

Energy and Environment

Energy and Environment

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	78,113,400	77,026,500	76,883,500	87,443,600	88,903,000
Continuing Approp-General Fund	674,471	539,512	610,600		
Budget Reduction-General Fund			-3,552,200		
Reorganization Adjustment					
Mandated Allotments	3,856,504	5,736,721	528,100		
Other					
Total General Fund	82,644,375	83,302,733	74,470,000	87,443,600	88,903,000
Tobacco Fund					
Tobacco Settlement - Phase I		5,000,000	5,000,000	3,757,300	3,757,300
Special Appropriation	5,000,000				
Continuing Approp-Tob Settlement	11,483,512	12,846,556	13,896,000		
Total Tobacco Fund	16,483,512	17,846,556	18,896,000	3,757,300	3,757,300
Restricted Funds					
Balance Forward	24,632,513	33,662,930	25,078,400	19,314,300	10,117,500
Current Receipts	23,178,436	23,744,512	24,246,700	31,378,800	32,652,700
Non-Revenue Receipts	66,776,271	65,567,037	68,215,800	67,632,600	70,116,400
Fund Transfers	-8,016,200	-24,399,500	-8,000,000	-14,500,000	-14,500,000
Total Restricted Funds	106,571,020	98,574,979	109,540,900	103,825,700	98,386,600
Federal Fund					
Balance Forward		30,376			
Current Receipts	66,933,308	61,104,077	74,320,100	87,016,400	87,040,800
Non-Revenue Receipts	-3,435,287	3,526,443	-2,305,500	-2,266,700	-2,268,000
Total Federal Fund	63,498,021	64,660,896	72,014,600	84,749,700	84,772,800
Road Fund					
Regular Appropriation	320,900	320,900	320,900	320,900	320,900
Total Road Fund	320,900	320,900	320,900	320,900	320,900
TOTAL SOURCE OF FUNDS	269,517,828	264,706,064	275,242,400	280,097,200	276,140,600
EXPENDITURES BY CLASS					
Personnel Costs	125,422,318	125,642,225	129,439,800	148,776,200	149,597,500
Operating Expenses	36,165,755	37,748,149	40,038,900	41,335,200	41,700,100
Grants Loans Benefits	30,578,708	32,057,807	44,334,000	23,463,300	23,229,500
Debt Service	616,000	483,000	474,000	424,500	849,000
Capital Outlay	3,424,523	9,802,130	10,764,200	6,909,300	6,417,800
Construction	15,993,801	12,319,489	23,809,200	42,586,000	42,774,200
TOTAL EXPENDITURES	212,201,103	218,052,801	248,860,100	263,494,500	264,568,100
EXPENDITURES BY FUND SOURCE					
General Fund	71,867,512	75,624,052	67,402,000	80,958,400	82,417,800
Tobacco Fund	3,636,956	3,950,597	18,896,000	3,757,300	3,757,300
Restricted Funds	72,908,090	73,496,356	90,226,600	93,708,200	93,299,300
Federal Fund	63,467,645	64,660,896	72,014,600	84,749,700	84,772,800
Road Fund	320,900	320,900	320,900	320,900	320,900
TOTAL EXPENDITURES	212,201,103	218,052,801	248,860,100	263,494,500	264,568,100
EXPENDITURES BY UNIT					
Secretary	5,028,450	4,934,367	5,997,000	6,330,500	6,130,900
Environmental Protection	104,772,026	111,467,687	116,884,100	124,230,800	124,643,700
Natural Resources	87,047,184	87,869,239	110,801,100	117,109,000	117,967,400
Energy Development and Independence	3,375,900	2,291,836	2,870,800	2,861,800	2,843,300

EXPENDITURES BY UNIT

Kentucky Nature Preserves Commission	1,736,093	1,703,401	1,999,900	2,218,000	2,238,400
Public Service Commission	10,241,450	9,786,270	10,307,200	10,744,400	10,744,400
TOTAL EXPENDITURES	<u>212,201,103</u>	<u>218,052,801</u>	<u>248,860,100</u>	<u>263,494,500</u>	<u>264,568,100</u>

The Energy and Environment Cabinet is charged with the protection and preservation of land, air and water resources as well as creating efficient, sustainable energy solutions. The Cabinet has three departments: Environmental Protection, Natural Resources, and Energy Development and Independence. Attached for administrative purposes are the Mine Safety Review Commission, the State Nature Preserves Commission, and the Public Service Commission.

A Secretary appointed by the Governor heads the Cabinet. The Secretary is responsible for leadership, monitoring trends and shaping a vision for the future of Kentucky's energy platform and environment.

**Energy and Environment
Secretary**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	3,244,400	3,029,300	3,059,400	3,330,000	3,372,100
Budget Reduction-General Fund			-156,700		
Total General Fund	3,244,400	3,029,300	2,902,700	3,330,000	3,372,100
Restricted Funds					
Balance Forward	439,786	578,159	1,048,600	532,600	158,000
Current Receipts	36,153	36,031	35,900	35,900	35,900
Non-Revenue Receipts	1,553,225	1,476,422	1,416,000	1,463,600	1,471,000
Fund Transfers	-293,200				
Total Restricted Funds	1,735,963	2,090,612	2,500,500	2,032,100	1,664,900
Federal Fund					
Current Receipts	797,857	854,493	1,155,600	1,155,600	1,155,600
Non-Revenue Receipts	-25,612	8,523	-29,200	-29,200	-29,200
Total Federal Fund	772,246	863,015	1,126,400	1,126,400	1,126,400
TOTAL SOURCE OF FUNDS	5,752,609	5,982,928	6,529,600	6,488,500	6,163,400
EXPENDITURES BY CLASS					
Personnel Costs	4,022,190	4,062,962	4,600,200	5,197,900	5,050,100
Operating Expenses	1,006,260	871,404	1,135,000	1,132,600	1,080,800
Grants Loans Benefits					
Capital Outlay			261,800		
TOTAL EXPENDITURES	5,028,450	4,934,367	5,997,000	6,330,500	6,130,900
EXPENDITURES BY FUND SOURCE					
General Fund	3,098,400	3,029,300	2,902,700	3,330,000	3,372,100
Restricted Funds	1,157,804	1,042,051	1,967,900	1,874,100	1,632,400
Federal Fund	772,246	863,015	1,126,400	1,126,400	1,126,400
TOTAL EXPENDITURES	5,028,450	4,934,367	5,997,000	6,330,500	6,130,900
EXPENDITURES BY UNIT					
Administrative Hearings	812,673	881,643	1,078,500	1,188,900	1,198,700
Ofc of Sec - Leg & Interg Aff - Gen Coun	4,055,116	4,045,734	4,918,500	5,141,600	4,932,200
Environmental Quality Commission	160,661	6,990			
TOTAL EXPENDITURES	5,028,450	4,934,367	5,997,000	6,330,500	6,130,900

The Office of the Secretary formulates and executes Cabinet policies based on administration priorities, state and federal statutes, regulations and legislative initiatives. The Office of the Secretary responds to concerns of the general public and initiates public information and education efforts.

The Office of Legislative and Intergovernmental Affairs is responsible for communicating programmatic and policy information to stakeholders including the legislature and local governments.

The Office of Legal Services provides litigation and other legal services for the Cabinet.

The Office of Administrative Hearings conducts administrative appeal hearings and issues recommended orders for review by the Secretary.

**Energy and Environment
Environmental Protection**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	21,846,400	22,877,100	22,298,600	27,665,900	28,567,500
Budget Reduction-General Fund			-1,142,300		
Total General Fund	21,846,400	22,877,100	21,156,300	27,665,900	28,567,500
Restricted Funds					
Balance Forward	12,456,864	22,397,500	13,674,900	13,436,300	6,070,600
Current Receipts	19,996,447	20,191,196	20,801,900	28,556,600	29,943,100
Non-Revenue Receipts	59,563,614	60,368,116	58,313,500	53,700,000	56,067,600
Fund Transfers	-7,723,000	-24,399,500	-8,000,000	-14,500,000	-14,500,000
Total Restricted Funds	84,293,925	78,557,312	84,790,300	81,192,900	77,581,300
Federal Fund					
Balance Forward		26,101			
Current Receipts	23,555,178	17,944,859	25,043,500	22,083,700	21,684,700
Non-Revenue Receipts	-1,838,876	5,416,577	-990,600	-962,000	-961,200
Total Federal Fund	21,716,302	23,387,536	24,052,900	21,121,700	20,723,500
Road Fund					
Regular Appropriation	320,900	320,900	320,900	320,900	320,900
Total Road Fund	320,900	320,900	320,900	320,900	320,900
TOTAL SOURCE OF FUNDS	128,177,527	125,142,848	130,320,400	130,301,400	127,193,200
EXPENDITURES BY CLASS					
Personnel Costs	62,031,460	61,450,216	66,042,500	74,180,100	74,464,100
Operating Expenses	24,432,518	26,301,898	28,437,700	28,933,600	29,369,200
Grants Loans Benefits	15,371,876	15,551,975	16,103,500	15,759,700	15,650,900
Debt Service	27,000	9,000		424,500	849,000
Capital Outlay	1,705,850	6,995,587	6,200,400	4,832,900	4,210,500
Construction	1,203,322	1,159,011	100,000	100,000	100,000
TOTAL EXPENDITURES	104,772,026	111,467,687	116,884,100	124,230,800	124,643,700
EXPENDITURES BY FUND SOURCE					
General Fund	20,864,500	22,877,100	21,156,300	27,665,900	28,567,500
Restricted Funds	61,896,425	64,882,151	71,354,000	75,122,300	75,031,800
Federal Fund	21,690,201	23,387,536	24,052,900	21,121,700	20,723,500
Road Fund	320,900	320,900	320,900	320,900	320,900
TOTAL EXPENDITURES	104,772,026	111,467,687	116,884,100	124,230,800	124,643,700
EXPENDITURES BY UNIT					
Commissioner	598,438	1,557,031	726,900	865,300	863,500
Water	25,846,917	26,430,709	28,001,700	28,287,900	29,024,900
Waste Management	29,203,736	29,333,739	30,894,200	33,082,600	32,272,300
Air Quality	15,245,065	15,524,005	17,229,100	18,691,900	18,298,300
Environmental Program Support	6,895,864	6,949,455	8,006,600	8,476,900	8,524,800
Enforcement	1,781,142	1,914,348	2,054,200	2,263,500	2,299,100
Compliance Assistance	1,550,667	1,481,062	2,223,000	2,022,800	1,954,800
Petroleum Storage Tank	23,650,199	28,277,339	27,748,400	30,539,900	31,406,000
Environmental Assurance Fund					
TOTAL EXPENDITURES	104,772,026	111,467,687	116,884,100	124,230,800	124,643,700

The Department for Environmental Protection is responsible for the protection of the environment through the prevention, abatement, and control of water, land, and air pollution. The Department is also responsible for the Maxey Flats low-level nuclear waste disposal site.

**Energy and Environment
Environmental Protection
Commissioner**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	355,200	1,289,100	394,800	607,800	619,000
Budget Reduction-General Fund			-27,400		
Other		60,000	124,800		
Total General Fund	355,200	1,349,100	492,200	607,800	619,000
Restricted Funds					
Balance Forward	30,411	18,674	42,200	39,000	13,000
Non-Revenue Receipts	231,500	231,500	231,500	231,500	231,500
Total Restricted Funds	261,911	250,174	273,700	270,500	244,500
Federal Fund					
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TOTAL SOURCE OF FUNDS	617,111	1,599,274	765,900	878,300	863,500
EXPENDITURES BY CLASS					
Personnel Costs	573,853	641,062	670,100	807,200	805,400
Operating Expenses	24,584	60,069	56,800	58,100	58,100
Capital Outlay		855,900			
TOTAL EXPENDITURES	598,438	1,557,031	726,900	865,300	863,500
EXPENDITURES BY FUND SOURCE					
General Fund	355,200	1,349,100	492,200	607,800	619,000
Restricted Funds	243,238	207,931	234,700	257,500	244,500
TOTAL EXPENDITURES	598,438	1,557,031	726,900	865,300	863,500

The Office of the Commissioner, pursuant to KRS 224.10-020(1), provides leadership, policy direction, and management for the Department for Environmental Protection.

**Energy and Environment
Environmental Protection**

Water

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	9,820,300	9,735,900	9,881,000	13,615,100	14,188,700
Budget Reduction-General Fund			-537,300		
Other	-113,100		361,600		
Total General Fund	9,707,200	9,735,900	9,705,300	13,615,100	14,188,700
Restricted Funds					
Balance Forward	2,081,599	1,939,698	1,927,100	275,500	
Current Receipts	1,852,408	1,341,616	1,674,100	1,445,200	2,126,300
Non-Revenue Receipts	281,021	102,781	291,600	388,500	384,700
Total Restricted Funds	4,215,028	3,384,095	3,892,800	2,109,200	2,511,000
Federal Fund					
Balance Forward		-346,228			
Current Receipts	14,521,290	11,703,508	14,897,900	12,762,800	12,520,600
Non-Revenue Receipts	-1,324,032	3,293,145	-539,700	-520,100	-516,300
Total Federal Fund	13,197,258	14,650,425	14,358,200	12,242,700	12,004,300
Road Fund					
Regular Appropriation	320,900	320,900	320,900	320,900	320,900
Total Road Fund	320,900	320,900	320,900	320,900	320,900
TOTAL SOURCE OF FUNDS	27,440,386	28,091,320	28,277,200	28,287,900	29,024,900
EXPENDITURES BY CLASS					
Personnel Costs	20,588,044	20,219,772	21,150,300	23,710,400	23,861,000
Operating Expenses	2,574,919	2,957,769	3,212,200	2,362,100	2,681,200
Grants Loans Benefits	2,492,365	3,246,956	3,257,200	1,755,900	1,633,700
Debt Service	27,000	9,000		424,500	849,000
Capital Outlay	209,656		382,000	35,000	
TOTAL EXPENDITURES	25,891,983	26,433,497	28,001,700	28,287,900	29,024,900
EXPENDITURES BY FUND SOURCE					
General Fund	9,707,200	9,735,900	9,705,300	13,615,100	14,188,700
Restricted Funds	2,320,396	1,726,272	3,617,300	2,109,200	2,511,000
Federal Fund	13,543,487	14,650,425	14,358,200	12,242,700	12,004,300
Road Fund	320,900	320,900	320,900	320,900	320,900
TOTAL EXPENDITURES	25,891,983	26,433,497	28,001,700	28,287,900	29,024,900

The Division of Water, pursuant to KRS Chapters 146, 149, 151, 220, 223, 224, 224A, 261, 350.029, 350.275 and federal law including PL 92-500 as amended (the Clean Water Act) and 92-523 as amended (the Safe Drinking Water Act), is responsible for administering programs for: ensuring a safe drinking water supply, water quality planning and monitoring, stormwater management, dam safety, groundwater protection, wastewater treatment and sewer line construction, water conservation, and regulation development.

The Division administers programs relating to groundwater protection plans, Total Maximum Daily Load Plans, the Non-Point Source 319(h) Grant program, watershed management, dam safety inspections, floodplain management, 401 Water Quality Certifications, water quality standards, water quality monitoring and assessment, Clean Water and Drinking Water State Revolving Loan programs, Kentucky Pollution Discharge Elimination System permitting, confined animal feeding operations compliance, and logging operations.

Policy

The Budget of the Commonwealth includes General Fund debt service in the amount of \$424,500 in fiscal year 2018-2019 and \$849,000 in fiscal year 2019-2020 to support new bonds as set forth in Part II, Capital Projects Budget.

**Energy and Environment
Environmental Protection
Waste Management**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,265,500	5,125,500	5,205,100	5,703,400	5,886,400
Budget Reduction-General Fund			-260,400		
Other	-144,000	-60,000	-361,600		
Total General Fund	5,121,500	5,065,500	4,583,100	5,703,400	5,886,400
Restricted Funds					
Balance Forward	3,693,443	3,719,366	5,412,700	4,834,800	748,500
Current Receipts	3,900,039	4,530,538	3,914,400	9,604,400	9,804,400
Non-Revenue Receipts	15,480,590	15,532,612	16,424,300	11,312,700	13,653,100
Fund Transfers				-3,000,000	-3,000,000
Total Restricted Funds	23,074,072	23,782,517	25,751,400	22,751,900	21,206,000
Federal Fund					
Balance Forward		338,955			
Current Receipts	6,000,773	4,115,594	5,695,700	5,675,300	5,606,700
Non-Revenue Receipts	-350,787	1,443,885	-301,200	-299,500	-301,200
Total Federal Fund	5,649,985	5,898,435	5,394,500	5,375,800	5,305,500
TOTAL SOURCE OF FUNDS	33,845,557	34,746,451	35,729,000	33,831,100	32,397,900
EXPENDITURES BY CLASS					
Personnel Costs	13,893,416	13,620,709	14,697,200	16,266,400	16,091,700
Operating Expenses	2,155,452	2,412,489	2,677,500	2,273,400	1,879,100
Grants Loans Benefits	12,779,376	12,150,274	12,034,500	13,504,800	13,525,400
Capital Outlay	284,042	1,130,968	1,385,000	938,000	676,100
Construction	91,450	19,299	100,000	100,000	100,000
TOTAL EXPENDITURES	29,203,736	29,333,739	30,894,200	33,082,600	32,272,300
EXPENDITURES BY FUND SOURCE					
General Fund	4,538,000	5,065,500	4,583,100	5,703,400	5,886,400
Restricted Funds	19,354,705	18,369,805	20,916,600	22,003,400	21,080,400
Federal Fund	5,311,030	5,898,435	5,394,500	5,375,800	5,305,500
TOTAL EXPENDITURES	29,203,736	29,333,739	30,894,200	33,082,600	32,272,300

The Division of Waste Management, pursuant to KRS 224, administers programs that regulate the generation, transportation, storage, treatment, and disposal of all hazardous and solid wastes in the state. Additional responsibilities include resources use and recycling initiatives, technical assistance to counties, and solid waste management districts to facilitate compliance with 401 KAR, Chapter 49. The Division is also responsible for investigation and restoration duties at abandoned hazardous waste disposal sites and citizen education concerning waste management issues. The Division also administers the Voluntary Environmental Remediation Act and the Certified Clean Counties initiative.

Pursuant to KRS 224.43-505, the Division manages the Kentucky Pride Fund, which encourages proper solid waste management in Kentucky through waste reduction, recycling, proper closure of abandoned landfills, education, proper collection and disposal of solid waste, elimination of illegal open dumps, and abatement of litter.

Maxey Flats, once a low-level nuclear waste disposal site and closed in 1977, was designated to be in its Final Closure Period as of November, 2012. This includes the installation of a permanent vegetative cap, permanent surface water control features, and surface monuments to identify the location of buried waste. This project was funded in the 2012-14 biennial budget from private funds paid into a trust fund by the Private Settling Parties and from General Fund supported bonds. The final cap was substantially completed in November, 2016. The Commonwealth of Kentucky assumed ownership and responsibility for the toxic site in 1978, and is responsible for long-term monitoring and maintenance activities of the site in perpetuity. Ongoing monitoring and maintenance is funded from the General Fund.

**Energy and Environment
Environmental Protection**

Air Quality

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	1,410,963	1,453,110	1,154,400	573,200	738,000
Current Receipts	13,540,470	13,515,736	14,592,800	17,001,400	17,391,800
Non-Revenue Receipts	99,289	86,435	93,500	87,000	88,300
Total Restricted Funds	15,050,722	15,055,281	15,840,700	17,661,600	18,218,100
Federal Fund					
Balance Forward		23,953			
Current Receipts	1,770,696	1,106,727	2,055,100	1,855,300	1,855,400
Non-Revenue Receipts	-99,289	492,520	-93,500	-87,000	-88,300
Total Federal Fund	1,671,407	1,623,200	1,961,600	1,768,300	1,767,100
TOTAL SOURCE OF FUNDS	16,722,128	16,678,481	17,802,300	19,429,900	19,985,200
EXPENDITURES BY CLASS					
Personnel Costs	12,964,809	13,101,383	14,234,900	15,798,300	15,966,800
Operating Expenses	1,847,323	1,953,096	2,188,500	2,268,700	2,032,100
Grants Loans Benefits	11,841	35,931	65,000	65,000	65,000
Capital Outlay	421,091	433,595	740,700	559,900	234,400
TOTAL EXPENDITURES	15,245,065	15,524,005	17,229,100	18,691,900	18,298,300
EXPENDITURES BY FUND SOURCE					
Restricted Funds	13,597,611	13,900,806	15,267,500	16,923,600	16,531,200
Federal Fund	1,647,454	1,623,200	1,961,600	1,768,300	1,767,100
TOTAL EXPENDITURES	15,245,065	15,524,005	17,229,100	18,691,900	18,298,300

The Division of Air Quality is responsible for the identification and implementation of measures necessary to achieve and maintain ambient air quality standards as mandated by the federal Clean Air Act and KRS 224.10-100. The Division accomplishes its mission through air quality monitoring, permitting, source inspections and enforcement to ensure compliance with air pollution laws and regulations.

The 1990 Clean Air Act Amendments imposed new permitting requirements to protect air quality. Federal law requires that an emission fee be levied on facilities with significant air pollutants to fund the implementation of the new requirements. If a state does not have continued authorization, the fee will be collected by the U.S. Environmental Protection Agency to fund a federal permitting program. The Division has been granted authority to enforce portions of the Clean Air Act in the Commonwealth. Under that authority the Division operates the Title V Operating Permit Program, and costs associated therewith are funded through emission fees assessed pursuant to the Clean Air Act and KRS 224.20-050.

**Energy and Environment
Environmental Protection
Environmental Program Support**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,183,600	5,513,700	5,586,300	6,436,400	6,546,000
Budget Reduction-General Fund			-258,800		
Other	257,100				
Total General Fund	5,440,700	5,513,700	5,327,500	6,436,400	6,546,000
Restricted Funds					
Balance Forward	450,134	440,054	529,500		
Current Receipts	146,935	74,578	90,000	90,000	90,000
Non-Revenue Receipts	1,510,903	1,314,015	1,498,800	1,646,800	1,673,400
Total Restricted Funds	2,107,972	1,828,648	2,118,300	1,736,800	1,763,400
Federal Fund					
Current Receipts	68,247	136,649	560,800	303,700	215,400
Total Federal Fund	68,247	136,649	560,800	303,700	215,400
TOTAL SOURCE OF FUNDS	7,616,918	7,478,996	8,006,600	8,476,900	8,524,800
EXPENDITURES BY CLASS					
Personnel Costs	5,112,630	5,320,314	6,064,100	7,156,700	7,205,900
Operating Expenses	1,529,157	1,520,884	1,661,000	1,311,200	1,317,100
Grants Loans Benefits	900	8,924	1,800	9,000	1,800
Capital Outlay	253,176	99,332	279,700		
TOTAL EXPENDITURES	6,895,864	6,949,455	8,006,600	8,476,900	8,524,800
EXPENDITURES BY FUND SOURCE					
General Fund	5,159,700	5,513,700	5,327,500	6,436,400	6,546,000
Restricted Funds	1,667,917	1,299,106	2,118,300	1,736,800	1,763,400
Federal Fund	68,247	136,649	560,800	303,700	215,400
TOTAL EXPENDITURES	6,895,864	6,949,455	8,006,600	8,476,900	8,524,800

The Division of Environmental Program Support provides support to the Department in the areas of laboratory services, personnel, budget, information technology and overall administration. The Division provides centralized laboratory testing for the Department. The Division also supports and directs the activities of the Environmental Response Team and is responsible for the cabinet's twenty-four (24) hour environmental response line. Activities are conducted pursuant to KRS 224.10-100(7).

**Energy and Environment
Environmental Protection
Enforcement**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	908,400	908,100	922,400	1,082,900	1,103,000
Budget Reduction-General Fund			-48,500		
Total General Fund	908,400	908,100	873,900	1,082,900	1,103,000
Restricted Funds					
Balance Forward	141,032	76,613	108,400		
Non-Revenue Receipts	485,522	687,067	703,800	812,500	828,000
Total Restricted Funds	626,553	763,680	812,200	812,500	828,000
Federal Fund					
Balance Forward		-4,632			
Current Receipts	419,013	307,956	390,300	390,300	390,300
Non-Revenue Receipts	-23,344	47,653	-22,200	-22,200	-22,200
Total Federal Fund	395,669	350,976	368,100	368,100	368,100
TOTAL SOURCE OF FUNDS	1,930,622	2,022,756	2,054,200	2,263,500	2,299,100
EXPENDITURES BY CLASS					
Personnel Costs	1,598,018	1,711,738	1,830,900	2,041,700	2,077,300
Operating Expenses	183,124	202,609	223,300	221,800	221,800
TOTAL EXPENDITURES	1,781,142	1,914,348	2,054,200	2,263,500	2,299,100
EXPENDITURES BY FUND SOURCE					
General Fund	830,900	908,100	873,900	1,082,900	1,103,000
Restricted Funds	549,940	655,272	812,200	812,500	828,000
Federal Fund	400,301	350,976	368,100	368,100	368,100
TOTAL EXPENDITURES	1,781,142	1,914,348	2,054,200	2,263,500	2,299,100

The Division of Enforcement, pursuant to KRS 224.10-050, is responsible for effective and timely enforcement of Kentucky's environmental laws pertaining to air, waste, and water. The Division carries out enforcement actions against corporations and individuals who are out of compliance with environmental law and/or regulations.

**Energy and Environment
Environmental Protection
Compliance Assistance**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	313,400	304,800	309,000	220,300	224,400
Budget Reduction-General Fund			-9,900		
Other			-124,800		
Total General Fund	313,400	304,800	174,300	220,300	224,400
Restricted Funds					
Balance Forward	464,667	496,264	602,700	544,100	301,100
Current Receipts	371,667	333,435	370,600	255,600	370,600
Non-Revenue Receipts	217,413	221,403	209,800	240,800	283,800
Total Restricted Funds	1,053,748	1,051,102	1,183,100	1,040,500	955,500
Federal Fund					
Balance Forward		14,053			
Current Receipts	775,160	574,425	1,443,700	1,096,300	1,096,300
Non-Revenue Receipts	-41,424	139,374	-34,000	-33,200	-33,200
Total Federal Fund	733,736	727,852	1,409,700	1,063,100	1,063,100
TOTAL SOURCE OF FUNDS	2,100,884	2,083,754	2,767,100	2,323,900	2,243,000
EXPENDITURES BY CLASS					
Personnel Costs	1,238,095	1,148,705	1,288,600	1,425,400	1,433,900
Operating Expenses	210,342	220,032	249,400	252,400	175,900
Grants Loans Benefits	102,229	112,325	685,000	345,000	345,000
TOTAL EXPENDITURES	1,550,667	1,481,062	2,223,000	2,022,800	1,954,800
EXPENDITURES BY FUND SOURCE					
General Fund	273,500	304,800	174,300	220,300	224,400
Restricted Funds	557,484	448,410	639,000	739,400	667,300
Federal Fund	719,682	727,852	1,409,700	1,063,100	1,063,100
TOTAL EXPENDITURES	1,550,667	1,481,062	2,223,000	2,022,800	1,954,800

The Division of Compliance Assistance supports the Cabinet's environmental mission by providing training and technical assistance to regulated facilities, helping communities in brownfield redevelopment efforts, certifying environmental professionals and encouraging environmental leadership.

**Energy and Environment
Environmental Protection
Petroleum Storage Tank Environmental Assurance Fund**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	4,184,615	14,253,721	3,897,900	7,169,700	4,270,000
Current Receipts	184,928	399,242	160,000	160,000	160,000
Non-Revenue Receipts	41,257,376	41,921,764	38,860,200	38,980,200	38,924,800
Fund Transfers	-7,723,000	-24,399,500	-8,000,000	-11,500,000	-11,500,000
Total Restricted Funds	37,903,919	32,175,227	34,918,100	34,809,900	31,854,800
TOTAL SOURCE OF FUNDS	37,903,919	32,175,227	34,918,100	34,809,900	31,854,800
EXPENDITURES BY CLASS					
Personnel Costs	6,073,594	5,686,534	6,106,400	6,974,000	7,022,100
Operating Expenses	15,911,682	16,975,301	18,169,000	20,185,900	21,003,900
Grants Loans Benefits	15,166		60,000	80,000	80,000
Capital Outlay	537,884	4,475,792	3,413,000	3,300,000	3,300,000
Construction	1,111,872	1,139,712			
TOTAL EXPENDITURES	23,650,199	28,277,339	27,748,400	30,539,900	31,406,000
EXPENDITURES BY FUND SOURCE					
Restricted Funds	23,650,199	28,277,339	27,748,400	30,539,900	31,406,000
TOTAL EXPENDITURES	23,650,199	28,277,339	27,748,400	30,539,900	31,406,000

The Petroleum Storage Tank Environmental Assurance Fund (PSTEAF), pursuant to KRS Chapter 224.60, assists owners and operators of underground storage tanks to meet federal environmental mandates and provides reimbursement for eligible clean-up costs and third party damages in the event of a release into the environment. Pursuant to KRS 224.60-130, the Fund is managed by the Department for Environmental Protection, Division of Waste Management.

Energy and Environment

Natural Resources

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	33,579,600	32,330,000	32,632,200	37,228,700	37,702,200
Budget Reduction-General Fund			-1,671,700		
Mandated Allotments	3,856,504	5,736,721	528,100		
Other					
Total General Fund	37,436,104	38,066,721	31,488,600	37,228,700	37,702,200
Tobacco Fund					
Tobacco Settlement - Phase I		5,000,000	5,000,000	3,757,300	3,757,300
Special Appropriation	5,000,000				
Continuing Approp-Tob Settlement	11,483,512	12,846,556	13,896,000		
Total Tobacco Fund	16,483,512	17,846,556	18,896,000	3,757,300	3,757,300
Restricted Funds					
Balance Forward	8,459,671	8,098,007	6,756,400	2,226,100	1,272,500
Current Receipts	2,788,267	3,070,919	2,778,600	2,484,100	2,484,100
Non-Revenue Receipts	4,420,992	1,928,422	7,349,000	11,260,400	11,369,200
Total Restricted Funds	15,668,930	13,097,348	16,884,000	15,970,600	15,125,800
Federal Fund					
Current Receipts	41,231,120	41,043,279	46,743,200	62,425,800	62,849,200
Non-Revenue Receipts	-1,316,769	-1,532,205	-984,600	-1,000,900	-1,003,000
Total Federal Fund	39,914,351	39,511,075	45,758,600	61,424,900	61,846,200
TOTAL SOURCE OF FUNDS	109,502,897	108,521,699	113,027,200	118,381,500	118,431,500
EXPENDITURES BY CLASS					
Personnel Costs	48,252,651	49,618,470	47,525,500	56,329,400	56,972,300
Operating Expenses	8,785,449	8,803,240	8,538,400	9,627,800	9,608,900
Grants Loans Benefits	13,542,310	15,584,163	26,922,900	6,703,900	6,619,200
Capital Outlay	1,676,297	2,708,857	4,105,100	1,961,900	2,092,800
Construction	14,790,478	11,154,508	23,709,200	42,486,000	42,674,200
TOTAL EXPENDITURES	87,047,184	87,869,239	110,801,100	117,109,000	117,967,400
EXPENDITURES BY FUND SOURCE					
General Fund	35,924,954	38,066,721	31,488,600	37,228,700	37,702,200
Tobacco Fund	3,636,956	3,950,597	18,896,000	3,757,300	3,757,300
Restricted Funds	7,570,924	6,340,847	14,657,900	14,698,100	14,661,700
Federal Fund	39,914,351	39,511,075	45,758,600	61,424,900	61,846,200
TOTAL EXPENDITURES	87,047,184	87,869,239	110,801,100	117,109,000	117,967,400
EXPENDITURES BY UNIT					
Commissioner	925,890	883,306	1,211,300	1,466,500	1,310,900
Forestry	18,172,336	19,260,199	17,183,700	19,221,100	19,332,500
Technical and Administrative Support	475,142	518,923	562,600	533,300	533,300
Conservation	6,582,230	7,081,493	22,998,600	6,592,100	6,617,100
Oil and Gas	2,106,073	2,121,109	2,310,300	2,477,500	2,587,000
Mine Permits	5,024,949	4,818,499	5,293,400	5,716,600	5,684,700
Mine Reclamation and Enforcement	13,346,033	13,678,916	13,714,500	14,883,400	15,017,100
Abandoned Mine Lands	10,408,030	9,784,966	14,738,400	18,116,800	18,471,500
Mine Safety	9,765,266	10,015,341	9,668,000	10,372,400	10,671,400
Reclamation Guaranty Fund	684,539	683,733	957,800	1,974,800	1,943,800

Abandoned Mine Land Reclamation Projects	19,454,646	18,974,628	22,108,500	35,551,100	35,591,400
Mine Safety Review Commission	102,050	48,126	54,000	203,400	206,700
TOTAL EXPENDITURES	87,047,184	87,869,239	110,801,100	117,109,000	117,967,400

The Department for Natural Resources' mission is to preserve, protect, and enhance the Commonwealth's natural land resources.

The Department oversees activities and programs related to forestry, conservation, mining, oil and gas, and land preservation. The Department, through its divisions and partnerships, provides technical assistance, educational programs, and funding to assist the general public, landowners, institutions, industries, and communities in conserving and sustaining Kentucky's natural resources. In addition, the Department is responsible for the inspection of timber harvests, mining operations, and oil and gas wells to ensure compliance with laws that protect the public, the environment, and Kentucky's coal miners.

**Energy and Environment
Natural Resources
Commissioner**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	390,300	623,800	720,700	995,100	846,000
Budget Reduction-General Fund			-62,300		
Mandated Allotments		8,255			
Other	14,600	-180,326			
Total General Fund	404,900	451,729	658,400	995,100	846,000
Restricted Funds					
Balance Forward	56,613	142,705	86,900		
Non-Revenue Receipts	607,082	375,800	466,000	471,400	464,900
Total Restricted Funds	663,695	518,505	552,900	471,400	464,900
TOTAL SOURCE OF FUNDS	1,068,595	970,234	1,211,300	1,466,500	1,310,900
EXPENDITURES BY CLASS					
Personnel Costs	863,865	797,696	1,110,900	1,387,200	1,210,800
Operating Expenses	62,025	85,610	100,400	79,300	100,100
TOTAL EXPENDITURES	925,890	883,306	1,211,300	1,466,500	1,310,900
EXPENDITURES BY FUND SOURCE					
General Fund	404,900	451,729	658,400	995,100	846,000
Restricted Funds	520,990	431,577	552,900	471,400	464,900
TOTAL EXPENDITURES	925,890	883,306	1,211,300	1,466,500	1,310,900

The Office of the Commissioner provides leadership, policy direction, and management for the Department for Natural Resources. The Commissioner provides guidance in policy and program implementation for the sustainability of Kentucky's natural resources and the safety of Kentucky's miners.

**Energy and Environment
Natural Resources**

Forestry

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	11,005,800	10,607,200	10,710,700	14,040,700	14,253,200
Budget Reduction-General Fund			-520,600		
Mandated Allotments	3,856,504	5,394,611	528,100		
Total General Fund	14,862,304	16,001,811	10,718,200	14,040,700	14,253,200
Restricted Funds					
Balance Forward	1,541,762	1,232,196	1,464,300	239,900	166,500
Current Receipts	873,923	1,131,060	1,435,000	1,232,400	1,232,400
Non-Revenue Receipts	-195,928	-128,532	12,900	81,400	81,400
Total Restricted Funds	2,219,757	2,234,724	2,912,200	1,553,700	1,480,300
Federal Fund					
Current Receipts	2,255,684	2,785,988	3,870,300	3,865,800	3,865,800
Non-Revenue Receipts	362,786	-298,084	-77,100	-72,600	-72,600
Total Federal Fund	2,618,470	2,487,904	3,793,200	3,793,200	3,793,200
TOTAL SOURCE OF FUNDS	19,700,531	20,724,438	17,423,600	19,387,600	19,526,700
EXPENDITURES BY CLASS					
Personnel Costs	13,725,414	14,794,969	11,311,700	13,817,900	14,021,300
Operating Expenses	2,674,052	3,227,604	2,217,500	2,869,200	2,866,300
Grants Loans Benefits	805,511	688,862	1,355,200	967,900	957,900
Capital Outlay	967,358	548,763	2,299,300	1,566,100	1,487,000
TOTAL EXPENDITURES	18,172,336	19,260,199	17,183,700	19,221,100	19,332,500
EXPENDITURES BY FUND SOURCE					
General Fund	14,566,304	16,001,811	10,718,200	14,040,700	14,253,200
Restricted Funds	987,562	770,484	2,672,300	1,387,200	1,286,100
Federal Fund	2,618,470	2,487,904	3,793,200	3,793,200	3,793,200
TOTAL EXPENDITURES	18,172,336	19,260,199	17,183,700	19,221,100	19,332,500

In accordance with KRS 149 the Division of Forestry provides technical assistance on sound forest management practices; provides forest stewardship assistance to private landowners; assists timber operators and wood-using industries; grows and distributes tree seedlings at low cost for timber production; and provides urban and community forestry technical assistance to provide sustainability of the Commonwealth's 11.9 million acres of forestland.

The Division enforces the Kentucky Forest Conservation Act (149.330 – 149.355); the Division is responsible for inspecting logging operations and enforcing compliance with the Kentucky Master Logger Program and Best Management Practices to protect water quality. In addition, the Division maintains an inventory of Kentucky's forests. The Division provides administrative oversight to the Forestry Best Management Practices Board.

The Kentucky Division of Forestry is mandated to provide wildland fire protection for the Commonwealth. The Division has established a statewide system of wildland fire prevention, detection and suppression.

Policy

The Budget of the Commonwealth includes General Fund in the amount of \$2,260,000 in each fiscal year for the Division of Forestry for costs that were previously considered a necessary government expense. Expenses that exceed this amount will be considered a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

**Energy and Environment
Natural Resources
Technical and Administrative Support**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	6,651	5,810	29,300		
Current Receipts		25			
Non-Revenue Receipts	738,300	665,827	533,300	533,300	533,300
Total Restricted Funds	744,951	671,661	562,600	533,300	533,300
TOTAL SOURCE OF FUNDS	744,951	671,661	562,600	533,300	533,300
EXPENDITURES BY CLASS					
Personnel Costs	545,473	508,651	453,600	447,900	447,900
Operating Expenses	125,052	107,376	109,000	85,400	85,400
Grants Loans Benefits	48,247	35,936			
Capital Outlay		27,905			
TOTAL EXPENDITURES	718,772	679,868	562,600	533,300	533,300
EXPENDITURES BY FUND SOURCE					
Restricted Funds	718,772	679,868	562,600	533,300	533,300
TOTAL EXPENDITURES	718,772	679,868	562,600	533,300	533,300

The Division of Technical and Administrative Support, pursuant to KRS 224.10-020, provides general support to all divisions and programs in the Department for Natural Resources. The Division is responsible for the development, coordination and implementation of all administrative processes within the Department including fiscal affairs, human resources, property management, purchasing, and state and federal program administration. The Division provides technical expertise to develop and implement state and federal regulations relating to surface mining, abandoned mine lands, oil and gas conservation, mine safety, forestry, and conservation. The Division also coordinates information technology processes and applications within the Department in accordance with cabinet, state, and federal guidelines.

**Energy and Environment
Natural Resources
Conservation**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,132,700	1,892,700	1,928,500	868,000	893,000
Budget Reduction-General Fund			-57,900		
Other	-105,000				
Total General Fund	2,027,700	1,892,700	1,870,600	868,000	893,000
Tobacco Fund					
Tobacco Settlement - Phase I		5,000,000	5,000,000	3,757,300	3,757,300
Special Appropriation	5,000,000				
Continuing Approp-Tob Settlement	11,483,512	12,846,556	13,896,000		
Total Tobacco Fund	16,483,512	17,846,556	18,896,000	3,757,300	3,757,300
Restricted Funds					
Balance Forward	3,295,464	3,310,787	2,638,700	1,669,500	851,500
Current Receipts	18,966	31,266	67,900	100	100
Non-Revenue Receipts	313,178	282,718	262,800	262,300	262,300
Total Restricted Funds	3,627,608	3,624,771	2,969,400	1,931,900	1,113,900
Federal Fund					
Current Receipts	605,421	258,522	935,600	889,400	889,400
Non-Revenue Receipts	20,333	-6,279	-3,500	-3,000	-3,000
Total Federal Fund	625,753	252,242	932,100	886,400	886,400
TOTAL SOURCE OF FUNDS	22,764,573	23,616,269	24,668,100	7,443,600	6,650,600
EXPENDITURES BY CLASS					
Personnel Costs	1,280,823	1,333,072	1,333,000	1,555,200	1,574,500
Operating Expenses	140,115	131,100	179,100	47,900	48,000
Grants Loans Benefits	5,161,293	5,617,322	21,486,500	4,989,000	4,994,600
TOTAL EXPENDITURES	6,582,230	7,081,493	22,998,600	6,592,100	6,617,100
EXPENDITURES BY FUND SOURCE					
General Fund	2,002,700	1,892,700	1,870,600	868,000	893,000
Tobacco Fund	3,636,956	3,950,597	18,896,000	3,757,300	3,757,300
Restricted Funds	316,821	985,954	1,299,900	1,080,400	1,080,400
Federal Fund	625,753	252,242	932,100	886,400	886,400
TOTAL EXPENDITURES	6,582,230	7,081,493	22,998,600	6,592,100	6,617,100

The Division of Conservation provides assistance to Kentucky's 121 conservation districts in the development and implementation of sound conservation programs to protect, enhance, and develop the Commonwealth's natural resources.

The Division administers the Kentucky Soil Erosion and Water Quality Cost Share Program and the Kentucky Soil Stewardship Program to help agricultural operations protect and preserve Kentucky's soil and water resources. The Division provides administrative services to the State Soil and Water Conservation Commission. The Division and the conservation districts provide educational opportunities to promote conservation of Kentucky's natural resources. These programs mitigate soil erosion, and other environmental problems associated with agricultural, woodland and construction operations which impact water quality.

Policy

The Budget of the Commonwealth provides Phase I Tobacco Settlement Funds in the amount of \$2,500,000 in each fiscal year for the state share of the Environmental Stewardship Program.

The Budget of the Commonwealth provides Phase I Tobacco Settlement Funds in the amount of \$907,300 in each fiscal year for the Division of Conservation to provide direct aid to local conservation districts.

The Budget of the Commonwealth provides Phase I Tobacco Settlement Funds in the amount of \$350,000 in each fiscal year for the nonfederal match for the Green River Conservation Reserve Enhancement Program.

Energy and Environment

Natural Resources

Oil and Gas

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,563,200	1,905,200	1,870,700	2,134,600	2,244,100
Budget Reduction-General Fund			-99,800		
Mandated Allotments		3,995			
Other	175,000	50,000			
Total General Fund	1,738,200	1,959,195	1,770,900	2,134,600	2,244,100
Restricted Funds					
Balance Forward	127,114	75,375	181,000		
Current Receipts	297,910	264,421	221,400	221,400	221,400
Non-Revenue Receipts	18,224	150	-13,000	-13,000	-13,000
Total Restricted Funds	443,248	339,946	389,400	208,400	208,400
Federal Fund					
Current Receipts		3,164	160,500	145,000	145,000
Non-Revenue Receipts		-150	-10,500	-10,500	-10,500
Total Federal Fund		3,014	150,000	134,500	134,500
TOTAL SOURCE OF FUNDS	2,181,448	2,302,155	2,310,300	2,477,500	2,587,000
EXPENDITURES BY CLASS					
Personnel Costs	1,701,253	1,792,857	1,779,900	2,250,100	2,285,400
Operating Expenses	363,182	312,108	372,100	159,100	233,300
Grants Loans Benefits	41,637	16,145	38,300	38,300	38,300
Capital Outlay			120,000	30,000	30,000
TOTAL EXPENDITURES	2,106,073	2,121,109	2,310,300	2,477,500	2,587,000
EXPENDITURES BY FUND SOURCE					
General Fund	1,738,200	1,959,195	1,770,900	2,134,600	2,244,100
Restricted Funds	367,873	158,900	389,400	208,400	208,400
Federal Fund		3,014	150,000	134,500	134,500
TOTAL EXPENDITURES	2,106,073	2,121,109	2,310,300	2,477,500	2,587,000

The Division of Oil and Gas, pursuant to KRS Chapter 353, is responsible for the conservation of oil and gas resources of the Commonwealth and for the protection of correlative rights of mineral owners. The Division's mission is to prevent waste and unnecessary loss, to encourage the maximum recovery of oil and gas, to promote safety, and to prevent contamination of underground water resources. The Division is also charged with the collection of geological data obtained from the drilling of oil and gas wells for deposit in the Kentucky Geological Survey whose records are for public use. The Division is also responsible for the plugging of abandoned wells.

**Energy and Environment
Natural Resources
Mine Permits**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,702,400	1,619,400	1,634,300	2,094,400	2,000,600
Budget Reduction-General Fund			-88,500		
Mandated Allotments		5,704			
Total General Fund	1,702,400	1,625,104	1,545,800	2,094,400	2,000,600
Restricted Funds					
Balance Forward	362,992	377,466	490,000		
Current Receipts	1,025,840	831,557	794,400	745,100	745,100
Non-Revenue Receipts	81,118	-77,047	-233,200	-234,400	-234,400
Total Restricted Funds	1,469,950	1,131,976	1,051,200	510,700	510,700
Federal Fund					
Current Receipts	2,695,413	2,691,915	2,827,900	3,241,800	3,303,700
Non-Revenue Receipts	-160,848	-140,468	-131,500	-130,300	-130,300
Total Federal Fund	2,534,565	2,551,447	2,696,400	3,111,500	3,173,400
TOTAL SOURCE OF FUNDS	5,706,915	5,308,528	5,293,400	5,716,600	5,684,700
EXPENDITURES BY CLASS					
Personnel Costs	4,119,833	4,037,625	4,276,700	4,978,500	4,927,100
Operating Expenses	584,103	530,974	777,300	528,700	548,200
Grants Loans Benefits	321,013	249,900	209,400	209,400	209,400
Capital Outlay			30,000		
TOTAL EXPENDITURES	5,024,949	4,818,499	5,293,400	5,716,600	5,684,700
EXPENDITURES BY FUND SOURCE					
General Fund	1,397,900	1,625,104	1,545,800	2,094,400	2,000,600
Restricted Funds	1,092,485	641,947	1,051,200	510,700	510,700
Federal Fund	2,534,565	2,551,447	2,696,400	3,111,500	3,173,400
TOTAL EXPENDITURES	5,024,949	4,818,499	5,293,400	5,716,600	5,684,700

The Division of Mine Permits, pursuant to KRS 350 and 405 KAR Chapter 8, reviews all surface mining permit applications in accordance with Kentucky law and the federal Surface Mining Control and Reclamation Act. The Division, pursuant to KRS 350.450 and 405 KAR 7:080, administers the federal Small Operator Assistance Program and pursuant to KRS 350.610, the Lands Unsuitable for Mining program. The Division, pursuant to KRS 350.060(13) and 405 KAR 8:040, also reviews underground mining permit applications to determine the surface effects of such operations.

**Energy and Environment
Natural Resources
Mine Reclamation and Enforcement**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,650,300	6,395,400	6,462,300	7,257,700	7,324,800
Budget Reduction-General Fund			-322,900		
Mandated Allotments		139,361			
Other	125,300	275,000			
Total General Fund	6,775,600	6,809,761	6,139,400	7,257,700	7,324,800
Restricted Funds					
Balance Forward	252,013	341,417	336,900		
Current Receipts	85,996	92,534	51,100	51,100	51,100
Non-Revenue Receipts	302,321	320,220	335,500	327,900	287,600
Total Restricted Funds	640,331	754,171	723,500	379,000	338,700
Federal Fund					
Current Receipts	6,706,950	6,770,794	7,149,200	7,534,300	7,641,200
Non-Revenue Receipts	-351,331	-318,928	-297,600	-287,600	-287,600
Total Federal Fund	6,355,619	6,451,866	6,851,600	7,246,700	7,353,600
TOTAL SOURCE OF FUNDS	13,771,550	14,015,798	13,714,500	14,883,400	15,017,100
EXPENDITURES BY CLASS					
Personnel Costs	10,867,461	10,459,955	10,688,700	12,605,100	12,896,000
Operating Expenses	2,007,538	2,126,112	2,136,000	2,134,000	2,057,100
Grants Loans Benefits	201,871	143,450	139,800	144,300	64,000
Capital Outlay	269,164	949,399	750,000		
TOTAL EXPENDITURES	13,346,033	13,678,916	13,714,500	14,883,400	15,017,100
EXPENDITURES BY FUND SOURCE					
General Fund	6,691,500	6,809,761	6,139,400	7,257,700	7,324,800
Restricted Funds	298,914	417,289	723,500	379,000	338,700
Federal Fund	6,355,619	6,451,866	6,851,600	7,246,700	7,353,600
TOTAL EXPENDITURES	13,346,033	13,678,916	13,714,500	14,883,400	15,017,100

The Division of Mine Reclamation and Enforcement, pursuant to KRS 350, develops policies and procedures for reclamation and enforcement programs related to coal and non-coal minerals. The Division reviews permit applications for non-coal mineral operations pursuant to KRS 350.028 and 405 KAR 5:032. The Division conducts inspection programs to carry out these policies and procedures in accordance with applicable federal and state statutes. Pursuant to KRS 351 and 805 KAR Chapter 4, the Division is charged with ensuring the safety and regulation of all blasting operations within the Commonwealth, which includes the use, storage or transportation of explosives. The Division investigates citizens' complaints relating to surface mining and blasting activities.

**Energy and Environment
Natural Resources
Abandoned Mine Lands**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	1,468,106	1,271,149	1,289,700	316,700	254,500
Current Receipts	273,554	466,438	3,600	3,600	3,600
Non-Revenue Receipts	2,403,758	1,406,462	5,581,500	8,313,300	8,463,300
Total Restricted Funds	4,145,418	3,144,049	6,874,800	8,633,600	8,721,400
Federal Fund					
Current Receipts	8,361,402	8,604,652	8,632,600	10,224,700	10,433,600
Non-Revenue Receipts	-827,641	-726,278	-452,300	-487,000	-489,100
Total Federal Fund	7,533,761	7,878,374	8,180,300	9,737,700	9,944,500
TOTAL SOURCE OF FUNDS	11,679,179	11,022,423	15,055,100	18,371,300	18,665,900
EXPENDITURES BY CLASS					
Personnel Costs	7,049,471	7,261,229	7,903,400	9,260,900	9,467,700
Operating Expenses	990,480	1,048,642	1,196,600	1,222,000	1,222,000
Grants Loans Benefits	61,287	72,155	55,000	55,000	55,000
Capital Outlay	250,243	353,156	344,000	344,000	344,000
Construction	2,056,549	1,049,784	5,239,400	7,234,900	7,382,800
TOTAL EXPENDITURES	10,408,030	9,784,966	14,738,400	18,116,800	18,471,500
EXPENDITURES BY FUND SOURCE					
General Fund		52,273			
Restricted Funds	2,874,269	1,854,319	6,558,100	8,379,100	8,527,000
Federal Fund	7,533,761	7,878,374	8,180,300	9,737,700	9,944,500
TOTAL EXPENDITURES	10,408,030	9,784,966	14,738,400	18,116,800	18,471,500

The Division of Abandoned Mine Lands administers abandoned or unreclaimed land reclamation activities on previously surface-mined land or land used in connection with surface mining under Title IV of Public Law 95-87 and/or KRS 350.550 to KRS 350.597.

The division administers a bond forfeiture reclamation program; bonds forfeited to the commonwealth due to the failure to mine and reclaim a coal mine site to the standards specified by the mine permit are used by the state to reclaim the site for which the bond was posted.

The division administers a water supply replacement program which extends waterlines into areas where drinking water has been contaminated by past mining. The division budgets up to 30 percent of its annual funding on waterline projects each year. Federal funds for this program are provided from federal tax levies imposed under Public Law 95-87 on all coal mined since August 3, 1977. Approximately 150,000 acres of abandoned mine lands in Kentucky are eligible for reclamation. All state and partial federal project contracts are administered by this agency.

Energy and Environment

Natural Resources

Mine Safety

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	9,956,800	9,218,500	9,247,200	9,634,800	9,933,800
Budget Reduction-General Fund			-515,900		
Mandated Allotments		132,011			
Other	-195,300	-125,000			
Total General Fund	9,761,500	9,225,511	8,731,300	9,634,800	9,933,800
Restricted Funds					
Balance Forward	155,793	166,969	137,900		
Current Receipts	211,727	252,521	204,200	229,400	229,400
Non-Revenue Receipts	40,228				
Total Restricted Funds	407,749	419,490	342,100	229,400	229,400
Federal Fund					
Current Receipts	543,315	508,207	594,600	508,200	508,200
Non-Revenue Receipts	-40,228				
Total Federal Fund	503,087	508,207	594,600	508,200	508,200
TOTAL SOURCE OF FUNDS	10,672,335	10,153,209	9,668,000	10,372,400	10,671,400
EXPENDITURES BY CLASS					
Personnel Costs	7,672,265	7,966,999	7,748,100	8,932,100	9,074,800
Operating Expenses	1,835,174	1,190,803	1,358,100	1,418,500	1,364,800
Grants Loans Benefits	68,294				
Capital Outlay	189,532	857,539	561,800	21,800	231,800
TOTAL EXPENDITURES	9,765,266	10,015,341	9,668,000	10,372,400	10,671,400
EXPENDITURES BY FUND SOURCE					
General Fund	9,021,400	9,225,511	8,731,300	9,634,800	9,933,800
Restricted Funds	240,779	281,622	342,100	229,400	229,400
Federal Fund	503,087	508,207	594,600	508,200	508,200
TOTAL EXPENDITURES	9,765,266	10,015,341	9,668,000	10,372,400	10,671,400

The Division of Mine Safety, pursuant to KRS Chapter 351, is responsible for the regulation of mining practices to prevent injuries and fatalities in underground, strip, and auger mines.

The Division trains, tests, and licenses mine personnel. Mine safety instructors provide general and technical safety training and education courses to mine personnel to maintain an adequate number of certified and qualified personnel for the mining industry. Moreover, the agency encourages safe work habits of coal miners by providing quality on-the-job, one-on-one safety training for surface and underground miners.

The Division licenses all underground and surface coal mines in the Commonwealth. It issues permits for specific mining methods including the use of diesel equipment, roof control, extended cuts, mining near oil and gas wells, and additional mine openings. The agency inspects mines and investigates illegal mining operations.

The Division develops and maintains a database to track information about each mining operation. The database includes the number of miners employed by the mine, type of operations, type of worker's compensation insurance, and the number and type of mining law violations, closures, and abatements for each mine and mine operator. A second database provides information on all individuals certified as surface mine foremen, surface mine safety analysts, underground mine foremen, underground mine instructors, underground mine inspectors, and electrical inspectors.

The Division administers drug testing of all miners as a condition of certification. A database is maintained on the status of those miners whose certifications have been revoked as a result of testing positive for drugs. The Division provides administrative oversight of the Kentucky Mining Board.

Federal Law 30 CFR, Section 49, requires mine rescue teams to be stationed within one hour of each active coal mine and to be trained and knowledgeable about each mine the team covers. The Commonwealth, through the Division of Mine Safety and Licensing, provides state-sponsored mine rescue teams to help Kentucky's mines comply with this federal regulation.

**Energy and Environment
Natural Resources
Bond Pool Reclamation Fund**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	1,097,269	1,097,269			
Non-Revenue Receipts		-1,097,269			
Total Restricted Funds	1,097,269				
TOTAL SOURCE OF FUNDS	1,097,269				
EXPENDITURES BY CLASS					
TOTAL EXPENDITURES					
EXPENDITURES BY FUND SOURCE					
TOTAL EXPENDITURES					

The Abandoned Mine Lands Bond Pool Reclamation Fund, pursuant to KRS 350.595, provides the additional money necessary to reclaim permitted mine areas. In the event that an entire bond is not needed to complete the required reclamation on a permit, the remaining balance is deposited into the Fund.

**Energy and Environment
Natural Resources
Reclamation Guaranty Fund**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	95,893	76,865	101,700		
Current Receipts	351	1,121	1,000	1,000	1,000
Non-Revenue Receipts	376,710	303,520	403,200	1,518,200	1,523,800
Total Restricted Funds	472,955	381,507	505,900	1,519,200	1,524,800
Federal Fund					
Current Receipts	275,227	446,409	464,000	465,500	470,900
Non-Revenue Receipts	13,223	-43,016	-12,100	-9,900	-9,900
Total Federal Fund	288,450	403,392	451,900	455,600	461,000
TOTAL SOURCE OF FUNDS	761,405	784,899	957,800	1,974,800	1,985,800
EXPENDITURES BY CLASS					
Personnel Costs	416,097	617,126	874,500	891,100	860,100
Operating Expenses	28,023	53,774	83,300	1,083,700	1,083,700
Grants Loans Benefits	240,419	12,834			
TOTAL EXPENDITURES	684,539	683,733	957,800	1,974,800	1,943,800
EXPENDITURES BY FUND SOURCE					
General Fund		511			
Restricted Funds	396,090	279,831	505,900	1,519,200	1,482,800
Federal Fund	288,450	403,392	451,900	455,600	461,000
TOTAL EXPENDITURES	684,539	683,733	957,800	1,974,800	1,943,800

The Office of Reclamation Guaranty Fund, pursuant to KRS 350.500-350.521, provides the additional money necessary to reclaim permitted mine areas. In the event a permit-specific reclamation bond is insufficient to complete reclamation on the permitted mine site, the Fund provides financial assistance to the cabinet for reclamation.

**Energy and Environment
Natural Resources**

Abandoned Mine Land Reclamation Projects

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Federal Fund					
Current Receipts	19,787,709	18,070,428	22,108,500	35,551,100	35,591,400
Non-Revenue Receipts	-333,063	999			
Total Federal Fund	19,454,646	18,071,427	22,108,500	35,551,100	35,591,400
TOTAL SOURCE OF FUNDS	19,454,646	18,071,427	22,108,500	35,551,100	35,591,400
EXPENDITURES BY CLASS					
Personnel Costs	79,734	86,408			
Grants Loans Benefits	6,640,983	8,783,496	3,638,700	300,000	300,000
Construction	12,733,929	9,201,523	18,469,800	35,251,100	35,291,400
TOTAL EXPENDITURES	19,454,646	18,071,427	22,108,500	35,551,100	35,591,400
EXPENDITURES BY FUND SOURCE					
Federal Fund	19,454,646	18,071,427	22,108,500	35,551,100	35,591,400
TOTAL EXPENDITURES	19,454,646	18,071,427	22,108,500	35,551,100	35,591,400

The Abandoned Mine Lands (AML) Reclamation Projects program in the Department for Natural Resources receives 100 percent federal funding for the reclamation of certain mine sites that have been abandoned or left unreclaimed under Title IV of Public Law 95-87 or KRS 350. If the Commonwealth does not maintain an approved AML Reclamation program, federal funds allocated for reclamation projects within Kentucky may be reallocated to other coal-producing states. The Department reclaims abandoned mine sites through a priority ranking system based on human health and safety considerations.

**Energy and Environment
Natural Resources
Mine Safety Review Commission**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	178,100	67,800	57,800	203,400	206,700
Budget Reduction-General Fund			-3,800		
Other	-14,600	-19,674			
Total General Fund	163,500	48,126	54,000	203,400	206,700
TOTAL SOURCE OF FUNDS	163,500	48,126	54,000	203,400	206,700
EXPENDITURES BY CLASS					
Personnel Costs	91,995	39,935	45,000	203,400	206,700
Operating Expenses	10,055	8,191	9,000		
TOTAL EXPENDITURES	102,050	48,126	54,000	203,400	206,700
EXPENDITURES BY FUND SOURCE					
General Fund	102,050	48,126	54,000	203,400	206,700
TOTAL EXPENDITURES	102,050	48,126	54,000	203,400	206,700

The Mine Safety Review Commission, pursuant to KRS Chapter 351, protects the health and safety of coal miners by ensuring the enforcement of mine safety regulations. Its three members, appointed by the governor, conduct hearings on drug and safety violations and impose penalties for serious violations. The Commission has the power to probate, revoke or suspend a mine's license or an individual miner's certification and fine certified miners up to the equivalent of wages for ten working days for their first offense.

The Commission is an independent agency attached to the Energy and Environment Cabinet for administrative purposes only.

Energy and Environment
Energy Development and Independence

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,356,600	1,241,200	1,249,200	1,412,000	1,433,800
Budget Reduction-General Fund			-64,000		
Total General Fund	1,356,600	1,241,200	1,185,200	1,412,000	1,433,800
Restricted Funds					
Balance Forward	2,576,731	2,022,739	2,200,300	1,770,800	1,569,800
Current Receipts	53,767	77,986	24,400	43,600	1,500
Non-Revenue Receipts	884,559	674,918	649,700	623,200	623,200
Total Restricted Funds	3,515,057	2,775,643	2,874,400	2,437,600	2,194,500
Federal Fund					
Current Receipts	850,549	795,075	881,700	855,200	855,200
Non-Revenue Receipts	-262,567	-319,784	-299,700	-273,200	-273,200
Total Federal Fund	587,982	475,291	582,000	582,000	582,000
TOTAL SOURCE OF FUNDS	5,459,638	4,492,134	4,641,600	4,431,600	4,210,300
EXPENDITURES BY CLASS					
Personnel Costs	1,606,587	1,296,571	1,525,800	1,799,800	1,821,600
Operating Expenses	238,408	224,636	240,100	235,800	235,800
Grants Loans Benefits	1,530,904	770,629	1,104,900	826,200	785,900
TOTAL EXPENDITURES	3,375,900	2,291,836	2,870,800	2,861,800	2,843,300
EXPENDITURES BY FUND SOURCE					
General Fund	1,295,600	1,241,200	1,185,200	1,412,000	1,433,800
Restricted Funds	1,492,318	575,345	1,103,600	867,800	827,500
Federal Fund	587,982	475,291	582,000	582,000	582,000
TOTAL EXPENDITURES	3,375,900	2,291,836	2,870,800	2,861,800	2,843,300
EXPENDITURES BY UNIT					
Energy Development and Independence	3,375,900	2,291,836	2,870,800	2,861,800	2,843,300
TOTAL EXPENDITURES	3,375,900	2,291,836	2,870,800	2,861,800	2,843,300

The Department for Energy Development and Independence is comprised of the following divisions: Division of Efficiency and Conservation; Division of Renewable Energy; Division of Biofuels; Division of Carbon Management and Data Analysis; Division of Energy Generation, Transmission, and Distribution; and Division of Fossil Energy Development.

The Department oversees the development and implementation of Kentucky's comprehensive energy strategy, *Intelligent Energy Choices for Kentucky's Future*. The Department provides leadership to enhance the benefits of energy efficiency and alternative energy through supporting awareness, technology development, energy preparedness, partnerships and resource development. The Department also enhances the economic opportunities and benefits to Kentucky's citizens and industry by expanding current markets and developing market opportunities for Kentucky coal, natural gas, petroleum, oil shale, tar sands, liquid and gaseous fuels from coal, and chemicals from coal.

To the extent that funding is available, the Department administers grant programs to support energy-related research, development and demonstration, including supporting multi-state cooperative regional partnerships and research initiatives. The Department develops and implements programs for the production, utilization and conservation of energy in a manner that meets basic needs while maintaining Kentucky's economic growth at the highest feasible level.

The Department enters into agreements, administers grant programs and serves as a liaison with the federal government and other states in matters relating to energy; and participates in the review of applications, and upon request of the Kentucky Economic Development Finance Authority, assists in monitoring tax incentive agreements as provided in Subchapter 27 of KRS 154.

Energy and Environment
Kentucky Nature Preserves Commission

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,086,400	1,050,000	1,061,500	1,224,400	1,244,800
Budget Reduction-General Fund			-54,400		
Total General Fund	1,086,400	1,050,000	1,007,100	1,224,400	1,244,800
Restricted Funds					
Balance Forward	626,773	554,305	1,329,100	1,279,400	979,400
Current Receipts	276,777	261,960	605,900	258,600	188,100
Non-Revenue Receipts	315,691	1,119,159	287,600	385,400	385,400
Total Restricted Funds	1,219,241	1,935,424	2,222,600	1,923,400	1,552,900
Federal Fund					
Balance Forward		4,275			
Current Receipts	38,836	44,190	51,000	51,000	51,000
Non-Revenue Receipts	-904	-1,465	-1,400	-1,400	-1,400
Total Federal Fund	37,932	47,000	49,600	49,600	49,600
TOTAL SOURCE OF FUNDS	2,343,573	3,032,424	3,279,300	3,197,400	2,847,300
EXPENDITURES BY CLASS					
Personnel Costs	1,333,732	1,306,070	1,401,200	1,636,200	1,656,600
Operating Expenses	226,368	212,416	274,100	318,800	318,800
Grants Loans Benefits	133,617	151,040	202,700	173,500	173,500
Capital Outlay	42,376	27,905	121,900	89,500	89,500
Construction		5,970			
TOTAL EXPENDITURES	1,736,093	1,703,401	1,999,900	2,218,000	2,238,400
EXPENDITURES BY FUND SOURCE					
General Fund	1,037,500	1,050,000	1,007,100	1,224,400	1,244,800
Restricted Funds	664,936	606,401	943,200	944,000	944,000
Federal Fund	33,657	47,000	49,600	49,600	49,600
TOTAL EXPENDITURES	1,736,093	1,703,401	1,999,900	2,218,000	2,238,400
EXPENDITURES BY UNIT					
Kentucky Nature Preserves Commission	1,736,093	1,703,401	1,999,900	2,218,000	2,238,400
TOTAL EXPENDITURES	1,736,093	1,703,401	1,999,900	2,218,000	2,238,400

Pursuant to KRS 146.410-146.530, the Kentucky State Nature Preserves Commission's mission is two-fold: to inventory the Commonwealth for its natural diversity, including its plants, animal life, biological communities, and areas of natural significance, and to protect these natural features by establishing a system of nature preserves. Pursuant to KRS 224.10-022, the Commission is attached to the Energy and Environment Cabinet.

Acquisition and management funds for the agency are derived through a tax refund check-off system authorized in KRS 141.450-141.480, through gifts, grants, devises and bequests pursuant to KRS 146.465, and through allocations from the Kentucky Heritage Land Conservation Fund pursuant to KRS 146.570. The Commission, together with the Kentucky Department of Fish and Wildlife Resources, shares equally the receipts generated by the Non-game Species Protection and Habitat Acquisition program.

The Commission is responsible for administering the Wild Rivers program. Whose mission is to preserve the Commonwealth's natural streams and attract out-of-state visitors pursuant to KRS 146.200-360.

**Energy and Environment
Public Service Commission**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	17,000,000	16,498,900	16,582,600	16,582,600	16,582,600
Continuing Approp-General Fund	674,471	539,512	610,600		
Budget Reduction-General Fund			-463,100		
Reorganization Adjustment					
Total General Fund	17,674,471	17,038,412	16,730,100	16,582,600	16,582,600
Restricted Funds					
Balance Forward	72,688	12,221	69,100	69,100	67,200
Current Receipts	27,026	106,420			
Non-Revenue Receipts	38,190		200,000	200,000	200,000
Total Restricted Funds	137,904	118,641	269,100	269,100	267,200
Federal Fund					
Current Receipts	459,767	422,181	445,100	445,100	445,100
Non-Revenue Receipts	9,442	-45,202			
Total Federal Fund	469,209	376,979	445,100	445,100	445,100
TOTAL SOURCE OF FUNDS	18,281,584	17,534,032	17,444,300	17,296,800	17,294,900
EXPENDITURES BY CLASS					
Personnel Costs	8,175,699	7,907,935	8,344,600	9,632,800	9,632,800
Operating Expenses	1,476,751	1,334,555	1,413,600	1,086,600	1,086,600
Debt Service	589,000	474,000	474,000		
Capital Outlay		69,780	75,000	25,000	25,000
TOTAL EXPENDITURES	10,241,450	9,786,270	10,307,200	10,744,400	10,744,400
EXPENDITURES BY FUND SOURCE					
General Fund	9,646,558	9,359,731	9,662,100	10,097,400	10,097,400
Restricted Funds	125,683	49,561	200,000	201,900	201,900
Federal Fund	469,209	376,979	445,100	445,100	445,100
TOTAL EXPENDITURES	10,241,450	9,786,270	10,307,200	10,744,400	10,744,400
EXPENDITURES BY UNIT					
General Counsel	1,182,971	1,197,644	1,311,600	1,575,600	1,597,100
General Administration	3,453,753	3,101,196	2,528,100	2,322,400	2,346,200
Commission Operations	2,090,196	1,969,681	2,750,900	2,546,200	2,500,300
Financial Analysis	1,738,916	1,977,104	2,040,300	2,428,400	2,461,800
Division of Inspections	1,775,615	1,540,645	1,676,300	1,871,800	1,839,000
TOTAL EXPENDITURES	10,241,450	9,786,270	10,307,200	10,744,400	10,744,400

The Public Service Commission, pursuant to KRS Chapter 278, regulates the intrastate rates and services of over 500 investor-owned electric, natural gas, telephone, water and sewage utilities, rural electric and telephone cooperatives, and water districts. The three-member Commission performs its regulatory functions through written orders following adjudicative and rulemaking procedures outlined in statute. The Commission is an independent agency attached to the Energy and Environment Cabinet for administrative purposes only.

The Commission's goal is to ensure that every utility charges fair, just, and reasonable rates for the services rendered and that those services are adequate and efficient.

The agency is funded by an assessment of all utilities under the Commission's jurisdiction based on the annual gross intrastate revenues.

The Commission staff is organized into the Divisions of Inspections, General Counsel, General Administration, Commission Operations, Financial Analysis, and Gas Pipeline Safety.

Policy

The Budget of the Commonwealth includes \$6,485,200 in each fiscal year that shall lapse to the credit of the General Fund from the Public Service Commission.

Finance and Administration

Finance and Administration

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	594,545,900	596,462,400	664,028,700	666,827,500	693,435,500
Special Appropriation			641,000		
Current Year Appropriation			2,438,400		
Budget Reduction-General Fund		-1,100,000	-8,015,100		
Mandated Allotments	4,950,000	5,373,206			
Other		-11,794,245	-22,754,000		
Total General Fund	599,495,900	588,941,362	636,339,000	666,827,500	693,435,500
Tobacco Fund					
Tobacco Settlement - Phase I	30,907,000	27,235,300	26,917,700	29,224,900	32,128,700
Continuing Approp-Tob Settlement		4,335,358			
Total Tobacco Fund	30,907,000	31,570,658	26,917,700	29,224,900	32,128,700
Restricted Funds					
Balance Forward	53,032,874	53,928,103	40,969,300	17,001,000	8,557,700
Current Receipts	212,450,116	217,863,102	217,382,400	230,061,300	232,152,300
Non-Revenue Receipts	-1,502	2,594,536	3,018,000	3,526,300	3,547,300
Fund Transfers	-2,960,000	-20,208,100	-17,008,100	-2,800,000	-2,800,000
Total Restricted Funds	262,521,488	254,177,642	244,361,600	247,788,600	241,457,300
Federal Fund					
Balance Forward	1	1			
Current Receipts	517,837	218,155	280,000	10,000	10,000
Non-Revenue Receipts	11,820	-31,285			
Total Federal Fund	529,658	186,870	280,000	10,000	10,000
Road Fund					
Regular Appropriation	3,399,600	3,523,100	3,545,900	3,842,300	3,887,400
Total Road Fund	3,399,600	3,523,100	3,545,900	3,842,300	3,887,400
TOTAL SOURCE OF FUNDS	896,853,646	878,399,631	911,444,200	947,693,300	970,918,900
EXPENDITURES BY CLASS					
Personnel Costs	231,710,489	233,910,235	243,654,300	275,550,400	277,785,900
Operating Expenses	126,147,675	131,184,779	125,770,100	130,476,300	130,647,700
Grants Loans Benefits	920,556	736,509	1,205,600	3,205,500	5,205,500
Debt Service	397,209,595	435,503,714	470,557,800	491,980,800	519,058,400
Capital Outlay	19,750,411	25,914,328	27,587,900	24,511,800	24,511,800
Construction	53,256				
TOTAL EXPENDITURES	775,791,982	827,249,566	868,775,700	925,724,800	957,209,300
EXPENDITURES BY FUND SOURCE					
General Fund	538,877,198	585,767,663	612,963,000	655,448,100	682,319,700
Tobacco Fund	24,392,142	24,898,343	24,626,200	27,193,500	30,141,200
Restricted Funds	208,593,385	213,208,352	227,360,600	239,230,900	240,851,000
Federal Fund	529,657	186,869	280,000	10,000	10,000
Road Fund	3,399,600	3,188,338	3,545,900	3,842,300	3,887,400
TOTAL EXPENDITURES	775,791,982	827,249,566	868,775,700	925,724,800	957,209,300
EXPENDITURES BY UNIT					
General Administration	36,229,366	36,883,772	38,449,200	40,453,600	40,836,500
Controller	14,303,697	16,950,546	17,113,200	19,489,300	19,627,800
Office of Inspector General		1,045,234	1,249,100	1,447,800	1,465,600
Debt Service	393,453,095	432,789,214	470,557,800	491,147,800	510,146,900
Facilities and Support Services	43,312,724	51,554,531	50,414,600	49,314,200	50,608,700
County Costs	21,909,780	22,463,319	17,599,500	21,446,000	21,446,000

EXPENDITURES BY UNIT

Commonwealth Office of Technology	120,581,400	111,838,432	119,380,600	130,160,300	130,888,900
Revenue	98,090,577	103,142,386	101,721,500	113,742,500	122,550,000
Property Valuation Administrators	47,911,344	50,582,132	52,290,200	58,523,300	59,638,900
TOTAL EXPENDITURES	775,791,982	827,249,566	868,775,700	925,724,800	957,209,300

The Finance and Administration Cabinet is responsible for managing the financial resources of the Commonwealth and for providing central administrative services to agencies of state and local government. The mission of the Finance and Administration Cabinet is to provide its customers with assistance in the delivery of quality services, effective administration, and sound financial management. The Cabinet provides leadership, coordination, and support to other state agencies to ensure accountability and integrity in the use of public resources. The Finance and Administration Cabinet constantly strives to conduct government business more effectively. Moreover, among the highest priorities of the Cabinet is providing state government with the resources necessary to carry out its mission by equitable and efficient revenue collection.

The Cabinet's duties include construction of state facilities, property management including motor vehicles, tax administration and collection, management of the Commonwealth's information technology systems, expenditure control, and state purchasing.

Finance and Administration
General Administration

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	10,416,900	9,405,200	6,913,300	7,572,800	7,889,800
Budget Reduction-General Fund			-354,200		
Other					
Total General Fund	10,416,900	9,405,200	6,559,100	7,572,800	7,889,800
Restricted Funds					
Balance Forward	12,032,043	17,436,020	13,867,200	6,091,600	3,285,000
Current Receipts	33,849,568	31,536,157	29,980,700	29,985,700	29,985,700
Non-Revenue Receipts	-1,661,150	-743,300	-314,300	-176,300	-390,400
Fund Transfers	-1,000,000	-7,000,000	-6,000,000		
Total Restricted Funds	43,220,462	41,228,876	37,533,600	35,901,000	32,880,300
Federal Fund					
Balance Forward	1	1			
Total Federal Fund	1	1			
Road Fund					
Regular Appropriation	429,000	445,100	448,100	264,800	266,400
Total Road Fund	429,000	445,100	448,100	264,800	266,400
TOTAL SOURCE OF FUNDS	54,066,362	51,079,177	44,540,800	43,738,600	41,036,500
EXPENDITURES BY CLASS					
Personnel Costs	10,726,973	10,319,416	10,549,000	12,523,800	12,846,600
Operating Expenses	13,260,742	14,025,361	14,618,200	14,652,600	14,712,700
Debt Service	3,083,000	2,563,500			
Capital Outlay	9,149,131	9,975,495	13,282,000	13,277,200	13,277,200
Construction	9,520				
TOTAL EXPENDITURES	36,229,366	36,883,772	38,449,200	40,453,600	40,836,500
EXPENDITURES BY FUND SOURCE					
General Fund	10,015,924	9,404,984	6,559,100	7,572,800	7,889,800
Restricted Funds	25,784,442	27,361,720	31,442,000	32,616,000	32,680,300
Road Fund	429,000	117,068	448,100	264,800	266,400
TOTAL EXPENDITURES	36,229,366	36,883,772	38,449,200	40,453,600	40,836,500
EXPENDITURES BY UNIT					
Secretary	5,044,594	4,657,109	1,854,400	2,190,300	2,217,000
Gubernatorial Transition	150,091				220,000
Office of General Counsel	2,231,699	1,989,901	1,986,400	2,522,700	2,551,500
Office of Administrative Services	2,672,903	2,963,300	2,836,200	3,424,800	3,467,400
Fleet Management	22,487,577	23,712,136	28,062,300	28,338,100	28,361,500
Postal Services	2,874,805	2,745,940	2,828,400	2,951,800	2,979,700
Policy and Audit	767,696	815,385	881,500	1,025,900	1,039,400
TOTAL EXPENDITURES	36,229,366	36,883,772	38,449,200	40,453,600	40,836,500

The General Administration appropriation unit provides coordination and management of the Cabinet. It is comprised of the Office of the Secretary, Office of Public Information, Office of General Counsel, Office of Equal Employment Opportunity and Contract Compliance, Office of Policy and Audit, and Office of Administrative Services.

The Office of the Secretary, including the Office of Public Information, develops executive policy and directs the overall management of the Commonwealth's property and financial assets. Office staff coordinates fiscal and personnel administration for the Cabinet, reviews all internal reorganizations, prepares the Cabinet legislative package, and handles inquiries and issues that arise from the General Assembly, the news media, and the general public. The Secretary of Finance serves on numerous boards and commissions including the Kentucky Economic Development Partnership Board, the Kentucky Economic Development Finance Authority, the Kentucky Infrastructure Authority, the Kentucky Higher Education Assistance Authority, and the Kentucky Housing Corporation.

The Office of Equal Employment Opportunity (EEO) and Contract Compliance is responsible for developing, implementing, and monitoring the Finance and Administration Cabinet's affirmative action plan as required by KRS 18A.138. The Office also monitors all contracts in excess of \$250,000 awarded by the Cabinet to ensure compliance with the affirmative action provisions of the Kentucky Equal Opportunity Act.

The Office of General Counsel provides legal services to the departments of the Finance and Administration Cabinet and Cabinet-related entities. Members of this office represent the Secretary of the Cabinet in civil litigation. The unit also reviews legislation being considered by the General Assembly.

The Office of Administrative Services manages personnel, fiscal policy, and payroll functions for all units within the Finance and Administration Cabinet, the Governor's Office, the Executive Branch Ethics Commission, the School Facilities Construction Commission, and the Lieutenant Governor's Office. This unit prepares the Cabinet's budget and manages the Cabinet's personal property inventory. The Office also has responsibility for the management and oversight of the Division of Postal Services and the Division of Fleet Management.

The Division of Postal Services has recently consolidated from five locations into one mail management center which provides a more secure environment for the Commonwealth's mail. The Division provides messenger service to all state agencies and performs mail processing functions for over 125 state agencies. This division advises agencies about USPS rules, regulations, and services.

The Division of Fleet Management manages and maintains the Commonwealth's vehicle fleet for use by state agencies and employees.

The Office of Policy and Audit is responsible for assuring the reliability and integrity of information used to support management decision making, evaluating how state assets are safeguarded, providing risk and insurance management to the Cabinet, and appraising the economy and efficiency of resource use. Staff also ascertains whether the operations and programs are being implemented as planned, and performs special studies at the request of management.

Policy

The Budget of the Commonwealth includes General Fund in the amount of \$220,000 in fiscal year 2019-2020 in support of the Gubernatorial Transition.

Finance and Administration

Controller

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,984,000	5,848,700	5,893,900	6,351,000	6,422,500
Budget Reduction-General Fund			-301,900		
Other					
Total General Fund	5,984,000	5,848,700	5,592,000	6,351,000	6,422,500
Restricted Funds					
Balance Forward	3,961,896	4,772,698	3,611,200	2,619,900	1,247,900
Current Receipts	6,731,613	8,574,874	8,434,500	9,334,500	9,334,500
Non-Revenue Receipts	2,668,185	2,165,515	2,095,400	2,431,800	2,622,900
Fund Transfers		-800,000			
Total Restricted Funds	13,361,695	14,713,087	14,141,100	14,386,200	13,205,300
TOTAL SOURCE OF FUNDS	19,345,695	20,561,787	19,733,100	20,737,200	19,627,800
EXPENDITURES BY CLASS					
Personnel Costs	8,172,822	9,122,398	9,201,800	10,946,200	10,992,000
Operating Expenses	6,129,205	7,828,148	7,911,400	8,543,100	8,635,800
Grants Loans Benefits	1,670				
TOTAL EXPENDITURES	14,303,697	16,950,546	17,113,200	19,489,300	19,627,800
EXPENDITURES BY FUND SOURCE					
General Fund	5,714,700	5,848,700	5,592,000	6,351,000	6,422,500
Restricted Funds	8,588,997	11,101,846	11,521,200	13,138,300	13,205,300
TOTAL EXPENDITURES	14,303,697	16,950,546	17,113,200	19,489,300	19,627,800
EXPENDITURES BY UNIT					
Controller	1,975,495	3,582,239	3,209,600	3,662,800	3,610,700
Local Government Services	727,836	690,378	677,500	773,800	782,400
Financial Management	3,732,273	3,771,797	3,937,900	4,305,700	4,335,300
Procurement Services	1,580,668	1,637,234	1,911,000	2,519,600	2,566,700
Customer Resource Center	4,432,530	5,331,269	5,264,700	5,809,500	5,893,800
State Risk and Insurance Services	1,854,895	1,937,629	2,112,500	2,417,900	2,438,900
TOTAL EXPENDITURES	14,303,697	16,950,546	17,113,200	19,489,300	19,627,800

The Office of the Controller provides management for financial accounting control policies and procedures; financial accounting systems; debt management; state purchasing; administration of the Old-Age, Survivors, Disability and Hospital Insurance program; and functions relating to the county fee systems for local entities. The State Controller functions as the Commonwealth's Chief Accounting Officer and participates in the development and maintenance of the Commonwealth's strategic financial management program.

The Division of Local Government Services administers, for the benefit of state employees and political subdivisions within the Commonwealth, the Old Age and Survivors Insurance program under Section 218 of the federal Social Security Act. This program is responsible for ensuring that the social security obligations of the state and its political subdivisions are met. To fulfill this responsibility, the State Office for Social Security periodically visits each of the political subdivisions for a procedural, compliance, and fiscal audit pursuant to KRS 61.410 61.500. The Division also provides personnel, accounting, and other administrative services to counties through the County Costs, County Fees, and PVA programs.

The Division of Statewide Accounting Services is responsible for maintenance and operation of the central statewide accounting system and provides centralized accounting of all receipts and disbursements of the Commonwealth. In addition, this division prepares daily, monthly, and annual financial reports, which constitute a complete report of the financial activities and condition of the Commonwealth.

The Office of Financial Management manages the state's investments and debt. This includes managing cash flow to maximize the return on state investments, making debt service payments, managing the sale of bonds, and reporting to the General Assembly on all investment and debt matters. The Office is responsible for developing a long-term debt plan for the Commonwealth, including the development of criteria for the issuance of debt, providing an evaluation of how much total state debt is justified, and evaluating revenue projections relative to proposed revenue bond issues. The Office

handles all investments on behalf of the General Fund, the Capital Construction Fund, the Road Fund, and approximately 50 other accounts.

The Office of Material and Procurement Services is responsible for the central purchasing and materials management for state government (excluding construction and road maintenance). The Office supports the Procurement software module of eMARS, designing and testing modifications to the software to ensure it meets the needs of user agencies. The Division of Goods and Services Procurement and the Division of Technology Services Procurement are responsible, with respect to their area of expertise, for purchasing all commodities and non-professional services for state agencies that exceed an agency's small purchase authority limit. The office also provides administrative oversight and review of all personal service contracts and Memoranda of Agreement, and ensures compliance with the provisions of KRS Chapter 45A prior to forwarding contracts to the Legislative Research Commission, Government Contract Review Committee, for review.

The Office of the Customer Resource Center (CRC) operates a help desk to support nearly 5,000 users of the eMARS system and is responsible for training Commonwealth employees on all eMARS products. In addition, CRC is responsible for developing and analyzing reports to identify areas that need improvement.

The Division of State Risk Services manages the state property insurance program, the state building sprinkler system program and the state automobile insurance program in accordance with KRS Chapter 56.

Policy

The Budget of the Commonwealth, in House Bill 487, suspends the provisions of KRS 47.010(1), and directs any revenue derived from the establishment of statewide Master Agreements by the Office of Procurement Services to a Restricted Fund account to be used to administer the program.

**Finance and Administration
Office of Inspector General**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation				790,500	802,700
Budget Reduction-General Fund			-35,900		
Reorganization Adjustment		683,600	700,000		
Total General Fund		683,600	664,100	790,500	802,700
Restricted Funds					
Balance Forward			38,400	38,400	
Non-Revenue Receipts		400,000	585,000	618,900	662,900
Total Restricted Funds		400,000	623,400	657,300	662,900
TOTAL SOURCE OF FUNDS		1,083,600	1,287,500	1,447,800	1,465,600
EXPENDITURES BY CLASS					
Personnel Costs		1,037,853	1,232,100	1,430,800	1,448,600
Operating Expenses		7,381	17,000	17,000	17,000
TOTAL EXPENDITURES		1,045,234	1,249,100	1,447,800	1,465,600
EXPENDITURES BY FUND SOURCE					
General Fund		683,600	664,100	790,500	802,700
Restricted Funds		361,634	585,000	657,300	662,900
TOTAL EXPENDITURES		1,045,234	1,249,100	1,447,800	1,465,600
EXPENDITURES BY UNIT					
Office of Inspector General		1,045,234	1,249,100	1,447,800	1,465,600
TOTAL EXPENDITURES		1,045,234	1,249,100	1,447,800	1,465,600

Executive Order 2016-602, now codified in KRS 42.0147, established the Office of the Inspector General. The Office is responsible for conducting various investigations within the Executive Branch pursuant to KRS 45.131.

The Division of Special Investigations is responsible for investigating alleged violations of the tax laws and for recommending criminal prosecutions of the laws when warranted.

Finance and Administration

Debt Service

SOURCE OF FUNDS	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
General Fund					
Regular Appropriation	424,920,500	423,105,900	491,670,600	475,583,700	491,371,500
Special Appropriation			641,000		
Other		-11,794,245	-22,754,000		
Total General Fund	424,920,500	411,311,655	469,557,600	475,583,700	491,371,500
Tobacco Fund					
Tobacco Settlement - Phase I	30,657,000	26,985,300	26,667,700	28,974,900	31,878,700
Continuing Approp-Tob Settlement		4,335,358			
Total Tobacco Fund	30,657,000	31,320,658	26,667,700	28,974,900	31,878,700
TOTAL SOURCE OF FUNDS	455,577,500	442,632,313	496,225,300	504,558,600	523,250,200
EXPENDITURES BY CLASS					
Debt Service	393,453,095	432,789,214	470,557,800	491,147,800	510,146,900
TOTAL EXPENDITURES	393,453,095	432,789,214	470,557,800	491,147,800	510,146,900
EXPENDITURES BY FUND SOURCE					
General Fund	369,310,952	408,140,871	446,181,600	464,204,300	480,255,700
Tobacco Fund	24,142,142	24,648,343	24,376,200	26,943,500	29,891,200
TOTAL EXPENDITURES	393,453,095	432,789,214	470,557,800	491,147,800	510,146,900
EXPENDITURES BY UNIT					
Debt Service	393,453,095	432,789,214	470,557,800	491,147,800	510,146,900
TOTAL EXPENDITURES	393,453,095	432,789,214	470,557,800	491,147,800	510,146,900

Previously authorized State Property and Buildings Commission General Fund debt service for all agencies is consolidated in the Finance and Administration Cabinet. All new 2018-2020 General Fund debt service is reflected in budgets of the affected agencies.

Policy

The American Recovery and Reinvestment Act of 2009 created a new debt instrument for tax-exempt municipal bond issuers, called Build America Bonds. Municipal bond issuers could issue Build America Bonds for eligible tax-exempt purposes on a permanent basis only. The Commonwealth was eligible for a subsidy for bonds issued as Build America Bonds prior to December 31, 2010. Subsidies from the Build America Bonds shall lapse to the General Fund. The amount of the General Fund lapse is \$11,379,400 in fiscal year 2018-2019 and \$11,115,800 in fiscal year 2019-2020. The amount of Tobacco Fund lapse is \$2,031,400 in fiscal year 2018-2019 and \$1,987,500 in fiscal year 2019-2020.

House Bill 482 from the 2017 Regular Session of the General Assembly appropriated \$641,000 from the General Fund in the current fiscal year to the Economic Development Cabinet for debt service to support new bonds. That appropriation is displayed here.

The 2016-2018 biennial appropriations act included a provision authorizing the transfer of unneeded debt service appropriation in the Finance and Administration Cabinet to the Kentucky Communications Network Authority for availability payments. That transfer is displayed in fiscal year 2018.

**Finance and Administration
Facilities and Support Services**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,129,300	5,396,200	5,297,300	6,115,900	7,178,000
Budget Reduction-General Fund			-271,400		
Total General Fund	6,129,300	5,396,200	5,025,900	6,115,900	7,178,000
Restricted Funds					
Balance Forward	16,522,521	15,062,871	9,336,200	4,702,600	2,467,500
Current Receipts	35,895,561	40,295,957	40,311,300	40,311,300	40,311,300
Non-Revenue Receipts	73,712	646,466	651,900	651,900	651,900
Fund Transfers		-508,100	-208,100		
Total Restricted Funds	52,491,795	55,497,195	50,091,300	45,665,800	43,430,700
TOTAL SOURCE OF FUNDS	58,621,095	60,893,395	55,117,200	51,781,700	50,608,700
EXPENDITURES BY CLASS					
Personnel Costs	22,428,806	23,226,177	23,669,400	26,907,200	27,207,100
Operating Expenses	16,689,612	21,044,136	22,182,600	20,872,000	20,890,600
Grants Loans Benefits	141	327	100		
Debt Service	673,500	151,000		192,000	1,168,000
Capital Outlay	3,511,067	7,132,891	4,562,500	1,343,000	1,343,000
Construction	9,597				
TOTAL EXPENDITURES	43,312,724	51,554,531	50,414,600	49,314,200	50,608,700
EXPENDITURES BY FUND SOURCE					
General Fund	5,883,800	5,393,502	5,025,900	6,115,900	7,178,000
Restricted Funds	37,428,924	46,161,029	45,388,700	43,198,300	43,430,700
TOTAL EXPENDITURES	43,312,724	51,554,531	50,414,600	49,314,200	50,608,700
EXPENDITURES BY UNIT					
Commissioner's Office	549,453	683,447	842,900	1,155,500	2,142,500
Facility Development and Efficiency	5,279,270	5,438,660	5,379,600	6,248,800	6,333,100
Real Property	1,378,683	1,305,448	1,513,900	1,776,100	1,799,900
Historic Properties	362,700	367,502	350,800	383,100	386,000
Building and Mechanical Services	34,631,795	42,570,112	41,146,000	38,570,400	38,766,300
State Surplus Property	590,179	692,746	763,200	762,100	762,100
Federal Surplus Property	520,645	496,616	418,200	418,200	418,800
TOTAL EXPENDITURES	43,312,724	51,554,531	50,414,600	49,314,200	50,608,700

The Department for Facilities and Support Services consists of the Commissioner's Office and five offices/divisions: Facility Development and Efficiency, Historic Properties, Real Properties, Surplus Properties, and the Office of Building and Mechanical Services. The Department manages the State's facilities construction program, maintains Finance and Administration Cabinet buildings, provides management and oversight of state-owned historical buildings and sites, and provides real property acquisition, disposition, leasing, and inventory services.

The Commissioner's Office coordinates and supervises the activities of the five offices/divisions authorized in KRS 42.027.

The Office of Facility Development and Efficiency includes the Division of Engineering and Contract Administration which provides professional and technical engineering and architectural services to state agencies, reviews capital construction design documents, acts as a liaison between the Department and state agencies on new construction and major maintenance projects, and monitors construction and maintenance contracts for compliance with plans and specifications. The Division is also responsible for administering the procurement process for construction projects of the Commonwealth of Kentucky, excluding roads and bridges, as prescribed by the Kentucky Model Procurement Code (KRS 45A) and the related administrative regulations. The Division prepares invitations to bid, opens and evaluates those bids, and awards contracts. The General Contracting Branch provides general construction procurement, administers the advertising and awarding of state general construction projects and related support systems, provides procurement information to state agencies, and administers procurement programs for new building construction, renovation, and mechanical, electrical, and HVAC systems. The Specialized Contracting Branch administers the

advertising and awarding of state specialized construction projects and related support systems; provides procurement information to state agencies; and administers programs such as reclamation under the Abandoned Mines Lands program, the procurement of state-owned telephone switching systems, asbestos abatement projects, and master agreements for maintenance of elevators, escalators, and similar services. The Administrative Services Branch and the Pre-Audit Branch provide support services to the Division and Department.

The Office of Facility Development and Efficiency also includes the Division of Facility Efficiency which is responsible for managing the Guaranteed Energy Saving Performance Contracting program and for implementing the Commonwealth Energy Management and Control System (CEMCS). The CEMCS project is an aggressive effort to use an enterprise software platform to reduce energy use in state buildings.

The Division of Real Properties provides buildings and parking facilities for state agencies throughout the Commonwealth. The Leased Properties Branch is responsible for administering space requests for leased property, acquisitions of privately-owned leased property for state use, lease renewals and cancellations, modifications to leased property, and related activities. The State Properties Branch administers space assignments for state-owned real property, acquisitions and sales of real properties, leases of state-owned real property to other entities, easements on state-owned real property, appraisals and appraisal reviews for acquisitions and dispositions, authorization of demolition of state-owned buildings, and relocation assistance. The Inventory and Property Utilization Branch plans space utilization including minor building alterations and renovations and interior space standards and administers inventory of state-owned real property, inventory of state-owned leased-out real property, inventory of state leased-in real property, building use permits, reserved parking assignments in Frankfort, and deed and easement records of state-owned real property.

The Division of Historic Properties, in accordance with KRS 42.019 and KRS 11.026, is responsible for the preservation and maintenance of Finance and Administration Cabinet-owned historic sites including the Kentucky State Capitol, Executive Mansion, Old Governor's Mansion, Berry Hill Mansion, and the Vest-Lindsey State Meeting House. The Division consults with the Department of Parks to preserve and maintain those historic sites under the management and control of the Tourism Development Cabinet. The same consultation services are provided to other agencies within state government as requested. The Director of the Division of Historic Properties serves as State Curator and a member of the Historic Properties Advisory Commission. The Commission is statutorily responsible for overseeing the maintenance, restoration, preservation, and care of furnishings and grounds of the Executive Mansion, Old Governor's Mansion, and State Capitol grounds. Historic Properties staff is responsible for scheduling and coordinating events held in the public areas of the Capitol Building and grounds. Staff have established and implemented policies and guidelines for the use of this space to allow public access while preserving and protecting the historic and architectural integrity of the buildings and grounds.

The Office of Building and Mechanical Services, which includes the Division of Building Services and the Division of Mechanical Services, as authorized by KRS 42.027, provides services for all Finance and Administration Cabinet-operated buildings and for the state agencies occupying those facilities. The Office is responsible for several buildings in Frankfort including the Capitol, New Capitol Annex, Old Capitol, Old Capitol Annex, Capital Plaza Complex, Human Resources Building, Executive Mansion, Old Governor's Mansion, New State Office Building, Library and Archives Building, Central Lab Facility, the Kentucky History Center and the Transportation Cabinet building. The Office also services buildings at the London Regional and Madisonville state office complexes, the Spindletop Research Complex in Fayette County, and offices in Ashland, Jackson, Louisville, Owensboro, and Richmond that were formerly owned and operated by Cabinet for Health and Family Services. Services provided include minor renovations; maintaining parking lots, sidewalks and ramps; janitorial and landscaping services; maintaining the heating, ventilating, and air conditioning systems; maintaining special equipment within the buildings as requested; roof repair; fire alarm and security systems; electrical systems; energy conservation; maintaining elevators and escalators; maintaining emergency power systems; and after-hours emergency services.

Additionally, the Office is responsible for developing plans and specifications for a wide variety of construction projects. After plans and specifications are complete and have been approved, the Office oversees the construction phase and provides contract administration.

Recently, the Department has entered into two public-private partnerships for the development of new state office space in Franklin County. The first, included in the 2014-2016 Executive Branch appropriations act, authorized the Department for Facilities and Support Services to construct a new state office building to house displaced state workers from the Capital Plaza Tower and privately leased space. The Department entered into an agreement with a private developer to construct, operate, and maintain the property at 300 Sower Boulevard in Franklin County for a period of 35 years, at which time the Commonwealth will take over ownership of the property. Construction was complete in the spring of 2016, and state employees began to occupy the new building shortly thereafter. Payments to the developer for amortization of the construction cost and for ongoing maintenance and operations are made by the Department for Facilities and Support Services in conjunction with the Office of Financial Management. The second project was authorized by Senate Bill 238 from the 2017 Regular Session of the General Assembly and is currently underway. The project provides for the renewal of the Capital Plaza complex in downtown Frankfort.

Policy

The Budget of the Commonwealth provides General Fund in the amount of \$192,000 in fiscal year 2018-2019 and \$1,168,000 in fiscal year 2019-2020 for debt service on new bonds included in the capital budget.

Finance and Administration

County Costs

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	15,897,000	15,897,000	15,897,000	19,743,500	19,743,500
Mandated Allotments	4,950,000	5,373,206			
Other					
Total General Fund	20,847,000	21,270,206	15,897,000	19,743,500	19,743,500
Restricted Funds					
Balance Forward	177	523			
Current Receipts	1,212,587	1,192,713	1,702,500	1,702,500	1,702,500
Total Restricted Funds	1,212,764	1,193,235	1,702,500	1,702,500	1,702,500
TOTAL SOURCE OF FUNDS	22,059,764	22,463,442	17,599,500	21,446,000	21,446,000
EXPENDITURES BY CLASS					
Personnel Costs	3,301,230	3,901,132	1,889,700	2,880,200	2,880,200
Operating Expenses	17,910,535	17,908,980	14,514,300	17,370,300	17,370,300
Grants Loans Benefits	698,014	653,207	1,195,500	1,195,500	1,195,500
TOTAL EXPENDITURES	21,909,780	22,463,319	17,599,500	21,446,000	21,446,000
EXPENDITURES BY FUND SOURCE					
General Fund	20,697,538	21,270,206	15,897,000	19,743,500	19,743,500
Restricted Funds	1,212,241	1,193,113	1,702,500	1,702,500	1,702,500
TOTAL EXPENDITURES	21,909,780	22,463,319	17,599,500	21,446,000	21,446,000
EXPENDITURES BY UNIT					
Public Defender Program	3,269,899	3,869,035	1,858,200	2,858,200	2,858,200
Witnesses	73,200	77,053	100,000	100,000	100,000
DUI Service Fees	698,014	653,207	1,195,500	1,195,500	1,195,500
Sheriffs Fees'	13,566,064	13,448,971	9,981,300	12,981,300	12,981,300
County Clerks (Make Tax Bills)	243,626	277,820	254,000	254,000	254,000
Board Of Assessment Appeals	39,850	35,750	40,000	40,000	40,000
Fugitive From Justice	928,396	1,034,486	1,102,000	1,102,000	1,102,000
Jury Fund	2,623,317	2,598,549	2,600,000	2,600,000	2,600,000
Sheriffs Expense Allowance	463,332	464,707	463,500	310,000	310,000
Premium On Sheriffs' Bonds	4,082	3,742	5,000	5,000	5,000
TOTAL EXPENDITURES	21,909,780	22,463,319	17,599,500	21,446,000	21,446,000

The County Costs program provides payment to local officials for the performance of functions required by state statutes. Payments under the County Costs program are statutorily mandated and are regarded as a necessary governmental expense.

KRS 31.185 requires the fiscal court or legislative body of an urban county government, containing less than ten circuit judges, to annually appropriate twelve and one-half cents (\$0.125) per capita to the county as determined by the Council of Local Governments' most recent population statistics. The funds, which shall not lapse, shall be held in a special account to be administered by the Finance and Administration Cabinet, and shall be used to pay all court orders that have been entered into as a result of a needy defendant's motion for funding assistance. If the funds are depleted in any given year, any unpaid court orders will be paid as a judgment against the Commonwealth.

In accordance with KRS 421.015 and 421.250, circuit and district court clerks provide witnesses compensation with reimbursement being provided by the State Treasury upon claim accompanied by documentation.

The service fee imposed by KRS 189.050 for persons convicted of driving under the influence of alcohol or other substances shall be disbursed among various state and local agencies to fund such programs as enforcement, indigent defense, and the traumatic brain injury trust fund.

Pursuant to KRS 64.092, the sheriff or other law enforcement officer providing security in a Circuit or District Court shall be compensated at the rate of \$8 per hour of service.

Pursuant to KRS 133.240, county clerks are paid \$0.30 per tax bill for preparing property tax bills and \$1.00 for omitted assessments. The Finance and Administration Cabinet is responsible for remitting half of the allowed amount to the county clerk.

Pursuant to KRS 133.030, each member of a county board of assessment appeals is compensated \$100 per day for their services in hearing tax appeals and reviewing tax assessments. The Finance and Administration Cabinet refunds county fiscal courts for half of the board members' compensation.

As authorized by the County Judge Executive or the Governor, and pursuant to KRS 440.090 and 440.380, duly appointed officers are reimbursed by the Finance and Administration Cabinet for mileage and expenses incurred while traveling out of state and returning a fugitive from justice to Kentucky.

KRS 29A.170 and KRS 30A.110 require that all jurors in circuit and district court be paid a daily compensation of \$12.50 per day plus expenses. The Finance and Administration Cabinet administers this compensation and reimbursement program in cooperation with each county circuit court clerk office. Under KRS 29A.180, sequestered jurors are provided meals, housing, transportation, and security which are funded by the Finance and Administration Cabinet.

Pursuant to KRS 70.170, the Finance and Administration Cabinet administers the sheriffs' expense allowance program by issuing monthly checks to each of the 120 county sheriffs. The payments of \$300 per month are for expenses incurred in the performance of his or her official duties.

KRS 62.140 and KRS 62.155 requires the Commonwealth to reimburse each county sheriff for the cost of bond premiums required by law in the performance of his or her official duties.

Under KRS 27A.630, filing fees for civil actions include \$20 in Circuit Court and \$10 in District Court to support access to justice by indigent clients. The fees are paid to the General Fund, and the Finance and Administration Cabinet distributes them monthly to non-profit agencies designated by the Chief Justice in each judicial district to provide the legal services. In previous years these have been accounted for as expenditures requiring an appropriation upon recommendation of the Finance Cabinet. These will be considered as reductions to revenue and accounted for solely on the revenue side of the ledger.

Policy

Funds required to pay county costs are appropriated and additional funds may be allotted from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705) by the Secretary of the Finance and Administration Cabinet as a necessary governmental expense, subject to the conditions and procedures provided in the Appropriations Act.

The Budget of the Commonwealth includes additional General Fund in the amount of \$3,000,000 in each fiscal year for the Sheriffs' Fees program for costs that were previously considered a necessary government expense. Expenses that exceed this amount will be considered a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

The Budget of the Commonwealth includes additional General Fund in the amount of \$1,000,000 in each fiscal year for the Public Defender program for costs that were previously considered a necessary government expense. Expenses that exceed this amount will be considered a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

The Budget of the Commonwealth includes a wage of \$9 per hour for court security officers.

The Budget of the Commonwealth suspends the provisions of KRS 70.170 and provides funding for the Sheriff's Expense Allowance program in the amount of \$2,400 annually for each sheriff.

Finance and Administration
Commonwealth Office of Technology

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation				641,000	1,923,000
Total General Fund				641,000	1,923,000
Restricted Funds					
Balance Forward	14,094,551	9,878,307	10,666,700	1,239,300	546,100
Current Receipts	118,877,748	120,314,057	120,743,200	131,616,100	131,616,100
Non-Revenue Receipts	-1,082,250	125,855			
Fund Transfers	-1,960,000	-8,000,000	-10,800,000	-2,800,000	-2,800,000
Total Restricted Funds	129,930,049	122,318,219	120,609,900	130,055,400	129,362,200
Federal Fund					
Current Receipts	517,837	218,155	10,000	10,000	10,000
Non-Revenue Receipts	11,820	-31,285			
Total Federal Fund	529,657	186,869	10,000	10,000	10,000
TOTAL SOURCE OF FUNDS	130,459,707	122,505,088	120,619,900	130,706,400	131,295,200
EXPENDITURES BY CLASS					
Personnel Costs	72,582,441	63,778,558	67,298,600	75,249,100	74,695,700
Operating Expenses	40,655,641	39,198,414	42,328,600	44,368,600	44,368,600
Grants Loans Benefits	220,732	82,976	10,000	10,000	10,000
Debt Service				641,000	1,923,000
Capital Outlay	7,089,875	8,778,485	9,743,400	9,891,600	9,891,600
Construction	32,712				
TOTAL EXPENDITURES	120,581,400	111,838,432	119,380,600	130,160,300	130,888,900
EXPENDITURES BY FUND SOURCE					
General Fund				641,000	1,923,000
Restricted Funds	120,051,743	111,651,563	119,370,600	129,509,300	128,955,900
Federal Fund	529,657	186,869	10,000	10,000	10,000
TOTAL EXPENDITURES	120,581,400	111,838,432	119,380,600	130,160,300	130,888,900
EXPENDITURES BY UNIT					
Commonwealth Office of Technology	3,451,098	2,442,266	5,961,800	7,487,400	8,786,800
Chief Information Security Officer	6,399,091	5,632,823	5,800,000	9,235,100	9,280,200
Application Development	21,671,705	14,088,635	13,097,500	13,434,100	12,294,200
IT Services and Delivery	78,471,748	80,490,048	82,813,600	87,202,300	87,627,100
Office of Enterprise Technology	5,382,898	4,127,347	6,000,000	6,285,700	6,311,600
IT Service Management	5,204,860	5,057,313	5,707,700	6,515,700	6,589,000
TOTAL EXPENDITURES	120,581,400	111,838,432	119,380,600	130,160,300	130,888,900

The Commonwealth Office of Technology (COT) provides leadership, policy direction, and technical support to all executive branch agencies in the application of information technology and the delivery of information services. This broad statement of responsibility encompasses major information resource functions such as data center operations; voice, data, and video communications; application development; data security administration; computer hardware selection and installation; and related end-user and customer support services. The workload for COT is highly sensitive to agency programmatic shifts, particularly changes mandated by state and federal legislation.

COT consists of six units: Commissioner, Chief Information Security Officer, Application Development, Infrastructure Services, Enterprise Technology, and IT Service Management.

The Commissioner's Office is responsible for developing strategies and policies to promote the effective application of information technology within state government as a means of saving money, increasing efficiency and employee productivity, and improving services to the public, including electronic access to information of the Commonwealth.

The Chief Information Security Officer manages security, access and acceptable use policies for all COT functions. As more and more of the Commonwealth's mission-critical applications go on-line, their potential exposure to malicious activity increases. In addition to maintaining the physical security of the Commonwealth Data Center and other COT facilities, the Security Office develops and maintains the disaster recovery business continuity plan.

The Office of Infrastructure Services operates the Commonwealth's enterprise computing and communications environment. This Office includes the daily operation of the Commonwealth Data Center and the Alternate Data Center, operation and maintenance of the Kentucky Information Highway, and all communication services, including data, voice, video, and wireless. Other responsibilities include providing help desk assistance to end-users and ensuring the security of client information in the areas of electronic commerce and network computing.

The Office of Enterprise Technology is responsible for the statewide strategic information technology (IT) plan. Staff in this office assist state agencies in developing their own IT plans that conform with the policies and architecture standards determined by COT. Other responsibilities include enterprise capacity planning, testing, research, and development.

The Office of IT Service Management is responsible for the IT Infrastructure Library (ITIL) framework and support functions of COT. The office will oversee the transition of agency IT infrastructure to COT as part of the IT infrastructure consolidation initiative.

The Office of Application Development analyzes, designs, develops and installs systems and applications for client agencies throughout state government. Support is provided for systems that drive mission-critical activities for the Commonwealth, including public assistance, public health and safety, collection of taxes, and financial and personnel management of state government. The Office provides consulting services and support in a broad range of technical environments including Windows NT, 2000, and XP; UNIX; and Z/OS using languages such as Java, VB, .NET, COBOL, SAS, and others.

The Commonwealth Office of Technology operates as an internal service fund agency with budgetary support derived through the application of a federally-approved cost allocation plan, which distributes costs to user agencies based upon utilization of services. The rate schedule by which COT bills agencies for IT services is reviewed annually and adjusted as necessary to accurately reflect actual cost. By consolidating infrastructure services and purchases of equipment and software licenses, COT is able to provide many basic services at very competitive rates.

Executive Order 2012-880 directed that operational control and management of all information technology infrastructure services for the Executive Branch be consolidated under COT. Infrastructure services include computing equipment, server, storage, network, desktop support, telephony, IT facilities and enterprise-level shared systems, IT security, disaster recovery and business continuity, database administration, software licensing, and related planning, administration, asset management, and procurement. The consolidation of IT infrastructure services required the transfer of 218 IT infrastructure employees from various state agencies to COT. The Executive Order also created the position of Chief Information Officer (CIO) as the head of COT and made the CIO a member of the Governor's Executive Cabinet.

Executive Order 2017-0889, effective December 16, 2017, directed that the Executive Director of the Commonwealth Office of Technology would also serve as the Chief Information Officer of all Executive Branch agencies. The Commonwealth Office of Technology shall be the lead agency within the Executive Branch concerning delivery of information technology services, including application development and delivery.

Policy

The Budget of the Commonwealth provides General Fund in the amount of \$641,000 in fiscal year 2018-2019 and \$1,923,000 in fiscal year 2019-2020 for debt service on new bonds included in the capital budget.

Finance and Administration

Revenue

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	87,642,700	90,164,700	90,756,400	95,204,300	101,965,600
Budget Reduction-General Fund		-1,100,000	-4,613,300		
Reorganization Adjustment		-683,600	-700,000		
Total General Fund	87,642,700	88,381,100	85,443,100	95,204,300	101,965,600
Tobacco Fund					
Tobacco Settlement - Phase I	250,000	250,000	250,000	250,000	250,000
Total Tobacco Fund	250,000	250,000	250,000	250,000	250,000
Restricted Funds					
Balance Forward	6,180,637	6,553,823	3,251,100	2,110,700	1,011,200
Current Receipts	11,544,381	12,037,251	11,520,200	13,611,200	15,702,200
Fund Transfers		-3,900,000			
Total Restricted Funds	17,725,017	14,691,074	14,771,300	15,721,900	16,713,400
Federal Fund					
Current Receipts			270,000		
Total Federal Fund			270,000		
Road Fund					
Regular Appropriation	2,970,600	3,078,000	3,097,800	3,577,500	3,621,000
Total Road Fund	2,970,600	3,078,000	3,097,800	3,577,500	3,621,000
TOTAL SOURCE OF FUNDS	108,588,317	106,400,174	103,832,200	114,753,700	122,550,000
EXPENDITURES BY CLASS					
Personnel Costs	67,073,178	72,420,334	77,955,500	87,377,800	88,364,800
Operating Expenses	31,015,634	30,694,594	23,766,000	24,364,700	24,364,700
Grants Loans Benefits				2,000,000	4,000,000
Debt Service					5,820,500
Capital Outlay	338	27,458			
Construction	1,427				
TOTAL EXPENDITURES	98,090,577	103,142,386	101,721,500	113,742,500	122,550,000
EXPENDITURES BY FUND SOURCE					
General Fund	83,698,783	88,381,100	85,443,100	95,204,300	101,965,600
Tobacco Fund	250,000	250,000	250,000	250,000	250,000
Restricted Funds	11,171,194	11,440,017	12,660,600	14,710,700	16,713,400
Federal Fund			270,000		
Road Fund	2,970,600	3,071,269	3,097,800	3,577,500	3,621,000
TOTAL EXPENDITURES	98,090,577	103,142,386	101,721,500	113,742,500	122,550,000
EXPENDITURES BY UNIT					
Commissioner's Office	29,106,200	31,892,043	33,468,900	36,248,800	44,125,000
Property Valuation	6,735,043	7,860,864	7,092,700	6,863,700	6,964,700
Field Operations	14,433,789	14,530,644	13,838,500	16,797,500	17,017,300
Income Taxation	8,654,383	9,179,839	9,184,700	11,027,400	11,180,900
Sales and Excise Taxes	8,309,236	8,648,416	9,251,500	8,956,200	9,024,200
Processing and Enforcement	30,851,927	30,665,466	28,408,100	33,298,500	33,680,000
Office of Tax Policy & Regulation		365,114	477,100	550,400	557,900
TOTAL EXPENDITURES	98,090,577	103,142,386	101,721,500	113,742,500	122,550,000

The Department of Revenue is responsible for the accurate and equitable administration of all state revenue laws, and for the assessment and collection of over 40 separate state taxes. The Department aims to ensure the taxpayer's voluntary compliance with the revenue laws, to enforce such laws in those instances where necessary, and to supervise and assist county property valuation administrators in assessing property for taxation.

The Commissioner's Office includes the Division of Protest Resolution, the Security and Disclosure Branch, and the Taxpayer Ombudsman. Department-wide costs such as office rent, printing, postage, and information technology are budgeted in this unit.

The Office of Property Valuation monitors and evaluates the real property assessments produced by the 120 locally-elected Property Valuation Administrators (PVAs). The office is charged with assessing the property of public service companies; collecting and distributing personal property taxes; and providing education, training, and technical support to the PVAs and sheriffs.

The Office of Field Operations has 10 regional taxpayer service centers located across the state and is responsible for field audits and providing taxpayer assistance.

The Office of Income Taxation administers individual and business income taxes, including employer withholding. The Office is responsible for technical tax research, compliance, taxpayer assistance, tax-specific training, and publications.

The Office of Sales and Excise Taxes administers sales and use taxes and miscellaneous excise taxes. The Office conducts technical tax research and is responsible for compliance, taxpayer assistance, training and publications.

The Office of Processing and Enforcement receives all tax receipts, returns, refunds, documents and correspondence; registers new businesses; and maintains appropriate storage, retrieval and management of tax records for the Commonwealth.

The Office of Tax Policy and Regulation is responsible for providing oral and written technical advice on Kentucky tax law; drafting proposed tax legislation and regulations; analyzing tax publications; providing expert witness testimony in tax litigation cases; providing consultation and assistance in protested tax cases; and conducting training and education programs.

Policy

Included in the above General Fund appropriation is \$5,820,500 in fiscal year 2019-2020 for new debt service to support new bonds included in the capital budget.

Finance and Administration
Property Valuation Administrators

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	43,555,500	46,644,700	47,600,200	54,824,800	56,138,900
Current Year Appropriation			2,438,400		
Budget Reduction-General Fund			-2,438,400		
Total General Fund	43,555,500	46,644,700	47,600,200	54,824,800	56,138,900
Restricted Funds					
Balance Forward	241,048	223,863	198,500	198,500	
Current Receipts	4,338,658	3,912,093	4,690,000	3,500,000	3,500,000
Total Restricted Funds	4,579,706	4,135,956	4,888,500	3,698,500	3,500,000
TOTAL SOURCE OF FUNDS	48,135,206	50,780,656	52,488,700	58,523,300	59,638,900
EXPENDITURES BY CLASS					
Personnel Costs	47,425,039	50,104,367	51,858,200	58,235,300	59,350,900
Operating Expenses	486,305	477,764	432,000	288,000	288,000
TOTAL EXPENDITURES	47,911,344	50,582,132	52,290,200	58,523,300	59,638,900
EXPENDITURES BY FUND SOURCE					
General Fund	43,555,500	46,644,700	47,600,200	54,824,800	56,138,900
Restricted Funds	4,355,844	3,937,432	4,690,000	3,698,500	3,500,000
TOTAL EXPENDITURES	47,911,344	50,582,132	52,290,200	58,523,300	59,638,900
EXPENDITURES BY UNIT					
Property Valuation Administrators	47,911,344	50,582,132	52,290,200	58,523,300	59,638,900
TOTAL EXPENDITURES	47,911,344	50,582,132	52,290,200	58,523,300	59,638,900

Each of the state's 120 counties has a locally elected Property Valuation Administrator (PVA). The PVA and an appointed staff are responsible for locating, identifying, and assessing at fair market value all taxable real property (land and improvements) and tangible personal property in the county. Tax revenues generated by these assessments are used to fund services provided by the state, cities, counties, and school districts as well as special taxing districts such as fire departments, libraries, extension offices, and refuse disposal services. Funding for PVA offices is provided by state, county, and city governments as well as from sales of maps and other geographic information.

Policy

The Budget of the Commonwealth suspends the provisions of KRS 132.597 and provides funding for an expense allowance for each PVA in the amount of \$2,400 annually.

Health and Family Services

Health and Family Services

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,382,166,800	2,512,159,900	2,713,948,100	2,706,415,700	2,871,337,800
Current Year Appropriation			6,600,000		
Budget Reduction-General Fund		-41,539,457	-69,620,100		
Mandated Allotments	1,597,000				
Total General Fund	2,383,763,800	2,470,620,443	2,650,928,000	2,706,415,700	2,871,337,800
Tobacco Fund					
Tobacco Settlement - Phase I	22,990,200	21,492,900	23,954,200	30,614,900	29,222,900
Special Appropriation	682,500				
Current Year Appropriation	2,046,600				
Continuing Approp-Tob Settlement	5,017,026	9,352,258	9,034,200		
Total Tobacco Fund	30,736,326	30,845,158	32,988,400	30,614,900	29,222,900
Restricted Funds					
Balance Forward	52,321,238	86,081,488	75,672,700	59,175,700	18,153,200
Current Receipts	623,208,897	692,997,945	671,303,000	723,026,200	723,193,400
Non-Revenue Receipts	374,327,667	329,367,221	402,310,600	343,387,900	342,195,800
Fund Transfers		-37,712,108			
Total Restricted Funds	1,049,857,801	1,070,734,546	1,149,286,300	1,125,589,800	1,083,542,400
Federal Fund					
Balance Forward	63,074,164	32,476,710	25,180,400		
Current Receipts	8,751,138,629	8,904,160,134	9,845,059,300	10,123,339,600	10,449,247,400
Non-Revenue Receipts	-3,533,880	8,295,828	18,300	19,200	19,200
Total Federal Fund	8,810,678,913	8,944,932,672	9,870,258,000	10,123,358,800	10,449,266,600
TOTAL SOURCE OF FUNDS	12,275,036,840	12,517,132,819	13,703,460,700	13,985,979,200	14,433,369,700
EXPENDITURES BY CLASS					
Personnel Costs	790,670,727	814,029,461	1,063,838,700	1,105,285,700	1,056,651,900
Operating Expenses	122,485,707	114,239,901	118,265,400	129,787,500	129,663,700
Grants Loans Benefits	11,188,505,805	11,465,743,480	12,450,053,300	12,721,254,400	13,229,935,300
Debt Service	11,997,725	11,378,725	11,261,200	11,431,000	12,300,700
Capital Outlay	2,196,372	1,773,905	866,400	67,400	67,400
Construction	169,149	80,119			
TOTAL EXPENDITURES	12,116,025,485	12,407,245,590	13,644,285,000	13,967,826,000	14,428,619,000
EXPENDITURES BY FUND SOURCE					
General Fund	2,352,662,900	2,470,620,443	2,650,928,000	2,706,415,700	2,871,337,800
Tobacco Fund	21,384,068	21,810,942	32,988,400	30,614,900	29,222,900
Restricted Funds	963,776,314	995,061,946	1,090,110,600	1,107,436,600	1,078,791,700
Federal Fund	8,778,202,203	8,919,752,260	9,870,258,000	10,123,358,800	10,449,266,600
TOTAL EXPENDITURES	12,116,025,485	12,407,245,590	13,644,285,000	13,967,826,000	14,428,619,000
EXPENDITURES BY UNIT					
Health Benefit and Information Exchange	19,573,081	20,193,042	5,552,200	5,063,900	5,100,500
General Administration and Program Support	92,590,553	98,555,014	103,967,000	111,227,400	112,343,500
Health Policy	2,907,792	2,323,404	2,273,200	2,303,300	2,139,100
Aging and Independent Living	67,327,564	65,165,022	70,600,300	71,870,200	72,075,900
Income Support	99,193,888	99,031,433	108,676,600	104,880,400	105,404,100
Public Health	322,332,099	338,242,239	366,631,200	369,521,700	369,547,800
Behavioral Health, Developmental & Intellectual Disabilities	416,565,538	420,056,475	443,505,200	432,621,400	417,950,400

EXPENDITURES BY UNIT

Family Resource Centers and Volunteer Services	6,095,520	6,853,904	12,481,700	18,360,300	18,389,700
Community Based Services	1,025,695,674	1,054,927,563	1,095,844,500	1,259,382,700	1,266,320,000
Medicaid Services	10,046,435,297	10,284,761,410	11,414,697,300	11,571,494,100	12,038,055,500
Comm for Children with Special Health Care Needs	17,308,479	17,136,085	20,055,800	21,100,600	21,292,500
TOTAL EXPENDITURES	12,116,025,485	12,407,245,590	13,644,285,000	13,967,826,000	14,428,619,000

The Cabinet for Health and Family Services is the primary state agency responsible for leadership in protecting and promoting the health and well-being of all Kentuckians through the delivery of quality health and human services. The following departments and/or offices comprise the Cabinet for Health and Family Services: the Office of the Secretary, Office of Communications and Administrative Review, Office of the Inspector General, Office of Legal Services, Office of Administrative and Technology Services, Office of Human Resource Management, Office of Policy and Budget, Office of Legislative and Regulatory Affairs, Office of the Ombudsman and Kentucky Health Information Exchange which comprise the Administration and Program Support appropriation unit. Remaining agencies/appropriation units within the Cabinet include the Kentucky Office of Health Benefit Exchange; the Office of Health Policy; Department for Medicaid Services; Department for Behavioral Health, Developmental and Intellectual Disabilities; Department for Public Health; Department for Aging and Independent Living; Department for Community Based Services; Department for Income Support; Department for Family Resource Centers and Volunteer Services; and the Commission for Children with Special Health Care Needs.

Health and Family Services
General Administration and Program Support

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	29,028,600	30,506,000	30,747,700	35,784,800	36,475,900
Budget Reduction-General Fund		-696,400	-89,800		
Reorganization Adjustment		586,800	586,800		
Total General Fund	29,028,600	30,396,400	31,244,700	35,784,800	36,475,900
Restricted Funds					
Balance Forward	4,293,436	3,915,595	3,833,000	3,713,900	2,881,300
Current Receipts	7,556,008	6,178,542	9,600,600	9,144,600	9,144,600
Non-Revenue Receipts	11,059,252	12,829,471	11,392,300	11,392,300	11,392,300
Total Restricted Funds	22,908,697	22,923,608	24,825,900	24,250,800	23,418,200
Federal Fund					
Balance Forward	4,160,241	4,928,599	2,957,800		
Current Receipts	46,728,610	45,486,296	48,652,500	54,073,100	54,457,500
Non-Revenue Receipts	-99,300	1,610,853			
Total Federal Fund	50,789,550	52,025,748	51,610,300	54,073,100	54,457,500
TOTAL SOURCE OF FUNDS	102,726,847	105,345,756	107,680,900	114,108,700	114,351,600
EXPENDITURES BY CLASS					
Personnel Costs	72,549,377	77,859,832	82,035,300	88,714,800	89,476,700
Operating Expenses	19,590,823	20,593,682	21,931,700	22,410,100	22,559,300
Debt Service	315,000	101,500		102,500	307,500
Capital Outlay					
Construction	135,354				
TOTAL EXPENDITURES	92,590,553	98,555,014	103,967,000	111,227,400	112,343,500
EXPENDITURES BY FUND SOURCE					
General Fund	27,736,500	30,396,400	31,244,700	35,784,800	36,475,900
Restricted Funds	18,993,102	19,090,643	21,112,000	21,369,500	21,410,100
Federal Fund	45,860,952	49,067,971	51,610,300	54,073,100	54,457,500
TOTAL EXPENDITURES	92,590,554	98,555,014	103,967,000	111,227,400	112,343,500
EXPENDITURES BY UNIT					
Administrative Support	70,373,281	75,349,782	78,130,000	83,137,800	83,951,000
Inspector General	22,217,273	23,205,232	25,837,000	28,089,600	28,392,500
TOTAL EXPENDITURES	92,590,554	98,555,014	103,967,000	111,227,400	112,343,500

General Administration and Program Support consists of Administrative Support and the Office of the Inspector General (OIG).

The Administrative Support area includes the Office of the Secretary, the Office of Legal Services, the Office of Communications and Administrative Review, the Office of Human Resource Management, the Office of Legislative & Regulatory Affairs, the Office of Policy and Budget, the Office of Administrative and Technology Services, the Kentucky Health Information Exchange, and the Office of the Ombudsman. These offices provide policy, administrative, legal, financial, technological, and personnel support services to the program areas of the Cabinet.

The Office of Inspector General provides support to other programs in the Cabinet for Health and Family Services as well as its programmatic functions of health care facility licensure and child care facility regulation.

The OIG has three major functions:

- Audits and Investigations
- Child Care Licensing and Regulation
- Health Care Licensing

Policy

The Budget of the Commonwealth includes General Fund in the amount of \$102,500 in fiscal year 2018-2019 and \$307,500 in fiscal year 2019-2020 to support new bonds as set forth in Part II, Capital Projects Budget.

**Health and Family Services
General Administration and Program Support
Administrative Support**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	26,028,600	25,317,400	25,331,300	29,321,400	29,885,200
Budget Reduction-General Fund		-696,400			
Reorganization Adjustment		586,800	586,800		
Total General Fund	26,028,600	25,207,800	25,918,100	29,321,400	29,885,200
Restricted Funds					
Balance Forward	848,486	2,514,951	1,260,600	840,400	420,200
Current Receipts	4,359,463	2,183,570	4,906,100	4,906,100	4,906,100
Non-Revenue Receipts	8,659,252	10,644,333	11,392,300	11,392,300	11,392,300
Total Restricted Funds	13,867,201	15,342,855	17,559,000	17,138,800	16,718,600
Federal Fund					
Balance Forward	3,462,401	3,816,758	2,957,800		
Current Receipts	24,850,706	24,743,669	32,535,500	37,097,800	37,347,200
Non-Revenue Receipts		1,484,688			
Total Federal Fund	28,313,108	30,045,115	35,493,300	37,097,800	37,347,200
TOTAL SOURCE OF FUNDS	68,208,909	70,595,770	78,970,400	83,558,000	83,951,000
EXPENDITURES BY CLASS					
Personnel Costs	43,587,633	48,525,799	58,953,500	63,359,200	63,818,200
Operating Expenses	16,448,448	17,497,185	19,176,500	19,676,100	19,825,300
Debt Service	315,000	101,500		102,500	307,500
Construction	135,354				
TOTAL EXPENDITURES	60,486,434	66,124,484	78,130,000	83,137,800	83,951,000
EXPENDITURES BY FUND SOURCE					
General Fund	24,736,500	25,207,800	25,918,100	29,321,400	29,885,200
Restricted Funds	11,253,585	13,828,520	16,718,600	16,718,600	16,718,600
Federal Fund	24,496,350	27,088,164	35,493,300	37,097,800	37,347,200
TOTAL EXPENDITURES	60,486,434	66,124,484	78,130,000	83,137,800	83,951,000

Administrative Support provides funding for nine organizational units within the Cabinet for Health and Family Services (CHFS) including the Office of the Secretary, the Office of Legal Services, the Office of Communications and Administrative Review, the Office of Human Resource Management, the Office of Legislative & Regulatory Affairs, the Office of Policy and Budget, the Office of Administrative and Technology Services, the Kentucky Health Information Exchange, and the Office of the Ombudsman.

The Office of the Secretary provides leadership, oversight and guidance in order for CHFS to deliver quality services that enhance the health, safety, and wellbeing of all people in the Commonwealth of Kentucky.

Legal Services provides legal guidance and assistance to all units of the Cabinet in any legal action in which it may be involved. This office provides legal representation for the Cabinet in federal courts, state courts, and before quasi-judicial and administrative bodies; administers all personal service contracts of the Cabinet for legal services; assists in drafting and reviewing legislation, regulations, statutes, and other legal documents and instruments; and provides the Secretary, Commissioners, and Directors in the Cabinet with the legal guidance and representation necessary for them to properly administer the Cabinet's programs.

Communications and Administrative Review is responsible for providing qualified administrative law judges/hearing officials to conduct administrative hearings related to Cabinet matters, overseeing and monitoring legislative activities, and representing the Cabinet in matters of public information, including media inquiries, open records requests, press releases, public relations, and internal communications.

Human Resource Management serves all Cabinet employees and programs and provides payroll and health benefits administration, equal employment opportunity compliance, and professional development and training activities. This office serves as the Cabinet's appointing authority and performs all the duties, responsibilities and functions required to maintain an effective and efficient personnel management system in accordance with the Kentucky Revised Statutes, Kentucky Administrative Regulations, and the policy guidelines of the Secretary of the Cabinet.

Legislative & Regulatory Affairs coordinates activities related to the Cabinet's public policy initiatives and administrative and legislative agendas with other governmental and private agencies. The office is responsible for coordination and oversight of over 660 regulations in the cabinet on behalf of the Office of the Secretary, including the Governor's Red Tape Reduction initiative. This office develops, implements, and pursues the cabinet's legislative agenda including reviewing, evaluating, and analyzing all legislative, regulatory, and public policy proposals impacting the cabinet and responding to requests for public policy information from the cabinet. Each legislative session, CHFS and its departments provide comprehensive reviews, analysis, and feedback on approximately 200 bills and numerous amendments impacting the cabinet's departments and programs.

Policy and Budget manages the cabinet's \$13B annual budget in coordination with departments on behalf of the Office of the Secretary. This office reviews and coordinates activities related to budgetary and programmatic issues across agency lines within the cabinet as well as with other state agencies outside the cabinet, including the Governor's Office for Policy and Management, the Finance and Administration Cabinet, and the Legislative Research Commission. In addition, the office reviews legislation for fiscal impact on the cabinet and responds to budgetary requests for information from various sources.

Administrative and Technology Services consists of Cabinet functions related to accounting, facilities management, procurement, and technology services. Accounting services is responsible for tracking of accounting and payments including travel for the Cabinet; filing required financial reports, including federal cash management activities; responding to audits of the Cabinet's programs, and providing maintenance and security of the accounting systems. Facility Services is responsible for monitoring all facilities of the Cabinet, including space design and utilization, establishment, monitoring, and reporting on safety programs, property insurance, claims processing, preparation and maintenance of the Cabinet's Six-Year Capital Plan; coordinating, tracking, and monitoring capital construction projects; tracking and reporting on the Cabinet's physical assets and public records. Procurement services oversees the purchasing and procurement process, provides technical support to Cabinet staff in procurement and contracting procedures, and ensures compliance with all applicable statutes, regulations, policy, and procedures related to procurement. Technology Services provides technology resources for the Cabinet, including the development, operation, and security of the extensive statewide application systems that support direct delivery of frontline services. The Kentucky Health Information Exchange (KHIE) serves as a focal point for e-health initiatives in the Commonwealth. KHIE helps health care providers in utilizing health technology to improve patient care, reduce medical errors, and make more efficient use of health care dollars by reducing redundant services.

The Ombudsman answers questions from recipients of CHFS programs and provides information to the public about CHFS programs. The Office also investigates customer complaints and works with CHFS management to resolve them. The Ombudsman advises CHFS management regarding patterns of complaints and recommends corrective action when appropriate. Staff conducts federally mandated management evaluation and access reviews for the food stamp program and assists in writing county and regional corrective action plans. The Ombudsman is responsible for determining administrative hearing eligibility related to service complaints regarding the Department for Community Based Services Protection and Permanency cases and requests to appeal child abuse and/or child neglect substantiations. The CHFS Institutional Review Board for the Protection of Human Subjects is housed within the Office of the Ombudsman. The Board reviews and approves all research projects conducted by CHFS or involving CHFS clients or employees as subjects to ensure that the safety and welfare of the research subjects is protected.

**Health and Family Services
General Administration and Program Support
Inspector General**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	3,000,000	5,188,600	5,416,400	6,463,400	6,590,700
Budget Reduction-General Fund			-89,800		
Total General Fund	3,000,000	5,188,600	5,326,600	6,463,400	6,590,700
Restricted Funds					
Balance Forward	3,444,950	1,400,644	2,572,400	2,873,500	2,461,100
Current Receipts	3,168,534	3,994,972	4,694,500	4,238,500	4,238,500
Total Restricted Funds	6,613,485	5,395,616	7,266,900	7,112,000	6,699,600
Federal Fund					
Balance Forward	697,839	1,111,841			
Current Receipts	14,418,273	14,035,789	16,117,000	16,975,300	17,110,300
Non-Revenue Receipts	160	45,781			
Total Federal Fund	15,116,273	15,193,411	16,117,000	16,975,300	17,110,300
TOTAL SOURCE OF FUNDS	24,729,757	25,777,627	28,710,500	30,550,700	30,400,600
EXPENDITURES BY CLASS					
Personnel Costs	19,480,409	20,252,361	23,081,800	25,355,600	25,658,500
Operating Expenses	2,736,863	2,952,871	2,755,200	2,734,000	2,734,000
Capital Outlay Construction					
TOTAL EXPENDITURES	22,217,273	23,205,232	25,837,000	28,089,600	28,392,500
EXPENDITURES BY FUND SOURCE					
General Fund	3,000,000	5,188,600	5,326,600	6,463,400	6,590,700
Restricted Funds	5,212,841	2,823,221	4,393,400	4,650,900	4,691,500
Federal Fund	14,004,432	15,193,411	16,117,000	16,975,300	17,110,300
TOTAL EXPENDITURES	22,217,273	23,205,232	25,837,000	28,089,600	28,392,500

The Inspector General has three divisions: the Division of Audits and Investigations, the Division of Regulated Child Care, and the Division of Health Care. The general authority for the Office of the Inspector General is codified within KRS 194A.030.

The Division of Audits and Investigations examine Cabinet programs to assess contractor compliance with state and federal laws and regulations. In accordance with KRS 194A.030, the Division is responsible for conducting audits of programs within the Cabinet for Health and Family Services, their grantees and contractors. Investigations are conducted to detect fraud or abuse of any program by any client, or vendor of services with whom the Cabinet has contracted. Special investigations may be requested by the Secretary, commissioners, or agency heads into matters related to the Cabinet and its programs. Any information relevant to possible criminal violations is forwarded to the appropriate prosecuting authority. The agency operates a toll-free welfare and Medicaid fraud and abuse hotline (mandated by KRS 205.8483 and 42 CFR 455); conducts investigations of Women, Infants, and Children program vendors; and collects and reports data on assistance program fraud investigations by the Office of the Inspector General and the Office of the Attorney General. The Kentucky All Schedule Prescription Enforcement Reporting or KASPER system is also maintained here.

Regulated Child Care is charged with licensing certified Family Day Care homes, licensed day care centers (Type I and II), child caring facilities, child-placing agencies, and private adoptive service agencies. This includes initial licensure surveys, yearly re-licensure surveys, and complaint surveys.

Health Care Licensing is responsible for inspecting, monitoring, licensing and certifying all health care facilities as defined by KRS 216.510 (1). On-site inspections are conducted of all health facilities and services throughout the state (including nursing homes, hospitals and laboratories) to determine compliance with state licensing standards and federal Medicare and Medicaid certification requirements. Allegations of abuse and neglect that may occur in a licensed health facility are also investigated.

Health and Family Services
Commission for Children with Special Health Care Needs

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,587,200	5,711,100	5,824,800	5,249,000	5,249,000
Budget Reduction-General Fund		-55,100			
Reorganization Adjustment		-200,000	-200,000		
Total General Fund	5,587,200	5,456,000	5,624,800	5,249,000	5,249,000
Restricted Funds					
Balance Forward	5,397,357	6,573,881	4,724,600	4,259,700	2,374,200
Current Receipts	12,047,916	10,325,742	9,400,000	9,400,000	9,400,000
Non-Revenue Receipts	-3,499,000	-3,050,000			
Fund Transfers		-2,000,000			
Total Restricted Funds	13,946,273	11,849,623	14,124,600	13,659,700	11,774,200
Federal Fund					
Balance Forward		508	14,700		
Current Receipts	4,865,495	4,569,242	4,551,400	4,566,100	4,566,100
Non-Revenue Receipts	-264,700				
Total Federal Fund	4,600,796	4,569,750	4,566,100	4,566,100	4,566,100
TOTAL SOURCE OF FUNDS	24,134,269	21,875,373	24,315,500	23,474,800	21,589,300
EXPENDITURES BY CLASS					
Personnel Costs	12,501,740	12,185,539	13,034,000	14,795,400	14,987,300
Operating Expenses	2,266,091	2,117,103	2,148,800	2,231,200	2,231,200
Grants Loans Benefits	2,430,385	2,741,426	4,069,000	4,069,000	4,069,000
Capital Outlay	110,263	92,017	804,000	5,000	5,000
TOTAL EXPENDITURES	17,308,479	17,136,085	20,055,800	21,100,600	21,292,500
EXPENDITURES BY FUND SOURCE					
General Fund	5,335,800	5,456,000	5,624,800	5,249,000	5,249,000
Restricted Funds	7,372,392	7,125,047	9,864,900	11,285,500	11,477,400
Federal Fund	4,600,287	4,555,038	4,566,100	4,566,100	4,566,100
TOTAL EXPENDITURES	17,308,479	17,136,085	20,055,800	21,100,600	21,292,500
EXPENDITURES BY UNIT					
Children's Health Services	17,308,479	17,136,085	20,055,800	21,100,600	21,292,500
TOTAL EXPENDITURES	17,308,479	17,136,085	20,055,800	21,100,600	21,292,500

The Commission for Children with Special Health Care Needs (CCSHCN) has over 93 years of experience in providing care for children with a variety of special needs. The mission of the Commission for Children with Special Health Care Needs (CCSHCN) is to enhance the quality of life for Kentucky's children with special health care needs through quality service, leadership, advocacy, education and collaboration with community partners to ensure that services to children are comprehensive, community-based, family-centered and coordinated. CCSHCN supports the highest quality of life for Kentucky's children with special health care needs and their families through collaboration and facilitation of an easily accessible community based system of support. Improved communication across the service delivery system is a high priority goal to avoid duplication while improving access to quality services.

CCSHCN is charged with planning, developing, providing, and evaluating the public statewide system of care for children with special health care needs and providing early hearing and detection intervention services. CCSHCN works collaboratively with other agencies to assure services to children with disabilities are comprehensive, community-based, family-centered, and coordinated, thus avoiding duplication and fragmentation of the service delivery system. Accessibility is a key component of the delivery system. The program provides an array of preventative, diagnostic, and treatment services for special needs children and youth under 21 including: medical care, hospitalization, medications, durable medical goods, case management, therapy, transportation, and nutritional education. Because rapid advances in medical science have enabled over 90 percent of youth with disabilities and chronic conditions to reach adulthood, the program has expanded its focus to include services and supports for academic achievement, transition from education to employment, from pediatric to adult health care, and to independent living. Because health care is so critical to learning and success in school, CCSHCN has an active partnership with the Kentucky Department of Education and other health, education, and social services providers to support children and youth and families and their schools. The Early Hearing

Detection and Intervention Program provide surveillance and support for statewide screening for the early detection of hearing disorders and referral for follow-up treatment. The Hemophilia Program provides medical and social services to children and adults with blood disorders. The Foster Care Program represents a collaborative effort with the Department of Community Based Services to provide medical consultation services to the foster care support program by making regular home visits to the entire population of medically fragile foster care children and acting as onsite, medical resources for the social workers charged with responsibility for both children who are currently in the child welfare system and those who may be at risk for entering that system.

The family's financial status can play a role in determining whether the child is accepted into the Children with Special Health Care Needs Program and/or Hemophilia Program. All programs serve children and youth with or at-risk for special health care needs under age 21, with the exception of the Hemophilia Program, which also serves adults. The direct service programs require that specific medical eligibility requirements be met. For families with incomes less than 213% of the federal poverty level, a sliding scale is applied to determine the amount the family must contribute for treatment. Eligible children and youth in families with incomes in excess of 213% of federal poverty level also can receive services if they reside in medically under-served areas of the state, would benefit from a multidisciplinary approach to care, and/or are underinsured in the areas of hearing aids, durable medical equipment or nutritional supplements. These families are required to reimburse CSHCN for the entire costs of their treatment, but are able to take advantage of the Commission's negotiated rates with contracted medical providers.

Health and Family Services

Medicaid Services

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,611,591,800	1,786,807,700	1,985,980,000	1,881,992,500	2,043,016,800
Budget Reduction-General Fund		-37,741,857	-64,617,800		
Reorganization Adjustment		-142,200	-142,200		
Mandated Allotments	1,255,900				
Total General Fund	1,612,847,700	1,748,923,643	1,921,220,000	1,881,992,500	2,043,016,800
Restricted Funds					
Balance Forward	2,217,486	20,260,363	9,104,600	25,068,100	
Current Receipts	126,482,433	173,515,800	166,643,600	160,983,800	160,789,500
Non-Revenue Receipts	421,927,490	351,489,636	431,589,700	369,220,400	370,818,700
Fund Transfers		-30,262,108			
Total Restricted Funds	550,627,409	515,003,691	607,337,900	555,272,300	531,608,200
Federal Fund					
Balance Forward	32,215,716	17,194,666	9,425,200		
Current Receipts	7,888,270,943	8,016,815,985	8,901,782,300	9,134,229,300	9,463,430,500
Non-Revenue Receipts	-71,442	5,353,248			
Total Federal Fund	7,920,415,218	8,039,363,899	8,911,207,500	9,134,229,300	9,463,430,500
TOTAL SOURCE OF FUNDS	10,083,890,327	10,303,291,233	11,439,765,400	11,571,494,100	12,038,055,500
EXPENDITURES BY CLASS					
Personnel Costs	114,631,539	121,121,546	359,593,900	251,727,400	196,062,900
Operating Expenses	7,270,809	6,269,205	6,751,100	6,924,000	6,815,500
Grants Loans Benefits	9,924,532,689	10,157,361,411	11,048,342,300	11,312,832,700	11,835,167,100
Capital Outlay		9,248	10,000	10,000	10,000
Construction	259				
TOTAL EXPENDITURES	10,046,435,297	10,284,761,410	11,414,697,300	11,571,494,100	12,038,055,500
EXPENDITURES BY FUND SOURCE					
General Fund	1,612,847,700	1,748,923,643	1,921,220,000	1,881,992,500	2,043,016,800
Restricted Funds	530,367,046	505,899,115	582,269,800	555,272,300	531,608,200
Federal Fund	7,903,220,552	8,029,938,652	8,911,207,500	9,134,229,300	9,463,430,500
TOTAL EXPENDITURES	10,046,435,297	10,284,761,410	11,414,697,300	11,571,494,100	12,038,055,500
EXPENDITURES BY UNIT					
Medicaid Administration	153,867,341	157,414,172	399,636,800	289,680,900	234,107,900
Medicaid Benefits	9,892,567,956	10,127,347,238	11,015,060,500	11,281,813,200	11,803,947,600
TOTAL EXPENDITURES	10,046,435,297	10,284,761,410	11,414,697,300	11,571,494,100	12,038,055,500

Medicaid Services is comprised of two appropriation units: Administration and Benefits. Additionally, two major programs operate within each of those appropriation units: the Kentucky Medical Assistance program (regular Medicaid program) and the Kentucky Children's Health Insurance program (KCHIP).

The Medical Assistance program provides for comprehensive physical and behavioral health services by reimbursing providers for health care provided to medically indigent Kentuckians. Providers are reimbursed directly on a fee-for-service basis or indirectly through contractual arrangements with managed care organizations who receive a monthly capitation payment for each enrolled recipient. Eligibility for services is determined by staff in each county through a contractual agreement with the Department for Community Based Services. Individuals may automatically qualify for benefits if they are eligible for Supplemental Security Income benefits administered by the Social Security Administration.

KCHIP provides for comprehensive physical and behavioral health services for uninsured children up to 200 percent of the federal poverty level who are not otherwise eligible for Medicaid.

**Health and Family Services
Medicaid Administration**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	33,398,600	41,085,800	40,549,800	56,622,700	59,367,300
Reorganization Adjustment		-142,200	-142,200		
Mandated Allotments	1,255,900				
Total General Fund	34,654,500	40,943,600	40,407,600	56,622,700	59,367,300
Tobacco Fund					
Restricted Funds					
Balance Forward	1,247,274	1,090,341	823,200	8,760,800	
Current Receipts	105,121	183,360	105,000	105,000	105,000
Non-Revenue Receipts	20,441,257	14,176,870	42,482,200	10,161,400	10,161,400
Total Restricted Funds	21,793,652	15,450,570	43,410,400	19,027,200	10,266,400
Federal Fund					
Balance Forward	19,690,090	16,435,717	9,425,200		
Current Receipts	95,326,599	94,730,983	315,154,400	214,031,000	164,474,200
Non-Revenue Receipts	-71,442	101,733			
Total Federal Fund	114,945,247	111,268,433	324,579,600	214,031,000	164,474,200
TOTAL SOURCE OF FUNDS	171,393,399	167,662,603	408,397,600	289,680,900	234,107,900
EXPENDITURES BY CLASS					
Personnel Costs	114,631,539	121,121,546	359,593,900	251,727,400	196,062,900
Operating Expenses	7,273,160	6,269,205	6,751,100	6,924,000	6,815,500
Grants Loans Benefits	31,962,383	30,014,173	33,281,800	31,019,500	31,219,500
Capital Outlay		9,248	10,000	10,000	10,000
Construction	259				
TOTAL EXPENDITURES	153,867,341	157,414,172	399,636,800	289,680,900	234,107,900
EXPENDITURES BY FUND SOURCE					
General Fund	34,654,500	40,943,600	40,407,600	56,622,700	59,367,300
Tobacco Fund					
Restricted Funds	20,703,311	14,627,386	34,649,600	19,027,200	10,266,400
Federal Fund	98,509,530	101,843,186	324,579,600	214,031,000	164,474,200
TOTAL EXPENDITURES	153,867,341	157,414,172	399,636,800	289,680,900	234,107,900
EXPENDITURES BY UNIT					
Medical Assistance Administration	146,537,362	152,837,569	395,616,100	285,647,900	230,043,800
KCHIP Administration	7,329,979	4,576,603	4,020,700	4,033,000	4,064,100
TOTAL EXPENDITURES	153,867,341	157,414,172	399,636,800	289,680,900	234,107,900

Administrative functions of the Medicaid program and the Kentucky Children's Health Insurance program (KCHIP) include determining applicant eligibility, formulating policy, processing claims, assuring appropriate utilization of medical services, and managed care oversight. For the fee for service elements of the program, claims are paid through contracts with a fiscal agent and a pharmacy benefits administrator. For the managed care elements of the program, a monthly capitation fee for each member is paid. The Medicaid program contracts for medical review of acute care admissions, level of care determinations for long-term care patients, and care reviews for recipients in mental hospitals and psychiatric facilities.

The Department for Community Based Services performs the eligibility determination function on behalf of the Department for Medicaid Services through a contractual arrangement. The Department for Medicaid Services also administers KCHIP, a program to provide health care services for uninsured children with family incomes below 200 percent of the federal poverty level but above the federal income level for the Medicaid Program.

Policy

The Budget of the Commonwealth includes General Fund of \$20,000,000 in fiscal year 2019-2020 to replace the 2007 Medicaid Enterprise Management System (MEMS) with a modernized system that complies with the Medicaid Information Technology Architecture requirements. The state will draw an enhanced federal match in the amount of \$50,596,500 in fiscal year 2019-2020.

The Budget of the Commonwealth includes General Fund of \$17,501,500 in fiscal year 2018-2019 for the Kentucky HEALTH Medicaid 1115 Waiver demonstration project. The project focuses on "Helping to Engage and Achieve Long Term Health (HEALTH)" for Medicaid participants, with the goal of improving member outcomes.

Health and Family Services

Medicaid Benefits

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,578,193,200	1,745,721,900	1,945,430,200	1,825,369,800	1,983,649,500
Budget Reduction-General Fund		-37,741,857	-64,617,800		
Total General Fund	1,578,193,200	1,707,980,043	1,880,812,400	1,825,369,800	1,983,649,500
Restricted Funds					
Balance Forward	970,212	19,170,022	8,281,400	16,307,300	
Current Receipts	126,377,312	173,332,441	166,538,600	160,878,800	160,684,500
Non-Revenue Receipts	401,486,233	337,312,766	389,107,500	359,059,000	360,657,300
Fund Transfers		-30,262,108			
Total Restricted Funds	528,833,757	499,553,121	563,927,500	536,245,100	521,341,800
Federal Fund					
Balance Forward	12,525,627	758,950			
Current Receipts	7,792,944,344	7,922,085,002	8,586,627,900	8,920,198,300	9,298,956,300
Non-Revenue Receipts		5,251,514			
Total Federal Fund	7,805,469,971	7,928,095,466	8,586,627,900	8,920,198,300	9,298,956,300
TOTAL SOURCE OF FUNDS	9,912,496,928	10,135,628,630	11,031,367,800	11,281,813,200	11,803,947,600
EXPENDITURES BY CLASS					
Operating Expenses	-2,350				
Grants Loans Benefits	9,892,570,306	10,127,347,238	11,015,060,500	11,281,813,200	11,803,947,600
TOTAL EXPENDITURES	9,892,567,956	10,127,347,238	11,015,060,500	11,281,813,200	11,803,947,600
EXPENDITURES BY FUND SOURCE					
General Fund	1,578,193,200	1,707,980,043	1,880,812,400	1,825,369,800	1,983,649,500
Restricted Funds	509,663,735	491,271,729	547,620,200	536,245,100	521,341,800
Federal Fund	7,804,711,021	7,928,095,466	8,586,627,900	8,920,198,300	9,298,956,300
TOTAL EXPENDITURES	9,892,567,956	10,127,347,238	11,015,060,500	11,281,813,200	11,803,947,600
EXPENDITURES BY UNIT					
Medicaid Benefits	9,584,884,971	9,894,379,240	10,810,571,600	11,066,446,500	11,379,437,618
KCHIP Benefits	307,682,985	232,967,998	204,488,900	215,366,700	424,509,982
TOTAL EXPENDITURES	9,892,567,956	10,127,347,238	11,015,060,500	11,281,813,200	11,803,947,600

The Kentucky Medicaid program, under Title XIX of the Social Security Act and KRS 205.520, provides for preventive and remedial medical care for financially and medically indigent citizens in Kentucky who meet the income and resource criteria for Medicaid eligibility. The following services are currently provided by Kentucky's Medicaid program: Inpatient Hospital; Mental Hospital (for individuals under age 21 and age 65 and over); Renal Dialysis; Model Waiver II (home based services for individuals who are ventilator dependent); Psychiatric Residential Treatment Facilities (8-9 bed group homes for adolescents needing psychiatric residential services); Outpatient Hospital (including Emergency Room); Ambulatory Surgical Centers; HANDS (home visiting services for new and expectant parents); Specialized Children's Services Clinics (sexual abuse examinations); School-Based Services (Medicaid coverage for health services provided by schools to children with disabilities); Commission for Children with Special Health Care Needs; Intermediate Care Facility Services for Individuals with Intellectual Disabilities-ICFIID (residential habilitation for Medicaid recipients with intellectual disabilities); Nursing Facility Services (residential placement for the elderly and/or disabled); Preventative Services (health care) through the Local Health Departments; Early Intervention Services for Infants through age 2 with developmental problems; Early and Periodic Screening; Diagnosis and Treatment Services (EPSDT) which is preventive health care for children under 21 and coverage of any Federally-allowable, medically necessary Medicaid service for children, even if the service is not covered by the state's Medicaid plan; Chiropractic; X-ray and Laboratory Services; Physical, Occupational and Speech Therapy; Durable Medical Equipment (DME); Federally Qualified Health Centers (FQHC); Primary Care Centers (PCC); Community Mental Health Centers (CMHC); Rural Health Centers; Family Planning; Home Health services; Supports for Community Living –SCL (long term community services and supports for individuals with intellectual disabilities); Home and Community Based Waiver – HCBS (long term community services and supports for individuals who meet nursing facility level of care); Adult Day Health Care; Brain Injury Waiver Services (long term community services and supports for individuals with acquired brain injuries); Michelle P. Waiver services (long term

community services and supports for individuals with intellectual or developmental disabilities); Nurse Anesthetist; Hospice; Transportation (Non-Emergency and Emergency/Ambulance); Pharmacy; Vision Care; Dental; Physician Services; Nurse Practitioner/Midwife; Audiology Services; Podiatry; Comprehensive Outpatient Rehabilitative Facilities (CORF); Distinct Psychiatric Units in hospitals; Distinct Rehabilitative Units in hospitals; Physicians Assistants; Private Duty Nursing Services; Behavioral health (mental health or substance use disorder services) provided by licensed practitioners, practitioner groups and licensed organizations; Targeted Case Management for individuals with serious mental health or substance abuse disorders; Medicare Premiums (Medicare beneficiaries with incomes below the federal poverty level receive Medicaid assistance for payment of Medicare premiums, deductibles and cost sharing). These individuals are Qualified Medicare Beneficiaries (QMBs). Individuals at the lowest income levels are entitled to full Medicaid benefits. Medicare beneficiaries with income levels slightly higher than poverty receive Medicaid assistance for payment of Medicare premiums. These individuals are Specified Low-Income Medicare Beneficiaries (SLMBs).

Effective January 1, 2014, the federal Patient Protection and Affordable Care Act (ACA) changed the basis for Medicaid eligibility from eligibility categories tied to deprivation to income-based eligibility, with household income for most beneficiaries determined by the Modified Adjusted Gross Income (MAGI) reported on income tax returns. ACA also simplified and streamlined eligibility processes for most beneficiaries. ACA required states with Medicaid benchmark benefit packages, including Kentucky, to align their Medicaid benefits with ten essential health benefits defined by the benchmark plan adopted for the state's health benefit exchange (the 2012 Anthem PPO plan for Kentucky). This required Kentucky to add substance use treatment services and private duty nursing to its benefit package for all Medicaid beneficiaries. Prior to ACA, Kentucky Medicaid only covered substance use treatment for children and pregnant women. Kentucky adopted the adult Medicaid eligibility expansion which extends Medicaid eligibility to individuals in households with income at or below 138% of the federal poverty level (FPL).

Medicaid Enrollment Projections FY 2018-20

	MCO (Traditional Medicaid)	MCO (Medicaid Expansion)	MCO (KCHIP)	Fee For Service (FFS)	Grand Total
SFY_18	757,481	470,391	85,664	154,498	1,468,034
SFY_19	771,625	492,333	90,617	163,087	1,517,662
SFY_20	787,324	513,635	95,392	172,032	1,568,383

The Medicaid Expansion population for fiscal year 2017 was 453,852. The fiscal year 2016-2017 enrollment forecast from the 2016-2018 Medicaid budget request was 428,947.

Kentucky Medical Assistance Program (KMAP) Recipient Groups

Based on the eligibility changes in ACA, individuals who are eligible for KMAP benefits are classified into two groups: the Modified Adjusted Gross Income (MAGI) eligibility group and the non-MAGI eligibility group.

The **MAGI eligibility group** includes children and non-disabled adults under age 65. Specifically, this group includes children, pregnant women, caretaker relatives of children eligible for Medicaid, the adult Medicaid expansion eligibility group and former foster care children who are eligible for Medicaid up to age 26. Eligibility for each of these groups is based on the following income levels: pregnant women and infants under one year of age – 200% of the Federal Poverty Level (FPL); children from one to eighteen years of age: 147% FPL; and the adult Medicaid expansion eligibility group: 138% FPL. Former foster care children are eligible for Medicaid up to age 26 regardless of their income.

The **non-MAGI eligibility group includes** aged, blind and disabled individuals whose eligibility is associated with their health status and who are subject to resource requirements as well as income limits in establishing Medicaid eligibility.

Projecting Benefits Cost

Forecasting models were combined in the preparation of the Medicaid Benefits projections. Both the Office of State Budget Director (OSBD) and the Department for Medicaid Services (DMS) prepared cash forecasts to arrive at a consensus forecast. These forecasts examine past trends in categorical spending to generate projections for future cash expenditures, adjusting for policy changes. It should be noted that fewer members and services remain under fee-for-service due to the expansion of managed care which was implemented November 1, 2011. Using member eligibility information, historical monthly cash fee-for-service data was classified as either fee-for-service or managed care. Managed care costs were calculated based on the monthly member forecast and the negotiated rates with the

contracted managed care organizations. The managed care portion of the budget does not include individual categories of service; therefore, total projected costs for individual services cannot be determined.

Provider Taxes

Although the majority of the funds that the Commonwealth uses to match federal Medicaid dollars are derived from the General Fund, approximately 21 percent of the program's fiscal year 2019 and 20 percent of the program's fiscal year 2020 expenditure match will be secured from dedicated provider assessments. The assessments are levied on hospitals, home health agencies, Intermediate Care Facilities for Persons with Intellectual Disabilities, providers of alternative community services and long-term care facilities. The recommended budget assumes continuation of the current level of provider tax collections to maintain existing reimbursement levels for hospitals established in state fiscal year 2006.

Disproportionate Share Hospital (DSH) Payments

The budget includes funding for Disproportionate Share Hospital (DSH) payments equal to the maximum amount established by federal law. Disproportionate Share Hospital payments to state mental hospitals are budgeted in each year of the biennium. This budget includes funds transferred from the university teaching hospitals to be used as state matching funds for the portion of DSH funds received by those facilities.

Managed Care

The budget request assumes that Medicaid services are provided statewide by five (5) contracted Managed Care Organizations (MCOs): Anthem, Aetna (Coventry Cares), Humana CareSource, Passport, and Wellcare. Recipients in long term care facilities and waiver programs are excluded from managed care enrollment.

Benefit Match Rate

The budget request assumes a federal medical assistance percentage of 71.55 for state fiscal year 2018-2019 and 71.67 percent for fiscal year 2019-2020 for eligibility groups other than the ACA Medicaid expansion group for most budget items. The federal medical assistance percentage (FMAP) for the Medicaid expansion eligibility group authorized by the ACA drops from 95% in calendar year (CY) 2017 to 94% in CY 2018 (impacts six months of fiscal year 2017-2018). The ACA federal match drops again in CY 2019 to 93% (impacts six months of fiscal year 2018-2019) followed by a drop to 90% for CY 2020 (impacts six months of fiscal year 2019-2020) and beyond. The federal Medicaid match rate for KCHIP for SFYs 2018 and 2019 is calculated at 100 percent.

Kentucky Children's Health Insurance Program (KCHIP)

The Kentucky Children's Health Insurance program was initiated under Title XXI of the Social Security Act and currently serves eligible children up to 213 percent of the federal poverty level.

As under current law, the Legislative agreement proposed that CHIP be continued with the federal share to continue to be enhanced by 23 percentage points for two more years, in 2018 and 2019. This enhancement would be halved to 11.5 percentage points in 2020; and would be eliminated in 2021 and 2022. As a result, the federal match rate for KCHIP would be 100% in SFYs 2018-2019, decreasing to 93.8% in SFY 2020.

Health and Family Services
Behavioral Health, Developmental & Intellectual Disabilities

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	194,854,000	180,368,200	180,605,900	172,406,600	173,286,700
Budget Reduction-General Fund		-1,804,800	-460,900		
Reorganization Adjustment		115,700	115,700		
Total General Fund	194,854,000	178,679,100	180,260,700	172,406,600	173,286,700
Tobacco Fund					
Tobacco Settlement - Phase I	891,400	891,400	891,400	1,500,800	1,500,800
Continuing Approp-Tob Settlement	216,133	279,291	182,100		
Total Tobacco Fund	1,107,533	1,170,691	1,073,500	1,500,800	1,500,800
Restricted Funds					
Balance Forward	20,396,111	17,946,989	19,454,700	6,936,100	1,967,800
Current Receipts	198,362,075	204,703,768	196,278,000	203,457,500	200,335,000
Non-Revenue Receipts	-8,744,866	649,717	910,100	1,157,100	1,157,100
Fund Transfers		-2,000,000			
Total Restricted Funds	210,013,319	221,300,474	216,642,800	211,550,700	203,459,900
Federal Fund					
Balance Forward					
Current Receipts	37,264,285	38,639,759	52,464,300	49,131,100	39,703,000
Non-Revenue Receipts	-185,519	-96,736			
Total Federal Fund	37,078,766	38,543,022	52,464,300	49,131,100	39,703,000
TOTAL SOURCE OF FUNDS	443,053,618	439,693,287	450,441,300	434,589,200	417,950,400
EXPENDITURES BY CLASS					
Personnel Costs	121,578,160	119,616,790	114,810,600	121,446,700	122,299,400
Operating Expenses	23,576,892	18,855,649	17,416,000	16,964,500	16,977,600
Grants Loans Benefits	258,290,931	269,058,142	299,965,000	282,829,300	266,627,800
Debt Service	11,257,725	11,277,225	11,261,200	11,328,500	11,993,200
Capital Outlay	1,861,831	1,248,439	52,400	52,400	52,400
Construction		230			
TOTAL EXPENDITURES	416,565,538	420,056,475	443,505,200	432,621,400	417,950,400
EXPENDITURES BY FUND SOURCE					
General Fund	186,592,200	178,679,100	180,260,700	172,406,600	173,286,700
Tobacco Fund	828,241	988,578	1,073,500	1,500,800	1,500,800
Restricted Funds	192,066,331	201,845,775	209,706,700	209,582,900	203,459,900
Federal Fund	37,078,766	38,543,022	52,464,300	49,131,100	39,703,000
TOTAL EXPENDITURES	416,565,538	420,056,475	443,505,200	432,621,400	417,950,400
EXPENDITURES BY UNIT					
Community Behavioral Health	96,764,264	97,376,431	112,401,500	108,578,500	99,187,200
Community Developmental and Intellectual Disabilities	25,126,234	23,134,275	25,457,600	24,777,800	24,794,800
General Support	21,211,300	26,577,323	27,311,500	25,608,900	25,650,600
Residential	273,463,741	272,968,446	278,334,600	273,656,200	268,317,800
TOTAL EXPENDITURES	416,565,538	420,056,475	443,505,200	432,621,400	417,950,400

The Department for Behavioral Health, Developmental and Intellectual Disabilities operates behavioral health, substance abuse, developmental and intellectual disabilities, and brain injury programs. Services are provided in the community and in state-owned, state-operated and contracted residential facilities. Approximately 900 inpatients are cared for daily in the facilities operated or contracted by the Cabinet, and several thousand more are treated as outpatients in the community setting by the 14 Regional Boards for Mental Health or Individuals with an Intellectual Disability established by KRS 210.

Health and Family Services
Behavioral Health, Developmental & Intellectual Disabilities
Community Behavioral Health

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	56,414,100	53,880,500	53,892,600	52,394,600	52,431,400
Budget Reduction-General Fund		-205,198	-460,900		
Other	-1,110,700				
Total General Fund	55,303,400	53,675,302	53,431,700	52,394,600	52,431,400
Tobacco Fund					
Tobacco Settlement - Phase I	891,400	891,400	891,400	1,500,800	1,500,800
Continuing Approp-Tob Settlement	216,133	279,291	182,100		
Total Tobacco Fund	1,107,533	1,170,691	1,073,500	1,500,800	1,500,800
Restricted Funds					
Balance Forward	4,196,935	3,964,057	5,704,000	3,936,100	1,967,800
Current Receipts	7,109,695	9,063,705	6,794,900	6,580,500	6,581,000
Non-Revenue Receipts	1,527,054	1,408,720	1,459,300	1,473,300	1,473,300
Fund Transfers		-500,000			
Total Restricted Funds	12,833,683	13,936,482	13,958,200	11,989,900	10,022,100
Federal Fund					
Balance Forward	1,458,813	1,508,289	1,673,900		
Current Receipts	32,697,990	34,645,628	46,200,300	44,661,000	35,232,900
Non-Revenue Receipts	-185,519				
Total Federal Fund	33,971,284	36,153,917	47,874,200	44,661,000	35,232,900
TOTAL SOURCE OF FUNDS	103,215,900	104,936,391	116,337,600	110,546,300	99,187,200
EXPENDITURES BY CLASS					
Personnel Costs	4,054,718	4,815,014	4,397,900	4,598,500	4,580,600
Operating Expenses	431,820	291,494	392,700	422,200	426,700
Grants Loans Benefits	92,277,726	92,269,923	107,610,900	103,557,800	94,179,900
TOTAL EXPENDITURES	96,764,264	97,376,431	112,401,500	108,578,500	99,187,200
EXPENDITURES BY FUND SOURCE					
General Fund	54,603,400	53,675,302	53,431,700	52,394,600	52,431,400
Tobacco Fund	828,241	988,578	1,073,500	1,500,800	1,500,800
Restricted Funds	8,869,626	8,232,506	10,022,100	10,022,100	10,022,100
Federal Fund	32,462,996	34,480,046	47,874,200	44,661,000	35,232,900
TOTAL EXPENDITURES	96,764,264	97,376,431	112,401,500	108,578,500	99,187,200
EXPENDITURES BY UNIT					
Community Alcohol and Drug Services	38,024,117	39,297,760	52,543,400	53,429,500	45,385,900
Community Mental Health Services	58,740,147	58,078,672	59,858,100	55,149,000	53,801,300
TOTAL EXPENDITURES	96,764,264	97,376,431	112,401,500	108,578,500	99,187,200

Community Mental Health Services

The Community Mental Health Services program provides services and support to Kentuckians with mental health conditions in an effort to improve their ability to function in the community. The Department for Behavioral Health, Developmental and Intellectual Disabilities contracts with 14 Regional Community Mental Health Centers (CMHCs) and other local entities. In addition, the Community Mental Health Services program has targeted funds to the most vulnerable citizens with behavioral health conditions. These include:

- Adults with severe mental illness (KRS 210, KRS 202A),
- Children/youth with severe emotional disabilities (KRS 200.501 to KRS 200.509)
- Uninsured or underinsured individuals with behavioral health disorders.

In accordance with KRS 210.410, CMHCs must provide persons suffering from mental health conditions with specific services such as: consultation and educational services to help individuals, and their families, understand their illnesses

and treatment options; community support programs to assist individuals with mental illness in developing skills that allow them to live independently within the community; outpatient services; emergency services; and inpatient services, which are generally made available through referrals to crisis stabilization units or state or community hospitals.

State and federal funds are used to provide psychiatric screening and assessment services, case management services, psychotropic medications, housing, and vocational support services for adults with severe mental illness and children with severe emotional disabilities. Funds are also provided for unique services and supports designed to “wraparound” an adult or child who is at risk of psychiatric hospitalization or other out of home placement.

Funding is also used to support promotion of mental “wellness” and early intervention assessment and treatment services. Suicide prevention for youth, adults and older adults is an important focus of the Department as well as services to individuals, and their families, dealing with behavioral health issues related to or exasperated by military service.

Funding is used to support statewide needs assessment and planning, monitoring of services provided, training and technical assistance for providers and other community partners (child welfare, law enforcement, education), and procurement and administration of federal and other funds for the provision of effective, community-based services and supports. Integrated (physical and behavioral health) healthcare delivery is necessary for achieving optimal outcomes.

Community Alcohol and Drug Services

The Community Alcohol and Drug Services Program provides quality treatment, prevention, and education services to citizens suffering from, or at-risk of, substance use disorders (tobacco, alcohol and prescription or illegal drugs). Services are provided primarily through contracts with the CMHCs. Substance abuse prevention and treatment services are provided pursuant to KRS 222. The receipts from alcohol intoxication fines are received pursuant to KRS 431.100. Other statutes under which the program operates include: KRS 189A (Driving Under the Influence assessment, education, and treatment) and KRS 218A.410 (Drug Property subject to forfeiture).

Contracts with the CMHCs and their subcontractors, schools, local government agencies, and other community-based organizations provide services which include: community prevention programming (offered through 14 Regional Prevention Centers; juvenile diversion programs; DUI assessment, education, and treatment programs; Consultation with businesses on the development of a drug-free work place and employee assistance programs; Social setting detoxification centers, residential treatment for men, women and youth, outpatient treatment and intensive outpatient treatment, and case management services; and specialized treatment services for pregnant women, women with dependent children, adolescents, and intravenous drug users. In addition, opiate replacement therapy (medication) and corresponding counseling is available to opiate dependent persons who are at high risk for HIV/AIDS due to their intravenous drug use. Training, consultation and client evaluations are made available, within budget limitations, to criminal justice agencies and other agencies within the Cabinet for Health and Family Services for clients with substance use disorders.

During the past four years, CMHCs have been required to adjust to delivery system changes due to implementation of:

- Medicaid Managed Care
- Medicaid Expansion;
- The Patient Protection and Affordable Care Act (“PPACA”; Public Law 111–148);
- The Health Care and Education Reconciliation Act and the Mental Health Parity; and
- The Addiction Equity Act (MHPAEA).

Health and Family Services
Behavioral Health, Developmental & Intellectual Disabilities
Community Developmental and Intellectual Disabilities

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	19,769,900	17,790,600	18,303,700	17,607,900	17,624,900
Budget Reduction-General Fund		-843,264			
Other	-907,600				
Total General Fund	18,862,300	16,947,336	18,303,700	17,607,900	17,624,900
Restricted Funds					
Balance Forward	111,254	28,080	145,000		
Current Receipts		132,000	88,000	16,000	16,000
Non-Revenue Receipts	2,575,000	2,200,000	2,450,800	2,683,800	2,683,800
Total Restricted Funds	2,686,254	2,360,080	2,683,800	2,699,800	2,699,800
Federal Fund					
Balance Forward	-1,473,643	-1,503,415	-1,675,700		
Current Receipts	4,498,489	3,896,384	6,145,800	4,470,100	4,470,100
Non-Revenue Receipts		-96,736			
Total Federal Fund	3,024,845	2,296,233	4,470,100	4,470,100	4,470,100
TOTAL SOURCE OF FUNDS	24,573,399	21,603,649	25,457,600	24,777,800	24,794,800
EXPENDITURES BY CLASS					
Personnel Costs	3,266,302	3,257,889	3,915,100	4,554,600	4,610,400
Operating Expenses	823,191	542,019	794,000	815,400	815,400
Grants Loans Benefits	21,029,619	19,334,366	20,748,500	19,407,800	19,369,000
Capital Outlay	7,122				
TOTAL EXPENDITURES	25,126,234	23,134,275	25,457,600	24,777,800	24,794,800
EXPENDITURES BY FUND SOURCE					
General Fund	17,939,800	16,947,336	18,303,700	17,607,900	17,624,900
Restricted Funds	2,658,174	2,215,035	2,683,800	2,699,800	2,699,800
Federal Fund	4,528,260	3,971,904	4,470,100	4,470,100	4,470,100
TOTAL EXPENDITURES	25,126,234	23,134,275	25,457,600	24,777,800	24,794,800
EXPENDITURES BY UNIT					
Local Developmental and Intellectual Disabilities	23,812,208	21,955,256	24,009,900	23,408,800	23,424,900
KY Developmental Disability Council	1,314,026	1,179,019	1,447,700	1,369,000	1,369,900
TOTAL EXPENDITURES	25,126,234	23,134,275	25,457,600	24,777,800	24,794,800

Community Developmental and Intellectual Disabilities is responsible for administration of the Supports for Community Living Medicaid waiver program for individuals with intellectual and developmental disabilities and for the oversight of community providers of both waiver and state General Fund service programs.

Developmental and Intellectual Disability Services provides support and services to individuals to help them be contributing members of their community. Services are provided through contracts with the 14 Regional Community Mental Health Centers and with for-profit and non-profit agencies which provide residential, vocational, community, respite, and a variety of other services that increase independence in the community. Some of the residential services include support to individuals within their own homes, family homes, group home living placements, apartment living supervision, community staffed residences, and assistance with other living arrangements. Participating providers must support people who choose their agencies to assist them to live in the community. It is the responsibility of the provider to ensure that people are safe, healthy, respected and valued; that they live in the community with effective, individualized assistance; and are contributing members of the community in which they live and work. Additionally, each of the 14 Regional Community Mental Health Centers have 24/7 crisis prevention and intervention support available to individuals, families and providers with the goal of enabling an individual to remain in his/her community and to prevent future crisis events.

The Kentucky Council on Developmental Disabilities is administratively attached to the Division of Developmental and

Intellectual Disabilities. The Council is made up of 26 members (individuals with developmental disabilities and family/guardian/siblings) appointed by the Governor and state agency representatives as defined in (PL 106-402). The Council promotes systems change, capacity building and advocacy for individuals with developmental disabilities. The Council on Developmental Disabilities represents the interests of approximately 122,000 Kentuckians who have developmental disabilities. The Council funds time-limited demonstration projects and engages in outreach activities to assist individuals with developmental disabilities and their families.

Health and Family Services
Behavioral Health, Developmental & Intellectual Disabilities
General Support

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	27,936,500	27,179,200	27,195,800	25,608,900	25,650,600
Budget Reduction-General Fund		-717,577			
Reorganization Adjustment		115,700	115,700		
Other	-1,085,900				
Total General Fund	26,850,600	26,577,323	27,311,500	25,608,900	25,650,600
TOTAL SOURCE OF FUNDS	26,850,600	26,577,323	27,311,500	25,608,900	25,650,600
EXPENDITURES BY CLASS					
Personnel Costs	3,883,212	3,830,535	4,066,000	4,543,400	4,585,100
Operating Expenses	357,766	228,916	222,700	234,600	234,600
Grants Loans Benefits	16,970,323	22,517,872	23,022,800	20,830,900	20,830,900
TOTAL EXPENDITURES	21,211,300	26,577,323	27,311,500	25,608,900	25,650,600
EXPENDITURES BY FUND SOURCE					
General Fund	21,211,300	26,577,323	27,311,500	25,608,900	25,650,600
TOTAL EXPENDITURES	21,211,300	26,577,323	27,311,500	25,608,900	25,650,600

General Support includes the Commissioner's Office, the Division of Administration and Financial Management, the Division of Program Integrity and the Office of Autism. This unit's activities include policy and budget development, proactive program monitoring, standards development, Autism Spectrum Disorder support, legislative monitoring and management decision-making for the overall direction of the Department. The Department contracts with the University of Kentucky for technical and information support services.

Health and Family Services
Behavioral Health, Developmental & Intellectual Disabilities

Residential

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	90,733,500	81,517,900	81,213,800	76,795,200	77,579,800
Budget Reduction-General Fund		-38,762			
Other	3,104,200				
Total General Fund	93,837,700	81,479,138	81,213,800	76,795,200	77,579,800
Restricted Funds					
Balance Forward	16,087,922	13,954,851	13,605,700	3,000,000	
Current Receipts	191,252,380	195,508,063	189,395,100	196,861,000	193,738,000
Non-Revenue Receipts	-12,846,920	-2,959,003	-3,000,000	-3,000,000	-3,000,000
Fund Transfers		-1,500,000			
Total Restricted Funds	194,493,382	205,003,912	200,000,800	196,861,000	190,738,000
Federal Fund					
Balance Forward	14,830	-4,874	1,800		
Current Receipts	67,806	97,747	118,200		
Total Federal Fund	82,636	92,873	120,000		
TOTAL SOURCE OF FUNDS	288,413,718	286,575,924	281,334,600	273,656,200	268,317,800
EXPENDITURES BY CLASS					
Personnel Costs	110,373,928	107,713,352	102,431,600	107,750,200	108,523,300
Operating Expenses	21,964,115	17,793,219	16,006,600	15,492,300	15,500,900
Grants Loans Benefits	128,013,263	134,935,980	148,582,800	139,032,800	132,248,000
Debt Service	11,257,725	11,277,225	11,261,200	11,328,500	11,993,200
Capital Outlay	1,854,710	1,248,439	52,400	52,400	52,400
Construction		230			
TOTAL EXPENDITURES	273,463,741	272,968,446	278,334,600	273,656,200	268,317,800
EXPENDITURES BY FUND SOURCE					
General Fund	92,837,700	81,479,138	81,213,800	76,795,200	77,579,800
Restricted Funds	180,538,531	191,398,235	197,000,800	196,861,000	190,738,000
Federal Fund	87,510	91,073	120,000		
TOTAL EXPENDITURES	273,463,741	272,968,446	278,334,600	273,656,200	268,317,800

Residential Services provides inpatient care in the areas of psychiatric hospitalization, intermediate care for persons with developmental and intellectual disabilities, nursing facility care, and forensic psychiatry for approximately 900 individuals each day.

Inpatient psychiatric services are provided for adults through four psychiatric hospitals: Eastern State Hospital in Lexington with an average daily census (ADC) of 114; Central State Hospital in Louisville with an ADC of 63; and Western State Hospital in Hopkinsville with an ADC of 138. The ARH Psychiatric Facility located in Hazard, owned and operated by Appalachian Regional Healthcare, Inc., with an ADC of 51, provides acute inpatient psychiatric services through a contract with the Department. Eastern State Hospital is operated under a management contract with the University of Kentucky.

Glasgow Nursing Facility with an ADC of 73 and Western State Nursing Facility with an ADC of 100 provide quality care to adults with severe and persistent mental illness who require a skilled nursing facility's level of care. Eastern State Hospital Nursing Facility, with an ADC of 15, opened in FY 2015 and provides care to adults with acquired brain injury and geriatric long-term care.

Ten facilities provide intermediate care for individuals with developmental and intellectual disabilities who are unable to live unassisted in their communities: the Oakwood Community Center in Somerset with an ADC of 105, Outwood in Dawson Springs with an ADC of 34, Hazelwood in Louisville with an ADC of 75, Bingham Gardens located in Louisville with an ADC of 22, Del Maria in Fern Creek with an ADC of 8, the Meadows in Mount Washington with an ADC of 8, and Windsong in Crestwood with an ADC of 8. Residents are assisted in self-care skills and appropriate social behavior and are provided specialized services to promote their personal growth.

The Department has established three specialty clinics in support of individuals with developmental and intellectual disabilities living in the community, who may have transitioned from a facility placement. Moving from a facility placement to a community placement creates a gap in services that can negatively impact clients and jeopardize a successful placement. These clinics provide a vast array of specialized services including medical, dental and therapeutic services on an outpatient basis, avoiding institutionalization. These three specialty clinics are located on the campuses of Bingham Gardens, Hazelwood Center, and Oakwood.

Forensic psychiatric services are provided at the Kentucky Correctional Psychiatric Center within the Luther Lockett Correctional Complex in LaGrange (97 licensed beds). Pretrial services are provided for persons with felony charges who are referred by district and circuit courts for evaluation of competency to stand trial. The correctional component may serve some post-convicted females in need of acute inpatient psychiatric treatment who are transferred from various institutions within the Department of Corrections.

Policy

The Budget of the Commonwealth includes General Fund in the amount of \$71,000 in fiscal year 2018-2019 and \$737,000 in fiscal year 2019-2020 for debt service to support new bonds as set forth in Part II, Capital Projects Budget.

Health and Family Services

Public Health

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	71,111,300	73,703,400	74,548,200	76,360,000	76,481,200
Budget Reduction-General Fund		-735,700	-4,359,900		
Reorganization Adjustment		-134,200	-134,200		
Other					
Total General Fund	71,111,300	72,833,500	70,054,100	76,360,000	76,481,200
Tobacco Fund					
Tobacco Settlement - Phase I	13,383,800	13,933,100	14,168,100	15,903,000	15,472,100
Special Appropriation	682,500				
Continuing Approp-Tob Settlement	4,800,893	7,026,367	8,848,700		
Total Tobacco Fund	18,867,193	20,959,467	23,016,800	15,903,000	15,472,100
Restricted Funds					
Balance Forward	13,504,932	29,579,823	26,687,300	16,702,100	8,706,400
Current Receipts	85,615,244	80,637,512	81,620,700	84,807,700	84,507,700
Non-Revenue Receipts	-9,372,634	-3,196,268	-5,925,000	-5,925,000	-5,925,000
Fund Transfers		-2,850,000			
Total Restricted Funds	89,747,543	104,171,068	102,383,000	95,584,800	87,289,100
Federal Fund					
Balance Forward	2,056,786	1,058,495			
Current Receipts	181,394,862	173,337,365	187,879,400	190,380,300	190,607,100
Non-Revenue Receipts		1,418,344			
Total Federal Fund	183,451,648	175,814,205	187,879,400	190,380,300	190,607,100
TOTAL SOURCE OF FUNDS	363,177,684	373,778,239	383,333,300	378,228,100	369,849,500
EXPENDITURES BY CLASS					
Personnel Costs	61,106,910	67,746,197	68,913,000	77,339,800	77,904,800
Operating Expenses	13,361,710	11,679,712	12,523,700	12,084,200	11,976,200
Grants Loans Benefits	247,383,822	258,802,494	285,194,500	280,097,700	279,666,800
Debt Service	425,000				
Capital Outlay	54,657	13,835			
TOTAL EXPENDITURES	322,332,099	338,242,239	366,631,200	369,521,700	369,547,800
EXPENDITURES BY FUND SOURCE					
General Fund	67,930,400	72,833,500	70,054,100	76,360,000	76,481,200
Tobacco Fund	11,840,826	12,110,808	23,016,800	15,903,000	15,472,100
Restricted Funds	60,167,720	77,483,725	85,680,900	86,878,400	86,987,400
Federal Fund	182,393,153	175,814,205	187,879,400	190,380,300	190,607,100
TOTAL EXPENDITURES	322,332,099	338,242,239	366,631,200	369,521,700	369,547,800
EXPENDITURES BY UNIT					
General Health Support	33,558,783	45,278,282	39,818,200	38,670,700	38,425,200
Women's Health	9,078,961	9,900,532	10,061,300	9,912,400	9,923,600
Prevention and Quality Improvement	12,026,333	11,130,545	11,415,500	15,562,100	15,537,900
Epidemiology and Health Planning	45,967,420	50,898,733	55,109,500	58,998,700	59,485,400
Maternal and Child Health	201,434,652	197,891,678	224,102,700	219,547,700	219,207,700
Laboratory Services	8,032,501	8,905,210	10,416,800	10,703,000	10,756,600
Public Health Protection and Safety	12,233,449	14,237,258	15,707,200	16,127,100	16,211,400
TOTAL EXPENDITURES	322,332,099	338,242,239	366,631,200	369,521,700	369,547,800

The Department for Public Health's (DPH) mission is to improve the health and safety of all people in Kentucky through Prevention, Promotion and Protection. DPH is responsible for carrying out the core public health functions of:

1) assessment of health status and programs; 2) science-based health policy development; and, 3) assurance of health services, codes and programs to meet the needs of Kentuckians. Pursuant to KRS 211.025 and 211.180, DPH and its seven divisions carries-out and enforces public health laws and regulations, assists local boards of health and health departments, and acts to protect and improve health. It does so by formulating, promoting, establishing, and executing policies, plans, and programs “relating to all matters of public health”, partnering with 61 local health departments (LHDs) covering 120 counties as well as other local, state and federal agencies.

The department’s focus is improving the health status of the population. Due in part to public health efforts, fewer Kentuckians smoke, a greater number of colon cancers are prevented, teen pregnancy rates are down, and deaths from cardiovascular disease are decreasing.

The department strives to protect and improve the health and quality of life of each of over 4.4 million Kentuckians every day by administering approximately 150 distinct programs and services, which are as varied as immunizations, newborn screening, women’s cancer prevention, radon control and the regulation of tattoo parlors. A sizable part of the state’s economy is regulated by the actions of the department including the operation of food retail services, food manufacturing, radiation health services, hotels and pools. In fiscal years 2016 and 2017, the public health system in Kentucky provided clinical services to an average of about 450,000 unduplicated patients each year. Many public health services are unavailable from any other source or are unattainable from another source at low or no cost.

The department relies on LHDs to carry out many public health activities required by statute, regulation, or participation in federal grant awards. Federal monies support over half of the department’s yearly budget. The majority of these awards are allocated to the community level for the performance of services. LHDs may also choose to perform enhanced services based on community health needs and for which the availability of funding allows.

The department consists of seven divisions: Administration and Financial Management to include the Commissioner’s Office, Women’s Health, Prevention and Quality Improvement, Epidemiology and Health Planning, Maternal and Child Health, Laboratory Services, and Public Health Protection and Safety.

A healthy population can help create a more robust workforce and contribute to driving down societal costs for healthcare. Kentucky’s public health system, which touches numerous lives daily with its wide array of programs and messages, is critical to protecting and improving the state’s health through its myriad programs and services many of which are performed only by public health agencies.

**Health and Family Services
Public Health
General Health Support**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	27,051,100	34,271,300	35,233,600	35,303,700	35,358,200
Budget Reduction-General Fund		-208,900	-82,000		
Reorganization Adjustment		-134,200	-134,200		
Other		48,177			
Total General Fund	27,051,100	33,976,377	35,017,400	35,303,700	35,358,200
Restricted Funds					
Balance Forward	159,228	1,099,665	1,224,800		
Current Receipts	15,147,683	10,771,822	8,576,000	8,367,000	8,067,000
Non-Revenue Receipts	-6,281,155	655,252	-5,000,000	-5,000,000	-5,000,000
Total Restricted Funds	9,025,756	12,526,739	4,800,800	3,367,000	3,067,000
Federal Fund					
Balance Forward	2,038	-638			
Current Receipts	56,616				
Total Federal Fund	58,654	-638			
TOTAL SOURCE OF FUNDS	36,135,510	46,502,479	39,818,200	38,670,700	38,425,200
EXPENDITURES BY CLASS					
Personnel Costs	8,907,319	8,338,776	7,784,500	8,266,500	8,327,200
Operating Expenses	-70,689	-58,717	98,800	108,400	102,200
Grants Loans Benefits	24,667,496	36,998,222	31,934,900	30,295,800	29,995,800
Capital Outlay	54,657				
TOTAL EXPENDITURES	33,558,783	45,278,282	39,818,200	38,670,700	38,425,200
EXPENDITURES BY FUND SOURCE					
General Fund	25,573,400	33,976,377	35,017,400	35,303,700	35,358,200
Restricted Funds	7,926,091	11,301,905	4,800,800	3,367,000	3,067,000
Federal Fund	59,292				
TOTAL EXPENDITURES	33,558,783	45,278,282	39,818,200	38,670,700	38,425,200

The General Health Support Program includes two organizational units: the Commissioner and Administration and Financial Management.

The Commissioner is responsible for the leadership, management, oversight, and policy direction of the Department for Public Health. The Commissioner advises the heads of major agencies in state government on policies, plans, and programs relating to matters of public health. This includes actions necessary to respond to extraordinary events in order to safeguard the health of the citizens of the Commonwealth. The Commissioner serves as the State Health Officer for the Commonwealth. The Commissioner's role includes the coordination of public health emergency response capabilities with federal and other state agencies and involvement in the statewide management of anti-terrorist (nuclear, biologic, chemical) activities. The Commissioner provides leadership in transforming the role of public health in Kentucky to new models as more of the uninsured citizens have opportunities for healthcare coverage under the new insurance marketplace and expanded Medicaid coverage.

The Chief Nursing Officer for Public Health, located in the Commissioner's Office, provides nurse administration consultation and technical assistance to the Commissioner, executive staff, and state and local health departments including approximately 900 nurses and APRNs who practice in local health departments across the state. This guidance includes nursing scope of practice issues, the development and implementation of clinical protocols, nursing education and clinical competencies as well as public health nursing workforce development initiatives.

The Center for Health Equity was established in September 2008 and functionally operates through the Commissioner's Office. The Center seeks to eliminate health disparities in the state of Kentucky specifically those social, cultural, and environmental factors that contribute to adverse health outcomes. The Office serves in an advisory capacity to all divisions across the Department of Public Health.

Administration and Financial Management provides resource support to the Department for Public Health including approximately 400+ department-level personnel. It provides budget and accounting support, payments, grant allocation, fee collection, procurement, and contracting support, as well as oversight of local health departments' fiscal planning and administrative management functions. The Department's biennial budget is developed by Administration and Financial Management. It works in concert with the other health services programs in the Department to plan, program, execute, manage, and report the financial activities of the Department and local health departments. Administration and Financial Management also plays a vital role in providing effective and efficient training that enhances workforce abilities of the department, local health departments, public health preparedness, and other public health system partners.

The program is also responsible for providing guidance on the day-to-day operation of the 61 local health jurisdictions across the state and has the responsibilities for personnel management of nearly 2,600 local health personnel; medical records and forms management, reporting of clinical and community-based services, policy interpretation, and the Local Board of Health nomination process. Training on medical coding and billing practices, local health personnel procedures, and financial operations is also provided by program staff.

**Health and Family Services
Public Health
Women's Health**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	698,200	301,300	266,600	240,800	243,000
Total General Fund	698,200	301,300	266,600	240,800	243,000
Tobacco Fund					
Tobacco Settlement - Phase I	80,000	80,000	80,000	80,000	80,000
Continuing Approp-Tob Settlement	156,295	179,789	222,000		
Total Tobacco Fund	236,295	259,789	302,000	80,000	80,000
Restricted Funds					
Balance Forward	8,035	9,859	8,400		
Current Receipts	325,777	241,487	340,700	349,100	349,100
Total Restricted Funds	333,812	251,346	349,100	349,100	349,100
Federal Fund					
Balance Forward	146,940	158,229	53,600		
Current Receipts	8,011,591	9,213,776	9,090,000	9,242,500	9,251,500
Total Federal Fund	8,158,532	9,372,005	9,143,600	9,242,500	9,251,500
TOTAL SOURCE OF FUNDS	9,426,839	10,184,440	10,061,300	9,912,400	9,923,600
EXPENDITURES BY CLASS					
Personnel Costs	1,708,822	2,178,020	1,889,900	1,991,200	2,003,200
Operating Expenses	306,892	181,792	350,200	347,400	346,600
Grants Loans Benefits	7,063,248	7,540,720	7,821,200	7,573,800	7,573,800
TOTAL EXPENDITURES	9,078,961	9,900,532	10,061,300	9,912,400	9,923,600
EXPENDITURES BY FUND SOURCE					
General Fund	698,200	301,300	266,600	240,800	243,000
Tobacco Fund	56,506	37,831	302,000	80,000	80,000
Restricted Funds	323,953	242,961	349,100	349,100	349,100
Federal Fund	8,000,303	9,318,440	9,143,600	9,242,500	9,251,500
TOTAL EXPENDITURES	9,078,961	9,900,532	10,061,300	9,912,400	9,923,600

The Division of Women's Health (DWH), in partnership with key stakeholders, provides leadership to improve the physical and socio-emotional health, safety, and well-being of Kentucky's women, including those with low incomes, diverse ethnic or racial backgrounds and isolated populations with limited access to care. The Division also represents Kentucky for the federal Health Resources Service Administration (HRSA) Office of Women's Health. The DWH includes the following programs:

The Kentucky Women's Cancer Screening Program (KWCSPP) provides breast and cervical cancer screenings and diagnostic case management and treatment referral services to reduce cancer morbidity and mortality among Kentucky's medically underserved, low income, and uninsured women. The Kentucky Women's Cancer Screening program is funded by a federal grant from the Centers for Disease Control and Prevention (CDC). The CDC grant requires the program: to provide appropriate referrals for medical treatment; to assure appropriate follow-up services and case management; to develop and disseminate public information and education programs for the detection and control of breast and cervical cancers; to improve the education, training, and skills of health professionals; to monitor the quality of screening procedures for breast and cervical cancers; and to evaluate activities through appropriate surveillance.

The Breast Cancer Research and Education Trust Fund program, created in 2005, is funded by revenue collected from the breast cancer license plates purchases and the State Income tax form optional checkbox. Funds collected through these methods are distributed to community-based affiliates through an annual Request for Proposal process. Projects awarded support breast cancer research, education, treatment, screening, and awareness in Kentucky.

The Folic Acid Counseling and Supplementation program services are provided in all 61 local health departments (LHDs) and sub-delegate sites. Research has shown that when women consume adequate folic acid, the incidence of neural tube defects such as spina bifida can be decreased by as much as 70%. The Folic Acid program is funded by Tobacco Settlement funds.

The Title X Family Planning program provides individuals with the information and means to exercise personal decisions to determine the number and spacing of their children. Title X family planning clinics play a critical role in assuring access to voluntary, confidential family planning services for low-income or uninsured families. Charges to participants are at no cost or at a reduced cost based on their household income. Family Planning services are offered in LHDs and clinics targeting special populations (e.g. males, Hispanics, and adolescents). Title X supported clinics also provide a number of preventive health services such as: patient education and counseling, breast and pelvic examinations, cervical cancer screenings, sexually transmitted diseases, and human immunodeficiency virus (HIV) screenings, preconception counseling, and pregnancy diagnosis. The Title X Family Planning program is funded through the federal Office of Population Affairs, Health and Human Services agency.

The Abstinence Education Grant Program provides abstinence education to middle school students (fifth through eighth grade) to encourage students to choose abstaining from sexual activity as the best choice to achieve optimal health and well-being. This program provides students with knowledge about the physical and emotional benefits of abstaining from sexual activity until adulthood and equips them with refusal skills and decision-making skills to accomplish this goal.

The Personal Responsibility Education Program provides ready-for-adulthood education to teenagers age 13-18 in middle and high school. Two programs are utilized to provide age-appropriate, abstinence-based, comprehensive sexuality education and other positive youth development subjects. One program is delivered in the classroom setting for 5-10 days and the other program is an after-school program delivered throughout the school year. Curriculum delivered in the classroom includes sexual health subjects and information on healthy relationships, self-esteem, goal setting and decision making skills. Additionally, the afterschool curriculum includes lessons on values and community and 20 hours of community-service learning each year.

**Health and Family Services
Public Health
Prevention and Quality Improvement**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	7,244,800	6,656,900	6,803,600	9,811,500	9,773,700
Budget Reduction-General Fund		-431,700	-988,100		
Other		-268,938			
Total General Fund	7,244,800	5,956,262	5,815,500	9,811,500	9,773,700
Restricted Funds					
Balance Forward	514,888	252,659			
Current Receipts	1,000	323,478	300,000	300,000	300,000
Fund Transfers		-286,000			
Total Restricted Funds	515,888	290,137	300,000	300,000	300,000
Federal Fund					
Balance Forward	-192,687	117,009	-62,200		
Current Receipts	5,298,600	4,704,873	5,362,200	5,450,600	5,464,200
Total Federal Fund	5,105,913	4,821,882	5,300,000	5,450,600	5,464,200
TOTAL SOURCE OF FUNDS	12,866,601	11,068,281	11,415,500	15,562,100	15,537,900
EXPENDITURES BY CLASS					
Personnel Costs	2,372,592	2,145,756	1,823,600	2,206,100	2,236,100
Operating Expenses	413,465	595,180	480,700	627,900	573,700
Grants Loans Benefits	9,240,276	8,389,609	9,111,200	12,728,100	12,728,100
TOTAL EXPENDITURES	12,026,333	11,130,545	11,415,500	15,562,100	15,537,900
EXPENDITURES BY FUND SOURCE					
General Fund	6,774,200	5,956,262	5,815,500	9,811,500	9,773,700
Restricted Funds	263,229	290,174	300,000	300,000	300,000
Federal Fund	4,988,904	4,884,109	5,300,000	5,450,600	5,464,200
TOTAL EXPENDITURES	12,026,333	11,130,545	11,415,500	15,562,100	15,537,900

The Prevention and Quality Improvement Program is comprised of two subprograms: Chronic Disease Prevention and Health Care Access.

The mission of the Prevention and Quality Improvement (PQI) program is to deliver programs and services, including chronic disease management, clinical and community education/promotion, quality improvement, health access for low income Kentuckians, and health risk behavior data analysis in order to promote healthy behaviors by Kentuckians. The program's activities cover the spectrum of population-based and personal preventive health services, delivered through a wide range of health care providers and related groups.

The PQI program provides leadership and partners with key stakeholders in order to improve care and services to the public comprised of low incomes, diverse ethnicity and racial backgrounds, and isolated populations with limited access to care. Program staff support clinical and community based services and infrastructure building through policy development and implementation, surveillance activities, case management, and technical assistance.

The PQI program identifies best practices to reduce the risks of poor health and sets standards to focus more on positive outcomes. This is accomplished through community-based health education programs, clinical care programs for adults primarily of a preventive nature, awareness and education, and promotion of an adequate network of primary care providers throughout the Commonwealth especially in the underserved areas of the state.

The PQI program is responsible for the Kentucky Prescription Assistance Program (KPAP) and the Kentucky Colon Cancer Screening Program (KCCSP).

Chronic Disease Prevention and Control subprogram is responsible for decreasing the morbidity and mortality from chronic diseases, with emphasis on prevention and risk factors that can be reduced through healthy lifestyles. Prevention programs include asthma, arthritis and osteoporosis, comprehensive cancer, colon cancer, chronic obstructive pulmonary disease, diabetes, heart disease and stroke, and worksite wellness. The sub program provides funding to local health departments for community-based services aimed at individuals and at bringing about policy and environmental changes that will improve the health status of Kentuckians. This branch also manages the Kentucky Colon Cancer Screening Program (KCCSP).

The Health Care Access subprogram provides a departmental focus on primary care and administers federal grants and programs relative to primary care. Through these programs, approximately 150 additional physicians are serving Kentucky's medically underserved population. The Program is responsible for determining areas of Kentucky that meet Health Professional Shortage Area and Medically Underserved Area criteria. This subprogram is also responsible for the Charitable Health Program, the National Health Service Corps Program, Kentucky Physician Care Program, J-1 VISA Program, and the Kentucky Prescription Assistance Program (KPAP) and the Kentucky Spinal Cord and Head Injury Research Board.

**Health and Family Services
Public Health
Epidemiology and Health Planning**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	3,576,300	3,285,900	3,405,100	3,215,300	3,221,100
Budget Reduction-General Fund			-704,200		
Total General Fund	3,576,300	3,285,900	2,700,900	3,215,300	3,221,100
Tobacco Fund					
Continuing Approp-Tob Settlement	160,424	26			
Total Tobacco Fund	160,424	26			
Restricted Funds					
Balance Forward	10,119,047	18,500,045	14,848,100	9,077,300	4,773,600
Current Receipts	21,469,356	11,475,518	15,607,500	18,995,200	18,995,200
Non-Revenue Receipts	-187,870	-325,000	-325,000	-325,000	-325,000
Total Restricted Funds	31,400,533	29,650,563	30,130,600	27,747,500	23,443,800
Federal Fund					
Balance Forward	-133,859	-223,316	-1,821,100		
Current Receipts	29,332,577	31,212,534	33,176,400	32,809,500	32,941,500
Total Federal Fund	29,198,718	30,989,218	31,355,300	32,809,500	32,941,500
TOTAL SOURCE OF FUNDS	64,335,975	63,925,707	64,186,800	63,772,300	59,606,400
EXPENDITURES BY CLASS					
Personnel Costs	26,697,903	32,209,382	33,299,300	36,580,000	36,788,100
Operating Expenses	5,547,712	4,550,436	4,404,800	4,360,000	4,338,600
Grants Loans Benefits	13,721,805	14,125,080	17,405,400	18,058,700	18,358,700
Capital Outlay		13,835			
TOTAL EXPENDITURES	45,967,420	50,898,733	55,109,500	58,998,700	59,485,400
EXPENDITURES BY FUND SOURCE					
General Fund	3,484,500	3,285,900	2,700,900	3,215,300	3,221,100
Tobacco Fund	160,398				
Restricted Funds	12,900,488	14,802,524	21,053,300	22,973,900	23,322,800
Federal Fund	29,422,034	32,810,309	31,355,300	32,809,500	32,941,500
TOTAL EXPENDITURES	45,967,420	50,898,733	55,109,500	58,998,700	59,485,400

The mission of the Division of Epidemiology and Health Planning is to provide quality epidemiological and vital records services, public health planning and preparedness services, and reportable disease prevention and control services in order to promote, protect, and plan for the health and safety of Kentuckians. The division has responsibility for much of the three D's in public health: "Health Data, Acute Disease Prevention and Control, and Disaster Preparedness."

To accomplish these responsibilities, the Division conducts activities in four areas:

- The Infectious Disease Branch, which includes disease surveillance, prevention, and control activities related to vaccine-preventable diseases, sexually transmitted diseases, tuberculosis, adult viral hepatitis, healthcare associated infections, and other reportable diseases,
- The HIV/AIDS Branch, which includes prevention activities, client services, and surveillance for HIV/AIDS,
- The Office of Vital Statistics, which collects and preserves mandatory records of vital events including births, deaths, marriages, and divorces, and
- The Public Health Preparedness Branch, which includes the development, implementation, and exercising of statewide emergency preparedness plans for both terrorist (nuclear, biologic, chemical) threats as well as naturally occurring disease outbreaks.

The Immunization Program provides financial support and vaccines to local health departments (LHDs) and other providers for the provision of over one million immunizations each year to about 550,000 persons. Immunization rates are tracked in schools, day care, LHD clinics, and the general child population.

The Sexually Transmitted Disease (STD) Program is designed to reduce the occurrence and prevent the transmission and debilitating complications of sexually transmitted diseases. The STD Program provides educational materials, staff training, program planning and evaluation services, technical consultation, and selected antibiotics to all LHDs and other selected health care providers.

The Tuberculosis (TB) Control program aims to reduce the number of cases and deaths due to TB by preventing non-infected individuals from becoming infected, keeping those infected without disease from progressing to disease, and by attempting to maintain infected individuals with disease as non-infectious.

The Adult Viral Hepatitis Prevention Program is a federally funded program that focuses on the prevention of viral hepatitis in adults caused by hepatitis A, hepatitis B, and hepatitis C viruses.

The Healthcare Associated Infection (HAI) Program establishes an infrastructure within the Kentucky Department for Public Health to develop statewide activities focused on the prevention of HAIs within healthcare facilities.

The Reportable Disease Program is responsible for case confirmation, oversight of disease investigations, and surveillance for reportable diseases such as meningitis, hepatitis, diarrheal diseases, foodborne illnesses, and vector-borne diseases.

The HIV/AIDS Branch seeks to identify and track cases of HIV and AIDS, prevent the disease by raising awareness and promoting risk reduction behaviors, and connect HIV-positive clients to care. The HIV Prevention Program focuses on testing, awareness of one's status, and strategic intervention activities to reduce HIV transmission for at-risk populations. The HIV/AIDS Services program assists HIV-positive clients with case management, in addition to providing life-saving medications and insurance continuation for qualified clients, as a payor of last resort.

The Office of Vital Statistics is responsible for the registration, certification, and issuance of vital records (birth, death, marriage, and divorce certificates) in Kentucky. The program's primary responsibility is the maintenance and security of these vital records as well as responding to specific requests for vital statistics data.

The Public Health Preparedness Program has the responsibility of developing, coordinating, and overseeing the public health response to potential disaster events. It prepares the Commonwealth for disease outbreaks and other public health threats by integrating local public health assets, upgrading the State Laboratory to the capacity required by the Centers for Disease Control and Prevention, and providing hospitals and healthcare facilities across the state with funding to ensure preparedness for events attributable to disasters.

**Health and Family Services
Public Health
Maternal and Child Health**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	23,941,600	21,162,900	20,608,500	20,322,200	20,348,200
Budget Reduction-General Fund		-95,100	-1,860,200		
Other		268,938			
Total General Fund	23,941,600	21,336,738	18,748,300	20,322,200	20,348,200
Tobacco Fund					
Tobacco Settlement - Phase I	13,303,800	13,853,100	14,088,100	15,823,000	15,392,100
Special Appropriation	682,500				
Continuing Approp-Tob Settlement	4,484,174	6,846,552	8,626,700		
Total Tobacco Fund	18,470,474	20,699,652	22,714,800	15,823,000	15,392,100
Restricted Funds					
Balance Forward	1,854,333	5,947,635	6,396,500	4,358,100	2,192,800
Current Receipts	34,982,607	42,219,448	41,546,500	41,546,500	41,546,500
Non-Revenue Receipts	-2,164,950	-3,465,733	570,000	570,000	570,000
Total Restricted Funds	34,671,990	44,701,349	48,513,000	46,474,600	44,309,300
Federal Fund					
Balance Forward	1,950,574	706,818	1,611,500		
Current Receipts	137,011,318	125,664,269	136,873,200	139,120,700	139,178,400
Non-Revenue Receipts		1,418,344			
Total Federal Fund	138,961,892	127,789,432	138,484,700	139,120,700	139,178,400
TOTAL SOURCE OF FUNDS	216,045,956	214,527,170	228,460,800	221,740,500	219,228,000
EXPENDITURES BY CLASS					
Personnel Costs	11,819,835	11,761,557	11,971,500	14,841,900	14,940,300
Operating Expenses	1,288,052	1,097,015	1,094,700	1,107,600	1,100,100
Grants Loans Benefits	188,326,765	185,033,105	211,036,500	203,598,200	203,167,300
TOTAL EXPENDITURES	201,434,652	197,891,678	224,102,700	219,547,700	219,207,700
EXPENDITURES BY FUND SOURCE					
General Fund	22,831,300	21,336,738	18,748,300	20,322,200	20,348,200
Tobacco Fund	11,623,922	12,072,977	22,714,800	15,823,000	15,392,100
Restricted Funds	28,724,356	38,304,729	44,154,900	44,281,800	44,289,000
Federal Fund	138,255,074	126,177,234	138,484,700	139,120,700	139,178,400
TOTAL EXPENDITURES	201,434,652	197,891,678	224,102,700	219,547,700	219,207,700

The Maternal and Child Health (MCH) Program promotes and safeguards the health of all Kentuckians, with an emphasis on at-risk mothers, infants and children. The program goal is to help those at risk achieve the highest level of health and wellness possible through public health surveillance, education, nutrition, perinatal care, early childhood promotion and intervention, well-child care, oral health, injury prevention, coordinated school health, tobacco prevention and control, obesity prevention, and healthy communities, and selected primary and preventive care activities. The MCH Program is responsible for public health surveillance systems including the Neonatal Abstinence Reporting, Pregnancy Risk Assessment Monitoring System, the Sudden Unexpected Infant Death Registry, and Zika Birth Defects Surveillance.

The MCH Division is responsible for carrying out services under the following federal and state laws and regulations:

Title V of the Social Security Act, Section 501.516(a).8, and (10) Federal Omnibus Budget Reconciliation Act 1981, Public Law 97-35; Public Law 90-248.

Title V of the Social Security Act, 42 USC, Section 705(a)(5)(F)(iv) Rules for Early Periodic Screening, Diagnostic, and Treatment Services Linkages

KRS 156.501: Provide half of the cost toward a Kentucky Department of Education School Nurse Consultant KRS 199.894: Technical assistance for childcare providers through the Healthy Start in Child Care Program KRS 211.180 "...the protection and improvement of the health of expectant mothers, infants, preschool, and school age children."

The MCH Division provides oversight to the services and activities that focus on these populations,

KRS 211.180: Well Child and Adolescent Health Services

KRS 211.900-211.905, 211.994, and KRS 211.180: Statewide program for prevention, screening, diagnosis and treatment of childhood lead poisoning

KRS 211.190, KRS 214.160, KRS 213.161, and 902 KAR4:100: Prenatal/Maternity Services
KRS 211.651: Kentucky Birth Surveillance Registry (obtains data on children with birth defects)
KRS 211:674: Perinatal Advisory Committee
KRS 211.676: Neonatal Abstinence Syndrome established as a Public Health Reportable disease
KRS 211.684: Child Fatality Review Process and teams established
KRS 158.854,194A, 902 KAR 18, WIC Program, under the Federal Child Nutrition Act of 1966, 42 USC 1786, federal regulations 7 CFR Part 246.
KRS 214:155: Newborn Metabolic Screening, Metabolic Foods and Formula; related, 902 KAR 4:035: Cost Reimbursements for Uninsured for metabolic foods and formula
KRS 211.690: Defines Health Access Nurturing Development Services, HANDS, as a voluntary statewide home visitation program for the purpose of providing assistance to overburdened parents. 902 KAR 4:120 details components of the program.
KRS 200.652: Authorizes the Part C Early Intervention Program (First Steps) for families of an infant or toddler with a developmental disability.
902 KAR 115:010: Water fluoridation for the protection of dental health
902 KAR 115:020: Enforcement of Water fluoride program

The Early Childhood Development subprogram is required, by statute, to provide early childhood initiatives such as home visitation (Health Access Nurturing Development Services or HANDS), childcare health consultation, early childhood mental health services for children, Kentucky Strengthening Families, and Help Me Grow. The Early Childhood Development subprogram also identifies children in Kentucky who are at-risk for serious medical conditions and developmental delays through the Newborn Metabolic Screening and Case Management program and Kentucky Birth Surveillance Registry, both of which are also in statute.

The Kentucky Early Intervention System (KEIS) subprogram, also referred to as First Steps, provides case management and coordination of services for infants and toddlers between birth and three years of age with developmental disabilities or developmental delays. These early intervention services include services such as physical therapy, occupational therapy, speech therapy, hearing and vision services, and other services as needed to meet the child's developmental needs. First Steps services are provided in the home or other community settings, unless it is not feasible to do so, and are subject to a sliding fee scale unless the family has documented an inability to pay. Families and other interested parties access the First Steps program locally through 15 Points of Entry covering the state. Children served by First Steps transition at age three to the local education agency or other community supports.

The Child and Family Health Improvement subprogram provides oversight to services and activities including: prenatal care; child and adolescent preventive health; childhood lead poisoning prevention; child fatality review and injury prevention; oral health; and coordinated school health. This sub-program also houses our infant mortality efforts, including the Safe Sleep campaign.

The Nutrition Services subprogram administers the Special Supplemental Nutrition Program for Women, Infants and Children (WIC); Clinical Nutrition Services, Breastfeeding Peer Counselor Program; and the WIC Farmer's Market Nutrition Program. The Women, Infants and Children program is funded wholly by the US Department of Agriculture and provides food packages and nutrition education to low-income pregnant and post-partum women, infants and children at nutritional risk, and sets standards for nutrition services. Nutritionists in local health departments provide medical nutrition therapy and follow-up nutrition care for mothers and children with special nutrition needs.

The Health Promotion subprogram administers programs that focus on behavioral risk factors to promote lifestyle changes for developing a healthy community. The subprogram provides services in the areas of Tobacco Cessation and Control, Tobacco Quitline, Obesity Prevention, and Healthy Communities Projects.

**Health and Family Services
Public Health
Laboratory Services**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	4,192,600	4,069,300	4,039,000	3,712,700	3,746,100
Budget Reduction-General Fund			-388,700		
Other		-48,177			
Total General Fund	4,192,600	4,021,123	3,650,300	3,712,700	3,746,100
Restricted Funds					
Balance Forward	323,543	1,424,276	2,391,600	1,758,400	915,200
Current Receipts	5,479,996	6,781,759	6,703,300	6,703,200	6,703,200
Non-Revenue Receipts	-738,659	-60,787	-1,170,000	-1,170,000	-1,170,000
Fund Transfers		-1,250,000			
Total Restricted Funds	5,064,880	6,895,248	7,924,900	7,291,600	6,448,400
Federal Fund					
Balance Forward	4,823	-2,371	-5,200		
Current Receipts	222,602	377,631	605,200	613,900	615,100
Total Federal Fund	227,426	375,260	600,000	613,900	615,100
TOTAL SOURCE OF FUNDS	9,484,906	11,291,631	12,175,200	11,618,200	10,809,600
EXPENDITURES BY CLASS					
Personnel Costs	3,367,559	4,713,486	5,414,300	6,124,200	6,180,700
Operating Expenses	4,660,012	4,191,594	5,002,500	4,578,800	4,575,900
Grants Loans Benefits	4,930	130			
TOTAL EXPENDITURES	8,032,501	8,905,210	10,416,800	10,703,000	10,756,600
EXPENDITURES BY FUND SOURCE					
General Fund	4,162,100	4,021,123	3,650,300	3,712,700	3,746,100
Restricted Funds	3,640,604	4,503,639	6,166,500	6,376,400	6,395,400
Federal Fund	229,796	380,448	600,000	613,900	615,100
TOTAL EXPENDITURES	8,032,501	8,905,210	10,416,800	10,703,000	10,756,600

Laboratory Services provides chemical, biological, and molecular testing to address a variety of public health concerns that require very sophisticated and accurate laboratory analysis. The scope of these concerns spans from global preparedness and environmental to clinical and epidemiological.

Protection of the state and nation's health is supported through disease surveillance activities that use sophisticated equipment and result in early detection of outbreaks caused by emerging infectious diseases, which is essential for guiding epidemiologic investigations that determine the measures needed to prevent and control the spread of disease.

Laboratory Services is responsible for the prompt detection and identification of a wide variety of microorganisms, such as bacteria and viruses, and toxic chemical substances that pose a threat to the public's health. It provides examinations of clinical and environmental specimens to support other state and local health department programs and diagnostic testing not readily available elsewhere for hospitals and practicing physicians. Additionally, it tests environmental samples for water fluoride levels; examines milk, food, and water for evidence of biologic and/or chemical contamination; and performs complex analyses for the detection of pesticides and other environmental and/or workplace chemicals. It is also responsible for the prompt detection of a variety of heritable conditions in newborns.

Federal funds are received from grants and a cooperative agreement with Occupational Safety and Health Administration and agency fees are collected for newborn metabolic screening.

The state public health laboratory is certified by the College of American Pathologists as a high-complexity laboratory, obligating it to meet the most stringent of requirements.

**Health and Family Services
Public Health**

Public Health Protection and Safety

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	4,406,700	3,955,800	4,191,800	3,753,800	3,790,900
Budget Reduction-General Fund			-336,700		
Total General Fund	4,406,700	3,955,800	3,855,100	3,753,800	3,790,900
Restricted Funds					
Balance Forward	525,858	2,345,685	1,817,900	1,508,300	824,800
Current Receipts	8,208,826	8,824,000	8,546,700	8,546,700	8,546,700
Fund Transfers		-1,314,000			
Total Restricted Funds	8,734,683	9,855,685	10,364,600	10,055,000	9,371,500
Federal Fund					
Balance Forward	278,957	302,764	223,400		
Current Receipts	1,461,557	2,164,282	2,772,400	3,143,100	3,156,400
Total Federal Fund	1,740,514	2,467,046	2,995,800	3,143,100	3,156,400
TOTAL SOURCE OF FUNDS	14,881,897	16,278,531	17,215,500	16,951,900	16,318,800
EXPENDITURES BY CLASS					
Personnel Costs	6,232,881	6,399,218	6,729,900	7,329,900	7,429,200
Operating Expenses	1,216,265	1,122,412	1,092,000	954,100	939,100
Grants Loans Benefits	4,359,303	6,715,628	7,885,300	7,843,100	7,843,100
Debt Service	425,000				
TOTAL EXPENDITURES	12,233,449	14,237,258	15,707,200	16,127,100	16,211,400
EXPENDITURES BY FUND SOURCE					
General Fund	4,406,700	3,955,800	3,855,100	3,753,800	3,790,900
Restricted Funds	6,388,999	8,037,793	8,856,300	9,230,200	9,264,100
Federal Fund	1,437,750	2,243,665	2,995,800	3,143,100	3,156,400
TOTAL EXPENDITURES	12,233,449	14,237,258	15,707,200	16,127,100	16,211,400

The Division of Public Health Protection and Safety provides a variety of environmental health services to the general public and other local and state agency partners. These services range from monitoring exposure to radiation to ensuring sanitation of food, milk, and various public facilities including hotels, swimming pools, tattoo studios and others. These programs provide technical consultation, guidance and training to the sixty-one (61) local health departments (LHDs); some 500 LHD environmental registered sanitarians, and provide regulatory oversight to thousands of Kentucky's regulated businesses. The Program's mission statement is: promoting a healthier, safer public through prevention, education, communication, and regulation.

The Radiation Health subprogram inspects and issues over 720 licenses to users of radioactive materials. The subprogram monitors the transportation of radioactive waste throughout the Commonwealth, and is mandated and equipped to respond to radiological emergencies 24 hours a day. The subprogram registers and inspects more than 4,000 facilities with 10,715 X-Ray tubes, and conducts reviews and inspects approximately 164 mammography facilities and approves approximately 65 shielding plans for facilities. The subprogram also operates a radiation health laboratory which collects and analyzes approximately 5,000 environmental samples for radiologic contamination annually and conducts over 6,000 analyses on the samples. This subprogram also provides monitoring for radiologic sites such as the Maxey Flats Disposal Site and the Paducah Gaseous Diffusion Plant. Approximately 17,700 quality control analyses are also conducted annually.

The Milk Safety subprogram operates under Kentucky Revised Statute Chapter 217C, to prevent adulteration, misbranding, and false advertising of milk and milk products and protects the public from disease transmission through milk products. This mandate is achieved through inspections of dairy farms, dairy plants, micro-processors, distributors, milk haulers, and all other identities which improve the quality of milk that is produced and sold to the public. This subprogram also monitors the development of product standards of identity and legal labeling for all dairy products as mandated by the U.S. Food and Drug Administration (FDA) and the U.S. Department of Agriculture. Kentucky adopted the 2011 edition of the Pasteurize Milk Ordinance, a federally mandated ordinance which ensures certain quality standards and which allows milk produced and processed in Kentucky to be produced, processed, transported and sold to all other forty-nine states.

The Food Safety subprogram provides regulatory oversight to Kentucky's multi-billion dollar food industry. The subprogram provides training and technical consultation to LHD employees who inspect food service establishments, retail food stores, vending machine companies, tattoo studios, body piercing facilities, boarding homes, tanning facilities, and bed and breakfast establishments in order to prevent the spread of communicable diseases and injuries. The subprogram also directly regulates food manufacturing and storage programs and the farmer's market for program compliance with state regulation. The subprogram responds to and investigates food recalls and works closely with the federal FDA on outbreak investigation involving regulated foods. The Food Safety subprogram is also actively involved during natural and man-made disasters to protect the food supply.

The Environmental Management subprogram is responsible for the oversight and regulatory requirements involving public facilities, including hotels/motels, public restrooms, schools, state confinement facilities, public swimming and bathing facilities, mobile home/recreational vehicle parks/communities, and youth camps through annual operating permits and routine inspections as required by law. The subprogram provides technical assistance and training to the sixty-one (61) LHDs which provide direct inspection of the regulated entities. The subprogram is also responsible for: conducting initial certification and ongoing specialized trainings to LHD environmental staff, providing continuing education for septic system installers, approving septic system components and experimental designs, providing consumer education on such issues as mold and bedbugs, operating a radon education program, and providing support for both the rabies control program and issues regarding private water sources. The subprogram additionally is responsible for maintaining certifications and tracking continuing education for certified radon professionals.

This subprogram also ensures that public health nuisances (illegal garbage dumps, accumulation of trash and garbage, rodent infestations, mosquito infestations, and untreated sewage) are investigated and abated by LHD inspectors. Through its education, investigation, permitting, and inspection activities, the Environmental Management Branch has a direct effect on protecting the lives of the public as well as, the operation of most private business entities.

The Public Safety subprogram is responsible for the regulation and certification of lead abatement professionals and clearance testing of mitigated properties. This subprogram also oversees the public swimming pool construction program and the methamphetamine contaminated properties program. Public Safety provides epidemiological support for disease cluster investigations and supports statistical and standardized reporting of environmental data. This subprogram houses the CDC funded program, which provides data to the Environmental Public Health Tracking Network to establish links between the environment and health outcomes.

Health and Family Services

Health Policy

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	455,400	437,400	441,500	471,600	476,900
Budget Reduction-General Fund		-4,400			
Total General Fund	455,400	433,000	441,500	471,600	476,900
Restricted Funds					
Balance Forward	888,186	1,196,123	516,300	287,700	59,100
Current Receipts	688,142	621,145	640,000	640,000	640,000
Non-Revenue Receipts	-50,000	-48,250	-50,000	-50,000	-50,000
Fund Transfers		-600,000			
Total Restricted Funds	1,526,329	1,169,018	1,106,300	877,700	649,100
Federal Fund					
Balance Forward	10,035				
Current Receipts	2,122,990	1,239,635	1,013,100	1,013,100	1,013,100
Non-Revenue Receipts	9,662	-1,973			
Total Federal Fund	2,142,686	1,237,662	1,013,100	1,013,100	1,013,100
TOTAL SOURCE OF FUNDS	4,124,414	2,839,680	2,560,900	2,362,400	2,139,100
EXPENDITURES BY CLASS					
Personnel Costs	2,431,378	2,079,386	2,029,100	2,055,800	1,891,600
Operating Expenses	46,337	44,018	44,100	47,500	47,500
Grants Loans Benefits	430,077	200,000	200,000	200,000	200,000
TOTAL EXPENDITURES	2,907,792	2,323,404	2,273,200	2,303,300	2,139,100
EXPENDITURES BY FUND SOURCE					
General Fund	434,900	433,000	441,500	471,600	476,900
Restricted Funds	330,206	652,742	818,600	818,600	649,100
Federal Fund	2,142,686	1,237,662	1,013,100	1,013,100	1,013,100
TOTAL EXPENDITURES	2,907,792	2,323,404	2,273,200	2,303,300	2,139,100
EXPENDITURES BY UNIT					
Office of Health Policy	2,907,792	2,323,404	2,273,200	2,303,300	2,139,100
TOTAL EXPENDITURES	2,907,792	2,323,404	2,273,200	2,303,300	2,139,100

The Office of Health Policy is charged with administering the state certificate of need program and coordinating with other Cabinet for Health and Family Services (CHFS) agencies as well as state agencies outside CHFS regarding health care policy issues and health data collection.

There are two functions within the Office of Health Policy: Health Policy Development and Certificate of Need.

The Health Policy Development staff seeks to provide coordination among state agencies and programs including: The Department for Medicaid Services, Department for Behavioral Health and Developmental and Intellectual Disabilities and the Department for Public Health as well as agencies outside the Cabinet such as Department of Insurance and the Kentucky Employees' Health Plan. In addition to coordinating health policy and health insurance issues, staff oversees legislative and regulatory efforts to ensure that proposed statutes and regulations are consistent across departments, consistent with the overall goals of the cabinet, and develops health insurance policy in coordination with the Kentucky Department of Insurance. Staff is also responsible for collecting and analyzing statewide health data critical for sound decision making. Through its policy work, data collection and analysis, the Office identifies opportunities for preparing and distributing relevant information to the public about health, health care and public policy.

The Certificate of Need (CON) staff is responsible for administering the certificate of need program in order to prevent unnecessary proliferation and/or duplication of health care facilities, health services and major medical equipment that increase the cost of health care within the Commonwealth. Staff are responsible for developing the State Health Plan which guides the decision-making process for many types of CON applications. The proposed State Health Plan goes through an extensive review process allowing for comment and input from the public as well as the provider community.

A certificate of need is required to establish a health facility, to change bed capacity of health facility, to make a substantial

change in a project (as defined by KRS Chapter 216B.015), to add a health service for which there are review criteria in the state health plan, to add a service subject to licensure, to obligate a capital expenditure or acquire major medical equipment which exceeds a specific threshold, or to change the geographic area which has been designated on a certificate of need or license.

Health and Family Services
Family Resource Centers and Volunteer Services

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,479,300	1,402,300	1,412,600	11,318,100	11,336,400
Current Year Appropriation			4,100,000		
Total General Fund	1,479,300	1,402,300	5,512,600	11,318,100	11,336,400
Federal Fund					
Balance Forward	215,723	219,614	173,900		
Current Receipts	4,686,711	5,405,873	6,795,200	7,042,200	7,053,300
Total Federal Fund	4,902,434	5,625,487	6,969,100	7,042,200	7,053,300
TOTAL SOURCE OF FUNDS	6,381,734	7,027,787	12,481,700	18,360,300	18,389,700
EXPENDITURES BY CLASS					
Personnel Costs	1,203,602	1,237,929	1,856,200	2,137,000	2,158,800
Operating Expenses	93,910	104,598	136,100	185,800	185,800
Grants Loans Benefits	4,798,008	5,511,376	10,489,400	16,037,500	16,045,100
TOTAL EXPENDITURES	6,095,520	6,853,904	12,481,700	18,360,300	18,389,700
EXPENDITURES BY FUND SOURCE					
General Fund	1,412,700	1,402,300	5,512,600	11,318,100	11,336,400
Federal Fund	4,682,820	5,451,604	6,969,100	7,042,200	7,053,300
TOTAL EXPENDITURES	6,095,520	6,853,904	12,481,700	18,360,300	18,389,700
EXPENDITURES BY UNIT					
Family Resource and Youth Services Center	1,311,940	1,424,900	5,580,100	11,368,700	11,383,900
Kentucky Com. Community Volunteerism and Serv.	4,783,580	5,429,003	6,901,600	6,991,600	7,005,800
TOTAL EXPENDITURES	6,095,520	6,853,904	12,481,700	18,360,300	18,389,700

The Department for Family Resource Centers and Volunteer Services is comprised of two separate programs: Family Resource and Youth Service Centers and the Kentucky Commission on Community Volunteerism and Services.

Health and Family Services
Family Resource Centers and Volunteer Services
Family Resource and Youth Services Center

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,216,100	1,140,500	1,150,100	11,031,700	11,046,200
Current Year Appropriation			4,100,000		
Total General Fund	1,216,100	1,140,500	5,250,100	11,031,700	11,046,200
Federal Fund					
Balance Forward	69,484	59,786	58,500		
Current Receipts	152,742	283,102	271,500	337,000	337,700
Total Federal Fund	222,226	342,888	330,000	337,000	337,700
TOTAL SOURCE OF FUNDS	1,438,326	1,483,388	5,580,100	11,368,700	11,383,900
EXPENDITURES BY CLASS					
Personnel Costs	786,068	806,278	1,202,100	1,422,400	1,437,600
Operating Expenses	36,301	26,282	57,600	106,900	106,900
Grants Loans Benefits	489,572	592,341	4,320,400	9,839,400	9,839,400
TOTAL EXPENDITURES	1,311,940	1,424,900	5,580,100	11,368,700	11,383,900
EXPENDITURES BY FUND SOURCE					
General Fund	1,149,500	1,140,500	5,250,100	11,031,700	11,046,200
Federal Fund	162,440	284,400	330,000	337,000	337,700
TOTAL EXPENDITURES	1,311,940	1,424,900	5,580,100	11,368,700	11,383,900

The Kentucky Education Reform Act (KERA) of 1990, KRS 156.496 and KRS 156.4977 as amended, created the Family Resource and Youth Services Centers (FRYSC). FRYSC provides technical assistance, as well as administrative and training support to the local school-based FRYSC. The primary goal of these centers is to enhance student ability to succeed in school by developing and sustaining partnerships that promote early learning and successful transition into school, academic achievement and well-being, graduation, and transition into adult life.

Each center has a unique blend of program components depending on location, available services, local need, and community input designed to promote the flow of resources and support to families in ways that strengthen their functioning and further the growth and development of each member. Services may include after-school child care, literacy programs, home visits to new/expectant parents, support and training for child day care providers, referrals to social services, employment counseling, summer and part-time job development, drug/alcohol counseling, and family crisis and mental health counseling. Centers also offer programs such as peer mediation, conflict resolution, pregnancy prevention and job shadowing.

Selected FRYSCs are also participating as a partner in one of the Race to the Top: Early Learning Challenge initiatives: Born Learning Academies. Kentucky incorporated the academies as part of its Race to the Top grant application. Kentucky proposes to expand the number of Born Learning Academies to 150 more elementary schools over four years. Through a gradual release approach of this evidence-based model, local Academies are implemented to assist parents of preschool children. The Born Learning Academies, which consist of six sessions, enable families to better understand early learning and development of their child by using everyday activities and occurrences as learning moments. FRYSCs currently work in every high-need elementary school in the Commonwealth. The goal of the Race to the Top is full integration of the Born Learning model into FRYSCs core grant components within five years.

Policy

The Budget of the Commonwealth includes an additional \$4,100,000 in fiscal year 2017-2018 and \$9,791,700 in each fiscal year of the 2018-2020 fiscal biennium to support Family Resource and Youth Service Centers.

Health and Family Services
Family Resource Centers and Volunteer Services
Kentucky Commission on Community Volunteerism and Service

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	263,200	261,800	262,500	286,400	290,200
Total General Fund	263,200	261,800	262,500	286,400	290,200
Federal Fund					
Balance Forward	146,239	159,828	115,400		
Current Receipts	4,533,969	5,122,771	6,523,700	6,705,200	6,715,600
Total Federal Fund	4,680,208	5,282,600	6,639,100	6,705,200	6,715,600
TOTAL SOURCE OF FUNDS	4,943,408	5,544,400	6,901,600	6,991,600	7,005,800
EXPENDITURES BY CLASS					
Personnel Costs	417,534	431,651	654,100	714,600	721,200
Operating Expenses	57,610	78,316	78,500	78,900	78,900
Grants Loans Benefits	4,308,436	4,919,036	6,169,000	6,198,100	6,205,700
TOTAL EXPENDITURES	4,783,580	5,429,003	6,901,600	6,991,600	7,005,800
EXPENDITURES BY FUND SOURCE					
General Fund	263,200	261,800	262,500	286,400	290,200
Federal Fund	4,520,380	5,167,203	6,639,100	6,705,200	6,715,600
TOTAL EXPENDITURES	4,783,580	5,429,003	6,901,600	6,991,600	7,005,800

The Kentucky Commission for Community Volunteerism and Services (KCCVS) was created in 1994 to serve as a conduit for federal funds that support AmeriCorps programs in the Commonwealth and to assume responsibility for the statewide coordination of volunteer activities.

Federal funds received by KCCVS are contracted to community organizations that, in turn, receive local matching funds, which include cash and in-kind services. AmeriCorps members provide household budget training, home renovation assistance, life skills training, and services to help senior citizens live independently. They train volunteers, serve the homeless, mentor at-risk youth, and offer assistance to victims of natural disasters. In addition, participants tutor children in math and reading and provide drug abuse prevention education in elementary and secondary schools. Children tutored by AmeriCorps members tend to advance a minimum of two reading levels during the school year. Since 1994, Kentucky AmeriCorps members have served more than 15 million hours and have qualified for Education Awards totaling more than \$34.1 million.

Health and Family Services

Income Support

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	8,225,700	7,635,600	7,635,600	7,116,600	7,116,600
Budget Reduction-General Fund		-75,900	-14,100		
Reorganization Adjustment		-44,600	-44,600		
Total General Fund	8,225,700	7,515,100	7,576,900	7,116,600	7,116,600
Restricted Funds					
Balance Forward		2,518,884	3,010,400		
Current Receipts	18,263,559	15,919,176	12,994,400	12,424,900	12,424,900
Non-Revenue Receipts	113,677	114,401	126,000	126,000	126,000
Total Restricted Funds	18,377,236	18,552,461	16,130,800	12,550,900	12,550,900
Federal Fund					
Balance Forward	1,387,887	579,828	5,574,700		
Current Receipts	74,671,978	80,969,173	79,394,200	85,212,900	85,736,600
Total Federal Fund	76,059,864	81,549,001	84,968,900	85,212,900	85,736,600
TOTAL SOURCE OF FUNDS	102,662,800	107,616,562	108,676,600	104,880,400	105,404,100
EXPENDITURES BY CLASS					
Personnel Costs	37,867,536	39,906,909	49,096,800	56,262,700	56,897,100
Operating Expenses	5,167,538	5,047,375	5,044,700	5,299,700	5,189,000
Grants Loans Benefits	56,107,015	53,693,618	54,535,100	43,318,000	43,318,000
Capital Outlay	51,799	382,725			
Construction		806			
TOTAL EXPENDITURES	99,193,888	99,031,433	108,676,600	104,880,400	105,404,100
EXPENDITURES BY FUND SOURCE					
General Fund	7,855,500	7,515,100	7,576,900	7,116,600	7,116,600
Restricted Funds	15,858,352	15,542,042	16,130,800	12,550,900	12,550,900
Federal Fund	75,480,036	75,974,291	84,968,900	85,212,900	85,736,600
TOTAL EXPENDITURES	99,193,888	99,031,433	108,676,600	104,880,400	105,404,100
EXPENDITURES BY UNIT					
Disability Determinations	44,421,499	45,758,929	50,882,800	56,627,200	57,034,200
Child Support	54,772,389	53,272,504	57,793,800	48,253,200	48,369,900
TOTAL EXPENDITURES	99,193,888	99,031,433	108,676,600	104,880,400	105,404,100

The Department for Income Support is responsible for administering Child Support Enforcement and Disability Determination Services.

These programs help to ensure that children are financially supported by parents who are legally obligated to pay child support and to determine medical eligibility for residents of the Commonwealth who apply for Social Security and Supplemental Security Income disability benefits from the federal government. The Department's mission is to facilitate financial and medical support services that enhance family wellness.

**Health and Family Services
Income Support
Disability Determinations**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Non-Revenue Receipts	113,677	114,401	126,000	126,000	126,000
Total Restricted Funds	113,677	114,401	126,000	126,000	126,000
Federal Fund					
Balance Forward	-664,309	-837,314	-910,600		
Current Receipts	44,134,818	45,571,279	51,667,400	56,501,200	56,908,200
Total Federal Fund	43,470,509	44,733,965	50,756,800	56,501,200	56,908,200
TOTAL SOURCE OF FUNDS	43,584,186	44,848,367	50,882,800	56,627,200	57,034,200
EXPENDITURES BY CLASS					
Personnel Costs	29,735,132	32,361,010	40,597,900	46,374,300	46,879,300
Operating Expenses	3,350,431	3,337,453	3,337,500	3,535,800	3,437,800
Grants Loans Benefits	11,284,137	9,676,935	6,947,400	6,717,100	6,717,100
Capital Outlay	51,799	382,725			
Construction		806			
TOTAL EXPENDITURES	44,421,499	45,758,929	50,882,800	56,627,200	57,034,200
EXPENDITURES BY FUND SOURCE					
Restricted Funds	113,677	114,401	126,000	126,000	126,000
Federal Fund	44,307,822	45,644,527	50,756,800	56,501,200	56,908,200
TOTAL EXPENDITURES	44,421,499	45,758,929	50,882,800	56,627,200	57,034,200

Disability Determination Services (DDS) determines medical eligibility for residents of the Commonwealth who apply for Social Security and Supplemental Security Income disability benefits from the federal government. The DDS reevaluates the claims of disability recipients who have been selected for a periodic review of their medical condition and conducts face-to-face evidentiary hearings for those individuals who appeal an unfavorable review of their continuing eligibility.

Disability Determination Services workload depends upon:

- the number of individuals who apply for disability benefits through the Social Security Administration (SSA),
- the number of claims that SSA selects for continuing review and sends to DDS, and
- Congressional mandates, legal actions or other initiatives.

**Health and Family Services
Income Support
Child Support**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	8,225,700	7,635,600	7,635,600	7,116,600	7,116,600
Budget Reduction-General Fund		-75,900	-14,100		
Reorganization Adjustment		-44,600	-44,600		
Total General Fund	8,225,700	7,515,100	7,576,900	7,116,600	7,116,600
Restricted Funds					
Balance Forward		2,518,884	3,010,400		
Current Receipts	18,263,559	15,919,176	12,994,400	12,424,900	12,424,900
Total Restricted Funds	18,263,559	18,438,060	16,004,800	12,424,900	12,424,900
Federal Fund					
Balance Forward	2,052,196	1,417,142	6,485,300		
Current Receipts	30,537,160	35,397,894	27,726,800	28,711,700	28,828,400
Total Federal Fund	32,589,356	36,815,035	34,212,100	28,711,700	28,828,400
TOTAL SOURCE OF FUNDS	59,078,615	62,768,195	57,793,800	48,253,200	48,369,900
EXPENDITURES BY CLASS					
Personnel Costs	8,132,403	7,545,899	8,498,900	9,888,400	10,017,800
Operating Expenses	1,817,107	1,709,922	1,707,200	1,763,900	1,751,200
Grants Loans Benefits	44,822,879	44,016,683	47,587,700	36,600,900	36,600,900
TOTAL EXPENDITURES	54,772,389	53,272,504	57,793,800	48,253,200	48,369,900
EXPENDITURES BY FUND SOURCE					
General Fund	7,855,500	7,515,100	7,576,900	7,116,600	7,116,600
Restricted Funds	15,744,675	15,427,640	16,004,800	12,424,900	12,424,900
Federal Fund	31,172,214	30,329,764	34,212,100	28,711,700	28,828,400
TOTAL EXPENDITURES	54,772,389	53,272,504	57,793,800	48,253,200	48,369,900

The Child Support Program under Title IV-D of the Social Security Act (PL 93-647) is designed to ensure that children are financially supported by parents who are legally obligated to pay child support. Both the state and federal governments share costs to conduct this program. State statutes governing the operation of this program were enacted under the Kentucky Child Support Recovery Act and are contained in KRS 205.710 - KRS 205.800.

The core functions of the child support program include locating parents; establishing paternity; establishing, enforcing, and modifying child support orders; and collecting and disbursing child support payments. Program responsibilities include the establishment and enforcement of medical support. In addition to traditional judicial processes, state and federal laws allow the Child Support Program to accomplish its mission through administrative processes such as in-hospital paternity establishment, wage assignments, liens and levies on personal property and assets, and offsetting tax refunds and unemployment benefits. The Child Support Program maintains program administration contracts with 117 county officials to provide child support collection locally in all 120 counties.

Child support services are automatically provided to families receiving assistance under the Kentucky Transitional Assistance Program (K-TAP) or Medicaid, and to children placed in the care of the Cabinet for Health and Family Services. Payment collected for families receiving K-TAP and children in the care of the Cabinet for Health and Family Services is used to reimburse the state and federal governments for benefits expended on behalf of those families and children. Families that do not participate in the cash or medical assistance programs may also apply for child support services.

The Child Support Enforcement Program receives incentive payments from the federal government based on program performance in five program areas: Paternity Establish Performance for Title IV-D and Statewide, Support Order Performance, Current Payment Performance, Arrearage Payment Performance and Cost-Effectiveness Performance. The Deficit Reduction Act (DRA) of 2005 disallowed use of federal performance incentives as state matching funds for Federal Financial Participation (FFP).

**Health and Family Services
Community Based Services**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	414,581,400	383,005,000	384,035,000	471,974,100	473,960,500
Current Year Appropriation			2,500,000		
Reorganization Adjustment		-128,900	-128,900		
Mandated Allotments	341,100				
Total General Fund	414,922,500	382,876,100	386,406,100	471,974,100	473,960,500
Tobacco Fund					
Tobacco Settlement - Phase I	8,715,000	6,668,400	8,894,700	13,211,100	12,250,000
Current Year Appropriation	2,046,600				
Continuing Approp-Tob Settlement		2,046,600	3,400		
Total Tobacco Fund	10,761,600	8,715,000	8,898,100	13,211,100	12,250,000
Restricted Funds					
Balance Forward	3,496,962	1,559,255	5,678,100		
Current Receipts	172,796,246	199,586,143	192,557,300	240,599,300	244,383,300
Non-Revenue Receipts	-53,091,704	-40,979,959	-41,718,100	-39,283,200	-42,143,900
Total Restricted Funds	123,201,504	160,165,439	156,517,300	201,316,100	202,239,400
Federal Fund					
Balance Forward	23,027,776	8,494,721	7,034,900		
Current Receipts	481,648,095	507,392,732	536,988,100	572,881,400	577,870,100
Non-Revenue Receipts	-125				
Total Federal Fund	504,675,746	515,887,453	544,023,000	572,881,400	577,870,100
TOTAL SOURCE OF FUNDS	1,053,561,349	1,067,643,992	1,095,844,500	1,259,382,700	1,266,320,000
EXPENDITURES BY CLASS					
Personnel Costs	338,879,239	342,869,375	353,873,400	471,469,600	475,410,300
Operating Expenses	47,810,030	46,021,296	48,976,800	60,477,500	60,518,600
Grants Loans Benefits	638,866,397	666,006,555	692,994,300	727,435,600	730,391,100
Capital Outlay	117,124	27,640			
Construction	22,885	2,697			
TOTAL EXPENDITURES	1,025,695,674	1,054,927,563	1,095,844,500	1,259,382,700	1,266,320,000
EXPENDITURES BY FUND SOURCE					
General Fund	399,157,400	382,876,100	386,406,100	471,974,100	473,960,500
Tobacco Fund	8,715,000	8,711,556	8,898,100	13,211,100	12,250,000
Restricted Funds	121,642,249	154,487,363	156,517,300	201,316,100	202,239,400
Federal Fund	496,181,025	508,852,545	544,023,000	572,881,400	577,870,100
TOTAL EXPENDITURES	1,025,695,674	1,054,927,563	1,095,844,500	1,259,382,700	1,266,320,000
EXPENDITURES BY UNIT					
Family Support	332,678,472	340,335,038	354,603,700	393,270,500	399,607,400
Energy	42,447,707	43,510,269	45,001,700	45,005,900	45,006,200
Child Care	98,340,151	111,508,130	127,040,600	130,302,800	129,370,000
Family and Community Services	552,229,344	559,574,126	569,198,500	690,803,500	692,336,400
TOTAL EXPENDITURES	1,025,695,674	1,054,927,563	1,095,844,500	1,259,382,700	1,266,320,000

The Department for Community Based Services (DCBS) is responsible for administering the following programs: Family Support (including Temporary Assistance to Needy Families; Supplementation Nutrition Assistance Program; Medicaid and health insurance affordability program eligibility; and State Supplementation for aged, blind or disabled individuals); Energy Assistance; Child Care; and Family and Community Based Services (including Family Based Services, Adult Services and Alternatives for Children).

These programs benefit Kentuckians who are without sufficient resources to meet their basic needs. The Department's mission is to preserve the family as a unit when possible and protect individuals from abuse, neglect, and exploitation with safety and permanency as the paramount goals.

**Health and Family Services
Community Based Services
Family Support**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	133,298,400	128,208,000	129,454,100	151,613,300	154,001,600
Reorganization Adjustment		-128,900			
Mandated Allotments	341,100				
Total General Fund	133,639,500	128,079,100	129,454,100	151,613,300	154,001,600
Restricted Funds					
Balance Forward	1,409,529	771,474	838,700		
Current Receipts	1,719,788	3,167,352	1,147,800	2,086,500	2,086,500
Non-Revenue Receipts	14,612,317	20,761,097	28,145,500	29,174,300	29,267,600
Total Restricted Funds	17,741,634	24,699,923	30,132,000	31,260,800	31,354,100
Federal Fund					
Balance Forward	73,420,142	61,457,656	63,236,800		
Current Receipts	185,871,429	190,173,844	131,780,800	210,396,400	214,251,700
Non-Revenue Receipts	-3				
Total Federal Fund	259,291,568	251,631,500	195,017,600	210,396,400	214,251,700
TOTAL SOURCE OF FUNDS	410,672,702	404,410,523	354,603,700	393,270,500	399,607,400
EXPENDITURES BY CLASS					
Personnel Costs	153,333,128	170,530,886	168,986,700	201,173,700	203,033,900
Operating Expenses	21,152,777	20,970,654	25,592,100	27,524,000	27,001,300
Grants Loans Benefits	158,052,785	148,805,859	160,024,900	164,572,800	169,572,200
Capital Outlay	117,124	27,640			
Construction	22,660				
TOTAL EXPENDITURES	332,678,472	340,335,038	354,603,700	393,270,500	399,607,400
EXPENDITURES BY FUND SOURCE					
General Fund	117,874,400	128,079,100	129,454,100	151,613,300	154,001,600
Restricted Funds	16,970,160	23,861,263	30,132,000	31,260,800	31,354,100
Federal Fund	197,833,912	188,394,675	195,017,600	210,396,400	214,251,700
TOTAL EXPENDITURES	332,678,472	340,335,038	354,603,700	393,270,500	399,607,400
EXPENDITURES BY UNIT					
Supplemental Nutrition Assistance Program	107,672,995	113,899,220	115,378,400	139,869,300	140,464,600
Medical Assistance	44,021,797	47,010,083	56,607,500	59,515,700	59,779,500
State Supplementation	15,204,300	16,329,216	13,979,900	14,144,900	14,159,800
TANF	165,779,381	163,096,518	168,637,900	179,740,600	185,203,500
TOTAL EXPENDITURES	332,678,472	340,335,038	354,603,700	393,270,500	399,607,400

Family Support consists of the following programs: Temporary Assistance to Needy Families (TANF); Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps; eligibility determination for Medicaid and for health insurance premium assistance through the Kentucky Health Benefit Exchange; and State Supplementation Program for persons who are aged, blind, or have a disability (State Supplementation). The programs administered by the Division of Family Support are designed to promote self-sufficiency, job training assessment, and the delivery of basic essential services for families and children who need assistance. Programs are accessible to all residents of Kentucky counties. Each local office has the responsibility to determine eligibility, provide facts and information of available benefits as well as the regulatory limitations of available benefits, and maintain case record information.

The National Voter Registration Act of 1993, also known as the Motor-Voter Act, requires agencies that deliver services to persons with disabilities or provide benefits under the Temporary Assistance for Needy Families/Kentucky Transitional Assistance Program, Special Supplemental Nutrition Programs for Women, Infants and Children (WIC), Medicaid, or SNAP, as well as Armed Forces Recruiting Stations and driver licensing stations to make available voter registration applications to their clients. Since Family Support administers two of these programs, it distributes voter registration forms, provides assistance in completing these forms, and ensures completed forms reach the proper state election office for processing in order to comply with this mandate.

Temporary Assistance for Needy Families (TANF)

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) amended and combined Title IV-A (Aid for Families with Dependent Children or AFDC) and Title IV-F (Job Opportunities and Basic Skills Training Program or JOBS) of the Social Security Act to provide block grants to states for TANF. These federal funds support the program's administrative and benefit expenditures that include personnel, operating, and indirect costs; contracts with partnering agencies; cash assistance subsidies; supportive services; child care; and transportation. A Maintenance of Effort requirement mandates that states spend at least 80 percent of fiscal year 1994 expenditures on the program each year. For Kentucky, this amount is \$71.9 million per year.

The Kentucky Transitional Assistance Program (K-TAP) is the Commonwealth's cash assistance program for families with a dependent child who is deprived of parental support due to the continued absence, unemployment, incapacity, or death of one or both parents. Monthly payments are designed to help adults find a job or obtain training that leads to employment. Gross income must fall below a level appropriate for the family's size, and total family resources cannot exceed agency limits.

The Kentucky Works Program assists recipients with their transition into the workforce and attainment of self-sufficiency. Adults receiving K-TAP benefits must participate in this program and, with the help of a case manager, develop a Transitional Assistance Agreement. Kentucky Works Program activities include employment, on-the-job training, work experience training programs, a job search/job readiness component, vocational training or other educational services, community service, high school completion for teen parents, and other activities necessary to prepare for employment. Referrals to providers of transportation, child care, and supportive services such as car repairs and supplies ensure that individuals are able to take part in this program.

Safety Net Services are available to former K-TAP families who lose cash assistance as a result of time limits or failure to comply with requirements of the Kentucky Works Program. Families with an income at or below 200 percent of the federal poverty level can access temporary benefits to meet basic needs such as shelter, food, clothing, or utilities. Following a qualifying event, a total of \$635 may be authorized for four months during a 12-month period.

The Family Alternatives Diversion Program (FAD) provides an alternative for families, who, while otherwise eligible, choose not to receive K-TAP cash assistance. A maximum of \$1,300 is available to assist the family with immediate needs such as food, shelter, transportation, etc. These benefits may be authorized for a three-month period. FAD may be approved once during a 24-month period and no more than twice in a lifetime.

The Kinship Care Program provides financial assistance and support services to non-parental relatives caring for children who cannot remain in the home of their parents due to abuse, neglect, or the death of both parents. Effective April 1, 2013, the Department for Community Based Services (DCBS) issued a moratorium impacting a child's initial eligibility for the Kinship Care Program; however, the moratorium did not apply to previously existing beneficiaries. A one-time relative placement support benefit and K-TAP are available to address a child's immediate and ongoing needs, respectively, upon placement by the Department with a qualified relative caregiver as an alternative to foster care.

Efforts to partner with local communities to achieve the goals of self-sufficiency, protection, and permanency for Kentucky's families continue. The flexibility of the TANF block grant has allowed the Department to pursue initiatives such as change management and organizational restructuring and, as a result, better address the needs of those striving to escape a life of dependency.

Medicaid Eligibility and Health Insurance Affordability

DCBS determines eligibility for the Medicaid program under a contract with the Department for Medicaid Services. The Medicaid program is authorized under Title XIX of the U.S. Social Security Act and KRS 205.520 and has expanded through state option made available through the Patient Protection and Affordable Care Act (P.L. 111-148), as amended by Health Care and Education Reconciliation Act (P.L. 111-152).

The Department provides eligibility determination services for health insurance premium assistance program via the state-based American Health Benefit Exchange (Kentucky Health Benefit Exchange) established in accordance with P.L. 111-148, as amended, and 42 U.S.C. 18031

State Supplementation

The State Supplementation Program, authorized by KRS 205.245, provides financial support to aged, blind, or disabled individuals who have insufficient income to meet their needs in a licensed personal care home or family care home, or to purchase caretaker services designed to prevent institutionalization. To be eligible, persons must meet the criteria of the Social Security Income program related to age, blindness or disability as well as additional requirements associated with citizenship, Kentucky residency, and special needs.

Supplemental Nutrition Assistance Program (SNAP)

The Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps, helps low-income persons purchase food for a nutritional diet. SNAP has its origins in the Food Stamp Act of 1964 (P.L. 88-525). It is designed to promote the general welfare and safeguard the health and well-being of the nation's population by raising nutritional levels among low-income households. "Household" is defined as any individual, family, or group of people living with each other who buy and prepare food together. To qualify, each household must meet eligibility standards.

The SNAP Employment and Training Program (E & T) is designed to assist able-bodied SNAP recipients obtain employment that leads to self-sufficiency. In Kentucky, E & T serves only non-exempt work registrants between the ages of 18 and 49, otherwise known as Able-Bodied Adults without Dependents. Recipients of this service must participate and comply with E & T requirements in order to maintain their SNAP eligibility.

Policy

The Budget of the Commonwealth includes \$1,800,000 General Fund in fiscal year 2019-2020 and \$3,300,000 General Fund in fiscal year 2019-2020 lifting the Kinship Care moratorium issued in March 2013.

The Budget of the Commonwealth includes \$3,380,000 General Fund for additional Social Worker and administrative support positions within Community Based Services to improve workforce, upgrade technology and address caseload levels.

**Health and Family Services
Community Based Services**

Energy

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Federal Fund					
Balance Forward	554,949	853,903	257,300		
Current Receipts	42,746,661	42,913,693	44,744,400	45,005,900	45,006,200
Total Federal Fund	43,301,609	43,767,595	45,001,700	45,005,900	45,006,200
TOTAL SOURCE OF FUNDS	43,301,609	43,767,595	45,001,700	45,005,900	45,006,200
EXPENDITURES BY CLASS					
Personnel Costs	71,729	41,795	42,700	47,000	47,300
Operating Expenses	12,118	11,569	11,600	13,600	14,700
Grants Loans Benefits	42,363,860	43,456,906	44,947,400	44,945,300	44,944,200
TOTAL EXPENDITURES	42,447,707	43,510,269	45,001,700	45,005,900	45,006,200
EXPENDITURES BY FUND SOURCE					
Federal Fund	42,447,707	43,510,269	45,001,700	45,005,900	45,006,200
TOTAL EXPENDITURES	42,447,707	43,510,269	45,001,700	45,005,900	45,006,200

The Low Income Home Energy Assistance program is a federally funded program that helps low-income households meet their home heating and/or cooling needs through direct fuel bill subsidies.

The Home Energy Assistance program, authorized by KRS 205.400, provides support with home heating/cooling costs for low-income households. Services include accepting applications, determining eligibility, implementing an outreach component, and coordinating this program with other energy assistance initiatives. Eligibility criteria include income that does not exceed 130 percent of the federal poverty level, resources that total less than \$2,000 (or \$3,000 if at least one person in the household is either age 60 or older or disabled, \$4,000 if there is a catastrophic illness in the household), and the responsibility for home heating expenses. This program is divided into two components. The subsidy component assists recipients with home heating costs for which they are responsible either by direct payment or as an undesignated portion of their rent. The crisis component assists eligible households experiencing a home energy emergency involving imminent loss of heating energy.

**Health and Family Services
Community Based Services**

Child Care

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	60,400,000	41,535,900	26,249,700	26,341,600	26,349,900
Other	-43,931,000	-15,000,000			
Total General Fund	16,469,000	26,535,900	26,249,700	26,341,600	26,349,900
Tobacco Fund					
Tobacco Settlement - Phase I	8,540,000	6,493,400	8,714,700	10,531,100	9,570,000
Current Year Appropriation	2,046,600				
Continuing Approp-Tob Settlement		2,046,600	3,400		
Total Tobacco Fund	10,586,600	8,540,000	8,718,100	10,531,100	9,570,000
Restricted Funds					
Balance Forward	79,452	270,207	607,900		
Current Receipts	215,980	337,738		72,800	72,800
Non-Revenue Receipts			-535,100		
Total Restricted Funds	295,432	607,945	72,800	72,800	72,800
Federal Fund					
Balance Forward	12,638,630	11,501,232	6,253,400		
Current Receipts	72,168,628	71,187,762	85,746,600	93,357,300	93,377,300
Non-Revenue Receipts	-100				
Total Federal Fund	84,807,158	82,688,994	92,000,000	93,357,300	93,377,300
TOTAL SOURCE OF FUNDS	112,158,190	118,372,839	127,040,600	130,302,800	129,370,000
EXPENDITURES BY CLASS					
Personnel Costs	8,940,468	8,690,482	10,660,100	13,895,700	12,962,900
Operating Expenses	675,005	668,256	531,100	558,000	558,000
Grants Loans Benefits	88,724,453	102,146,695	115,849,400	115,849,100	115,849,100
Construction	225	2,697			
TOTAL EXPENDITURES	98,340,151	111,508,130	127,040,600	130,302,800	129,370,000
EXPENDITURES BY FUND SOURCE					
General Fund	16,469,000	26,535,900	26,249,700	26,341,600	26,349,900
Tobacco Fund	8,540,000	8,536,556	8,718,100	10,531,100	9,570,000
Restricted Funds	25,225		72,800	72,800	72,800
Federal Fund	73,305,926	76,435,675	92,000,000	93,357,300	93,377,300
TOTAL EXPENDITURES	98,340,151	111,508,130	127,040,600	130,302,800	129,370,000

The Child Care Program administers the child care assistance subsidy program, the STARS quality rating system, as well as a professional development framework for child care providers. The primary funding services for the program include the federal Child Care Development Fund, state General Fund and Tobacco Settlement-Phase I funds.

The Child Care Development Fund (CCDF) was created by Congress in August 1996 as part of the federal welfare reform legislation. Child care services delivered through CCDF are designed to promote, expand, and improve the quality of care for children in Kentucky and ensure that families most in need are aware of and have access to available, quality child care which is developmentally appropriate, affordable, and safe. The Cabinet for Health and Family Services' approach to service delivery combines the efforts of Cabinet staff and other service providers to address a family's needs in a comprehensive fashion thereby maximizing the likelihood that a family will achieve positive outcomes. Child Care serves Kentucky's most vulnerable children prioritizing children receiving child protective or preventive services, Temporary Assistance for Needy Families (TANF) recipients and persons transitioning off TANF, children with special needs, and teen parents. Children of low income working families are also eligible for child care assistance.

CCDF Regulation 45 C.F.R. Section 98.51 mandates that no less than four percent (4%) of the aggregate funds expended by the lead agency for the fiscal year be spent for quality activities which include child care health and safety requirements, STARS for KIDS NOW and early care and education professional development. Moreover, CCDF requires that additional funding be set aside for quality initiatives to address the following topics: infant and toddler care, school age care and resource and referral services.

Child Care invests in support services required to allow parents to be self-sufficient without sacrificing the well-being of their children. The CCDF was last reauthorized in 2005 and the goals of access and quality compete for limited childcare resources.

The Child Care Assistance Program is one of the support services directed at: (1) eliminating barriers to work and education for parents; (2) strengthening and maintaining client families; (3) providing early educational opportunities for at-risk children; (4) preventing or remedying abuse, neglect or exploitation of children; (5) preventing family dissolution; and (6) preventing out of home placements; These services are provided by subsidized child care through the CCDF for full and part-day care through the use of licensed providers, certified family child care homes and registered providers. Childcare services are intended to supplement, but not supplant, the parents' responsibility for the child's protection, development, and supervision. To that end, children with special needs and child protective services cases are the top priority for the Division of Child Care. In addition, childcare funding is also used to support low-income working parents and TANF client's efforts to find and keep jobs and transition off welfare. Licensed centers and homes, certified family childcare homes, and registered providers including relative and non-relative providers meeting enrollment requirements and health and safety guidelines, are reimbursed for services at approved rates for eligible, enrolled families.

Due to a projected budget shortfall in fiscal year 2014 the following changes were implemented in the Child Care Assistance Program:

- Effective April 1, 2013 – DCBS froze intake for new low-income clients; and
- Effective July 1, 2013 – DCBS reduced the CCAP income eligibility threshold from 150% of the 2011 Federal Poverty Level (FPL) at initial application and 165% FPL at redetermination to 100% FPL for redetermination.

Additional funding in the 2014-2016 biennial budget restored funding to enable the freeze to be lifted and to restore income eligibility levels back to the 150% of the 2011 federal poverty level and 165% redetermination levels.

The STARS for KIDS NOW Program is part of Kentucky's Early Childhood Initiative and is a voluntary quality rating system that places major emphasis on raising the quality level of early care and education in child care settings. STARS for KIDS NOW monetary incentives and rewards are granted to childcare providers based on environmental scoring using identified characteristics associated with positive outcomes for children and families. Through the provision of technical assistance, providers work to achieve quality indicators in their Environmental Rating Scale to achieve a STAR Level of 1 through 4. Programs receiving STARS Levels 1 through 4 rating surpass the minimum licensing or certification requirements per regulations. Programs are assessed in the following areas: staff/child ratios, group size, curriculum, family involvement, training and education of staff, regulatory compliance, and personnel practices. The Department is an active participant in the Race to the Top, Early Learning Challenge grant. Kentucky is currently in the process of revising the STARS Quality Rating system requirements and expanding the requirements to include not only child day care centers, but public preschool and Head Start programs as well. The Department will be piloting the new requirements during fiscal year 2016.

The Professional Development System is also part of Kentucky's Early Childhood Initiative. The Division has put in place the "Kentucky Childhood Professional Development Framework" which addresses the needs for education, training and credentialing of early care professionals in Kentucky and represents a culmination of months of planning and input from multiple stakeholders across the state. The Framework identifies individual core competencies, credentials, scholarships, grants, awards and training criteria to early care and education professionals. Additionally, targeted quality set-asides under CCDF are being utilized to promote and improve the quality of infant/toddler training opportunities, enhance professional development activities, improve education in child care programs, improve staff and child interactions, increase parental involvement, and facilitate regulatory compliance to all child care programs.

Childcare resource, and referral agencies (CCR&R's) provide services across the Commonwealth of Kentucky. The Cabinet contracts with the University of Kentucky, Human Development Institute through a sub-contract for coordination and management of Child Care Resource and Referral (CCR&R) Network ensuring services in the fifteen (15) Area Development Districts (ADD) covering all 120 counties in Kentucky to coordinate statewide core services as outlined in KRS 199.8992.

The CCR&R Network is comprised of fourteen (14) Regional Training Coordinators, fourteen (14) Regional Technical Assistance Coordinators, and two (2) Regional Technical Assistance Specialists to provide technical assistance, resources and coordination of professional development education to increase the quality of early care and education services across the commonwealth.

The Department, through the Child Care program, contracts with the CHFS Office of the Inspector General (OIG) to inspect, monitor, and license center-based providers, and inspect, monitor, and certify family childcare home providers who care for up to six (6) unrelated children. The OIG is also contracted to investigate complaints against licensed and certified providers as well as to conduct fraud investigations. State statute stipulates that an individual caseload of 1:50 be maintained for continuation of quality services; however, the current average individual case load is 1:100.

Collaborative efforts continue between the Child Care program and key stakeholders in order to ensure that outcomes will focus on continuing quality improvements in early learning environments. These efforts include partnerships with Head Start, the Department of Education, the Department for Public Health Division of Maternal and Child Health, Kentucky Out-of-School Alliance, Governor's Office of Early Childhood, and other government and quasi-government agencies that share the common goal of increasing professionalism in early care and education, promoting quality care, and supporting early learning guidelines.

Policy

The Budget of the Commonwealth Phase I Tobacco Settlement Funds in the amount of \$10,711,100 in fiscal year 2018-2019 and \$9,750,000 in fiscal year 2019-2020 for the Early Childhood Development Program.

**Health and Family Services
Community Based Services
Family and Community Services**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	220,883,000	213,261,100	228,331,200	294,019,200	293,609,000
Current Year Appropriation			2,500,000		
Reorganization Adjustment			-128,900		
Other	43,931,000	15,000,000			
Total General Fund	264,814,000	228,261,100	230,702,300	294,019,200	293,609,000
Tobacco Fund					
Tobacco Settlement - Phase I	175,000	175,000	180,000	2,680,000	2,680,000
Total Tobacco Fund	175,000	175,000	180,000	2,680,000	2,680,000
Restricted Funds					
Balance Forward	2,007,981	517,574	4,231,500		
Current Receipts	170,860,479	196,081,053	191,409,500	238,440,000	242,224,000
Non-Revenue Receipts	-67,704,021	-61,741,056	-69,328,500	-68,457,500	-71,411,500
Total Restricted Funds	105,164,438	134,857,571	126,312,500	169,982,500	170,812,500
Federal Fund					
Balance Forward	-63,585,945	-65,318,070	-62,712,600		
Current Receipts	180,861,377	203,117,434	274,716,300	224,121,800	225,234,900
Non-Revenue Receipts	-22				
Total Federal Fund	117,275,410	137,799,364	212,003,700	224,121,800	225,234,900
TOTAL SOURCE OF FUNDS	487,428,848	501,093,036	569,198,500	690,803,500	692,336,400
EXPENDITURES BY CLASS					
Personnel Costs	176,533,914	163,606,213	174,183,900	256,353,200	259,366,200
Operating Expenses	25,970,130	24,370,818	22,842,000	32,381,900	32,944,600
Grants Loans Benefits	349,725,299	371,597,095	372,172,600	402,068,400	400,025,600
TOTAL EXPENDITURES	552,229,344	559,574,126	569,198,500	690,803,500	692,336,400
EXPENDITURES BY FUND SOURCE					
General Fund	264,814,000	228,261,100	230,702,300	294,019,200	293,609,000
Tobacco Fund	175,000	175,000	180,000	2,680,000	2,680,000
Restricted Funds	104,646,864	130,626,100	126,312,500	169,982,500	170,812,500
Federal Fund	182,593,480	200,511,926	212,003,700	224,121,800	225,234,900
TOTAL EXPENDITURES	552,229,344	559,574,126	569,198,500	690,803,500	692,336,400
EXPENDITURES BY UNIT					
Family Based Services	130,469,044	134,086,824	141,112,000	158,687,900	160,232,900
Adult Services	35,020,274	36,141,689	36,045,000	38,645,500	38,880,200
Alternatives For Children	386,740,026	389,345,613	392,041,500	493,470,100	493,223,300
TOTAL EXPENDITURES	552,229,344	559,574,126	569,198,500	690,803,500	692,336,400

Family and Community Services are designed to provide maximum support to a family at the time of crisis to prevent the disruption of the family unit and to protect individuals from abuse, neglect, and exploitation with safety and permanency as the paramount goals.

The subprograms contained in Family and Community Services are Family Based Services, Adult Services, and Alternatives for Children. The legal authority for the program is in KRS Chapters 199, 200, 209 (Adult Protection), and 600-645, and in Titles IV, XIX and XX of the Social Security Act.

Family Based Services

Family-based services include child protection, reunification following out-of-home placement, home safety services, preventive services for families, community-based juvenile services, family preservation services, mental health services through contracts with local comprehensive care centers, self-help services provided through local child abuse councils, and preventive assistance.

Child Protective Services safeguard the rights and welfare of abused, neglected or dependent children; aid parents or other responsible persons in recognizing and remedying conditions detrimental to the welfare of their children; and identify conditions that contribute to the neglect, abuse, or dependency of children. Child Protective Services are both preventive and corrective in nature. The Department for Community Based Services (DCBS) is mandated to receive and investigate reports of the abuse or neglect of children.

Home Safety Services provide in-home support that prevents the disruption of a family unit or expedites the return of the child by helping parents with general homemaker skills, role modeling, parenting skills, assistance in daily living skills, and direction in utilizing community services.

Preventive Services to families who do not qualify for services under other program areas address a family's treatment needs before the situation has escalated to become abusive or neglectful.

Family Preservation provides crisis intervention and intensive (5-20 hours per week) in-home services to families who have children at imminent risk of removal from their home. Family Reunification Services, which follow the same basic model with less intensive in-home services over a longer duration (up to 6 months), facilitate the successful return of children to the home and decrease the likelihood of repeated child placements.

Self-Help Groups provide support and education for parents in crisis or at risk of further abuse or neglect of children.

Juvenile Services in the community provide an array of preventive and treatment services for children adjudicated as status offenders under KRS 630. Because status offender behaviors such as running away from home, being beyond parental control and truancy are most often indicative of prior abuse or neglect of the child, services are targeted at prevention of further abuse or neglect and interventions to curb the child's negative behaviors. Appropriate services may be provided directly by DCBS or arranged through local mental health centers, Family Resource and Youth Service Centers, community partnerships, private child care agencies, and other private providers in the community.

Child advocacy centers provide services to victims of child sexual abuse and their non-offending caregivers.

Adult Services

Adult Services includes protection and self-support. Adult services are directed toward preserving the vulnerable individual's independence to the maximum degree possible and protecting him/her from abuse, neglect or exploitation pursuant to KRS Chapters 209 and 209A. The elements of adult services are:

- Adult protection,
- Domestic violence protection,
- Adult home safety services (which is the direct provision of home safety services to adults at risk or in need of protection),
- Alternate care (also called patient movement and placement) which involves assisting individuals with appropriate community and institutional placements,
- Preventive services for adults which entails assessment, planning, and guidance,
- Services provided by domestic violence shelters and crisis centers,
- Services provided by rape crisis centers, and
- Certification of batterer intervention program providers.

Services often involve finding food, shelter, clothing, and medical treatment. Adult Self-Support includes the Community Services Block Grant, which provides funding for emergency needs of economically disadvantaged citizens. This program helps to alleviate the stresses on the family unit resulting from poverty while promoting self-sufficiency.

Pursuant to KRS Chapters 209 and 209A, anyone who knows or suspects that an adult, who because of mental or physical dysfunction, or a spouse (without regard to age) is being abused, neglected or exploited must report this information to the Cabinet for Health and Family Services' Department for Community Based Services. The Department is required to investigate the report, notify local law enforcement officials, offer appropriate protection and support services, and maintain case records.

Homemaker Services are designed to enhance the adult's ability to remain at home in the least restrictive environment. Services may include meal preparation, budgeting, grocery shopping, menu planning, doing laundry, assisting with personal hygiene, changing beds, and sweeping floors. Homemaker services are a key element in enhancing the vulnerable adult's ability to remain at home and in assisting the family unit to remain intact.

DCBS is involved in placement and movement of individuals into, between, and out of facilities. Placement and Movement denotes assistance provided to Medicaid-eligible individuals. Alternate Care denotes assistance to non-Medicaid eligible individuals. Approximately 56,000 Kentuckians need alternate care or placement and movement services each year. The majority of these individuals have family or friends to assist them in finding alternate living arrangements. The Department assists those individuals who are not able to locate appropriate placements. Alternate Care Services help ensure that persons are not inappropriately placed in a level of care exceeding their need, and thus promotes cost effectiveness. These services also help ensure that persons assisted receive the care they require.

As part of Alternate Care, the Department's family service workers make quarterly site visits to each freestanding personal care home and all family care homes to see residents and determine if their social and related needs are being met.

Domestic violence shelter services are available in each of the 15 Area Development Districts under a contract between the DCBS and the Kentucky Domestic Violence Association. Part of the funding for this element is provided by a portion of the marriage license fee as authorized by KRS 209.160.

Rape crisis centers provide services to victims of rape and sexual assault, their friends, and family members.

Batterer intervention program providers are mental health professionals meeting certification standards specified by DCBS who provide services to domestic violence batterers.

Alternatives for Children

The Alternatives for Children Program provides placement resources for children who have been or are at risk of being abused or neglected. The legal authority for Alternatives for Children includes KRS Chapters 199, 600 and 620, Titles IV-B and IV-E of the Social Security Act, and the Social Services Block Grant. Services are directed toward finding substitute care for children who must live apart from their family, working toward reuniting the child and family, and if that is not possible, securing an alternative living arrangement which will provide permanency for the child.

Family Foster Care takes place in the home of an agency-approved family. The development of alternative resources such as the Families and Children Together Services (FACTS), Family Preservation Program, Kinship Care or non-parental relative care, and Preventative Assistance has reduced the trend of more children placed in out-of-home care. Due to a projected budget shortfall in fiscal year 2014, a moratorium was implemented on the Kinship Care Program effective April 1, 2013. Relative caregivers and children in the program as of March 31, 2013 were not impacted.

Foster Parent Training, provided by DCBS staff and contractors, is required of all foster parents. Foster parents must complete 30 hours prior to approval and placement of a child and also are required to attend annual in-service training. Parents serving special needs or medically fragile children and those from family treatment homes are required to complete additional training. Care Plus Homes provide a setting where intensively trained foster parents furnish a viable alternative placement resource for children and youth who have serious emotional problems, are due to be released from treatment facilities, display aggressive or destructive behaviors or other disruptive behaviors, are at risk of being placed in more restrictive settings, are at risk of institutionalization, or have experienced numerous placement failures. Medically Fragile Foster Care serves children who need medical treatment and continuous monitoring but do not necessarily require the daily services of a nurse or doctor. Foster parents caring for these children are provided an increased reimbursement and must meet additional training and certification requirements.

Independent Living services are specialized services, including classroom and experiential training, designed to enhance the self-sufficiency skills of older children in foster care, private child care, and other state funded living arrangements. Services are provided both directly by staff and by contract agencies. As they complete each phase of the training, youth receive a stipend. In addition, youth ages 18-21 who were formerly in care may receive room and board assistance for a limited time.

Private Child Caring/Child Placing services and emergency shelter services are essential components of a protective service program that provides temporary placement services for children who are unable to remain in their own homes because of severe abuse, neglect, exploitation, abandonment, and/or because they have specialized treatment needs.

Adoption is the legal process by which a child becomes a legal child of a person or persons other than his/her biological parents. The department provides services prior to adoption in order to bring children and families together and services after adoption through after-placement supervisory services and adoption assistance.

Intensive Family Based Services are cost effective, home-based alternatives to institutionalization for children who are dually diagnosed. Services are provided through contracts with local comprehensive care centers or other appropriate contractor and may include in-home services, family therapy, respite care, behavior management and consultation, and individual counseling.

Psychiatric services provide 24-hour care to DCBS committed children and youth with behavioral health or mental health issues. Services are provided by various psychiatric hospitals and psychiatric residential treatment facilities throughout Kentucky.

Policy

The Budget of the Commonwealth provides additional General Funds in fiscal year 2017-2018 in the amount of \$2,500,000 to Alternatives for Children program.

The Budget of the Commonwealth includes \$3,893,000 in General Fund, \$21,900,000 in Restricted Fund and \$2,200,500 in Federal Funds in each fiscal year to increase reimbursement rates to private child caring agencies.

The Budget of the Commonwealth provides an additional \$375,000 General fund in each fiscal year to support the Fostering for Success Program within Community Based Services.

The Budget of the Commonwealth includes \$11,148,100 General Fund each fiscal year providing social worker and supervisor salary increases to raise social worker retention.

The Budget of the Commonwealth includes \$10,660,000 General Fund for additional Social Worker and administrative support positions within Community Based Services to improve workforce, upgrade technology and address caseload levels.

The Budget of the Commonwealth provides Phase I Tobacco Settlement Funds in the amount of \$2,500,000 in each fiscal year for the Early Childhood Adoption & Foster Care Program.

**Health and Family Services
Aging and Independent Living**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	45,252,100	42,583,200	42,716,800	43,742,400	43,937,800
Budget Reduction-General Fund		-425,300	-77,600		
Reorganization Adjustment		-52,600	-52,600		
Total General Fund	45,252,100	42,105,300	42,586,600	43,742,400	43,937,800
Restricted Funds					
Balance Forward	1,406,434	1,173,774	2,056,800	2,165,400	2,159,900
Current Receipts	1,397,208	1,508,887	1,568,400	1,568,400	1,568,400
Non-Revenue Receipts	2,214,029	1,784,200	1,724,600	1,724,600	1,724,600
Total Restricted Funds	5,017,671	4,466,862	5,349,800	5,458,400	5,452,900
Federal Fund					
Balance Forward					
Current Receipts	22,231,893	20,637,505	24,811,800	24,810,100	24,810,100
Non-Revenue Receipts	-2,108,027	12,092	17,500	19,200	19,200
Total Federal Fund	20,123,867	20,649,597	24,829,300	24,829,300	24,829,300
TOTAL SOURCE OF FUNDS	70,393,638	67,221,758	72,765,700	74,030,100	74,220,000
EXPENDITURES BY CLASS					
Personnel Costs	11,014,557	11,728,600	14,473,200	15,478,400	15,684,100
Operating Expenses	1,106,649	1,069,424	2,193,400	2,196,500	2,196,500
Grants Loans Benefits	55,205,660	52,366,997	53,933,700	54,195,300	54,195,300
Capital Outlay	698				
TOTAL EXPENDITURES	67,327,564	65,165,022	70,600,300	71,870,200	72,075,900
EXPENDITURES BY FUND SOURCE					
General Fund	43,359,800	42,105,300	42,586,600	43,742,400	43,937,800
Restricted Funds	3,843,897	2,410,125	3,184,400	3,298,500	3,308,800
Federal Fund	20,123,867	20,649,597	24,829,300	24,829,300	24,829,300
TOTAL EXPENDITURES	67,327,564	65,165,022	70,600,300	71,870,200	72,075,900
EXPENDITURES BY UNIT					
Aging and Independent Living	58,206,409	55,166,953	60,132,100	60,056,200	60,136,300
Guardianship	9,121,154	9,998,069	10,468,200	11,814,000	11,939,600
TOTAL EXPENDITURES	67,327,564	65,165,022	70,600,300	71,870,200	72,075,900

The Department for Aging and Independent Living (DAIL) sets policies and oversees programs for Kentucky's elderly and physically disabled citizens. The programs administered by the Department benefit Kentuckians by contributing to building self-sustaining families and improving the quality of life through an array of community-based services designed to help older persons, individuals with physical disabilities, and wards of the state to be as independent as possible in the least restrictive environment. Department programs also provide counseling and support services to family caregivers to enable them to provide quality care to older persons while fulfilling other family and employment responsibilities. In carrying out its programs, DAİL emphasizes successful aging, independent living, planning for an aging society, and continued involvement of older persons, adult wards of the state and physically disabled individuals in every aspect of the community. There are two program budget units within DAİL: Aging and Independent Living Services and Guardianship Services.

**Health and Family Services
Aging and Independent Living
Aging and Independent Living**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	38,400,000	35,351,700	33,882,000	33,627,900	33,701,100
Budget Reduction-General Fund		-425,300	-48,900		
Reorganization Adjustment		-52,600	-52,600		
Other	-1,300,000	-1,612,900			
Total General Fund	37,100,000	33,260,900	33,780,500	33,627,900	33,701,100
Restricted Funds					
Balance Forward	711,353	331,827	973,500	1,292,100	1,534,000
Current Receipts	631,564	469,448	529,000	529,000	529,000
Non-Revenue Receipts	1,927,429	1,497,600	1,438,000	1,438,000	1,438,000
Total Restricted Funds	3,270,346	2,298,874	2,940,500	3,259,100	3,501,000
Federal Fund					
Balance Forward	-59,850		-10,700		
Current Receipts	22,228,067	20,569,960	24,713,900	24,703,200	24,703,200
Non-Revenue Receipts	-2,108,027				
Total Federal Fund	20,060,190	20,569,960	24,703,200	24,703,200	24,703,200
TOTAL SOURCE OF FUNDS	60,430,536	56,129,735	61,424,200	61,590,200	61,905,300
EXPENDITURES BY CLASS					
Personnel Costs	2,836,798	2,702,439	6,261,200	6,153,400	6,233,500
Operating Expenses	304,986	213,901	207,400	219,500	219,500
Grants Loans Benefits	55,064,626	52,250,612	53,663,500	53,683,300	53,683,300
TOTAL EXPENDITURES	58,206,409	55,166,953	60,132,100	60,056,200	60,136,300
EXPENDITURES BY FUND SOURCE					
General Fund	35,207,700	33,260,900	33,780,500	33,627,900	33,701,100
Restricted Funds	2,938,519	1,325,411	1,648,400	1,725,100	1,732,000
Federal Fund	20,060,190	20,580,642	24,703,200	24,703,200	24,703,200
TOTAL EXPENDITURES	58,206,409	55,166,953	60,132,100	60,056,200	60,136,300

The Department for Aging and Independent Living is designated as the State Unit on Aging by the Federal Administration on Aging. In accordance with the Older Americans Act Amendments of 1965 as amended through December 2006 and 45 CFR 1321. The Aging and Independent Living program is responsible for aging issues on behalf of all older persons in Kentucky. It is required to carry out a wide range of functions related to service delivery, advocacy, planning, coordination, interagency linkages, information-sharing, community preparedness, brokering, and evaluation. These functions are intended to focus on the development or enhancement of comprehensive and coordinated community-based service systems designed to help elderly and physically disabled adult Kentuckians maintain independence and dignity in their own homes and communities. This focus on community-based alternatives is consistent with Kentucky's plan developed in response to the Supreme Court's Olmstead decision and the State Plan on Aging.

The Aging and Independent Living program administers statewide services; develops the State Plan on Aging; allocates funds to the 15 Area Agencies on Aging and Independent Living (AAA) as well as 14 Community Mental Health Centers (CMHCs) for the Hart Supported Living Program; and approves AAA program plans, amendments, budgets, and contracts for local provision of aging and physical disabilities services. It provides education, training, benefits counseling, information and assistance to respond to the needs of senior citizens and those with physical disabilities.

The services administered to achieve these goals include:

- Title III Older Americans Act Nutritional Services provided through agreements with the AAA's include the Nutritional Services Incentive Program: For persons ages 60 and over, provides congregate meals at senior centers and home-delivered meals to the homebound elderly in each Kentucky county
- Senior Community Service Employment Program (Title V): Employs persons age 55 and older who have incomes at or below 125% of the poverty level in part-time non-profit community work, such as senior citizens centers, with the goals of training and eventual placement in unsubsidized employment.

- State Health Insurance Assistance Program (SHIP): (Section 4360 OBRA 1990, PL 101-508) provides benefits counseling and assistance to aged and disabled Medicare eligible persons through a federal Health Care Financing Administration Grant.
- Long-Term Care Ombudsman Program: On behalf of long-term care residents and their families, this program receives and investigates all complaints and problems of residents of nursing homes and personal care homes in Kentucky. The program assists in protecting the health, safety, welfare and rights of elderly Kentuckians in long term facilities.
- Aging and Disability Resource Center (ADRC): (Sec 1110 SS Act and 42 USC 3031-3037B) provides a single point of entry to services and supports for individuals who require assistance due to need or disability, regardless of age.
- Homecare Program (KRS 205.445-465): A state-funded alternative in-home program for frail and vulnerable persons 60 years and older who have functional or physical limitations and are at risk of institutionalization. Homecare provides essential services designed to delay or prevent institutionalization, including homemaker/personal care, homemaker/home management, home health aide, home-delivered meals, home-repair, chore, respite, and escort services.
- Nursing Home Diversion is a consumer directed model that provides a community based case approach to the state funded Homecare Program.
- Hart Supported Living (KRS 210.770-795): A state funded program that is intended to address service gaps not covered by other funding sources such as Medicaid waiver services. The program provides services which enable a person with disabilities to live in a home of the person's choice which is typical of those living arrangements in which persons without disabilities reside, encourages the individual's integrated participation in the community, promotes the individual's rights and autonomy, enhances the individual's skills and competencies in living in the community and enables the individual's acceptance in the community by promoting home ownership or leasing arrangements in the name of the individual or the individual's family or guardian.
- Personnel Care Attendant Program (PCAP) for Physically Disabled Adults (KRS 205.900): A state funded program that provides personal care assistant services and case management services to severely physically disabled adults, age 18 and over, who have functional loss of two or more limbs and need the services to prevent institutionalization or to leave an institutional setting.
- Adult Day and Alzheimer's Respite (KRS 209): Provides programs for day-long care and supervision for persons 60 and over who, because of physical, mental, and/or psychological limitations, cannot remain in their own homes alone during the day.
- Kentucky Caregiver Program (910 KAR 1:260): A state funded program that provides assistance to Grandparents caring for grandchildren under the age of 18. The program provides information services, individual counseling, caregiver training, and funds (limited to not more than \$500 per grandchild and no more than \$1,500 per household per fiscal year) for defraying the costs of caring for the grandchild that could include purchase of clothing, educational supplies or assistance, certain legal services, medical services not related to co-pays and premiums, and other services as authorized by the Area Agency on Aging.
- Family Caregiver Support Program: A federally funded program serving family and informal caregivers who provide care to people over 60 or an individual of any age with Alzheimer or a related diagnosis, as well as grandparents and other relatives over 55 who provide care to children up to age 19.
- Traumatic Brain Injury Trust Fund Program (KRS 42.320): A state program that provides assistance to children and adults with brain injuries. The TBI Trust Fund Program is a funding source of last resort for Kentucky residents. The TBI Trust Fund draws its funds primarily from court fees, traffic school fees and DUI service fees. The fund can also accept contributions and grants. The fund is administered by a Board of Directors to assure that individuals with a brain injury and their families are provided services and supports to promote independence and personal productivity.
- Traumatic Brain Injury Behavioral Program (KRS 189A.050): This program is funded through DUI fees and serves persons affected by Traumatic Brain Injury who are in need of behavioral services. Services are provided through crisis intervention, residential treatment, targeted case management, and other wraparound services.
- The Consumer Directed Option (CDO): The program gives Medicaid waiver members more choices in the way some Medicaid services are provided. The client can choose who will provide services they need as well as how, when, and where these services will be provided
- Adult Day Certification (KRS 205.950): The Department for Aging and Independent Living certifies Adult Day Social Model programs to assure quality standards are met for the client.
- Assisted Living Certification (KRS 194A.707): The Department of Aging and Independent Living certifies Social Model Assisted Living Communities to assure compliance with state statutes and regulations. The cost of administering the program is partially covered through fees charged to social assisted living communities.

- Alzheimer's disease and Related Advisory Council (KRS 194.600-609): Oversees information and resources related to policy and services affecting the sixty thousand (60,000) residents of Kentucky with dementia, and the caregivers and families of the residents.
- Preventive Health: Provides disease prevention, education and assistance in training and care of elderly Kentuckians on health related issues.
- Supportive Services: For persons over 60, these include: assessment/case management, transportation, escort to medical facilities, stores and other service delivery points: information, assistance and referral: homecare and other in-home services; health promotion; visiting and telephone reassurance; legal assistance, counseling; education; advocacy; respite; preventive health services; elder abuse prevention programs; supportive services for families of elderly victims of Alzheimer's and related disorders.

**Health and Family Services
Aging and Independent Living
Guardianship**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,852,100	7,231,500	8,834,800	10,114,500	10,236,700
Budget Reduction-General Fund			-28,700		
Other	1,300,000	1,612,900			
Total General Fund	8,152,100	8,844,400	8,806,100	10,114,500	10,236,700
Restricted Funds					
Balance Forward	695,082	841,948	1,083,300	873,300	625,900
Current Receipts	765,644	1,039,440	1,039,400	1,039,400	1,039,400
Non-Revenue Receipts	286,600	286,600	286,600	286,600	286,600
Total Restricted Funds	1,747,326	2,167,988	2,409,300	2,199,300	1,951,900
Federal Fund					
Balance Forward	59,850		10,700		
Current Receipts	3,826	67,544	97,900	106,900	106,900
Non-Revenue Receipts		12,092	17,500	19,200	19,200
Total Federal Fund	63,676	79,636	126,100	126,100	126,100
TOTAL SOURCE OF FUNDS	9,963,102	11,092,024	11,341,500	12,439,900	12,314,700
EXPENDITURES BY CLASS					
Personnel Costs	8,177,759	9,026,161	8,212,000	9,325,000	9,450,600
Operating Expenses	801,663	855,522	1,986,000	1,977,000	1,977,000
Grants Loans Benefits	141,034	116,385	270,200	512,000	512,000
Capital Outlay	698				
TOTAL EXPENDITURES	9,121,154	9,998,069	10,468,200	11,814,000	11,939,600
EXPENDITURES BY FUND SOURCE					
General Fund	8,152,100	8,844,400	8,806,100	10,114,500	10,236,700
Restricted Funds	905,378	1,084,714	1,536,000	1,573,400	1,576,800
Federal Fund	63,676	68,955	126,100	126,100	126,100
TOTAL EXPENDITURES	9,121,154	9,998,069	10,468,200	11,814,000	11,939,600

Kentucky's Adult Guardianship Services Program is administered as authorized in KRS 210.290 and 387.500-387.900. Individuals are served by staff in both central office and nine regional offices. This Program provides a legal relationship between a court-appointed adult who assumes the responsibility of being the guardian for a ward. A ward is a person who has been declared "legally disabled" by the court and is no longer able to care for his or her personal and/or financial needs.

Appointed guardians may be a friend or family member who is willing to serve in this capacity on behalf of the disabled individual. If there is no one willing to assume guardianship for the disabled person, the court will appoint the Cabinet for Health and Family Services as the state guardian. The duties of the state guardian include:

- Full Guardianship/Full Conservator – In this category the Cabinet will be responsible for both the personal and financial needs of the ward. In this case, the court will also decide which civil rights the person can retain and which are given to the guardian. These may include the right to vote, the right to drive a car, the right to make medical decisions, the right to determine where to live, the right to sell property, and the right to sign legal documents such as checks, marriage licenses or wills.
- Limited Guardian – A limited guardian may be appointed if the disabled person is declared partially disabled and can manage some personal needs but may need assistance with others.
- Conservator – A conservator may be appointed if the disabled person needs help only with managing financial or fiduciary affairs.
- Conservator/Guardian - This category allows for a combination of a conservator who manages financial and fiduciary affairs with a guardian who manages living and personal needs arrangements.

Policy

The Budget of the Commonwealth includes General Fund of \$1,600,000 for the Guardianship Program within the Department for Aging and Independent Living for additional social workers/field workers to address caseload levels.

Health and Family Services
Health Benefit and Information Exchange

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	720,334	1,356,801	606,900	42,700	4,500
Current Receipts	65	1,229			
Non-Revenue Receipts	13,771,423	9,774,272	4,261,000	5,025,700	5,096,000
Total Restricted Funds	14,491,822	11,132,302	4,867,900	5,068,400	5,100,500
Federal Fund					
Balance Forward		278	-800		
Current Receipts	7,252,767	9,666,569	727,000		
Non-Revenue Receipts	-814,429		800		
Total Federal Fund	6,438,338	9,666,847	727,000		
TOTAL SOURCE OF FUNDS	20,930,160	20,799,149	5,594,900	5,068,400	5,100,500
EXPENDITURES BY CLASS					
Personnel Costs	16,906,690	17,677,358	4,123,200	3,858,100	3,878,900
Operating Expenses	2,194,918	2,437,839	1,099,000	966,500	966,500
Grants Loans Benefits	460,822	1,460	330,000	239,300	255,100
Construction	10,651	76,386			
TOTAL EXPENDITURES	19,573,081	20,193,042	5,552,200	5,063,900	5,100,500
EXPENDITURES BY FUND SOURCE					
Restricted Funds	13,135,021	10,525,369	4,825,200	5,063,900	5,100,500
Federal Fund	6,438,060	9,667,673	727,000		
TOTAL EXPENDITURES	19,573,081	20,193,042	5,552,200	5,063,900	5,100,500
EXPENDITURES BY UNIT					
Health Benefit Exchange	19,573,081	20,193,042	5,552,200	5,063,900	5,100,500
TOTAL EXPENDITURES	19,573,081	20,193,042	5,552,200	5,063,900	5,100,500

The Kentucky Office of Health Benefit Exchange (KOHBE) oversees Kentucky's online health benefit exchange where individuals can learn how to enroll in health coverage, pre-screen to find out what financial aid they may be eligible for and find help in their communities to fill out applications or pick a plan. The KOHBE has an executive director and two divisions: Division of Health Care Policy, Education and Outreach Administration, and Division of Operations and Kentucky Access.

The Kentucky Health Information Exchange (KHIE) was created to serve as a focal point for e-health initiatives in the Commonwealth. The KHIE helps health care providers in utilizing health technology to improve patient care, reduce medical errors, and make more efficient use of resources by reducing redundant services.

Justice and Public Safety

Justice and Public Safety

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	692,339,200	760,478,000	768,568,600	910,163,400	922,728,700
Current Year Appropriation	16,177,500		8,901,800		
Continuing Approp-General Fund		22,568			
Budget Reduction-General Fund		-1,000,000	-7,356,600		
Mandated Allotments	35,936,600	42,782,300			
Other					
Total General Fund	744,453,300	802,282,868	770,113,800	910,163,400	922,728,700
Tobacco Fund					
Tobacco Settlement - Phase I	1,241,100	1,609,100	1,769,800	7,831,000	7,362,800
Special Appropriation	459,100				
Continuing Approp-Tob Settlement	73,123	323,988	668,600		
Total Tobacco Fund	1,773,323	1,933,088	2,438,400	7,831,000	7,362,800
Restricted Funds					
Balance Forward	19,054,259	30,676,434	29,784,000	28,131,200	18,758,800
Current Receipts	51,402,263	50,784,215	48,813,200	51,539,600	51,793,100
Non-Revenue Receipts	86,005,074	97,570,441	94,566,300	115,351,400	111,710,500
Fund Transfers	-11,000,000	-1,637,900	-1,500,000		
Total Restricted Funds	145,461,597	177,393,191	171,663,500	195,022,200	182,262,400
Federal Fund					
Balance Forward	918,123	1,751,767	1,783,500	160,800	74,800
Current Receipts	36,408,556	35,081,139	47,724,600	75,768,600	100,730,700
Non-Revenue Receipts	275,111	1,452,801	-743,100		
Total Federal Fund	37,601,790	38,285,707	48,765,000	75,929,400	100,805,500
Road Fund					
Regular Appropriation	96,845,800	87,676,700	88,596,700	105,278,800	106,762,100
Total Road Fund	96,845,800	87,676,700	88,596,700	105,278,800	106,762,100
TOTAL SOURCE OF FUNDS	1,026,135,810	1,107,571,554	1,081,577,400	1,294,224,800	1,319,921,500
EXPENDITURES BY CLASS					
Personnel Costs	557,209,562	596,222,745	606,640,000	720,284,000	713,221,400
Operating Expenses	125,478,256	133,687,387	120,289,800	126,734,300	127,108,000
Grants Loans Benefits	293,017,450	328,525,853	318,972,700	407,400,300	441,406,000
Debt Service	3,002,950	4,748,997	218,500	2,499,100	4,008,600
Capital Outlay	7,635,086	12,127,824	7,164,400	18,473,500	13,007,000
Construction	2,796	6,275			
TOTAL EXPENDITURES	986,346,099	1,075,319,079	1,053,285,400	1,275,391,200	1,298,751,000
EXPENDITURES BY FUND SOURCE					
General Fund	737,415,779	802,266,524	770,113,800	910,163,400	922,728,700
Tobacco Fund	1,449,335	1,264,455	2,438,400	7,831,000	7,362,800
Restricted Funds	114,785,162	147,609,173	143,532,300	176,263,400	161,150,100
Federal Fund	35,850,023	36,502,227	48,604,200	75,854,600	100,747,300
Road Fund	96,845,800	87,676,700	88,596,700	105,278,800	106,762,100
TOTAL EXPENDITURES	986,346,099	1,075,319,079	1,053,285,400	1,275,391,200	1,298,751,000
EXPENDITURES BY UNIT					
Justice Administration	35,043,782	45,448,550	57,445,000	94,843,700	119,553,200
Criminal Justice Training	50,539,801	72,554,043	69,289,800	90,450,800	82,954,700
Juvenile Justice	105,836,400	106,563,259	106,516,500	124,838,000	125,845,900
State Police	206,034,954	223,689,329	227,495,900	280,045,000	270,364,800
Corrections	535,014,691	570,568,576	531,753,900	613,770,900	627,935,200

EXPENDITURES BY UNIT

Public Advocacy	53,876,471	56,495,322	60,784,300	71,442,800	72,097,200
TOTAL EXPENDITURES	986,346,099	1,075,319,079	1,053,285,400	1,275,391,200	1,298,751,000

The Kentucky Justice Cabinet was established in 1974 and was renamed the Justice and Public Safety Cabinet in 2007. The Cabinet is responsible for criminal justice services throughout the Commonwealth of Kentucky, including law enforcement, law enforcement training, adult and juvenile incarceration, and public advocacy. The Cabinet provides overall leadership, policy direction and training for six departments and multiple public agencies and boards, with a focus on prevention, treatment, law enforcement and preparing offenders for reentry into society with acquired skills to facilitate non-criminal behavior.

The Cabinet is comprised of six departments:

- Department of Justice Administration
- Department for Public Advocacy
- Department of Kentucky State Police
- Department of Juvenile Justice
- Department of Criminal Justice Training
- Department of Corrections

The mission of the Justice and Public Safety Cabinet is to ensure the safety and security of Kentucky communities through a fair and impartial administration of taxpayer resources. The approach centers on protecting citizens, restoring victims and reforming wrongdoers, all in a focused environment where everything is measured for accountability and performance. The Cabinet seeks the best possible return from our public safety investment, using evidence-based programs, fiscal discipline, and data-driven strategies. Likewise, the Cabinet is committed to holding offenders to the highest standards of personal accountability and responsibility.

The vision of the Justice and Public Safety Cabinet is to remain a national leader in criminal justice while focusing our limited resources on the most effective strategies to reduce crime and protect public safety. This involves a comprehensive effort to right-size corrections, enhance re-entry programs, and reinvest any savings into law enforcement, community supervision, and better drug interventions. The Cabinet will empower and support victims, and demand that offenders learn productive skills to support themselves after release.

The Justice and Public Safety Cabinet core values include:

Public Safety: Our first obligation and highest priority is to protect the safety and security of Kentucky families and communities.

Government Accountability: We will perform all of our duties with the highest level of ethical and fiscal discipline, setting clear, measurable goals and continually evaluating our performance against those objectives.

Data-Driven Decision Making: We will administer justice using the best data, evidence, and policy expertise available to drive favorable outcomes.

Transparency: We will endeavor in every way to engage with Kentucky taxpayers, families, stakeholders, and all other members of the public, providing information in a timely and accurate manner and develop public confidence in our work.

Impartiality: We will provide a fair and impartial system of justice to all Kentuckians.

Justice and Public Safety

Justice Administration

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	11,210,300	30,312,800	31,855,000	31,085,700	31,244,000
Budget Reduction-General Fund			-1,368,500		
Mandated Allotments	10,000,000				
Other					
Total General Fund	21,210,300	30,312,800	30,486,500	31,085,700	31,244,000
Tobacco Fund					
Tobacco Settlement - Phase I	1,241,100	1,609,100	1,769,800	7,831,000	7,362,800
Special Appropriation	459,100				
Continuing Approp-Tob Settlement	73,123	323,988	668,600		
Total Tobacco Fund	1,773,323	1,933,088	2,438,400	7,831,000	7,362,800
Restricted Funds					
Balance Forward	1,595,211	1,535,089	2,931,000	2,458,100	2,449,200
Current Receipts	979,280	1,040,706	1,464,200	1,148,800	1,248,800
Non-Revenue Receipts	2,205,900	1,815,500	1,404,300	3,139,400	3,142,700
Total Restricted Funds	4,780,391	4,391,295	5,799,500	6,746,300	6,840,700
Federal Fund					
Balance Forward	541,388	1,514,426	1,647,200	102,600	16,600
Current Receipts	10,526,909	12,559,834	19,634,100	51,543,900	76,627,000
Non-Revenue Receipts	89,473				
Total Federal Fund	11,157,770	14,074,260	21,281,300	51,646,500	76,643,600
TOTAL SOURCE OF FUNDS	38,921,785	50,711,443	60,005,700	97,309,500	122,091,100
EXPENDITURES BY CLASS					
Personnel Costs	11,925,260	13,178,081	15,193,500	17,235,000	17,562,400
Operating Expenses	1,402,665	1,975,238	1,836,100	1,356,800	1,347,000
Grants Loans Benefits	21,674,236	30,280,000	40,390,400	76,251,900	100,643,800
Capital Outlay	41,621	15,231	25,000		
TOTAL EXPENDITURES	35,043,782	45,448,550	57,445,000	94,843,700	119,553,200
EXPENDITURES BY FUND SOURCE					
General Fund	20,705,800	30,296,653	30,486,500	31,085,700	31,244,000
Tobacco Fund	1,449,335	1,264,455	2,438,400	7,831,000	7,362,800
Restricted Funds	3,245,303	1,460,324	3,341,400	4,297,100	4,302,800
Federal Fund	9,643,344	12,427,118	21,178,700	51,629,900	76,643,600
TOTAL EXPENDITURES	35,043,782	45,448,550	57,445,000	94,843,700	119,553,200
EXPENDITURES BY UNIT					
Secretary	4,573,330	4,910,937	5,929,600	6,550,700	6,635,500
Office of Drug Control Policy	3,642,846	3,338,191	4,536,800	9,854,600	9,393,600
Medical Examiner Program	4,372,538	4,716,355	4,770,900	4,891,100	4,940,100
Parole Board	913,486	1,004,918	1,056,300	1,185,700	1,202,500
Grants	10,162,550	14,107,561	23,835,700	54,237,200	79,254,600
Criminal Justice Council	297,415	256,593	352,000	257,000	257,000
Motorcycle Training Program	581,617	765,194	900,000	900,000	900,000
Access to Justice	500,000	898,800	563,700	639,800	639,800
Substance Abuse Initiatives	10,000,000	15,450,000	15,500,000	16,327,600	16,330,100
TOTAL EXPENDITURES	35,043,782	45,448,550	57,445,000	94,843,700	119,553,200

The Department of Justice Administration (DJA), within the Justice and Public Safety Cabinet and under the authority of KRS 15A, provides leadership, strategic planning and administrative support for all agencies within the Justice Cabinet. The functions located within DJA are outlined below

The Office of the Secretary under KRS 15A.020 is charged with housing a variety of administrative, financial, investigative and legal functions that perform key oversight activities for the Department and the Cabinet. The associated offices and branches are outlined below:

Office of the Secretary, which is headed the Deputy Secretary, appointed pursuant to KRS 12.050, and is responsible for the direct administrative support for the Secretary.

The Office of Management and Administrative Services (OMAS) is responsible for all matters relating to human resources, state and federal grants management, management of daily operations, information processing, fiscal function and administrative services for the Justice and Public Safety Cabinet. As one of the largest Cabinets in state government with nearly 8,000 employees, the OMAS provides management support and oversight to over five departments with combined funding near \$1 billion, including \$40-\$45 million in annual state and federal grants programs.

The Office of Legal Services is dedicated to providing quality legal services for the Justice and Public Safety Cabinet. As one of the largest Cabinets in state government and responsibility for the Commonwealth's criminal justice services, the Justice and Public Safety Cabinet and its employees face a wide range of legal issues every day. Attorneys in the office provide legal assistance to the Cabinet's officers, employees, and departments on a myriad of issues, such as employment and administrative law matters, regulatory and statutory interpretation, legislative initiatives, and a wide range of civil legal questions. They also provide representation before administrative bodies and in state and federal court in any matters that involve the Cabinet.

The mission of the Internal Investigations Branch is to serve the citizens of the Commonwealth of Kentucky by receiving and investigating certain limited allegations involving abuse of juveniles committed to, or in the custody of, the Department of Juvenile Justice and investigating administrative violations within the Justice and Public Safety Cabinet as determined by the Cabinet Secretary. Allegations that meet certain criteria are assigned for investigation. Investigations are conducted for administrative purposes and if criminal violations are discovered, the allegation is referred to law enforcement. The duties of the office have expanded to include investigating allegations within the Justice and Public Safety Cabinet with the exception of the Kentucky State Police and with certain restrictions in the Department of Public Advocacy. In 2008, the Internal Investigations Branch was assigned the responsibility for conducting background investigations on applicants for commission as Special Law Enforcement Officers (SLEO) and Special Local Peace Officers (SLPO). Once commissioned, these officers have full law enforcement authority on their designated properties only. SLPOs are commissioned for duty on private property; SLEOs are commissioned for duty on public property.

The Office of Legislative and Intergovernmental Services is responsible for all matters relating to the provision of support to the Criminal Justice Council, legislative liaison services, and functions and duties vested in the Criminal Justice Council as described in KRS 15A.030.

The Child Fatality and Near Fatality External Review Panel was created and established by Kentucky Revised Statutes 620.055 for the purpose of conducting comprehensive reviews of child fatalities and near fatalities suspected to be the result of abuse or neglect. The Panel is a twenty-member multidisciplinary team of professionals including representatives from the medical, social services, mental health, legal, and law enforcement communities, as well as others who work with and on behalf of Kentucky's children. The Panel reviews official records and other relevant information received from a variety of sources: The Cabinet for Health and Family Services, the Department for Juvenile Justice, medical records including autopsy reports, law enforcement records and records held by a Family, Circuit or District Court. The purpose of these reviews is to become aware of systemic deficits and to make recommendations for improvements to help prevent child fatalities and near fatalities due to abuse or neglect.

The Justice and Public Safety Cabinet, pursuant to KRS 15A.020, is responsible for housing the Office of the Kentucky State Medical Examiner, which is headed by the Chief Medical Examiner for the Commonwealth of Kentucky. The office is responsible for all matters relating to forensic pathology and forensic toxicology. Recognized as national leaders in their respective field, the scientific staff members of the Kentucky Office of the Medical Examiner provide death investigation services and forensic autopsy services for deaths that occur in Kentucky when authorized by County Coroners or the Court. All deaths that are sudden or unexpected or occur from other than natural causes must be reported to the County Coroner, who then may authorize a postmortem examination by the Kentucky Medical Examiner's Office. The goal of the Medical Examiner's Office is to assist county coroners, families, law enforcement agencies and the legal system by determining a scientifically unbiased and logical cause and manner of death.

The Kentucky Parole Board is an independent, autonomous agency attached in administrative capacity to the Justice & Public Safety Cabinet under KRS 439.330. The Kentucky Parole Board consists of nine full-time members whose primary responsibility is to grant and revoke parole for adult felony offenders incarcerated in Kentucky correctional institutions. The purpose of the Parole Board is to determine if, when and under what circumstances the best interest of society will be served by allowing an offender to serve a portion of his/her sentence in the community under supervision and conditions of parole. Parole is the process that endeavors to reintegrate the offender from incarceration back into society, before restoring complete freedom.

The Justice and Public Safety Cabinet is responsible for establishing the Criminal Justice Council (CJC) pursuant to KRS 15A.075. Since its creation in 1998, the Kentucky Criminal Justice Council has established a neutral forum for discussion of systemic issues by a diverse group of state and local criminal justice professionals. As a statewide criminal justice coordinating body, the Council works to develop a better understanding of the nature of crime across the different regions of the state; to develop clearer goals and system priorities; to promote coordination among the components of the justice system; and to promote effective utilization of limited resources.

Under the provisions of KRS 15A.150, the Justice and Public Safety Cabinet shall administer all state and federally funded grant programs related to criminal justice. The Grants Management Branch (GMB) located within Justice Administration serves as the designated State Agency Administrator for criminal justice discretionary and formula grants issued by the U.S. Department of Justice and certain state funds for similar purposes. Originally established in 1968 as part of the Kentucky Crime Commission, GMB is now located within the Office of the Secretary, Office of Management and Administrative Services, Kentucky Justice and Public Safety Cabinet. Major current funding programs administered include: Byrne Memorial Justice Assistance Grants (JAG), Victims of Crime Act (VOCA) grants, and the Violence Against Women Act (VAWA) grants. The Branch also manages Discretionary grant awards for forensic science projects, PREA compliance and training, substance abuse treatment and training, rape kit backlog testing. Programs are administered according to funding source guidelines, applicable statutes, state and agency priorities and policies.

In August of 2004, a 51-member team of state, federal and local officials in substance abuse prevention-education, treatment and enforcement recommended the creation of the Office of Drug Control Policy (ODCP). Pursuant to KRS 15A.020 the Justice and Public Safety Cabinet is responsible for housing the ODCP which is tasked to coordinate Kentucky's response to substance abuse. The goal of the ODCP is to change the way substance abuse is handled, reduce the problem and make the Commonwealth a model for other states. They have joined prevention/education, treatment, and law enforcement in a united effort to confront the epidemic and have made great strides.

The Access to Justice Foundation is a poverty law resource center dedicated to providing opportunity for quality civil legal assistance for low-income Kentuckians. This is accomplished by supporting Kentucky's four Legal Services programs and pro bono lawyers and promoting awareness in the legal community of the need for volunteers to assist poor Kentuckians in civil matters.

Senate Bill 192 as enacted by the General Assembly in the 2015 Regular Session provided up to \$10 million for Substance Abuse Initiatives during Fiscal Year 2016. Additionally, funding in the amount of \$15.7 million for Fiscal Year 2017 and \$16.3 million for Fiscal Year 2018 was enacted during the 2016 Regular Session in House Bill 303. The Substance Abuse Initiatives funding is housed within Justice Administration and falls under the administrative oversight of the Office of Drug Control Policy.

KRS 15A.350 requires that the Justice and Public Safety Cabinet establish a motorcycle safety education program which provides instructor training courses, instructor approval, and rider training courses for novice riders that are held at locations throughout the state. The program provides the following: rider training courses for experienced riders; activities to increase the awareness of a motorcyclist's knowledge of the effects of alcohol and drug use; driver improvement efforts; licensing improvement efforts; program promotion activities; enhancement of the public's awareness of motorcycles; and enhancement of motorcycle safety through education.

Policy

The Budget of the Commonwealth includes General Fund resources in the amount of \$500,000 in each fiscal year, funded from the Local Government Economic Development Fund and Restricted Fund appropriation in the amount of \$1,500,000 each year from settlement funds resulting from the suit against Purdue Pharma for the Operation UNITE program.

The Budget of the Commonwealth includes General Fund resources in the amount of \$1,406,300 in each fiscal year for the Court Appointed Special Advocate (CASA) program.

The Budget of the Commonwealth includes additional Phase I Tobacco Settlement Funds in the amount of \$7,831,000 in fiscal year 2018-2019 and \$7,362,800 in fiscal year 2019-2020 for the Office of Drug Control Policy to support opioid prevention, treatment, and recovery initiatives.

Heroin legislation was enacted during the 2015 Regular Session in an effort to reduce the trafficking and abuse of heroin and other opiates. It invests 50 percent of the savings realized as a result of the passage of HB 463 in the 2011 Regular Session in an array of substance abuse and criminal justice programs. In fiscal year 2015-2016, it appropriated \$10,000,000 as a necessary government expense. The Secretary of the Justice and Public Safety has authority to determine distribution of these funds among the several substance abuse treatment and prevention efforts. The Budget of the Commonwealth provides \$16,327,600 in fiscal year 2018-2019 and \$16,330,100 in fiscal year 2019-2020. The amounts will be held in reserve until allocated by the Secretary of the Justice and Public Safety Cabinet.

The Budget of the Commonwealth provides General Fund in the amount of \$639,800 each fiscal year for the Access to Justice Program.

The Budget of the Commonwealth provides no funding for the Kentucky Legal Education Opportunity Fund.

**Justice and Public Safety
Criminal Justice Training**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Restricted Funds					
Balance Forward	5,462,414	10,645,520	9,189,700	14,130,900	7,387,200
Current Receipts	1,402,424	964,873	513,300	559,900	564,000
Non-Revenue Receipts	65,244,153	70,172,136	73,577,500	83,027,000	86,145,300
Fund Transfers	-11,000,000	-137,900			
Total Restricted Funds	61,108,990	81,644,628	83,280,500	97,717,800	94,096,500
Federal Fund					
Balance Forward	2,170	13,817	10,000		
Current Receipts	87,977	95,400	130,200	120,200	120,200
Total Federal Fund	90,148	109,216	140,200	120,200	120,200
TOTAL SOURCE OF FUNDS	61,199,138	81,753,845	83,420,700	97,838,000	94,216,700
EXPENDITURES BY CLASS					
Personnel Costs	19,558,189	22,093,041	25,066,000	37,534,600	31,033,100
Operating Expenses	2,932,382	3,134,555	4,895,500	5,905,700	5,480,900
Grants Loans Benefits	25,656,789	37,503,064	39,101,300	39,650,400	39,650,400
Debt Service	2,140,450	4,278,038		2,131,600	2,120,800
Capital Outlay	251,991	5,545,345	227,000	5,228,500	4,669,500
TOTAL EXPENDITURES	50,539,801	72,554,043	69,289,800	90,450,800	82,954,700
EXPENDITURES BY FUND SOURCE					
General Fund					
Restricted Funds	50,463,470	72,454,848	69,149,600	90,330,600	82,834,500
Federal Fund	76,331	99,196	140,200	120,200	120,200
TOTAL EXPENDITURES	50,539,801	72,554,043	69,289,800	90,450,800	82,954,700
EXPENDITURES BY UNIT					
Kentucky Law Enforcement Program Fund	49,291,688	71,477,287	67,900,900	88,943,300	81,434,800
Peace Officer Professional Standards	555,034	570,167	735,400	827,400	835,700
Special Training Programs	693,079	506,589	653,500	680,100	684,200
TOTAL EXPENDITURES	50,539,801	72,554,043	69,289,800	90,450,800	82,954,700

The Department of Criminal Justice Training (DOCJT) is responsible for the training of law enforcement professionals as provided under Kentucky Revised Statutes, Chapters 15, 15A, 16, 70, 71, 72, 95, and KRS 403.785(2), along with 500 KAR 8:010. Basic and specialized training courses are offered to police officers, dispatchers, sheriffs, deputies, coroners, certified court-security officers, school resource officers, and certain other agencies upon request. Course curriculum includes training in basic law enforcement, telecommunications, de-escalation techniques, coroner training, AIDS, post-traumatic stress disorder (PTSD), pediatric-abuse head trauma, child sexual abuse, juvenile crime, domestic violence, sexual assault response, bias-related crimes, penal code and constitutional law, tactical training in rapid response, crisis intervention, response to persons with special needs, professional development, executive and staff training, leadership development, internet crime, and breath testing. Training is conducted at the Training Center on the Eastern Kentucky University campus and at regional sites.

The DOCJT operates two training programs: the Kentucky Law Enforcement Foundation Program Fund (KLEFPF), and the Special Training programs, in addition to the Peace Officers Professional Standards (POPS) program. The KLEFPF agency resources are derived from property and casualty insurance premium surcharge proceeds, which accrue pursuant to KRS 136.392, and are allocated by KRS 42.190 between the KLEFPF and the Kentucky Firefighters Foundation Program Fund. The Department provides entry-level and in-service training for approximately 12,500 seats each year, totaling approximately 600,000 hours of training.

Policy

Notwithstanding KRS 15.470, the Budget of the Commonwealth includes Restricted Funds for a \$4,000 training incentive stipend and associated fringe benefit costs for state troopers, arson investigators, hazardous devices investigators, legislative security specialists, and Vehicle Enforcement officers within the Kentucky State Police; Horse Park mounted patrol officers; State Park rangers; Agriculture investigators, Charitable Gaming investigators; Alcoholic Beverage Control investigators; Insurance fraud investigators; and Attorney General investigators.

Notwithstanding KRS 15.470, the Budget of the Commonwealth includes Restricted Funds for a \$4,000 training incentive stipend and an amount equal to the required employer's contribution of the supplement to the defined benefit plan to which the officer belongs for School Security Officers. Each eligible peace officer must meet the requirements of Peace Officer Professional Standards Act training. The stipend payments are provided from the Kentucky Law Enforcement Foundation Program Fund (KLEFPF) to approximately 7,570 certified peace officers in the amount of \$49,327,300 in fiscal year 2018-2019 and \$49,327,300 in fiscal year 2019-2020.

Notwithstanding any statute to the contrary, the Budget of the Commonwealth includes language for employers of eligible local units of government shall receive an administrative expense reimbursement in an amount equal to 7.65 percent of the total annual supplement received greater than \$3,100 for each qualified local officer.

The Budget of the Commonwealth includes \$88,943,300 in fiscal year 2018-2019 and \$81,434,800 in fiscal year 2019-2020 for the Kentucky Law Enforcement Program Fund.

Notwithstanding KRS 15.470, \$1,442,500 in each fiscal year from the Kentucky Law Enforcement Foundation Program Fund is provided to the State Police for lab equipment capital project.

Notwithstanding KRS 15.470, \$3,305,800 in fiscal year 2018-2019 and \$872,800 in fiscal year 2019-2020 from the Kentucky Law Enforcement Foundation Program Fund is provided to the State Police for purchasing marked and unmarked vehicles.

Notwithstanding KRS 15.470, \$4,329,500 in fiscal year 2018-2019 from the Kentucky Law Enforcement Foundation Program Fund is to be transferred to Kentucky State Police for paying pension spiking costs and sick leave service credit.

Justice and Public Safety
Juvenile Justice

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	83,322,700	85,770,200	86,234,500	103,935,700	105,397,200
Current Year Appropriation			600,000		
Budget Reduction-General Fund		-500,000	-4,538,300		
Total General Fund	83,322,700	85,270,200	82,296,200	103,935,700	105,397,200
Restricted Funds					
Balance Forward	1,917,075	2,007,229	3,351,600	612,000	139,700
Current Receipts	473,535	387,325	387,700	387,700	387,700
Non-Revenue Receipts	11,573,019	13,491,637	10,269,600	9,500,000	9,500,000
Fund Transfers		-1,500,000	-1,500,000		
Total Restricted Funds	13,963,629	14,386,192	12,508,900	10,499,700	10,027,400
Federal Fund					
Balance Forward	281,418	149,643	58,200	58,200	58,200
Current Receipts	11,417,327	9,395,667	12,323,400	10,542,300	10,421,300
Non-Revenue Receipts	156,699	771,384			
Total Federal Fund	11,855,443	10,316,694	12,381,600	10,600,500	10,479,500
TOTAL SOURCE OF FUNDS	109,141,773	109,973,086	107,186,700	125,035,900	125,904,100
EXPENDITURES BY CLASS					
Personnel Costs	83,242,013	86,198,531	88,832,200	107,792,800	109,266,500
Operating Expenses	10,732,734	10,886,766	10,662,900	8,092,900	8,097,800
Grants Loans Benefits	11,552,998	8,885,330	6,802,900	8,733,800	8,263,100
Debt Service		218,459	218,500	218,500	218,500
Capital Outlay	308,654	368,273			
Construction		5,900			
TOTAL EXPENDITURES	105,836,400	106,563,259	106,516,500	124,838,000	125,845,900
EXPENDITURES BY FUND SOURCE					
General Fund	82,174,200	85,270,200	82,296,200	103,935,700	105,397,200
Restricted Funds	11,956,400	11,034,556	11,896,900	10,360,000	10,027,400
Federal Fund	11,705,800	10,258,503	12,323,400	10,542,300	10,421,300
TOTAL EXPENDITURES	105,836,400	106,563,259	106,516,500	124,838,000	125,845,900
EXPENDITURES BY UNIT					
Program Management	1,829,900	1,874,500	1,711,500	1,898,000	1,924,400
Program Operations	95,847,400	96,152,766	96,474,800	113,793,300	114,656,800
Support Services	8,159,100	8,535,993	8,330,200	9,146,700	9,264,700
TOTAL EXPENDITURES	105,836,400	106,563,259	106,516,500	124,838,000	125,845,900

The Department of Juvenile Justice operates programs for juvenile crime prevention, detention, and community services, as well as residential facilities for post-adjudicated offenders. All programs are designed primarily for “public” and “youthful” offenders. The Department consists of three programmatic areas: Program Management, Program Operations, and Support Services.

Program Management is comprised of the Commissioner’s Office which provides management and policy direction for the Department: There are three Offices reporting to the Commissioner’s Office: Office of Program Operations, Office of Community and Mental Health Services, and Office of Support Services. The Office of the Commissioner provides staff support for the Commissioner, which includes public information services.

Program Operations consists of the direct services provided to both public and youthful offenders, through Day Treatment Services, Group Homes, Residential Facilities, Community Supervision, Private Child Care Facilities, Detention Facilities, and Alternatives to Detention. The programs are administered on a regional basis, divided into two separate regions.

Day Treatment Services is comprised of five state-owned and 19 contract programs. These programs are the least restrictive, since the youths remain in a home setting during the evening and attend a day treatment program during the day. A court or school system usually refers a youth to serve in these programs. Day Treatment provides educational alternatives, treatment, and counseling for youths between the ages of 12 and 17. The total capacity of the 24 centers is 826 youths.

Group Home Facilities	County	Beds
Ashland	Boyd	8
Bowling Green	Warren	8
Burnside	Pulaski	8
Frenchburg	Menifee	8
Hopkinsville	Christian	8
London	Laurel	8
Middlesboro	Bell	8
Frankfort	Franklin	8
Westport	Jefferson	8

Group Home Beds = 72

Group Homes are community-based residential treatment facilities that generally serve eight youths per home. These programs accept youths between 12-18 years of age who have been committed to the Department as “public” or “youthful” offenders. Group home care serves as an alternative to institutionalization and aims to transition a youth from institutional placement to the community. The total capacity of 9 group homes is 72 youths.

Residential Facilities	City	County	Beds
Northern Kentucky Youth Development Center	Crittenden	Grant	44
Morehead Youth Development Center	Morehead	Rowan	40
Green River Youth Development Center	Cromwell	Butler	40
Mayfield Youth Development Center	Mayfield	Graves	30
Lake Cumberland Youth Development Center	Monticello	Wayne	40
Woodsbend Youth Development Center	West Liberty	Morgan	40
Cadet Leadership Education Program	Jackson	Breathitt	40
Adair Youth Development Center	Columbia	Adair	30

Residential Beds = 304

The 8 state-operated Residential Facilities provide 24-hour care and custody of juveniles who have been committed to the Department as public offenders or sentenced as youthful offenders. These facilities serve youths who are in need of treatment that cannot be provided in their community, or who require placement in a secure setting because they represent a threat to the community. The current capacity of the residential care program is 304 youths.

State-operated Detention Centers	County	Beds
Breathitt Regional Juvenile Detention Center	Breathitt	48
McCracken Regional Juvenile Detention Center	McCracken	48
Campbell Regional Juvenile Detention Center	Campbell	52
Adair Youth Development Center/Regional Juvenile Detention Center	Adair	20
Warren Regional Juvenile Detention Center	Warren	48
Boyd Regional Juvenile Detention Center	Boyd	36
Fayette Regional Juvenile Detention Center	Fayette	60

Detention Beds = 312

Seven state-operated detention centers are currently in operation in Breathitt, McCracken, Campbell, Warren, , Fayette, and Boyd Counties, and twenty beds are available for detention at the youth development center in Adair County. Currently, the state provides detention services to 119 counties. Jefferson County continues to operate a local detention program, and it is approved to use these facilities and receive a subsidy payment from the state of \$94 per day for all public and youthful offenders.

Placements less restrictive than detention facilities are provided through contracts with emergency shelters and foster care providers, electronic monitoring, and tracking services. Departmental staff members are responsible for the assessment of juveniles in the facilities, and the determination of whether an alternative to detention is appropriate.

Private child care facilities and therapeutic foster care programs are utilized to alleviate facility capacity problems and to provide specialized treatment for youths. Approximately 10-30 juveniles are in these programs on any given day.

Community Services provide services to juvenile offenders. Workers in the community offices develop service objectives and comprehensive service plans for juvenile offenders and their families. These workers supervise over 2,525 juvenile offenders and recommend any necessary out-of-home placements.

The Division of Placement Services, included in the Program Operations area, determines appropriate out-of-home placements for youths committed to the Department of Juvenile Justice.

Support Services, which provides administrative support to all organizational units of the Department, includes: Division of Administrative Services, Division of Program Services, Division of Professional Development, and the Division of Medical Services. The Division of Administrative Services consists of five branches: Personnel, Fiscal, Capital Construction and Real Properties, and Information Systems. The Division of Program Services consists of the Quality Assurance Branch, Education Branch, and the Juvenile Detention Alternatives Branch that report directly to the Division Director. The Division of Professional Development consists of the Academy Training Branch and the In-service Training Branch. The Medical Division oversees the medical delivery system throughout the Department.

Policy

The Budget of the Commonwealth includes current year General Fund appropriation in the amount of \$600,000 for fiscal year 2017-2018 and General Fund appropriation in the amount of \$1,700,000 in 2018-2019 and \$1,700,000 in 2019-2020 to support Day Treatment Center contracted programs.

The Budget of the Commonwealth includes General Fund resources in the amount of \$4,800,000 each fiscal year to meet staffing to youth ratios mandated by the Prison Rape Elimination Act.

Justice and Public Safety

State Police

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	75,788,600	95,577,600	98,429,600	125,210,700	121,147,800
Total General Fund	75,788,600	95,577,600	98,429,600	125,210,700	121,147,800
Restricted Funds					
Balance Forward	3,750,114	9,440,858	8,386,600	7,054,100	6,906,600
Current Receipts	21,483,503	16,590,109	18,021,200	18,625,900	18,841,100
Non-Revenue Receipts	7,030,217	11,336,900	9,314,900	19,685,000	12,922,500
Total Restricted Funds	32,263,833	37,367,866	35,722,700	45,365,000	38,670,200
Federal Fund					
Current Receipts	11,503,162	11,136,366	12,544,100	11,097,100	11,097,100
Non-Revenue Receipts	459,217	317,392	-743,100		
Total Federal Fund	11,962,379	11,453,758	11,801,000	11,097,100	11,097,100
Road Fund					
Regular Appropriation	96,845,800	87,676,700	88,596,700	105,278,800	106,762,100
Total Road Fund	96,845,800	87,676,700	88,596,700	105,278,800	106,762,100
TOTAL SOURCE OF FUNDS	216,860,612	232,075,924	234,550,000	286,951,600	277,677,200
EXPENDITURES BY CLASS					
Personnel Costs	157,513,071	173,864,487	175,894,300	220,951,100	215,986,200
Operating Expenses	41,131,711	44,175,830	44,514,500	45,460,000	44,472,100
Grants Loans Benefits	440,778	447,650	517,100	731,300	786,100
Debt Service	516,000				1,125,300
Capital Outlay	6,430,666	5,201,363	6,570,000	12,902,600	7,995,100
Construction	2,729				
TOTAL EXPENDITURES	206,034,954	223,689,329	227,495,900	280,045,000	270,364,800
EXPENDITURES BY FUND SOURCE					
General Fund	74,403,800	95,577,600	98,429,600	125,210,700	121,147,800
Restricted Funds	22,822,975	28,981,271	28,668,600	38,458,400	31,357,800
Federal Fund	11,962,379	11,453,758	11,801,000	11,097,100	11,097,100
Road Fund	96,845,800	87,676,700	88,596,700	105,278,800	106,762,100
TOTAL EXPENDITURES	206,034,954	223,689,329	227,495,900	280,045,000	270,364,800
EXPENDITURES BY UNIT					
Administration	29,678,445	30,471,661	29,553,400	34,950,700	35,169,300
Technical Services	38,998,529	44,690,416	44,982,400	50,474,600	50,867,200
Operations	119,837,490	137,449,224	141,043,700	180,998,300	170,629,300
Commercial Vehicle Enforcement	17,520,490	11,078,029	11,916,400	13,621,400	13,699,000
TOTAL EXPENDITURES	206,034,954	223,689,329	227,495,900	280,045,000	270,364,800

The Kentucky State Police is the statewide law enforcement agency of the Commonwealth. The State Police was established in 1948. State Troopers are assigned to 16 regional posts and Commercial Vehicle Enforcement officers are assigned to 6 regions. The Department is responsible for the enforcement of criminal and traffic laws, along with white-collar crime, organized crime, electronic crime, racketeering, and drug-related crime. The State Police also provide protection for the Governor, Lieutenant Governor, their families, and property. The Kentucky State Police is comprised of four divisions: Administrative, Operations, Technical Services, and Commercial Vehicle Enforcement.

The Administrative Division, which includes the Office of the Commissioner, provides professional support services for the Department. These services include organizational policy, personnel, properties management and supplies, payroll, employee assistance, fiscal, internal investigations, and inspections. Media relations, training, analysis, research, strategic planning, and information coordination are other functions performed in this division. The State Police Drivers Testing Stations, Facilities Security, and Legislative Detail are also part of this division and provide external support to citizens and other public officials of Kentucky.

The Operations Division includes the regional posts and the personnel assigned to each post. State Police posts are maintained in Mayfield, Madisonville, Henderson, Elizabethtown, Bowling Green, Dry Ridge, Frankfort, Campbellsburg, Richmond, Columbia, Morehead, Ashland, Pikeville, Hazard, Harlan, and London. Other functions in this division include Highway Safety, Drug Enforcement Special Investigations, Vehicle Investigation, Critical Incident Response Team, and Special Operations (Hazardous Devices, Special Response Team, and Canine).

The Technical Services Division is responsible for providing technical assistance to all departmental areas, along with outside agencies, concerning electronic crimes examination/analysis, records, communications (including headquarters dispatch), criminal history information, intelligence information, automated fingerprint information, and computer technology needs. The Division also has the responsibility of providing forensic analysis for all law enforcement agencies throughout the Commonwealth. The forensic analysis function is provided through the Central Laboratory in Frankfort as well as Regional Laboratories in Ashland, Louisville, Cold Springs, London, and Madisonville.

The Commercial Vehicle Enforcement Division is responsible for encouraging and promoting a safe driving environment through education and safety awareness while enforcing state and federal laws and regulations, placing special emphasis on commercial vehicles. This Division is staffed with sworn law enforcement officers, regulatory weight and safety inspectors, and civilian staff.

In July 2017, KSP entered into a Memorandum of Agreement (MOA) with the Department of Juvenile Justice (DJJ) to transfer the use of Lincoln Village Juvenile Detention Center, located in Elizabethtown, KY, to KSP for agency use. The mid to long-term plan is to relocate Post 4 Elizabethtown from its current location to Lincoln Village. Additionally, the facility will become multi-use with the KSP Commercial Vehicle Division and a satellite of the KSP Academy using the facility. The potential exists for other KSP/Law Enforcement tenants to occupy the facility. Renovations are currently underway to facilitate the transition of Post 4, and eventually the campus will be re-named to reflect KSP's usages.

Policy

The Budget of the Commonwealth includes Restricted Funds for a \$4,000 training incentive stipend for state troopers, arson investigators, hazardous devices investigators, legislative security specialist, and Vehicle Enforcement officers within the Kentucky State Police. The stipend payments are provided from the Kentucky Law Enforcement Foundation Fund.

The Budget of the Commonwealth includes additional General Fund in the amount of \$3,305,800 in fiscal year 2018-2019 and \$872,800 in fiscal year 2019-2020 for vehicles. Notwithstanding KRS 15.470, \$3,305,800 in fiscal year 2018-2019 and \$872,800 in fiscal year 2019-2020 from the Kentucky Law Enforcement Foundation Program Fund is provided to the State Police for vehicles.

The Budget of the Commonwealth includes Restricted Funds appropriation in the amount of \$4,329,500 in fiscal year 2018-2019 for purposes of paying pension spiking costs and sick leave service, payment is provided from the Kentucky Law Enforcement Foundation Program Fund.

The Budget of the Commonwealth includes additional General Fund in the amount of \$4,329,500 in fiscal year 2018-2019 for purposes of paying pension spiking costs and sick leave service.

The Budget of the Commonwealth includes General Fund debt service in the amount of \$1,125,300 in fiscal year 2019-2020 to support new bonds for capital projects.

The Budget of the Commonwealth includes additional General Fund in the amount of \$1,000,000 each fiscal year for salary increases for forensic laboratory technicians.

Justice and Public Safety

Corrections

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	474,544,700	498,829,600	501,650,200	584,518,700	598,768,900
Current Year Appropriation	15,800,000		4,501,800		
Continuing Approp-General Fund		22,568			
Budget Reduction-General Fund		-500,000	-1,449,800		
Mandated Allotments	25,936,600	42,782,300			
Other					
Total General Fund	516,281,300	541,134,468	504,702,200	584,518,700	598,768,900
Restricted Funds					
Balance Forward	6,232,913	7,012,375	5,917,200	3,876,100	1,876,100
Current Receipts	22,703,791	26,929,473	23,718,600	26,209,200	26,247,200
Non-Revenue Receipts	-48,215	754,269			
Total Restricted Funds	28,888,489	34,696,116	29,635,800	30,085,300	28,123,300
Federal Fund					
Balance Forward	93,147	73,881	68,100		
Current Receipts	1,065,501	289,172	1,223,900	1,043,000	1,043,000
Non-Revenue Receipts	-227,768	360,404			
Total Federal Fund	930,879	723,456	1,292,000	1,043,000	1,043,000
TOTAL SOURCE OF FUNDS	546,100,668	576,554,041	535,630,000	615,647,000	627,935,200
EXPENDITURES BY CLASS					
Personnel Costs	237,522,736	251,523,381	247,009,200	271,791,400	273,635,100
Operating Expenses	62,865,888	66,395,068	52,251,300	59,465,200	61,361,100
Grants Loans Benefits	233,677,347	251,405,188	232,151,000	282,022,900	292,052,600
Debt Service	346,500	252,500		149,000	544,000
Capital Outlay	602,154	992,064	342,400	342,400	342,400
Construction	67	375			
TOTAL EXPENDITURES	535,014,691	570,568,576	531,753,900	613,770,900	627,935,200
EXPENDITURES BY FUND SOURCE					
General Fund	512,281,579	541,134,271	504,702,200	584,518,700	598,768,900
Restricted Funds	21,876,114	28,778,975	25,759,700	28,209,200	28,123,300
Federal Fund	856,998	655,330	1,292,000	1,043,000	1,043,000
TOTAL EXPENDITURES	535,014,691	570,568,576	531,753,900	613,770,900	627,935,200
EXPENDITURES BY UNIT					
Corrections Management	10,025,818	10,519,174	10,326,200	12,119,800	12,265,700
Adult Correctional Institutions	297,740,278	310,297,212	293,352,800	329,645,700	342,938,600
Community Services and Local Facilities	209,306,064	231,811,700	211,152,300	255,351,800	256,077,300
Local Jail Support	17,942,532	17,940,490	16,922,600	16,653,600	16,653,600
TOTAL EXPENDITURES	535,014,691	570,568,576	531,753,900	613,770,900	627,935,200

The Department of Corrections, pursuant to KRS 196 - 197, is responsible for the broad range of activities associated with adult criminal incarceration, public safety, inmate rehabilitation, probation and parole, and criminal recidivism. As the largest department in the Justice and Public Safety Cabinet, Corrections has four separate appropriation units: Corrections Management, Community Services and Local Facilities, Adult Institutions, and Local Jail Support. The Department of Corrections utilizes resources from each of these units to provide the necessary balance between public safety and fiscal responsibility. In order to accomplish this, the Department is charged with accommodating a growing inmate population through a balance of community and institutional based solutions.

The Department's core cost driver is the felon population. In the 2011 Regular Session, HB 463 was passed with the intent to decrease the state's prison population; reduce incarceration costs; and implement programs that will reduce crime and increase overall public safety. KRS 196.111 mandates the use of evidence-based practices in the sentencing process for convicted felons and in the decision making process for the supervision and treatment of felons in prison or

on probation or parole. HB 463 modified KRS Chapter 218A controlled substance statutes and placed emphasis on probation, diversion, and treatment and diverts savings from the drug law changes to drug treatment programs. Other provisions in KRS 439.335, KRS 439.340, KRS 439.320, and KRS 197.045 emphasize the use of parole to effectuate accelerated parole hearings; to order mandatory reentry supervision release; and to allow for good time credit that reduces the sentence while on parole.

Policy

The Budget of the Commonwealth incorporates the following array of institutional and community beds to accommodate the projected prison and community felon population under the custody of the Department of Corrections.

2018 - 2020 Felon and Community Beds Forecast

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
Felons*	24,467	25,670	26,300
Other**	<u>2,114</u>	<u>2,120</u>	<u>2,120</u>
Total	26,581	27,790	28,420

* The incarcerated felon forecast is a consensus estimating process involving a nationally-known Corrections consulting firm, the Department of Corrections, Kentucky Criminal Justice Policy Assessment Council Justice Reinvestment Work Group and the Office of the State Budget Director.

**The Other category is the remaining population under the custody of the Department of Corrections located in Halfway House and Recovery Kentucky beds for parolees and probationers, as well as others serving time in jails under an alternative sentence arrangement with the Courts.

The Budget of Commonwealth includes additional General Fund in the amount of \$63,062,900 in fiscal year 2018-2019 and \$75,075,200 in fiscal year 2019-2020 for accommodating a higher inmate population forecast for costs that were previously considered a necessary government expense. Expenses that exceed this amount will be considered a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

**Justice and Public Safety
Corrections Management**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	9,634,800	9,335,300	9,404,900	11,744,800	11,890,700
Budget Reduction-General Fund			-593,700		
Other		920,000	1,140,000		
Total General Fund	9,634,800	10,255,300	9,951,200	11,744,800	11,890,700
Restricted Funds					
Balance Forward	741	63,979	32,300		
Current Receipts	354,257	166,599	267,700	300,000	300,000
Total Restricted Funds	354,998	230,579	300,000	300,000	300,000
Federal Fund					
Balance Forward	93,147	73,881	68,100		
Current Receipts	80,734	59,803	6,900	75,000	75,000
Total Federal Fund	173,881	133,684	75,000	75,000	75,000
TOTAL SOURCE OF FUNDS	10,163,679	10,619,563	10,326,200	12,119,800	12,265,700
EXPENDITURES BY CLASS					
Personnel Costs	8,827,517	9,467,008	9,341,400	11,053,200	11,197,900
Operating Expenses	1,198,302	1,052,166	984,800	1,066,600	1,067,800
TOTAL EXPENDITURES	10,025,818	10,519,174	10,326,200	12,119,800	12,265,700
EXPENDITURES BY FUND SOURCE					
General Fund	9,634,800	10,255,300	9,951,200	11,744,800	11,890,700
Restricted Funds	291,018	198,317	300,000	300,000	300,000
Federal Fund	100,000	65,558	75,000	75,000	75,000
TOTAL EXPENDITURES	10,025,818	10,519,174	10,326,200	12,119,800	12,265,700
EXPENDITURES BY UNIT					
Commissioner	5,633,831	6,299,652	6,267,500	7,613,000	7,713,300
Corrections Training	1,885,419	1,600,910	1,693,200	1,812,400	1,824,600
Administrative Services	1,761,963	1,732,202	1,369,100	1,583,700	1,601,700
Division of Personnel	744,605	886,410	996,400	1,110,700	1,126,100
TOTAL EXPENDITURES	10,025,818	10,519,174	10,326,200	12,119,800	12,265,700

Corrections Management provides the administrative and management functions for the Department of Corrections. These functions are achieved through six program areas: Office of the Commissioner, Division of Personnel, Division of Corrections Training, and Division of Administrative Services.

The Office of the Commissioner provides departmental management and administrative support necessary for the Commissioner of Corrections to conduct statutorily assigned duties pursuant to KRS 196 and 197. The Office conducts centralized personnel and budgeting functions. The Commission on Corrections/Community Services is administratively attached to the Office. Also attached to the Office of the Commissioner is the Office of the Deputy Commissioner for Support Services, responsible for the Division of Corrections Training and Division of Administrative Services. The Division of Population Management, Information Technology and Offender Records Branch, as well as, the Parole Board/Victims Services Branch are also under the Office of the Deputy Commissioner of Support Services.

The Division of Corrections Training, referenced in KRS 12.020, 16.090, 441.055, and 441.115, is responsible for developing curriculum and providing job training to corrections employees including staff in the county jails. Instruction is provided through the Basic Academy program, the Common Core/Officer In-service program, Jail Training programs, and various specialized programs.

The Division of Administrative Services, referenced in KRS 12.020, is comprised of two branches that provide support services to the entire Department in accounting and purchasing, property inventory, and budgeting.

**Justice and Public Safety
Adult Correctional Institutions**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	247,866,500	270,456,700	270,169,800	311,464,000	324,718,900
Current Year Appropriation	15,800,000		4,501,800		
Other	16,070,000	22,418,200	700,000		
Total General Fund	279,736,500	292,874,900	275,371,600	311,464,000	324,718,900
Restricted Funds					
Balance Forward	3,451,876	1,233,573	1,605,500		
Current Receipts	15,746,710	16,802,873	15,854,200	17,909,200	17,947,200
Non-Revenue Receipts	-48,215	754,269			
Total Restricted Funds	19,150,371	18,790,714	17,459,700	17,909,200	17,947,200
Federal Fund					
Balance Forward					
Current Receipts	401,178	178,775	521,500	272,500	272,500
Non-Revenue Receipts	-210,598	58,341			
Total Federal Fund	190,579	237,116	521,500	272,500	272,500
TOTAL SOURCE OF FUNDS	299,077,450	311,902,730	293,352,800	329,645,700	342,938,600
EXPENDITURES BY CLASS					
Personnel Costs	179,771,500	190,073,280	182,986,600	200,512,800	201,718,900
Operating Expenses	53,688,122	56,380,645	43,711,600	50,741,000	52,638,200
Grants Loans Benefits	63,369,126	62,598,348	66,312,200	77,900,500	87,695,100
Debt Service	346,500	252,500		149,000	544,000
Capital Outlay	564,963	992,064	342,400	342,400	342,400
Construction	67	375			
TOTAL EXPENDITURES	297,740,278	310,297,212	293,352,800	329,645,700	342,938,600
EXPENDITURES BY FUND SOURCE					
General Fund	279,632,900	292,874,900	275,371,600	311,464,000	324,718,900
Restricted Funds	17,916,798	17,185,195	17,459,700	17,909,200	17,947,200
Federal Fund	190,579	237,116	521,500	272,500	272,500
TOTAL EXPENDITURES	297,740,278	310,297,212	293,352,800	329,645,700	342,938,600
EXPENDITURES BY UNIT					
Institutions Operations	3,121,354	4,454,762	4,629,800	5,091,500	5,132,900
Medical Services	60,074,221	61,505,560	57,085,600	65,728,200	69,407,500
Education	5,932,430	5,159,953	5,742,000	6,077,900	6,107,600
Correctional Industries	10,867,672	11,237,536	12,673,700	13,123,200	13,161,200
Correctional Facilities	209,268,975	219,210,704	199,695,900	216,390,300	218,603,700
Mental Health	8,475,626	8,728,697	9,024,000	9,423,200	9,481,400
Private Prisons			4,501,800	13,811,400	21,044,300
TOTAL EXPENDITURES	297,740,278	310,297,212	293,352,800	329,645,700	342,938,600

Adult Correctional Institutions is comprised of 12 state correctional facilities for adult felon offenders. Seven additional programmatic areas serve all institutions and their incarcerated populations: the Division of Operations, the Division of Mental Health, the Division of Substance Abuse, Education programs, Inmate Medical Services, the Division of Adult Institutions and the Division of Correctional Industries.

The Division of Operations, pursuant to KRS 197.505, 197.065, 196.240, and 197.110, supervises and directs the following activities: classification and placement of inmates, coordination of academic and technical programs, coordination of dietary and health programs for state owned facilities, and coordination of security threat group information.

The Division of Mental Health is responsible for providing mental health treatment services to Kentucky's incarcerated, paroled, and probated populations. The Division is comprised of three units: sex offender treatment programs, the Sex Offender Risk Assessment Unit, and psychiatric and psychological out-patient services.

The Division of Substance Abuse is responsible for providing and overseeing alcohol and other substance abuse treatment programs in the state correctional facilities.

Inmate Medical Services, pursuant to KRS 197.020, provides necessary health services to inmates committed to the Department. Services are performed at each institutional location through institutional medical staff, personal service contracts, and outside referrals to local specialists and hospitals. The provision of medical services is monitored, authorized, and reviewed by a system-wide Medical Director. Beneficiaries of the Division of Inmate Medical Services also include the state inmates housed in local jails who are able to participate in the healthcare network administered through the Division. County jail inmates are now beneficiaries of the healthcare network in accordance with KRS 441.560.

Kentucky Correctional Industries (KCI), as authorized by KRS 197.200, produces goods and services employing inmate labor. Kentucky Correctional Industries is a self-supporting operation, receiving only restricted funds for operations in nine of the Department's state-operated institutions. Twenty-one separate plants produce products and provide services such as office furniture, recycling, license tags, janitorial products, printing, mattresses, ergonomic chairs, signage, furniture refurbishing, and office panel systems. Data entry, coupon sorting, Braille printing services, and mail services are also offered by KCI.

Also administered by the Division of Correctional Industries is the Institutional Farm program. Farm programs are currently operated at Blackburn Correctional Complex, Northpoint Training Center, Roederer Correctional Complex, and Western Kentucky Correctional Complex. Current farm operations consist of cattle (including commercial cattle and a prime Registered Angus herd), grain, hay, orchards, vegetables, and freshwater shrimp. The farm program also has a working agreement with the Thoroughbred Retirement Foundation, and operates a refuge for retired thoroughbred horses at the Blackburn Correctional Complex.

Correctional Institutions

Kentucky State Reformatory (KSR) is a medium security institution with current operational capacity of 1,883 inmates located near LaGrange in Oldham County. The inmate population is divided into four segments: general population, special management unit, nursing care facility, and mental health unit. Since 1980, KSR has converted designated living areas into single cell facilities and opened a new 150-bed mental health unit during 1998. In 1995 KSR opened the Nursing Care Facility which houses inmates in need of medical care due to their medical condition.

Kentucky State Penitentiary (KSP) is a maximum security institution with an operational capacity of 849 inmates, located near Eddyville in Lyon County. The inmate population is separated into three major groups: general population, protective custody, and disciplinary/administrative segregation. KSP also houses the state's capital punishment unit.

Blackburn Correctional Complex (BCC) is a minimum security institution with an operational capacity of 594 inmates located near Lexington in Fayette County. The institution programmatically directs inmates to halfway houses or returns the inmate to the community by parole, based upon the individual's demonstrated conduct, program performance, and need.

Bell County Forestry Camp (BCFC) is a minimum security institution with an operational capacity of 300 inmates located near Pineville in Bell County. The institution provides manpower to the Division of Forestry for fire suppression in Bell and seven surrounding counties during fire season along with road, highway garage, and community service details.

Kentucky Correctional Institution for Women (KCIW), the only state institutional facility for women in the Commonwealth, is located in PeeWee Valley in Shelby County, and has an operational capacity of 691 inmates. All levels of security and all levels of medical services must be provided since virtually all female prisoners are housed at KCIW.

Eastern Kentucky Correctional Complex (EKCC) is a medium security institution with an operational capacity of 1,874 inmates located near West Liberty in Morgan County. The facility is the second largest correctional institution in the state, providing inmates with employment opportunities, academic resources, and vocational programs.

Western Kentucky Correctional Complex (WKCC) is a medium security institution with an operational capacity of 470 inmates located near Caldwell County. The institution operates a full farm operation on 2,500 acres, a community work program for surrounding parks and cities, and the Correctional Industries recycling program serving

the surrounding counties. **Ross-Cash Center (R-CC)** is located on the grounds of Western Kentucky Correctional Complex in Lyon County and has an operational capacity of 200 female inmates. The facility, which opened in October 2015, is named for two correctional employees killed in the line of duty during the 1980s.

Roederer Correctional Complex (RCC) is a medium security institution with an operational capacity of 1,238 inmates located near LaGrange in Oldham County. The institution operates the Department's Assessment and Classification Center, serving all incoming male inmates with the exception of inmates sentenced to capital punishment. The institution also operates a full farm operation on approximately 2,800 acres.

Luther Lockett Correctional Complex (LLCC) is a medium security institution with an operational capacity of 1,180 inmates, also located near LaGrange in Oldham County. The facility houses two separate institutions: the Department of Correction's prison facility and the Cabinet for Health and Family Services' Kentucky Correctional Psychiatric Center (KCPC). Due to KCPC, the inmate population has a variety of psychological, pharmaceutical, recreational, academic, vocational, and substance abuse programs available.

Green River Correctional Complex (GRCC) is a medium security institution with an operational capacity of 947 inmates located near Central City in Muhlenberg County.

Northpoint Training Center (NTC) is a medium security institution with an operational capacity of 1,226 inmates located near Danville in Boyle County. The institution operates a prison farm, along with counseling, academic, and vocational programs.

Little Sandy Correctional Complex (LSCC) is located near Sandy Hook in Elliott County and has an operational capacity of 987 inmates. Programming at the new institution consists of basic educational and vocational training classes, as well as psychological services. Correctional industries programs are planned in the near future.

Policy

The Budget of the Commonwealth includes General Fund debt service in the amount of \$149,900 in fiscal year 2018-2019 and \$544,000 in fiscal year 2019-2020 to support new bonds for capital projects.

The Budget of the Commonwealth includes General Fund current year appropriation in the amount of \$4,501,800 in fiscal year 2017-2018 for Private Prisons.

The Budget of the Commonwealth includes General Fund resources in the amount of \$13,811,400 in fiscal year 2018-2019 and \$21,044,300 in fiscal year 2019-2020 for Private Prisons.

The Budget of the Commonwealth includes additional General Fund in the amount of \$12,858,400 in fiscal year 2018-2019 and \$17,278,800 in fiscal year 2019-2020 for accommodating a higher inmate population forecast for costs that were previously considered a necessary government expense. Expenses that exceed this amount will be considered a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

Justice and Public Safety
Community Services and Local Facilities

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	198,678,300	202,325,300	205,363,200	244,656,300	245,505,700
Budget Reduction-General Fund		-353,000			
Mandated Allotments	25,936,600	42,782,300			
Other	-16,070,000	-24,691,000	-2,906,400		
Total General Fund	208,544,900	220,063,600	202,456,800	244,656,300	245,505,700
Restricted Funds					
Balance Forward	2,780,297	5,714,823	4,279,400	3,876,100	1,876,100
Current Receipts	6,602,823	9,960,000	7,596,700	8,000,000	8,000,000
Total Restricted Funds	9,383,120	15,674,823	11,876,100	11,876,100	9,876,100
Federal Fund					
Balance Forward					
Current Receipts	583,589	50,594	695,500	695,500	695,500
Non-Revenue Receipts	-17,170	302,063			
Total Federal Fund	566,419	352,656	695,500	695,500	695,500
TOTAL SOURCE OF FUNDS	218,494,439	236,091,079	215,028,400	257,227,900	256,077,300
EXPENDITURES BY CLASS					
Personnel Costs	48,882,019	51,941,392	54,639,500	60,225,400	60,718,300
Operating Expenses	7,539,465	8,522,257	7,114,900	7,347,600	7,345,100
Grants Loans Benefits	152,847,389	171,348,050	149,397,900	187,778,800	188,013,900
Capital Outlay	37,191				
TOTAL EXPENDITURES	209,306,064	231,811,700	211,152,300	255,351,800	256,077,300
EXPENDITURES BY FUND SOURCE					
General Fund	205,071,348	220,063,580	202,456,800	244,656,300	245,505,700
Restricted Funds	3,668,297	11,395,463	8,000,000	10,000,000	9,876,100
Federal Fund	566,419	352,656	695,500	695,500	695,500
TOTAL EXPENDITURES	209,306,064	231,811,700	211,152,300	255,351,800	256,077,300
EXPENDITURES BY UNIT					
Probation and Parole Program	51,894,541	55,975,465	55,579,100	60,477,600	60,886,600
Local Facilities Operations	1,173,168	1,024,000	1,174,300	1,282,200	1,291,600
Local Facilities - Jail Program	120,320,454	137,988,400	114,149,600	150,562,600	150,923,400
Community Corrections Commission	943,913	694,400	750,500	750,500	750,500
Halfway Houses	25,840,900	26,638,640	26,778,000	26,778,000	26,778,000
Substance Abuse Programs	8,128,778	8,982,395	11,475,100	14,128,500	14,063,500
Reentry Division	1,004,309	508,400	1,245,700	1,372,400	1,383,700
TOTAL EXPENDITURES	209,306,064	231,811,700	211,152,300	255,351,800	256,077,300

The Community Corrections area is comprised of the Halfway House program, Kentucky Corrections Commission, the Division of Re-entry, Probation and Parole, and Community Substance Abuse. Pursuant to KRS Chapter 439, the Halfway House program provides rehabilitation in community residential correctional centers throughout the Commonwealth where inmates are transitioned prior to their release. Pursuant to KRS Chapter 196, the Kentucky Corrections Commission grants funds for the purpose of assisting judges, throughout the Commonwealth, develop alternatives to incarceration. In accordance with KRS 532.260, the Department of Corrections has initiated the Home Incarceration program (HIP). The current average daily population of HIP participants is 323.

Policy

The Department of Corrections estimates a less than one percent growth in the number of probationers and parolees compared to fiscal year 2017. Much of this increase is due to accelerated parole hearings and mandatory reentry supervision release.

Fiscal Year	Probation and Parole Population
2017 Actual	46,046
2018 Estimated	46,100
2019 Estimated	46,200
2020 Estimated	46,300

The Budget of the Commonwealth includes additional General Fund in the amount of \$36,393,100 in fiscal year 2018-2019 and \$36,752,100 in fiscal year 2019-2020 for accommodating a higher inmate population forecast for costs that were previously considered a necessary government expense. Expenses that exceed this amount will be considered a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

Justice and Public Safety

Local Jail Support

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	18,365,100	16,712,300	16,712,300	16,653,600	16,653,600
Continuing Approp-General Fund		22,568			
Budget Reduction-General Fund		-147,000	-856,100		
Other		1,352,800	1,066,400		
Total General Fund	18,365,100	17,940,668	16,922,600	16,653,600	16,653,600
TOTAL SOURCE OF FUNDS	18,365,100	17,940,668	16,922,600	16,653,600	16,653,600
EXPENDITURES BY CLASS					
Personnel Costs	41,700	41,700	41,700		
Operating Expenses	440,000	440,000	440,000	310,000	310,000
Grants Loans Benefits	17,460,832	17,458,790	16,440,900	16,343,600	16,343,600
TOTAL EXPENDITURES	17,942,532	17,940,490	16,922,600	16,653,600	16,653,600
EXPENDITURES BY FUND SOURCE					
General Fund	17,942,532	17,940,490	16,922,600	16,653,600	16,653,600
TOTAL EXPENDITURES	17,942,532	17,940,490	16,922,600	16,653,600	16,653,600
EXPENDITURES BY UNIT					
Local Jail Allotment	11,074,700	11,074,700	11,074,700	10,068,800	10,068,800
Restricted Medical	931,100	931,100	931,100	792,800	792,800
Jailers' Allowance	481,700	481,700	481,700	310,000	310,000
Catastrophic Medical	537,432	535,390	373,600	851,800	851,800
Local Corrections Assistance Fund	4,917,600	4,917,600	4,061,500	4,630,200	4,630,200
TOTAL EXPENDITURES	17,942,532	17,940,490	16,922,600	16,653,600	16,653,600

The Local Jail Support program consists of four funds used to assist counties in local jail operations: Local Jail Allotment, Restricted Medical Allotment, Jailer's Allowance, and Catastrophic Medical. These programs were part of the Jail Reform package passed in the 1982 and 1984 Regular Sessions of the General Assembly.

The Local Jail Allotment, pursuant to KRS 441.206, was established for the care and maintenance of prisoners charged with or convicted of violations of state law. Funds appropriated for the Jail Allotment and Restricted Medical programs are distributed to each county based upon the formula in KRS 441.206.

The Jailer's Allowance program, pursuant to KRS 441.115, trains jailers and jail personnel. No fee is charged for this training. Three hundred dollars (\$300) per month is paid to jailers to help defray the costs of participation in this training program. Expense allowance payments are discontinued if the jailer fails to satisfactorily complete annual continuing training.

The Catastrophic Medical program, pursuant to KRS 441.045, provides funds that assist counties with costs of providing necessary medical, dental, or psychological care beyond routine care and diagnostic services. When the cost of providing such services exceeds \$1,000, the county is reimbursed. Initial reimbursements are limited by the maximum payments allowed for services under the Kentucky Medical Assistance Program.

The Local Corrections Assistance Fund, pursuant to KRS 196.288 provides funding to counties based upon 25% of the estimated savings resulting from changes in HB463.

Policy

Notwithstanding KRS 441.115(2), the Budget of the Commonwealth provides each jailer shall receive an expense allowance of \$2,400 annually, at the rate of \$200 per month for participation in the Jail Staff Training Program.

The Budget of the Commonwealth includes General Fund appropriation of \$880,000 each fiscal year to provide a monthly payment of an annual amount of \$20,000 to each county with a Life Safety or Closed Jails Program. The payment shall be in addition to the payment required by KRS 441.206(2).

Notwithstanding KRS 196.288, \$4,630,200 in each year of the biennium is allocated to the Local Corrections Assistance Fund.

The Budget of the Commonwealth includes General Fund appropriation in the amount of \$792,800 in each fiscal year 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 \$851,800 in each fiscal year, on a partial reimbursement basis, for medical claims in excess of the statutory threshold pursuant to KRS 441.045.

Justice and Public Safety

Public Advocacy

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	47,472,900	49,987,800	50,399,300	65,412,600	66,170,800
Current Year Appropriation	377,500		3,800,000		
Total General Fund	47,850,400	49,987,800	54,199,300	65,412,600	66,170,800
Restricted Funds					
Balance Forward	96,533	35,364	7,900		
Current Receipts	4,359,730	4,871,730	4,708,200	4,608,100	4,504,300
Total Restricted Funds	4,456,264	4,907,094	4,716,100	4,608,100	4,504,300
Federal Fund					
Current Receipts	1,807,680	1,604,701	1,868,900	1,422,100	1,422,100
Non-Revenue Receipts	-202,509	3,621			
Total Federal Fund	1,605,171	1,608,322	1,868,900	1,422,100	1,422,100
TOTAL SOURCE OF FUNDS	53,911,834	56,503,216	60,784,300	71,442,800	72,097,200
EXPENDITURES BY CLASS					
Personnel Costs	47,448,293	49,365,224	54,644,800	64,979,100	65,738,100
Operating Expenses	6,412,875	7,119,930	6,129,500	6,453,700	6,349,100
Grants Loans Benefits	15,303	4,620	10,000	10,000	10,000
Capital Outlay		5,548			
TOTAL EXPENDITURES	53,876,471	56,495,322	60,784,300	71,442,800	72,097,200
EXPENDITURES BY FUND SOURCE					
General Fund	47,850,400	49,987,800	54,199,300	65,412,600	66,170,800
Restricted Funds	4,420,900	4,899,200	4,716,100	4,608,100	4,504,300
Federal Fund	1,605,171	1,608,322	1,868,900	1,422,100	1,422,100
TOTAL EXPENDITURES	53,876,471	56,495,322	60,784,300	71,442,800	72,097,200
EXPENDITURES BY UNIT					
Office of the Public Advocate	1,513,304	1,508,300	1,518,800	1,889,700	1,908,900
Defense Services	48,167,000	50,617,900	54,853,000	65,254,000	65,859,300
Law Operations	2,164,461	2,328,249	2,316,100	2,185,800	2,209,500
Protection and Advocacy	2,031,706	2,040,873	2,096,400	2,113,300	2,119,500
TOTAL EXPENDITURES	53,876,471	56,495,322	60,784,300	71,442,800	72,097,200

The United States and Kentucky Constitutions provide to all Americans the right to the assistance of counsel when they are charged with a crime. Those same constitutional provisions mandate that all persons who cannot afford an attorney and are charged with a crime that carries a potential loss of liberty be provided with an attorney by the state. The Kentucky Department for Public Advocacy (DPA) was established in KRS Chapter 31 to provide representation for indigent persons accused of crimes (or mental states) which may result in their incarceration. Kentucky's mandated public defender services are delivered by a system consisting of full-time employed public defenders and private attorneys contracting with the Department to provide services primarily in situations involving conflicts of interest. The Department, under the direction of the Public Advocate, is attached to the Justice and Public Safety Cabinet for administrative purposes.

The Public Advocacy Commission is a 12 person governing board consisting of the Dean or designee from each of the three Kentucky law schools, three members appointed by the Governor from recommendations of the Kentucky Bar Association, one member from recommendations by the Protection and Advocacy Advisory Boards, three members at-large. Two members are appointed by the Kentucky Supreme Court. The Commission insures the Department's ability to provide independent professional representation of individual clients according to the American Bar Association Ten Principles of a Public Defense Delivery System (2002).

The Office of the Public Advocate is responsible for the oversight of the agency and includes the Public Advocate, Deputy Public Advocate, General Counsel and all strategic planning and litigation education functions.

The Law Operations Division provides budget, personnel, administrative, technology, facility oversight, library services, research, archive services and management support for the Department and its offices across the state.

The Trial Division represents all needy persons accused of crimes punishable by loss of liberty, persons accused of juvenile delinquency and status offenses, and all needy persons faced with involuntary commitments due to mental state or condition in all of Kentucky's 120 counties. This includes district, circuit, drug, juvenile, mental health, veterans and family court venues.

The Post-Trial Division provides mandated defender services for indigent persons after conviction. These services include providing counsel to indigent persons on appeal to the KY Supreme Court and Court of Appeals, to incarcerated persons on post-conviction actions in state and federal court, and to all juveniles in treatment facilities.

Kentucky Protection & Advocacy (P&A), a division within the Department of Public Advocacy attached to the Department for administrative purposes only, was established pursuant to Public Law 99-319 (42 USC 10805 *et seq.*), Public Law 106-402 (42 USC § 15042 *et seq.*), and KRS 31.010 (2). P&A seeks legal, administrative, and other appropriate remedies to protect and promote the rights of Kentuckians with disabilities. The majority of funds in this division's budget are federal funds that have strict non-supplanting requirements.

Policy

The Budget of the Commonwealth includes a current year General Fund appropriation of \$3,800,000 in fiscal year 2017-2018 to cover a cumulative shortfall that has accrued since fiscal year 2016 resulting from declining revenues, rising fixed costs and to support rising caseloads.

The Budget of the Commonwealth includes General Fund resources in the amount of \$6,178,400 in fiscal year 2018-2019 and \$6,221,200 in fiscal year 2019-2020 to support rising caseloads.

The Budget of the Commonwealth includes General Fund resources in the amount \$791,100 in fiscal year 2018-2019 and \$798,500 in fiscal year 2019-2020 to expand Alternative Sentencing Worker Program.