

Energy and Environment

Energy and Environment

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	88,054,000	103,169,800	105,252,300	91,186,200	98,309,400
Current Year Appropriation	700,000				
Continuing Approp-General Fund	1,798,500			1,400,000	700,000
Reorganization Adjustment	2,049,300				
Total General Fund	92,601,800	103,169,800	105,252,300	92,586,200	99,009,400
Tobacco Fund					
Tobacco Settlement - Phase I	3,757,300	3,757,300	3,757,300	3,386,800	3,423,400
Continuing Approp-Tob Settlement	14,348,300				
Budget Reduction-Tobacco	-321,000				
Total Tobacco Fund	17,784,600	3,757,300	3,757,300	3,386,800	3,423,400
Restricted Funds					
Balance Forward	52,262,400	41,447,600	42,171,000	46,270,000	14,945,500
Current Receipts	27,361,700	29,864,600	29,801,900	27,557,400	27,188,600
Non-Revenue Receipts	74,750,400	76,620,700	83,338,800	72,531,200	80,443,700
Fund Transfers	-14,500,000			-56,500,000	-40,000,000
Total Restricted Funds	139,874,500	147,932,900	155,311,700	89,858,600	82,577,800
Federal Fund					
Balance Forward	-2,970,100				
Current Receipts	89,057,200	93,720,400	93,729,900	89,960,800	89,580,600
Non-Revenue Receipts	4,569,000	-2,330,200	-2,338,100	-2,312,300	-2,320,200
Total Federal Fund	90,656,100	91,390,200	91,391,800	87,648,500	87,260,400
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	341,237,900	346,571,100	356,034,000	273,801,000	272,591,900
EXPENDITURES BY CLASS					
Personnel Costs	160,921,800	177,211,000	179,763,800	152,981,400	154,912,500
Operating Expenses	38,737,900	44,279,300	44,188,400	22,683,700	20,890,600
Grants Loans Benefits	40,535,500	34,897,100	41,263,600	30,741,700	38,422,800
Debt Service				1,176,000	3,528,000
Capital Outlay	7,117,000	7,035,400	6,268,600	3,910,200	3,657,700
Construction	39,770,500	40,977,300	40,838,300	39,477,300	39,338,300
TOTAL EXPENDITURES	287,082,700	304,400,100	312,322,700	250,970,300	260,749,900
EXPENDITURES BY FUND SOURCE					
General Fund	84,716,600	103,169,800	105,252,300	84,701,000	91,824,200
Tobacco Fund	17,784,600	3,757,300	3,757,300	3,386,800	3,423,400
Restricted Funds	93,604,500	105,761,900	111,600,400	74,913,100	77,921,000
Federal Fund	90,656,100	91,390,200	91,391,800	87,648,500	87,260,400
Road Fund	320,900	320,900	320,900	320,900	320,900
TOTAL EXPENDITURES	287,082,700	304,400,100	312,322,700	250,970,300	260,749,900
EXPENDITURES BY UNIT					
Secretary	7,179,100	14,737,500	21,622,600	12,452,500	20,736,600
Environmental Protection	120,002,900	132,930,100	133,489,300	96,742,800	98,179,700
Natural Resources	130,928,200	123,969,800	124,302,000	114,045,900	114,140,500
Public Service Commission	11,768,300	13,294,100	13,487,700	11,954,700	12,081,000
Office of Administrative Services	11,469,200	13,440,200	13,595,700	11,029,400	11,113,000
Office of KY Nature Preserves	3,481,300	3,624,500	3,551,300	2,780,200	2,680,100
Office of Energy Policy	2,253,700	2,403,900	2,274,100	1,964,800	1,819,000
TOTAL EXPENDITURES	287,082,700	304,400,100	312,322,700	250,970,300	260,749,900

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 two departments: Environmental Protection and Natural Resources. The Cabinet has three offices: the Office of the Secretary, the Office of Energy Policy, and the Office of Kentucky Nature Preserves. Attached for administrative purposes are the Mine Safety Review 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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	3,372,100	3,871,200	3,881,800	3,892,400	3,936,300
Reorganization Adjustment	369,600				
Total General Fund	3,741,700	3,871,200	3,881,800	3,892,400	3,936,300
Restricted Funds					
Balance Forward	1,077,900	482,000	52,800	482,000	
Current Receipts	65,800	65,800	65,800	65,800	65,800
Non-Revenue Receipts	1,211,100	8,673,400	15,952,900	6,670,600	15,392,800
Total Restricted Funds	2,354,800	9,221,200	16,071,500	7,218,400	15,458,600
Federal Fund					
Balance Forward	-87,100				
Current Receipts	1,681,600	1,711,400	1,735,600	1,353,000	1,353,000
Non-Revenue Receipts	-29,900	-13,500	-13,500	-11,300	-11,300
Total Federal Fund	1,564,600	1,697,900	1,722,100	1,341,700	1,341,700
TOTAL SOURCE OF FUNDS	7,661,100	14,790,300	21,675,400	12,452,500	20,736,600
EXPENDITURES BY CLASS					
Personnel Costs	6,252,200	6,857,800	6,952,800	6,170,500	6,256,800
Operating Expenses	916,900	1,080,900	1,077,000	983,200	887,000
Grants Loans Benefits		6,792,800	13,585,800	5,292,800	13,585,800
Capital Outlay	10,000	6,000	7,000	6,000	7,000
TOTAL EXPENDITURES	7,179,100	14,737,500	21,622,600	12,452,500	20,736,600
EXPENDITURES BY FUND SOURCE					
General Fund	3,741,700	3,871,200	3,881,800	3,892,400	3,936,300
Restricted Funds	1,872,800	9,168,400	16,018,700	7,218,400	15,458,600
Federal Fund	1,564,600	1,697,900	1,722,100	1,341,700	1,341,700
TOTAL EXPENDITURES	7,179,100	14,737,500	21,622,600	12,452,500	20,736,600
EXPENDITURES BY UNIT					
Administrative Hearings	1,289,600	1,384,800	1,402,100	1,197,400	1,227,100
Ofc of Sec - Leg & Interg Aff - Gen Coun	5,889,500	13,352,700	20,220,500	11,255,100	19,509,500
TOTAL EXPENDITURES	7,179,100	14,737,500	21,622,600	12,452,500	20,736,600

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 Communications oversees all internal and external communications about the agency.

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

Policy

The Executive Budget includes additional General Fund in the amount of \$127,800 in fiscal year 2021 and \$139,400 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$14,200 in fiscal year 2021 and \$43,700 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

In 2016, the U.S. Department of Justice issued a partial consent decree settling claims by the U.S. EPA and the Federal Trade Commission against German automaker, Volkswagen AG (VW), for misrepresentation regarding the emissions from its “clean diesel” vehicles. As part of the settlement, \$20,378,649 in funding was made available to Kentucky to help improve air quality and accelerate cleaner transportation options in the state. The current proposal provides at least 25% of the funds to replace more than 150 school buses in areas that will lower NOx emissions in areas with non-attainment or maintenance areas for ozone or fine particulates. The proposal also would provide up to 20% of the funds to replace aging transit buses. Up to 5% of total available funds will be provided to the Cabinet for administrative costs.

**Energy and Environment
Office of Administrative Services**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		6,456,300	6,569,100	5,388,500	5,472,100
Reorganization Adjustment	5,169,700				
Total General Fund	5,169,700	6,456,300	6,569,100	5,388,500	5,472,100
Restricted Funds					
Balance Forward	1,109,200				
Current Receipts	1,700	1,700	1,700	1,700	1,700
Non-Revenue Receipts	3,907,200	5,630,800	5,644,400	4,358,200	4,358,200
Total Restricted Funds	5,018,100	5,632,500	5,646,100	4,359,900	4,359,900
Federal Fund					
Current Receipts	1,309,500	1,384,300	1,413,400	1,313,900	1,313,900
Non-Revenue Receipts	-28,100	-32,900	-32,900	-32,900	-32,900
Total Federal Fund	1,281,400	1,351,400	1,380,500	1,281,000	1,281,000
TOTAL SOURCE OF FUNDS	11,469,200	13,440,200	13,595,700	11,029,400	11,113,000
EXPENDITURES BY CLASS					
Personnel Costs	9,702,500	10,464,500	10,626,100	9,241,300	9,373,100
Operating Expenses	1,712,800	2,904,300	2,895,200	1,716,700	1,665,500
Capital Outlay	53,900	71,400	74,400	71,400	74,400
TOTAL EXPENDITURES	11,469,200	13,440,200	13,595,700	11,029,400	11,113,000
EXPENDITURES BY FUND SOURCE					
General Fund	5,169,700	6,456,300	6,569,100	5,388,500	5,472,100
Restricted Funds	5,018,100	5,632,500	5,646,100	4,359,900	4,359,900
Federal Fund	1,281,400	1,351,400	1,380,500	1,281,000	1,281,000
TOTAL EXPENDITURES	11,469,200	13,440,200	13,595,700	11,029,400	11,113,000
EXPENDITURES BY UNIT					
Office of Administrative Services	11,469,200	13,440,200	13,595,700	11,029,400	11,113,000
TOTAL EXPENDITURES	11,469,200	13,440,200	13,595,700	11,029,400	11,113,000

The Office of Administrative Services was established effective November 1, 2017 per Executive Order 2017-0748 and authorized by House Bill 264 during the 2018 regular session.

The establishment of the Office resulted in consolidated internal support functions for the Cabinet, which included administrative, financial management, human resource and information service roles.

Policy

The Executive Budget includes additional General Fund in the amount of \$222,800 in fiscal year 2021 and \$243,100 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$22,400 in fiscal year 2021 and \$73,700 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

**Energy and Environment
Environmental Protection**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	27,718,500	34,385,200	35,232,500	25,412,300	30,271,700
Current Year Appropriation	700,000				
Reorganization Adjustment	-3,120,400				
Other	203,400				
Total General Fund	25,501,500	34,385,200	35,232,500	25,412,300	30,271,700
Restricted Funds					
Balance Forward	34,490,300	29,898,600	35,956,400	34,199,000	7,721,700
Current Receipts	22,747,600	24,539,800	24,671,400	22,232,600	22,133,100
Non-Revenue Receipts	60,938,900	54,995,900	54,506,300	54,298,900	53,780,500
Fund Transfers	-14,500,000			-56,500,000	-40,000,000
Total Restricted Funds	103,676,800	109,434,300	115,134,100	54,230,500	43,635,300
Federal Fund					
Balance Forward	-138,500				
Current Receipts	19,756,400	26,284,700	26,165,800	26,039,400	25,912,100
Non-Revenue Receipts	5,084,800	-1,538,600	-1,549,100	-1,538,600	-1,549,100
Total Federal Fund	24,702,700	24,746,100	24,616,700	24,500,800	24,363,000
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	154,201,900	168,886,500	175,304,200	104,464,500	98,590,900
EXPENDITURES BY CLASS					
Personnel Costs	73,376,800	82,836,700	83,940,500	67,924,600	68,694,100
Operating Expenses	24,934,000	27,122,600	27,060,900	8,925,500	7,766,900
Grants Loans Benefits	16,971,700	18,806,200	18,886,300	16,678,100	16,418,000
Debt Service				1,176,000	3,528,000
Capital Outlay	4,670,400	4,114,600	3,551,600	1,988,600	1,722,700
Construction	50,000	50,000	50,000	50,000	50,000
TOTAL EXPENDITURES	120,002,900	132,930,100	133,489,300	96,742,800	98,179,700
EXPENDITURES BY FUND SOURCE					
General Fund	25,501,500	34,385,200	35,232,500	25,412,300	30,271,700
Restricted Funds	69,477,800	73,477,900	73,319,200	46,508,800	43,224,100
Federal Fund	24,702,700	24,746,100	24,616,700	24,500,800	24,363,000
Road Fund	320,900	320,900	320,900	320,900	320,900
TOTAL EXPENDITURES	120,002,900	132,930,100	133,489,300	96,742,800	98,179,700
EXPENDITURES BY UNIT					
Commissioner	1,121,500	1,148,200	1,159,600	1,152,500	1,163,700
Water	30,650,400	34,400,500	34,669,500	33,143,500	33,123,400
Waste Management	32,486,600	38,875,200	39,355,600	32,728,900	32,744,500
Air Quality	19,056,300	21,450,100	21,503,000	18,490,300	18,277,400
Environmental Program Support	3,657,300	3,900,400	3,972,000	3,664,900	3,691,700
Enforcement	2,483,100	2,607,000	2,631,800	2,429,800	2,445,200
Compliance Assistance	2,460,300	2,488,900	2,510,700	2,118,500	2,130,600
Petroleum Storage Tank	28,087,400	28,059,800	27,687,100	3,014,400	4,603,200
Environmental Assurance Fund					
TOTAL EXPENDITURES	120,002,900	132,930,100	133,489,300	96,742,800	98,179,700

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.

Policy

The Executive Budget includes additional General Fund in the amount of \$1,372,400 in fiscal year 2021 and \$1,497,200 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$138,700 in fiscal year 2021 and \$454,100 in fiscal year 2022 to fund cost increases associated with

**Energy and Environment
Environmental Protection
Commissioner**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	619,000	916,700	928,100	921,000	932,200
Other	203,400				
Total General Fund	822,400	916,700	928,100	921,000	932,200
Restricted Funds					
Balance Forward	67,600				
Non-Revenue Receipts	231,500	231,500	231,500	231,500	231,500
Total Restricted Funds	299,100	231,500	231,500	231,500	231,500
TOTAL SOURCE OF FUNDS	1,121,500	1,148,200	1,159,600	1,152,500	1,163,700
EXPENDITURES BY CLASS					
Personnel Costs	1,053,800	1,072,500	1,084,300	1,093,300	1,108,900
Operating Expenses	67,700	75,700	75,300	59,200	54,800
TOTAL EXPENDITURES	1,121,500	1,148,200	1,159,600	1,152,500	1,163,700
EXPENDITURES BY FUND SOURCE					
General Fund	822,400	916,700	928,100	921,000	932,200
Restricted Funds	299,100	231,500	231,500	231,500	231,500
TOTAL EXPENDITURES	1,121,500	1,148,200	1,159,600	1,152,500	1,163,700

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	13,339,700	15,412,300	15,769,400	12,155,300	14,769,900
Total General Fund	13,339,700	15,412,300	15,769,400	12,155,300	14,769,900
Restricted Funds					
Balance Forward	3,686,100	2,661,700	1,356,500	4,115,100	809,900
Current Receipts	1,271,400	1,278,400	1,278,400	1,278,400	1,278,400
Non-Revenue Receipts	714,000	713,100	713,100	713,100	713,100
Total Restricted Funds	5,671,500	4,653,200	3,348,000	6,106,600	2,801,400
Federal Fund					
Balance Forward	3,826,000				
Current Receipts	12,361,600	16,232,700	16,093,300	16,232,700	16,093,300
Non-Revenue Receipts	-754,200	-862,100	-862,100	-862,100	-862,100
Total Federal Fund	15,433,400	15,370,600	15,231,200	15,370,600	15,231,200
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	34,765,500	35,757,000	34,669,500	33,953,400	33,123,400
EXPENDITURES BY CLASS					
Personnel Costs	25,662,500	27,806,100	28,104,200	27,191,500	27,438,800
Operating Expenses	3,133,500	3,342,400	3,329,300	2,554,000	2,402,100
Grants Loans Benefits	2,844,400	3,047,100	3,047,100	3,047,100	2,844,500
Debt Service				146,000	438,000
Capital Outlay	-990,000	204,900	188,900	204,900	
TOTAL EXPENDITURES	30,650,400	34,400,500	34,669,500	33,143,500	33,123,400
EXPENDITURES BY FUND SOURCE					
General Fund	13,339,700	15,412,300	15,769,400	12,155,300	14,769,900
Restricted Funds	1,556,400	3,296,700	3,348,000	5,296,700	2,801,400
Federal Fund	15,433,400	15,370,600	15,231,200	15,370,600	15,231,200
Road Fund	320,900	320,900	320,900	320,900	320,900
TOTAL EXPENDITURES	30,650,400	34,400,500	34,669,500	33,143,500	33,123,400

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 Executive Budget includes General Fund debt service in the amount of \$146,000 in fiscal year 2020-2021 and \$438,000 in fiscal year 2021-2022 to support new bonds as set forth in Part II, Capital Projects Budget.

**Energy and Environment
Environmental Protection
Waste Management**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,886,400	12,287,600	12,648,500	6,279,100	6,398,600
Current Year Appropriation	700,000				
Total General Fund	6,586,400	12,287,600	12,648,500	6,279,100	6,398,600
Restricted Funds					
Balance Forward	5,748,800	3,815,600	2,357,700	6,662,600	3,597,200
Current Receipts	4,168,000	4,048,800	4,049,600	4,048,800	4,049,600
Non-Revenue Receipts	20,011,600	15,201,200	15,254,700	15,201,200	15,254,700
Fund Transfers	-3,000,000			-1,500,000	-2,000,000
Total Restricted Funds	26,928,400	23,065,600	21,662,000	24,412,600	20,901,500
Federal Fund					
Balance Forward	1,751,100				
Current Receipts	4,398,000	6,374,200	6,390,500	6,128,900	6,136,800
Non-Revenue Receipts	-514,700	-494,500	-502,400	-494,500	-502,400
Total Federal Fund	5,634,400	5,879,700	5,888,100	5,634,400	5,634,400
TOTAL SOURCE OF FUNDS	39,149,200	41,232,900	40,198,600	36,326,100	32,934,500
EXPENDITURES BY CLASS					
Personnel Costs	16,319,500	20,324,800	20,722,500	16,341,400	16,341,400
Operating Expenses	2,207,600	2,707,900	2,687,800	2,128,300	2,128,400
Grants Loans Benefits	13,174,600	14,767,900	14,855,200	13,184,600	13,184,600
Capital Outlay	734,900	1,024,600	1,040,100	1,024,600	1,040,100
Construction	50,000	50,000	50,000	50,000	50,000
TOTAL EXPENDITURES	32,486,600	38,875,200	39,355,600	32,728,900	32,744,500
EXPENDITURES BY FUND SOURCE					
General Fund	6,586,400	12,287,600	12,648,500	6,279,100	6,398,600
Restricted Funds	20,265,800	20,707,900	20,819,000	20,815,400	20,711,500
Federal Fund	5,634,400	5,879,700	5,888,100	5,634,400	5,634,400
TOTAL EXPENDITURES	32,486,600	38,875,200	39,355,600	32,728,900	32,744,500

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 Construction Final Completion Inspection was successfully conducted in September 2017 and the Certification of Completion is dependent on EPA approval of the commonwealth's Institutional Control Plan. 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.

Policy

The Executive Budget includes a current year appropriation of \$700,000 in General Funds for reimbursement to the United States Environmental Protection Agency. The Cabinet received a Demand Letter from the United States Environmental Protection Agency to recover multiple years of cost of their response actions related to the Maxey Flats site.

**Energy and Environment
Environmental Protection**

Air Quality

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	1,678,200	1,509,200	726,100	1,509,200	723,100
Current Receipts	16,643,400	18,547,900	18,653,600	16,240,700	16,115,300
Non-Revenue Receipts	89,900	103,200	105,800	-552,400	-578,500
Total Restricted Funds	18,411,500	20,160,300	19,485,500	17,197,500	16,259,900
Federal Fund					
Balance Forward	599,800				
Current Receipts	1,644,100	2,119,100	2,123,300	2,119,100	2,123,300
Non-Revenue Receipts	-89,900	-103,200	-105,800	-103,200	-105,800
Total Federal Fund	2,154,000	2,015,900	2,017,500	2,015,900	2,017,500
TOTAL SOURCE OF FUNDS	20,565,500	22,176,200	21,503,000	19,213,400	18,277,400
EXPENDITURES BY CLASS					
Personnel Costs	15,781,800	18,334,200	18,515,500	15,979,900	16,066,300
Operating Expenses	2,050,600	2,243,300	2,231,400	1,999,600	1,870,700
Grants Loans Benefits	303,200	349,500	349,500	-12,300	-66,200
Capital Outlay	920,700	523,100	406,600	523,100	406,600
TOTAL EXPENDITURES	19,056,300	21,450,100	21,503,000	18,490,300	18,277,400
EXPENDITURES BY FUND SOURCE					
Restricted Funds	16,902,300	19,434,200	19,485,500	16,474,400	16,259,900
Federal Fund	2,154,000	2,015,900	2,017,500	2,015,900	2,017,500
TOTAL EXPENDITURES	19,056,300	21,450,100	21,503,000	18,490,300	18,277,400

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**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,546,000	3,789,300	3,860,900	3,553,800	3,580,600
Reorganization Adjustment	-3,120,400				
Total General Fund	3,425,600	3,789,300	3,860,900	3,553,800	3,580,600
Restricted Funds					
Balance Forward	145,600				
Current Receipts	86,100	111,100	111,100	111,100	111,100
Total Restricted Funds	231,700	111,100	111,100	111,100	111,100
Federal Fund					
Balance Forward	-51,000				
Current Receipts	51,000				
Total Federal Fund					
TOTAL SOURCE OF FUNDS	3,657,300	3,900,400	3,972,000	3,664,900	3,691,700
EXPENDITURES BY CLASS					
Personnel Costs	2,580,600	2,686,700	2,712,900	2,783,000	2,803,100
Operating Expenses	966,400	1,069,300	1,067,900	873,500	887,400
Grants Loans Benefits	1,200	8,400	1,200	8,400	1,200
Capital Outlay	109,100	136,000	190,000		
TOTAL EXPENDITURES	3,657,300	3,900,400	3,972,000	3,664,900	3,691,700
EXPENDITURES BY FUND SOURCE					
General Fund	3,425,600	3,789,300	3,860,900	3,553,800	3,580,600
Restricted Funds	231,700	111,100	111,100	111,100	111,100
TOTAL EXPENDITURES	3,657,300	3,900,400	3,972,000	3,664,900	3,691,700

The Division of Environmental Program Support provides centralized laboratory testing for the Department. Activities are conducted pursuant to KRS 224.10-100(7).

**Energy and Environment
Environmental Protection
Enforcement**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,103,000	1,247,600	1,285,200	1,111,800	1,140,100
Total General Fund	1,103,000	1,247,600	1,285,200	1,111,800	1,140,100
Restricted Funds					
Balance Forward	282,400	170,200	78,700	170,200	78,700
Non-Revenue Receipts	850,100	850,100	850,100	808,700	808,600
Total Restricted Funds	1,132,500	1,020,300	928,800	978,900	887,300
Federal Fund					
Balance Forward	60,900				
Current Receipts	392,900	453,800	453,800	453,800	453,800
Non-Revenue Receipts	-36,000	-36,000	-36,000	-36,000	-36,000
Total Federal Fund	417,800	417,800	417,800	417,800	417,800
TOTAL SOURCE OF FUNDS	2,653,300	2,685,700	2,631,800	2,508,500	2,445,200
EXPENDITURES BY CLASS					
Personnel Costs	2,267,900	2,382,300	2,408,700	2,259,700	2,291,400
Operating Expenses	215,200	224,700	223,100	170,100	153,800
TOTAL EXPENDITURES	2,483,100	2,607,000	2,631,800	2,429,800	2,445,200
EXPENDITURES BY FUND SOURCE					
General Fund	1,103,000	1,247,600	1,285,200	1,111,800	1,140,100
Restricted Funds	962,300	941,600	928,800	900,200	887,300
Federal Fund	417,800	417,800	417,800	417,800	417,800
TOTAL EXPENDITURES	2,483,100	2,607,000	2,631,800	2,429,800	2,445,200

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**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	224,400	731,700	740,400	361,300	360,300
Total General Fund	224,400	731,700	740,400	361,300	360,300
Restricted Funds					
Balance Forward	629,400	98,600	43,300	98,600	43,300
Current Receipts	348,700	323,600	348,700	323,600	348,700
Non-Revenue Receipts	293,300	316,200	316,200	316,200	316,200
Total Restricted Funds	1,271,400	738,400	708,200	738,400	708,200
Federal Fund					
Balance Forward	-6,325,300				
Current Receipts	908,800	1,104,900	1,104,900	1,104,900	1,104,900
Non-Revenue Receipts	6,479,600	-42,800	-42,800	-42,800	-42,800
Total Federal Fund	1,063,100	1,062,100	1,062,100	1,062,100	1,062,100
TOTAL SOURCE OF FUNDS	2,558,900	2,532,200	2,510,700	2,161,800	2,130,600
EXPENDITURES BY CLASS					
Personnel Costs	1,748,300	1,769,700	1,793,200	1,476,800	1,491,400
Operating Expenses	220,700	242,900	241,200	208,400	212,300
Grants Loans Benefits	491,300	476,300	476,300	433,300	426,900
TOTAL EXPENDITURES	2,460,300	2,488,900	2,510,700	2,118,500	2,130,600
EXPENDITURES BY FUND SOURCE					
General Fund	224,400	731,700	740,400	361,300	360,300
Restricted Funds	1,172,800	695,100	708,200	695,100	708,200
Federal Fund	1,063,100	1,062,100	1,062,100	1,062,100	1,062,100
TOTAL EXPENDITURES	2,460,300	2,488,900	2,510,700	2,118,500	2,130,600

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**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation				1,030,000	3,090,000
Total General Fund				1,030,000	3,090,000
Restricted Funds					
Balance Forward	22,252,200	21,643,300	31,394,100	21,643,300	2,469,500
Current Receipts	230,000	230,000	230,000	230,000	230,000
Non-Revenue Receipts	38,748,500	37,580,600	37,034,900	37,580,600	37,034,900
Fund Transfers	-11,500,000			-55,000,000	-38,000,000
Total Restricted Funds	49,730,700	59,453,900	68,659,000	4,453,900	1,734,400
TOTAL SOURCE OF FUNDS	49,730,700	59,453,900	68,659,000	5,483,900	4,824,400
EXPENDITURES BY CLASS					
Personnel Costs	7,962,400	8,460,400	8,599,200	799,000	1,152,800
Operating Expenses	16,072,300	17,216,400	17,204,900	932,400	57,400
Grants Loans Benefits	157,000	157,000	157,000	17,000	27,000
Debt Service				1,030,000	3,090,000
Capital Outlay	3,895,700	2,226,000	1,726,000	236,000	276,000
TOTAL EXPENDITURES	28,087,400	28,059,800	27,687,100	3,014,400	4,603,200
EXPENDITURES BY FUND SOURCE					
General Fund				1,030,000	3,090,000
Restricted Funds	28,087,400	28,059,800	27,687,100	1,984,400	1,513,200
TOTAL EXPENDITURES	28,087,400	28,059,800	27,687,100	3,014,400	4,603,200

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.

Policy

The Executive Budget includes General Fund debt service in the amount of \$1,030,000 in fiscal year 2020-2021 and \$3,090,000 in fiscal year 2021-2022 to support new bonds as set forth in Part II, Capital Projects Budget.

Energy and Environment

Natural Resources

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	37,702,200	44,359,200	45,158,700	37,785,500	39,261,200
Total General Fund	37,702,200	44,359,200	45,158,700	37,785,500	39,261,200
Tobacco Fund					
Tobacco Settlement - Phase I	3,757,300	3,757,300	3,757,300	3,386,800	3,423,400
Continuing Approp-Tob Settlement	14,348,300				
Budget Reduction-Tobacco	-321,000				
Total Tobacco Fund	17,784,600	3,757,300	3,757,300	3,386,800	3,423,400
Restricted Funds					
Balance Forward	10,198,500	6,647,500	3,403,300	7,169,500	3,864,700
Current Receipts	3,331,600	4,129,700	3,935,400	4,129,700	3,860,400
Non-Revenue Receipts	7,570,000	6,395,400	6,361,800	6,288,100	6,125,500
Total Restricted Funds	21,100,100	17,172,600	13,700,500	17,587,300	13,850,600
Federal Fund					
Balance Forward	-2,434,800				
Current Receipts	64,220,300	62,639,500	62,753,200	59,690,800	59,484,400
Non-Revenue Receipts	-274,700	-555,500	-554,700	-539,800	-539,000
Total Federal Fund	61,510,800	62,084,000	62,198,500	59,151,000	58,945,400
TOTAL SOURCE OF FUNDS	138,097,700	127,373,100	124,815,000	117,910,600	115,480,600
EXPENDITURES BY CLASS					
Personnel Costs	57,796,000	61,656,500	62,631,700	56,215,400	56,908,800
Operating Expenses	8,998,900	10,599,800	10,553,600	9,115,700	8,741,100
Grants Loans Benefits	22,186,100	8,093,800	7,843,800	7,569,300	7,474,700
Capital Outlay	2,226,700	2,692,400	2,484,600	1,718,200	1,727,600
Construction	39,720,500	40,927,300	40,788,300	39,427,300	39,288,300
TOTAL EXPENDITURES	130,928,200	123,969,800	124,302,000	114,045,900	114,140,500
EXPENDITURES BY FUND SOURCE					
General Fund	37,702,200	44,359,200	45,158,700	37,785,500	39,261,200
Tobacco Fund	17,784,600	3,757,300	3,757,300	3,386,800	3,423,400
Restricted Funds	13,930,600	13,769,300	13,187,500	13,722,600	12,510,500
Federal Fund	61,510,800	62,084,000	62,198,500	59,151,000	58,945,400
TOTAL EXPENDITURES	130,928,200	123,969,800	124,302,000	114,045,900	114,140,500
EXPENDITURES BY UNIT					
Commissioner	1,308,500	1,382,000	1,399,000	1,214,400	1,223,900
Forestry	20,604,200	22,238,200	22,225,300	20,188,800	20,450,400
Conservation	19,918,800	6,161,900	6,189,200	5,519,400	5,570,300
Oil and Gas	4,583,100	5,231,700	5,171,700	3,121,700	3,043,600
Mine Permits	5,682,400	5,777,900	5,851,400	5,312,500	5,342,700
Mine Reclamation and Enforcement	15,097,100	16,321,200	16,598,100	14,695,500	14,694,700
Abandoned Mine Lands	15,960,400	18,046,500	17,628,500	15,851,900	15,264,100
Mine Safety	10,466,900	11,131,800	11,559,900	10,662,400	11,076,000
Reclamation Guaranty Fund	2,053,800	2,425,600	2,425,900	2,226,300	2,221,800
Abandoned Mine Land Reclamation Projects	35,196,900	35,196,900	35,196,900	35,196,900	35,196,900
Mine Safety Review Commission	56,100	56,100	56,100	56,100	56,100
TOTAL EXPENDITURES	130,928,200	123,969,800	124,302,000	114,045,900	114,140,500

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, and oil and gas. 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.

Policy

The Executive Budget includes additional General Fund in the amount of \$1,269,200 in fiscal year 2021 and \$1,384,600 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$135,300 in fiscal year 2021 and \$437,700 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

**Energy and Environment
Natural Resources
Commissioner**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	846,000	628,700	628,700	663,500	673,100
Other	-84,900				
Total General Fund	761,100	628,700	628,700	663,500	673,100
Restricted Funds					
Balance Forward	577,200	485,900	249,000	485,900	391,100
Non-Revenue Receipts	163,200	163,200	163,200	163,200	36,500
Total Restricted Funds	740,400	649,100	412,200	649,100	427,600
Federal Fund					
Current Receipts	295,400	355,700	360,600	295,400	295,400
Non-Revenue Receipts	-2,500	-2,500	-2,500	-2,500	-2,500
Total Federal Fund	292,900	353,200	358,100	292,900	292,900
TOTAL SOURCE OF FUNDS	1,794,400	1,631,000	1,399,000	1,605,500	1,393,600
EXPENDITURES BY CLASS					
Personnel Costs	1,193,100	1,270,600	1,288,300	1,117,200	1,130,500
Operating Expenses	115,400	111,400	110,700	97,200	93,400
TOTAL EXPENDITURES	1,308,500	1,382,000	1,399,000	1,214,400	1,223,900
EXPENDITURES BY FUND SOURCE					
General Fund	761,100	628,700	628,700	663,500	673,100
Restricted Funds	254,500	400,100	412,200	258,000	257,900
Federal Fund	292,900	353,200	358,100	292,900	292,900
TOTAL EXPENDITURES	1,308,500	1,382,000	1,399,000	1,214,400	1,223,900

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	14,253,200	16,518,800	16,502,100	13,773,700	15,006,600
Total General Fund	14,253,200	16,518,800	16,502,100	13,773,700	15,006,600
Restricted Funds					
Balance Forward	3,702,300	1,758,000	878,000	2,280,000	691,900
Current Receipts	1,493,400	1,391,700	1,391,600	1,391,700	1,316,600
Non-Revenue Receipts	-296,500	-296,500	-296,500	-296,500	-296,500
Total Restricted Funds	4,899,200	2,853,200	1,973,100	3,375,200	1,712,000
Federal Fund					
Balance Forward	59,300				
Current Receipts	3,799,000	3,870,700	3,876,600	3,858,300	3,858,300
Non-Revenue Receipts	-126,500	-126,500	-126,500	-126,500	-126,500
Total Federal Fund	3,731,800	3,744,200	3,750,100	3,731,800	3,731,800
TOTAL SOURCE OF FUNDS	22,884,200	23,116,200	22,225,300	20,880,700	20,450,400
EXPENDITURES BY CLASS					
Personnel Costs	14,890,800	15,835,100	16,048,600	15,073,400	15,231,500
Operating Expenses	3,080,800	3,376,100	3,366,900	3,125,100	3,136,400
Grants Loans Benefits	1,546,600	1,568,600	1,568,600	1,506,100	1,598,300
Capital Outlay	1,086,000	1,458,400	1,241,200	484,200	484,200
TOTAL EXPENDITURES	20,604,200	22,238,200	22,225,300	20,188,800	20,450,400
EXPENDITURES BY FUND SOURCE					
General Fund	14,253,200	16,518,800	16,502,100	13,773,700	15,006,600
Restricted Funds	2,619,200	1,975,200	1,973,100	2,683,300	1,712,000
Federal Fund	3,731,800	3,744,200	3,750,100	3,731,800	3,731,800
TOTAL EXPENDITURES	20,604,200	22,238,200	22,225,300	20,188,800	20,450,400

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.

**Energy and Environment
Natural Resources
Conservation**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	893,000	1,355,800	1,362,400	1,177,900	1,192,200
Other	235,400				
Total General Fund	1,128,400	1,355,800	1,362,400	1,177,900	1,192,200
Tobacco Fund					
Tobacco Settlement - Phase I	3,757,300	3,757,300	3,757,300	3,386,800	3,423,400
Continuing Approp-Tob Settlement	14,348,300				
Budget Reduction-Tobacco	-321,000				
Total Tobacco Fund	17,784,600	3,757,300	3,757,300	3,386,800	3,423,400
Restricted Funds					
Balance Forward	2,052,800	1,582,900	1,058,300	1,582,900	1,152,400
Current Receipts	700	700	700	700	700
Non-Revenue Receipts	312,200	313,000	313,000	313,000	313,000
Total Restricted Funds	2,365,700	1,896,600	1,372,000	1,896,600	1,466,100
Federal Fund					
Balance Forward	-24,700				
Current Receipts	259,900	223,500	223,500	223,500	223,500
Non-Revenue Receipts	-12,200	-13,000	-13,000	-13,000	-13,000
Total Federal Fund	223,000	210,500	210,500	210,500	210,500
TOTAL SOURCE OF FUNDS	21,501,700	7,220,200	6,702,200	6,671,800	6,292,200
EXPENDITURES BY CLASS					
Personnel Costs	1,513,300	1,747,800	1,776,200	1,498,400	1,514,700
Operating Expenses	152,400	186,300	185,200	167,000	165,800
Grants Loans Benefits	18,253,100	4,202,800	4,202,800	3,829,000	3,864,800
Capital Outlay		25,000	25,000	25,000	25,000
TOTAL EXPENDITURES	19,918,800	6,161,900	6,189,200	5,519,400	5,570,300
EXPENDITURES BY FUND SOURCE					
General Fund	1,128,400	1,355,800	1,362,400	1,177,900	1,192,200
Tobacco Fund	17,784,600	3,757,300	3,757,300	3,386,800	3,423,400
Restricted Funds	782,800	838,300	859,000	744,200	744,200
Federal Fund	223,000	210,500	210,500	210,500	210,500
TOTAL EXPENDITURES	19,918,800	6,161,900	6,189,200	5,519,400	5,570,300

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 Executive Budget provides Phase I Tobacco Settlement Funds in the amount of \$3,386,800 in fiscal year 2021 and \$3,423,400 in fiscal year 2022 for the state share of the Environmental Stewardship Program.

Energy and Environment

Natural Resources

Oil and Gas

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,244,100	4,744,700	4,895,100	2,634,700	2,767,000
Other	161,800				
Total General Fund	2,405,900	4,744,700	4,895,100	2,634,700	2,767,000
Restricted Funds					
Balance Forward	611,000	210,400		210,400	
Current Receipts	220,400	220,400	220,400	220,400	220,400
Non-Revenue Receipts	1,424,200	-75,800	-75,800	-75,800	-75,800
Total Restricted Funds	2,255,600	355,000	144,600	355,000	144,600
Federal Fund					
Current Receipts	140,000	140,000	140,000	140,000	140,000
Non-Revenue Receipts	-8,000	-8,000	-8,000	-8,000	-8,000
Total Federal Fund	132,000	132,000	132,000	132,000	132,000
TOTAL SOURCE OF FUNDS	4,793,500	5,231,700	5,171,700	3,121,700	3,043,600
EXPENDITURES BY CLASS					
Personnel Costs	2,739,600	3,307,200	3,283,800	2,720,800	2,682,000
Operating Expenses	283,500	319,500	317,900	295,900	291,600
Capital Outlay	60,000	105,000	70,000	105,000	70,000
Construction	1,500,000	1,500,000	1,500,000		
TOTAL EXPENDITURES	4,583,100	5,231,700	5,171,700	3,121,700	3,043,600
EXPENDITURES BY FUND SOURCE					
General Fund	2,405,900	4,744,700	4,895,100	2,634,700	2,767,000
Restricted Funds	2,045,200	355,000	144,600	355,000	144,600
Federal Fund	132,000	132,000	132,000	132,000	132,000
TOTAL EXPENDITURES	4,583,100	5,231,700	5,171,700	3,121,700	3,043,600

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,000,600	2,047,500	2,000,900	1,929,100	1,841,300
Total General Fund	2,000,600	2,047,500	2,000,900	1,929,100	1,841,300
Restricted Funds					
Balance Forward	961,600	757,300	416,500	757,300	485,000
Current Receipts	908,200	791,900	791,900	791,900	791,900
Non-Revenue Receipts	-480,000	-480,000	-480,000	-482,800	-482,800
Total Restricted Funds	1,389,800	1,069,200	728,400	1,066,400	794,100
Federal Fund					
Balance Forward	-297,500				
Current Receipts	3,119,100	3,131,000	3,175,400	2,852,500	2,863,500
Non-Revenue Receipts	227,700	-53,300	-53,300	-50,500	-50,500
Total Federal Fund	3,049,300	3,077,700	3,122,100	2,802,000	2,813,000
TOTAL SOURCE OF FUNDS	6,439,700	6,194,400	5,851,400	5,797,500	5,448,400
EXPENDITURES BY CLASS					
Personnel Costs	4,829,400	4,916,800	5,002,700	4,619,500	4,683,800
Operating Expenses	527,000	561,100	548,700	406,400	366,900
Grants Loans Benefits	300,000	300,000	300,000	286,600	292,000
Capital Outlay	26,000				
TOTAL EXPENDITURES	5,682,400	5,777,900	5,851,400	5,312,500	5,342,700
EXPENDITURES BY FUND SOURCE					
General Fund	2,000,600	2,047,500	2,000,900	1,929,100	1,841,300
Restricted Funds	632,500	652,700	728,400	581,400	688,400
Federal Fund	3,049,300	3,077,700	3,122,100	2,802,000	2,813,000
TOTAL EXPENDITURES	5,682,400	5,777,900	5,851,400	5,312,500	5,342,700

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**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	7,324,800	8,177,800	8,474,100	7,543,000	7,614,800
Total General Fund	7,324,800	8,177,800	8,474,100	7,543,000	7,614,800
Restricted Funds					
Balance Forward	656,800	369,400	167,500	369,400	167,500
Current Receipts	71,700	44,700	44,700	44,700	44,700
Non-Revenue Receipts	148,800	129,300	129,300	118,300	118,300
Total Restricted Funds	877,300	543,400	341,500	532,400	330,500
Federal Fund					
Balance Forward	-57,000				
Current Receipts	7,450,700	7,896,800	7,911,800	6,905,900	6,867,700
Non-Revenue Receipts	-129,300	-129,300	-129,300	-118,300	-118,300
Total Federal Fund	7,264,400	7,767,500	7,782,500	6,787,600	6,749,400
TOTAL SOURCE OF FUNDS	15,466,500	16,488,700	16,598,100	14,863,000	14,694,700
EXPENDITURES BY CLASS					
Personnel Costs	12,646,600	13,463,300	13,704,800	12,320,400	12,490,000
Operating Expenses	1,935,900	2,316,900	2,307,900	1,834,100	1,619,300
Grants Loans Benefits	160,000	110,000	110,000	110,000	110,000
Capital Outlay	354,600	431,000	475,400	431,000	475,400
TOTAL EXPENDITURES	15,097,100	16,321,200	16,598,100	14,695,500	14,694,700
EXPENDITURES BY FUND SOURCE					
General Fund	7,324,800	8,177,800	8,474,100	7,543,000	7,614,800
Restricted Funds	507,900	375,900	341,500	364,900	330,500
Federal Fund	7,264,400	7,767,500	7,782,500	6,787,600	6,749,400
TOTAL EXPENDITURES	15,097,100	16,321,200	16,598,100	14,695,500	14,694,700

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**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		695,700	645,300		
Total General Fund		695,700	645,300		
Restricted Funds					
Balance Forward	1,089,400	927,200	358,800	927,200	358,800
Current Receipts	372,500	1,429,000	1,234,800	1,429,000	1,234,800
Non-Revenue Receipts	4,857,100	4,650,900	4,628,700	4,650,900	4,628,700
Total Restricted Funds	6,319,000	7,007,100	6,222,300	7,007,100	6,222,300
Federal Fund					
Balance Forward	-620,700				
Current Receipts	11,389,900	10,903,100	10,961,500	9,404,200	9,242,400
Non-Revenue Receipts	-200,600	-200,600	-200,600	-200,600	-200,600
Total Federal Fund	10,568,600	10,702,500	10,760,900	9,203,600	9,041,800
TOTAL SOURCE OF FUNDS	16,887,600	18,405,300	17,628,500	16,210,700	15,264,100
EXPENDITURES BY CLASS					
Personnel Costs	9,507,700	10,276,600	10,254,000	8,582,200	8,473,600
Operating Expenses	1,202,700	1,327,100	1,320,700	901,700	789,500
Grants Loans Benefits	412,400	412,400	412,400	337,600	359,600
Capital Outlay	250,000	250,000	250,000	250,000	250,000
Construction	4,587,600	5,780,400	5,391,400	5,780,400	5,391,400
TOTAL EXPENDITURES	15,960,400	18,046,500	17,628,500	15,851,900	15,264,100
EXPENDITURES BY FUND SOURCE					
General Fund		695,700	645,300		
Restricted Funds	5,391,800	6,648,300	6,222,300	6,648,300	6,222,300
Federal Fund	10,568,600	10,702,500	10,760,900	9,203,600	9,041,800
TOTAL EXPENDITURES	15,960,400	18,046,500	17,628,500	15,851,900	15,264,100

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	9,933,800	10,134,100	10,594,000	10,007,500	10,110,100
Other	-161,700				
Total General Fund	9,772,100	10,134,100	10,594,000	10,007,500	10,110,100
Restricted Funds					
Balance Forward	489,400	556,400	275,200	556,400	618,000
Current Receipts	263,500	250,100	250,100	250,100	250,100
Non-Revenue Receipts	17,400	16,400	15,600	16,400	15,600
Total Restricted Funds	770,300	822,900	540,900	822,900	883,700
Federal Fund					
Current Receipts	498,300	466,400	440,600	466,400	440,600
Non-Revenue Receipts	-17,400	-16,400	-15,600	-16,400	-15,600
Total Federal Fund	480,900	450,000	425,000	450,000	425,000
TOTAL SOURCE OF FUNDS	11,023,300	11,407,000	11,559,900	11,280,400	11,418,800
EXPENDITURES BY CLASS					
Personnel Costs	8,804,700	9,387,500	9,821,100	9,008,600	9,429,500
Operating Expenses	1,212,100	1,321,300	1,315,800	1,230,800	1,223,500
Capital Outlay	450,100	423,000	423,000	423,000	423,000
TOTAL EXPENDITURES	10,466,900	11,131,800	11,559,900	10,662,400	11,076,000
EXPENDITURES BY FUND SOURCE					
General Fund	9,772,100	10,134,100	10,594,000	10,007,500	10,110,100
Restricted Funds	213,900	547,700	540,900	204,900	540,900
Federal Fund	480,900	450,000	425,000	450,000	425,000
TOTAL EXPENDITURES	10,466,900	11,131,800	11,559,900	10,662,400	11,076,000

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
Reclamation Guaranty Fund**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	58,000				
Current Receipts	1,200	1,200	1,200	1,200	1,200
Non-Revenue Receipts	1,423,600	1,974,900	1,964,300	1,881,400	1,868,500
Total Restricted Funds	1,482,800	1,976,100	1,965,500	1,882,600	1,869,700
Federal Fund					
Current Receipts	576,900	455,400	466,300	347,700	356,100
Non-Revenue Receipts	-5,900	-5,900	-5,900	-4,000	-4,000
Total Federal Fund	571,000	449,500	460,400	343,700	352,100
TOTAL SOURCE OF FUNDS	2,053,800	2,425,600	2,425,900	2,226,300	2,221,800
EXPENDITURES BY CLASS					
Personnel Costs	1,572,400	1,353,200	1,353,800	1,176,500	1,174,800
Operating Expenses	481,400	1,072,400	1,072,100	1,049,800	1,047,000
TOTAL EXPENDITURES	2,053,800	2,425,600	2,425,900	2,226,300	2,221,800
EXPENDITURES BY FUND SOURCE					
Restricted Funds	1,482,800	1,976,100	1,965,500	1,882,600	1,869,700
Federal Fund	571,000	449,500	460,400	343,700	352,100
TOTAL EXPENDITURES	2,053,800	2,425,600	2,425,900	2,226,300	2,221,800

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
Federal Fund					
Balance Forward	-1,494,200				
Current Receipts	36,691,100	35,196,900	35,196,900	35,196,900	35,196,900
Total Federal Fund	35,196,900	35,196,900	35,196,900	35,196,900	35,196,900
TOTAL SOURCE OF FUNDS	35,196,900	35,196,900	35,196,900	35,196,900	35,196,900
EXPENDITURES BY CLASS					
Personnel Costs	50,000	50,000	50,000	50,000	50,000
Grants Loans Benefits	1,514,000	1,500,000	1,250,000	1,500,000	1,250,000
Construction	33,632,900	33,646,900	33,896,900	33,646,900	33,896,900
TOTAL EXPENDITURES	35,196,900	35,196,900	35,196,900	35,196,900	35,196,900
EXPENDITURES BY FUND SOURCE					
Federal Fund	35,196,900	35,196,900	35,196,900	35,196,900	35,196,900
TOTAL EXPENDITURES	35,196,900	35,196,900	35,196,900	35,196,900	35,196,900

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**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	206,700	56,100	56,100	56,100	56,100
Other	-150,600				
Total General Fund	56,100	56,100	56,100	56,100	56,100
TOTAL SOURCE OF FUNDS	56,100	56,100	56,100	56,100	56,100
EXPENDITURES BY CLASS					
Personnel Costs	48,400	48,400	48,400	48,400	48,400
Operating Expenses	7,700	7,700	7,700	7,700	7,700
TOTAL EXPENDITURES	56,100	56,100	56,100	56,100	56,100
EXPENDITURES BY FUND SOURCE					
General Fund	56,100	56,100	56,100	56,100	56,100
TOTAL EXPENDITURES	56,100	56,100	56,100	56,100	56,100

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
Office of Energy Policy**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,433,800	866,600	866,100	386,100	894,600
Reorganization Adjustment	-369,600				
Other	-203,400				
Total General Fund	860,800	866,600	866,100	386,100	894,600
Restricted Funds					
Balance Forward	2,057,500	1,836,300	1,217,300	1,836,300	1,039,100
Current Receipts	22,900				
Non-Revenue Receipts	435,900	234,700	184,700	234,700	184,700
Total Restricted Funds	2,516,300	2,071,000	1,402,000	2,071,000	1,223,800
Federal Fund					
Balance Forward	-39,700				
Current Receipts	783,900	718,300	721,800	581,500	577,100
Non-Revenue Receipts	-31,300	-34,700	-34,700	-34,700	-34,700
Total Federal Fund	712,900	683,600	687,100	546,800	542,400
TOTAL SOURCE OF FUNDS	4,090,000	3,621,200	2,955,200	3,003,900	2,660,800
EXPENDITURES BY CLASS					
Personnel Costs	1,190,600	1,331,700	1,357,000	908,700	920,200
Operating Expenses	190,800	194,600	194,200	178,500	175,900
Grants Loans Benefits	872,300	877,600	722,900	877,600	722,900
TOTAL EXPENDITURES	2,253,700	2,403,900	2,274,100	1,964,800	1,819,000
EXPENDITURES BY FUND SOURCE					
General Fund	860,800	866,600	866,100	386,100	894,600
Restricted Funds	680,000	853,700	720,900	1,031,900	382,000
Federal Fund	712,900	683,600	687,100	546,800	542,400
TOTAL EXPENDITURES	2,253,700	2,403,900	2,274,100	1,964,800	1,819,000
EXPENDITURES BY UNIT					
Office of Energy Policy	2,253,700	2,403,900	2,274,100	1,964,800	1,819,000
TOTAL EXPENDITURES	2,253,700	2,403,900	2,274,100	1,964,800	1,819,000

The Office of Energy Policy, formerly known as the Department for Energy Development and Independence, was reorganized as result of the passage of Senate Bill 129 during the 2018 regular session.

The Office oversees the development and implementation of Kentucky's comprehensive energy strategy, *Intelligent Energy Choices for Kentucky's Future*. The Office provides leadership to enhance the benefits of energy efficiency and alternative energy through supporting awareness, technology development, energy preparedness, partnerships and resource development. The Office 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 Office administers grant programs to support energy-related research, development and demonstration, including supporting multi-state cooperative regional partnerships and research initiatives. The Office 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 Office 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.

Policy

The Executive Budget includes additional General Fund in the amount of \$25,600 in fiscal year 2021 and \$27,900 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$3,300 in fiscal year 2021 and \$9,300 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

**Energy and Environment
Office of KY Nature Preserves**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,244,800	1,631,200	1,674,400	1,316,100	1,341,900
Total General Fund	1,244,800	1,631,200	1,674,400	1,316,100	1,341,900
Restricted Funds					
Balance Forward	2,806,800	1,887,600	939,700	1,887,600	1,468,900
Current Receipts	806,200	591,700	591,700	591,700	591,700
Non-Revenue Receipts	340,400	339,500	337,700	339,500	337,700
Total Restricted Funds	3,953,400	2,818,800	1,869,100	2,818,800	2,398,300
Federal Fund					
Balance Forward	-2,700				
Current Receipts	178,300	118,200	76,100	118,200	76,100
Non-Revenue Receipts	-4,900	-4,000	-2,200	-4,000	-2,200
Total Federal Fund	170,700	114,200	73,900	114,200	73,900
TOTAL SOURCE OF FUNDS	5,368,900	4,564,200	3,617,400	4,249,100	3,814,100
EXPENDITURES BY CLASS					
Personnel Costs	2,623,900	2,811,500	2,864,100	1,978,200	2,003,900
Operating Expenses	296,000	360,300	336,400	352,100	328,800
Grants Loans Benefits	505,400	326,700	224,800	323,900	221,400
Capital Outlay	56,000	126,000	126,000	126,000	126,000
TOTAL EXPENDITURES	3,481,300	3,624,500	3,551,300	2,780,200	2,680,100
EXPENDITURES BY FUND SOURCE					
General Fund	1,244,800	1,631,200	1,674,400	1,316,100	1,341,900
Restricted Funds	2,065,800	1,879,100	1,803,000	1,349,900	1,264,300
Federal Fund	170,700	114,200	73,900	114,200	73,900
TOTAL EXPENDITURES	3,481,300	3,624,500	3,551,300	2,780,200	2,680,100
EXPENDITURES BY UNIT					
Office of KY Nature Preserves	3,481,300	3,624,500	3,551,300	2,780,200	2,680,100
TOTAL EXPENDITURES	3,481,300	3,624,500	3,551,300	2,780,200	2,680,100

Pursuant to KRS 146.410-146.530, the Office of Kentucky Nature Preserves', formerly known as the Kentucky State Nature Preserves Commission, 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 Office 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 Office, 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 Office 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.

Policy

The Executive Budget includes additional General Fund in the amount of \$64,900 in fiscal year 2021 and \$70,800 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$7,300 in fiscal year 2021 and \$23,100 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

**Energy and Environment
Public Service Commission**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	16,582,600	11,600,100	11,869,700	17,005,300	17,131,600
Continuing Approp-General Fund	1,798,500			1,400,000	700,000
Total General Fund	18,381,100	11,600,100	11,869,700	18,405,300	17,831,600
Restricted Funds					
Balance Forward	522,200	695,600	601,500	695,600	851,100
Current Receipts	385,900	535,900	535,900	535,900	535,900
Non-Revenue Receipts	346,900	351,000	351,000	341,200	264,300
Total Restricted Funds	1,255,000	1,582,500	1,488,400	1,572,700	1,651,300
Federal Fund					
Balance Forward	-267,300				
Current Receipts	1,127,200	864,000	864,000	864,000	864,000
Non-Revenue Receipts	-146,900	-151,000	-151,000	-151,000	-151,000
Total Federal Fund	713,000	713,000	713,000	713,000	713,000
TOTAL SOURCE OF FUNDS	20,349,100	13,895,600	14,071,100	20,691,000	20,195,900
EXPENDITURES BY CLASS					
Personnel Costs	9,979,800	11,252,300	11,391,600	10,542,700	10,755,600
Operating Expenses	1,688,500	2,016,800	2,071,100	1,412,000	1,325,400
Capital Outlay	100,000	25,000	25,000		
TOTAL EXPENDITURES	11,768,300	13,294,100	13,487,700	11,954,700	12,081,000
EXPENDITURES BY FUND SOURCE					
General Fund	10,495,900	11,600,100	11,869,700	10,520,100	10,646,400
Restricted Funds	559,400	981,000	905,000	721,600	721,600
Federal Fund	713,000	713,000	713,000	713,000	713,000
TOTAL EXPENDITURES	11,768,300	13,294,100	13,487,700	11,954,700	12,081,000
EXPENDITURES BY UNIT					
Public Service Commission	11,768,300	13,294,100	13,487,700	11,954,700	12,081,000
TOTAL EXPENDITURES	11,768,300	13,294,100	13,487,700	11,954,700	12,081,000

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 Executive Budget includes additional General Fund in the amount of \$363,900 in fiscal year 2021 and \$396,900 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$39,800 in fiscal year 2021 and \$122,400 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

The Executive Budget includes \$7,185,200 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
Finance and Administration

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	702,674,300	732,481,600	703,620,500	698,784,700	674,925,100
Special Appropriation	3,181,500				
Current Year Appropriation	2,800,000				
Total General Fund	708,655,800	732,481,600	703,620,500	698,784,700	674,925,100
Tobacco Fund					
Tobacco Settlement - Phase I	32,128,700	31,113,200	26,853,200	31,113,200	26,851,200
Total Tobacco Fund	32,128,700	31,113,200	26,853,200	31,113,200	26,851,200
Restricted Funds					
Balance Forward	40,603,100	34,981,300	27,236,500	34,855,400	23,395,300
Current Receipts	238,165,300	280,920,500	280,964,200	254,540,800	253,627,100
Non-Revenue Receipts	3,015,600	3,747,300	3,767,200	3,263,200	3,283,300
Fund Transfers	-2,800,000			-2,950,000	-250,000
Total Restricted Funds	278,984,000	319,649,100	311,967,900	289,709,400	280,055,700
Federal Fund					
Balance Forward	3,069				
Current Receipts	391,231	150,400	150,400	150,400	150,400
Total Federal Fund	394,300	150,400	150,400	150,400	150,400
Road Fund					
Regular Appropriation	3,887,400	3,892,400	3,894,700	4,061,900	4,122,200
Total Road Fund	3,887,400	3,892,400	3,894,700	4,061,900	4,122,200
TOTAL SOURCE OF FUNDS	1,024,050,200	1,087,286,700	1,046,486,700	1,023,819,600	986,104,600
EXPENDITURES BY CLASS					
Personnel Costs	272,415,100	326,418,000	330,218,300	290,956,500	303,203,700
Operating Expenses	150,657,000	181,284,800	181,576,000	162,852,400	161,993,500
Grants Loans Benefits	1,052,500	1,052,500	1,052,500	1,052,500	1,052,500
Debt Service	500,733,500	515,585,800	479,923,100	516,142,700	472,465,400
Capital Outlay	20,488,200	23,067,600	23,037,600	22,178,600	21,759,300
TOTAL EXPENDITURES	945,346,300	1,047,408,700	1,015,807,500	993,182,700	960,474,400
EXPENDITURES BY FUND SOURCE					
General Fund	666,841,000	721,766,600	693,688,400	693,469,700	664,993,000
Tobacco Fund	30,095,000	29,186,700	25,067,600	29,186,600	25,065,500
Restricted Funds	244,128,600	292,412,600	293,006,400	266,314,100	266,143,300
Federal Fund	394,300	150,400	150,400	150,400	150,400
Road Fund	3,887,400	3,892,400	3,894,700	4,061,900	4,122,200
TOTAL EXPENDITURES	945,346,300	1,047,408,700	1,015,807,500	993,182,700	960,474,400
EXPENDITURES BY UNIT					
General Administration	38,819,900	38,585,600	38,771,100	37,387,900	37,579,500
Controller	19,627,800	22,809,700	22,864,000	21,154,900	21,242,400
Office of Inspector General	1,379,800	1,531,600	1,539,500	1,522,100	1,538,300
Debt Service	500,733,500	515,585,800	470,850,000	515,585,700	470,415,400
Facilities and Support Services	52,448,100	63,504,300	70,532,400	61,660,200	63,408,200
County Costs	24,246,000	24,284,300	24,284,300	21,446,000	21,446,000
Commonwealth Office of Technology	130,606,300	168,159,100	171,026,400	149,235,500	148,760,900
Revenue	117,846,000	139,926,500	141,585,500	122,343,700	131,592,500
Property Valuation Administrators	59,638,900	73,021,800	74,354,300	62,846,700	64,491,200
TOTAL EXPENDITURES	945,346,300	1,047,408,700	1,015,807,500	993,182,700	960,474,400

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	7,889,800	9,446,000	9,569,000	8,082,900	8,204,400
Total General Fund	7,889,800	9,446,000	9,569,000	8,082,900	8,204,400
Restricted Funds					
Balance Forward	11,960,100	7,331,000	5,160,300	7,331,000	4,361,800
Current Receipts	26,197,500	26,197,500	26,197,500	26,197,500	26,197,500
Non-Revenue Receipts	-162,900	500,000	500,000	114,200	112,600
Fund Transfers				-250,000	-250,000
Total Restricted Funds	37,994,700	34,028,500	31,857,800	33,392,700	30,421,900
Road Fund					
Regular Appropriation	266,400	271,400	273,700	274,100	276,700
Total Road Fund	266,400	271,400	273,700	274,100	276,700
TOTAL SOURCE OF FUNDS	46,150,900	43,745,900	41,700,500	41,749,700	38,903,000
EXPENDITURES BY CLASS					
Personnel Costs	11,910,000	13,332,000	13,517,300	12,520,800	12,713,000
Operating Expenses	17,403,500	17,974,100	17,974,300	17,587,600	17,587,000
Capital Outlay	9,506,400	7,279,500	7,279,500	7,279,500	7,279,500
TOTAL EXPENDITURES	38,819,900	38,585,600	38,771,100	37,387,900	37,579,500
EXPENDITURES BY FUND SOURCE					
General Fund	7,889,800	9,446,000	9,569,000	8,082,900	8,204,400
Restricted Funds	30,663,700	28,868,200	28,928,400	29,030,900	29,098,400
Road Fund	266,400	271,400	273,700	274,100	276,700
TOTAL EXPENDITURES	38,819,900	38,585,600	38,771,100	37,387,900	37,579,500
EXPENDITURES BY UNIT					
Secretary	2,012,700	2,311,100	2,346,700	2,178,700	2,205,100
Gubernatorial Transition	220,000				
Office of General Counsel	2,551,500	2,779,800	2,813,300	2,677,800	2,718,700
Office of Administrative Services	2,963,300	3,185,100	3,223,800	3,237,700	3,281,000
Fleet Management	27,053,600	25,198,900	25,224,200	25,039,400	25,067,400
Postal Services	2,979,400	3,126,400	3,157,700	3,169,200	3,207,500
Policy and Audit	1,039,400	1,984,300	2,005,400	1,085,100	1,099,800
TOTAL EXPENDITURES	38,819,900	38,585,600	38,771,100	37,387,900	37,579,500

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 Executive Budget includes additional General Fund in the amount of \$317,100 in fiscal year 2021 and \$353,200 in fiscal year 2022 to fund the cost increases associated with the actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$26,300 in fiscal year 2021 and \$96,200 in fiscal year 2022 to fund the cost increases associated with providing a 1% increment each year.

Finance and Administration

Controller

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,422,500	7,250,900	7,235,100	6,790,900	6,877,600
Total General Fund	6,422,500	7,250,900	7,235,100	6,790,900	6,877,600
Restricted Funds					
Balance Forward	5,700,900	6,649,000	5,322,800	6,523,100	3,910,500
Current Receipts	11,511,900	10,985,300	10,985,300	10,988,700	11,001,200
Non-Revenue Receipts	2,515,600	3,247,300	3,267,200	2,762,700	2,781,200
Fund Transfers				-2,000,000	
Total Restricted Funds	19,728,400	20,881,600	19,575,300	18,274,500	17,692,900
TOTAL SOURCE OF FUNDS	26,150,900	28,132,500	26,810,400	25,065,400	24,570,500
EXPENDITURES BY CLASS					
Personnel Costs	10,750,100	12,361,200	12,496,400	11,751,200	11,917,300
Operating Expenses	8,877,700	10,448,500	10,367,600	9,403,700	9,325,100
TOTAL EXPENDITURES	19,627,800	22,809,700	22,864,000	21,154,900	21,242,400
EXPENDITURES BY FUND SOURCE					
General Fund	6,422,500	7,250,900	7,235,100	6,790,900	6,877,600
Restricted Funds	13,205,300	15,558,800	15,628,900	14,364,000	14,364,800
TOTAL EXPENDITURES	19,627,800	22,809,700	22,864,000	21,154,900	21,242,400
EXPENDITURES BY UNIT					
Controller	3,511,900	3,961,800	3,987,700	3,674,400	3,704,600
Local Government Services	829,500	1,021,900	954,100	939,200	876,000
Financial Management	4,364,000	4,780,000	4,809,000	4,775,100	4,814,700
Procurement Services	2,928,500	3,891,900	3,930,800	3,037,300	3,069,800
Customer Resource Center	5,344,100	6,052,300	6,060,700	5,901,300	5,917,800
State Risk and Insurance Services	2,649,800	3,101,800	3,121,700	2,827,600	2,859,500
TOTAL EXPENDITURES	19,627,800	22,809,700	22,864,000	21,154,900	21,242,400

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 Executive Budget includes additional General Fund in the amount of \$231,800 in fiscal year 2021 and \$264,000 in fiscal year 2022 to fund the cost increases associated with the actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$17,000 in fiscal year 2021 and \$65,400 in fiscal year 2022 to fund the cost increases associated with providing a 1% increment each year.

**Finance and Administration
Office of Inspector General**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	802,700	1,077,800	1,420,600	848,000	863,900
Total General Fund	802,700	1,077,800	1,420,600	848,000	863,900
Restricted Funds					
Balance Forward	486,900	572,700	118,900	572,700	284,900
Non-Revenue Receipts	662,900			386,300	389,500
Total Restricted Funds	1,149,800	572,700	118,900	959,000	674,400
TOTAL SOURCE OF FUNDS	1,952,500	1,650,500	1,539,500	1,807,000	1,538,300
EXPENDITURES BY CLASS					
Personnel Costs	1,347,500	1,486,500	1,495,200	1,485,400	1,501,600
Operating Expenses	32,300	45,100	44,300	36,700	36,700
TOTAL EXPENDITURES	1,379,800	1,531,600	1,539,500	1,522,100	1,538,300
EXPENDITURES BY FUND SOURCE					
General Fund	802,700	1,077,800	1,420,600	848,000	863,900
Restricted Funds	577,100	453,800	118,900	674,100	674,400
TOTAL EXPENDITURES	1,379,800	1,531,600	1,539,500	1,522,100	1,538,300
EXPENDITURES BY UNIT					
Office of Inspector General	1,379,800	1,531,600	1,539,500	1,522,100	1,538,300
TOTAL EXPENDITURES	1,379,800	1,531,600	1,539,500	1,522,100	1,538,300

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.

Policy

The Executive Budget includes additional General Fund in the amount of \$42,500 in fiscal year 2021 and \$48,600 in fiscal year 2022 to fund the cost increases associated with the actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$2,200 in fiscal year 2021 and \$11,000 in fiscal year 2022 to fund the cost increases associated with a 1% increment each year.

Finance and Administration

Debt Service

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	509,521,800	497,364,100	455,964,500	491,964,100	455,532,000
Special Appropriation	3,181,500				
Total General Fund	512,703,300	497,364,100	455,964,500	491,964,100	455,532,000
Tobacco Fund					
Tobacco Settlement - Phase I	31,878,700	30,863,200	26,603,200	30,863,200	26,601,200
Total Tobacco Fund	31,878,700	30,863,200	26,603,200	30,863,200	26,601,200
TOTAL SOURCE OF FUNDS	544,582,000	528,227,300	482,567,700	522,827,300	482,133,200
EXPENDITURES BY CLASS					
Debt Service	500,733,500	515,585,800	470,850,000	515,585,700	470,415,400
TOTAL EXPENDITURES	500,733,500	515,585,800	470,850,000	515,585,700	470,415,400
EXPENDITURES BY FUND SOURCE					
General Fund	470,888,500	486,649,100	446,032,400	486,649,100	445,599,900
Tobacco Fund	29,845,000	28,936,700	24,817,600	28,936,600	24,815,500
TOTAL EXPENDITURES	500,733,500	515,585,800	470,850,000	515,585,700	470,415,400
EXPENDITURES BY UNIT					
Debt Service	500,733,500	515,585,800	470,850,000	515,585,700	470,415,400
TOTAL EXPENDITURES	500,733,500	515,585,800	470,850,000	515,585,700	470,415,400

Previously authorized State Property and Buildings Commission General Fund debt service for all agencies is consolidated in the Finance and Administration Cabinet. All new 2020-2022 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 \$10,715,000 in fiscal year 2021 and \$9,932,000 in fiscal year 2022. The amount of Tobacco Fund lapse is \$1,926,600 in fiscal year 2021 and \$1,785,700 in fiscal year 2022.

House Bill 268 from the 2019 Regular Session of the General Assembly appropriated \$3,181,500 from the General Fund in the current fiscal year to the Economic Development Cabinet and the Department of Parks for debt service to support new bonds. That appropriation is displayed here.

Debt service for the debt authorized in Senate Bill 200 from the 2018 Regular Session of the General Assembly is included in the fiscal year 2022 General Fund appropriation.

**Finance and Administration
Facilities and Support Services**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,010,000	6,307,000	13,034,500	6,825,500	8,411,000
Total General Fund	6,010,000	6,307,000	13,034,500	6,825,500	8,411,000
Restricted Funds					
Balance Forward	7,702,000	4,443,700	4,764,700	4,443,700	2,967,800
Current Receipts	43,179,800	57,518,300	57,518,300	54,058,800	54,058,800
Fund Transfers				-700,000	
Total Restricted Funds	50,881,800	61,962,000	62,283,000	57,802,500	57,026,600
TOTAL SOURCE OF FUNDS	56,891,800	68,269,000	75,317,500	64,628,000	65,437,600
EXPENDITURES BY CLASS					
Personnel Costs	27,252,000	27,662,800	27,971,700	28,162,300	28,420,300
Operating Expenses	23,196,100	30,266,500	30,284,600	30,065,900	30,062,900
Debt Service			6,701,100	557,000	2,050,000
Capital Outlay	2,000,000	5,575,000	5,575,000	2,875,000	2,875,000
TOTAL EXPENDITURES	52,448,100	63,504,300	70,532,400	61,660,200	63,408,200
EXPENDITURES BY FUND SOURCE					
General Fund	6,010,000	6,307,000	13,034,500	6,825,500	8,411,000
Restricted Funds	46,438,100	57,197,300	57,497,900	54,834,700	54,997,200
TOTAL EXPENDITURES	52,448,100	63,504,300	70,532,400	61,660,200	63,408,200
EXPENDITURES BY UNIT					
Commissioner's Office	974,500	697,300	703,800	1,498,400	3,002,200
Facility Development and Efficiency	6,333,100	6,157,900	6,230,600	6,319,000	6,329,600
Real Property	1,799,900	2,086,600	2,113,000	1,867,800	1,896,700
Historic Properties	386,000	389,700	392,900	404,400	406,900
Building and Mechanical Services	41,773,700	52,902,100	59,809,800	50,286,600	50,475,500
State Surplus Property	850,000	998,000	1,008,400	1,010,000	1,021,700
Federal Surplus Property	330,900	272,700	273,900	274,000	275,600
TOTAL EXPENDITURES	52,448,100	63,504,300	70,532,400	61,660,200	63,408,200

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, Human Resources Building, Executive Mansion, Old Governor's Mansion, 300 Building, State Office Building, KHEAA Building, Library and Archives Building, Central Lab Facility, the Kentucky History Center, the Transportation Cabinet building, and the new Mayo-Underwood Building. The Office also services buildings at the London Regional state office complex, the Spindletop Research Complex in Fayette County, and offices in Louisville 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 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 was completed in the Fall of 2019. The Mayo-Underwood Building is on the former site of the Capital Plaza Tower in downtown Frankfort. Both new construction projects are consistent with the Cabinet's goal of reducing the Commonwealth's reliance on private leases.

Policy

The Executive Budget includes General Fund in the amount of \$557,000 in fiscal year 2021 and \$2,050,000 in fiscal year 2022 for debt service on new bonds included in the capital budget.

The Executive Budget includes additional General Fund in the amount of \$233,600 in fiscal year 2021 and \$260,800 in fiscal year 2022 to fund the cost increases associated with the actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$18,900 in fiscal year 2021 and 70,000 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

Finance and Administration

County Costs

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	19,743,500	22,581,800	22,581,800	19,743,500	19,743,500
Current Year Appropriation	2,800,000				
Total General Fund	22,543,500	22,581,800	22,581,800	19,743,500	19,743,500
Restricted Funds					
Current Receipts	1,702,500	1,702,500	1,702,500	1,702,500	1,702,500
Total Restricted Funds	1,702,500	1,702,500	1,702,500	1,702,500	1,702,500
TOTAL SOURCE OF FUNDS	24,246,000	24,284,300	24,284,300	21,446,000	21,446,000
EXPENDITURES BY CLASS					
Personnel Costs	4,034,100	4,184,100	4,184,100	4,034,100	4,034,100
Operating Expenses	19,159,400	19,047,700	19,047,700	16,359,400	16,359,400
Grants Loans Benefits	1,052,500	1,052,500	1,052,500	1,052,500	1,052,500
TOTAL EXPENDITURES	24,246,000	24,284,300	24,284,300	21,446,000	21,446,000
EXPENDITURES BY FUND SOURCE					
General Fund	22,543,500	22,581,800	22,581,800	19,743,500	19,743,500
Restricted Funds	1,702,500	1,702,500	1,702,500	1,702,500	1,702,500
TOTAL EXPENDITURES	24,246,000	24,284,300	24,284,300	21,446,000	21,446,000
EXPENDITURES BY UNIT					
Public Defender Program	4,001,200	4,151,200	4,151,200	4,001,200	4,001,200
Witnesses	90,000	90,000	90,000	90,000	90,000
DUI Service Fees	1,052,500	1,052,500	1,052,500	1,052,500	1,052,500
Sheriffs Fees'	14,635,800	14,524,100	14,524,100	11,835,800	11,835,800
County Clerks (Make Tax Bills)	304,000	304,000	304,000	304,000	304,000
Board Of Assessment Appeals	40,000	40,000	40,000	40,000	40,000
Fugitive From Justice	1,052,000	1,052,000	1,052,000	1,052,000	1,052,000
Jury Fund	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
Sheriffs Expense Allowance	465,500	465,500	465,500	465,500	465,500
Premium On Sheriffs' Bonds	5,000	5,000	5,000	5,000	5,000
TOTAL EXPENDITURES	24,246,000	24,284,300	24,284,300	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 (\$.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 189A.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 Executive Budget includes a wage of \$9 per hour for court security officers.

Additional General Fund in the amount of \$2,800,000 is included in fiscal year 2020 for known liabilities in the Sheriff's Fees program.

Finance and Administration
Commonwealth Office of Technology

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation			2,372,000		
Total General Fund			2,372,000		
Restricted Funds					
Balance Forward	10,962,700	13,933,900	10,556,100	13,933,900	10,556,100
Current Receipts	136,227,100	164,630,900	164,630,900	145,707,300	144,737,400
Fund Transfers	-2,800,000				
Total Restricted Funds	144,389,800	178,564,800	175,187,000	159,641,200	155,293,500
Federal Fund					
Balance Forward	4,269				
Current Receipts	146,131	150,400	150,400	150,400	150,400
Total Federal Fund	150,400	150,400	150,400	150,400	150,400
TOTAL SOURCE OF FUNDS	144,540,200	178,715,200	177,709,400	159,791,600	155,443,900
EXPENDITURES BY CLASS					
Personnel Costs	71,045,600	95,183,600	95,827,200	82,742,200	83,586,300
Operating Expenses	50,578,900	62,762,400	62,644,100	54,469,200	53,569,800
Debt Service			2,372,000		
Capital Outlay	8,981,800	10,213,100	10,183,100	12,024,100	11,604,800
TOTAL EXPENDITURES	130,606,300	168,159,100	171,026,400	149,235,500	148,760,900
EXPENDITURES BY FUND SOURCE					
General Fund			2,372,000		
Restricted Funds	130,455,900	168,008,700	168,504,000	149,085,100	148,610,500
Federal Fund	150,400	150,400	150,400	150,400	150,400
TOTAL EXPENDITURES	130,606,300	168,159,100	171,026,400	149,235,500	148,760,900
EXPENDITURES BY UNIT					
Commonwealth Office of Technology	6,404,000	7,063,900	9,441,100	6,463,800	6,481,300
Chief Information Security Officer	8,426,000	21,262,700	21,317,000	13,733,400	13,795,900
IT Services and Delivery	83,805,700	88,277,900	88,564,500	94,225,000	93,401,400
KY Business One-Stop	1,882,100	2,110,500	2,115,900	1,896,100	1,901,700
Project Management	3,467,400	17,310,000	17,324,800	3,505,000	3,521,400
Architect and Governance	26,621,100	32,134,100	32,263,100	29,412,200	29,659,200
TOTAL EXPENDITURES	130,606,300	168,159,100	171,026,400	149,235,500	148,760,900

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, Architecture and Governance, IT Services and Delivery, Kentucky Business One-Stop, and Project 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 Architecture and Governance is responsible for providing comprehensive application development services. These services are provided upon request to Commonwealth agencies and adhere to the structure of the Office's system development lifecycle process that follows industry best practices for software development.

The Office of IT Services and Delivery is responsible for operation of the Commonwealth enterprise computing and communications environment. The office offers day-to-day technical support and operation of Executive Branch IT resources and operates the Commonwealth Data Center. This includes oversight of shared IT infrastructure resources and services, including large-scale computing, server hosting, IT security, data and voice communications networks, and phone systems.

The Kentucky Business One-Stop office is responsible for project management, analysis, and application development for the Kentucky Business One-Stop Program on behalf of the Commonwealth. This office has created and established a one-stop electronic business portal that serves as a single, unified entry point for business owners to access initial and ongoing state services and complete reporting requirements related to the creation and ongoing operation of a business located in the Commonwealth.

The Office of Project Management is responsible for overseeing large and/or complex information technology projects across the Executive Branch for compliance with statewide strategies, policies, and standards.

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 2017-889, 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 Executive Budget includes additional funding of \$1,000,000 each year to support the Commonwealth Office of Technology's cyber security efforts and \$4,143,300 each year for the Kentucky Online Gateway, a secure online portal that members of the public can access to conduct business with state government.

Finance and Administration

Revenue

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	96,145,100	118,932,200	120,588,700	105,183,100	114,301,500
Total General Fund	96,145,100	118,932,200	120,588,700	105,183,100	114,301,500
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	3,242,100	1,502,600	765,300	1,502,600	765,800
Current Receipts	15,846,500	16,386,000	16,429,700	12,386,000	12,429,700
Total Restricted Funds	19,088,600	17,888,600	17,195,000	13,888,600	13,195,500
Federal Fund					
Balance Forward	-1,200				
Current Receipts	245,100				
Total Federal Fund	243,900				
Road Fund					
Regular Appropriation	3,621,000	3,621,000	3,621,000	3,787,800	3,845,500
Total Road Fund	3,621,000	3,621,000	3,621,000	3,787,800	3,845,500
TOTAL SOURCE OF FUNDS	119,348,600	140,691,800	141,654,700	123,109,500	131,592,500
EXPENDITURES BY CLASS					
Personnel Costs	86,724,900	99,810,100	100,996,200	87,413,800	96,539,900
Operating Expenses	31,121,100	40,116,400	40,589,300	34,929,900	35,052,600
TOTAL EXPENDITURES	117,846,000	139,926,500	141,585,500	122,343,700	131,592,500
EXPENDITURES BY FUND SOURCE					
General Fund	96,145,100	118,932,200	120,588,700	105,183,100	114,301,500
Tobacco Fund	250,000	250,000	250,000	250,000	250,000
Restricted Funds	17,586,000	17,123,300	17,125,800	13,122,800	13,195,500
Federal Fund	243,900				
Road Fund	3,621,000	3,621,000	3,621,000	3,787,800	3,845,500
TOTAL EXPENDITURES	117,846,000	139,926,500	141,585,500	122,343,700	131,592,500
EXPENDITURES BY UNIT					
Commissioner's Office	38,997,200	54,724,000	55,458,800	42,732,900	49,383,600
Property Valuation	7,214,800	10,796,600	10,829,600	7,845,700	7,931,100
Field Operations	15,695,200	15,850,300	16,017,200	15,347,100	15,581,700
Income Taxation	10,612,500	10,897,700	11,049,500	10,734,100	10,902,300
Sales and Excise Taxes	9,766,200	10,032,200	10,163,000	9,899,100	10,030,900
Processing and Enforcement	34,677,300	36,713,500	37,143,100	34,858,700	36,822,600
Office of Tax Policy & Regulation	882,800	912,200	924,300	926,100	940,300
TOTAL EXPENDITURES	117,846,000	139,926,500	141,585,500	122,343,700	131,592,500

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

The Executive Budget includes additional General Fund in the amount of \$2,672,100 in fiscal year 2021 and \$2,930,400 in fiscal year 2022 to fund the cost increases associated with the actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$251,900 in fiscal year 2021 and \$858,200 in fiscal year 2022 to fund the cost increases associated with providing a 1% salary increment.

General Fund in the amount of \$1,500,000 in fiscal year 2021 and \$5,000,000 in fiscal year 2022 is included to support the cost of hiring additional staff to enhance the Department's revenue collection efforts. These efforts are expected to generate additional General Fund revenue of \$7,600,000 in fiscal year 2021 and \$23,200,000 in fiscal year 2022.

General Fund in the amount of \$1,427,800 in fiscal year 2021 and \$6,044,700 in fiscal year 2022 is included to support the implementation of the Department's new Integrated Tax System. Implementation of the new system in the 2020-2022 biennium is expected to generate an additional \$5,000,000 in General Fund revenue in fiscal year 2022.

**Finance and Administration
Property Valuation Administrators**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	56,138,900	69,521,800	70,854,300	59,346,700	60,991,200
Total General Fund	56,138,900	69,521,800	70,854,300	59,346,700	60,991,200
Restricted Funds					
Balance Forward	548,400	548,400	548,400	548,400	548,400
Current Receipts	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Total Restricted Funds	4,048,400	4,048,400	4,048,400	4,048,400	4,048,400
TOTAL SOURCE OF FUNDS	60,187,300	73,570,200	74,902,700	63,395,100	65,039,600
EXPENDITURES BY CLASS					
Personnel Costs	59,350,900	72,397,700	73,730,200	62,846,700	64,491,200
Operating Expenses	288,000	624,100	624,100		
TOTAL EXPENDITURES	59,638,900	73,021,800	74,354,300	62,846,700	64,491,200
EXPENDITURES BY FUND SOURCE					
General Fund	56,138,900	69,521,800	70,854,300	59,346,700	60,991,200
Restricted Funds	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
TOTAL EXPENDITURES	59,638,900	73,021,800	74,354,300	62,846,700	64,491,200
EXPENDITURES BY UNIT					
Property Valuation Administrators	59,638,900	73,021,800	74,354,300	62,846,700	64,491,200
TOTAL EXPENDITURES	59,638,900	73,021,800	74,354,300	62,846,700	64,491,200

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 Executive Budget includes additional General Fund in the amount of \$2,509,500 in fiscal year 2021 and \$3,048,000 in fiscal year 2022 to fund the cost increases associated with the actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$157,400 in fiscal year 2021 and \$503,300 in fiscal year 2022 to fund the cost increases associated with providing a 1% salary increment.

The Executive Budget includes additional General Fund in the amount of \$594,100 in fiscal year 2021 and \$1,207,100 in fiscal year 2022 to fund the cost increases associated with statutory salary adjustments.

Health and Family Services

Health and Family Services

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,870,293,300	3,416,150,400	3,621,015,200	2,975,708,300	3,167,763,400
Reorganization Adjustment	-151,800				
Total General Fund	2,870,141,500	3,416,150,400	3,621,015,200	2,975,708,300	3,167,763,400
Tobacco Fund					
Tobacco Settlement - Phase I	29,222,900	29,222,900	29,222,900	23,997,100	24,275,000
Continuing Approp-Tob Settlement	14,467,200				
Budget Reduction-Tobacco	-2,436,700				
Total Tobacco Fund	41,253,400	29,222,900	29,222,900	23,997,100	24,275,000
Restricted Funds					
Balance Forward	91,546,900	117,573,600	47,597,200	117,573,600	45,602,000
Current Receipts	904,075,400	801,481,400	801,806,800	881,544,300	880,038,900
Non-Revenue Receipts	435,904,000	397,056,100	400,191,000	417,448,200	420,288,600
Total Restricted Funds	1,431,526,300	1,316,111,100	1,249,595,000	1,416,566,100	1,345,929,500
Federal Fund					
Balance Forward	-23,187,000	3,400	1,300	3,400	1,300
Current Receipts	10,581,215,500	10,731,070,600	11,139,623,600	10,636,912,500	10,764,987,000
Non-Revenue Receipts	-100				
Total Federal Fund	10,558,028,400	10,731,074,000	11,139,624,900	10,636,915,900	10,764,988,300
TOTAL SOURCE OF FUNDS	14,900,949,600	15,492,558,400	16,039,458,000	15,053,187,400	15,302,956,200
EXPENDITURES BY CLASS					
Personnel Costs	959,748,200	1,144,523,300	1,142,144,400	1,020,364,000	1,042,693,400
Operating Expenses	140,691,300	151,046,900	151,142,000	132,466,600	132,190,100
Grants Loans Benefits	13,671,429,100	14,136,307,100	14,702,739,300	13,842,247,300	14,097,033,300
Debt Service	11,256,200	11,257,600	23,417,100	11,752,700	12,993,200
Capital Outlay	247,800	1,825,000	133,300	753,500	133,300
TOTAL EXPENDITURES	14,783,372,600	15,444,959,900	16,019,576,100	15,007,584,100	15,285,043,300
EXPENDITURES BY FUND SOURCE					
General Fund	2,870,141,500	3,416,150,400	3,621,015,200	2,975,708,300	3,167,763,400
Tobacco Fund	41,253,400	29,222,900	29,222,900	23,997,100	24,275,000
Restricted Funds	1,313,952,700	1,268,513,900	1,229,713,100	1,370,964,100	1,328,016,600
Federal Fund	10,558,025,000	10,731,072,700	11,139,624,900	10,636,914,600	10,764,988,300
TOTAL EXPENDITURES	14,783,372,600	15,444,959,900	16,019,576,100	15,007,584,100	15,285,043,300
EXPENDITURES BY UNIT					
General Administration and Program Support	100,673,500	110,471,800	114,775,200	110,841,800	112,532,500
Aging and Independent Living	72,236,900	91,266,900	91,486,500	73,456,000	73,677,300
Income Support	110,404,100	121,314,500	121,808,900	111,547,400	112,496,300
Public Health	380,843,300	417,370,500	419,243,100	386,653,600	387,425,400
Behavioral Health, Developmental & Intellectual Disabilities	464,055,000	520,143,200	521,301,500	444,711,300	432,702,900
Family Resource Centers and Volunteer Services	18,389,700	19,879,700	19,904,900	18,456,000	18,480,700
Community Based Services	1,338,820,000	1,429,492,400	1,463,609,300	1,384,791,600	1,407,453,900
Medicaid Services	12,258,055,500	12,693,531,800	13,226,380,600	12,445,952,500	12,709,580,000
Office for Children with Special Health Care Needs	21,292,500	23,370,500	22,920,200	19,952,600	19,454,000
Office of Health Data and Analytics	18,602,100	18,118,600	18,145,900	11,221,300	11,240,300
TOTAL EXPENDITURES	14,783,372,600	15,444,959,900	16,019,576,100	15,007,584,100	15,285,043,300

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 the Inspector General, Office of Legal Services, Office of Administrative Services, Office of Application Technology Services, Office of Human Resource Management, Office of Finance and Budget, Office of Legislative and Regulatory Affairs, Office of Ombudsman and Administrative Review, and Office of Public Affairs which comprise the Administration and Program Support appropriation unit. Remaining agencies/appropriation units within the Cabinet include the Office of Health Data and Analytics; 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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	36,168,400	9,663,200	13,222,800	11,951,200	12,981,300
Total General Fund	36,168,400	9,663,200	13,222,800	11,951,200	12,981,300
Restricted Funds					
Balance Forward	4,689,300	4,955,100	4,155,000	4,955,100	4,155,000
Current Receipts	8,312,900	8,267,000	8,266,900	6,349,000	6,265,700
Non-Revenue Receipts	10,500,500	42,732,900	43,070,700	42,732,900	43,070,700
Total Restricted Funds	23,502,700	55,955,000	55,492,600	54,037,000	53,491,400
Federal Fund					
Balance Forward	2,817,600				
Current Receipts	43,139,900	49,008,600	49,414,600	49,008,600	49,414,600
Total Federal Fund	45,957,500	49,008,600	49,414,600	49,008,600	49,414,600
TOTAL SOURCE OF FUNDS	105,628,600	114,626,800	118,130,000	114,996,800	115,887,300
EXPENDITURES BY CLASS					
Personnel Costs	74,212,600	78,637,700	79,474,800	78,684,200	79,901,300
Operating Expenses	26,460,900	31,834,100	31,978,400	31,899,600	31,958,200
Grants Loans Benefits				50,000	50,000
Debt Service			3,322,000	208,000	623,000
TOTAL EXPENDITURES	100,673,500	110,471,800	114,775,200	110,841,800	112,532,500
EXPENDITURES BY FUND SOURCE					
General Fund	36,168,400	9,663,200	13,222,800	11,951,200	12,981,300
Restricted Funds	18,547,600	51,800,000	52,137,800	49,882,000	50,136,600
Federal Fund	45,957,500	49,008,600	49,414,600	49,008,600	49,414,600
TOTAL EXPENDITURES	100,673,500	110,471,800	114,775,200	110,841,800	112,532,500
EXPENDITURES BY UNIT					
Administrative Support	71,065,200	77,758,400	81,625,300	78,726,600	79,882,100
Inspector General	29,608,300	32,713,400	33,149,900	32,115,200	32,650,400
TOTAL EXPENDITURES	100,673,500	110,471,800	114,775,200	110,841,800	112,532,500

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

The Administrative Support function includes the Office of the Secretary, the Office of Public Affairs, the Office of Legal Services, the Office of Administrative Services, the Office of Application Technology Services, the Office of Human Resource Management, the Office of Legislative & Regulatory Affairs, the Office of Finance and Budget, and the Office of the Ombudsman and Administrative Review. 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
- Regulated Child Care
- Health Care
- Certificate of Need

Policy

The Executive Budget includes additional General Fund in the amount of \$1,542,600 in fiscal year 2021 and \$1,682,800 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$154,300 in fiscal year 2021 and \$508,900 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

The Executive Budget includes additional General Fund in the amount of \$50,000 in each fiscal year to support Special Olympics.

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

SOURCE OF FUNDS	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
General Fund					
Regular Appropriation	29,577,700	1,700,000	5,022,000	2,668,200	3,278,800
Total General Fund	29,577,700	1,700,000	5,022,000	2,668,200	3,278,800
Restricted Funds					
Balance Forward	149,900				
Current Receipts	2,806,600	2,751,500	2,751,500	2,751,500	2,751,500
Non-Revenue Receipts	10,400,500	42,632,900	42,970,700	42,632,900	42,970,700
Total Restricted Funds	13,357,000	45,384,400	45,722,200	45,384,400	45,722,200
Federal Fund					
Balance Forward	1,790,500				
Current Receipts	26,340,000	30,674,000	30,881,100	30,674,000	30,881,100
Total Federal Fund	28,130,500	30,674,000	30,881,100	30,674,000	30,881,100
TOTAL SOURCE OF FUNDS	71,065,200	77,758,400	81,625,300	78,726,600	79,882,100
EXPENDITURES BY CLASS					
Personnel Costs	48,886,300	50,453,700	50,998,200	50,992,600	51,672,400
Operating Expenses	22,178,900	27,304,700	27,305,100	27,476,000	27,536,700
Grants Loans Benefits				50,000	50,000
Debt Service			3,322,000	208,000	623,000
TOTAL EXPENDITURES	71,065,200	77,758,400	81,625,300	78,726,600	79,882,100
EXPENDITURES BY FUND SOURCE					
General Fund	29,577,700	1,700,000	5,022,000	2,668,200	3,278,800
Restricted Funds	13,357,000	45,384,400	45,722,200	45,384,400	45,722,200
Federal Fund	28,130,500	30,674,000	30,881,100	30,674,000	30,881,100
TOTAL EXPENDITURES	71,065,200	77,758,400	81,625,300	78,726,600	79,882,100

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 Public Affairs, the Office of Human Resource Management, the Office of Legislative & Regulatory Affairs, the Office of Finance and Budget, the Office of Administrative Services, the Office of Application Technology Services, and the Office of the Ombudsman and Administrative Review.

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.

Administrative Services consists of Cabinet functions related to accounting, facilities management, and procurement; Accounting services supports and oversees the cabinet's accounting functions. Facility Services oversees the management of facilities, fixed assets and leased properties; Procurement services oversees grants and Memoranda of Agreement, personal services contracts, acquisition of commodities and services, IT procurement and requests for proposals.

Application Technology Services is responsible for providing CHFS agencies information technology (IT) support for cabinet and agency IT systems, including development, maintenance and operations, technical support (help desk), project management and oversight of all vendor developed/lead IT systems.

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. 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.

Finance and Budget manages the cabinet's \$14 billion 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.

Ombudsman and Administrative Review 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.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,590,700	7,963,200	8,200,800	9,283,000	9,702,500
Total General Fund	6,590,700	7,963,200	8,200,800	9,283,000	9,702,500
Restricted Funds					
Balance Forward	4,539,400	4,955,100	4,155,000	4,955,100	4,155,000
Current Receipts	5,506,300	5,515,500	5,515,400	3,597,500	3,514,200
Non-Revenue Receipts	100,000	100,000	100,000	100,000	100,000
Total Restricted Funds	10,145,700	10,570,600	9,770,400	8,652,600	7,769,200
Federal Fund					
Balance Forward	1,027,100				
Current Receipts	16,799,900	18,334,600	18,533,500	18,334,600	18,533,500
Total Federal Fund	17,827,000	18,334,600	18,533,500	18,334,600	18,533,500
TOTAL SOURCE OF FUNDS	34,563,400	36,868,400	36,504,700	36,270,200	36,005,200
EXPENDITURES BY CLASS					
Personnel Costs	25,326,300	28,184,000	28,476,600	27,691,600	28,228,900
Operating Expenses	4,282,000	4,529,400	4,673,300	4,423,600	4,421,500
TOTAL EXPENDITURES	29,608,300	32,713,400	33,149,900	32,115,200	32,650,400
EXPENDITURES BY FUND SOURCE					
General Fund	6,590,700	7,963,200	8,200,800	9,283,000	9,702,500
Restricted Funds	5,190,600	6,415,600	6,415,600	4,497,600	4,414,400
Federal Fund	17,827,000	18,334,600	18,533,500	18,334,600	18,533,500
TOTAL EXPENDITURES	29,608,300	32,713,400	33,149,900	32,115,200	32,650,400

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

The Division of Audits and Investigations examines 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 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.

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.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,249,000	9,330,100	9,500,200	3,863,100	5,851,900
Total General Fund	5,249,000	9,330,100	9,500,200	3,863,100	5,851,900
Restricted Funds					
Balance Forward	3,739,200	978,800	188,800	978,800	188,800
Current Receipts	8,767,000	8,734,300	8,715,100	10,775,100	8,868,100
Non-Revenue Receipts	-50,000	-50,000	-50,000	-50,000	-50,000
Total Restricted Funds	12,456,200	9,663,100	8,853,900	11,703,900	9,006,900
Federal Fund					
Balance Forward	-16,300	3,400	1,300	3,400	1,300
Current Receipts	4,585,800	4,564,000	4,564,800	4,572,300	4,593,900
Total Federal Fund	4,569,500	4,567,400	4,566,100	4,575,700	4,595,200
TOTAL SOURCE OF FUNDS	22,274,700	23,560,600	22,920,200	20,142,700	19,454,000
EXPENDITURES BY CLASS					
Personnel Costs	13,223,300	16,985,100	17,154,700	16,035,300	16,285,200
Operating Expenses	2,266,300	2,400,400	2,400,700	2,279,500	2,279,500
Grants Loans Benefits	5,601,300	3,277,700	3,277,700	930,500	802,200
Capital Outlay	201,600	707,300	87,100	707,300	87,100
TOTAL EXPENDITURES	21,292,500	23,370,500	22,920,200	19,952,600	19,454,000
EXPENDITURES BY FUND SOURCE					
General Fund	5,249,000	9,330,100	9,500,200	3,863,100	5,851,900
Restricted Funds	11,477,400	9,474,300	8,853,900	11,515,100	9,006,900
Federal Fund	4,566,100	4,566,100	4,566,100	4,574,400	4,595,200
TOTAL EXPENDITURES	21,292,500	23,370,500	22,920,200	19,952,600	19,454,000
EXPENDITURES BY UNIT					
Children's Health Services	21,292,500	23,370,500	22,920,200	19,952,600	19,454,000
TOTAL EXPENDITURES	21,292,500	23,370,500	22,920,200	19,952,600	19,454,000

The Office for Children with Special Health Care Needs (OCSHCN), formerly the Commission for Children with Special Health Care Needs, provides comprehensive care to children and youth with special health care needs who are Kentucky residents; younger than 21 years of age; meet medical eligibility; and meet financial eligibility. OCSHCN's mission is to enhance the quality of life for Kentucky's children with special health care needs through quality service, leadership, advocacy, education and collaboration. OCSHCN supports the highest quality of life for Kentucky's children with special health care needs and their families through collaboration and creation of a more accessible community based system of support.

OCSHCN believes in working with partners including families on new initiatives to develop and promote a more robust system of care. OCSHCN continues to build collaborations to ensure more of Kentucky's most vulnerable children will have access to the care they need for a wide variety of direct, enabling, population-based and surveillance programs which provide specialized health care; early periodic screening diagnosis and treatment services; social services and support to children, youth, and his/her families.

The programs/services currently operating within OCSHCN are:

- Support Services: Outreaches to providers, schools, and the community through trainings, meetings, and participation in health fairs and educational symposiums. OCSHCN increases community and family engagement through the agency's Facebook page, Youth Advisory Committee, Parent Advisory Committee and Spanish speaking support groups. OCSHCN provides interpreters (at no cost to families) for those directly enrolled in OCSHCN services who have limited English proficiency.

- Family to Family: OCSHCN employs two family consultants who oversee family-to-family connections in each OCSHCN district office through a mentoring program called the Family-to-Family (F2F) Health Information Center. The mentors identify available community resources and educate families, children, and young adults about how to navigate and access those resources. Over the last few fiscal years, F2F had over 70 support parents across the state assisting over 1,000 families for various needs related to healthcare. OCSHCN utilizes data to identify areas of the Commonwealth where there may be gaps in services. Based on the data, outreach is increased and partnerships are pursued. To ensure a successful transition from pediatric to adult health care, OCSHCN works with the patient and their family to connect the patient with an adult health care provider prior to discharge from OCSHCN services at 21 years of age. OCSHCN partners with schools, state and local agencies and other community organizations, to encourage family centered decision-making, which leads to each child reaching his/her personal goals for the future. The transition administrator conducts regular follow-up calls to aged-out youth – of over 100 patients who have been contacted, 98% have successfully transitioned to adult health care providers.
- Clinical and Augmentative Services Program: Provides services to children with special needs under 21 years of age throughout the Commonwealth as authorized by KRS 200.460 - 200.499 and 902 KAR 4:100. Three new OCSHCN regulations became effective July 2019 and August 2019: Application to Clinical programs (911 KAR 1:010), Billing and fees (911 KAR 1:020) and Medical staff (911 KAR 1:060). The program provides preventative, diagnostic, and treatment services, which include: medical care; hospitalization; durable medical goods; care coordination/medical case management; therapy; transportation; and nutritional education. Diagnostic conditions eligible for direct service, care coordination/case management and/or financial assistance include: asthma (severe), autism spectrum disorder; cardiology, cerebral palsy; craniofacial anomalies, cleft lip & palate, cystic fibrosis, diabetes; hearing loss, hemophilia, neurology, ophthalmology, orthopedic, otology, rheumatology, scoliosis and spina bifida. The critical services provided enhances the quality of many children's lives enabling them to reach their full potential during their lives.
- Hemophilia Program: Mandated by KRS 200.550 and KRS 200.560. It is a unique program that provides care for both children and adults with hemophilia and related bleeding disorders. This program is designed to assist those people who require continuing treatment with blood derivatives or a manufactured product to avoid debilitating effects and premium assistance toward health insurance for qualified patients. The program is operated through partnership with both University of Louisville and the University of Kentucky. Together they provide clinical services and systems of intervention and education in order to provide a safety net for this vulnerable population and improve the quality of life for those enrolled in the program across the commonwealth.
- Foster Care: Provides children and youth safe and nurturing foster homes that cultivate trust and stability and provide for their health needs, as well as a service delivery system that supports access among our community's most vulnerable citizens, the children and youth who are medically complex and in foster care. Nurses stationed in child welfare offices (and those in regional OCSHCN offices) now convene individual health planning meetings and reviews, as well as conduct monthly home visits to approximately 140 medically complex children placed in out-of-home care throughout the state. Annually, over 1,500 visits are conducted by OCSHCN. Medical consultation is also available on behalf of any child in or at risk of placement in the child welfare system on an as-needed basis.
- Early Hearing Detection and Intervention (EHDI) Program: Mandated by KRS 216.2970 with the goal of ensuring that infants diagnosed with permanent hearing loss receive timely and appropriate services, and thereby live a greater quality of life. It strives to ensure that all infants born in a Kentucky hospital (with at least 40 births annually) receive a physiologic hearing screening prior to discharge, and that the results of the screen are shared with the parents, physicians, and OCSHCN for tracking and follow-up purposes. The program is designed to assist families in obtaining diagnostic follow-up and early intervention in a timely manner. EHDI supports statewide screening for the early detection of hearing disorders and referral for follow-up treatment. The program has strong partnerships with Kentucky birthing hospitals, resulting in a consistently high hearing screening rate (98%) prior to discharge.
- First Steps Point of Entry (POE) for KIPDA Region: Serves as the Local Lead Agency in the KIPDA Region for Kentucky's Early Intervention System (KEIS). KEIS is mandated by 20 US Code Chapter 33: Education of Individuals with Disabilities, Part 303 (Part C) –Early Intervention Program for Infants and Toddlers with Disabilities the program serve children from birth to age three that have significant developmental delay or a specific medically established risk condition that is known to cause a developmental delay. The Department for Public Health, which serves as the state lead agency, funds the POE for the KIPDA region. The POE ensures access to core services, which include screenings; service coordination; evaluation and assessment; individualized family service plan development; and implementation of procedural safeguards. The EHDI program expanded the Early Childhood Hearing Outreach in Kentucky that distributed Otoacoustic Emissions equipment to Part 303 (Part C) –Early Intervention Program for Infants and Toddlers with Disabilities (First Steps) point of entry staff, and provided training in service delivery and EHDI reporting procedures. OCSHCN district offices receive direct referrals from First Steps for any child at risk of hearing loss who cannot be screened or who fails the screening provided by First Steps.

Health and Family Services

Medicaid Services

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,043,016,800	2,281,859,200	2,447,505,300	2,086,501,200	2,250,106,000
Total General Fund	2,043,016,800	2,281,859,200	2,447,505,300	2,086,501,200	2,250,106,000
Restricted Funds					
Balance Forward	45,985,900	88,275,200	23,304,800	88,275,200	23,294,100
Current Receipts	372,131,700	373,142,100	375,597,000	373,142,100	375,597,000
Non-Revenue Receipts	421,765,800	358,962,900	360,839,100	373,162,800	375,048,500
Total Restricted Funds	839,883,400	820,380,200	759,740,900	834,580,100	773,939,600
Federal Fund					
Balance Forward	-22,463,600				
Current Receipts	9,485,894,100	9,614,597,200	10,019,134,400	9,548,165,300	9,685,534,400
Total Federal Fund	9,463,430,500	9,614,597,200	10,019,134,400	9,548,165,300	9,685,534,400
TOTAL SOURCE OF FUNDS	12,346,330,700	12,716,836,600	13,226,380,600	12,469,246,600	12,709,580,000
EXPENDITURES BY CLASS					
Personnel Costs	184,858,000	279,208,300	265,800,600	183,107,300	178,770,100
Operating Expenses	8,748,900	9,052,700	9,052,700	8,839,100	8,818,800
Grants Loans Benefits	12,064,448,600	12,405,270,800	12,951,527,300	12,254,006,100	12,521,991,100
TOTAL EXPENDITURES	12,258,055,500	12,693,531,800	13,226,380,600	12,445,952,500	12,709,580,000
EXPENDITURES BY FUND SOURCE					
General Fund	2,043,016,800	2,281,859,200	2,447,505,300	2,086,501,200	2,250,106,000
Restricted Funds	751,608,200	797,075,400	759,740,900	811,286,000	773,939,600
Federal Fund	9,463,430,500	9,614,597,200	10,019,134,400	9,548,165,300	9,685,534,400
TOTAL EXPENDITURES	12,258,055,500	12,693,531,800	13,226,380,600	12,445,952,500	12,709,580,000
EXPENDITURES BY UNIT					
Medicaid Administration	234,107,900	342,021,200	330,754,000	235,906,600	236,189,600
Medicaid Benefits	12,023,947,600	12,351,510,600	12,895,626,600	12,210,045,900	12,473,390,400
TOTAL EXPENDITURES	12,258,055,500	12,693,531,800	13,226,380,600	12,445,952,500	12,709,580,000

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 218 percent of the federal poverty level who are not otherwise eligible for Medicaid.

**Health and Family Services
Medicaid Administration**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	59,367,300	88,545,000	87,129,100	59,406,600	59,448,300
Total General Fund	59,367,300	88,545,000	87,129,100	59,406,600	59,448,300
Restricted Funds					
Balance Forward	18,810,800	26,776,600	13,388,300	26,776,600	13,377,600
Current Receipts	27,900	27,900	27,900	27,900	27,900
Non-Revenue Receipts	18,204,300	4,982,900	4,982,900	-2,817,200	-2,807,700
Total Restricted Funds	37,043,000	31,787,400	18,399,100	23,987,300	10,597,800
Federal Fund					
Balance Forward	6,592,800				
Current Receipts	157,881,400	235,077,100	225,225,800	165,890,300	166,143,500
Total Federal Fund	164,474,200	235,077,100	225,225,800	165,890,300	166,143,500
TOTAL SOURCE OF FUNDS	260,884,500	355,409,500	330,754,000	249,284,200	236,189,600
EXPENDITURES BY CLASS					
Personnel Costs	184,858,000	279,208,300	265,800,600	183,107,300	178,770,100
Operating Expenses	8,748,900	9,052,700	9,052,700	8,839,100	8,818,800
Grants Loans Benefits	40,501,000	53,760,200	55,900,700	43,960,200	48,600,700
TOTAL EXPENDITURES	234,107,900	342,021,200	330,754,000	235,906,600	236,189,600
EXPENDITURES BY FUND SOURCE					
General Fund	59,367,300	88,545,000	87,129,100	59,406,600	59,448,300
Restricted Funds	10,266,400	18,399,100	18,399,100	10,609,700	10,597,800
Federal Fund	164,474,200	235,077,100	225,225,800	165,890,300	166,143,500
TOTAL EXPENDITURES	234,107,900	342,021,200	330,754,000	235,906,600	236,189,600
EXPENDITURES BY UNIT					
Medical Assistance Administration	231,007,900	338,912,100	327,640,600	234,174,400	234,700,800
KCHIP Administration	3,100,000	3,109,100	3,113,400	1,732,200	1,488,800
TOTAL EXPENDITURES	234,107,900	342,021,200	330,754,000	235,906,600	236,189,600

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 Executive Budget includes additional General Fund in the amount of \$106,200 in fiscal year 2021 and \$119,700 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$9,200 in fiscal year 2021 and \$31,800 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

Health and Family Services

Medicaid Benefits

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,983,649,500	2,193,314,200	2,360,376,200	2,027,094,600	2,190,657,700
Total General Fund	1,983,649,500	2,193,314,200	2,360,376,200	2,027,094,600	2,190,657,700
Restricted Funds					
Balance Forward	27,175,100	61,498,600	9,916,500	61,498,600	9,916,500
Current Receipts	372,103,800	373,114,200	375,569,100	373,114,200	375,569,100
Non-Revenue Receipts	403,561,500	353,980,000	355,856,200	375,980,000	377,856,200
Total Restricted Funds	802,840,400	788,592,800	741,341,800	810,592,800	763,341,800
Federal Fund					
Balance Forward	-29,056,400				
Current Receipts	9,328,012,700	9,379,520,100	9,793,908,600	9,382,275,000	9,519,390,900
Total Federal Fund	9,298,956,300	9,379,520,100	9,793,908,600	9,382,275,000	9,519,390,900
TOTAL SOURCE OF FUNDS	12,085,446,200	12,361,427,100	12,895,626,600	12,219,962,400	12,473,390,400
EXPENDITURES BY CLASS					
Grants Loans Benefits	12,023,947,600	12,351,510,600	12,895,626,600	12,210,045,900	12,473,390,400
TOTAL EXPENDITURES	12,023,947,600	12,351,510,600	12,895,626,600	12,210,045,900	12,473,390,400
EXPENDITURES BY FUND SOURCE					
General Fund	1,983,649,500	2,193,314,200	2,360,376,200	2,027,094,600	2,190,657,700
Restricted Funds	741,341,800	778,676,300	741,341,800	800,676,300	763,341,800
Federal Fund	9,298,956,300	9,379,520,100	9,793,908,600	9,382,275,000	9,519,390,900
TOTAL EXPENDITURES	12,023,947,600	12,351,510,600	12,895,626,600	12,210,045,900	12,473,390,400
EXPENDITURES BY UNIT					
Medicaid Benefits	11,759,435,700	12,075,896,900	12,608,630,000	11,928,454,000	12,181,281,300
KCHIP Benefits	264,511,900	275,613,700	286,996,600	281,591,900	292,109,100
TOTAL EXPENDITURES	12,023,947,600	12,351,510,600	12,895,626,600	12,210,045,900	12,473,390,400

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) Waiver Services (long term community services and supports for individuals with intellectual disabilities); Home and Community Based (HCBS) Waiver Services (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 2020-22

	MCO (Traditional Medicaid)	MCO (Medicaid Expansion)	MCO (KCHIP)	Fee for Service (FFS)	Grand Total
SFY_20	715,886	447,922	93,008	133,724	1,390,540
SFY_21	709,661	448,321	97,044	130,016	1,385,042
SFY_22	703,222	448,776	101,108	127,009	1,380,115

The Medicaid Expansion population monthly average for fiscal year 2019 was 452,183. The fiscal year 2018-2019 enrollment forecast from the 2018-2020 Medicaid budget request was 492,333.

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 2021 and 10 percent of the program's fiscal year 2022 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). 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 (FMAP) of 71.99 for state fiscal year 2020-2021 and 72.05 percent for fiscal year 2021-2022 for eligibility groups other than the ACA Medicaid expansion group for most budget items. The FMAP for the Medicaid expansion eligibility group authorized by the ACA dropped from 93 percent in calendar year (CY) 2019 to 90 percent in CY 2020 (impacts six months of fiscal year 2019-2020) and beyond. The federal Medicaid match rate for KCHIP dropped from 100 percent to 91.77 percent beginning October 1, 2019 and will drop to 80.44 percent beginning October 1, 2020.

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.

A phase-out of the enhanced FMAP for CHIP began September 30, 2019 when the 23 percentage point enhancement was decreased to 11.5 percentage points for federal fiscal year 2020. The matching rate will revert to the regular enhanced FMAP in federal fiscal year 2021 and beyond.

Policy

The Executive Budget includes additional General Fund in the amount of \$3,513,400 in fiscal year 2021 and \$7,012,200 in fiscal year 2022 to support 100 additional slots in the Supports for Community Living Waiver program and 500 additional slots in the Michelle P. Waiver program over the 2020-2022 fiscal biennium.

The Executive Budget includes additional General Fund in the amount of \$1 million in each fiscal year to support Kentucky Children's Health Insurance Program (KCHIP) enrollment initiatives over the 2020-2022 fiscal biennium.

The Executive Budget assumes a federal medical assistance percentage (FMAP) of 71.99 percent for state fiscal year 2020-2021 and 72.05 percent for state fiscal year 2021-2022 for Medicaid eligibility groups. An FMAP of 83.27 percent is assumed for the Kentucky Children's Health Insurance Program eligibility group in state fiscal year 2020-2021 and 80.44 percent in state fiscal year 2021-2022. The assumed FMAP for the Medicaid expansion eligibility group is 90 percent in each state fiscal year.

Health and Family Services
Behavioral Health, Developmental & Intellectual Disabilities

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	172,549,700	262,448,200	276,952,100	185,028,300	188,118,100
Reorganization Adjustment	-151,800				
Total General Fund	172,397,900	262,448,200	276,952,100	185,028,300	188,118,100
Tobacco Fund					
Tobacco Settlement - Phase I	1,500,800	1,500,800	1,500,800	1,416,000	1,495,200
Continuing Approp-Tob Settlement	735,000				
Total Tobacco Fund	2,235,800	1,500,800	1,500,800	1,416,000	1,495,200
Restricted Funds					
Balance Forward	6,767,800	5,343,000	5,343,000	5,343,000	3,343,000
Current Receipts	211,478,000	185,033,100	183,371,300	185,097,500	183,583,400
Non-Revenue Receipts	557,100	549,500	549,500	553,200	562,200
Total Restricted Funds	218,802,900	190,925,600	189,263,800	190,993,700	187,488,600
Federal Fund					
Balance Forward	-2,774,300				
Current Receipts	78,735,700	70,611,600	58,927,800	70,616,300	58,944,000
Total Federal Fund	75,961,400	70,611,600	58,927,800	70,616,300	58,944,000
TOTAL SOURCE OF FUNDS	469,398,000	525,486,200	526,644,500	448,054,300	436,045,900
EXPENDITURES BY CLASS					
Personnel Costs	94,142,400	96,022,200	99,391,500	88,875,500	89,606,900
Operating Expenses	13,427,200	14,400,900	14,350,500	12,911,800	12,595,600
Grants Loans Benefits	345,229,200	397,391,900	390,058,300	331,379,300	318,130,200
Debt Service	11,256,200	11,256,700	17,501,200	11,544,700	12,370,200
Capital Outlay		1,071,500			
TOTAL EXPENDITURES	464,055,000	520,143,200	521,301,500	444,711,300	432,702,900
EXPENDITURES BY FUND SOURCE					
General Fund	172,397,900	262,448,200	276,952,100	185,028,300	188,118,100
Tobacco Fund	2,235,800	1,500,800	1,500,800	1,416,000	1,495,200
Restricted Funds	213,459,900	185,582,600	183,920,800	187,650,700	184,145,600
Federal Fund	75,961,400	70,611,600	58,927,800	70,616,300	58,944,000
TOTAL EXPENDITURES	464,055,000	520,143,200	521,301,500	444,711,300	432,702,900
EXPENDITURES BY UNIT					
Community Behavioral Health	135,911,100	143,974,100	132,357,800	129,925,900	118,390,300
Community Developmental and Intellectual Disabilities	23,487,300	23,571,000	23,610,200	23,498,500	23,560,900
General Support	27,111,500	53,508,500	53,573,700	40,370,300	40,440,700
Residential	277,545,100	299,089,600	311,759,800	250,916,600	250,311,000
TOTAL EXPENDITURES	464,055,000	520,143,200	521,301,500	444,711,300	432,702,900

The Department for Behavioral Health, Developmental and Intellectual Disabilities operates behavioral health, substance use disorder, developmental and intellectual disabilities programs. Services are provided in the community and in state-owned, state-operated and contracted residential facilities. Approximately 800 inpatients are cared for daily in the facilities operated or contracted by the Cabinet, and over 175,000 more are treated as outpatients in the community setting by the 14 Regional Boards for Mental Health and Intellectual Disability (Community Mental Health Centers) established by KRS 210.

Policy

The Executive Budget includes additional General Fund in the amount of \$747,500 in fiscal year 2021 and \$815,500 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$81,300 in fiscal year 2021 and \$271,900 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	50,891,600	65,039,400	65,106,900	49,076,000	51,145,000
Total General Fund	50,891,600	65,039,400	65,106,900	49,076,000	51,145,000
Tobacco Fund					
Tobacco Settlement - Phase I	1,500,800	1,500,800	1,500,800	1,416,000	1,495,200
Continuing Approp-Tob Settlement	735,000				
Total Tobacco Fund	2,235,800	1,500,800	1,500,800	1,416,000	1,495,200
Restricted Funds					
Balance Forward	5,343,000	5,343,000	5,343,000	5,343,000	3,343,000
Current Receipts	8,665,000	8,672,600	8,672,600	8,672,600	8,672,600
Non-Revenue Receipts	1,357,100	1,349,500	1,349,500	1,349,500	1,349,500
Total Restricted Funds	15,365,100	15,365,100	15,365,100	15,365,100	13,365,100
Federal Fund					
Balance Forward	-1,012,400				
Current Receipts	73,774,000	67,411,800	55,728,000	67,411,800	55,728,000
Total Federal Fund	72,761,600	67,411,800	55,728,000	67,411,800	55,728,000
TOTAL SOURCE OF FUNDS	141,254,100	149,317,100	137,700,800	133,268,900	121,733,300
EXPENDITURES BY CLASS					
Personnel Costs	5,668,800	5,551,400	5,618,800	5,587,800	5,656,700
Operating Expenses	318,700	318,700	318,700	319,200	319,200
Grants Loans Benefits	129,923,600	138,104,000	126,420,300	124,018,900	112,414,400
TOTAL EXPENDITURES	135,911,100	143,974,100	132,357,800	129,925,900	118,390,300
EXPENDITURES BY FUND SOURCE					
General Fund	50,891,600	65,039,400	65,106,900	49,076,000	51,145,000
Tobacco Fund	2,235,800	1,500,800	1,500,800	1,416,000	1,495,200
Restricted Funds	10,022,100	10,022,100	10,022,100	12,022,100	10,022,100
Federal Fund	72,761,600	67,411,800	55,728,000	67,411,800	55,728,000
TOTAL EXPENDITURES	135,911,100	143,974,100	132,357,800	129,925,900	118,390,300
EXPENDITURES BY UNIT					
Community Alcohol and Drug Services	78,994,700	68,508,800	56,860,600	68,424,100	56,853,200
Community Mental Health Services	56,916,400	75,465,300	75,497,200	61,501,800	61,537,100
TOTAL EXPENDITURES	135,911,100	143,974,100	132,357,800	129,925,900	118,390,300

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 to provide these services and supports. 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), and
- Uninsured or underinsured individuals with behavioral health disorders.

In accordance with KRS 210.410, CMHCs must provide mentally ill persons and persons who abuse drugs and alcohol with specific services such as: consultation and educational services to help individuals understand their illnesses and treatment options; community support programs to assist individuals with mental health conditions 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 employment 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.

Funding is 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 through contracts with the CMHCs and other state, local, and private non-profit providers. 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, 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.

As the State Substance Abuse Authority and the State Opiate Replacement Authority, the Department is tasked with leading the Kentucky Opioid Response Effort (KORE) and collaborating with other departments within the Cabinet, the Office of Drug Control Policy, and other state and local agencies in the effort to eradicate addiction.

Policy

The Executive Budget includes \$13,056,000 General Fund in each fiscal year to assist with funding the increases of the actuarially determined contribution for Community Mental Health Centers that are currently participating in the Kentucky Employees Retirement system.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	17,755,500	17,687,400	17,726,600	17,606,500	17,648,400
Reorganization Adjustment	-151,800				
Total General Fund	17,603,700	17,687,400	17,726,600	17,606,500	17,648,400
Restricted Funds					
Balance Forward	113,800				
Current Receipts	370,000	483,800	483,800	483,800	483,800
Non-Revenue Receipts	2,200,000	2,200,000	2,200,000	2,203,700	2,212,700
Total Restricted Funds	2,683,800	2,683,800	2,683,800	2,687,500	2,696,500
Federal Fund					
Balance Forward	-1,761,800				
Current Receipts	4,961,600	3,199,800	3,199,800	3,204,500	3,216,000
Total Federal Fund	3,199,800	3,199,800	3,199,800	3,204,500	3,216,000
TOTAL SOURCE OF FUNDS	23,487,300	23,571,000	23,610,200	23,498,500	23,560,900
EXPENDITURES BY CLASS					
Personnel Costs	2,859,100	2,944,300	2,983,400	2,994,000	3,039,200
Operating Expenses	550,100	550,100	550,100	550,100	550,100
Grants Loans Benefits	20,078,100	20,076,600	20,076,700	19,954,400	19,971,600
TOTAL EXPENDITURES	23,487,300	23,571,000	23,610,200	23,498,500	23,560,900
EXPENDITURES BY FUND SOURCE					
General Fund	17,603,700	17,687,400	17,726,600	17,606,500	17,648,400
Restricted Funds	2,683,800	2,683,800	2,683,800	2,687,500	2,696,500
Federal Fund	3,199,800	3,199,800	3,199,800	3,204,500	3,216,000
TOTAL EXPENDITURES	23,487,300	23,571,000	23,610,200	23,498,500	23,560,900

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. 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.

Health and Family Services
Behavioral Health, Developmental & Intellectual Disabilities

General Support

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	27,111,500	53,508,500	53,573,700	40,370,300	40,440,700
Total General Fund	27,111,500	53,508,500	53,573,700	40,370,300	40,440,700
TOTAL SOURCE OF FUNDS	27,111,500	53,508,500	53,573,700	40,370,300	40,440,700
EXPENDITURES BY CLASS					
Personnel Costs	5,088,100	5,235,300	5,300,500	5,291,100	5,361,500
Operating Expenses	264,200	264,200	264,200	264,200	264,200
Grants Loans Benefits	21,759,200	48,009,000	48,009,000	34,815,000	34,815,000
TOTAL EXPENDITURES	27,111,500	53,508,500	53,573,700	40,370,300	40,440,700
EXPENDITURES BY FUND SOURCE					
General Fund	27,111,500	53,508,500	53,573,700	40,370,300	40,440,700
TOTAL EXPENDITURES	27,111,500	53,508,500	53,573,700	40,370,300	40,440,700

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, contract development and implementation, oversight of personnel and staffing, Autism Spectrum Disorder support, legislative monitoring and management decision-making for the overall direction of the Department.

Policy

Thirteen regional Community Mental Health Centers participate in the Kentucky retirement system pension plans. Rather than fund the additional costs of the large employer contribution increase from 49.47% to 83.43% effective for the 2018-2020 budget, the contribution rate was frozen at 49.47%. The Executive Budget includes additional General Fund in the amount of \$13,056,000 in each fiscal year so that the new frozen rate is 67.41% for the 2020-2022 budget.

Health and Family Services
Behavioral Health, Developmental & Intellectual Disabilities

Residential

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	76,791,100	126,212,900	140,544,900	77,975,500	78,884,000
Total General Fund	76,791,100	126,212,900	140,544,900	77,975,500	78,884,000
Restricted Funds					
Balance Forward	1,311,000				
Current Receipts	202,443,000	175,876,700	174,214,900	175,941,100	174,427,000
Non-Revenue Receipts	-3,000,000	-3,000,000	-3,000,000	-3,000,000	-3,000,000
Total Restricted Funds	200,754,000	172,876,700	171,214,900	172,941,100	171,427,000
Federal Fund					
Balance Forward	-100				
Current Receipts	100				
Total Federal Fund					
TOTAL SOURCE OF FUNDS	277,545,100	299,089,600	311,759,800	250,916,600	250,311,000
EXPENDITURES BY CLASS					
Personnel Costs	80,526,400	82,291,200	85,488,800	75,002,600	75,549,500
Operating Expenses	12,294,200	13,267,900	13,217,500	11,778,300	11,462,100
Grants Loans Benefits	173,468,300	191,202,300	195,552,300	152,591,000	150,929,200
Debt Service	11,256,200	11,256,700	17,501,200	11,544,700	12,370,200
Capital Outlay		1,071,500			
TOTAL EXPENDITURES	277,545,100	299,089,600	311,759,800	250,916,600	250,311,000
EXPENDITURES BY FUND SOURCE					
General Fund	76,791,100	126,212,900	140,544,900	77,975,500	78,884,000
Restricted Funds	200,754,000	172,876,700	171,214,900	172,941,100	171,427,000
TOTAL EXPENDITURES	277,545,100	299,089,600	311,759,800	250,916,600	250,311,000

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 800 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 102; Central State Hospital in Louisville with an ADC of 54; and Western State Hospital in Hopkinsville with an ADC of 112. The ARH Psychiatric Facility located in Hazard, owned and operated by Appalachian Regional Healthcare, Inc., with an ADC of 57, 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 68 and Western State Nursing Facility with an ADC of 93 provide quality care to adults with severe and persistent mental illness who require a skilled nursing facility's level of 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 108, Outwood in Dawson Springs with an ADC of 32, Hazelwood in Louisville with an ADC of 67, Bingham Gardens located in Louisville with an ADC of 23, Del Maria in Fern Creek with an ADC of 8, the Meadows in Mount Washington with an ADC of 7, and Windsong in Crestwood with an ADC of 6. Residents are assisted in self-care skills and community living skills 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 and competency evaluation services are provided at the Kentucky Correctional Psychiatric Center within the Luther Lockett Correctional Complex in LaGrange with an ADC of 62. 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.

Health and Family Services

Public Health

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	76,481,200	122,807,500	124,365,000	94,934,900	95,143,300
Total General Fund	76,481,200	122,807,500	124,365,000	94,934,900	95,143,300
Tobacco Fund					
Tobacco Settlement - Phase I	15,472,100	15,472,100	15,472,100	12,831,100	13,029,800
Continuing Approp-Tob Settlement	13,732,200				
Budget Reduction-Tobacco	-2,436,700				
Total Tobacco Fund	26,767,600	15,472,100	15,472,100	12,831,100	13,029,800
Restricted Funds					
Balance Forward	20,655,500	17,836,300	14,565,600	17,836,300	14,581,100
Current Receipts	88,675,200	87,675,200	87,075,200	87,675,200	87,075,200
Non-Revenue Receipts	-4,507,000	-3,507,000	-2,907,000	-3,507,000	-2,907,000
Total Restricted Funds	104,823,700	102,004,500	98,733,800	102,004,500	98,749,300
Federal Fund					
Balance Forward	-926,600				
Current Receipts	191,533,800	191,652,000	191,856,300	191,464,200	191,718,100
Non-Revenue Receipts	-100				
Total Federal Fund	190,607,100	191,652,000	191,856,300	191,464,200	191,718,100
TOTAL SOURCE OF FUNDS	398,679,600	431,936,100	430,427,200	401,234,700	398,640,500
EXPENDITURES BY CLASS					
Personnel Costs	69,684,800	72,499,600	73,031,800	72,613,300	73,213,000
Operating Expenses	13,211,800	13,718,700	13,718,900	13,579,900	13,566,000
Grants Loans Benefits	297,946,700	331,152,200	331,153,400	300,460,400	300,646,400
Debt Service			1,339,000		
TOTAL EXPENDITURES	380,843,300	417,370,500	419,243,100	386,653,600	387,425,400
EXPENDITURES BY FUND SOURCE					
General Fund	76,481,200	122,807,500	124,365,000	94,934,900	95,143,300
Tobacco Fund	26,767,600	15,472,100	15,472,100	12,831,100	13,029,800
Restricted Funds	86,987,400	87,438,900	87,549,700	87,423,400	87,534,200
Federal Fund	190,607,100	191,652,000	191,856,300	191,464,200	191,718,100
TOTAL EXPENDITURES	380,843,300	417,370,500	419,243,100	386,653,600	387,425,400
EXPENDITURES BY UNIT					
General Health Support	34,154,800	72,319,000	73,716,600	51,813,200	51,853,200
Women's Health	10,038,800	9,915,300	9,932,100	9,842,400	9,860,200
Prevention and Quality Improvement	28,677,200	23,366,400	23,411,900	22,952,500	23,088,500
Epidemiology and Health Planning	48,683,800	57,092,100	57,227,600	49,257,900	49,413,400
Maternal and Child Health	217,240,200	211,767,800	211,843,100	209,683,100	209,878,100
Laboratory Services	11,387,900	11,576,500	11,630,500	11,791,700	11,849,900
Public Health Protection and Safety	30,660,600	31,333,400	31,481,300	31,312,800	31,482,100
TOTAL EXPENDITURES	380,843,300	417,370,500	419,243,100	386,653,600	387,425,400

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:

- Assessment of health status and programs;
- Science-based health policy development; and
- 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 carryout and enforce 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 year 2019, the public health system in Kentucky provided clinical services to an average of about 433,000 unduplicated patients. 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.

Policy

The Executive Budget includes additional General Fund in the amount of \$604,900 in fiscal year 2021 and \$663,600 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$60,900 in fiscal year 2021 and \$198,400 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	33,418,500	71,582,700	72,980,300	51,092,400	51,132,400
Total General Fund	33,418,500	71,582,700	72,980,300	51,092,400	51,132,400
Restricted Funds					
Balance Forward	127,100	84,800	42,400	84,800	57,900
Current Receipts	4,594,000	3,593,900	2,993,900	3,593,900	2,993,900
Non-Revenue Receipts	-3,900,000	-2,900,000	-2,300,000	-2,900,000	-2,300,000
Total Restricted Funds	821,100	778,700	736,300	778,700	751,800
Federal Fund					
Balance Forward	-600				
Non-Revenue Receipts	600				
Total Federal Fund					
TOTAL SOURCE OF FUNDS	34,239,600	72,361,400	73,716,600	51,871,100	51,884,200
EXPENDITURES BY CLASS					
Personnel Costs	7,639,000	8,607,900	8,666,300	8,671,300	8,733,300
Operating Expenses	157,700	580,900	580,900	262,600	240,400
Grants Loans Benefits	26,358,100	63,130,200	63,130,400	42,879,300	42,879,500
Debt Service			1,339,000		
TOTAL EXPENDITURES	34,154,800	72,319,000	73,716,600	51,813,200	51,853,200
EXPENDITURES BY FUND SOURCE					
General Fund	33,418,500	71,582,700	72,980,300	51,092,400	51,132,400
Restricted Funds	736,300	736,300	736,300	720,800	720,800
TOTAL EXPENDITURES	34,154,800	72,319,000	73,716,600	51,813,200	51,853,200

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 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 800 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 Office of Health Equity functionally operates through the Commissioner's Office. The Office is currently funded with a grant from the Centers for Disease Control and Prevention and 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, Local Health Departments, and other partners.

Quality improvement, performance management, and national accreditation efforts continue to be a focus of the department. The goal of this program is for participants to make fundamental changes in their organizations and practices so that they can improve the delivery of public health services and create a culture of continuous quality improvement.

The ten (10) essential public health services and Public Health Accreditation Board (PHAB) are the driving forces to achieve minimum standards and measures for public health.

The Division of Administration and Financial Management provides all resource support to the department. This includes approximately 400+ department-level personnel and more than 2,800 Local Health Department personnel represented by the 61 Kentucky LHDs in all 120 counties. The division provides all budget and accounting support, payments, grant allocation, fee collection, procurement, and contracting support. The division plays a vital role in providing effective and efficient training that enhances workforce abilities of the department, LHDs, public health preparedness, and other public health system partners. The division develops the department's biennial budget and oversees LHDs' fiscal planning and administrative management functions. The division works in concert with the other divisions in the department to plan, program, execute, manage, and report the financial activities of the department and LHDs.

The division is also responsible for overseeing the day-to-day operations of the 61 LHDs. This responsibility includes conducting training on medical coding and billing practices, local health personnel procedures, and financial operations. Additionally, this division has the responsibilities for personnel management; medical records and forms management, reporting of clinical and community-based services, operating the online local health network that tracks more than three (3) million services to approximately 433,000 patients, policy interpretation, and the local Board of Health appointment process. The division is the primary liaison between the department and LHDs.

Policy

Sixty Local and District Health Departments participate in the Kentucky retirement system pension plans. Rather than fund the additional costs of the large employer contribution increase from 49.47% to 83.43% effective for the 2018-2020 budget, the contribution rate was frozen at 49.47%. The Executive Budget includes additional General Fund in the amount of \$16,541,200 in each fiscal year so that the new frozen rate is 67.41% for the 2020-2022 budget.

Health and Family Services

Public Health

Women's Health

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	467,600	482,600	488,600	489,700	496,700
Total General Fund	467,600	482,600	488,600	489,700	496,700
Tobacco Fund					
Tobacco Settlement - Phase I	80,000	80,000	80,000		
Continuing Approp-Tob Settlement	243,300				
Budget Reduction-General Fund	-80,000				
Total Tobacco Fund	243,300	80,000	80,000		
Restricted Funds					
Balance Forward	5,800	3,800	1,900	3,800	1,900
Current Receipts	500	600	600	600	600
Total Restricted Funds	6,300	4,400	2,500	4,400	2,500
Federal Fund					
Balance Forward	-107,300				
Current Receipts	9,432,700	9,350,200	9,361,000	9,350,200	9,361,000
Total Federal Fund	9,325,400	9,350,200	9,361,000	9,350,200	9,361,000
TOTAL SOURCE OF FUNDS	10,042,600	9,917,200	9,932,100	9,844,300	9,860,200
EXPENDITURES BY CLASS					
Personnel Costs	2,378,600	2,420,900	2,437,700	2,428,000	2,445,800
Operating Expenses	276,400	276,400	276,400	276,400	276,400
Grants Loans Benefits	7,383,800	7,218,000	7,218,000	7,138,000	7,138,000
TOTAL EXPENDITURES	10,038,800	9,915,300	9,932,100	9,842,400	9,860,200
EXPENDITURES BY FUND SOURCE					
General Fund	467,600	482,600	488,600	489,700	496,700
Tobacco Fund	243,300	80,000	80,000		
Restricted Funds	2,500	2,500	2,500	2,500	2,500
Federal Fund	9,325,400	9,350,200	9,361,000	9,350,200	9,361,000
TOTAL EXPENDITURES	10,038,800	9,915,300	9,932,100	9,842,400	9,860,200

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; assure appropriate follow-up services and case management; develop and disseminate public information and education programs for the detection and control of breast and cervical cancers; improve the education, training, and skills of health professionals; monitor the quality of screening procedures for breast and cervical cancers; and evaluate activities through appropriate surveillance. In the past, this program has primarily been contracted to local health departments (LHDs). Through Kentucky's Public Health Transformation initiative, the LHDs will be allowed, at their discretion, to opt out of providing these services and the department will secure other partners to provide the services such as Federally Qualified Health Centers, Rural Health Clinics, and other community providers.

The Breast Cancer Research and Education Trust Fund program, is funded by revenue collected from breast cancer license plate 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 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 disease prevention, 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. Through the Public Health Transformation initiative, the department will secure non-LHD providers for these services if the LHD declines participation.

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**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	9,950,000	10,011,700	10,039,600	10,042,800	10,073,700
Total General Fund	9,950,000	10,011,700	10,039,600	10,042,800	10,073,700
Tobacco Fund					
Tobacco Settlement - Phase I	4,392,100	4,392,100	4,392,100	3,947,100	4,034,600
Continuing Approp-Tob Settlement	5,688,500				
Budget Reduction-Tobacco	-276,700				
Total Tobacco Fund	9,803,900	4,392,100	4,392,100	3,947,100	4,034,600
Restricted Funds					
Balance Forward	774,500	516,400	258,200	516,400	258,200
Current Receipts	183,800	183,700	183,700	183,700	183,700
Non-Revenue Receipts	500,000	500,000	500,000	500,000	500,000
Total Restricted Funds	1,458,300	1,200,100	941,900	1,200,100	941,900
Federal Fund					
Balance Forward	-138,800				
Current Receipts	8,120,200	8,020,700	8,038,300	8,020,700	8,038,300
Total Federal Fund	7,981,400	8,020,700	8,038,300	8,020,700	8,038,300
TOTAL SOURCE OF FUNDS	29,193,600	23,624,600	23,411,900	23,210,700	23,088,500
EXPENDITURES BY CLASS					
Personnel Costs	4,215,100	4,317,900	4,363,300	4,398,900	4,461,200
Operating Expenses	833,200	833,200	833,200	833,200	833,200
Grants Loans Benefits	23,628,900	18,215,300	18,215,400	17,720,400	17,794,100
TOTAL EXPENDITURES	28,677,200	23,366,400	23,411,900	22,952,500	23,088,500
EXPENDITURES BY FUND SOURCE					
General Fund	9,950,000	10,011,700	10,039,600	10,042,800	10,073,700
Tobacco Fund	9,803,900	4,392,100	4,392,100	3,947,100	4,034,600
Restricted Funds	941,900	941,900	941,900	941,900	941,900
Federal Fund	7,981,400	8,020,700	8,038,300	8,020,700	8,038,300
TOTAL EXPENDITURES	28,677,200	23,366,400	23,411,900	22,952,500	23,088,500

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 which can be implemented at the local level including chronic disease management, clinical and community education/promotion, self-management education, quality improvement, health care access for low income Kentuckians, and health risk behavior data analysis through the Kentucky Behavioral Risk Factor Surveillance System in order to effectively prioritize health issues and implement appropriate evidence-based interventions. The program's activities cover the spectrum of population-based and personal preventive health services, delivered through a wide range of health partners and health care organizations.

The PQI division provides leadership and facilitates partnerships with key stakeholders in order to improve care and services with a special focus on populations with low incomes, diverse ethnicity and racial backgrounds, and underserved populations with limited access to care. Division staff support partners who provide clinical and community based services and provide technical assistance in infrastructure building through policy development and implementation, providing data and surveillance activities, and developing appropriate disease management strategies.

The PQI division is also involved in the departmental preparations to apply for national accreditation by the Public Health Accreditation Board (PHAB). Key division staff are working on domain teams for public health accreditation activities. Division staff also serve on the department accreditation readiness team, strategic plan committee, State Health Improvement Plan committee, and State Health Assessment committee, and provide data through the Behavioral Risk Factor Surveillance System (BRFSS) to all local health departments in Kentucky for their own accreditation efforts.

The Chronic Disease Prevention Branch utilizes evidence-based programming and interventions to reduce morbidity and mortality from chronic diseases. Programs include asthma, community health action teams, community health worker, comprehensive cancer, pediatric cancer, colon cancer, chronic obstructive pulmonary disease, diabetes, heart disease and stroke, obesity prevention, and tobacco prevention. The Branch provides partial funding to local health departments for capacity building, which will lead to sustainable interventions in order to improve health status at the community level through local coalitions, health systems improvement strategies, and by increasing community-clinical linkages for access to screening and disease self-management.

The Health Care Access Branch provides a departmental focus on primary care and administers federal grants and programs relative to primary care. Through these programs, approximately 120 additional physicians are serving Kentucky's medically underserved population. The Branch is responsible for determining areas of Kentucky that meet the criteria for Health Professional Shortage Area and Medically Underserved Area. The Branch is also responsible for the Charitable Health Program, National Health Service Corps Program, Kentucky Physician Care Program, J-1 VISA Program, Kentucky Prescription Assistance Program (KPAP) and Kentucky Spinal Cord and Head Injury Research Board.

The Prevention and Quality Improvement Division, including both branches, is working toward alignment with Kentucky's public health transformation principles. In order to ensure continuity of services for Kentuckians, in those geographic areas in which these programs are not identified as local community priorities and will no longer be provided by the LHD, the division is seeking non-traditional partners. Many programs have been in alignment with transformation principles for years and are serving as guidance for others.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	3,179,000	10,975,100	10,995,100	3,248,500	3,272,200
Total General Fund	3,179,000	10,975,100	10,995,100	3,248,500	3,272,200
Restricted Funds					
Balance Forward	17,276,200	15,409,100	13,321,000	15,409,100	13,321,000
Current Receipts	19,758,500	19,758,700	19,758,700	19,758,700	19,758,700
Non-Revenue Receipts	-325,000	-325,000	-325,000	-325,000	-325,000
Total Restricted Funds	36,709,700	34,842,800	32,754,700	34,842,800	32,754,700
Federal Fund					
Balance Forward	-1,162,100				
Current Receipts	25,366,300	24,595,200	24,661,900	24,487,600	24,570,600
Total Federal Fund	24,204,200	24,595,200	24,661,900	24,487,600	24,570,600
TOTAL SOURCE OF FUNDS	64,092,900	70,413,100	68,411,700	62,578,900	60,597,500
EXPENDITURES BY CLASS					
Personnel Costs	29,691,800	30,356,900	30,492,000	30,272,700	30,427,800
Operating Expenses	4,213,700	4,213,700	4,213,700	4,213,700	4,213,700
Grants Loans Benefits	14,778,300	22,521,500	22,521,900	14,771,500	14,771,900
TOTAL EXPENDITURES	48,683,800	57,092,100	57,227,600	49,257,900	49,413,400
EXPENDITURES BY FUND SOURCE					
General Fund	3,179,000	10,975,100	10,995,100	3,248,500	3,272,200
Restricted Funds	21,300,600	21,521,800	21,570,600	21,521,800	21,570,600
Federal Fund	24,204,200	24,595,200	24,661,900	24,487,600	24,570,600
TOTAL EXPENDITURES	48,683,800	57,092,100	57,227,600	49,257,900	49,413,400

The mission of the Division of Epidemiology and Health Planning is to provide quality epidemiological and vital records services, public health planning, and reportable disease prevention and control services in order to promote, protect, and plan for the health and safety of Kentuckians.

To accomplish these responsibilities, the Division conducts activities in three 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, HIV/AIDS, healthcare associated infections, and other reportable diseases,
- The Immunization Branch, which includes providing vaccines for children-enrolled health care providers at no cost, enforcing school and child care immunization regulations, providing immunization education and training for health care providers and the general public, coordinating surveillance and control efforts for vaccine-preventable diseases, and promoting vaccine safety, and
- The Office of Vital Statistics, which collects and preserves mandatory records of vital events including births, deaths, marriages, and divorces.

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

The Tuberculosis (TB) Control Section 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 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 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 Immunization Branch provides financial support and vaccines to LHDs and other providers for the provision of over one million immunizations each year to about 600,000 persons, primarily ages 0-18 years. Immunization rates are tracked in schools, day care facilities, LHD clinics, and the general child population. This branch also operates the Kentucky Immunization Registry.

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.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	19,628,800	19,668,100	19,686,800	19,689,300	19,709,700
Total General Fund	19,628,800	19,668,100	19,686,800	19,689,300	19,709,700
Tobacco Fund					
Tobacco Settlement - Phase I	11,000,000	11,000,000	11,000,000	8,884,000	8,995,200
Continuing Approp-Tob Settlement	7,800,400				
Budget Reduction-Tobacco	-2,080,000				
Total Tobacco Fund	16,720,400	11,000,000	11,000,000	8,884,000	8,995,200
Restricted Funds					
Balance Forward	1,567,000	1,067,200	539,800	1,067,200	539,800
Current Receipts	48,336,000	48,335,900	48,335,900	48,335,900	48,335,900
Non-Revenue Receipts	218,000	218,000	218,000	218,000	218,000
Total Restricted Funds	50,121,000	49,621,100	49,093,700	49,621,100	49,093,700
Federal Fund					
Balance Forward	300,500				
Current Receipts	131,537,400	132,018,400	132,062,600	132,028,500	132,079,500
Non-Revenue Receipts	-700				
Total Federal Fund	131,837,200	132,018,400	132,062,600	132,028,500	132,079,500
TOTAL SOURCE OF FUNDS	218,307,400	212,307,600	211,843,100	210,222,900	209,878,100
EXPENDITURES BY CLASS					
Personnel Costs	8,766,500	9,015,900	9,091,100	9,047,200	9,130,900
Operating Expenses	697,400	697,400	697,400	697,400	697,400
Grants Loans Benefits	207,776,300	202,054,500	202,054,600	199,938,500	200,049,800
TOTAL EXPENDITURES	217,240,200	211,767,800	211,843,100	209,683,100	209,878,100
EXPENDITURES BY FUND SOURCE					
General Fund	19,628,800	19,668,100	19,686,800	19,689,300	19,709,700
Tobacco Fund	16,720,400	11,000,000	11,000,000	8,884,000	8,995,200
Restricted Funds	49,053,800	49,081,300	49,093,700	49,081,300	49,093,700
Federal Fund	131,837,200	132,018,400	132,062,600	132,028,500	132,079,500
TOTAL EXPENDITURES	217,240,200	211,767,800	211,843,100	209,683,100	209,878,100

The Maternal and Child Health (MCH) division promotes and safeguards the health of all Kentuckians, with an emphasis on at-risk mothers, infants, children, and adolescents. The division's goal is to help those at risk of adverse health effects 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, injury prevention, coordinated school health, and selected primary and preventive care activities.

The Program Support Branch is responsible for public health surveillance systems including the Neonatal Abstinence Reporting, Pregnancy Risk Assessment Monitoring System, and the Sudden Unexpected Infant Death Registry. The Kentucky Birth Surveillance Registry, which is required by KRS 211.651-.670, identifies children in Kentucky who are at risk for serious medical conditions and developmental delays, and works closely with the Newborn Screening and Case Management program to ensure infants get appropriate and timely follow-up to mitigate adverse outcomes, and in some cases, prevent early death.

The Early Childhood Development Branch is required, by KRS 211.689-.690, to provide early childhood initiatives such as home visitation (Health Access Nurturing Development Services [HANDS]), childcare health consultation, early childhood mental health services for children, Kentucky Strengthening Families, and Help Me Grow. HANDS is a voluntary statewide home visitation program designed to assist overburdened parents during the prenatal period until the child's third birthday. Home visitation services include education and information on prenatal and postnatal health, early brain development, family self-sufficiency, home safety, and parent-child interactive curriculum activities.

Kentucky Early Intervention System (KEIS), within the Early Childhood Development Branch, 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 Branch provides oversight to services and activities including prenatal care, child and adolescent preventive health, childhood lead poisoning prevention, child fatality review and injury prevention, maternal mortality review, and coordinated school health. This branch also houses the division's infant mortality efforts, including the safe sleep campaign. The Newborn Metabolic Screening and Case Management program identifies children in Kentucky who are at risk for serious medical conditions and developmental delays, and works closely with the Birth Surveillance Registry.

The Nutrition Services Branch 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 postpartum 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.

Health and Family Services

Public Health

Laboratory Services

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,326,500	5,464,400	5,503,400	5,679,600	5,722,800
Total General Fund	5,326,500	5,464,400	5,503,400	5,679,600	5,722,800
Restricted Funds					
Balance Forward	144,600	135,200	75,100	135,200	75,100
Current Receipts	6,824,600	6,824,600	6,824,600	6,824,600	6,824,600
Non-Revenue Receipts	-1,000,000	-1,000,000	-1,000,000	-1,000,000	-1,000,000
Total Restricted Funds	5,969,200	5,959,800	5,899,700	5,959,800	5,899,700
Federal Fund					
Balance Forward	-100				
Current Receipts	227,500	227,400	227,400	227,400	227,400
Total Federal Fund	227,400	227,400	227,400	227,400	227,400
TOTAL SOURCE OF FUNDS	11,523,100	11,651,600	11,630,500	11,866,800	11,849,900
EXPENDITURES BY CLASS					
Personnel Costs	5,805,200	5,917,700	5,971,500	5,971,500	6,021,400
Operating Expenses	5,577,700	5,653,800	5,654,000	5,815,200	5,823,500
Grants Loans Benefits	5,000	5,000	5,000	5,000	5,000
TOTAL EXPENDITURES	11,387,900	11,576,500	11,630,500	11,791,700	11,849,900
EXPENDITURES BY FUND SOURCE					
General Fund	5,326,500	5,464,400	5,503,400	5,679,600	5,722,800
Restricted Funds	5,834,000	5,884,700	5,899,700	5,884,700	5,899,700
Federal Fund	227,400	227,400	227,400	227,400	227,400
TOTAL EXPENDITURES	11,387,900	11,576,500	11,630,500	11,791,700	11,849,900

The Division of Laboratory Services (DLS) performs sophisticated state of the art chemical, biological, and molecular laboratory testing. In partnership with federal, state, and local entities, testing performed at the state public health laboratory supports critical activities like disease investigation, control, prevention and surveillance; food safety; and environmental health and protection. Leveraging expertise and resources, DLS serves as a reference center for hospitals and local health departments across the Commonwealth.

DLS detects and identifies a wide variety of microorganisms (bacterial and viral) and toxic chemical substances that pose a threat to public health. These include infectious agents related to food-borne disease outbreaks, seasonal influenza, and high-risk and high mortality diseases like antibiotic resistant tuberculosis, hospital-associated pneumonia, and sepsis. This requires the use of technology such as Next-Generation Sequencing (NGS) to look for relatedness between organisms that are identified from human or food sources. DLS also tests for environmental contaminants like pesticides in fruits or vegetables sold at farmers markets and bacterial contamination in commercial dairy products. When DLS identifies hospital-associated infections or dangerous, emerging infectious pathogens such as the Zika or Ebola virus, methods for their detection are rapidly deployed. Timely and precise detection of these biological agents is essential for effectively limiting spread and harm to the public.

DLS tests packages and/or substances with possible links to chemical or biological terrorism in a highly secured biosafety level 3 laboratory with specialized protocols developed and distributed by the Centers for Disease Control and Prevention (CDC) as a part of the Laboratory Response Network (LRN). These facilities and protocols are not available to other laboratories in the state making DLS a reference laboratory for Kentucky. DLS' specially trained and skilled scientists develop and maintain capacity for testing for low incidence or high risk diseases (e.g. botulism, rabies, etc.) which may be unavailable in the private sector.

DLS performs testing for heritable conditions in newborns that may be undetectable by physical examination or by other clinical signs or symptoms. DLS performs initial laboratory screening for the identification of metabolic, endocrine,

hemoglobin, and other disorders. In July 2018, DLS added X-linked Adrenoleukodystrophy to its screening panel through a collaboration with Mayo Clinic Laboratories. Additionally, in August 2019 screening for Spinal Muscular Atrophy was implemented bringing the total number of disorders on the panel to 55. DLS also began providing paid courier service to birthing hospitals in 2017 in order to meet national timeliness requirements for newborn screening. To meet the timeliness requirements, DLS instituted a six-day workweek. Timeliness is critical for newborn screening as there are treatments or preventive measures that work only if initiated early after birth. DLS is regulated by CLIA (Clinical Laboratory Improvement Amendments) and is accredited by the College of American Pathologists. In January 2017, the laboratory received accreditation as a food-testing laboratory. Other agencies that routinely inspect and/or certify DLS include the CDC, U.S. Department of Homeland Security, U.S. Department of Transportation, Environmental Protection Agency, and American Industrial Hygiene Association.

DLS performs testing for the Department for Public Health (DPH) and Occupational Safety and Health Administration (OSHA), often requiring very specific laboratory support. Workload is largely driven by state program needs in compliance with applicable state statutes and/or regulations.

**Health and Family Services
Public Health**

Public Health Protection and Safety

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	4,510,800	4,622,900	4,671,200	4,692,600	4,735,800
Total General Fund	4,510,800	4,622,900	4,671,200	4,692,600	4,735,800
Restricted Funds					
Balance Forward	760,300	619,800	327,200	619,800	327,200
Current Receipts	8,977,800	8,977,800	8,977,800	8,977,800	8,977,800
Total Restricted Funds	9,738,100	9,597,600	9,305,000	9,597,600	9,305,000
Federal Fund					
Balance Forward	181,800				
Current Receipts	16,849,700	17,440,100	17,505,100	17,349,800	17,441,300
Total Federal Fund	17,031,500	17,440,100	17,505,100	17,349,800	17,441,300
TOTAL SOURCE OF FUNDS	31,280,400	31,660,600	31,481,300	31,640,000	31,482,100
EXPENDITURES BY CLASS					
Personnel Costs	11,188,600	11,862,400	12,009,900	11,823,700	11,992,600
Operating Expenses	1,455,700	1,463,300	1,463,300	1,481,400	1,481,400
Grants Loans Benefits	18,016,300	18,007,700	18,008,100	18,007,700	18,008,100
TOTAL EXPENDITURES	30,660,600	31,333,400	31,481,300	31,312,800	31,482,100
EXPENDITURES BY FUND SOURCE					
General Fund	4,510,800	4,622,900	4,671,200	4,692,600	4,735,800
Restricted Funds	9,118,300	9,270,400	9,305,000	9,270,400	9,305,000
Federal Fund	17,031,500	17,440,100	17,505,100	17,349,800	17,441,300
TOTAL EXPENDITURES	30,660,600	31,333,400	31,481,300	31,312,800	31,482,100

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) and approximately 740 LHD environmental registered sanitarians, and regulatory oversight to thousands of Kentucky's regulated businesses. The Program's mission is to promote a healthier, safer public through prevention, education, communication, and regulation.

The Radiation Health Branch inspects and issues over 720 licenses to users of radioactive materials. The branch monitors the transportation of radioactive waste throughout the Commonwealth, and is mandated and equipped to respond to radiological emergencies 24 hours a day. The branch registers and inspects more than 4,000 facilities with 10,715 X-Ray tubes, conducts reviews and inspections of approximately 164 mammography facilities, and approves approximately 65 shielding plans for facilities. The branch 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 branch 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 conducted annually.

The Milk Safety Branch operates under Kentucky Revised Statutes 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 other entities improving the quality of milk that is produced and sold to the public. This branch 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 2017 edition of the Pasteurized 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 Branch provides regulatory oversight to Kentucky's multi-billion dollar food industry. The branch provides training and technical consultation to local health department (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 branch also directly regulates food manufacturing and storage programs and the farmer's market for program compliance with state regulations. The branch responds to and investigates food recalls and works closely with the federal FDA on outbreak investigation involving regulated foods. The Food Safety Branch is also actively involved during natural and man-made disasters to protect the food supply.

The Environmental Management Branch 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 branch provides technical assistance and training to the sixty-one (61) LHDs which provide direct inspection of the regulated entities. The branch 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 branch additionally is responsible for maintaining certifications and tracking continuing education for certified radon professionals.

This branch 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 Branch is responsible for the regulation and certification of lead abatement professionals and clearance testing of mitigated properties. This branch 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 branch houses the CDC funded program that provides data to the Environmental Public Health Tracking Network to establish links between the environment and health outcomes.

The Public Health Emergency Preparedness Branch is responsible for enhancing the capacity of the Department for Public Health (DPH), local public health departments, and the health care system to prevent, prepare for, respond to, and recover from the adverse health effects of public health emergencies. DPH is the lead agency for the Federal Emergency Management Agency (FEMA) Emergency Support Function #8 (ESF-8) for coordination of public health and medical-related preparedness, and this branch works with 38 external ESF-8 partners to conduct response and recovery activities for emergencies, exercises, and planned events. The state ESF-8 Plan builds capacity for:

- Community/Healthcare Preparedness and Recovery,
- Community/Healthcare System Recovery,
- Emergency Operations Coordination,
- Emergency Public Information and Warning,
- Fatality Management,
- Information Sharing,
- Mass Care,
- Medical Countermeasure Dispensing,
- Medical Material Management and Distribution,
- Medical Surge,
- Non-Pharmaceutical Interventions,
- Public Health Laboratory Testing,
- Public Health Surveillance and Epidemiological Investigation,
- Responder Safety and Health, and
- Volunteer Management.

Health and Family Services
Family Resource Centers and Volunteer Services

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	11,336,400	12,809,900	12,827,300	11,400,700	11,420,800
Total General Fund	11,336,400	12,809,900	12,827,300	11,400,700	11,420,800
Federal Fund					
Balance Forward	253,000				
Current Receipts	6,800,300	7,069,800	7,077,600	7,055,300	7,059,900
Total Federal Fund	7,053,300	7,069,800	7,077,600	7,055,300	7,059,900
TOTAL SOURCE OF FUNDS	18,389,700	19,879,700	19,904,900	18,456,000	18,480,700
EXPENDITURES BY CLASS					
Personnel Costs	1,997,800	2,138,400	2,163,700	2,080,300	2,108,500
Operating Expenses	170,000	241,100	240,900	153,800	150,200
Grants Loans Benefits	16,221,900	17,500,200	17,500,300	16,221,900	16,222,000
TOTAL EXPENDITURES	18,389,700	19,879,700	19,904,900	18,456,000	18,480,700
EXPENDITURES BY FUND SOURCE					
General Fund	11,336,400	12,809,900	12,827,300	11,400,700	11,420,800
Federal Fund	7,053,300	7,069,800	7,077,600	7,055,300	7,059,900
TOTAL EXPENDITURES	18,389,700	19,879,700	19,904,900	18,456,000	18,480,700
EXPENDITURES BY UNIT					
Family Resource and Youth Services Center	11,383,900	12,569,500	12,583,100	11,446,300	11,463,200
Serve Kentucky	7,005,800	7,310,200	7,321,800	7,009,700	7,017,500
TOTAL EXPENDITURES	18,389,700	19,879,700	19,904,900	18,456,000	18,480,700

The Department for Family Resource Centers and Volunteer Services is comprised of two separate programs: Family Resource and Youth Service Centers and Serve Kentucky.

Policy

The Executive Budget includes additional General Fund in the amount of \$54,100 in fiscal year 2021 and \$59,000 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$5,700 in fiscal year 2021 and \$18,600 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

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

SOURCE OF FUNDS	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
General Fund					
Regular Appropriation	11,046,200	12,231,800	12,245,400	11,108,600	11,125,500
Total General Fund	11,046,200	12,231,800	12,245,400	11,108,600	11,125,500
Federal Fund					
Balance Forward	65,700				
Current Receipts	272,000	337,700	337,700	337,700	337,700
Total Federal Fund	337,700	337,700	337,700	337,700	337,700
TOTAL SOURCE OF FUNDS	11,383,900	12,569,500	12,583,100	11,446,300	11,463,200
EXPENDITURES BY CLASS					
Personnel Costs	1,130,900	1,160,100	1,173,800	1,209,500	1,229,900
Operating Expenses	37,000	62,300	62,100	20,800	17,200
Grants Loans Benefits	10,216,000	11,347,100	11,347,200	10,216,000	10,216,100
TOTAL EXPENDITURES	11,383,900	12,569,500	12,583,100	11,446,300	11,463,200
EXPENDITURES BY FUND SOURCE					
General Fund	11,046,200	12,231,800	12,245,400	11,108,600	11,125,500
Federal Fund	337,700	337,700	337,700	337,700	337,700
TOTAL EXPENDITURES	11,383,900	12,569,500	12,583,100	11,446,300	11,463,200

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, 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.

In FY20 the Division of FRYSC will complete initial training for all FRYSC coordinators in order to implement the Standards of Quality for Family Strengthening and Support. Adoption of these standards will benefit children and families by enhancing the quality of the support provided by FRYSC as they respond to students' Adverse Childhood Experiences. Adopted by the National Family Support Network, the standards are the first to integrate operationalize the Principles of Family Support Practice and the Strengthening Families Approach with its research-based and evidence-informed protective factors. DFRYSC will continue ongoing training for new coordinators and full integration of the standards into FRYSC practice as part of the overall plan for data driven decision-making and evaluation.

Health and Family Services
Family Resource Centers and Volunteer Services
Serve Kentucky

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	290,200	578,100	581,900	292,100	295,300
Total General Fund	290,200	578,100	581,900	292,100	295,300
Federal Fund					
Balance Forward	187,300				
Current Receipts	6,528,300	6,732,100	6,739,900	6,717,600	6,722,200
Total Federal Fund	6,715,600	6,732,100	6,739,900	6,717,600	6,722,200
TOTAL SOURCE OF FUNDS	7,005,800	7,310,200	7,321,800	7,009,700	7,017,500
EXPENDITURES BY CLASS					
Personnel Costs	866,900	978,300	989,900	870,800	878,600
Operating Expenses	133,000	178,800	178,800	133,000	133,000
Grants Loans Benefits	6,005,900	6,153,100	6,153,100	6,005,900	6,005,900
TOTAL EXPENDITURES	7,005,800	7,310,200	7,321,800	7,009,700	7,017,500
EXPENDITURES BY FUND SOURCE					
General Fund	290,200	578,100	581,900	292,100	295,300
Federal Fund	6,715,600	6,732,100	6,739,900	6,717,600	6,722,200
TOTAL EXPENDITURES	7,005,800	7,310,200	7,321,800	7,009,700	7,017,500

Serve Kentucky (formerly the Kentucky Commission on Community Volunteerism and Services or 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 related to AmeriCorps programs.

The majority of federal funds received by Serve Kentucky 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 AmeriCorps began in 1994, more than 13,000 Kentuckians and have served more than 20 million hours and have qualified for education awards totaling more than \$47.4 million.

Health and Family Services

Income Support

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	7,116,600	16,411,400	16,444,800	13,616,600	13,616,600
Total General Fund	7,116,600	16,411,400	16,444,800	13,616,600	13,616,600
Restricted Funds					
Balance Forward	6,353,500				
Current Receipts	11,071,400	10,929,900	10,929,900	10,938,400	10,962,600
Non-Revenue Receipts	126,000	126,000	126,000	126,000	126,000
Total Restricted Funds	17,550,900	11,055,900	11,055,900	11,064,400	11,088,600
Federal Fund					
Balance Forward	2,761,800				
Current Receipts	82,974,800	93,847,200	94,308,200	86,866,400	87,791,100
Total Federal Fund	85,736,600	93,847,200	94,308,200	86,866,400	87,791,100
TOTAL SOURCE OF FUNDS	110,404,100	121,314,500	121,808,900	111,547,400	112,496,300
EXPENDITURES BY CLASS					
Personnel Costs	45,780,200	50,874,500	51,367,200	46,686,700	47,634,100
Operating Expenses	7,532,700	11,857,100	11,857,300	8,493,000	8,493,000
Grants Loans Benefits	57,045,000	58,536,700	58,538,200	56,321,500	56,323,000
Capital Outlay	46,200	46,200	46,200	46,200	46,200
TOTAL EXPENDITURES	110,404,100	121,314,500	121,808,900	111,547,400	112,496,300
EXPENDITURES BY FUND SOURCE					
General Fund	7,116,600	16,411,400	16,444,800	13,616,600	13,616,600
Restricted Funds	17,550,900	11,055,900	11,055,900	11,064,400	11,088,600
Federal Fund	85,736,600	93,847,200	94,308,200	86,866,400	87,791,100
TOTAL EXPENDITURES	110,404,100	121,314,500	121,808,900	111,547,400	112,496,300
EXPENDITURES BY UNIT					
Disability Determinations	53,165,900	55,851,500	56,246,900	54,279,300	55,157,200
Child Support	57,238,200	65,463,000	65,562,000	57,268,100	57,339,100
TOTAL EXPENDITURES	110,404,100	121,314,500	121,808,900	111,547,400	112,496,300

The Department for Income Support (DIS) is responsible for administering the Child Support Enforcement and Disability Determination Services. DIS's mission is to facilitate vital income supports for Kentucky's families.

DIS provides services to citizens in all counties of the Commonwealth. DIS's Child Support Enforcement program ensures that children are financially supported by parents who are legally obligated to pay child support. Services are provided in each county through contracts established with local county attorneys. DIS's Disability Determination Services determines medical eligibility for residents of the Commonwealth who apply for Social Security and Supplemental Security Income disability benefits from the federal government.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
Restricted Funds					
Non-Revenue Receipts	126,000	126,000	126,000	126,000	126,000
Total Restricted Funds	126,000	126,000	126,000	126,000	126,000
Federal Fund					
Balance Forward	-1,199,400				
Current Receipts	54,239,300	55,725,500	56,120,900	54,153,300	55,031,200
Total Federal Fund	53,039,900	55,725,500	56,120,900	54,153,300	55,031,200
TOTAL SOURCE OF FUNDS	53,165,900	55,851,500	56,246,900	54,279,300	55,157,200
EXPENDITURES BY CLASS					
Personnel Costs	34,347,400	37,055,500	37,449,700	35,217,900	36,094,600
Operating Expenses	3,977,000	3,958,500	3,958,500	4,223,900	4,223,900
Grants Loans Benefits	14,795,300	14,791,300	14,792,500	14,791,300	14,792,500
Capital Outlay	46,200	46,200	46,200	46,200	46,200
TOTAL EXPENDITURES	53,165,900	55,851,500	56,246,900	54,279,300	55,157,200
EXPENDITURES BY FUND SOURCE					
Restricted Funds	126,000	126,000	126,000	126,000	126,000
Federal Fund	53,039,900	55,725,500	56,120,900	54,153,300	55,031,200
TOTAL EXPENDITURES	53,165,900	55,851,500	56,246,900	54,279,300	55,157,200

Disability Determination Services (DDS) makes disability determinations on behalf of the Commissioner of the U.S. Social Security Administration (SSA) for residents of Kentucky. Applicant eligibility for Supplemental Security Income and Social Security Disability Income is based on federal guidelines and regulations. DDS also reevaluates the claims of disability recipients who have been selected by the SSA for a periodic review of their medical condition Face-to-face evidentiary hearings are conducted for those individuals who appeal an unfavorable review of their continuing eligibility.

The Disability Determination Services workload depends upon a number of factors including: Congressional mandates; legal actions, or other initiatives; the number of individuals who apply for disability benefits through the Social Security Administration (SSA); and the number of claims that SSA selects for continuing review.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	7,116,600	16,411,400	16,444,800	13,616,600	13,616,600
Total General Fund	7,116,600	16,411,400	16,444,800	13,616,600	13,616,600
Restricted Funds					
Balance Forward	6,353,500				
Current Receipts	11,071,400	10,929,900	10,929,900	10,938,400	10,962,600
Total Restricted Funds	17,424,900	10,929,900	10,929,900	10,938,400	10,962,600
Federal Fund					
Balance Forward	3,961,200				
Current Receipts	28,735,500	38,121,700	38,187,300	32,713,100	32,759,900
Total Federal Fund	32,696,700	38,121,700	38,187,300	32,713,100	32,759,900
TOTAL SOURCE OF FUNDS	57,238,200	65,463,000	65,562,000	57,268,100	57,339,100
EXPENDITURES BY CLASS					
Personnel Costs	11,432,800	13,819,000	13,917,500	11,468,800	11,539,500
Operating Expenses	3,555,700	7,898,600	7,898,800	4,269,100	4,269,100
Grants Loans Benefits	42,249,700	43,745,400	43,745,700	41,530,200	41,530,500
TOTAL EXPENDITURES	57,238,200	65,463,000	65,562,000	57,268,100	57,339,100
EXPENDITURES BY FUND SOURCE					
General Fund	7,116,600	16,411,400	16,444,800	13,616,600	13,616,600
Restricted Funds	17,424,900	10,929,900	10,929,900	10,938,400	10,962,600
Federal Fund	32,696,700	38,121,700	38,187,300	32,713,100	32,759,900
TOTAL EXPENDITURES	57,238,200	65,463,000	65,562,000	57,268,100	57,339,100

The Child Support Enforcement (CSE) 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. States that receive federal funds for a Temporary Assistance for Needy Families (TANF) program are required to operate a child support enforcement 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 205.802 and KRS 403.405-407.

Nearly 300,000 of Kentucky's families rely on the CSE program for assistance. The services provided by the program promote family self-sufficiency by securing income critical to maintaining financial stability.

The core functions of the program includes: locating parents; establishing paternity; establishing, enforcing, and modifying child support and/or medical support orders; and collecting and disbursing child support payments. 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.

One hundred twelve (112) County Attorneys are contracted by the CSE to provide services locally in all 120 counties. The program also contracts with private vendors to obtain new hire information from employers, obtain asset information from financial institutions and/or insurance companies, conduct DNA testing and analysis to establish paternity, and to process child support payments. These functions cannot be performed by agency staff due to their specialized or technical nature.

Child support services are automatically provided to families receiving assistance under the Kentucky Transitional Assistance Program (K-TAP) and to children placed in the care of the Cabinet for Health and Family Services (CHFS). Child support collected for families receiving K-TAP or for children in the care of CHFS 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 assistance programs may also apply for child support services.

The CSE program receives incentive payments from the federal government based on program performance in five program areas as established by the Personal Responsibility Work and Opportunity Reconciliation Act (PRWORA) of 1996 (PL 104-193): Paternity Establish Performance for Title IV-D and Statewide; Support Order Performance; Current Payment Performance; Arrearage Payment Performance; and Cost-Effectiveness Performance. To be eligible for incentive awards, states must meet performance criteria in each of the five program areas with a degree of data reliability at a confidence level of 95%, as measured by an annual federal data reliability audit. Performance incentive funds are restricted to program use per 45 CFR 305.35(a).

PRWORA requires that each state expend a base amount of state funds per federal fiscal year from other revenue sources on Title IV-D activities prior to utilizing federal performance incentives. For Kentucky, the annual expenditure requirement is \$9,373,007. The Deficit Reduction Act of 2005 disallowed use of federal performance incentives as state matching funds for Federal Financial Participation. After excluding the amounts earned as performance incentives and amounts collected as fees from program expenditures, the Federal Financial Percentage for the remaining expenditures is 66%. Kentucky must provide the remaining 34% in state matching funds of at least \$9,373,007.

Policy

The Executive Budget includes additional General Fund in the amount of \$6,500,000 in each fiscal year to replace reduced Temporary Assistance for Needy Families (TANF) receipts, which are recouped as program income and reused as federal matching funds to operate Child Support Enforcement. Without this funding, Child Support Enforcement will be at risk of losing \$13,000,000 in federal funds in each fiscal year.

**Health and Family Services
Community Based Services**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	473,960,500	624,232,900	643,370,700	522,105,200	544,003,700
Total General Fund	473,960,500	624,232,900	643,370,700	522,105,200	544,003,700
Tobacco Fund					
Tobacco Settlement - Phase I	12,250,000	12,250,000	12,250,000	9,750,000	9,750,000
Total Tobacco Fund	12,250,000	12,250,000	12,250,000	9,750,000	9,750,000
Restricted Funds					
Balance Forward	1,771,200				
Current Receipts	201,389,200	125,218,500	125,258,900	205,091,200	205,091,200
Non-Revenue Receipts	-921,000	-2,037,500	-1,716,600	-2,851,800	-2,851,800
Total Restricted Funds	202,239,400	123,181,000	123,542,300	202,239,400	202,239,400
Federal Fund					
Balance Forward	-906,800				
Current Receipts	651,276,900	669,828,500	684,446,300	650,697,000	651,460,800
Total Federal Fund	650,370,100	669,828,500	684,446,300	650,697,000	651,460,800
TOTAL SOURCE OF FUNDS	1,338,820,000	1,429,492,400	1,463,609,300	1,384,791,600	1,407,453,900
EXPENDITURES BY CLASS					
Personnel Costs	444,909,200	495,434,200	500,790,900	503,223,500	525,855,000
Operating Expenses	62,157,200	63,772,600	63,772,800	51,134,500	51,165,300
Grants Loans Benefits	831,753,600	870,285,600	897,791,600	830,433,600	830,433,600
Debt Service			1,254,000		
TOTAL EXPENDITURES	1,338,820,000	1,429,492,400	1,463,609,300	1,384,791,600	1,407,453,900
EXPENDITURES BY FUND SOURCE					
General Fund	473,960,500	624,232,900	643,370,700	522,105,200	544,003,700
Tobacco Fund	12,250,000	12,250,000	12,250,000	9,750,000	9,750,000
Restricted Funds	202,239,400	123,181,000	123,542,300	202,239,400	202,239,400
Federal Fund	650,370,100	669,828,500	684,446,300	650,697,000	651,460,800
TOTAL EXPENDITURES	1,338,820,000	1,429,492,400	1,463,609,300	1,384,791,600	1,407,453,900
EXPENDITURES BY UNIT					
Family Support	396,979,700	407,353,100	409,596,800	405,088,600	408,739,400
Energy	47,286,600	47,288,500	47,289,200	47,286,600	47,286,600
Child Care	159,770,100	160,379,500	160,422,300	159,770,100	159,770,100
Family and Community Services	734,783,600	814,471,300	846,301,000	772,646,300	791,657,800
TOTAL EXPENDITURES	1,338,820,000	1,429,492,400	1,463,609,300	1,384,791,600	1,407,453,900

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. DCBS's mission is to preserve the family as a unit when possible and protect individuals from abuse, neglect, and/or exploitation with safety and permanency as the paramount goals.

Policy

The Executive Budget includes additional General Fund in the amount of \$11,770,300 in fiscal year 2021 and \$12,988,100 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$1,131,400 in fiscal year 2021 and \$3,774,200 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

**Health and Family Services
Community Based Services**

Family Support

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	140,635,500	148,155,400	149,434,700	148,580,900	151,849,800
Total General Fund	140,635,500	148,155,400	149,434,700	148,580,900	151,849,800
Restricted Funds					
Balance Forward	466,700				
Current Receipts	-710,400	1,742,100	1,754,100	1,687,100	1,687,100
Non-Revenue Receipts	30,079,000	28,962,500	29,283,400	28,148,200	28,148,200
Total Restricted Funds	29,835,300	30,704,600	31,037,500	29,835,300	29,835,300
Federal Fund					
Balance Forward	62,183,000				
Current Receipts	164,325,900	228,493,100	229,124,600	226,672,400	227,054,300
Total Federal Fund	226,508,900	228,493,100	229,124,600	226,672,400	227,054,300
TOTAL SOURCE OF FUNDS	396,979,700	407,353,100	409,596,800	405,088,600	408,739,400
EXPENDITURES BY CLASS					
Personnel Costs	217,724,700	227,645,300	229,888,900	232,316,400	235,140,300
Operating Expenses	25,483,000	25,935,800	25,935,900	19,000,200	19,827,100
Grants Loans Benefits	153,772,000	153,772,000	153,772,000	153,772,000	153,772,000
TOTAL EXPENDITURES	396,979,700	407,353,100	409,596,800	405,088,600	408,739,400
EXPENDITURES BY FUND SOURCE					
General Fund	140,635,500	148,155,400	149,434,700	148,580,900	151,849,800
Restricted Funds	29,835,300	30,704,600	31,037,500	29,835,300	29,835,300
Federal Fund	226,508,900	228,493,100	229,124,600	226,672,400	227,054,300
TOTAL EXPENDITURES	396,979,700	407,353,100	409,596,800	405,088,600	408,739,400
EXPENDITURES BY UNIT					
Supplemental Nutrition Assistance Program	157,712,900	163,253,500	164,585,600	165,821,800	169,472,600
Medical Assistance	60,412,400	63,190,100	63,831,900	60,412,400	60,412,400
State Supplementation	19,231,100	19,760,800	19,770,000	19,231,100	19,231,100
TANF	159,623,300	161,148,700	161,409,300	159,623,300	159,623,300
TOTAL EXPENDITURES	396,979,700	407,353,100	409,596,800	405,088,600	408,739,400

The Division of Family Support (DFS) 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; and State Supplementation Program for persons who are aged, blind, or have a disability. The Division also provides direct eligibility services for the Simplified Assistance for the Elderly, the Kentucky Children’s Health Insurance Program (K-CHIP) and medical assistance for guardianship cases. The programs administered by the DFS 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. Application can be made by the individual, their parent, statutory benefit payee, committee, guardian, power of attorney or authorized representative, as applicable.

With the implementation of the new eligibility system in December 2015, the DFS is establishing a new program integrity section. The staff within this section will be responsible for resolving computer matches with federal and state interfaces and researching national databases related to unreported income, prior fraud disqualifications and conducting case reviews. The purpose of this section is to enhance efforts in detecting fraud and increasing program accuracy rates.

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 DFS 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 (AFDC) and Title IV-F Job Opportunities and Basic Skills Training Program (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 (MOE) requirement mandates that states spend at least 80 percent of fiscal year 1994 expenditures on the program each year. For Kentucky, this amount is \$71,913,000 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 (KWP) assists recipients with their transition into the workforce and attainment of self-sufficiency. Adults receiving K-TAP benefits must participate in this program unless determined exempt and, with the assistance of a case manager, develop a Transitional Assistance Agreement (TAA) with the goal of moving off assistance and gaining self-sufficiency. KWP 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 child care, and supportive services such as car repairs, transportation assistance, 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 of 60 months in a lifetime or failure to comply with requirements of the KWP. 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 blood or marital 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 DCBS 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 DCBS 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. Subsequent

amendments to this act required federal/state funding to address medical care for persons receiving benefits for subsistence needs, those designated as categorically needy, and the medically indigent only. Currently, the categorically needy designation includes individuals who receive Supplemental Security Income (SSI) administered by the Social Security Administration; participants in the State Supplementation program for aged, blind, and disabled recipients; and low-income families meeting requirements for Modified Adjusted Gross Income Medicaid Aid to Families with Dependent Children (AFDC) State Plan in effect as of July 16, 1996.

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 and 921 KAR 2:015, 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; purchase caretaker services designed to prevent institutionalization, or reside in a community-integrated private residence as an individual with serious mental illness. 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, enumeration, and special needs. There is also a \$2,000 per individual (\$3,000 per couple) limit on resources. State supplementation payment amounts are determined by subcontracting countable income from the standard of need living arrangement costs.

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, authorized by the Food and Nutrition Act 2008 (PL 110-246) and KRS 194A.050, 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. SNAP benefits are a work support and serve as a stimulant to the economy. A 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 SNAP recipients obtaining employment that leads to self-sufficiency. Able Bodied Adult Without Dependents (ABAWDs) must participate and comply with work requirements in order to maintain their SNAP eligibility. Participants needing assistance to comply can volunteer to be placed in an E&T component. Only ABAWDs residing in areas of the state that are waived from work requirements due to high unemployment rates can continue receiving SNAP benefits without meeting the work requirements. These designated areas are adjusted every year. ABAWDs living in counties not exempt will be required to meet work requirements and can choose to participate in the SNAP E&T program to meet the requirements. Additionally, other SNAP recipients can choose to participate in SNAP E&T in counties where services are available.

Policy

The Executive Budget includes additional General Fund in the amount of \$7,014,300 in fiscal year 2021 and \$24,549,900 in fiscal year 2022 for an additional 350 Social Workers in Child Protective Services resulting in reduction in caseload from the current of 18 cases per social worker to 15 cases per social worker.

**Health and Family Services
Community Based Services**

Energy

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		400	400		
Total General Fund		400	400		
Federal Fund					
Balance Forward	-114,600				
Current Receipts	47,401,200	47,288,100	47,288,800	47,286,600	47,286,600
Total Federal Fund	47,286,600	47,288,100	47,288,800	47,286,600	47,286,600
TOTAL SOURCE OF FUNDS	47,286,600	47,288,500	47,289,200	47,286,600	47,286,600
EXPENDITURES BY CLASS					
Personnel Costs	80,400	82,300	83,000	80,400	80,400
Operating Expenses	13,600	13,600	13,600	13,600	13,600
Grants Loans Benefits	47,192,600	47,192,600	47,192,600	47,192,600	47,192,600
TOTAL EXPENDITURES	47,286,600	47,288,500	47,289,200	47,286,600	47,286,600
EXPENDITURES BY FUND SOURCE					
General Fund		400	400		
Federal Fund	47,286,600	47,288,100	47,288,800	47,286,600	47,286,600
TOTAL EXPENDITURES	47,286,600	47,288,500	47,289,200	47,286,600	47,286,600

The Low Income Home Energy Assistance Program (LIHEAP), authorized by PL 94-385 and 921 KAR 4:116, is a federally subsidized program that assists low-income households to meet the cost of energy expenses. Eligibility criteria include income that does not exceed 130 percent of the Federal Poverty Level (FPL), resources which total less than \$2,000 (\$3,000 if at least one person in the household is either age 60 year or older or disabled, or \$4,000 for a household member with a catastrophic illness which requires liquid resources to be readily accessed on a regular basis for living and medical expenses) 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. Services include accepting applications, determining eligibility, implementing outreach components, and coordinating this program with other energy assistance initiatives. Extrapolations from the most recent census data report that over 537,000 Kentucky households are eligible for assistance based on income levels that do not exceed 130% FPL.

Federal program rules also allow the use of a portion of the state's LIHEAP grant for the weatherization assistance program; a federally funded program to help low-income households meet the cost of energy expenses through energy conservation repairs to their homes. It is designed to reduce energy consumption, lower heating bills, and ensure the health and safety of those whose annual income is at or below 200 percent of FPL. Funds are provided to conduct energy audits, heat system safety tests and repairs, reduce air infiltration, install insulation, and perform other energy-related conservation measures. While a house is allowed to receive this assistance only one time, a dwelling may be re-weatherized if this service was provided prior to October 1, 1993.

The weatherization assistance program was co-housed with LIHEAP in the DCBS energy budget until April 2009, when it was reorganized to the Finance and Administration Cabinet (FAC), where the Kentucky Housing Corporation (KHC) is designated to administer the program. During the 2020-2022 biennium, DCBS anticipates transfer of 15% of the state LIHEAP allocation to KHC for weatherization activities performed in accordance with a combination of LIHEAP and Department of Energy rules.

**Health and Family Services
Community Based Services
Child Care**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	26,390,000	26,509,900	26,509,900	26,390,000	26,390,000
Total General Fund	26,390,000	26,509,900	26,509,900	26,390,000	26,390,000
Tobacco Fund					
Tobacco Settlement - Phase I	9,750,000	9,750,000	9,750,000	9,750,000	9,750,000
Total Tobacco Fund	9,750,000	9,750,000	9,750,000	9,750,000	9,750,000
Restricted Funds					
Balance Forward	385,900				
Current Receipts	-312,800	73,100	73,100	73,100	73,100
Total Restricted Funds	73,100	73,100	73,100	73,100	73,100
Federal Fund					
Balance Forward	-99,600				
Current Receipts	123,656,600	124,046,500	124,089,300	123,557,000	123,557,000
Total Federal Fund	123,557,000	124,046,500	124,089,300	123,557,000	123,557,000
TOTAL SOURCE OF FUNDS	159,770,100	160,379,500	160,422,300	159,770,100	159,770,100
EXPENDITURES BY CLASS					
Personnel Costs	10,103,600	10,656,600	10,699,400	10,103,600	10,103,600
Operating Expenses	1,139,200	1,195,600	1,195,600	1,139,200	1,139,200
Grants Loans Benefits	148,527,300	148,527,300	148,527,300	148,527,300	148,527,300
TOTAL EXPENDITURES	159,770,100	160,379,500	160,422,300	159,770,100	159,770,100
EXPENDITURES BY FUND SOURCE					
General Fund	26,390,000	26,509,900	26,509,900	26,390,000	26,390,000
Tobacco Fund	9,750,000	9,750,000	9,750,000	9,750,000	9,750,000
Restricted Funds	73,100	73,100	73,100	73,100	73,100
Federal Fund	123,557,000	124,046,500	124,089,300	123,557,000	123,557,000
TOTAL EXPENDITURES	159,770,100	160,379,500	160,422,300	159,770,100	159,770,100

The Child Care Program administers the child care assistance subsidy program, the ALL 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. The Division of Child Care (DCC) 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, families experiencing homelessness, and teen parents. Children of low income working families are also eligible for child care assistance.

On November 19, 2014, the Child Care and Development Block Grant (CCDBG) Act of 2014 was signed into law at the federal level. This reauthorizes the child care program for the first time since 1996 and represents an historic re-envisioning of the CCDF program. The new law makes significant advancements by defining health and safety requirements for child care providers, outlining family-friendly eligibility policies, and ensuring parents and the general public have transparent information about the child care choices available to them. The sweeping changes of the Child Care and Development Block Grant and Kentucky's participation in the federally funded Preschool Development Grant provide Kentucky's Division of Child Care with the unique opportunity to realign the current system and advance quality child care in the state to meet the complex needs of Kentucky's poorest families.

The originally unfunded mandated changes of the CCDBG Act of 2014 required additional funding in order to come into compliance with federal law. While some changes were straightforward to implement, others have been more complex, requiring additional time for planning and implementation. The Division of Child Care has successfully implemented the required changes, including the new background check requirements for childcare staff. The additional forty-two million dollars in federal funding awarded to Kentucky in 2018 allowed for increases to the child care subsidy program and increased financial assistance with the federal background check program.

CCDF reauthorization increased the minimum quality set-aside from 4% to 9% over a phase-in period of 5-years. Beginning FFY 2018, the quality set-aside increases to 8% of the aggregate funds expended by the Lead Agency for quality activities. These activities include childcare health and safety requirements, the tiered quality rating and improvement system, and early care and education professional development. The infant & toddler set-aside remains at least 3% of CCDF and must be spent on activities to improve the quality of care for infants and children. The 3% infant and toddler set-aside began in FFY 2018 and is in addition to the 8% quality set-aside.

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 by 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. Children with special needs and child protective services cases are the top priority for the DCC. In addition, childcare is also used to support low-income working parents and TANF client's efforts to find and keep jobs and transition off public assistance. Licensed centers and homes, certified family childcare homes, and registered providers that meet enrollment requirements and health and safety guidelines are reimbursed for services at approved rates for eligible, enrolled families.

Regulation and Monitoring of Child Care Providers: The Office of Inspector General (OIG), Division of Regulated Child Care ensures that licensed and certified childcare providers meet minimum health, safety, and quality standards. DCBS contracts with OIG to conduct on-site inspections, monitor, license center-based providers, and certify family childcare home providers. 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 caseload is 1:74.

Tiered Quality Rating and Improvement System: The Kentucky ALL STARS Program is part of Kentucky's Early Childhood Initiative and is a quality rating system that places major emphasis on raising the quality level of early care and education in childcare settings. This program is mandatory for child care centers and in-home programs that wish to receive child care subsidy funds. Kentucky ALL STARS monetary incentives and rewards are granted to childcare providers based on environmental scoring using identified characteristics associated with positive outcomes for children and families. These scores are also combined with a list of program standards in order to achieve a STAR rating of 1 to 5. Through the provision of technical assistance, providers work to achieve quality indicators in their Environmental Rating Scale. STARS Levels 2 through 5 surpasses the minimum licensing or certification requirements that all programs must meet per regulations. STARS Levels 3 through 5 are considered high-quality programs and can receive higher levels of reimbursement. 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. As of June 30, 2019, there were 30,082 children receiving subsidized child care and 30,082 enrolled in STARS Rated facilities. The number of ALL STARS rated providers in June 30, 2018 was 2,122 and as of June 30, 2019 was 2,073. Beginning in 2017, the ALL STARS program became mandatory in order to receive federal subsidy funds, so only a small number of programs throughout the state opt out of the ALL STAR program. Out of the 2,065 number of centers with an ALL STAR rating, 46% are considered high quality with a STAR rating between 3 and 5.

Initiatives to promote the Kentucky ALL STARS program are contracted with the University of Kentucky Human Development Institute. The University of Kentucky coordinates the Quality Enhancement Program with twenty-eight (28) Quality Coaches and five (5) Technical Assistance Quality Consultants, to recruit, train, and provide technical assistance to providers when preparing to enter the program and throughout provider participation in the program. A total of thirteen STARS Raters conduct environment assessments on all participating programs.

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. As of June 30, 2019, there were 2,298 active Director's Credentials, 708 Trainer's Credentials, and 804 active Commonwealth Child Care Credential. In addition, noted during SFY 2019, 20,527 child care provider/staff received early care and education training for a total of 54,119 sessions totaling 437,813 credit hours of training for all participants in attendance.

As mandated by state legislation in 1992, 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 for coordination and management of the CCR&R Network ensuring services throughout the fifteen (15) Area Development Districts (ADD) covering 120 counties in Kentucky to coordinate statewide core services as outlined in KRS 199.8992. The CCR&R network of services was restructured during SFY 16 to a childcare service hub model. The Regional CCR&R Network of Services system realigns current staff positions with the addition of eight (8) Regional Child Care Administrators to provide technical assistance, resources and coordination of professional development education to increase the quality of early care and education services across the commonwealth.

Collaborative Efforts continue between the Division of Child Care 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.

Annual Training Requirements: Licensed Child Care Type I and II directors and staff are required to complete nine hours of cabinet-approved early care and education training within the first year of employment (after completing a six-hour state-mandates orientation to the childcare profession), including one and one-half (1 1/2) hours of pediatric abusive head trauma training. And 15 hours of cabinet-approved early care and education training annually, including one and one half (1 1/2) hours of pediatric head trauma training completed once every five years.

Certified Family Child Care Home providers are required to complete nine hours of cabinet-approved early care and education training annually, including one and one-half (1 1/2) hours of pediatric abusive head trauma training completed once every five years.

Policy

The Executive Budget provides Phase I Tobacco Settlement Funds in the amount of \$9,750,000 in fiscal year 2021 and \$9,750,000 in fiscal year 2022 for the Kentucky ALL STARS program quality rating system which is a federal requirement - is fully funded by these funds which provide monetary incentives and rewards to childcare providers and are used as match for the federal funds received from the Child Care Development Grant.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	306,935,000	449,567,200	467,425,700	347,134,300	365,763,900
Total General Fund	306,935,000	449,567,200	467,425,700	347,134,300	365,763,900
Tobacco Fund					
Tobacco Settlement - Phase I	2,500,000	2,500,000	2,500,000		
Total Tobacco Fund	2,500,000	2,500,000	2,500,000		
Restricted Funds					
Balance Forward	918,600				
Current Receipts	202,412,400	123,403,300	123,431,700	203,331,000	203,331,000
Non-Revenue Receipts	-31,000,000	-31,000,000	-31,000,000	-31,000,000	-31,000,000
Total Restricted Funds	172,331,000	92,403,300	92,431,700	172,331,000	172,331,000
Federal Fund					
Balance Forward	-62,875,600				
Current Receipts	315,893,200	270,000,800	283,943,600	253,181,000	253,562,900
Total Federal Fund	253,017,600	270,000,800	283,943,600	253,181,000	253,562,900
TOTAL SOURCE OF FUNDS	734,783,600	814,471,300	846,301,000	772,646,300	791,657,800
EXPENDITURES BY CLASS					
Personnel Costs	217,000,500	257,050,000	260,119,600	260,723,100	280,530,700
Operating Expenses	35,521,400	36,627,600	36,627,700	30,981,500	30,185,400
Grants Loans Benefits	482,261,700	520,793,700	548,299,700	480,941,700	480,941,700
Debt Service			1,254,000		
TOTAL EXPENDITURES	734,783,600	814,471,300	846,301,000	772,646,300	791,657,800
EXPENDITURES BY FUND SOURCE					
General Fund	306,935,000	449,567,200	467,425,700	347,134,300	365,763,900
Tobacco Fund	2,500,000	2,500,000	2,500,000		
Restricted Funds	172,331,000	92,403,300	92,431,700	172,331,000	172,331,000
Federal Fund	253,017,600	270,000,800	283,943,600	253,181,000	253,562,900
TOTAL EXPENDITURES	734,783,600	814,471,300	846,301,000	772,646,300	791,657,800

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 provided by Department for Community Based Services (DCBS) staff are designed to offer maximum in-home services in order to preserve the family unit while keeping safety of all family members as the primary goal. This approach to the delivery of community-based services focuses on individuals in the context of the family. Services in this context are intended to strengthen and maintain families and prevent family dissolution and out-of-home placement. The Family Based Services approach emphasizes the role of the community/partners in protecting children and serving families.

Child Protective Services are specialized services aimed at safeguarding the rights and welfare of abused, neglected or dependent children; aiding parents or other responsible for the care, custody or supervision of children in recognizing and remedying conditions detrimental to the welfare of their children; and identifying conditions that contribute to the neglect, abuse, or dependency of children. Child Protective Services are both preventive and corrective in nature. This includes intake/investigation of reports of neglect, abuse, or dependency and the provision of treatment to those families in need. DCBS staff provides direct in-home services as well as serving in a case manager role and networking community resources. DCBS is mandated to receive and investigate reports of the abuse or neglect of children.

Family Preservation programs (FPP) are services providing short term crisis intervention and intensive in-home services to families who have a child or children at imminent risk of removal from their home in accordance with KRS 200.575 – 200.605 and Title IV-B, subpart 2 of the Family Preservation and Support Act and the Adoption and Safe Families Act (ASFA). FPP services are delivered through contracts with nonprofit agencies and are available for families in all of Kentucky's 120 counties. DCBS child protective services are the primary source of referrals for FPP. All eligible referrals are screened and approved through a regional DCBS staff person. Family Reunification Services follow the same basic service model with less intensive in-home services over longer duration to facilitate the successful return of children from out of home care to their home and decrease the likelihood of repeated placements. Preservation and reunification services, Families and Children Together Safely use the same basic model to serve children at significant risk of removal. Family Preservation and Reunification services provide services responsive to the family's needs, which includes 24 hour availability and flexible or client assistance funds for families needing assistance to meet financial as well as concrete needs that would otherwise add to the risk of out of home placement of the children. These family preservation and reunification programs furnish comprehensive services designed to enable families to solve their own problems by learning new skills, accessing other community resources, and developing a greater support network.

Through implementation of The Family First Prevention Services Act (FFPSA) of 2018, Kentucky is in the process of expanding its Sobriety Treatment and Recovery Teams (START) and Kentucky Strengthening and Empowering Parents (KSTEP) programs. Along with FPP, these programs work with families to mitigate issues when a child is at imminent risk for removal. The advent of FFPSA adds prevention services to Title IV-E of the Social Security Act, which was previously exclusive to adoption and foster care.

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. Community based treatment is most effective with status offenders and may include, but not limited to, family and individual counseling, family preservation, substance abuse prevention, school services, and community mental health services. Out-of-home care and residential treatment services may also be used, but only in cases where community resources have been exhausted or the child is at high risk. Appropriate services may be provided directly by DCBS or arranged through local mental health centers, Family Resource Youth Service Centers, community partnerships, private child care agencies, and/or other private providers in the community. Children's advocacy centers provide services to victims of child sexual abuse and their non-offending caregivers.

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. The elements of adult services are: Adult protection; Interdisciplinary evaluations to determine an adult's degree of disability and need for guardianship; Services provided by spouse abuse centers and crisis centers; Alternate care (also called placement and movement) which involves assisting individuals with a protective need with appropriate community and institutional placements; Preventive services for adults which entails assessment, planning, and guidance to individuals referred by courts, the Cabinet's Ombudsman, neighbors, state and federal legislators or through a self-referral. The latter often involves securing food, shelter, clothing, and medical treatment; Services provided by rape crisis centers; Certification for batterer intervention program providers; and General Adult Services.

Pursuant to KRS 209.030(2), any person, including but not limited to a physician, law enforcement officer, nurse, social worker, Cabinet personnel, coroner medical examiner, alternate care facility employee, or caretaker, having reasonable cause to suspect that an adult as defined in KRS 209.020 has suffered abuse, neglect or exploitation, shall report or cause reports to be made to the CHFS. Death of the adult does not relieve an individual of the responsibility for reporting the circumstances surrounding the death. DCBS is required to investigate the reports that meet definitions of adult abuse, neglect, or exploitation in KRS 209, notify local law enforcement officials and other authorized agencies as defined in KRS 209.020(17), offer appropriate protection and support services, and maintain case records.

Alternate Care services, also referred to as Placement and Movement, are essential in providing preventive and protective services. For individuals no longer able to care for themselves or be cared for at home, long-term care

facility placement is often the best alternative or only solution. When a protective need has been identified, 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.

There are a number of Kentuckians needing alternate care/placement and movement services each year. However, the majority of these individuals have family or friends who are able to assist them in finding appropriate alternate care living arrangements. The DCBS assists those individuals/families 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, promote cost effectiveness. These services also help ensure that persons assisted receive the care they require.

Spouse abuse shelter services are available in each of the 15 Area Development Districts and are provided under a contract between DCBS and the Kentucky Coalition Against Domestic Violence. A portion of the marriage license fee as authorized by KRS 209A.045 provides part of the funding for this element.

Rape crisis centers services are available throughout the state and are provided under a contract with the Kentucky Association of Sexual Assault Programs (KASAP), which is the statewide coalition of Rape Crisis Centers.

Batterer intervention program (BIP) provider's certification is administered by DCBS. This responsibility includes recruiting and training providers, monitoring and oversight, and maintaining a provider list for the Administrative Office of the Courts. The legal basis is KRS 403.7505 and 922 KAR 5:020. Currently there are 76 certified BIP providers working in 56 counties. Each certified provider strives to enhance and promote the safety of victims and their children by offering the following services in response to domestic violence: Court-ordered batterer intervention for offenders; Assessment of offenders for mental health issues, substance abuse problems, and referral to appropriate resources; Service coordination between the criminal justice system, DCBS, and/or victim advocacy groups; and, Collection and submission of data about the offender population.

Alternatives for Children supports the Family Based Services subprogram by providing an essential child welfare service - placement resources for children who must live apart from their family due to the tragedy of physical abuse, sexual abuse, neglect, maltreatment, or special medical circumstances. These services occur through the following elements: family foster care, private childcare, adoption, Intensive Family Based Support Services, and clinical services. 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.

The trauma of childhood abuse or neglect often leads to emotional and behavioral problems that are difficult to manage. In recent years an increasing proportion of children have had more severe problems which require more specialized treatment services (such as mental health, intellectual and/or developmental disabilities, or sexual abuse) and medical care that, in turn, has added to the cost of care. Adoption provides permanent families for children who cannot return home.

Family Foster Care provides a planned, goal-directed service in which the care of children and youth takes place in the home of an agency-approved family. Its' value is the ability to respond to the unique, individual needs of infants, children, youth, and their families through the strength of family living, as well as family and community supports. The goal of family foster care is to provide opportunities for healing, growth, and development leading to healthier children and families with safe and nurturing relationships intended to be permanent. Effective June 27, 2019, DCBS implemented KRS 620.142 to assist relatives and fictive kin caregivers of abused, neglected, or dependent children to reduce barriers to approval and allow for financial assistance to these caregivers. Foster Parent Training, provided by DCBS staff and contractors, is required of all foster parents. Foster parents must complete 15 hours of curricula in addition to web-based training requirements prior to approval and are required to attend annual in-service training. Parents serving Care Plus or medically complex homes are required to complete additional training prior to approval and on an annual basis.

Relative or Fictive Kin Placement is used as an alternative to foster care via a prevention plan or through temporary or permanent custody, given by the court to the relative or CHFS. This placement requires criminal background checks on all adult household members; home evaluations; 1.5 hours training regarding pediatric abusive head trauma (if child is five years of age or younger); monthly home visits to caregiver's home; and guardian ad litem services. At this time, all placements which qualify and meet DCBS guidelines are eligible for monthly stipends paid with general fund. These caregivers may also qualify for those services received by foster parents. The department

provides case management activities that seek to utilize a least restrictive placement, assist parent/caretakers in reunifying with their child(ren), providing supportive services to the relative and achieving alternative permanency for the child if reunification is not possible. If CHFS is granted custody of the child, all applicable out of home care standard of practices (SOPs) are utilized. If the child is placed on a prevention plan with a relative or in the custody of the relative, in home SOPs are applicable. Fictive kin are individuals who are not related to a child by birth, marriage, or adoption and may be utilized when a child is removed from their home of origin and when no family members or relatives are identified as an appropriate placement option for a child.

Independent Living services are specialized services designed to enhance the self-sufficiency skills of older children currently or formerly in foster care, private child care, and other state funded living arrangements. Services are provided both directly by staff and by contract agencies. Services include formal classroom and experiential life skills trainings; room and board assistance for aged-out youth 18-21 years of age; educational assistance for post-secondary education; the opportunity to both mentor and be mentored on post-secondary campuses and in the community; transitional planning; and provision of youth conferences. The loss of the Independent Living services would result in children leaving the foster care system unprepared to enter the world as productive, tax-paying adults. Rather is the likelihood they would enter the criminal, homeless, or adult services population increasing the poverty in Kentucky.

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, or because they have specialized treatment needs.

Adoption is the legal process by which a child becomes a child of a person or persons other than his/her biological parents. It is a complex social and emotional experience that ensures permanency and well-being for children. DCBS provides services prior to adoption in order to bring children and families together and services after adoption to provide support to the family structure.

Intensive Family Based Services (IFBSS) 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 contractors including private childcare programs. These services are designed to meet the needs of individual children and his/her families and may include, but are not limited to, in-home services, family therapy, respite care, behavior management and consultation, and individual counseling. DCBS retains case responsibility for clients receiving these services.

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 Executive Budget includes additional General Fund in the amount of \$1,000,000 in each fiscal year to the Kentucky Coalition Against Domestic Violence for administering the batterer intervention services through contract with Department for Community Based Services as described in KRS 403.7505.

The Executive Budget includes additional General Fund in the amount of \$1,751,300 in each fiscal year to fund an employer contribution rate of 67.41% for pension for nonhazardous duty employees participating in the Kentucky Employees Retirement System. The Department for Community Based Services contracts with many local providers such as Domestic Violence Centers, Child Advocacy Centers and Rape Crisis Centers, whose employees participate in the Kentucky retirement system pension plans. Rather than fund the additional costs of the large employer contribution increase from 49.47% to 83.43% effective for the 2018-20 budget, the contribution rate was frozen at 49.47%.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	43,937,800	63,612,800	63,827,100	45,807,400	46,014,700
Total General Fund	43,937,800	63,612,800	63,827,100	45,807,400	46,014,700
Restricted Funds					
Balance Forward	1,205,300	185,200	40,000	185,200	40,000
Current Receipts	2,163,100	2,393,000	2,503,500	2,387,500	2,506,700
Non-Revenue Receipts	286,600	286,600	286,600	286,600	286,600
Total Restricted Funds	3,655,000	2,864,800	2,830,100	2,859,300	2,833,300
Federal Fund					
Balance Forward	-22,100				
Current Receipts	24,851,400	24,829,300	24,829,300	24,829,300	24,829,300
Total Federal Fund	24,829,300	24,829,300	24,829,300	24,829,300	24,829,300
TOTAL SOURCE OF FUNDS	72,422,100	91,306,900	91,486,500	73,496,000	73,677,300
EXPENDITURES BY CLASS					
Personnel Costs	17,557,000	36,355,600	36,574,200	19,484,000	19,726,400
Operating Expenses	1,501,900	2,024,100	2,024,600	1,532,800	1,520,900
Grants Loans Benefits	53,178,000	52,887,200	52,887,700	52,439,200	52,430,000
TOTAL EXPENDITURES	72,236,900	91,266,900	91,486,500	73,456,000	73,677,300
EXPENDITURES BY FUND SOURCE					
General Fund	43,937,800	63,612,800	63,827,100	45,807,400	46,014,700
Restricted Funds	3,469,800	2,824,800	2,830,100	2,819,300	2,833,300
Federal Fund	24,829,300	24,829,300	24,829,300	24,829,300	24,829,300
TOTAL EXPENDITURES	72,236,900	91,266,900	91,486,500	73,456,000	73,677,300
EXPENDITURES BY UNIT					
Aging and Independent Living	58,310,000	60,498,100	60,559,200	59,374,900	59,456,100
Guardianship	13,926,900	30,768,800	30,927,300	14,081,100	14,221,200
TOTAL EXPENDITURES	72,236,900	91,266,900	91,486,500	73,456,000	73,677,300

The Department for Aging and Independent Living (DAIL) sets policies and oversees programs and services on behalf of Kentucky's elders and individuals with disabilities. There are two program budget units within DAIL: Aging and Independent Living Services and Guardianship Services. The programs 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 disabilities, and individuals under guardianship of the state to be as independent as possible in the least restrictive environment. DAIL 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, DAIL emphasizes successful aging; independent living; planning for an aging society; and continued involvement of older persons, adult individuals under guardianship of the state, and disabled individuals in every aspect of the community.

Policy

The Executive Budget includes additional General Fund in the amount of \$568,400 in fiscal year 2021 and \$620,000 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$49,500 in fiscal year 2021 and \$180,200 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

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

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	31,829,200	34,399,600	34,457,000	33,278,600	33,345,800
Total General Fund	31,829,200	34,399,600	34,457,000	33,278,600	33,345,800
Restricted Funds					
Balance Forward	1,062,000	185,200	40,000	185,200	40,000
Current Receipts	1,002,000	1,351,300	1,460,200	1,349,100	1,468,300
Total Restricted Funds	2,064,000	1,536,500	1,500,200	1,534,300	1,508,300
Federal Fund					
Balance Forward	-33,200				
Current Receipts	24,635,200	24,602,000	24,602,000	24,602,000	24,602,000
Total Federal Fund	24,602,000	24,602,000	24,602,000	24,602,000	24,602,000
TOTAL SOURCE OF FUNDS	58,495,200	60,538,100	60,559,200	59,414,900	59,456,100
EXPENDITURES BY CLASS					
Personnel Costs	5,100,200	7,181,300	7,241,900	6,557,700	6,654,000
Operating Expenses	375,200	507,000	507,000	400,800	388,400
Grants Loans Benefits	52,834,600	52,809,800	52,810,300	52,416,400	52,413,700
TOTAL EXPENDITURES	58,310,000	60,498,100	60,559,200	59,374,900	59,456,100
EXPENDITURES BY FUND SOURCE					
General Fund	31,829,200	34,399,600	34,457,000	33,278,600	33,345,800
Restricted Funds	1,878,800	1,496,500	1,500,200	1,494,300	1,508,300
Federal Fund	24,602,000	24,602,000	24,602,000	24,602,000	24,602,000
TOTAL EXPENDITURES	58,310,000	60,498,100	60,559,200	59,374,900	59,456,100

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 age 60 years and older, provides congregate meals at senior centers and home-delivered meals to the homebound elderly in each Kentucky county
- Senior Community Service Employment Program (Older Americans Act Title V): Employs persons age 55 years 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 goal of skill development and eventual placement in unsubsidized employment.
- State Health Insurance Assistance Program (SHIP): (Section 4360 OBRA 1990, PL 101-508) provides benefits counseling and application assistance to Medicare eligible persons and those likely to be eligible for the Low-Income subsidy program, Medicare savings program, and Medicare Part D prescription drug program.

- Long-Term Care Ombudsman Program (Older Americans Act Title IIC, 910 KAR 1:210): receives and investigates all complaints from residents of nursing homes and personal care homes in Kentucky. Collects and analyzes data related to complaints and conditions in long-term care facilities to identify and resolve problems, and submits information to appropriate licensing agencies to ensure compliance with regulations.
- Aging and Disability Resource Center (ADRC): (Sec 1110 SS Act and 42 USC 3031-3033) provides a single point of entry to all long term services and supports with the goal to empower individuals to make informed choices and streamline access to services.
- Older Americans Act In-Home Services and Homecare Program (KRS 205.4460, 910 KAR 1:170 - 180): Provides in-home services to persons 60 years and older who have functional or physical limitations and are at risk of institutionalization. Services include personal care, home health aide, home-repairs, and respite.
- Homecare Program: This program is offered statewide through the AAA and provides supports and services for daily needs as well as coordination among caregivers and provider agencies to help adults at risk of institutional care remain in their own homes.
- Hart Supported Living (KRS 210.770-795): This program provides grants for a broad category of flexible, individualized services that, when combined with natural unpaid or other eligible paid supports, provide the necessary assistance to: enable a disabled person to live in a home of the person's choice, typical of those living arrangements for persons without disabilities; encourages integrated participation in the community; promotes rights and autonomy; enhances the skills and competencies in living in the community; and enables the acceptance in the community by promoting home ownership or leasing arrangements.
- Personnel Care Attendant Program (PCAP) for Physically Disabled Adults (KRS 205.900): A state funded program that provides personal care assistant services to adults with severe physical disabilities, who have functional loss of two or more limbs and need 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 years and older who, because of physical, mental, and/or psychological limitations, cannot remain in their own homes alone during the day.
- Kentucky Family Caregiver Program (910 KAR 1:260): Supports grandparents, of any age, who are primary full-time caregivers for a grandchild no older than 18 years of age. Services include information and assistance, counseling, support groups, and training. Provides financial assistance in the form of a voucher to be utilized for the child's safety, stability, and welfare. To the extent funds are available, the maximum total assistance shall be up to \$500 per grandchild in any one fiscal year.
- Family Caregiver Support Program: A federally funded program serving family and informal caregivers who provide care to people 60 years and older or an individual of any age with Alzheimer's or a related diagnosis, as well as grandparents and other relatives 55 years and older who provide care to children up to age 19. Services include information and assistance, counseling, support groups, training, respite, and limited financial assistance.
- Traumatic Brain Injury (TBI) Trust Fund Program (KRS 211.476, KRS 42.320): A state program that provides services to assist children and adults with brain injuries to maintain living in the community. The TBI Trust Fund Program is a funding source of last resort for Kentucky residents. The TBI Trust Fund draws funds primarily from court fees, traffic school fees, and DUI service fees. The fund can also accept contributions and grants. The program is overseen by a board of directors to ensure 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 and KRS 42.320): This program is funded through DUI fees and serves individuals who are in need of intense neurobehavioral services that are not available in Kentucky and are placed out-of-state.
- 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): This governor-appointed council 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.
- Health Promotion/Disease Preventive: Provides disease prevention, education and assistance in training and care of elderly Kentuckians on health related issues.
- Supportive Services: For persons aged 60 years and older, that includes: 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.
- Participant Directed Services (PDS): Allows people eligible for services through Medicaid waiver services to choose his/her own providers for nonmedical waiver services. Provider choice gives members greater flexibility in the delivery of services received. Kentucky Medicaid members may participate if he/she currently receive or are eligible for services through the: Home and Community Based Waiver; Supports for Community Living Waiver; Acquired Brain Injury Acute Waiver; Long-Term Care Brain Injury Waiver; or the Michelle P Waiver.

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

Guardianship

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	12,108,600	29,213,200	29,370,100	12,528,800	12,668,900
Total General Fund	12,108,600	29,213,200	29,370,100	12,528,800	12,668,900
Restricted Funds					
Balance Forward	143,300				
Current Receipts	1,161,100	1,041,700	1,043,300	1,038,400	1,038,400
Non-Revenue Receipts	286,600	286,600	286,600	286,600	286,600
Total Restricted Funds	1,591,000	1,328,300	1,329,900	1,325,000	1,325,000
Federal Fund					
Balance Forward	11,100				
Current Receipts	216,200	227,300	227,300	227,300	227,300
Total Federal Fund	227,300	227,300	227,300	227,300	227,300
TOTAL SOURCE OF FUNDS	13,926,900	30,768,800	30,927,300	14,081,100	14,221,200
EXPENDITURES BY CLASS					
Personnel Costs	12,456,800	29,174,300	29,332,300	12,926,300	13,072,400
Operating Expenses	1,126,700	1,517,100	1,517,600	1,132,000	1,132,500
Grants Loans Benefits	343,400	77,400	77,400	22,800	16,300
TOTAL EXPENDITURES	13,926,900	30,768,800	30,927,300	14,081,100	14,221,200
EXPENDITURES BY FUND SOURCE					
General Fund	12,108,600	29,213,200	29,370,100	12,528,800	12,668,900
Restricted Funds	1,591,000	1,328,300	1,329,900	1,325,000	1,325,000
Federal Fund	227,300	227,300	227,300	227,300	227,300
TOTAL EXPENDITURES	13,926,900	30,768,800	30,927,300	14,081,100	14,221,200

Kentucky's Adult Guardianship Program is administered as authorized in KRS 210.290 and 387.500-387.910. The Department for Aging and Independent Living (DAIL) operates state guardianship from a central office for fiduciary and benefits, as well as direct service staff in nine regions across the state. Guardianship serves individuals in every county. This program provides a legal relationship between a court-appointed adult who assumes the responsibility of being the guardian for an individual under guardianship. An individual under guardianship is a person who has been declared "legally disabled" by the court and is no longer able to care for his/her personal and/or financial needs.

Appointed guardians may be a friend or family member who is willing to care for 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 is responsible for both the personal and financial needs of the individual under guardianship. A court has found the individual under guardianship fully disabled and all personal and financial rights are removed except the right to vote. The judge decides whether or not an individual under guardianship retains the right to vote.
- Personal Guardian – A court finds the individual under guardianship fully disabled in his/her personal affairs and appoints a personal guardian who is responsible for only personal affairs of the individual under guardianship.
- Conservator – A court finds the individual under guardianship fully disabled in managing his/her financial affairs and appoints a conservator who is responsible for financial or fiduciary affairs of the individual under guardianship.
- 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. 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 and the right to determine where to live.
- Limited Conservator – A limited conservator may be appointed if the disabled person only needs help with managing some financial or fiduciary affairs. In this case, the court will also decide which civil rights the person can retain and which are given to the conservator. They may include the right to sell property and the right to sign legal documents such as checks, marriage licenses, or wills.

**Health and Family Services
Office of Health Data and Analytics**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	476,900	12,975,200	12,999,900	499,700	507,000
Total General Fund	476,900	12,975,200	12,999,900	499,700	507,000
Restricted Funds					
Balance Forward	379,200				
Current Receipts	86,900	88,300	89,000	88,300	89,000
Non-Revenue Receipts	8,146,000	-7,300	-7,300	6,995,500	7,003,400
Total Restricted Funds	8,612,100	81,000	81,700	7,083,800	7,092,400
Federal Fund					
Balance Forward	-1,909,700				
Current Receipts	11,422,800	5,062,400	5,064,300	3,637,800	3,640,900
Total Federal Fund	9,513,100	5,062,400	5,064,300	3,637,800	3,640,900
TOTAL SOURCE OF FUNDS	18,602,100	18,118,600	18,145,900	11,221,300	11,240,300
EXPENDITURES BY CLASS					
Personnel Costs	13,382,900	16,367,700	16,395,000	9,573,900	9,592,900
Operating Expenses	5,214,400	1,745,200	1,745,200	1,642,600	1,642,600
Grants Loans Benefits	4,800	4,800	4,800	4,800	4,800
Debt Service		900	900		
TOTAL EXPENDITURES	18,602,100	18,118,600	18,145,900	11,221,300	11,240,300
EXPENDITURES BY FUND SOURCE					
General Fund	476,900	12,975,200	12,999,900	499,700	507,000
Restricted Funds	8,612,100	81,000	81,700	7,083,800	7,092,400
Federal Fund	9,513,100	5,062,400	5,064,300	3,637,800	3,640,900
TOTAL EXPENDITURES	18,602,100	18,118,600	18,145,900	11,221,300	11,240,300
EXPENDITURES BY UNIT					
Division of Health Benefit Exchange	5,550,500	4,514,300	4,525,300	2,138,800	2,144,700
Division of Health Information	11,411,600	12,270,000	12,278,800	8,359,600	8,362,800
Division of Analytics	1,640,000	1,334,300	1,341,800	722,900	732,800
TOTAL EXPENDITURES	18,602,100	18,118,600	18,145,900	11,221,300	11,240,300

The Office of Health Data and Analytics was created by Executive Order 2018-325 on May 16, 2018 and codified by 2019 Kentucky Acts Chapter 90. The Office is comprised of three divisions: the Division of Health Benefit Exchange administers qualified health plans on the state based market using the federal platform; the Division of Health Information oversees the Kentucky Health Information Exchange (KHIE), which is the electronic transmission of clinical records and public health registries among medical providers and health information organizations to improve the cost, safety, timeliness, and effectiveness of health care; the Division of Data Analytics provides enterprise analytic services to inform effective program implementation and provide strategic information to the policy-making process.

Policy

The Executive Budget includes additional General Fund in the amount of \$18,800 in fiscal year 2021 and \$21,900 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$1,600 in fiscal year 2021 and \$5,200 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

**Health and Family Services
Office of Health Data and Analytics
Division of Health Benefit Exchange**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		4,064,300	4,075,300	200	200
Total General Fund		4,064,300	4,075,300	200	200
Restricted Funds					
Balance Forward	106,600				
Non-Revenue Receipts	4,993,900			1,688,600	1,694,500
Total Restricted Funds	5,100,500			1,688,600	1,694,500
Federal Fund					
Current Receipts	450,000	450,000	450,000	450,000	450,000
Total Federal Fund	450,000	450,000	450,000	450,000	450,000
TOTAL SOURCE OF FUNDS	5,550,500	4,514,300	4,525,300	2,138,800	2,144,700
EXPENDITURES BY CLASS					
Personnel Costs	1,644,800	4,093,700	4,104,700	1,739,400	1,745,300
Operating Expenses	3,905,700	419,700	419,700	399,400	399,400
Debt Service		900	900		
TOTAL EXPENDITURES	5,550,500	4,514,300	4,525,300	2,138,800	2,144,700
EXPENDITURES BY FUND SOURCE					
General Fund		4,064,300	4,075,300	200	200
Restricted Funds	5,100,500			1,688,600	1,694,500
Federal Fund	450,000	450,000	450,000	450,000	450,000
TOTAL EXPENDITURES	5,550,500	4,514,300	4,525,300	2,138,800	2,144,700

The Division of Health Benefit Exchange serves as a marketplace to facilitate the purchase and sale of qualified health plans (QHPs) in the individual market. It assists qualified small employers to enroll their employees in qualified health plans offered in the small group market, enables eligible individuals to receive premium tax credits and cost sharing reductions, and enables eligible small businesses to receive tax credits. Health Benefit Exchange is responsible for the certification of qualified health plans and stand-alone dental plans; the processing of consumer appeals and complaints; consumer assistance efforts including outreach, education and training; and oversight of the navigator, in-person assister, and certified application counselor program. Additionally, KHBE is responsible for purchases, budgets, contracts, financial reporting/audits, any questions regarding the Small Business Health Options Program (SHOP) enrollment and invoicing activities, and the close out operations of the Kentucky Access Program (state high risk pool).

**Health and Family Services
Office of Health Data and Analytics
Division of Health Information**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		7,800,000	7,808,800		
Total General Fund		7,800,000	7,808,800		
Restricted Funds					
Balance Forward	202,200				
Non-Revenue Receipts	3,159,400			5,314,200	5,316,200
Total Restricted Funds	3,361,600			5,314,200	5,316,200
Federal Fund					
Balance Forward	-1,909,600				
Current Receipts	9,959,600	4,470,000	4,470,000	3,045,400	3,046,600
Total Federal Fund	8,050,000	4,470,000	4,470,000	3,045,400	3,046,600
TOTAL SOURCE OF FUNDS	11,411,600	12,270,000	12,278,800	8,359,600	8,362,800
EXPENDITURES BY CLASS					
Personnel Costs	10,302,700	11,106,800	11,115,600	7,250,700	7,253,900
Operating Expenses	1,108,900	1,163,200	1,163,200	1,108,900	1,108,900
TOTAL EXPENDITURES	11,411,600	12,270,000	12,278,800	8,359,600	8,362,800
EXPENDITURES BY FUND SOURCE					
General Fund		7,800,000	7,808,800		
Restricted Funds	3,361,600			5,314,200	5,316,200
Federal Fund	8,050,000	4,470,000	4,470,000	3,045,400	3,046,600
TOTAL EXPENDITURES	11,411,600	12,270,000	12,278,800	8,359,600	8,362,800

The Division of Health Information oversees the Kentucky Health Information Exchange (KHIE), which is a statewide exchange that includes a master patient index, record locator service, security, provider/user authentication, logging, and audits. The system includes patient demographics, lab results, immunizations, radiology and other transcribed reports, historical patient diagnoses, encounters, and procedures. KHIE acts as a data intermediary for public health reporting to the state immunization and cancer registries, reporting of syndromic surveillance data, and reportable labs/diseases. KHIE also provides Direct Secure Messaging, a simple, secure, scalable, standards-based way for KHIE participants to send authenticated, encrypted health information directly to known, trusted recipients using an Internet based Healthcare Information Service Provider (HISP).

**Health and Family Services
Office of Health Data and Analytics
Division of Analytics**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	476,900	1,110,900	1,115,800	499,500	506,800
Total General Fund	476,900	1,110,900	1,115,800	499,500	506,800
Restricted Funds					
Balance Forward	70,400				
Current Receipts	86,900	88,300	89,000	88,300	89,000
Non-Revenue Receipts	-7,300	-7,300	-7,300	-7,300	-7,300
Total Restricted Funds	150,000	81,000	81,700	81,000	81,700
Federal Fund					
Balance Forward	-100				
Current Receipts	1,013,200	142,400	144,300	142,400	144,300
Total Federal Fund	1,013,100	142,400	144,300	142,400	144,300
TOTAL SOURCE OF FUNDS	1,640,000	1,334,300	1,341,800	722,900	732,800
EXPENDITURES BY CLASS					
Personnel Costs	1,435,400	1,167,200	1,174,700	583,800	593,700
Operating Expenses	199,800	162,300	162,300	134,300	134,300
Grants Loans Benefits	4,800	4,800	4,800	4,800	4,800
TOTAL EXPENDITURES	1,640,000	1,334,300	1,341,800	722,900	732,800
EXPENDITURES BY FUND SOURCE					
General Fund	476,900	1,110,900	1,115,800	499,500	506,800
Restricted Funds	150,000	81,000	81,700	81,000	81,700
Federal Fund	1,013,100	142,400	144,300	142,400	144,300
TOTAL EXPENDITURES	1,640,000	1,334,300	1,341,800	722,900	732,800

The Division of Analytics is responsible for oversight, strategic direction, and coordination of data analysis initiatives for all departments that regulate health care and social services to ensure the consistency, quality, and validity of the analyses prior to its use in operational and policy decisions. Furthermore, KRS 194A.101 provides the authority to review all data requests received by the Cabinet from the public, review the requests for content to determine the Cabinet's response and approve the release of the requested information. Finally, the division facilitates the process of data integration for analysis through inter-agency and cross-cabinet data sharing agreements to improve collaboration and identify best practices.

Justice and Public Safety

Justice and Public Safety

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	921,059,400	1,145,597,800	1,166,396,400	971,029,800	994,021,600
Current Year Appropriation	17,216,900				
Continuing Approp-General Fund	2,700				
Total General Fund	938,279,000	1,145,597,800	1,166,396,400	971,029,800	994,021,600
Tobacco Fund					
Tobacco Settlement - Phase I	7,362,800	7,370,600	7,373,600	6,516,600	6,586,100
Continuing Approp-Tob Settlement	4,616,800				
Budget Reduction-Tobacco	-609,600				
Total Tobacco Fund	11,370,000	7,370,600	7,373,600	6,516,600	6,586,100
Restricted Funds					
Balance Forward	44,362,900	42,441,900	24,759,200	44,011,700	35,593,300
Current Receipts	54,931,800	56,545,600	56,941,200	56,704,800	57,100,400
Non-Revenue Receipts	110,364,600	116,082,700	117,494,900	118,565,200	122,627,100
Fund Transfers					-2,452,100
Total Restricted Funds	209,659,300	215,070,200	199,195,300	219,281,700	212,868,700
Federal Fund					
Balance Forward	-5,218,500	1,371,700	775,100	1,371,700	775,100
Current Receipts	65,466,000	71,007,300	71,052,200	70,335,200	70,387,300
Non-Revenue Receipts	863,200				
Total Federal Fund	61,110,700	72,379,000	71,827,300	71,706,900	71,162,400
Road Fund					
Regular Appropriation	106,762,100	117,285,700	120,101,400	113,520,700	116,885,400
Total Road Fund	106,762,100	117,285,700	120,101,400	113,520,700	116,885,400
TOTAL SOURCE OF FUNDS	1,327,181,100	1,557,703,300	1,564,894,000	1,382,055,700	1,401,524,200
EXPENDITURES BY CLASS					
Personnel Costs	705,110,600	876,118,600	891,439,700	752,314,600	765,689,400
Operating Expenses	148,819,800	180,940,900	181,675,200	157,577,800	157,003,500
Grants Loans Benefits	403,764,300	440,796,400	443,955,300	421,713,800	427,681,200
Debt Service	1,492,400	16,471,200	19,336,400	1,757,500	6,444,700
Capital Outlay	17,110,600	17,841,900	13,621,600	12,323,600	12,311,600
TOTAL EXPENDITURES	1,276,297,700	1,532,169,000	1,550,028,200	1,345,687,300	1,369,130,400
EXPENDITURES BY FUND SOURCE					
General Fund	932,779,000	1,145,597,800	1,166,396,400	971,029,800	994,021,600
Tobacco Fund	11,370,000	7,370,600	7,373,600	6,516,600	6,586,100
Restricted Funds	165,647,600	190,311,000	184,553,800	183,688,400	180,699,200
Federal Fund	59,739,000	71,603,900	71,603,000	70,931,800	70,938,100
Road Fund	106,762,100	117,285,700	120,101,400	113,520,700	116,885,400
TOTAL EXPENDITURES	1,276,297,700	1,532,169,000	1,550,028,200	1,345,687,300	1,369,130,400
EXPENDITURES BY UNIT					
Justice Administration	84,508,700	100,776,300	100,608,300	92,466,000	92,440,500
Criminal Justice Training	82,954,500	100,645,300	98,339,400	91,466,300	93,158,000
Juvenile Justice	119,297,100	136,628,800	137,844,400	125,423,600	127,252,700
State Police	272,274,700	359,915,600	371,009,400	291,997,000	303,172,900
Corrections	644,589,100	741,246,000	747,304,500	668,103,400	675,988,500
Public Advocacy	72,673,600	92,957,000	94,922,200	76,231,000	77,117,800
TOTAL EXPENDITURES	1,276,297,700	1,532,169,000	1,550,028,200	1,345,687,300	1,369,130,400

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.

Justice and Public Safety

Justice Administration

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	31,244,000	40,072,800	40,193,000	33,994,700	34,198,600
Reorganization Adjustment	521,700				
Total General Fund	31,765,700	40,072,800	40,193,000	33,994,700	34,198,600
Tobacco Fund					
Tobacco Settlement - Phase I	7,362,800	7,370,600	7,373,600	6,516,600	6,586,100
Continuing Approp-Tob Settlement	4,616,800				
Budget Reduction-Tobacco	-609,600				
Total Tobacco Fund	11,370,000	7,370,600	7,373,600	6,516,600	6,586,100
Restricted Funds					
Balance Forward	2,835,000	3,045,100	2,371,800	3,045,100	2,371,800
Current Receipts	6,857,400	5,888,700	5,888,700	5,888,700	5,888,700
Non-Revenue Receipts	1,140,300	968,100	971,800	268,100	271,800
Total Restricted Funds	10,832,700	9,901,900	9,232,300	9,201,900	8,532,300
Federal Fund					
Balance Forward	554,800				
Current Receipts	33,030,600	45,802,800	45,820,000	45,124,600	45,134,100
Total Federal Fund	33,585,400	45,802,800	45,820,000	45,124,600	45,134,100
TOTAL SOURCE OF FUNDS	87,553,800	103,148,100	102,618,900	94,837,800	94,451,100
EXPENDITURES BY CLASS					
Personnel Costs	17,252,000	24,112,200	24,339,600	17,897,200	18,124,100
Operating Expenses	1,472,200	3,381,100	3,297,800	2,144,700	2,139,000
Grants Loans Benefits	65,784,500	73,283,000	72,970,900	72,424,100	72,177,400
TOTAL EXPENDITURES	84,508,700	100,776,300	100,608,300	92,466,000	92,440,500
EXPENDITURES BY FUND SOURCE					
General Fund	31,765,700	40,072,800	40,193,000	33,994,700	34,198,600
Tobacco Fund	11,370,000	7,370,600	7,373,600	6,516,600	6,586,100
Restricted Funds	7,787,600	7,530,100	7,221,700	6,830,100	6,521,700
Federal Fund	33,585,400	45,802,800	45,820,000	45,124,600	45,134,100
TOTAL EXPENDITURES	84,508,700	100,776,300	100,608,300	92,466,000	92,440,500
EXPENDITURES BY UNIT					
Secretary	8,206,400	13,620,500	13,667,900	9,248,800	9,392,600
Office of Drug Control Policy	17,181,100	12,987,500	12,844,700	12,134,800	12,059,400
Medical Examiner Program	4,812,500	5,844,100	5,886,500	4,915,900	4,955,200
Parole Board	1,224,200	1,322,700	1,338,000	1,304,000	1,321,000
Grants	35,314,600	48,474,600	48,337,900	47,080,800	46,927,200
Criminal Justice Council		746,000	748,200		
Motorcycle Training Program	800,000	800,000	800,000	800,000	800,000
Access to Justice	639,800	639,800	639,800	639,800	639,800
Substance Abuse Initiatives	16,330,100	16,341,100	16,345,300	16,341,900	16,345,300
TOTAL EXPENDITURES	84,508,700	100,776,300	100,608,300	92,466,000	92,440,500

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

Per KRS 15A.020, the Office of the Secretary provides 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 state and federal grants management, management of daily operations, information processing, fiscal function and administrative services for the Justice and Public Safety Cabinet.

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 Division 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.

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 JPSC, Office of the Secretary recently underwent a reorganization effective December 1, 2019. Within this reorganization, the Office of Human Resource Management (OHRM) was established for the purpose of consolidating departmental human resources at the cabinet level providing true functional oversight and supervision of all human resources activities.

Pursuant to KRS 15A.020, the Justice and Public Safety Cabinet 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 Division 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, the division 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.

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 Executive Budget provides \$16,341,900 in fiscal year 2021 and \$16,345,300 in fiscal year 2022. These amounts will be held in reserve until approved by Office of Drug Control Policy and allocated by the Secretary of the Justice and Public Safety Cabinet. During the 2015 Regular Session, Senate Bill 192 provided \$10 million for Substance Abuse Initiatives during fiscal year 2016. The 2016-2018 budget provided funding in the amount of \$15.7 million for fiscal year 2017 and \$16.3 million for fiscal year 2018. The 2018-2020 budget provided funding in the amount of \$16.3 million each fiscal year. The Substance Abuse Initiatives funding is housed within Justice Administration and falls under the administrative oversight of the Office of Drug Control Policy. This funding empowered the Kentucky Office of Drug Control Policy to continue to work towards increased public education, access to treatment, and greater access to naloxone. Funding is provided to the Department of Public Advocacy to fund social worker program, for the purpose of developing individualized alternative sentencing plans. Funding is provided to the Prosecutors Advisory Council to enhance the use of "rocket docket" prosecutions in controlled substances cases for the Commonwealth's Attorneys and County Attorneys. Funding is provided to the Department of Corrections for substance abuse treatment programs for county inmates in local jails and for an injectable, FDA-approved treatment program to prevent an opiate relapse as offenders are released from custody. Funding is provided to the Department of Behavioral Health,

Developmental and Intellectual Disabilities (DBHDID) for community mental health centers to fund additional substance abuse treatment resources on a local level. Funding is provided to DBHDID to address neonatal abstinence syndrome by assisting with transitional care and wrap-around services. Funding is provided to Kentucky Agency for Substance Abuse Programs to supplement traditional programming for ASAP boards/counties. Funding is provide to the Kentucky State Police for the Angel Initiative, a pro-active approach offering an alternative escape to those battling addition.

The Executive Budget includes General Fund resources in the amount of \$500,000 in each fiscal year 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 Executive Budget includes additional Phase I Tobacco Settlement Funds in the amount of \$6,516,600 in fiscal year 2021 and \$6,586,100 in fiscal year 2022 for the Office of Drug Control Policy to support opioid prevention, treatment, and recovery initiatives.

The Executive Budget includes additional General Fund in the amount of \$521,100 in fiscal year 2021 and \$574,600 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$59,200 in fiscal year 2021 and \$176,400 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

**Justice and Public Safety
Criminal Justice Training**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	19,492,000	19,468,500	9,373,800	21,038,300	21,946,900
Current Receipts	496,200	220,000	210,000	384,000	374,000
Non-Revenue Receipts	83,884,600	90,210,600	91,521,900	91,870,900	95,826,700
Total Restricted Funds	103,872,800	109,899,100	101,105,700	113,293,200	118,147,600
Federal Fund					
Balance Forward	7,000				
Current Receipts	113,000	120,000	120,000	120,000	120,000
Total Federal Fund	120,000	120,000	120,000	120,000	120,000
TOTAL SOURCE OF FUNDS	103,992,800	110,019,100	101,225,700	113,413,200	118,267,600
EXPENDITURES BY CLASS					
Personnel Costs	32,400,800	39,385,300	39,639,900	36,198,600	37,098,700
Operating Expenses	6,645,700	7,441,700	7,666,200	6,142,500	6,142,500
Grants Loans Benefits	38,005,700	46,150,200	46,158,300	46,910,400	48,190,800
Debt Service		2,327,800	1,839,000	488,800	
Capital Outlay	5,902,300	5,340,300	3,036,000	1,726,000	1,726,000
TOTAL EXPENDITURES	82,954,500	100,645,300	98,339,400	91,466,300	93,158,000
EXPENDITURES BY FUND SOURCE					
Restricted Funds	82,834,500	100,525,300	98,219,400	91,346,300	93,038,000
Federal Fund	120,000	120,000	120,000	120,000	120,000
TOTAL EXPENDITURES	82,954,500	100,645,300	98,339,400	91,466,300	93,158,000
EXPENDITURES BY UNIT					
Kentucky Law Enforcement Program Fund	78,011,800	95,030,200	92,704,100	86,466,900	88,142,200
Peace Officer Professional Standards	835,700	1,003,800	1,011,900	864,600	873,700
Office of the State School Security Marshal	2,286,400	2,401,700	2,404,100	2,291,300	2,293,700
Special Training Programs	564,000	592,900	596,900	586,900	591,800
DOCJT Federal Grants	120,000	120,000	120,000	120,000	120,000
Professional Development & Wellness Prog. Fd	1,136,600	1,496,700	1,502,400	1,136,600	1,136,600
TOTAL EXPENDITURES	82,954,500	100,645,300	98,339,400	91,466,300	93,158,000

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 and 503 KAR. 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, breath testing, school security, and post-critical incident seminars and counseling. 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. Additionally, DOCJT is responsible for the Peace Officers Professional Standards (POPS) program, the Law Enforcement Professional Development and Wellness Fund, and the Office of the State School Security Marshal. 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 14,500 seats each year, totaling approximately 707,000 hours of training.

House Bill 68, KRS 15.518, an act relating to law enforcement support programs, was passed during the 2018 Regular Session establishing the Professional Development and Wellness Branch. It is a comprehensive approach to wellbeing by striving to provide Kentucky law enforcement officers and dispatchers with the tools required to have a long life, a successful career and a happy retirement. The branch is responsible for assisting law enforcement officers with obtaining benefits related to disability, line of duty death, and veterans' education. Additionally, the branch hosts Kentucky Post-Critical Incident Seminars (KYPICIS), three-day trainings led by mental health professionals trained to work with peace officers and dispatchers, and driven by a team of law enforcement and public safety dispatch peers who have experienced their own critical incident and received training in Critical Incident Stress Management.

The School Safety and Resiliency Act, an act relating to school safety and regularly referred to as Senate Bill 1, was passed during the 2019 Regular Session. The Office of the State School Security Marshal was established to monitor school safety and security initiatives, born out of legislation developed after the Marshall County High School shooting that occurred on January 23, 2018. Compliance officers will be assigned to districts throughout the state to conduct school on-site reviews to ensure compliance with the law, using a 66-point assessment tool DOCJT prepared in accordance with SB1.

Policy

Notwithstanding KRS 15.470, the Executive Budget includes Restricted Funds for a \$4,600 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 Executive Budget includes Restricted Funds for a \$4,600 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 8,000 certified peace officers in the amount of \$56,370,300 in fiscal year 2021 and approximately 8,100 certified peace officers in the amount of \$58,297,800 in fiscal year 2022.

Notwithstanding any statute to the contrary, the Executive Budget 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, not to exceed \$525,000 in each fiscal year.

The Executive Budget includes \$86,466,900 in fiscal year 2021 and \$88,142,200 in fiscal year 2022 for the Kentucky Law Enforcement Program Fund.

Justice and Public Safety

Juvenile Justice

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	105,397,200	112,602,100	113,732,200	100,670,800	103,932,900
Total General Fund	105,397,200	112,602,100	113,732,200	100,670,800	103,932,900
Restricted Funds					
Balance Forward	4,324,000	6,455,600	4,420,700	6,455,600	3,694,600
Current Receipts	1,055,500	1,615,500	1,615,500	1,615,500	1,615,500
Non-Revenue Receipts	11,103,500	11,103,500	11,103,500	11,103,500	11,103,500
Fund Transfers					-2,452,100
Total Restricted Funds	16,483,000	19,174,600	17,139,700	19,174,600	13,961,500
Federal Fund					
Balance Forward	-516,000				
Current Receipts	9,274,700	9,272,800	9,358,300	9,272,800	9,358,300
Non-Revenue Receipts	613,800				
Total Federal Fund	9,372,500	9,272,800	9,358,300	9,272,800	9,358,300
TOTAL SOURCE OF FUNDS	131,252,700	141,049,500	140,230,200	129,118,200	127,252,700
EXPENDITURES BY CLASS					
Personnel Costs	95,087,100	107,970,100	109,292,800	98,232,700	100,155,900
Operating Expenses	11,960,400	13,998,600	13,808,900	13,961,300	13,784,600
Grants Loans Benefits	11,769,900	14,180,400	14,263,000	12,749,900	12,832,500
Debt Service	479,700	479,700	479,700	479,700	479,700
TOTAL EXPENDITURES	119,297,100	136,628,800	137,844,400	125,423,600	127,252,700
EXPENDITURES BY FUND SOURCE					
General Fund	99,897,200	112,602,100	113,732,200	100,670,800	103,932,900
Restricted Funds	10,027,400	14,753,900	14,753,900	15,480,000	13,961,500
Federal Fund	9,372,500	9,272,800	9,358,300	9,272,800	9,358,300
TOTAL EXPENDITURES	119,297,100	136,628,800	137,844,400	125,423,600	127,252,700
EXPENDITURES BY UNIT					
Program Management	1,729,700	1,839,400	1,847,400	1,758,000	1,766,800
Program Operations	106,747,200	122,419,800	123,612,700	112,599,300	114,393,400
Support Services	10,820,200	12,369,600	12,384,300	11,066,300	11,092,500
TOTAL EXPENDITURES	119,297,100	136,628,800	137,844,400	125,423,600	127,252,700

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 Dev 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
Jefferson Regional Juvenile Detention Center	Jefferson	16

Detention Beds = 328

Eight state-operated detention centers are currently in operation in Breathitt, McCracken, Campbell, Warren, Fayette, Boyd, and Jefferson Counties, and twenty beds are available for detention at the youth development center in Adair County.

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

Jefferson County closed the Louisville Metro Youth Detention Center on December 31, 2019. The Department of Juvenile Justice established the Jefferson Regional Juvenile Detention Center and took over detention services in Jefferson County. Currently, the state provides detention services to all counties.

The Executive Budget includes additional General Fund in the amount of \$2,811,900 in fiscal year 2021 and \$3,093,900 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$334,400 in fiscal year 2021 and \$1,157,300 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

Justice and Public Safety

State Police

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	120,022,500	195,808,000	203,916,500	128,836,400	138,764,500
Total General Fund	120,022,500	195,808,000	203,916,500	128,836,400	138,764,500
Restricted Funds					
Balance Forward	9,826,700	9,573,900	8,592,900	9,573,900	6,292,300
Current Receipts	19,881,500	20,267,700	20,027,600	20,262,900	20,022,800
Non-Revenue Receipts	12,236,200	11,800,500	11,897,700	12,322,700	12,425,100
Total Restricted Funds	41,944,400	41,642,100	40,518,200	42,159,500	38,740,200
Federal Fund					
Balance Forward	-5,076,100	1,349,900	775,100	1,349,900	775,100
Current Receipts	19,545,600	13,197,900	13,281,300	13,197,900	13,281,300
Total Federal Fund	14,469,500	14,547,800	14,056,400	14,547,800	14,056,400
Road Fund					
Regular Appropriation	106,762,100	117,285,700	120,101,400	113,520,700	116,885,400
Total Road Fund	106,762,100	117,285,700	120,101,400	113,520,700	116,885,400
TOTAL SOURCE OF FUNDS	283,198,500	369,283,600	378,592,500	299,064,400	308,446,500
EXPENDITURES BY CLASS					
Personnel Costs	214,517,200	286,741,100	294,916,700	230,392,000	237,624,200
Operating Expenses	45,901,500	52,411,200	52,207,400	50,664,400	50,605,100
Grants Loans Benefits	385,000	385,000	385,000	385,000	385,000
Debt Service	1,012,700	9,910,700	13,264,700	308,000	4,323,000
Capital Outlay	10,458,300	10,467,600	10,235,600	10,247,600	10,235,600
TOTAL EXPENDITURES	272,274,700	359,915,600	371,009,400	291,997,000	303,172,900
EXPENDITURES BY FUND SOURCE					
General Fund	120,022,500	195,808,000	203,916,500	128,836,400	138,764,500
Restricted Funds	32,370,500	33,049,200	33,159,400	35,867,200	33,690,900
Federal Fund	13,119,600	13,772,700	13,832,100	13,772,700	13,832,100
Road Fund	106,762,100	117,285,700	120,101,400	113,520,700	116,885,400
TOTAL EXPENDITURES	272,274,700	359,915,600	371,009,400	291,997,000	303,172,900
EXPENDITURES BY UNIT					
Administration	37,359,300	48,291,500	49,125,300	39,369,500	40,057,200
Technical Services	48,730,000	64,824,300	68,667,300	53,697,300	58,567,300
Operations	172,397,200	228,351,700	234,493,900	180,743,300	186,062,700
Commercial Vehicle Enforcement	13,788,200	18,448,100	18,722,900	18,186,900	18,485,700
TOTAL EXPENDITURES	272,274,700	359,915,600	371,009,400	291,997,000	303,172,900

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. Under the current reorganization that went into effect on December 1, 2019, the Kentucky State Police is comprised of four offices: Commissioner's, Administrative Services, Operations, and Technical Services.

The Office of the Commissioner comprises of executive staff of the commissioner as well as Executive Security Branch and Legal Services Branch.

The Office Administrative Services, includes the Division of the Operational Support which provides professional support services for the Department. These services include Public Affairs, Strategic Planning, Inspections and Evaluations, Basic Training and In-service Training, Legislative Security, Facility Security, Recruitment Services, Employee Assistance and Driver Testing – which consists of 8 Regions and Commercial Drivers Testing; and Division of Management Services which provides management services for the Department and includes Supply Branch, Property Management Branch, Budget Branch, Financial/Grants Management Branch. The State Police Drivers Testing Stations, Facilities Security and Legislative Security also provide external support to citizens and other public officials of Kentucky.

The Office of Operations consists of the following divisions: East Troops, West Troops, Special Enforcement and Commercial Vehicle Enforcement. The Office 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 office include Highway Safety, Drug Enforcement Special Investigations, Vehicle Investigation, Critical Incident Response Team, and Special Operations (Hazardous Devices, Special Response Team, and Canine). The Division of Commercial Vehicle Enforcement 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.

The Office of Technical Services 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 Office 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.

Policy

The Executive Budget includes Restricted Funds for a \$4,600 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 Executive Budget includes General Fund debt service in the amount of \$308,000 in fiscal year 2021 and \$4,323,000 in fiscal year 2022 to support new bonds for capital projects.

The Executive Budget includes additional General Fund in the amount of \$4,149,600 in fiscal year 2021 and \$5,503,900 in fiscal year 2022 and additional Road Fund in the amount of \$3,568,000 in fiscal year 2021 and \$4,863,400 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$174,000 in fiscal year 2021 and \$569,000 in fiscal year 2022 and additional Road Fund in the amount of \$112,800 in fiscal year 2021 and \$369,200 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

The Executive Budget includes additional General Fund in the amount of \$2,665,200 in fiscal year 2021 and \$4,315,200 in fiscal year 2022 and additional Road Fund in the amount of \$2,665,200 in fiscal year 2021 and \$4,315,200 in fiscal year 2022 to fund cost increases associated with statutory salary adjustments.

The Executive Budget includes additional General Fund in the amount of \$3,000,000 each fiscal year for the Kentucky State Laboratory for Rapid DNA and laboratory retention.

Justice and Public Safety

Corrections

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	598,224,900	712,909,700	719,808,900	638,767,100	647,492,900
Current Year Appropriation	17,216,900				
Continuing Approp-General Fund	2,700				
Reorganization Adjustment	-521,700				
Total General Fund	614,922,800	712,909,700	719,808,900	638,767,100	647,492,900
Restricted Funds					
Balance Forward	5,309,800	1,323,400		1,323,400	
Current Receipts	22,136,900	24,049,400	24,695,100	24,049,400	24,695,100
Non-Revenue Receipts	2,000,000	2,000,000	2,000,000	3,000,000	3,000,000
Total Restricted Funds	29,446,700	27,372,800	26,695,100	28,372,800	27,695,100
Federal Fund					
Balance Forward	-152,600	21,800		21,800	
Current Receipts	1,468,000	941,700	800,500	941,700	800,500
Non-Revenue Receipts	249,400				
Total Federal Fund	1,564,800	963,500	800,500	963,500	800,500
TOTAL SOURCE OF FUNDS	645,934,300	741,246,000	747,304,500	668,103,400	675,988,500
EXPENDITURES BY CLASS					
Personnel Costs	280,978,000	333,741,600	336,981,400	300,987,600	303,149,700
Operating Expenses	75,043,600	94,921,300	96,043,700	77,042,100	76,753,000
Grants Loans Benefits	287,817,500	306,796,100	310,176,400	289,242,700	294,093,800
Debt Service		3,753,000	3,753,000	481,000	1,642,000
Capital Outlay	750,000	2,034,000	350,000	350,000	350,000
TOTAL EXPENDITURES	644,589,100	741,246,000	747,304,500	668,103,400	675,988,500
EXPENDITURES BY FUND SOURCE					
General Fund	614,922,800	712,909,700	719,808,900	638,767,100	647,492,900
Restricted Funds	28,123,300	27,372,800	26,695,100	28,372,800	27,695,100
Federal Fund	1,543,000	963,500	800,500	963,500	800,500
TOTAL EXPENDITURES	644,589,100	741,246,000	747,304,500	668,103,400	675,988,500
EXPENDITURES BY UNIT					
Corrections Management	14,644,800	16,726,800	16,916,800	15,257,300	15,434,300
Adult Correctional Institutions	352,989,400	428,444,700	431,976,300	378,821,300	383,693,800
Community Services and Local Facilities	260,298,600	274,962,300	277,299,200	257,371,200	260,206,800
Local Jail Support	16,656,300	21,112,200	21,112,200	16,653,600	16,653,600
TOTAL EXPENDITURES	644,589,100	741,246,000	747,304,500	668,103,400	675,988,500

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. 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. In 2011, modifications to KRS Chapter 218A controlled substance statutes 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 Executive Budget 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.

2020 - 2022 Felon and Community Beds Forecast

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
Felons*	24,103	24,344	24,566
Other**	<u>2,410</u>	<u>2,410</u>	<u>2,410</u>
Total	26,513	26,754	26,976

* The incarcerated felon forecast is a consensus estimating process involving the Department of Corrections 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.

**Justice and Public Safety
Corrections Management**

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	11,890,700	16,501,800	16,691,800	15,032,300	15,209,300
Reorganization Adjustment	-194,300				
Other	2,573,400				
Total General Fund	14,269,800	16,501,800	16,691,800	15,032,300	15,209,300
Restricted Funds					
Balance Forward	149,400				
Current Receipts	150,600	150,000	150,000	150,000	150,000
Total Restricted Funds	300,000	150,000	150,000	150,000	150,000
Federal Fund					
Balance Forward	96,800	21,800		21,800	
Current Receipts		53,200	75,000	53,200	75,000
Total Federal Fund	96,800	75,000	75,000	75,000	75,000
TOTAL SOURCE OF FUNDS	14,666,600	16,726,800	16,916,800	15,257,300	15,434,300
EXPENDITURES BY CLASS					
Personnel Costs	12,791,300	14,296,400	14,497,600	13,279,000	13,467,200
Operating Expenses	1,853,500	2,430,400	2,419,200	1,978,300	1,967,100
TOTAL EXPENDITURES	14,644,800	16,726,800	16,916,800	15,257,300	15,434,300
EXPENDITURES BY FUND SOURCE					
General Fund	14,269,800	16,501,800	16,691,800	15,032,300	15,209,300
Restricted Funds	300,000	150,000	150,000	150,000	150,000
Federal Fund	75,000	75,000	75,000	75,000	75,000
TOTAL EXPENDITURES	14,644,800	16,726,800	16,916,800	15,257,300	15,434,300
EXPENDITURES BY UNIT					
Commissioner	9,355,500	11,133,000	11,257,000	9,856,200	9,967,700
Corrections Training	2,108,000	2,295,000	2,321,100	2,137,100	2,162,600
Administrative Services	2,091,000	2,176,100	2,201,100	2,124,500	2,148,000
Division of Personnel	1,090,300	1,122,700	1,137,600	1,139,500	1,156,000
TOTAL EXPENDITURES	14,644,800	16,726,800	16,916,800	15,257,300	15,434,300

Corrections Management provides the administrative and management functions for the Department of Corrections. These functions are achieved through the following program areas: Office of the Commissioner, 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 Kentucky State Corrections Commission 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 Information Branches, as well as, the Parole Board/Victims Services Division 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.

Policy

The Executive Budget includes additional General Fund in the amount of \$438,900 in fiscal year 2021 and \$481,400 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$50,500 in fiscal year 2021 and \$163,900 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

Justice and Public Safety
Adult Correctional Institutions

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	324,174,900	410,257,800	413,901,800	360,634,400	365,619,300
Current Year Appropriation	13,415,600				
Reorganization Adjustment	-327,400				
Other	-2,493,400				
Total General Fund	334,769,700	410,257,800	413,901,800	360,634,400	365,619,300
Restricted Funds					
Balance Forward	2,968,400	595,100		595,100	
Current Receipts	15,573,900	17,398,800	18,044,500	17,398,800	18,044,500
Total Restricted Funds	18,542,300	17,993,900	18,044,500	17,993,900	18,044,500
Federal Fund					
Balance Forward	-246,900				
Current Receipts	272,500	193,000	30,000	193,000	30,000
Non-Revenue Receipts	246,900				
Total Federal Fund	272,500	193,000	30,000	193,000	30,000
TOTAL SOURCE OF FUNDS	353,584,500	428,444,700	431,976,300	378,821,300	383,693,800
EXPENDITURES BY CLASS					
Personnel Costs	204,290,900	246,623,100	248,461,700	222,790,100	223,863,000
Operating Expenses	61,110,000	79,419,600	80,884,700	64,561,800	64,344,400
Grants Loans Benefits	86,838,500	97,799,000	98,526,900	90,638,400	93,494,400
Debt Service		3,753,000	3,753,000	481,000	1,642,000
Capital Outlay	750,000	850,000	350,000	350,000	350,000
TOTAL EXPENDITURES	352,989,400	428,444,700	431,976,300	378,821,300	383,693,800
EXPENDITURES BY FUND SOURCE					
General Fund	334,769,700	410,257,800	413,901,800	360,634,400	365,619,300
Restricted Funds	17,947,200	17,993,900	18,044,500	17,993,900	18,044,500
Federal Fund	272,500	193,000	30,000	193,000	30,000
TOTAL EXPENDITURES	352,989,400	428,444,700	431,976,300	378,821,300	383,693,800
EXPENDITURES BY UNIT					
Institutions Operations	4,875,500	4,809,800	4,462,800	4,889,100	4,563,900
Medical Services	66,914,100	68,949,600	70,969,100	68,936,000	70,956,200
Education	6,037,600	13,238,500	7,233,900	8,611,100	6,169,200
Correctional Industries	12,861,200	12,907,900	12,958,500	12,907,900	12,958,500
Correctional Facilities	233,116,400	297,640,700	305,372,500	253,154,900	257,600,800
Mental Health	9,481,400	9,553,900	9,635,200	9,609,900	9,696,700
Private Prisons	19,703,200	21,344,300	21,344,300	20,712,400	21,748,500
TOTAL EXPENDITURES	352,989,400	428,444,700	431,976,300	378,821,300	383,693,800

Adult Correctional Institutions is comprised of 12 state correctional facilities and one contracted correctional facility 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: 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.

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 1,051 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 914 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 320 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 733 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 1,930 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 493 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 Luckett Correctional Complex (LLCC) is a medium security institution with an operational capacity of 1,204 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 982 inmates located near Central City in Muhlenberg County.

Northpoint Training Center (NTC) is a medium security institution with an operational capacity of 1,270 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 1,062 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.

Southeast State Correctional Complex (SSCC) is a leased medium security facility with an operational capacity of 656 inmates located in Wheelwright in Floyd County.

Lee Adjustment Center (LAC) is located near Beattyville in Lee County and has an operational capacity of 866 inmates. The Department contracts with CoreCivic for operation of this medium security facility.

Policy

The Executive Budget includes General Fund debt service in the amount of \$481,000 in fiscal year 2021 and \$1,642,000 in fiscal year 2022 to support new bonds for capital projects.

The Executive Budget includes General Fund appropriations in the amount of \$3,277,200 in fiscal year 2020, \$6,031,100 in fiscal year 2021 and fiscal year 2022 for locality pay premium for North Region correctional officers to promote recruitment and retention to offset high vacancy rates in three prisons located in Oldham County and one prison in Shelby County.

The Executive Budget includes \$2,007,400 in fiscal year 2021 and \$4,014,900 in fiscal year 2022 for increased medical costs.

The Executive Budget includes General Fund appropriations in the amount of \$3,273,000 in fiscal year 2020, \$17,700,000 in fiscal year 2021 and \$18,210,000 for the Southeast State Correctional Complex.

The Executive Budget includes additional General Fund appropriations in the amount of \$6,865,400 in fiscal year 2020, \$8,213,400 in fiscal year 2021 and \$10,012,300 in fiscal year 2022 to maintain current levels of operation and to accommodate underfunded amounts from the 2018-2020 budget.

The Executive Budget includes additional General Fund in the amount of \$2,500,000 in fiscal year 2021 to address a federal class action lawsuit related to education good time credit program. This funding will help address the recommendations from the state assessment on education good time credit program and ensure accountability of the program.

The Executive Budget includes additional General Fund in the amount of \$1,802,200 in fiscal year 2021 and \$1,984,600 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$631,100 in fiscal year 2021 and \$2,052,800 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

Justice and Public Safety
Community Services and Local Facilities

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	245,505,700	265,037,900	268,103,100	246,446,800	250,010,700
Current Year Appropriation	3,801,300				
Other	-80,000				
Total General Fund	249,227,000	265,037,900	268,103,100	246,446,800	250,010,700
Restricted Funds					
Balance Forward	2,192,000	728,300		728,300	
Current Receipts	6,412,400	6,500,600	6,500,600	6,500,600	6,500,600
Non-Revenue Receipts	2,000,000	2,000,000	2,000,000	3,000,000	3,000,000
Total Restricted Funds	10,604,400	9,228,900	8,500,600	10,228,900	9,500,600
Federal Fund					
Balance Forward	-2,500				
Current Receipts	1,195,500	695,500	695,500	695,500	695,500
Non-Revenue Receipts	2,500				
Total Federal Fund	1,195,500	695,500	695,500	695,500	695,500
TOTAL SOURCE OF FUNDS	261,026,900	274,962,300	277,299,200	257,371,200	260,206,800
EXPENDITURES BY CLASS					
Personnel Costs	63,854,100	72,780,400	73,980,400	64,876,800	65,777,800
Operating Expenses	11,811,800	12,803,000	12,471,500	10,233,700	10,173,200
Grants Loans Benefits	184,632,700	188,194,900	190,847,300	182,260,700	184,255,800
Capital Outlay		1,184,000			
TOTAL EXPENDITURES	260,298,600	274,962,300	277,299,200	257,371,200	260,206,800
EXPENDITURES BY FUND SOURCE					
General Fund	249,227,000	265,037,900	268,103,100	246,446,800	250,010,700
Restricted Funds	9,876,100	9,228,900	8,500,600	10,228,900	9,500,600
Federal Fund	1,195,500	695,500	695,500	695,500	695,500
TOTAL EXPENDITURES	260,298,600	274,962,300	277,299,200	257,371,200	260,206,800
EXPENDITURES BY UNIT					
Probation and Parole Program	62,737,000	69,382,200	68,823,500	63,747,500	64,407,700
Local Facilities Operations	1,291,600	1,464,100	1,334,500	1,326,100	1,341,700
Local Facilities - Jail Program	146,712,600	148,551,500	151,932,200	143,461,700	146,185,100
Community Corrections Commission	670,500	970,500	970,500	670,500	670,500
Halfway Houses	29,713,900	29,758,300	29,758,300	29,713,900	29,713,900
Substance Abuse Programs	14,063,500	15,311,100	14,689,500	13,668,000	13,037,200
Reentry Division	5,109,500	9,524,600	9,790,700	4,783,500	4,850,700
TOTAL EXPENDITURES	260,298,600	274,962,300	277,299,200	257,371,200	260,206,800

The Community Corrections area is comprised of the Division of Local Facilities, County Jail Program, 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 291.

Policy

The Department of Corrections estimates a four percent growth in the number of probationers and parolees over the biennium. Much of this increase is due to accelerated parole hearings, mandatory reentry supervision release and new forms of supervision such as women's medical release and parole board sanctions.

Fiscal Year	Probation and Parole Population
2019 Actual	49,163
2020 Estimated	50,150
2021 Estimated	51,150
2022 Estimated	52,175

The Executive Budget includes additional General Fund in the amount of \$3,801,300 in fiscal year 2020 and \$2,273,800 in fiscal year 2022 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).

The Executive Budget includes additional General Fund in the amount of \$1,219,900 in fiscal year 2021 and \$1,341,600 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$246,800 in fiscal year 2021 and \$807,300 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.

Justice and Public Safety

Local Jail Support

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	16,653,600	21,112,200	21,112,200	16,653,600	16,653,600
Continuing Approp-General Fund	2,700				
Total General Fund	16,656,300	21,112,200	21,112,200	16,653,600	16,653,600
TOTAL SOURCE OF FUNDS	16,656,300	21,112,200	21,112,200	16,653,600	16,653,600
EXPENDITURES BY CLASS					
Personnel Costs	41,700	41,700	41,700	41,700	41,700
Operating Expenses	268,300	268,300	268,300	268,300	268,300
Grants Loans Benefits	16,346,300	20,802,200	20,802,200	16,343,600	16,343,600
TOTAL EXPENDITURES	16,656,300	21,112,200	21,112,200	16,653,600	16,653,600
EXPENDITURES BY FUND SOURCE					
General Fund	16,656,300	21,112,200	21,112,200	16,653,600	16,653,600
TOTAL EXPENDITURES	16,656,300	21,112,200	21,112,200	16,653,600	16,653,600
EXPENDITURES BY UNIT					
Local Jail Allotment	10,068,800	14,527,400	14,527,400	10,068,800	10,068,800
Restricted Medical	792,800	792,800	792,800	792,800	792,800
Jailers' Allowance	310,000	310,000	310,000	310,000	310,000
Catastrophic Medical	854,500	851,800	851,800	851,800	851,800
Local Corrections Assistance Fund	4,630,200	4,630,200	4,630,200	4,630,200	4,630,200
TOTAL EXPENDITURES	16,656,300	21,112,200	21,112,200	16,653,600	16,653,600

The Local Jail Support program consists of five funds used to assist counties in local jail operations: Local Jail Allotment, Restricted Medical Allotment, Jailer's Allowance, Local Corrections Assistance Fund 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 Executive Budget 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.

Notwithstanding KRS 196.288(5)(a), \$4,630,200 in each year of the biennium is allocated to the Local Corrections Assistance Fund.

Justice and Public Safety

Public Advocacy

	Revised FY 2020	Requested FY 2021	Requested FY 2022	Recommended FY 2021	Recommended FY 2022
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	66,170,800	84,205,200	88,745,800	68,760,800	69,632,700
Total General Fund	66,170,800	84,205,200	88,745,800	68,760,800	69,632,700
Restricted Funds					
Balance Forward	2,575,400	2,575,400		2,575,400	1,287,700
Current Receipts	4,504,300	4,504,300	4,504,300	4,504,300	4,504,300
Total Restricted Funds	7,079,700	7,079,700	4,504,300	7,079,700	5,792,000
Federal Fund					
Balance Forward	-35,600				
Current Receipts	2,034,100	1,672,100	1,672,100	1,678,200	1,693,100
Total Federal Fund	1,998,500	1,672,100	1,672,100	1,678,200	1,693,100
TOTAL SOURCE OF FUNDS	75,249,000	92,957,000	94,922,200	77,518,700	77,117,800
EXPENDITURES BY CLASS					
Personnel Costs	64,875,500	84,168,300	86,269,300	68,606,500	69,536,800
Operating Expenses	7,796,400	8,787,000	8,651,200	7,622,800	7,579,300
Grants Loans Benefits	1,700	1,700	1,700	1,700	1,700
TOTAL EXPENDITURES	72,673,600	92,957,000	94,922,200	76,231,000	77,117,800
EXPENDITURES BY FUND SOURCE					
General Fund	66,170,800	84,205,200	88,745,800	68,760,800	69,632,700
Restricted Funds	4,504,300	7,079,700	4,504,300	5,792,000	5,792,000
Federal Fund	1,998,500	1,672,100	1,672,100	1,678,200	1,693,100
TOTAL EXPENDITURES	72,673,600	92,957,000	94,922,200	76,231,000	77,117,800
EXPENDITURES BY UNIT					
Office of the Public Advocate	1,908,900	1,964,900	1,987,000	1,985,900	2,010,700
Defense Services	66,008,000	86,153,000	88,088,000	69,746,400	70,574,000
Law Operations	2,185,800	2,277,000	2,257,700	2,287,700	2,291,300
Protection and Advocacy	2,570,900	2,562,100	2,589,500	2,211,000	2,241,800
TOTAL EXPENDITURES	72,673,600	92,957,000	94,922,200	76,231,000	77,117,800

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 Executive Budget includes additional General Fund in the amount of \$2,294,100 in fiscal year 2021 and \$2,517,300 in fiscal year 2022 to fund the cost increases of actuarially determined contribution.

The Executive Budget includes additional General Fund in the amount of \$216,700 in fiscal year 2021 and \$737,000 in fiscal year 2022 to fund cost increases associated with providing a 1% increment each year.