn - Sewer</b>		
24	Bond Funds	150,000	-0-
25	<b>003. City of Lewisburg - Sewer</b>		
26	Bond Funds	200,000	-0-
27	<b>004. Logan-Todd Water Commission - Plant Expansion</b>		



1	Bond Funds	650,000	-0-
2	<b>005. Logan-Todd Water Commission - Territory Expansion</b>		
3	Bond Funds	600,000	-0-
4	<b>Lyon County</b>		
5	<b>001. City of Eddyville - Sewer Lift Station and Sewer Line (SX21143004)</b>		
6	Bond Funds	230,000	-0-
7	<b>002. City of Kuttawa - I-24 Pump Station and Force Main Replacement</b>		
8	(SX21143006)		
9	Bond Funds	230,000	-0-
10	<b>003. Lyon County Water Consortium - Regional Water Project (WX21143002)</b>		
11	Bond Funds	300,000	-0-
12	<b>004. Lyon County Water District - Sewer Line Extensions (SX21143003)</b>		
13	Bond Funds	400,000	-0-
14	<b>Madison County</b>		
15	<b>001. City of Berea - Water and Sewer Lines</b>		
16	Bond Funds	150,000	-0-
17	<b>002. City of Berea - Water and Sewer Line</b>		
18	Bond Funds	100,000	-0-
19	<b>003. City of Berea - Water Interconnection</b>		
20	Bond Funds	500,000	-0-
21	<b>004. City of Richmond - Duncannon Water Tower Utilities</b>		
22	Bond Funds	750,000	-0-
23	<b>005. Madison County Utilities District - District Improvements Phase III</b>		
24	Bond Funds	250,000	-0-
25	<b>006. Northern Madison Sewer District - Boones Trace Wastewater Interconnection</b>		
26	Project		
27	Bond Funds	600,000	-0-

1	<b>007.</b> Northern Madison Sewer District - Whitehall State Shrine Lift Station		
2	Bond Funds	800,000	-0-
3	<b>008.</b> Southern Madison Water District - Scaffold Cane Water Improvement Project		
4	Bond Funds	250,000	-0-
5	<b>Marion County</b>		
6	<b>001.</b> City of Lebanon - Bradfordsville Road Extension		
7	Bond Funds	80,000	-0-
8	<b>002.</b> City of Lebanon - Lebanon Industrial Development Authority - Industrial		
9	Site Water and Sewer (WX21155007)		
10	Bond Funds	350,000	-0-
11	<b>003.</b> Lebanon/Marion County Industrial Foundation - Industrial Site Water and		
12	Sewer (SX21155003)		
13	Bond Funds	420,000	-0-
14	<b>004.</b> Marion County Water District - Lebanon to Loretto Transmission Main		
15	Bond Funds	200,000	-0-
16	<b>005.</b> Marion County Water District - Water Storage Tank (WX21155020)		
17	Bond Funds	725,000	-0-
18	<b>006.</b> Marion County Water District - Waterline Upgrade On Hwy 527		
19	(WX21155019)		
20	Bond Funds	300,000	-0-
21	<b>Marshall County</b>		
22	<b>001.</b> Marshall County Fiscal Court - Marshall County Water Vision 2020 Plan		
23	Phase II (WX21157046)		
24	Bond Funds	1,800,000	-0-
25	<b>002.</b> Marshall County Sanitation District #2 - Plant Upgrade (SX21157022)		
26	Bond Funds	88,000	-0-
27	<b>Mason County</b>		

1	<b>001.</b> Buffalo Trail Water Association - 1029 to Mason Rd (WX21161025)		
2	Bond Funds	200,000	-0-
3	<b>002.</b> Buffalo Trail Water Association - US 62 Waterlines (WX21161025)		
4	Bond Funds	250,000	-0-
5	<b>003.</b> Maysville Utility Commission - Second Street Upgrade (WX21161026)		
6	Bond Funds	25,000	-0-
7	<b>004.</b> Maysville Utility Commission - West End Waterlines (WX21161026)		
8	Bond Funds	400,000	-0-
9	<b>005.</b> Western Lewis Rectorville Water and Gas District - System Upgrades,		
10	Looping (WX21161016)		
11	Bond Funds	250,000	-0-
12	<b>006.</b> Western Lewis Rectorville Water and Gas District - Water Interconnects and		
13	Office Building and Water Treatment Plant Upgrade (WX21161020)		
14	Bond Funds	235,000	-0-
15	<b>007.</b> Western Lewis Rectorville Water and Gas District - Water Treatment Plant		
16	Upgrade (WX21161020)		
17	Bond Funds	250,000	-0-
18	<b>008.</b> Western Mason Water District - Line Extension - T Wenz Road to Last		
19	Property (WX21161028)		
20	Bond Funds	20,000	-0-
21	<b>McCracken County</b>		
22	<b>001.</b> Paducah McCracken County Joint Sewer Agency - Long Term Control Plan		
23	(SX21145167)		
24	Bond Funds	400,000	-0-
25	<b>002.</b> Paducah McCracken County Joint Sewer Agency - Massac Creek Pump		
26	Station and Force Main (SX21145172)		
27	Bond Funds	1,300,000	-0-

1	<b>003.</b> Paducah McCracken County Joint Sewer Agency - Sanitary Sewer Overflow		
2	Plan (SX21145173)		
3	Bond Funds	400,000	-0-
4	<b>004.</b> Paducah McCracken County Joint Sewer Agency - Wastewater Treatment		
5	Plant Headworks Improvements (SX21145028)		
6	Bond Funds	1,300,000	-0-
7	<b>McCreary County</b>		
8	<b>001.</b> McCreary County Water District - Emergency Water Plant Power Supply		
9	(WX21147023)		
10	Bond Funds	225,000	-0-
11	<b>002.</b> McCreary County Water District - KY 1651 and Bald Knob Area Water		
12	Extensions and Transmission Main Improvements (WX21147009)		
13	Bond Funds	775,000	-0-
14	<b>003.</b> McCreary County Water District - Main Booster Pump Station		
15	Bond Funds	100,000	-0-
16	<b>004.</b> McCreary County Water District - Water Storage Tank Retrofit		
17	(WX21147024)		
18	Bond Funds	400,000	-0-
19	<b>McLean County</b>		
20	<b>001.</b> Beech Grove Water Board - Beech Grove Looping Project (WX21149021)		
21	Bond Funds	300,000	-0-
22	<b>002.</b> Beech Grove Water Board - Waterline Extension Project (WX21149011)		
23	Bond Funds	50,000	-0-
24	<b>003.</b> City of Livermore - Livermore Water Improvement		
25	Bond Funds	200,000	-0-
26	<b>004.</b> McLean County Fiscal Court - Beech Grove 593 Area (WX21149021)		
27	Bond Funds	200,000	-0-

1	<b>005. McLean County Fiscal Court - Calhoun-Livermore Interconnect</b>		
2	Bond Funds	250,000	-0-
3	<b>006. McLean County Fiscal Court - Fire Hydrants (WX21149010)</b>		
4	Bond Funds	60,000	-0-
5	<b>007. McLean County Fiscal Court - Hydrant Installation Program (WX21149010)</b>		
6	Bond Funds	100,000	-0-
7	<b>008. McLean County Fiscal Court - Island Pump Station (WX21149011)</b>		
8	Bond Funds	30,000	-0-
9	<b>009. McLean County Fiscal Court - KY 431 Water Tank (WX21149022)</b>		
10	Bond Funds	250,000	-0-
11	<b>010. McLean County Fiscal Court - Waterline Extensions</b>		
12	Bond Funds	200,000	-0-
13	<b>Meade County</b>		
14	<b>001. City of Brandenburg - Sewer Line Extension</b>		
15	Bond Funds	303,000	-0-
16	<b>002. City of Muldraugh - Waterline Replacement</b>		
17	Bond Funds	122,000	-0-
18	<b>003. City of Muldraugh - Wilson Street Waterline Replacement</b>		
19	Bond Funds	186,000	-0-
20	<b>004. Meade County Water District - Phase VII Water System Improvements</b>		
21	(WX21163014)		
22	Bond Funds	1,449,000	-0-
23	<b>Mercer County</b>		
24	<b>001. Lake Village Water Association - Adams Lane Tank (WX21167012)</b>		
25	Bond Funds	350,000	-0-
26	<b>002. Mercer County Sanitation District - Kentucky Agricultural Heritage</b>		
27	Center/McAfee Wastewater Conveyance Project (SX21167011)		

1	Bond Funds	740,000	-0-
2	<b>003.</b> Mercer County Sanitation District - KY Agricultural Heritage Center/McAfee		
3	Wastewater Conveyance Project (SX21167011)		
4	Bond Funds	260,000	-0-
5	<b>004.</b> North Mercer Water District - Mackville Road Improvements		
6	(WX21167015)		
7	Bond Funds	400,000	-0-
8	<b>Metcalf County</b>		
9	<b>001.</b> City of Edmonton - Sewer System Upgrade and Expansion		
10	Bond Funds	100,000	-0-
11	<b>002.</b> City of Edmonton - Sewer System Upgrades and Expansion		
12	Bond Funds	100,000	-0-
13	<b>003.</b> City of Edmonton - Waterline Expansion and System Improvements		
14	Bond Funds	800,000	-0-
15	<b>004.</b> Metcalfe County Fiscal Court - Water Project Expansions		
16	Bond Funds	200,000	-0-
17	<b>Monroe County</b>		
18	<b>001.</b> City of Gamaliel - Sewer System Upgrades		
19	Bond Funds	25,000	-0-
20	<b>002.</b> City of Tompkinsville - East Industrial Park Sewer Improvements		
21	(SX21171013)		
22	Bond Funds	100,000	-0-
23	<b>003.</b> City of Tompkinsville - Sewer System Upgrades and Expansion		
24	Bond Funds	200,000	-0-
25	<b>004.</b> Monroe-Tompkinsville Regional Water Treatment Plant - Monroe -		
26	Tompkinsville Regional Water Treatment Plant (WX21171027)		
27	Bond Funds	1,250,000	-0-

1 **Montgomery County**

2	<b>001.</b> City of Jeffersonville - Jeffersonville Water - Various Water Projects		
3	Bond Funds	175,000	-0-
4	<b>002.</b> City of Mount Sterling - Mt. Sterling Water District - Various Water and		
5	Sewer Projects		
6	Bond Funds	346,250	-0-
7	<b>003.</b> Gateway Area Development District - Feasibility Study - 201 Plan Sanitation		
8	District #2		
9	Bond Funds	40,000	-0-
10	<b>004.</b> Gateway Area Development District - Regional Water Interconnect -		
11	Match/Debt Retirement		
12	Bond Funds	38,750	-0-
13	<b>005.</b> Levee Water District - Various Water Projects/Welch Road		
14	Bond Funds	175,000	-0-
15	<b>006.</b> Montgomery County Fiscal Court - Judy Water Association - Various Water		
16	Projects		
17	Bond Funds	175,000	-0-
18	<b>007.</b> Montgomery County Fiscal Court - Sanitation District #2 - Various Water and		
19	Sewer Projects		
20	Bond Funds	250,000	-0-
21	<b>008.</b> Montgomery County Fiscal Court - Various Sewer Projects		
22	Bond Funds	250,000	-0-
23	<b>009.</b> Montgomery Water District #1 - Various Water Projects		
24	Bond Funds	175,000	-0-
25	<b>010.</b> Reid Village Water District - Various Water Projects		
26	Bond Funds	175,000	-0-

27 **Nelson County**

1	<b>001.</b> City of Bardstown - Town Creek Interceptor (SX21179016)		
2	Bond Funds	245,000	-0-
3	<b>002.</b> City of New Haven - Sewer System I and I Rehabilitation Project		
4	(SX21179015)		
5	Bond Funds	355,000	-0-
6	<b>003.</b> City of New Haven - Sewer System Upgrades (SX21179011)		
7	Bond Funds	500,000	-0-
8	<b>004.</b> Larue County Water District - Nelson County Waterline Extensions		
9	(WX21179003)		
10	Bond Funds	150,000	-0-
11	<b>005.</b> Nelson County Fiscal Court - Water Storage Tank for Water Treatment Plant		
12	Bond Funds	1,000,000	-0-
13	<b>006.</b> North Nelson Water District - Louisville Road Project (WX21179001)		
14	Bond Funds	500,000	-0-
15	<b>Nicholas County</b>		
16	<b>001.</b> Nicholas County Fiscal Court - 0.9 mile Waterline Extension KY 1658		
17	Bond Funds	90,000	-0-
18	<b>002.</b> Nicholas County Fiscal Court - 1.0 mile Waterline Extension KY 1308		
19	Bond Funds	95,000	-0-
20	<b>003.</b> Nicholas County Fiscal Court - Carlisle Regional Wastewater Improvement		
21	Program (SX21181002)		
22	Bond Funds	125,000	-0-
23	<b>004.</b> Nicholas County Sanitation District #2 - Lake Carnico Area Sanitary System		
24	Project (SX21181003)		
25	Bond Funds	1,100,500	-0-
26	<b>Oldham County</b>		
27	<b>001.</b> City of Pewee Valley - Hwy 362 Project		



1	Bond Funds	200,000	-0-
2	<b>002. Oldham County Fiscal Court - Hwy 146 Buckner Project</b>		
3	Bond Funds	50,000	-0-
4	<b>003. Oldham County Fiscal Court - Oldham County Sewer District - Sewer Plant</b>		
5	Upgrade		
6	Bond Funds	950,000	-0-
7	<b>004. Oldham County Water District - Systemwide Improvements (WX21185044)</b>		
8	Bond Funds	2,000,000	-0-
9	<b>Owen County</b>		
10	<b>001. City of Owenton - Completion of New Water Intake</b>		
11	Bond Funds	400,000	-0-
12	<b>002. Owen County Fiscal Court - Carrollton Utilities - Eagle Creek Owen County</b>		
13	Wastewater Project (SX21187100)		
14	Bond Funds	400,000	-0-
15	<b>003. Owen County Fiscal Court - Phase IV Waterline Expansion in Rural Owen</b>		
16	County and Eagle Creek Sewer Extension Project (SX21187100)		
17	Bond Funds	400,000	-0-
18	<b>004. Peaks Mill Water District - Harmony Road Owen County (WX21187215)</b>		
19	Bond Funds	550,000	-0-
20	<b>Pendleton County</b>		
21	<b>001. Pendleton County Fiscal Court - Northern Pendleton County Regional</b>		
22	Wastewater Treatment Plant (SX21191311)		
23	Bond Funds	1,025,000	-0-
24	<b>002. Pendleton County Fiscal Court - Water Projects Phase I (WX21191507)</b>		
25	Bond Funds	450,000	-0-
26	<b>Powell County</b>		
27	<b>001. City of Clay City - Various Water and Sewer Projects</b>		

1	Bond Funds	200,000	-0-
2	<b>002. City of Stanton - Various Water and Sewer Projects</b>		
3	Bond Funds	200,000	-0-
4	<b>003. Powell County Fiscal Court - Beechfork Water District Repair Water Storage</b>		
5	Tank		
6	Bond Funds	250,000	-0-
7	<b>004. Powell County Fiscal Court - Cow Creek Water Project</b>		
8	Bond Funds	200,000	-0-
9	<b>005. Powell County Fiscal Court - Joint Clay City/Stanton Regional Sewer Plant</b>		
10	Bond Funds	500,000	-0-
11	<b>006. Powell County Fiscal Court - Powell Valley Water District - Various Water</b>		
12	and Sewer Projects		
13	Bond Funds	200,000	-0-
14	<b>Pulaski County</b>		
15	<b>001. Bronston Water Association - 500,000 Gallon Water Storage Tank</b>		
16	(WX21199050)		
17	Bond Funds	700,000	-0-
18	<b>002. Bronston Water Association - Frazier Chapel Road Project</b>		
19	Bond Funds	100,000	-0-
20	<b>003. City of Burnside - Burnside Sewer Project</b>		
21	Bond Funds	700,000	-0-
22	<b>004. City of Burnside - Wastewater Collection System – Contract "b" – Phase 2</b>		
23	(SX21199032)		
24	Bond Funds	250,000	-0-
25	<b>005. City of Eubank - Water System Improvements Project (WX21199028)</b>		
26	Bond Funds	75,000	-0-
27	<b>006. City of Somerset - Ferguson/Jacksboro Street Waterline Rehabilitation</b>		

1	(WX21199075)		
2	Bond Funds	250,000	-0-
3	<b>007. Pulaski County Fiscal Court - Pulaski Water - Western District</b>		
4	Bond Funds	300,000	-0-
5	<b>008. Southeastern Water Association - Sand Gap Road (WX21199069)</b>		
6	Bond Funds	200,000	-0-
7	<b>009. Southeastern Water Association - Eula Road Waterline Extension</b>		
8	Bond Funds	40,000	-0-
9	<b>010. Southeastern Water Association - Little Rock Road/Big Rock Road Waterline</b>		
10	Extensions		
11	Bond Funds	45,000	-0-
12	<b>011. Southeastern Water Association - Pee Ridge Road Waterline Extensions</b>		
13	Bond Funds	240,000	-0-
14	<b>012. Western Pulaski County Water District - New US 27 Waterline Extension</b>		
15	(WX21199079)		
16	Bond Funds	280,000	-0-
17	<b>Robertson County</b>		
18	<b>001. Buffalo Trail Water Association - Start at 539 at US 62 Nursing Home to</b>		
19	Louderback Lane (WX21201009)		
20	Bond Funds	500,000	-0-
21	<b>002. City of Mount Olivet - 165 to State Barn, Briely Ridge, Crescent Hill, Bentley</b>		
22	Court, US 62, and Reed Lane (WX21201002)		
23	Bond Funds	320,000	-0-
24	<b>003. City of Mount Olivet - Sewer Extension to New School at US 62 and KY 616</b>		
25	(SX21201003)		
26	Bond Funds	200,000	-0-
27	<b>Rowan County</b>		

1	<b>001. Gateway Area Development District - Regional Water Interconnect -</b>		
2	Match/Debt Retirement		
3	Bond Funds	33,750	-0-
4	<b>002. Morehead Utility Plant Board - Cardinal Lane Sewer Project (SX21205027)</b>		
5	Bond Funds	224,850	-0-
6	<b>003. Morehead Utility Plant Board - City of Morehead - Phase II Sewer Rehab</b>		
7	Project for Morehead/Rowan County		
8	Bond Funds	789,600	-0-
9	<b>004. Morehead Utility Plant Board - Standby Power Generator Project</b>		
10	Bond Funds	170,000	-0-
11	<b>005. Rowan Water, Inc. - System Upgrades - Waterline Extension and Waterline</b>		
12	Upgrades/Cranston Road State Route 377		
13	Bond Funds	1,381,800	-0-
14	<b>Russell County</b>		
15	<b>001. City of Jamestown - Waterline Extensions</b>		
16	Bond Funds	300,000	-0-
17	<b>002. City of Russell Springs - Fairgrounds and Gentry Mill Lift Station</b>		
18	Modification (SX21207010)		
19	Bond Funds	200,000	-0-
20	<b>003. City of Russell Springs - Sewer Extensions - No. 1 (SX21207001)</b>		
21	Bond Funds	700,000	-0-
22	<b>004. City of Russell Springs - Waterline Extensions</b>		
23	Bond Funds	350,000	-0-
24	<b>Scott County</b>		
25	<b>001. City of Georgetown - Wastewater Treatment Plant #2 - Northern Scott County</b>		
26	Sewer Extension (SX21209003)		
27	Bond Funds	1,380,000	-0-

1	<b>002. City of Georgetown - Wastewater Treatment Plant #2 - Northern Scott County</b>		
2	Sewer Extension (SX21209003)		
3	Bond Funds	345,000	-0-
4	<b>003. Scott County Fiscal Court - Scott County Reservoir (WX21209003)</b>		
5	Bond Funds	1,075,000	-0-
6	<b>Shelby County</b>		
7	<b>001. North Shelby Water Company - Hwy 55 Upgrade/Loop (WX21211056)</b>		
8	Bond Funds	125,000	-0-
9	<b>002. Shelby County Fiscal Court - Expansion of 24" pipeline from Jefferson</b>		
10	County through Shelby County		
11	Bond Funds	500,000	-0-
12	<b>003. Shelby County Fiscal Court - Hwy 55 Upgrade/Loop (WX21211056)</b>		
13	Bond Funds	100,000	-0-
14	<b>004. Shelby County Fiscal Court - Todds Point Tank</b>		
15	Bond Funds	675,000	-0-
16	<b>005. Shelbyville Municipal Water and Sewer Commission - Benson Road Gravity</b>		
17	Sewers (SX21211010)		
18	Bond Funds	100,000	-0-
19	<b>006. Shelbyville Municipal Water and Sewer Commission - Glenview Gravity</b>		
20	Sewers (SX21211011)		
21	Bond Funds	250,000	-0-
22	<b>007. Shelbyville Municipal Water and Sewer Commission - Governor Square</b>		
23	Pump Station (SX21211003)		
24	Bond Funds	500,000	-0-
25	<b>008. Shelbyville Municipal Water and Sewer Commission - Town and Country</b>		
26	Force Main (SX21211005)		
27	Bond Funds	140,000	-0-

1	<b>009.</b> US 60 Water District - KY 395 to Cook (WX21211060)		
2	Bond Funds	37,500	-0-
3	<b>010.</b> West Shelby Water District - Hwy 148 Pump Station (WX21211011)		
4	Bond Funds	100,000	-0-
5	<b>011.</b> West Shelby Water District - Montclair Subdivision Upgrade		
6	Bond Funds	250,000	-0-
7	<b>Simpson County</b>		
8	<b>001.</b> City of Franklin - Water Tank and Treatment Plant Improvements		
9	Bond Funds	510,100	-0-
10	<b>002.</b> Simpson County Water District - Blackjack Area Fire Protection		
11	(WX21213021)		
12	Bond Funds	294,000	-0-
13	<b>003.</b> Simpson County Water District - Fire Protection and Distribution		
14	Improvements (WX21213019)		
15	Bond Funds	697,000	-0-
16	<b>Spencer County</b>		
17	<b>001.</b> City of Taylorsville - Sewer System Expansion - Priority 2 (SX21215002)		
18	Bond Funds	300,000	-0-
19	<b>002.</b> Spencer County Fiscal Court - Sewer Improvements		
20	Bond Funds	50,000	-0-
21	<b>003.</b> Spencer County Fiscal Court - Spencer County Phase IV Water Project		
22	Bond Funds	970,000	-0-
23	<b>004.</b> Spencer County Fiscal Court - Spencer County Phase IV Water Project		
24	(WX21215094)		
25	Bond Funds	200,000	-0-
26	<b>Taylor County</b>		
27	<b>001.</b> City of Campbellsville - Raw Waterline (WX21217011)		

1	Bond Funds	300,000	-0-
2	<b>002. City of Campbellsville - Sewer Lines for Campbellsville Bypass</b>		
3	Bond Funds	250,000	-0-
4	<b>003. City of Campbellsville - Taylor County Industrial Park Extension</b>		
5	(WX21217005)		
6	Bond Funds	500,000	-0-
7	<b>004. City of Campbellsville - Various Water Projects</b>		
8	Bond Funds	200,000	-0-
9	<b>005. City of Campbellsville - Water and Sewer for Campbellsville/Taylor County</b>		
10	Regional Health Center and Various Projects		
11	Bond Funds	250,000	-0-
12	<b>006. City of Campbellsville - Water Storage Tank Improvements (WX21217006)</b>		
13	Bond Funds	250,000	-0-
14	<b>Todd County</b>		
15	<b>001. City of Trenton - Sewer Lines</b>		
16	Bond Funds	150,000	-0-
17	<b>002. Logan/Todd Water Commission - Plant Expansion</b>		
18	Bond Funds	950,000	-0-
19	<b>003. Logan/Todd Water Commission - Territory Expansion</b>		
20	Bond Funds	600,000	-0-
21	<b>Trigg County</b>		
22	<b>001. Barkley Lake Water District - Water System Improvement Phase 1</b>		
23	(WX21221003)		
24	Bond Funds	500,000	-0-
25	<b>002. Barkley Lake Water District - Water System Improvement Phase I</b>		
26	(WX21221003)		
27	Bond Funds	500,000	-0-

1	<b>003. City of Cadiz - Sewer Main Replacement (SX21221002)</b>		
2	Bond Funds	550,000	-0-
3	<b>Trimble County</b>		
4	<b>001. Trimble County Fiscal Court - Upper Middle Creek Waterline Extension</b>		
5	Bond Funds	50,000	-0-
6	<b>002. Trimble County Water District #1 - Water System Improvement Project</b>		
7	(WX21223020)		
8	Bond Funds	950,000	-0-
9	<b>Warren County</b>		
10	<b>001. Bowling Green Municipal Utilities - Alternative Water Study (WX21227050)</b>		
11	Bond Funds	150,000	-0-
12	<b>002. Bowling Green Municipal Utilities - Bowling Green Water Improvement</b>		
13	(WX21227014)		
14	Bond Funds	650,000	-0-
15	<b>003. Bowling Green Municipal Utilities - Lift Station #3 and Lift Station #4</b>		
16	Upgrades (SX21227011)		
17	Bond Funds	200,000	-0-
18	<b>004. Bowling Green Municipal Utilities - Pascoe Pump Station and Force Main</b>		
19	(SX21227001)		
20	Bond Funds	450,000	-0-
21	<b>005. Warren County Water District - Nashville Road Pump Station and Waterline</b>		
22	(WX21227026)		
23	Bond Funds	550,000	-0-
24	<b>006. Warren County Water District - Three Springs Road Tank and Waterline</b>		
25	(WX21227031)		
26	Bond Funds	1,450,000	-0-
27	<b>Washington County</b>		

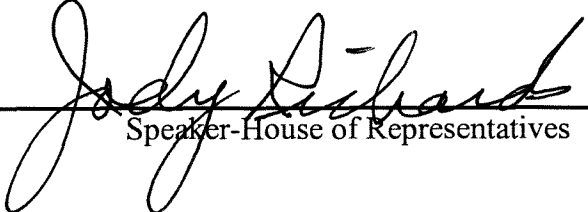


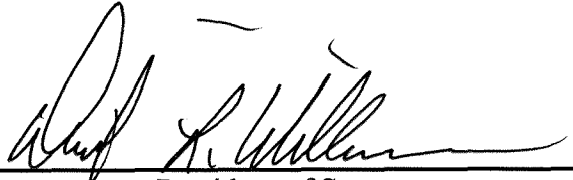
1	<b>001. City of Springfield - Phase IV Springfield Water Project (WX21229003)</b>		
2	Bond Funds	950,000	-0-
3	<b>002. City of Springfield - Springfield Water System Improvements</b>		
4	Bond Funds	100,000	-0-
5	<b>003. City of Springfield - Wastewater Replacement/Upgrade</b>		
6	Bond Funds	400,000	-0-
7	<b>004. Washington County Fiscal Court - Springfield Water System Improvements</b>		
8	Bond Funds	300,000	-0-
9	<b>Wayne County</b>		
10	<b>001. City of Monticello - Downtown Water Renovation (WX21231006)</b>		
11	Bond Funds	300,000	-0-
12	<b>002. Monticello Utility Commission - Monticello Utility Commission</b>		
13	Bond Funds	625,000	-0-
14	<b>003. Monticello Utility Commission - Various Waterline Extensions</b>		
15	Bond Funds	550,000	-0-
16	<b>Woodford County</b>		
17	<b>001. City of Midway - Woodford - Midway Water Tower Existing Debt</b>		
18	Retirement (SX21209003)		
19	Bond Funds	500,000	-0-
20	<b>002. City of Versailles - Sewer Disinfection Conversion</b>		
21	Bond Funds	1,000,000	-0-
22	<b>003. City of Versailles - Wastewater System Improvements (SX21239001)</b>		
23	Bond Funds	300,000	-0-

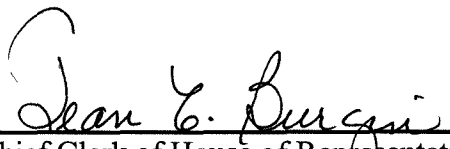
24       ➔Section 3. The above referenced projects shall be administered by the Kentucky  
25 Infrastructure Authority.

26       ➔Section 4. Whereas the above referenced projects are funded by 2008 Regular  
27 Session HB 406 as amended by 2008 Regular Session HB 410 and 514, which takes

1 effect upon its passage and approval by the Governor or upon otherwise becoming law,  
2 an emergency is declared to exist and this Act takes effect upon its passage and approval  
3 by the Governor or upon otherwise becoming law.

  
\_\_\_\_\_  
Speaker-House of Representatives

  
\_\_\_\_\_  
President of Senate

Attest:   
\_\_\_\_\_  
Chief Clerk of House of Representatives

Approved \_\_\_\_\_  
Governor

Date \_\_\_\_\_

This page intentionally left blank

# Legislative Branch

---

House Bill 407

This page intentionally left blank

**Legislative Branch**

	Revised FY 2008	Requested FY 2009	Requested FY 2010	Enacted FY 2009	Enacted FY 2010
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	50,182,200	59,202,300	63,175,000	52,712,900	55,452,600
Continuing Appropriation	7,104,900	2,986,300	6,829,400	2,986,300	6,829,400
<b>Total General Fund</b>	<b>57,287,100</b>	<b>62,188,600</b>	<b>70,004,400</b>	<b>55,699,200</b>	<b>62,282,000</b>
<b>Restricted Funds</b>					
Current Receipts	191,000	89,600	217,000	89,600	217,000
<b>Total Restricted Funds</b>	<b>191,000</b>	<b>89,600</b>	<b>217,000</b>	<b>89,600</b>	<b>217,000</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>57,478,100</b>	<b>62,278,200</b>	<b>70,221,400</b>	<b>55,788,800</b>	<b>62,499,000</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	44,919,300	45,525,300	54,398,100	35,720,300	43,947,000
Operating Expenses	8,615,000	8,703,500	9,828,500	12,019,100	12,557,200
Capital Outlay	957,500	1,220,000	290,000	1,220,000	290,000
<b>TOTAL EXPENDITURES</b>	<b>54,491,800</b>	<b>55,448,800</b>	<b>64,516,600</b>	<b>48,959,400</b>	<b>56,794,200</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	54,300,800	55,359,200	64,299,600	48,869,800	56,577,200
Restricted Funds	191,000	89,600	217,000	89,600	217,000
<b>TOTAL EXPENDITURES</b>	<b>54,491,800</b>	<b>55,448,800</b>	<b>64,516,600</b>	<b>48,959,400</b>	<b>56,794,200</b>

The legislative powers of the Commonwealth of Kentucky are vested in the General Assembly and found in Sections 29 through 62 of the Kentucky Constitution. The purpose of the Legislature is to make the state's laws, to determine the duties and services of government, to provide for their execution, and to levy taxes and appropriate funds for the support of government operations.

The General Assembly, as specified by the Constitution, consists of 38 Senators and 100 Representatives, each representing districts as nearly equal as possible as prescribed by Section 33 of the Kentucky Constitution. Members of the House of Representatives are elected for two-year terms. Members of the Senate serve four-year terms, with one-half of the Senate elected every two years.

The Legislative Research Commission is a fact-finding and service agency for the Kentucky General Assembly. It is a statutory body created and maintained since 1948. The Commission is bipartisan and is composed of the leadership of both the House and Senate with the Senate President and House Speaker serving as co-chairman. The LRC staff provides research, bill drafting, and other administrative functions for the legislature.

House Bill 407 authorized funding for the major programs operating within the Legislative Branch of government. The appropriation units are the General Assembly and the Legislative Research Commission. The General Assembly appropriation is comprised of three programs, General Assembly, Kentucky Legislative Ethics, and Kentucky Long Term Planning and Research. The Legislative Research Commission appropriation is comprised of a single element, the Legislative Research Commission.

The above General Fund appropriation to the General Assembly includes funds for the Legislators Retirement Plan in each fiscal year and provides for the continuation of the annual cost of living adjustment authorized for the 2006-2008 biennium. Notwithstanding KRS 6.190, and 6.213, the daily compensation provided by KRS 6.190 and the interim expenses allowance provided by KRS 6.213 for members of the General Assembly shall be authorized for the 2006-2008 biennium and shall continue as adjusted on January 1, 2009, and January 1, 2010, by the all urban consumer price index (CPI-U) not to exceed the cost-of-living adjustment provided state employees in the state/executive branch budget but not less than zero percent per annum.

Notwithstanding KRS 6.220, in lieu of stationery, there shall be allowed to each member of the House of Representatives the sum of \$250 and to each member of the Senate the sum of \$500. This allowance shall be paid out of the State Treasury at the beginning of each legislative session.

Notwithstanding KRS 45.229, any unexpended balance remaining at the close of fiscal year 2007-2008 shall not lapse but shall continue into fiscal year 2008-2009, and any unexpended balance in any succeeding fiscal year shall not lapse, but shall continue into the following fiscal year.





# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2008 REGULAR SESSION

---

HOUSE BILL NO. 407

---

WEDNESDAY, MARCH 12, 2008

---

The following bill was reported to the Senate from the House and ordered to be printed.

RECEIVED AND FILED  
DATE April 14, 2008  
8:05 pm Allowed to become  
Law without Governor's Signature  
TREY GRAYSON  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
BY R. Adler

AN ACT making appropriations for the operations, maintenance, and support of the Legislative Branch of the Commonwealth of Kentucky.

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

**PART I**

**OPERATING BUDGET**

**Funds Appropriations:** Funds are appropriated to the Legislative Research Commission for the Legislative Branch of government out of the General Fund and Restricted Funds accounts for the fiscal year beginning July 1, 2008, and ending June 30, 2009, and for the fiscal year beginning July 1, 2009, and ending June 30, 2010, in the following discrete sums, or so much thereof as may be necessary. Each appropriation is made by the source of respective fund or funds accounts to be used for the purposes of the Legislative Branch of government of the Commonwealth of Kentucky.

	2008-09	2009-10
<b>1. General Assembly</b>		
General Fund	18,748,200	19,463,200
Restricted Funds	89,600	217,000
Total	18,837,800	19,680,200

**Legislators Retirement and Compensation:** The above General Fund appropriation to the General Assembly includes funds for the Legislators Retirement Plan in each fiscal year and provides for the continuation of the annual cost-of-living adjustment authorized for the 2006-2008 biennium. Notwithstanding KRS 6.190 and 6.213, the daily compensation provided by KRS 6.190 and the interim expense allowance provided by KRS 6.213 for members of the General Assembly shall be as authorized for the 2006-2008 biennium and shall continue as adjusted on January 1, 2009, and January 1, 2010, by the all urban consumer price index (CPI-U) not to exceed the cost-of-living adjustment provided state employees in the state/executive branch budget but not less than zero percent per annum.

	2008-09	2009-10
1		
2	<b>2. Legislative Research Commission</b>	
3	General Fund	33,964,700 35,989,400
4	Restricted Funds	-0- -0-
5	TOTAL	33,964,700 35,989,400

6 **Permanent Full-time Employees:** The total number of permanent full-time  
7 employees hired by the Legislative Research Commission with the above appropriation,  
8 and not assigned specifically to the House and Senate members of the Legislative  
9 Research Commission, shall not exceed 232 in fiscal year 2008-2009 and 232 in fiscal  
10 year 2009-2010. In addition to this number, the total number of permanent full-time  
11 employees assigned specifically to the House members of the Legislative Research  
12 Commission shall not exceed 19 and the permanent full-time employees assigned  
13 specifically to the Senate members of the Legislative Research Commission shall not  
14 exceed 10.

#### 15 TOTAL - OPERATING BUDGET

	2008-09	2009-10
16		
17	General Fund	52,712,900 55,452,600
18	Restricted Funds	89,600 217,000
19	TOTAL	52,802,500 55,669,600

20 **Unexpended Balance:** Notwithstanding KRS 45.229, any unexpended balance  
21 remaining at the close of fiscal year 2007-2008 shall not lapse but shall continue into  
22 fiscal year 2008-2009, and any unexpended balance in any succeeding fiscal year shall  
23 not lapse but shall continue into the following fiscal year.

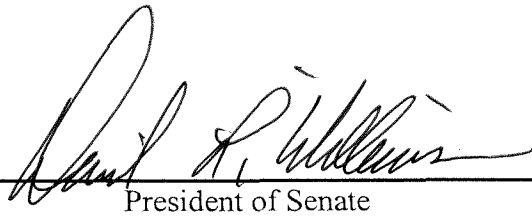
#### 24 TOTAL - LEGISLATIVE BRANCH BUDGET


	2008-09	2009-10
25		
26	General Fund	52,712,900 55,452,600
27	Restricted Funds	89,600 217,000





  
\_\_\_\_\_  
Speaker House of Representatives

  
\_\_\_\_\_  
President of Senate

Attest:   
\_\_\_\_\_  
Chief Clerk of House of Representatives

Approved \_\_\_\_\_  
Governor

Date \_\_\_\_\_

# Judicial Branch

---

House Bill 408

This page intentionally left blank



**Judicial Branch**

	<b>Revised FY 2008</b>	<b>Requested FY 2009</b>	<b>Requested FY 2010</b>	<b>Enacted FY 2009</b>	<b>Enacted FY 2010</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	279,376,500	337,617,200	380,945,300	265,835,800	295,885,800
Continuing Appropriation	3,983,100	14,764,700	2,732,700	14,764,700	2,732,700
Base Deduction	-1,964,800				
<b>Total General Fund</b>	<b>281,394,800</b>	<b>352,381,900</b>	<b>383,678,000</b>	<b>280,600,500</b>	<b>298,618,500</b>
<b>Restricted Funds</b>					
Balance Forward	34,981,800	34,913,600	24,475,800	34,913,600	14,475,800
Current Receipts	16,989,400	14,943,100	16,391,100	14,943,100	16,391,100
Non-Revenue Receipts	8,202,300	8,202,300	8,202,300	8,202,300	8,202,300
<b>Total Restricted Funds</b>	<b>60,173,500</b>	<b>58,059,000</b>	<b>49,069,200</b>	<b>58,059,000</b>	<b>39,069,200</b>
<b>Federal Funds</b>					
Current Receipts	3,073,100	1,131,400	1,170,600	1,131,400	1,170,600
<b>Total Federal Funds</b>	<b>3,073,100</b>	<b>1,131,400</b>	<b>1,170,600</b>	<b>1,131,400</b>	<b>1,170,600</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>344,641,400</b>	<b>411,572,300</b>	<b>433,917,800</b>	<b>339,790,900</b>	<b>338,858,300</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	194,323,100	251,661,100	261,285,700	202,797,900	202,075,500
Operating Expenses	97,448,900	125,294,300	143,618,800	112,792,800	127,702,600
Capital Outlay	691,100	7,408,400	8,475,000	6,991,700	8,541,900
<b>TOTAL EXPENDITURES</b>	<b>292,463,100</b>	<b>384,363,800</b>	<b>413,379,500</b>	<b>322,582,400</b>	<b>338,320,000</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	264,130,100	349,649,200	383,418,500	277,867,800	298,359,000
Restricted Funds	25,259,900	33,583,200	28,790,400	43,583,200	38,790,400
Federal Funds	3,073,100	1,131,400	1,170,600	1,131,400	1,170,600
<b>TOTAL EXPENDITURES</b>	<b>292,463,100</b>	<b>384,363,800</b>	<b>413,379,500</b>	<b>322,582,400</b>	<b>338,320,000</b>

The judicial powers of the Commonwealth of Kentucky are vested in one Court of Justice under Section 109 of the Kentucky Constitution. Fully implemented in 1978, the Court constitutes a Unified Judicial System for operation and administration. The purpose of the Kentucky Judicial Branch of government is to provide equal justice for all persons who become involved in the Kentucky court system through due process of law, administered without favor, denial or delay, and to carry out all provisions of the Judicial Article of the Constitution.

The Kentucky court system is a four-tiered system of adjudication including a Supreme Court, Court of Appeals, Circuit Court, and District Court. Moreover, in 2002, a constitutional amendment was approved formally sanctioning the creation of Family Courts. The goal of these courts is to hear and determine expeditiously all cases which may come before the Court of Justice to interpret the laws of the Commonwealth, make decisions and issue opinions related thereto.

The Circuit Clerks' offices in each county have as their goal the provision of an effective and manageable system of clerical support and maintenance of court records for the circuit and district courts.

The Administrative Office of the Courts, Juvenile Services, Pretrial Services, State Law Library, the ancillary boards and commissions, and the local court facilities program have the following goals:

- To provide the administrative support necessary to carry on the operation of the Court of Justice and to have adequate personnel, facilities, equipment, and operating expenditures to carry out the Judicial Branch's constitutional and statutory responsibilities.

- To ensure a system of financial management and accountability for the Court of Justice.
- To carry on a continuous survey of the organization, operation, and other aspects of the Court of Justice and to make improvements thereof.

Funding for the Judiciary has been authorized via House Bill 408. House Bill 408 is the Judicial Branch Appropriation Bill authorizing funds for major programs: Court Operations and Administration, Local Facilities Fund, and the Judicial Retirement Plan portion of the Judicial Form Retirement System.



COMMONWEALTH OF KENTUCKY  
OFFICE OF THE GOVERNOR

STEVEN L. BESHEAR  
GOVERNOR

700 CAPITAL AVENUE  
SUITE 100  
FRANKFORT, KY 40601  
(502) 564-2611  
FAX: (502) 564-2517

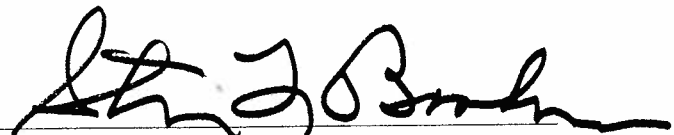
**VETO MESSAGE FROM THE**  
**GOVERNOR OF THE COMMONWEALTH OF KENTUCKY**

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Constitution of the Commonwealth, do hereby veto the following part:

House Bill 408, Part III, paragraph 12, page 7, line 27 and page 8, lines 1 through 6.

Part III, paragraph 12 of House Bill 408 addresses potential layoff plans for the judicial branch and mandates the priority of personnel to be laid off should a reduction in personnel be deemed necessary. The language of part III, paragraph 12, of House Bill 408 significantly reduces the flexibility the judicial branch should have in making management decisions which impact the administration of the court system and its responsibility to serve the people of the Commonwealth. The judicial branch is urged to consider the impact on local court services when considering personnel reductions.

This the 14<sup>th</sup> day of April, 2008

  
Steven L. Beshear, Governor

This page intentionally left blank



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2008 REGULAR SESSION

---

HOUSE BILL NO. 408

AS ENACTED

WEDNESDAY, APRIL 2, 2008

---

VETOED IN PART

MONDAY, APRIL 14, 2008

---

(Informational Copy)

RECEIVED AND FILED  
DATE April 18, 2008  
8:45am

---

TREY GRAYSON  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
BY R. Adler

---

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

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22

**PART I**

**OPERATING BUDGET**

**(1) Funds Appropriations:** There is appropriated out of the General Fund, Restricted Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1, 2008, and ending June 30, 2009, and for the fiscal year beginning July 1, 2009, and ending June 30, 2010, in the following sums to be used for the purposes of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Court, Family Court, District Court, the Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the circuit clerks' offices, including both Circuit and District Court support.

**1. Court of Justice**

**a. Court Operations and Administration**

	<b>2008-09</b>	<b>2009-10</b>
General Fund	180,796,300	185,746,300
Restricted Funds	43,583,200	38,790,400
Federal Funds	1,131,400	1,170,600
<b>TOTAL</b>	<b>225,510,900</b>	<b>225,707,300</b>

**(1) Salary Adjustments:** Funds are included to provide a one percent salary adjustment in fiscal year 2008-2009 and in fiscal year 2009-2010 for non-elected court personnel, Justices, Judges, and circuit clerks.

**(2) Pay Equity:** Included in the above Restricted Funds appropriation is

1 \$7,849,500 in fiscal year 2008-2009 and \$8,242,100 in fiscal year 2009-2010 for pay  
 2 increases for deputy clerks as proposed in the Judicial Branch Budget Recommendation,  
 3 except that Restricted Funds shall be utilized in place of General Fund moneys.

4 **(3) Drug Court Sites:** The Chief Justice may use Restricted Funds totaling  
 5 \$1,996,900 in fiscal year 2008-2009 and \$2,065,600 in fiscal year 2009-2010 to replace  
 6 Federal Funds from Operation UNITE for existing drug court sites whose funding is  
 7 expected to expire during the 2008-2010 fiscal biennium.

8 **(4) Drug Testing Kits:** Included in the above General Fund appropriation is  
 9 \$3,000 in each fiscal year for drug testing kits for the Twentieth Judicial District.

10 **(5) Memorial of Justice McAnulty:** Included in the above General Fund  
 11 appropriation is \$50,000 in fiscal year 2008-2009 for an appropriate, permanent memorial  
 12 bust of the late Supreme Court Justice William E. McAnulty to be displayed on the  
 13 second floor of the Capitol.

14 **(6) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended  
 15 balance remaining at the close of fiscal year 2007-2008 shall not lapse and shall continue  
 16 into fiscal year 2008-2009, and any unexpended balance remaining at the close of fiscal  
 17 year 2008-2009 shall not lapse and shall continue into fiscal year 2009-2010.

18 **(7) Increase in Court Fees:** Pursuant to its authority, if the Supreme Court  
 19 increases any court fees, the additional income resulting from these fee increases, not to  
 20 exceed \$5,000,000 in each fiscal year of the biennium, shall be deposited in a trust and  
 21 agency account for court operations. Any revenue generated by these increases in excess  
 22 of \$5,000,000 in each fiscal year of the biennium shall be deposited into the General  
 23 Fund.

24 **b. Local Facilities Fund**

	2008-09	2009-10
25		
26	General Fund	79,274,700      104,360,400

27 **(1) Carlisle County Judicial Center:** Included in the above appropriation is

1 \$1,227,000 in fiscal year 2009-2010 to support six months of use allowance and furniture  
2 and equipment costs for the Carlisle County Judicial Center project.

3 **(2) Local Court Facility Compensation:** Included in the above appropriation are  
4 moneys to compensate local units of government for providing court space and for costs  
5 incurred in the development of local court facilities as defined in KRS Chapter 26A and  
6 provided in Part II of this Act, and to perform all other acts required or authorized by  
7 KRS Chapter 26A.

8 **(3) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended  
9 balance remaining at the close of fiscal year 2007-2008 shall not lapse and shall continue  
10 into fiscal year 2008-2009, and any unexpended balance remaining at the close of fiscal  
11 year 2008-2009 shall not lapse and shall be continued into fiscal year 2009-2010.

12 **(4) Madison County Family Court Lease:** The Administrative Office of the  
13 Courts is authorized to enter into a lease for office space as needed for the Madison  
14 County Family Court, and to provide necessary furnishings, infrastructure, and security  
15 equipment.

16 **(5) Fayette County Courthouse Use Allowance:** The use allowance for the  
17 Fayette County Courthouse is contingent upon Short Street in Lexington, Kentucky,  
18 remaining open to traffic.

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

	2008-09	2009-10
21 General Fund	-0-	-0-

22 **(1) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended  
23 balance remaining at the close of fiscal year 2007-2008 shall not lapse and shall continue  
24 into fiscal year 2008-2009, and any unexpended balance remaining at the close of fiscal  
25 year 2008-2009 shall not lapse and shall continue into fiscal year 2009-2010 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  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

**TOTAL - COURT OF JUSTICE**

	<b>2008-09</b>	<b>2009-10</b>
General Fund	260,071,000	290,106,700
Restricted Funds	43,583,200	38,790,400
Federal Funds	1,131,400	1,170,600
<b>TOTAL</b>	<b>304,785,600</b>	<b>330,067,700</b>

**2. Judicial Retirement System**

	<b>2008-09</b>	<b>2009-10</b>
General Fund	5,764,800	5,779,100

**(1) Judicial Retirement Benefits:** General Fund amounts are included to provide actuarial assessed judicial retirement benefits, pursuant to KRS 21.345 to 21.580.

**TOTAL - OPERATING BUDGET**

	<b>2008-09</b>	<b>2009-10</b>
General Fund	265,835,800	295,885,800
Restricted Funds	43,583,200	38,790,400
Federal Funds	1,131,400	1,170,600
<b>TOTAL</b>	<b>310,550,400</b>	<b>335,846,800</b>

**PART II**

**CAPITAL PROJECTS BUDGET**

**1. Local Facilities Projects**

		<b>Maximum</b>		
	<b>Project</b>		<b>Annualized</b>	
	<b>Project</b>	<b>Scope</b>	<b>Use Allowance</b>	<b>Total Funds</b>
	<b>001. Allen</b>	16,014,000	1,433,000	1,671,000
	<b>002. Bracken</b>	15,607,000	1,397,000	1,655,000
	<b>003. Carlisle</b>	12,899,400	1,154,000	1,381,000
	<b>004. Lawrence</b>	16,272,000	1,456,000	1,650,000

1           **005. Morgan**   16,272,000       1,456,000           1,630,000

2           **(1) Carlisle County Judicial Center:** General Fund support for the use  
 3 allowance payments and nonrecurring furniture and equipment cost for the Carlisle  
 4 County Judicial Center is contained in the Local Facilities Fund Budget for fiscal year  
 5 2009-2010.

6           **(2) Deferred Funding:** General Fund support to provide operating costs totaling  
 7 \$1,215,700, annualized use allowance payments totaling \$5,742,000, and nonrecurring  
 8 furniture and equipment costs totaling \$3,486,000, less off-setting payments totaling  
 9 \$351,300, for Allen, Bracken, Lawrence, and Morgan County Judicial Center projects is  
 10 deferred to the 2010-2012 fiscal biennium pending action of the 2010 General Assembly.

11   **3. Lease Authorizations**

- 12           a. Franklin County - Lease - Office Space
- 13           b. Franklin County - Lease - Court of Appeals
- 14           c. Jefferson County - Courts Parking Lease

15           **(1) Local Facilities Projects - Authorized:** Nothing in this Act shall reduce the  
 16 funding of court facility projects authorized by the General Assembly.

17           **(2) Local Facilities Use Allowance Contingency Fund:** For any court facility  
 18 project which is occupied and use allowance funding is insufficient, the use allowance  
 19 payments shall be approved from the Local Facilities Use Allowance Contingency Fund.  
 20 If funds are not available in the Local Facilities Use Allowance Contingency Fund, the  
 21 use allowance payments shall be deemed a necessary governmental expense (General  
 22 Fund Surplus Account, KRS 48.700).

23           **TOTAL - JUDICIAL BRANCH BUDGET**

	2008-09	2009-10
24           General Fund	265,835,800	295,885,800
25           Restricted Funds	43,583,200	38,790,400
26           Federal Funds	1,131,400	1,170,600
27		



1 Finance and Administration Cabinet within 60 days of the adjournment of the 2008  
2 Regular Session of the General Assembly.

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

8 **8. Appropriations Revisions:** Proposed revisions to Restricted Funds and  
9 Federal Funds appropriations in this Act shall be made and reported pursuant to KRS  
10 48.630(10). The Director of the Administrative Office of the Courts shall notify on a  
11 timely basis the Legislative Research Commission of the most current estimates of  
12 anticipated receipts for the affected fiscal year and an accompanying statement which  
13 explains such variations from the anticipated amount.

14 **9. Maximum Salary of Trial Commissioners:** Notwithstanding KRS  
15 24A.100(3), funds are included to continue the statutory maximum salary of trial  
16 commissioners as provided for in the Judicial Branch Budget Recommendation.

17 **10. Judicial Retirement:** The compensation payable to any Justice or Judge shall  
18 not be reduced by the amount of any retirement benefits received on account of prior  
19 judicial service provided the Justice or Judge retired from prior judicial service before  
20 December 31, 2004, and began receiving salary compensation prior to the effective date  
21 of this Act.

22 **11. Expenditure of Restricted Funds:** Notwithstanding KRS 31A.010,  
23 42.320(2)(e), 186.440, 186.531, 237.110(7), and 431.078, after allocating and committing  
24 Restricted Funds for deputy clerk pay increases as set forth in this Act, the Chief Justice  
25 may expend all restricted agency funds as necessary to meet the obligations of this Act  
26 and to effectively operate the Judicial Branch.

27 ~~**12. Layoff of Judicial Branch Personnel:** Notwithstanding any provision of this~~

1 ~~Act or any personnel policies or layoff plans adopted by the Judicial Branch to the~~  
 2 ~~contrary, any layoff of Judicial Branch employees shall be implemented as follows:~~

3 ~~(a) The first 50 persons laid off shall be those stationed in the Judicial Branch's~~  
 4 ~~central offices in Franklin County; and~~

5 ~~(b) Thirty five percent of any additional persons laid off shall also be those~~  
 6 ~~stationed in the Judicial Branch's central offices in Franklin County.] (Vetoed)~~

7 **13. Collections Pilot Project:** Notwithstanding KRS 45.241, the Administrative  
 8 Office of the Courts shall institute a pilot project to collect previously unidentified  
 9 liquidated debt owed to the Court of Justice. The Administrative Office of the Courts  
 10 shall provide a progress report to the Interim Joint Committee on Appropriations and  
 11 Revenue by September 1, 2009. Up to 25 percent of money collected through the pilot  
 12 project, shall be remitted to a trust and agency account with the Administrative Office of  
 13 the Courts. The remainder of the money collected shall be deposited into the General  
 14 Fund.

15 **14. Deferred Court Costs:** No Circuit or District Court costs shall be deferred  
 16 unless an appropriate fee in lieu of court costs is imposed. Any fees collected in lieu of  
 17 court costs, not to exceed \$5,000,000 in each fiscal year, shall be remitted to a trust and  
 18 agency account with the Administrative Office of the Courts. Any fees collected in excess  
 19 of \$5,000,000 shall be deposited into the General Fund.

20 **15. Temporary Custody and Commitment Orders:** Notwithstanding KRS  
 21 620.220(1), the clerk of the court shall forward to the Administrative Office of the Courts  
 22 Citizen Foster Care Review Board Program a copy of each temporary custody order and  
 23 commitment order, or electronic notification thereof, in the manner prescribed by the  
 24 Administrative Office of the Courts within 14 days of the date the order is issued.

#### 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 the provisions of KRS Chapter 48.

# Other

---

- State of the Commonwealth 2008  
January 14, 2008
- 2008 State Budget Address  
January 29, 2008

This page intentionally left blank



**STATE OF THE COMMONWEALTH**

**House Chambers**

**January 14, 2008**

**7 p.m.**

*Governor Steve Beshear*

Mr. President, Mr. Speaker, Distinguished members of the Kentucky General Assembly, Lt. Governor Mongiardo, Constitutional Officers, Honorable Members of the Court of Justice, honored guests, including Kentucky's First Lady and my fellow Kentuckians.

I stand before you in these financially demanding times proud to be your Governor and proud to be a Kentuckian.

Those of us in this Capitol have accepted a responsibility of public service. None of us takes it lightly and each of us is motivated from the heart.

I know each of you feels as I do – grateful for the opportunity we have to give something back to this great Commonwealth.

The towering statue of Abraham Lincoln watching over the entrance hall of this majestic structure has seen generations of Kentucky leaders grapple with the problems of their day.

President Lincoln -- whose birth in Kentucky nearly 200 years ago we begin celebrating next month -- is a prime example of one who deeply believed in his cause. But he also believed – as much as anyone ever has – that we are stronger together than we are alone.

None of us has all the answers. What we do have are our principles.

I will never hesitate to express what I believe, and I expect the same from you. But I also pledge to listen.

We will not always agree, but we must join together to get the important work of Kentucky done!

Only through the collective efforts of everyone in this room – and the citizens all across the Commonwealth who have entrusted us with this responsibility – can we meet the significant challenges we face, and then move Kentucky forward.

Frankly, the state of this Commonwealth is not acceptable!

However, despite obvious problems, I remain filled with hope and optimism for the future, because I know that we can meet this test with determination, honesty and unity.

We're going to need each of those qualities, and more, in the weeks and months ahead.

It is my duty and my responsibility to inform you that we have some tough times ahead. The revenue outlook is grim.

Because of the economic slowdown, the cooling of the housing market, oil prices and a gap between what we spend and what we earn, we are facing an unprecedented budgetary shortfall.

While this is a situation I inherited, it is my job to fix it – and that is exactly what I intend to do.

It is not a time for whining or “woe is us” – it is a time for leadership, bold action and temporary cost cutting.

We have two options: raise taxes, or cut spending.

If the Commonwealth of Kentucky were a family, and we realized we were spending more than we could afford, we'd have no choice but to tighten our belts.

Well, even though state government is not a family, it's about time we began acting more like one. After all, it is the people's money, and I know you all agree that we need to be as efficient as possible when it comes to taxpayer dollars.

Raising taxes is and will continue to be a last resort as long as I'm Governor.

So, that leaves cutting government spending. We can wring more efficiency out of state government and I intend to do just that.

It's common sense, but it will require some painful sacrifices. I intend to be a fiscally responsible steward of this government. I would much prefer to be standing here today talking to you about all the new investments we're making, but much of that will have to wait for another day.

In the short-term, this budget crisis will unfortunately reduce our ability to make major new investments in some important priorities – my priorities.

However, the need to lower prescription drug costs for our senior citizens will not go away!

The need to increase college aid and job training will not go away!

The need to send colleges and universities better prepared students will not go away!

The need to invest in new 21st century jobs will not go away.

And, I remain fully committed to those priorities.

Ironically, the revenue situation I inherited becomes a golden opportunity to change the way we do business in Kentucky.

It is an opportunity to make every state agency leaner, more efficient and more responsive.

It is an opportunity to begin preparing Kentucky to compete in the new economy.

It is a way to focus on economic development that will create a stronger economy with jobs of the future rather than those of the past.

As I said in my inaugural address only a few weeks ago, we have an opportunity to be America's next frontier.

Kentuckians are blessed with a strong work ethic.

We are blessed with natural resources just waiting for conscientious investments from both the public and private sectors.

We are blessed with unique cultures, energy resources, some Fortune 500 companies, an equine industry of immense importance and a thriving arts scene.

We are blessed with a sound agricultural community that is also focusing ahead rather than behind. Though its size may have diminished somewhat, the end product has been remarkable.

We are blessed with dedicated teachers and administrators in our K-12 educational system, and with institutions of higher learning committed to excellence.

We are blessed with patriots from all branches of the military as evidenced by Kentucky's contributions to the global war on terrorism.

The service of our National Guard in these perilous times merits our deepest appreciation.

Yet, right now, we're falling farther behind. Today, the Commonwealth still lacks the necessary economic infrastructure to be competitive in the global economy.

Our people also lack trust in their government, and it is critical that trust and credibility be restored if we're to accomplish anything else.

That's why I announced just last week a comprehensive ethics package that includes a Constitutional amendment to limit a Governor's power to pardon.

It also reduces the Governor's influence in making appointments to the Executive Branch Ethics Commission and requires more disclosure of donations to a public official's legal defense fund while banning lobbyists and those doing business with the State from contributing.

I am hopeful that these measures will restore some of that trust in government, which is so critical to our success.

This legislation has bi-partisan support. And as I have been saying for months, it shouldn't matter if an idea is a Democratic or a Republican idea, as long as it's a good idea that makes a positive difference for Kentucky.

It is time to take full advantage of the untapped resources of our people and use them to help Kentucky become America's next frontier.

That is our best hope of competing, not only with our neighbors, but also with the rest of the country and the world.

As we examine the condition of our State, we find many positive aspects, but unfortunately, there are also major concerns.

Last year one report ranked us 47th worst in overall innovation capacity. Another ranked Kentucky 49th out of the 50 states on economic dynamics.

And a study commissioned by the Kentucky Science and Technology Corporation suggests that our present "business as usual" course would take the Commonwealth more than 150 years just to reach the current national average in per capita income.

Absent a bold new direction of innovation, creativity and 21st century thinking, Kentucky stands little chance of being economically successful in the new economy.

Is anyone here willing to accept this as our destiny? I certainly am not!

The days of fretting about how we are doing against border states are long over and a waste of time.

Something has to change. The ramifications are huge and will help determine how successful Kentucky becomes in the future.

Therefore, re-engineering Kentucky's economy from within must be among the highest priorities.

If we do this, we will be able to afford additional investments in education.

We'll be able to make health care accessible to all.

We'll be able to invest more in job training.

We will be better prepared to attack the large unfunded liability in our State's retirement systems.

And our young people will be more likely to stay in Kentucky, thus keeping our families together!

Ideas are the foundation of any new economy.

Research and technology, biotechnology, nanotechnology, alternative energy -- here are areas we must compete in, especially with energy, given our natural resources.

Encouraging new ideas, entrepreneurs and creative thinkers is what others have been doing with great results. Kentucky has no more time to play catch-up.

In Shakespeare's Julius Caesar, Brutus had the right idea when he said:

There is a tide in the affairs of men.  
Which, taken at the flood, leads on to fortune;  
Omitted, all the voyage of their life...  
Is bound in shallows and in miseries.  
On such a full sea are we now afloat,  
And we must take the current when it serves,  
Or lose our ventures.

Brutus was referring to a battle, but what we face is no less daunting.

Unless we get our financial house in order and chart a new course,  
Kentucky stands little chance of succeeding in this new economy.

Gary Hamel, the internationally known business author and innovation strategist, in his book, "Leading The Revolution," targets specific words as keys to success. Those words? Dream, create, explore, invent, pioneer, imagine.

These are qualities that once were associated with Kentucky and Kentuckians. And they can be again!  
It's time to recapture that spirit and create a new Kentucky.

This applies to state government as well. Government can and must be more accountable, more efficient and more innovative.

That's why we will be looking for good ideas from every possible source, especially from within state government.

We're looking for results through creativity, economic savings and efficiency!

Whether you're a state employee or an average citizen, if you have an idea, please contact us. No idea is too big or too small if it will help to make our government work better.

In 2008 and beyond, the only true long-term advantage any organization or government has is to be on a sound financial footing and to out-think the competition.

If not, you're doomed to mediocrity.

As I look at the state of the Commonwealth I see far too many Kentuckians on Medicaid.

I see a growing drug problem in the smallest communities as well as our largest cities.

I see basic service needs going unmet.

I see infrastructure neglect demanding solutions.

I see the fears of so many elderly who aren't sure whether they can afford a decent meal or essential prescriptions.

I see unlimited requirements and painfully limited resources.

But I also see something else.

I see committed Kentuckians who want change.

I see opportunities, not barricades.

I see the potential for cooperation, not partisan bickering.

I see a budding realization that we must generate more investments and jobs from existing businesses and pave the way to create new industries and businesses. We must better utilize our research institutions to encourage the growth of the industries of the future.

Success today is not about slogans or a few additions to our industrial base.

Rather it's about a top-to-bottom infusion of imagination – a different way of thinking about things -- from economics and government management to education and transportation.

It's about helping our existing companies do better and grow more.

It's about attracting new talent while keeping our own right here at home.

It's about creating a culture of invention, entrepreneurship and ingenuity.

Silicon Valley, North Carolina's research triangle, Northern Virginia's high-tech corridor.

These areas are engines of economic growth for their states.

They are engines of job creation and wealth.

A growing number of countries overseas are being reinvented through innovation and fueled by imagination. Their governments have changed philosophies, with leaders willing to think more broadly while making investments in the future.

Yes, I have been handed an unprecedented financial problem to deal with, but the silver lining is that it will force us to change for the better, and grow.

If we can show Kentuckians that we can balance the budget in tough times and once again place Kentucky on a sound financial foundation, that we're changing the way their government operates, that we're more accountable, and are putting the people first, then we've made a solid start.

This crisis can indeed be a positive turning point for Kentucky!

Let me make one thing clear... the status quo is not an option and it is not one my administration will tolerate.

Yes, a severe challenge does confront us. A challenge for all of us to broaden our thinking, to consider new ideas and work together in moving Kentucky forward.

My fellow Kentuckians, if we all work together, there is no obstacle that can stop us. If we all work together, then the state of our Commonwealth will become very strong.

Very strong indeed.

Thank you, God bless and goodnight.

###



**State Budget Address**  
**House Chambers**  
**Tuesday, January 29, 2008**  
**7p.m.**  
*Governor Steve Beshear*

Mr. President, Mr. Speaker, distinguished members of the Kentucky General Assembly, Lt. Governor Mongiardo, Constitutional Officers, Honorable Members of the Court of Justice, honored guests, including my First Lady as well as Kentucky's, and my fellow Kentuckians.

Last year while running for governor, I envisioned this first budget address to be a night where I unveiled a plan brimming with bold and creative new programs.

However, that evening will have to wait. Because tonight, we deal with cold, harsh reality.

During the last month, I've outlined the problems I've inherited – first, a budget shortfall of about \$434 million for the current fiscal year.

I have already eliminated a major portion of that shortfall by issuing a budget reduction order, and I am recommending the remaining steps to be taken to solve that problem in the revised budget for the current fiscal year I am submitting to you tonight.

But even more daunting are anticipated shortfalls in both years of the next biennium.

Last October, the Consensus Forecasting Group, an independent body statutorily created to estimate revenues upon which my budget, by law, must be based, revised its revenue estimates down for the current year and for the next two years.

On December 18, and then again on January 16 of this year, this group reduced their estimates even further.

To be more specific, projected revenues are now \$580 million less in the first year of the biennium than what we are spending this year, and \$306 million less in the second year.

Budget Director Mary Lassiter has worked on seven state budgets. She says that while our Commonwealth has faced revenue shortfalls before, we are in an unprecedented position – facing revenues in the next two fiscal years far below our spending levels of today.

Now, we are not alone.

Some thirty-five to forty other states are facing shortfalls and budget reductions, too.

Florida, for example, sliced sixty-five million dollars from its public universities in December.

Maine is eliminating seventy million dollars from health and human services.

Virginia has asked its three leading universities to cut seven point five percent of their budgets and Rhode Island plans to remove one thousand state jobs while eighteen thousand people could lose health insurance.

In Kentucky, we are dealing with inherited numbers so dire that were we to allow it, they could cast a deep, dark cloud over this Commonwealth for an immeasurable period.

But dark clouds are for the weak, the timid, the narrow thinkers and those unwilling to roll up their sleeves to work smarter, harder and more efficiently.

This night we do not shrink from the task. Rather, we accept this challenge to lead! This night we unveil a budget that – albeit austere to the point of pain – will once and for all start us on a path toward financial stability.

Based on projected revenues for the next two years, our spending plan is logical, well-reasoned and strategic.

This is a budget in which state government and all of its organizations must prove that they can be better stewards of the taxpayers' hard-earned money.

A dilemma facing most new governors as they hurriedly cobble together their first spending plan is figuring out where to spend new money.

But for this new governor, there is no new money.

There is less.

Must we severely tighten our belts? Yes. But in spite of that, my friends, this is not a budget of retreat.

In this budget, we have laid the groundwork for regaining our financial footing.

And, although difficult decisions have been forced upon us, we have carefully identified ways to advance, areas in which we can improve the lives of Kentuckians on several levels, often with little spending.

Though limited, such actions can lead to real achievements. As Ralph Waldo Emerson penned, “The creation of a thousand forests is in one acorn.”

Let's take a look at some of the acorns in this proposed budget.

## FIRST, K-12 EDUCATION.

My commitment to the education of children in elementary and secondary schools remains steadfast. K-12 education is our highest priority, as it should be.

Our founding fathers said exactly that when they constitutionally mandated an adequate system of education for children.

Without providing our children a proper foundation at the elementary and secondary levels, the role of colleges and universities is diminished because of remedial requirements placed upon them.

So, while most of the rest of government will have to make do with significantly less, this budget provides the funding to maintain the SEEK base per pupil guarantee for the next two years.

I fully recognize that protecting the education of our children by sparing SEEK from cuts has serious consequences elsewhere, since it represents thirty-three percent of the General Fund. But it is the right choice.

Furthermore, although we cannot do all that I would like in the field of early childhood education and development, we must take steps forward.

To begin that process, I will create an early education and care coordination committee.

This committee will bring all providers – the public school sector, the private sector and Head Start – to the table to increase service efficiency, reduce duplication and produce common standards of practice.

As conditions improve, we must expand the availability of early care and education to more Kentucky children.

## HIGHER EDUCATION.

In postsecondary education, I am deeply disturbed by the agonizing position in which we find ourselves.

I strongly believe in the missions and goals of our colleges and universities, and I regret offering a budget with reductions in this area.

But given severely limited resources, the fact that I have recommended no reduction in the formula which funds K-12 education, and the fact that we must provide for the basic health and human needs of the most vulnerable in our society, we will simply be unable to maintain the current level of increased spending for institutional operating budgets. I have been warned about the easy option of large tuition increases.

I urge all of the presidents and boards of our universities to scrutinize their own operational costs, as the rest of government has to do.

Now is the time for all of us to discover greater management efficiency and cost containment.

But I also believe that in spite of the necessity of reductions, this budget provides ways to continue the momentum begun by the 1997 higher education reform effort.

In this budget:

I recommend that the need-based student financial aid programs be held harmless from budget cuts.

In addition, I recommend funding of the Kentucky National Guard tuition award program.

The men and women serving our nation and our Commonwealth deserve no less.

What we also can do at this time is address some of the capital needs of our universities – both human capital and bricks and mortar needs – in helping meet 20 20 goals of excellence.

I recommend a sixty million dollar bond authorization for a new round of “Bucks for Brains.”

This program has attracted and retained some of the brightest faculty and research teams in the nation. In times like these, we simply must invest in the future.

I recommend restoration and funding of all previous vetoed bond projects that have not moved forward. These had the support of both the House and Senate in 2006. Many are on the campuses of our state universities. There should be no debate about moving forward now.

In addition, I recommend that the General Assembly authorize all of the agency bond projects requested by the universities for this biennium.

As you know, these projects require no debt service from the state. Rather, such bonds are paid for by the universities' own revenues.

By authorizing all such requested projects, the universities will have the flexibility they need to choose the ones most important to them.

As you will see when you review my entire recommended capital construction budget, we can authorize all such projects and still remain within our debt capacity policy.

We also must address two university projects that won't cost additional general funds.

Murray State University needs authorization to finish its Chemistry Building with funds previously authorized.

The University of Louisville requires authority to spend private funds to renovate Papa John's Cardinal Stadium. I recommend language which will allow both projects to proceed.

My friends, if and when additional resources become available, higher education should be a top priority for new funds.

#### HEALTH CARE.

The Medicaid program is receiving the largest amount of new funding in this budget.

Why? Because health care costs continue to rise, and new funding is required to simply maintain the program which provides the healthcare safety net for thousands of Kentuckians.

Through this budget, more than 722,000 Kentuckians each year will continue to receive coverage under the Kentucky Medicaid Program.

And we are not cutting eligibility for the program.

However, we must implement a strategy for coordination and improved oversight of many of the components of the Medicaid Program to live within the available dollars. We must manage this program better.

We will continue to implement components of the reforms in the Medicaid program that were contemplated in the last budget.

And, we will have to find ways to reduce expenditures in some areas.

There are other limited areas where we have to find ways to do more.

I recommend additional funding to increase alternatives to institutionalization for individuals so that they may choose consumer-directed program services in community based settings.

This budget adds 150 placements in the first year and 300 placements in the second year for the Supports for Community Living program and implements a new waiver to serve individuals with mental retardation and developmental disability who previously could not access community-based services.

This budget also contains increased funding for a new program of Long Term Care coverage to individuals with an Acquired Brain Injury, and proceeds with the “Money Follows the Person” initiative which allows individuals in a nursing facility or other institutions to return home to the community.

However, we cannot continue spending dollars in the same old way.

We must look across the continuum of the Medicaid program to ensure that we are getting good value for the dollars paid for health care services, and that the program itself is administered in the most cost-efficient manner.

I am committed to continuing the planning process for replacement of Eastern State Hospital. I have asked the Secretary of the Cabinet for Health and Family Services to evaluate options for the planning of, and financing for, the replacement of that facility.

The Secretary will propose a plan by December 2008 for the replacement of the facility.

I recommend issuing bonds to replace the Glasgow State Nursing Facility operated by the Department of Mental Health and Mental Retardation. The existing facility is deteriorating alarmingly, and will soon be unsafe for use.

## JUSTICE.

Getting a handle on the soaring expenditures for this state's justice system is among our greatest challenges.

During the past thirty years, Kentucky's crime rate has remained virtually flat, increasing only about three percent.

But our incarceration rate has increased by 600 percent in the same timeframe.

In 1970, Kentucky had 2,838 state prisoners. As of last week, the state's inmate population stood at 22,442.

By the end of the upcoming biennium, that number is expected to easily top 23,000. Kentucky's corrections budget has swelled to nearly \$398 million in general funds. And it is still not enough.

I will appoint a criminal justice task force, comprised of representatives from all parts of the system, to undertake a comprehensive review of Kentucky's penal code, sentencing guidelines and related issues.

Its goal will be to ensure protection of the public and appropriate punishment of offenders, while developing ways to better control the costs of this system.

However, while reforms in this area could reduce the populations in our jails and minimum security facilities where large numbers of less serious offenders are now held, there is unfortunately already a demonstrated need for more space to house serious and violent offenders who cannot be held in those other facilities.

Therefore, I recommend the expansion of the Little Sandy Correctional Complex in Elliott County to accommodate that need.

The rest of the justice system will experience budget reductions.

However, because of their vital role in the protection of the public, I recommend smaller reductions to these areas of government than many other areas.

#### TRANSPORTATION.

Unfortunately, our road fund is not much better off than the General Fund over the next two years.

We do have some revenue growth predicted, primarily due to the increasing cost of gasoline.

The good news for local governments is that the revenue-sharing program will see some growth.

The bad news for state government is that almost all of the revenue growth predicted is already obligated to numerous prior commitments.

In fact, the last two years saw record spending on highway contracts, and when we arrived on December 11th, we found that of the \$65 million that had been placed in the Highway Contingency Fund, all but \$307,000 had already been spent.

The bottom line is there's little new money available for additional projects.

#### ECONOMIC DEVELOPMENT.

Refocusing Kentucky's economic development strategies and practices is of the utmost priority.

When our Economic Development Cabinet was created in the 1990s, it was given the task of creating a statewide economic development strategy.

However, over the years that strategy has become more and more limited and dated.

It is time to revitalize our economic development efforts, and as chair of the Economic Development Partnership Board, I will work with the Secretary of that cabinet to review and revise our strategy, giving it a new focus on the entire state and on twenty-first century jobs.

In addition, in tight times more than ever, Kentuckians deserve to know how state dollars are spent on economic development deals.

I have instructed the Cabinet to make all such incentive agreements available through a searchable database.

Finally, an immediate and major new economic development opportunity arises out of the federal government's decision to change and expand the mission of the Fort Knox military facility.

This effort will result in the Commonwealth becoming the beneficiary of hundreds of millions of dollars in federal investment as well as thousands of jobs.

Our response will likely require state investments in roads, schools, and other infrastructure.

But the return is enormous – in tax dollars, spending power, high-salaried twenty-first century jobs, construction benefits and the preservation of Fort Knox.

To be prepared to address these critical needs, I recommend:

Fifty million dollars in economic development road bonds to support pre-construction for road projects needed for the successful build-out of the new federal facilities.

Fifty million dollars in economic development bonds to address other potential infrastructure needs in the area.

I will also appoint an implementation team to move forward and build upon the good work carried out by the initial Base Realignment Task Force. We cannot afford to miss this opportunity.

#### CAPITAL INVESTMENTS.

Considerable thought has been given to the appropriateness of issuing debt when we face cutbacks in so many areas. Some will say that now is not the time to invest in infrastructure and other capital needs.

I believe that this is exactly the right time.

Carefully planned investments will allow us to continue the positive momentum we have built in several areas.



Fortunately, if we have to borrow, we can do so by capturing low interest rates. Furthermore, capital investments, where appropriate, have an added advantage of creating construction and related jobs.

My capital investment focus has three components:

Honoring prior commitments.

Investing in critical needs.

And giving the universities flexibility to issue debt that they will repay with their own money, a topic which I have already discussed.

In the area of honoring prior commitments, I recommend the following:

We should issue one hundred million dollars in bonds for the School Facilities Construction Commission.

The initial Offers of Assistance for these projects were authorized in the 2006-2008 budget.

Prior promises to our school districts have been made, and they should be honored.

I also recommend that we authorize an additional 100-million dollars in offers of assistance over the next biennium. We must provide adequate facilities in which our children can be educated.

We should complete the statewide public safety communications network.

We have deployed the system in eastern Kentucky; now we must finish deploying the technology in the western part of the state. This is a critical public safety issue.

Finally, as I have already mentioned, we should restore all 2006 vetoed bond projects that have not moved forward. The time to act on them is now.

In the area of investing in critical needs, I have already mentioned the investment we should make in a Bucks for Brains program, the Fort Knox expansion and realignment effort, the necessity of expanding the Little Sandy Correctional Complex and the need to pursue a replacement facility for Eastern State Hospital.

In addition, I recommend:

Additional bond funds for the Kentucky Infrastructure Authority, both to match federal funds and to address water and sewer needs in our coal-producing counties - a critical health and safety issue.

Funds for flood control matching grants and state-owned dam repair.

Replacing the power plant at Morehead State University. It has been patched together and is operating with a very temporary solution.

\$3.7 million in agency bonds for infrastructure at Bluegrass Station. Two weeks ago a fire there destroyed a building the state leased to private enterprise. This is the second fire in the last year.

Unfortunately, the infrastructure is insufficient to supply adequate water pressure for fire suppression. This is unacceptable.

Although we have looked throughout state government for money to balance the General Fund, I recommend that we respect the integrity of two distinct funds.

First, I feel strongly about keeping our commitment to agriculture as we continue investing in the agricultural economy. We must increase net farm income.

I recommend that we honor the commitment made to the agriculture community to allocate fifty-percent of the Master Settlement Agreement funds to agriculture development.

In addition, restoring and funding the 2006 vetoed bond projects will allow for the expansion of the University of Kentucky Livestock Disease Diagnostic Center.

The additional space will help to meet the ever-increasing demands for disease diagnosis and research to safeguard the animal population.

Second, coal severance funds should continue to flow to the coal counties.

However, I am recommending two initiatives for use of some of these funds:

The mine safety inspection and training program is critical.

Legislation you enacted in the past two sessions calls for an increase in mine inspections and mine safety training.

Yet, that program has not been funded. I recommend that we fund those requirements from coal severance funds.

And, as I have already mentioned, we must concentrate on the pressing needs for adequate water and sewer infrastructure in our coal counties. Therefore, I am recommending a \$50 million bond pool to address these needs.

Another area we must address is our public pension systems. They have large unfunded liabilities.

This problem did not appear overnight, and Kentucky cannot and will not solve it overnight – particularly through some large infusion of cash. Again, right now, there is no cash!

What we can do now is address the increasing costs. These programs are not sustainable at current levels.

Therefore, I will offer a specific proposal on pension reform in the coming weeks and I look forward to working with you as we resolve this critical problem.

Presenting a budget with significantly less resources will force us to become more efficient.

It will force us to rethink how state government operates. And by doing so, we will be on a firmer financial footing.

This proposed budget relies on some one-time money, but not nearly as much as the current budget.

We have used most of our rainy-day fund to balance this budget, and we have identified many sources of non-General Fund money to help balance it.

By doing so, we will be able to bring authorized spending levels back to current levels by the end of the biennium.

But we have decreased our reliance on those one-time funds.

In fact, we have reduced our reliance on one-time funds to support recurring spending by more than fifty percent.

We should strive in the future to reduce that reliance even further, so that we don't find ourselves in this position ever again.

Yes, there will be future downturns in the economy, but our ability to withstand them will be enhanced once we balance our budget with recurring sources of revenue.

However, even when the economy turns around and our revenues begin to rise again, I know that we all want to move forward faster.

We want to more rapidly improve the quality of life for all Kentuckians in areas such as education, healthcare and better jobs.

And to do that, we need a major new source of revenue.

I have said many times that raising taxes is a last resort. But there is another option.

Other states' gaming facilities are on most of our borders, and each year thousands of Kentuckians visit them and spend over one billion dollars of their entertainment money.

Right now, those Kentucky dollars are educating Indiana's kids, providing healthcare for Illinois' seniors, and paving West Virginia's roads.

Do we want Kentucky money continuing to benefit the people of other states, or do we want to bring it home to improve the quality of life of our own people?

While estimates vary, it is safe to say that allowing limited expanded gaming in Kentucky would result in hundreds of million dollars in new tax revenue every year.

Kentuckians have overwhelmingly indicated that they want the right to vote on this issue, and it is time that you allow them to do so.

In the coming weeks, I will be submitting to this General Assembly a constitutional amendment which would allow the people of our state to vote on whether to allow limited expanded gaming in Kentucky.

I call upon you to pass that amendment and place it on November's ballot. I trust the people of this state to make the correct decision. It is time that you also place your trust in them.

So there you have it.

I commend this budget to you for your review and action. I understand that you may have somewhat different priorities, and I look forward to working with you as we finalize our plans for Kentucky's future.

Yes, we are in tough times, and just like Kentucky families who find themselves in a similar situation, we must tighten our belts and balance our checkbook.

But, my friends, if we work together we are going to come out of this in much better shape than we were before.

It is time to get our financial house in order. It is time to chart a new course. It is time that Kentucky once again rises to the top.

For Kentucky to become this nation's next frontier will require bold, honest and unflinching leadership. Together, we can provide that leadership, starting tonight.

###