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The Budget of the Commonwealth for the 2012-2014 biennium is the financial plan for Kentucky State Government as enacted by the Regular Session of the 2012 General Assembly and the 1<sup>st</sup> Extraordinary Session of the 2012 General Assembly. It is published by the Office of State Budget Director, Governor's Office for Policy and Management in accordance with KRS Chapter 48.

The 2012-2014 Budget is presented in three volumes:

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

These documents provide the detail to support the enacted budget as presented in the various budget bills.

## ACKNOWLEDGMENTS

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**2012-14 BUDGET OF THE COMMONWEALTH  
GENERAL FUND SUMMARY**

	<u>Revised FY 2012</u>	<u>Enacted FY 2013</u>	<u>Enacted FY 2014</u>
<b>RESOURCES</b>			
Beginning Balance	289,836,400	44,384,000	52,140,400
Official Revenue Estimate	9,007,700,000	9,307,839,200	9,523,918,200
Tobacco Settlement-Phase I	97,300,000	92,100,000	90,800,000
Other Resources	18,389,500		
Fund Transfers	<u>155,119,800</u>	<u>108,194,000</u>	<u>96,321,800</u>
<b>TOTAL RESOURCES</b>	<b><u>9,568,345,700</u></b>	<b><u>9,552,517,200</u></b>	<b><u>9,763,180,400</u></b>
<b>Continued Appropriations Reserve</b>			
Budget Reserve Trust Fund	0	121,722,500	121,722,500
Executive Branch	42,806,300	10,313,500	0
Legislative Branch	13,193,700	13,193,700	10,519,900
Judicial Branch	<u>1,456,000</u>	<u>236,600</u>	<u>236,600</u>
<b>Total Continued Appropriations Reserve</b>	<b><u>57,456,000</u></b>	<b><u>145,466,300</u></b>	<b><u>132,479,000</u></b>
<b>TOTAL RESOURCES</b>	<b><u>9,625,801,700</u></b>	<b><u>9,697,983,500</u></b>	<b><u>9,895,659,400</u></b>
<b>APPROPRIATIONS</b>			
<b>Executive Branch</b>			
Appropriations	9,039,932,600	9,111,800,300	9,410,218,100
Current Year Appropriations	10,433,000		
Tobacco Settlement-Phase I	100,294,800	94,393,600	93,093,500
Dedicated Revenue Adjustments	34,691,000		
Necessary Government Expenses	35,000,000		
Defer Final Payroll of FY 2012 into FY 2013	(43,114,200)		
Mandated Expenditure Reductions	(107,776,300)		
Unidentified Expenditure Reductions		(40,000,000)	(40,000,000)
Budgeted Lapses	(3,718,700)	(15,042,500)	(5,315,400)
Build America Bonds-Debt Service Lapse	(17,517,600)	(12,895,200)	(12,895,200)
Build America Bonds-Tobacco Debt Service Lapse	<u>(2,994,800)</u>	<u>(2,293,600)</u>	<u>(2,293,500)</u>
<b>Total Executive Branch</b>	<b><u>9,045,229,800</u></b>	<b><u>9,135,962,600</u></b>	<b><u>9,442,807,500</u></b>
<b>Judicial Branch</b>			
Appropriations	316,338,800	316,211,100	315,602,000
Defer Final Payroll of FY 2012 into FY 2013	<u>(9,100,000)</u>		
<b>Total Judicial Branch</b>	<b><u>307,238,800</u></b>	<b><u>316,211,100</u></b>	<b><u>315,602,000</u></b>
<b>Legislative Branch</b>			
Appropriations	53,800,100	50,883,800	53,800,100
Budgeted Lapse	(2,629,500)	(2,680,700)	
Defer Final Payroll of FY 2012 into FY 2013	<u>(1,400,000)</u>		
<b>Total Legislative Branch</b>	<b><u>49,770,600</u></b>	<b><u>48,203,100</u></b>	<b><u>53,800,100</u></b>
<b>TOTAL APPROPRIATIONS</b>	<b><u>9,402,239,200</u></b>	<b><u>9,500,376,800</u></b>	<b><u>9,812,209,600</u></b>
<b>BALANCE</b>	<b><u>223,562,500</u></b>	<b><u>197,606,700</u></b>	<b><u>83,449,800</u></b>
<b>Continued Appropriations Reserve</b>			
Budget Reserve Trust Fund	121,722,500	121,722,500	72,693,300
Executive Branch	42,806,300	10,313,500	0
Legislative Branch	13,193,700	13,193,700	10,519,900
Judicial Branch	<u>1,456,000</u>	<u>236,600</u>	<u>236,600</u>
<b>Total Continued Appropriations Reserve</b>	<b><u>179,178,500</u></b>	<b><u>145,466,300</u></b>	<b><u>83,449,800</u></b>
<b>ENDING BALANCE</b>	<b><u>44,384,000</u></b>	<b><u>52,140,400</u></b>	<b><u>0</u></b>

**2012-2014 BUDGET OF THE COMMONWEALTH  
ROAD FUND SUMMARY**

	<u>Revised FY 2012</u>	<u>Enacted FY 2013</u>	<u>Enacted FY 2014</u>
<b>RESOURCES</b>			
Beginning Balance	67,962,600	38,641,300	0
Official Revenue Estimate	1,412,500,000	1,499,631,400	1,568,159,300
Fund Transfers	996,000	996,700	996,800
<b>TOTAL RESOURCES</b>	<b><u>1,481,458,600</u></b>	<b><u>1,539,269,400</u></b>	<b><u>1,569,156,100</u></b>
<b>APPROPRIATIONS</b>			
Appropriations - Operating	1,347,081,000	1,535,070,000	1,557,664,700
Appropriations - Capital	4,650,000	7,805,000	15,097,000
Current Year Appropriation	395,400		
Surplus Appropriations	67,517,600		
Dedicated Revenue Adjustments	34,065,400		
Defer Final Payroll of FY 2012 into FY 2013	(1,057,100)		
Build America Bonds-Debt Service Lapse	(9,835,000)	(3,605,600)	(3,605,600)
<b>TOTAL APPROPRIATIONS</b>	<b><u>1,442,817,300</u></b>	<b><u>1,539,269,400</u></b>	<b><u>1,569,156,100</u></b>
<b>ENDING BALANCE</b>	<b><u><u>38,641,300</u></u></b>	<b><u><u>0</u></u></b>	<b><u><u>0</u></u></b>

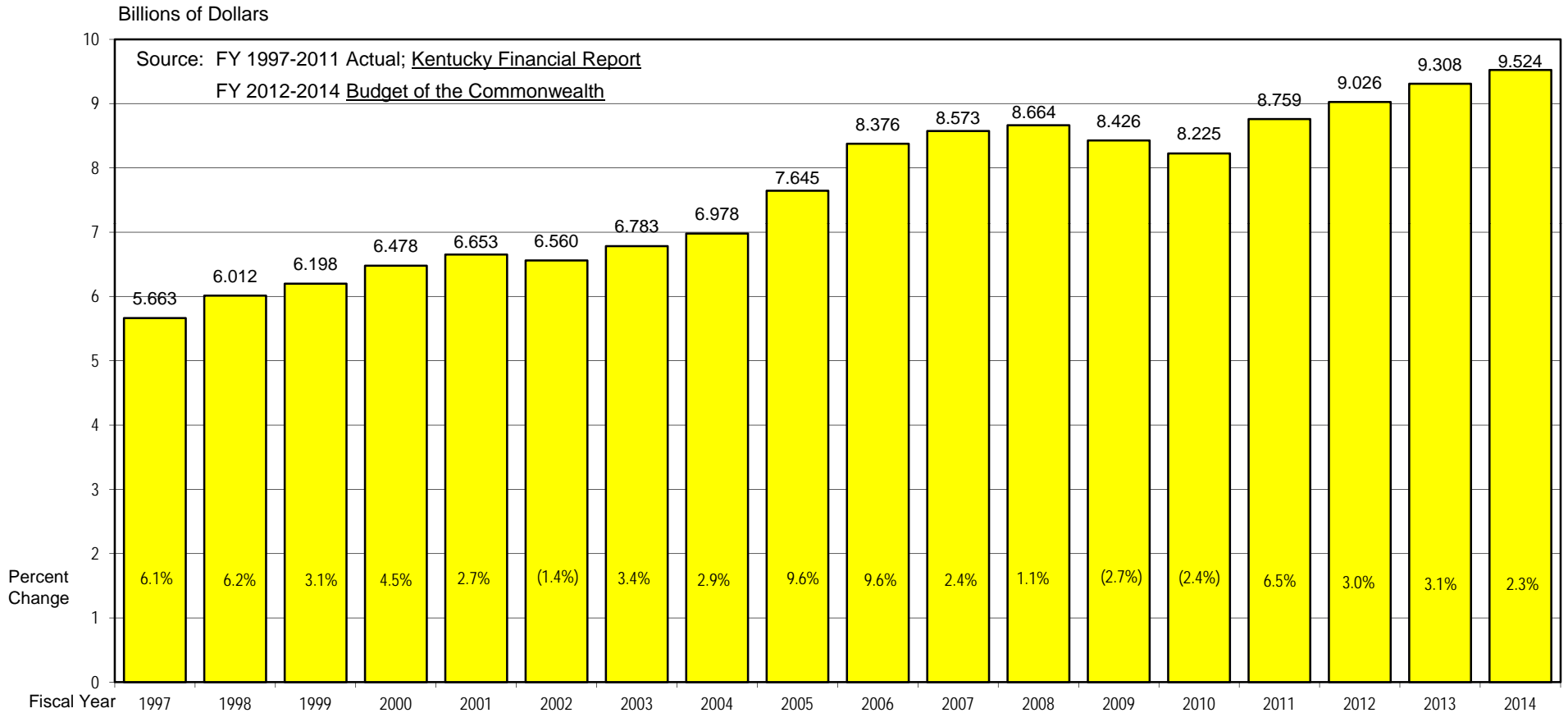
**2012-2014 BUDGET OF THE COMMONWEALTH  
CAPITAL PROJECTS SUMMARY**

	<b>Enacted FY 2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>	<b>Total Enacted</b>
<b>SOURCE OF FUNDS</b>				
<b>Executive Branch</b>				
Restricted Funds	1,338,000	3,443,585,000	84,450,000	3,529,373,000
Federal Funds	34,417,000	259,952,000	47,321,000	341,690,000
Road Fund		7,805,000	15,097,000	22,902,000
Bond Funds		142,410,000	52,950,000	195,360,000
Agency Bond Funds	16,500,000	27,000,000		43,500,000
Capital Construction Surplus		277,000	277,000	554,000
Investment Income		6,581,000	5,010,000	11,591,000
Other Funds		941,921,000	59,175,000	1,001,096,000
Deferred Maintenance Fund		247,000		247,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>52,255,000</b>	<b>4,829,778,000</b>	<b>264,280,000</b>	<b>5,146,313,000</b>
 <b>EXPENDITURES BY CABINET</b>				
<b>Executive Branch</b>				
General Government	35,450,000	207,150,000	50,550,000	293,150,000
Economic Development				
Department of Education		675,000	675,000	1,350,000
Education and Workforce Development		700,000	700,000	1,400,000
Energy and Environment	305,000	24,958,000	20,300,000	45,563,000
Finance and Administration		18,625,000	15,925,000	34,550,000
Health and Family Services		53,460,000	2,500,000	55,960,000
Justice and Public Safety		7,221,000	3,650,000	10,871,000
Postsecondary Education	16,500,000	4,462,299,000	127,540,000	4,606,339,000
Public Protection		1,023,000	508,000	1,531,000
Tourism, Arts and Heritage		30,582,000	26,335,000	56,917,000
Transportation		23,085,000	15,597,000	38,682,000
<b>TOTAL EXPENDITURES</b>	<b>52,255,000</b>	<b>4,829,778,000</b>	<b>264,280,000</b>	<b>5,146,313,000</b>

# General Fund Revenue Receipts

## Fiscal Years 1997-2014

(Billions of dollars – rounded)



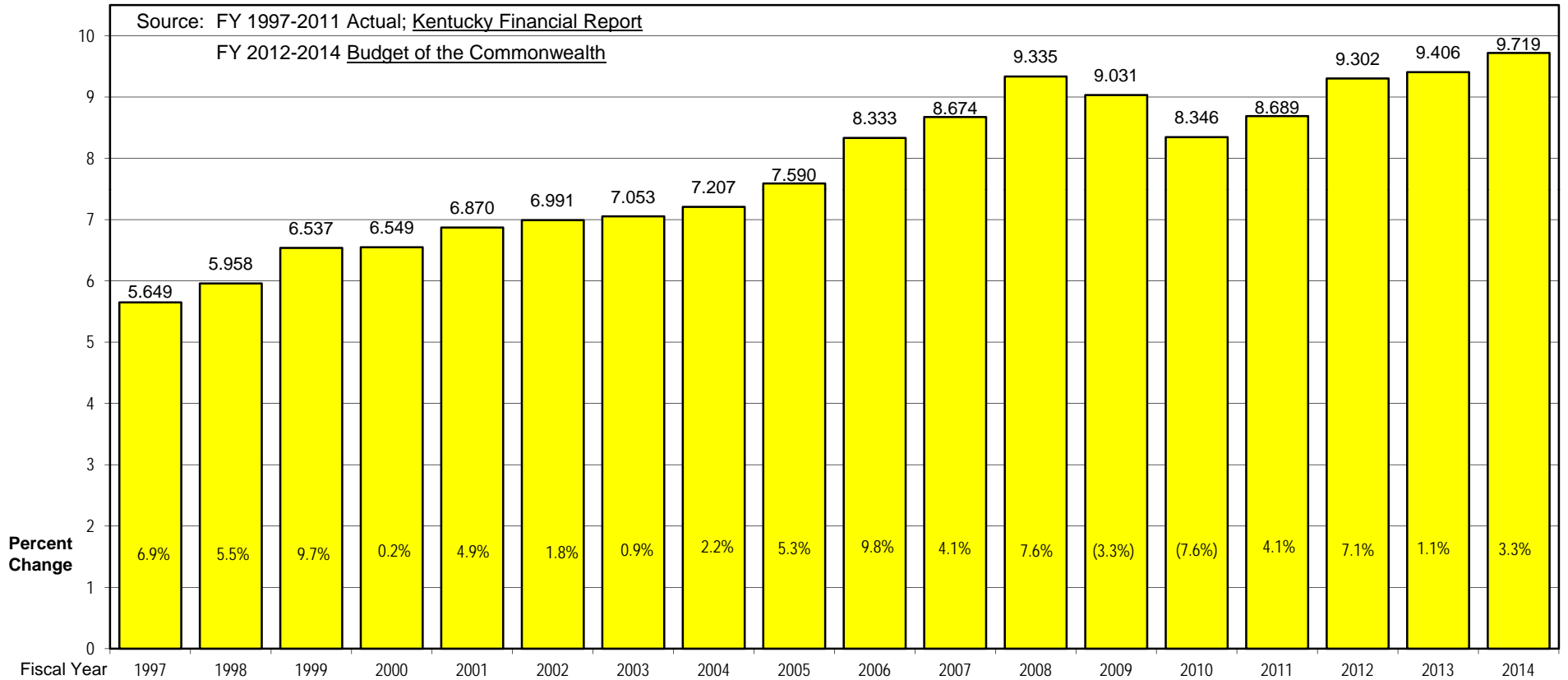
- Excludes Tobacco Settlement – Phase I Funds
- Excludes Fund Transfers

# General Fund Expenditures

## Fiscal Years 1997-2014

(Billions of dollars – rounded)

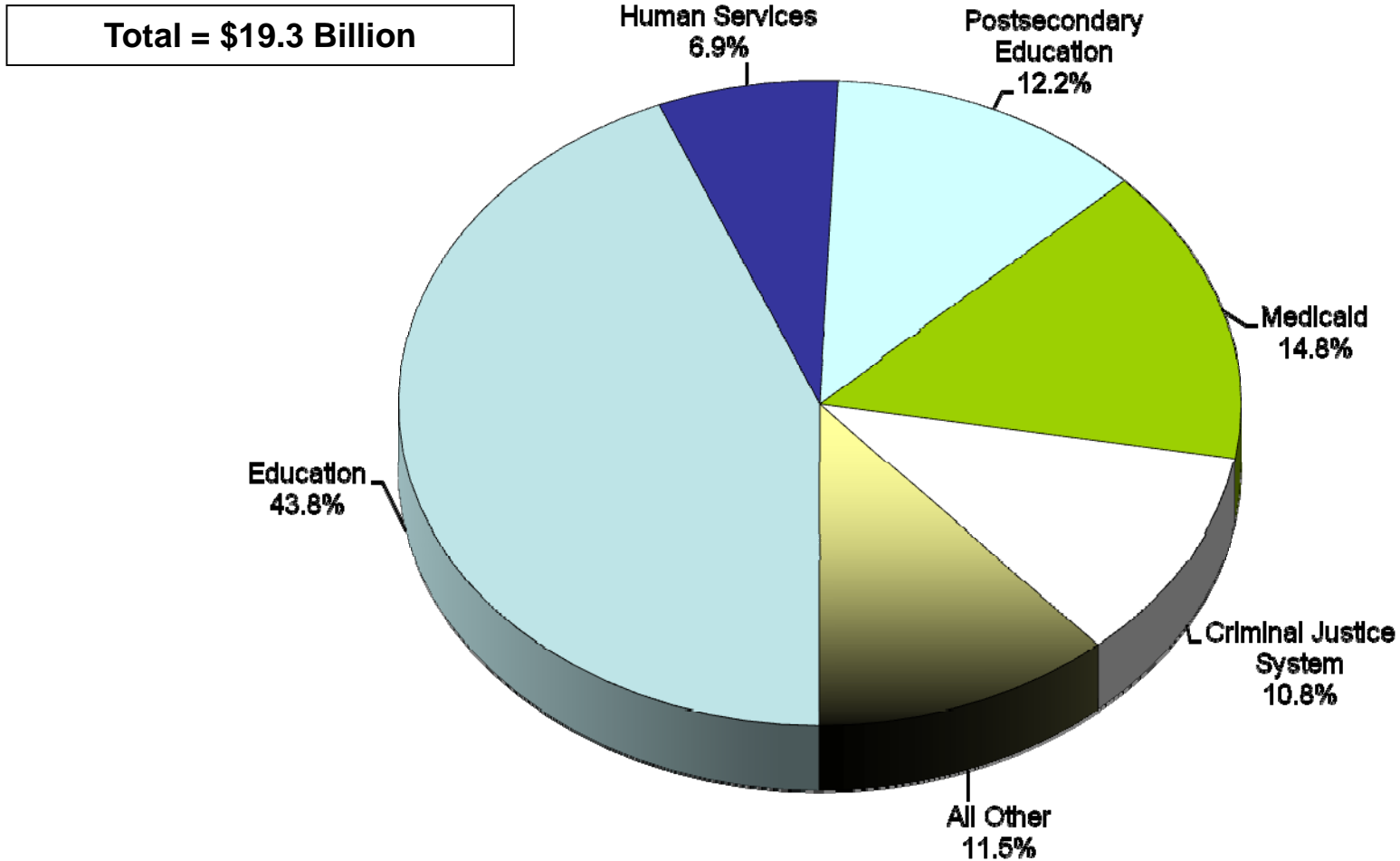
Billions of Dollars



• Excludes Tobacco Settlement – Phase I Funds

## 2012-2014 Biennium

# Distribution of General Fund Appropriations



Excludes Tobacco Settlement – Phase I Funds

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

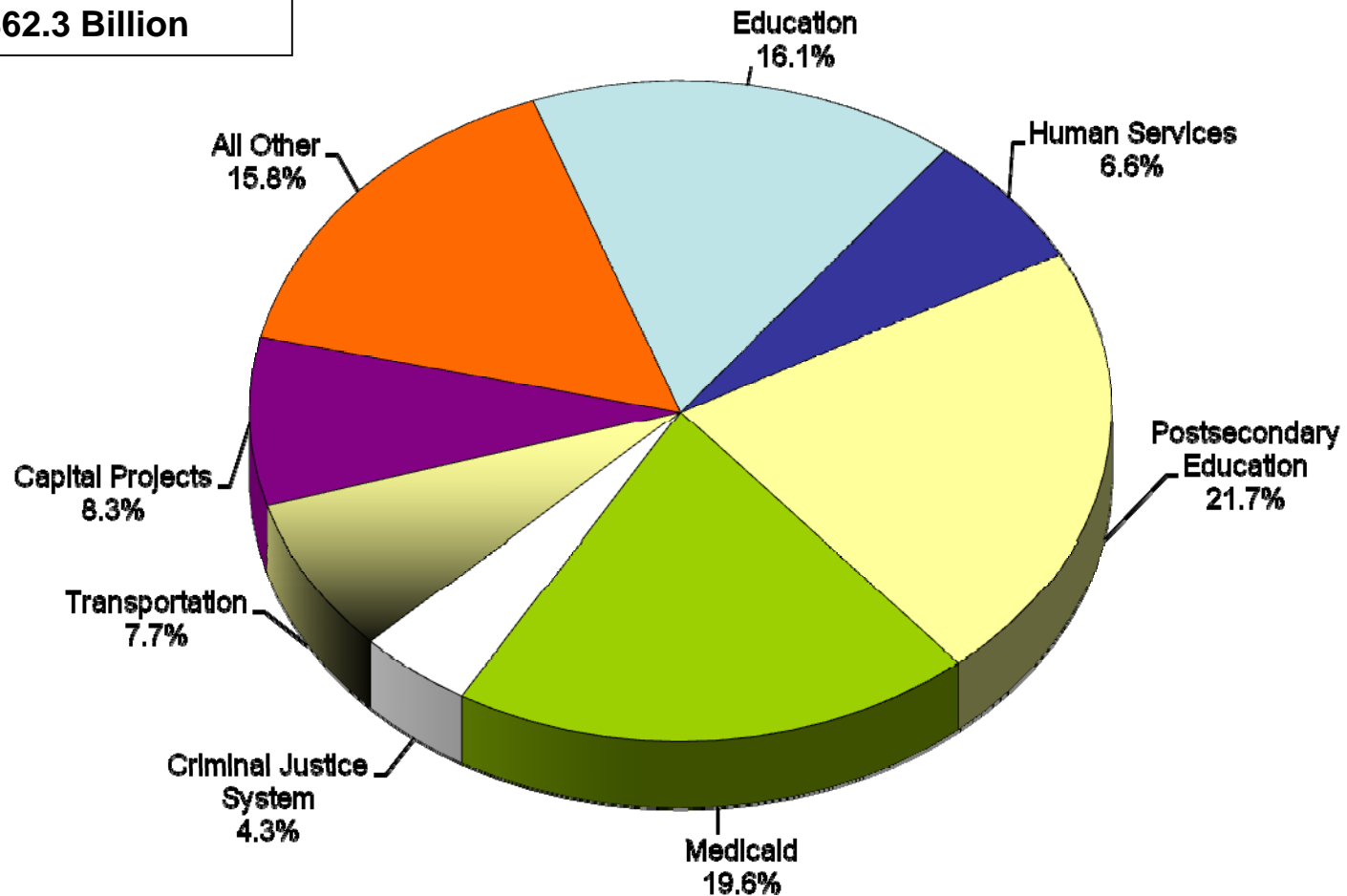
\*\* Human Services include the Health and Family Services Cabinet (net of Medicaid).

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

# 2012-2014 Biennium

## Distribution of All Funds Appropriations

Total = \$62.3 Billion



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

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

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

**GENERAL FUND 2012-14 OFFICIAL REVENUE ESTIMATE**

	<u>FY 2012</u>	<u>% Change</u>	<u>FY 2013</u>	<u>% Change</u>	<u>FY 2014</u>	<u>% Change</u>
<b>MAJOR REVENUE TYPES:</b>						
Sales and Use	\$3,007,400,000	3.8%	\$3,075,200,000	2.3%	\$3,172,700,000	3.8%
Individual Income	\$3,484,200,000	1.9%	\$3,563,500,000	2.3%	\$3,689,400,000	1.9%
Corporation Income & Limited Liability Entity Tax	\$333,506,600	6.8%	\$359,505,475	5.5%	\$365,304,541	6.8%
Coal Severance	\$326,700,000	10.4%	\$337,000,000	3.2%	\$353,400,000	10.4%
Cigarette	\$253,600,000	-0.3%	\$252,300,000	-0.5%	\$249,900,000	-0.3%
Property	\$518,800,000	0.8%	\$531,800,000	2.5%	\$547,400,000	0.8%
Lottery	\$211,000,000	5.2%	\$214,000,000	1.4%	\$218,000,000	5.2%
Other	\$872,493,400	-0.2%	\$887,294,525	1.6%	\$904,195,459	-0.2%
<b>SUBTOTAL</b>	<b>\$9,007,700,000</b>	<b>2.8%</b>	<b>\$9,220,600,000</b>	<b>2.4%</b>	<b>\$9,500,300,000</b>	<b>3.0%</b>
2012 Regular Session Actions	\$0		\$87,239,200		\$23,618,200	
<b>GENERAL FUND OFFICIAL REVENUE ESTIMATE</b>	<b>\$9,007,700,000</b>	<b>2.8%</b>	<b>\$9,307,839,200</b>	<b>3.3%</b>	<b>\$9,523,918,200</b>	<b>2.8%</b>

**DETAILED RECEIPT ESTIMATES:**

**Selected Sales and Gross Receipts Taxes**

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
Sales & Use	\$3,007,400,000	\$3,075,200,000	\$3,172,700,000
Cigarette	\$253,600,000	\$252,300,000	\$249,900,000
Insurance Tax Companies Other Than Life	\$83,898,850	\$84,039,477	\$84,180,104
Telecommunications Taxes	\$64,072,891	\$65,910,520	\$67,800,852
Beer Wholesale	\$52,560,000	\$53,260,000	\$53,652,320
Insurance Tax Foreign Companies	\$40,625,678	\$41,241,062	\$41,856,447
Distilled Spirits Wholesale	\$28,473,424	\$29,101,193	\$29,742,802
Other Tobacco Products and Snuff	\$21,800,000	\$22,200,000	\$22,600,000
Wine Wholesale	\$13,601,211	\$14,532,987	\$15,528,595
Distilled Spirits Consumption	\$11,056,469	\$11,171,593	\$11,287,916
Beer Consumption	\$6,194,904	\$6,277,409	\$6,323,649
Insurance Tax Fire Prevention Fund	\$4,592,844	\$4,594,793	\$4,596,744
Pari-Mutuel	\$3,212,105	\$3,473,027	\$3,755,145
Wine Consumption	\$2,620,470	\$2,657,414	\$2,694,879
Race Track Admission	\$174,699	\$166,483	\$162,522
Distilled Spirits Case Sales	\$113,072	\$116,405	\$119,836
<b>TOTAL SEL. SALES &amp; GROSS RECEIPTS TAXES</b>	<b>\$3,593,996,617</b>	<b>\$3,666,242,363</b>	<b>\$3,766,901,811</b>

**License and Privilege Taxes**

Coal Severance Tax	\$326,700,000	\$337,000,000	\$353,400,000
Limited Liability Entity Tax	\$218,300,000	\$222,900,000	\$227,300,000
Bank Franchise Tax	\$90,000,000	\$91,500,000	\$93,000,000
Natural Gas Severance Tax	\$25,700,000	\$26,250,000	\$27,015,000
Mineral Severance Tax	\$13,647,427	\$13,681,393	\$14,882,144
Oil Production	\$8,170,375	\$7,822,980	\$8,124,735
Corporate License	\$1,000,000	\$250,000	\$100,000
Cir. Ct. Clk. - Driver License Receipts	\$600,377	\$607,851	\$615,417
Alcoholic Beverage License Suspension	\$325,175	\$285,257	\$247,952
Race Track License	\$251,000	\$240,000	\$230,000
Corporation Organization	\$100,000	\$100,000	\$100,000
Cigarette License	\$78,284	\$78,000	\$78,000
Marijuana and Controlled Substance Tax	\$75,407	\$78,674	\$74,454
Sand and Gravel License	\$6,600	\$5,475	\$4,541
<b>TOTAL LICENSE AND PRIVILEGE TAXES</b>	<b>\$684,954,645</b>	<b>\$700,799,630</b>	<b>\$725,172,243</b>

**Income Taxes**

Corporation Income Tax	\$333,500,000	\$359,500,000	\$365,300,000
Individual Income Tax	\$3,484,200,000	\$3,563,500,000	\$3,689,400,000
<b>TOTAL INCOME TAXES</b>	<b>\$3,817,700,000</b>	<b>\$3,923,000,000</b>	<b>\$4,054,700,000</b>

**Property Taxes**

Real Property	\$247,000,000	\$250,700,000	\$255,700,000
Motor Vehicles	\$112,100,000	\$118,900,000	\$126,300,000
Tangible Personal Property	\$85,500,000	\$87,000,000	\$88,700,000
Public Service Companies	\$43,700,000	\$44,600,000	\$46,000,000



**GENERAL FUND 2012-14 OFFICIAL REVENUE ESTIMATE**

	<u><b>FY 2012</b></u>	<u><b>FY 2013</b></u>	<u><b>FY 2014</b></u>
Omitted and Delinquent	\$23,200,000	\$23,300,000	\$23,300,000
Apportioned Vehicles	\$3,500,000	\$3,500,000	\$3,500,000
Building and Loan Association Capital Stock	\$2,500,000	\$2,500,000	\$2,500,000
Distilled Spirits Ad Valorem	\$750,000	\$750,000	\$850,000
Bank Deposits	\$535,000	\$535,000	\$535,000
Other Property	\$15,000	\$15,000	\$15,000
<b>TOTAL PROPERTY TAXES</b>	<b>\$518,800,000</b>	<b>\$531,800,000</b>	<b>\$547,400,000</b>
 <b><u>Inheritance Taxes</u></b>	 <b>\$41,249,037</b>	 <b>\$41,880,094</b>	 <b>\$42,533,821</b>
 <b><u>Departmental Fees, Sales and Rentals</u></b>			
Public Service Commission Assessments	\$13,000,000	\$14,000,000	\$14,000,000
Circuit Court Clk. - Civil Filing Fee Receipts	\$12,466,144	\$12,902,459	\$13,354,045
Circuit Court Clk. - Receipts for Services	\$6,582,672	\$6,916,587	\$7,250,501
Insurance - Retaliatory Taxes & Fees	\$3,905,474	\$4,337,435	\$4,821,560
Circuit Court Clk. - Bond Filing Fee	\$2,767,912	\$2,788,182	\$2,692,881
Miscellaneous - Pub Advoc; Sec State Fee	\$1,453,744	\$1,459,446	\$1,408,271
Strip Mining & Reclamation - Fines Coll.	\$971,226	\$929,376	\$935,155
Strip Mining & Reclamation Fees	\$914,954	\$947,309	\$980,808
Circuit Court Clk. - 10% Bond Fee	\$515,173	\$464,038	\$423,910
<b>TOTAL DEPARTMENT FEES, SALES AND RENTAL</b>	<b>\$42,577,299</b>	<b>\$44,744,832</b>	<b>\$45,867,131</b>
 <b><u>Investment Receipts</u></b>	 <b>\$1,500,000</b>	 <b>\$1,500,000</b>	 <b>\$1,500,000</b>
 <b><u>Miscellaneous Revenue</u></b>			
Lottery	\$211,000,000	\$214,000,000	\$218,000,000
Cir. Ct. Clk. - Criminal/Traffic Fines & Costs	\$23,170,487	\$23,919,899	\$24,669,310
Abandoned Property	\$22,294,349	\$20,301,963	\$18,674,591
Court Costs	\$20,159,796	\$21,394,130	\$22,217,019
TVA - In Lieu of Taxes - State Portion	\$15,176,511	\$16,516,380	\$17,453,483
Other Fines & Unhonored Checks	\$5,695,550	\$5,341,237	\$6,173,827
Dept. of Rev. Legal Process Taxes - Co. Clk.	\$2,431,643	\$2,386,370	\$2,314,779
Circuit Court Clk. - Bond Forfeitures	\$1,480,147	\$1,330,941	\$1,290,995
Legal Process - Clk. Supreme Court	\$108,592	\$105,203	\$103,376
F.H.A. - In Lieu of Taxes	\$100,000	\$115,000	\$130,000
Circuit Court Clk. - Fish & Wildlife Fines	\$55,484	\$50,603	\$47,867
Legal Process - Clk. Court of Appeals	\$3,606	\$3,828	\$3,828
R.E.C.C. and R.T.C.C. In Lieu of Taxes	\$315	\$320	\$325
Dept. of Rev. Penalty & Int. of Co. Officials	(\$30,298)	(\$29,473)	(\$28,890)
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>\$301,646,182</b>	<b>\$305,436,401</b>	<b>\$311,050,510</b>
 <b><u>Miscellaneous Not in Detailed Receipt Lines</u></b>	 <b>\$5,276,220</b>	 <b>\$5,196,680</b>	 <b>\$5,174,484</b>
 <b><u>2012 Regular Session Actions</u></b>	 <b>\$0</b>	 <b>\$87,239,200</b>	 <b>\$23,618,200</b>
 <b>GENERAL FUND OFFICIAL REVENUE ESTIMATE</b>	 <b>\$9,007,700,000</b>	 <b>\$9,307,839,200</b>	 <b>\$9,523,918,200</b>

**ENACTED CHANGES TO  
CONSENSUS FORECAST GROUP REVENUE ESTIMATE**

	<u>FY 2013 Enacted</u>	<u>FY 2014 Enacted</u>
Tax Amnesty/Revenue Initiatives	68,239,200	5,678,200
Abandoned Property-Real Property Sales	7,000,000	10,000,000
Abandoned Property-Securities Sales	10,000,000	5,940,000
Abandoned Property-Escheat of Weight Distance Tax Performance Bonds	1,000,000	1,000,000
Public Service Commission	1,000,000	1,000,000
<b>Total Changes</b>	<u><b>87,239,200</b></u>	<u><b>23,618,200</b></u>

**ROAD FUND 2012-14 OFFICIAL REVENUE ESTIMATE**

	<u>FY 2012</u>	<u>%</u> Change	<u>FY 2013</u>	<u>%</u> Change	<u>FY 2014</u>	<u>%</u> Change
<b>MAJOR REVENUE TYPES:</b>						
Motor Fuels	\$779,425,000	6.4%	\$850,350,000	9.1%	\$901,875,000	6.1%
Motor Vehicle Usage	\$402,700,000	5.5%	\$410,100,000	1.8%	\$421,100,000	2.7%
Motor Vehicle License	\$100,855,400	3.1%	\$99,350,900	-1.5%	\$99,680,400	0.3%
Motor Vehicle Operators	\$15,813,000	0.4%	\$15,900,000	0.6%	\$16,100,000	1.3%
Weight Distance	\$79,400,000	7.3%	\$86,000,000	8.3%	\$90,000,000	4.7%
Investment Income	\$500,000	-74.9%	\$2,300,000	360.0%	\$4,100,000	78.3%
Other	\$33,806,600	-2.6%	\$34,899,100	3.3%	\$35,144,600	0.9%
<b>SUBTOTAL</b>	<b>\$1,412,500,000</b>	<b>5.5%</b>	<b>\$1,498,900,000</b>	<b>6.1%</b>	<b>\$1,568,000,000</b>	<b>4.6%</b>
2012 Regular Session Actions	\$0		\$731,400		\$159,300	
<b>ROAD FUND OFFICIAL REVENUE ESTIMATE</b>	<b>\$1,412,500,000</b>	<b>5.5%</b>	<b>\$1,499,631,400</b>	<b>6.2%</b>	<b>\$1,568,159,300</b>	<b>4.6%</b>

<b>DETAILED RECEIPT ESTIMATES:</b>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
<b><u>Sales and Gross Receipts Taxes</u></b>			
Motor Fuels Normal and Normal Use	\$779,000,000	\$849,900,000	\$901,400,000
Motor Vehicle Usage	\$373,200,000	\$380,100,000	\$390,100,000
Motor Vehicle Rental Usage	\$29,500,000	\$30,000,000	\$31,000,000
Truck Trip Permits	\$425,000	\$450,000	\$475,000
Sales and Use	\$75,000	\$50,000	\$25,000
<b>TOTAL SALES &amp; GROSS RECEIPTS TAXES</b>	<b>\$1,182,200,000</b>	<b>\$1,260,500,000</b>	<b>\$1,323,000,000</b>

<b><u>License and Privilege Taxes</u></b>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
Weight Distance Tax	\$79,400,000	\$86,000,000	\$90,000,000
Truck Proportional Registration	\$38,400,000	\$38,000,000	\$38,300,000
Passenger Car License	\$33,650,000	\$33,500,000	\$33,600,000
Truck License-State Share	\$15,700,000	\$14,950,000	\$14,800,000
Motor Vehicle Operator's License	\$13,800,000	\$13,940,000	\$14,100,000
Specialty License Plates	\$7,765,400	\$7,650,900	\$7,740,400
Highway Special Permits	\$6,700,000	\$7,200,000	\$7,500,000
Motor Carrier Identification Cards	\$5,000,000	\$5,000,000	\$5,000,000
Trailer License	\$1,720,000	\$1,720,000	\$1,700,000
Operator's License-Photography Program	\$1,333,000	\$1,350,000	\$1,400,000
U-Drive-It Licenses	\$1,200,000	\$1,100,000	\$1,050,000
Transfer License	\$990,000	\$1,000,000	\$1,050,000
Overweight Coal Truck Permit	\$785,000	\$800,000	\$800,000
Operator's License-Driver Education	\$680,000	\$610,000	\$600,000
Motorcycle License	\$645,000	\$630,000	\$640,000
Temporary Tags	\$375,000	\$375,000	\$375,000
Dealers License	\$230,000	\$230,000	\$230,000
Nonreciprocal Permits	\$225,000	\$225,000	\$225,000
Bus License-Except City	\$31,800	\$31,900	\$32,000
County Clerk Penalty	\$25,000	\$25,000	\$25,000
Taxi License	\$25,000	\$25,000	\$25,000
Truck Permits	\$25,000	\$25,000	\$25,000
Contract Taxicab Permit	\$18,000	\$20,000	\$22,000
U-Drive-It Permits	\$8,000	\$8,000	\$8,000
Drive Away Utility Trailer Permits	\$7,000	\$7,000	\$7,000
Dealer Demonstrator Tags	\$3,500	\$3,500	\$3,500
Industrial Hauling Permits	\$3,000	\$3,000	\$3,000
Junk Yard License	\$3,000	\$3,100	\$3,200
Bus Certificates and Permits	\$2,100	\$2,100	\$2,100
<b>TOTAL LICENSE AND PRIVILEGE TAXES</b>	<b>\$208,749,800</b>	<b>\$214,434,500</b>	<b>\$219,266,200</b>

**ROAD FUND 2012-14 OFFICIAL REVENUE ESTIMATE**

	<u><b>FY 2012</b></u>	<u><b>FY 2013</b></u>	<u><b>FY 2014</b></u>
<b><u>Departmental Fees, Sales and Rentals</u></b>			
Driving History Record Fee	\$7,000,000	\$7,100,000	\$7,150,000
Motor Vehicle Title Receipts	\$4,500,000	\$4,600,000	\$4,700,000
Penalty & Interest-Weight and Use Taxes	\$1,500,000	\$1,500,000	\$1,300,000
Proceeds from Asset Disposition	\$1,400,000	\$1,540,000	\$1,400,000
Operator's License Reinstatement Fees	\$1,100,000	\$1,200,000	\$1,200,000
Property Damage	\$1,000,000	\$1,000,000	\$1,000,000
Traffic Offender School Fees	\$780,000	\$800,000	\$900,000
Highway Sign Logo Rental	\$620,000	\$620,000	\$620,000
Proposal Sales	\$500,000	\$600,000	\$700,000
Record Copy Sales	\$350,000	\$375,000	\$350,000
Miscellaneous Rentals	\$300,000	\$300,000	\$300,000
Coal Road Recovery Fines	\$30,000	\$32,000	\$34,000
U-Drive-It Penalty and Interest	\$6,000	\$6,000	\$6,000
Medical Alert Stickers	\$100	\$100	\$100
<b>TOTAL DEPT FEES, SALES &amp; RENTALS</b>	<b>\$19,086,100</b>	<b>\$19,673,100</b>	<b>\$19,660,100</b>
<b><u>Investment Receipts</u></b>	<b>\$500,000</b>	<b>\$2,300,000</b>	<b>\$4,100,000</b>
<b><u>Miscellaneous Not in Detailed Receipt Lines</u></b>	<b>\$1,964,100</b>	<b>\$1,992,400</b>	<b>\$1,973,700</b>
<b><u>2012 Regular Session Actions</u></b>	<b>\$0</b>	<b>\$731,400</b>	<b>\$159,300</b>
<b>ROAD FUND OFFICIAL REVENUE ESTIMATE</b>	<b>\$1,412,500,000</b>	<b>\$1,499,631,400</b>	<b>\$1,568,159,300</b>

## DEBT APPROPRIATED BY RECENT SESSIONS OF THE GENERAL ASSEMBLY

<u>Biennium</u>	<u>Principal Debt Appropriated</u>	<u>Biennium</u>	<u>Principal Debt Appropriated</u>
1986-88	494,721,100	2000-02 <sup>3</sup>	1,046,927,600
1988-90	364,171,900	2002-04 <sup>4</sup>	828,936,380
1990-92	1,148,218,400	2004-06 <sup>5</sup>	1,906,315,300
1992-94	439,375,100	2006-08 <sup>6</sup>	2,110,528,000
1994-96	429,575,900	2008-10 <sup>7</sup>	2,015,494,000
1996-98 <sup>1</sup>	242,182,000	2010-12 <sup>8</sup>	1,549,199,800
1998-00 <sup>2</sup>	\$1,095,128,000	2012-14 <sup>9</sup>	238,860,000

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

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

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

\$604,030,000 General Fund; \$268,100,000 Road Fund; and \$96,100,000 Agency Funds. \$126,898,000 was appropriated in the General Fund Surplus Expenditure Plan in fiscal year 1998-99.

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

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

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

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

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

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

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

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

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

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

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

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

General/Tobacco Fund Authorization:	\$ 657,281,000
Road Fund Authorization:	\$ 535,000,000
Agency Fund Authorization:	\$ 743,213,000
Other Authorization:	\$ 80,000,000

The 2008 Session of the Kentucky General Assembly also authorized \$231,000,000 of Grant Anticipation Revenue Vehicle (GARVEE) bonds supported by Transportation Cabinet Federal Highway Trust Funds. The Agency Fund bond authorization includes \$230,000,000 initial authorization for the Kentucky Infrastructure Authority Wastewater and Drinking Water Revolving Fund.

**<sup>8</sup> Debt Enacted in the 2010-2012 Budget of the Commonwealth.**

General/Tobacco Fund Authorization:	\$ 507,395,800
Road Fund Authorization:	\$ 522,500,000
Agency Fund Authorization:	\$ 519,304,000

The 2010 Extraordinary Session of the Kentucky General Assembly also authorized \$435,000,000 of Grant Anticipation Revenue Vehicle (GARVEE) bonds supported by Transportation Cabinet Federal Highway Trust Funds for the Lake Barkley and Kentucky Lake Bridges Project and the Louisville-Southern Indiana Ohio River Bridges Project. The Agency Fund bond authorization includes \$125,000,000 of initial authorization for the Kentucky Infrastructure Authority Wastewater and Drinking Water Revolving Fund.

**<sup>9</sup> Debt Enacted in the 2012-2014 Budget of the Commonwealth.**

General Fund Authorization:	\$ 182,860,000
Road Fund Authorization:	\$ 12,500,000
Agency Fund Authorization:	\$ 43,500,000

## **DEBT FINANCING**

### **2012-2014 Budget of the Commonwealth**

The 2012 Extraordinary Session of the Kentucky General Assembly enacted \$238,860,000 in new debt-financed capital projects. The General Fund amount is \$182,860,000. The Road Fund amount is \$12,500,000. The Agency Fund amount is \$43,500,000. If all authorized amounts are issued by June 30, 2014, the Commonwealth's debt capacity ratio would be 6.52% (inclusive of debt issued for the Kentucky Teachers' Retirement System medical fund).

#### **Structure**

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

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

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

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

The payment of debt service by the state universities is enhanced by a state intercept provision that provides that in the event of a default, the Secretary of the Finance and Administration Cabinet is required to intercept any funds appropriated to the University but not yet disbursed and to remit those funds to the Trustee to remedy the default.

**Non-appropriation or moral obligation debt** carries the name of the Commonwealth for the benefit and convenience of other entities within the state. This type of indebtedness is a special obligation of the issuer, secured and payable solely from the sources pledged for the payment thereof and does not constitute a debt, liability, obligation or a pledge of the faith and credit of the Commonwealth. The General Assembly does not intend to appropriate any funds to fulfill the financial obligations represented by these types of indebtedness. Some issues covenant that in the event of a shortfall, the issuer will request from the Secretary of Finance or the Governor and the General Assembly in the next regular session sufficient amounts to pay debt service or to replenish the debt service reserve funds. Certain Kentucky Higher Education Student Loan Corporation bonds, Kentucky Housing Corporation Multi-Family conduit bonds, Kentucky Infrastructure Authority Governmental Agencies Program bonds, and Kentucky Infrastructure Authority Wastewater and Drinking Water Revolving Fund Revenue bonds are not moral obligation debt.

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

<b>Fiscal Year</b>	<b>Percent of Total Revenue</b>	<b>Fiscal Year</b>	<b>Percent of Total Revenue</b>
1991	5.14	2003	5.70
1992	6.18	2004	5.39
1993	5.99	2005	4.70
1994	5.90	2006	4.89
1995	5.70	2007	4.29
1996	5.62	2008	5.16
1997	5.61	2009	4.81
1998	5.27	2010	2.97
1999	5.05	2011	4.55
2000	5.90	2012	5.04*
2001	5.58	2013	6.58*
2002	5.18	2014	6.52*

\*Estimated. The fiscal year 2014 figure includes \$152,400,000 in new debt for the Kentucky Teachers' Retirement System medical fund and assumes all new appropriated debt is issued by June 30, 2014.

The above analysis for fiscal years 2012 through 2014 is premised on the following assumptions:

- Fiscal years 2012-2014 General Fund and Road Fund revenues are based on the enacted Revenue Estimates as well as interest subsidies received for General Fund and Road Fund Build America Bonds issued.
- Agency Fund revenues are based on actual fiscal year 2011 revenues and a 3% growth rate for fiscal years 2012 through fiscal year 2014 as well as interest subsidies received for Agency Fund Build America Bonds issued.
- All previously appropriated but unissued debt was assumed issued by June 30, 2012.
- All debt service for authorized but unissued debt was assumed at the budgeted rates of 5.50% for tax-exempt and 6.50% for taxable issues.
- Excludes the Kentucky Infrastructure Authority Wastewater and Drinking Water Revolving Fund Revenue Bonds.



**Commonwealth of Kentucky**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	9,701,394,100	8,591,061,400	9,526,311,100	9,478,895,200	9,779,620,200
Surplus Expenditure Plan			121,722,500		
Special Appropriation	16,945,400	174,978,500	-116,239,600		
Current Year Appropriation			10,433,000		
Continuing Approp.-General Fund	66,185,319	71,975,305	57,455,947	145,466,300	132,479,000
Budget Reduction-General Fund	-1,083,932,600				
Mandated Expenditure Reductions	-242,636,700	-126,504,100	-107,776,300		
Mandated Allotments	40,040,064	29,844,052	36,743,203		
Other	16,111,700	31,059,800	34,691,000		
<b>Total General Fund</b>	<b>8,514,107,283</b>	<b>8,772,414,957</b>	<b>9,563,340,850</b>	<b>9,624,361,500</b>	<b>9,912,099,200</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I	121,580,000	114,318,100	105,714,800	94,393,600	93,093,500
Continuing Approp.-Tobacco Settlement	32,747,156	32,617,057	37,651,000	17,216,500	9,035,100
Budget Reduction-General Fund Tobacco	-16,085,777	-11,488,573	-5,420,000		
Fund Transfers			-51,700		
<b>Total Tobacco Settlement - Phase I</b>	<b>138,241,380</b>	<b>135,446,584</b>	<b>137,894,100</b>	<b>111,610,100</b>	<b>102,128,600</b>
<b>Restricted Funds</b>					
Balance Forward	588,720,223	791,884,763	766,578,850	529,518,900	359,436,800
Current Receipts	4,530,916,211	4,713,002,721	5,597,225,968	6,022,684,500	6,217,238,000
Non-Revenue Receipts	1,079,095,815	773,830,616	1,363,130,682	940,181,900	879,328,400
Fund Transfers	-95,574,329	-91,042,299	-129,574,600	-94,195,900	-81,098,800
<b>Total Restricted Funds</b>	<b>6,103,157,920</b>	<b>6,187,675,801</b>	<b>7,597,360,900</b>	<b>7,398,189,400</b>	<b>7,374,904,400</b>
<b>Federal Funds</b>					
Balance Forward	71,865,396	119,673,205	123,586,742	34,884,700	16,719,800
Current Receipts	9,344,076,900	9,277,325,223	10,491,245,458	10,023,471,200	10,303,027,800
Non-Revenue Receipts	453,095,864	102,468,424	8,770,800	9,328,800	8,920,800
ARRA Receipts	1,075,996,651	942,308,790	175,577,900	10,974,500	784,900
SFSF Receipts	381,546,579	269,795,142			
<b>Total Federal Funds</b>	<b>11,326,581,390</b>	<b>10,711,570,784</b>	<b>10,799,180,900</b>	<b>10,078,659,200</b>	<b>10,329,453,300</b>
<b>Road Fund</b>					
Regular Appropriation	1,405,103,400	1,275,284,800	1,347,081,000	1,535,070,000	1,557,664,700
Surplus Expenditure Plan		41,869,646	67,517,600		
Current Year Appropriation			395,400		
Continuing Approp.-Road Fund	284,237,794	313,871,582			
Budget Reduction-Road Fund	-172,841,800				
Other	-30,269,186	27,922,615	34,065,400		
<b>Total Road Fund</b>	<b>1,486,230,208</b>	<b>1,658,948,643</b>	<b>1,449,059,400</b>	<b>1,535,070,000</b>	<b>1,557,664,700</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>27,568,318,182</b>	<b>27,466,056,769</b>	<b>29,546,836,150</b>	<b>28,747,890,200</b>	<b>29,276,250,200</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	5,778,756,887	5,955,665,833	5,880,867,201	6,100,550,409	6,236,538,329
Operating Expenses	2,301,371,788	2,296,004,058	3,179,903,246	3,304,296,491	3,376,215,871
Grants Loans Benefits	16,309,215,560	15,781,972,169	16,935,975,003	16,248,121,000	16,697,369,500
Debt Service	474,822,664	686,912,569	851,840,800	1,051,978,000	1,157,355,800
Capital Outlay	219,060,029	267,612,289	259,408,600	249,511,500	254,844,600
Construction	1,019,803,696	995,856,997	1,632,941,500	1,241,925,200	1,196,546,700
<b>TOTAL EXPENDITURES</b>	<b>26,103,030,624</b>	<b>25,984,023,915</b>	<b>28,740,936,350</b>	<b>28,196,382,600</b>	<b>28,918,870,800</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	8,345,457,799	8,687,293,594	9,340,394,550	9,461,264,100	9,763,571,000
Tobacco Settlement - Phase I	105,624,319	94,787,409	117,664,600	100,281,400	99,826,700
Restricted Funds	5,311,296,127	5,419,619,172	7,067,842,000	7,038,752,600	7,185,392,000

Federal Funds	11,206,885,216	10,587,984,018	10,764,296,200	10,061,939,400	10,316,022,000
Road Fund	1,133,767,163	1,194,339,723	1,446,709,500	1,531,464,400	1,554,059,100
<b>TOTAL EXPENDITURES</b>	26,103,030,624	25,984,023,915	28,736,906,850	28,193,701,900	28,918,870,800
<b>EXPENDITURES BY UNIT</b>					
Executive Branch	25,723,736,786	25,592,312,926	28,331,258,350	27,777,604,600	28,500,232,100
Legislative Branch	51,751,738	47,873,790	49,889,900	50,929,900	56,080,800
Judicial Branch	327,542,100	343,837,200	355,758,600	365,167,400	362,557,900
<b>TOTAL EXPENDITURES</b>	26,103,030,624	25,984,023,915	28,736,906,850	28,193,701,900	28,918,870,800

# Executive Branch

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- House Bill 265
  - House Bill 2
- House Bill 499



**Executive Branch**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	9,350,055,700	8,249,328,500	9,156,172,200	9,111,800,300	9,410,218,100
Surplus Expenditure Plan			121,722,500		
Special Appropriation	16,945,400	174,978,500	-116,239,600		
Current Year Appropriation			10,433,000		
Continuing Approp.-General Fund	43,175,757	43,153,982	42,806,347	132,036,000	121,722,500
Budget Reduction-General Fund	-1,082,301,800				
Mandated Expenditure Reductions	-242,636,700	-126,504,100	-107,776,300		
Mandated Allotments	40,040,064	29,844,052	36,743,203		
Other	16,111,700	31,059,800	34,691,000		
<b>Total General Fund</b>	<b>8,141,390,121</b>	<b>8,401,860,734</b>	<b>9,178,552,350</b>	<b>9,243,836,300</b>	<b>9,531,940,600</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I	121,580,000	114,318,100	105,714,800	94,393,600	93,093,500
Continuing Approp.-Tobacco Settlement	32,747,156	32,617,057	37,651,000	17,216,500	9,035,100
Budget Reduction-General Fund Tobacco	-16,085,777	-11,488,573	-5,420,000		
Fund Transfers			-51,700		
<b>Total Tobacco Settlement - Phase I</b>	<b>138,241,380</b>	<b>135,446,584</b>	<b>137,894,100</b>	<b>111,610,100</b>	<b>102,128,600</b>
<b>Restricted Funds</b>					
Balance Forward	552,905,542	778,279,570	746,177,450	515,944,900	355,357,800
Current Receipts	4,507,653,198	4,685,182,551	5,577,501,668	6,003,046,500	6,193,936,500
Non-Revenue Receipts	1,065,877,715	760,953,916	1,346,210,682	923,261,900	862,408,400
Fund Transfers	-95,574,329	-91,042,299	-129,574,600	-94,195,900	-81,098,800
<b>Total Restricted Funds</b>	<b>6,030,862,127</b>	<b>6,133,373,738</b>	<b>7,540,315,200</b>	<b>7,348,057,400</b>	<b>7,330,603,900</b>
<b>Federal Funds</b>					
Balance Forward	71,865,396	119,673,205	123,586,742	34,884,700	16,719,800
Current Receipts	9,341,527,400	9,274,094,823	10,487,323,458	10,020,514,900	10,300,071,900
Non-Revenue Receipts	453,095,864	102,468,424	8,770,800	9,328,800	8,920,800
ARRA Receipts	1,075,996,651	942,128,990	175,551,800	10,974,500	784,900
SFSF Receipts	381,546,579	269,795,142			
<b>Total Federal Funds</b>	<b>11,324,031,890</b>	<b>10,708,160,584</b>	<b>10,795,232,800</b>	<b>10,075,702,900</b>	<b>10,326,497,400</b>
<b>Road Fund</b>					
Regular Appropriation	1,405,103,400	1,275,284,800	1,347,081,000	1,535,070,000	1,557,664,700
Surplus Expenditure Plan		41,869,646	67,517,600		
Current Year Appropriation			395,400		
Continuing Approp.-Road Fund	284,237,794	313,871,582			
Budget Reduction-Road Fund	-172,841,800				
Other	-30,269,186	27,922,615	34,065,400		
<b>Total Road Fund</b>	<b>1,486,230,208</b>	<b>1,658,948,643</b>	<b>1,449,059,400</b>	<b>1,535,070,000</b>	<b>1,557,664,700</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>27,120,755,726</b>	<b>27,037,790,283</b>	<b>29,101,053,850</b>	<b>28,314,276,700</b>	<b>28,848,835,200</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	5,537,576,886	5,717,266,813	5,640,484,701	5,853,317,709	5,989,187,729
Operating Expenses	2,163,670,444	2,143,369,723	3,011,989,046	3,136,505,191	3,211,413,671
Grants Loans Benefits	16,309,215,560	15,781,972,169	16,935,975,003	16,248,121,000	16,697,369,500
Debt Service	474,822,664	686,912,569	851,840,800	1,051,978,000	1,157,355,800
Capital Outlay	218,647,535	266,934,654	258,027,300	245,757,500	248,358,700
Construction	1,019,803,696	995,856,997	1,632,941,500	1,241,925,200	1,196,546,700
<b>TOTAL EXPENDITURES</b>	<b>25,723,736,786</b>	<b>25,592,312,926</b>	<b>28,331,258,350</b>	<b>27,777,604,600</b>	<b>28,500,232,100</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	8,027,404,061	8,331,416,709	8,982,165,850	9,094,176,100	9,392,007,500
Tobacco Settlement - Phase I	105,624,319	94,787,409	117,664,600	100,281,400	99,826,700
Restricted Funds	5,252,605,527	5,387,195,268	7,024,370,300	6,992,699,600	7,141,272,700

Federal Funds	11,204,335,716	10,584,573,818	10,760,348,100	10,058,983,100	10,313,066,100
Road Fund	1,133,767,163	1,194,339,723	1,446,709,500	1,531,464,400	1,554,059,100
<b>TOTAL EXPENDITURES</b>	<b>25,723,736,786</b>	<b>25,592,312,926</b>	<b>28,331,258,350</b>	<b>27,777,604,600</b>	<b>28,500,232,100</b>
<b>EXPENDITURES BY UNIT</b>					
General Government	1,142,023,864	1,000,559,309	1,137,795,546	1,042,225,500	1,103,103,000
Economic Development	26,739,709	26,375,054	39,192,400	29,293,300	21,533,300
Department of Education	4,752,223,251	4,730,864,156	4,707,131,204	4,620,142,300	4,609,701,100
Education and Workforce Development	2,295,436,916	1,871,668,120	2,597,981,100	2,594,428,300	2,593,400,200
Energy and Environment	231,618,298	245,809,648	283,775,500	252,943,000	250,873,700
Finance and Administration	465,004,907	556,666,503	576,354,100	759,090,600	778,738,400
Health and Family Services	8,070,594,075	8,203,355,700	8,324,882,300	7,950,852,800	8,362,452,000
Justice and Public Safety	863,876,470	880,700,691	887,063,600	893,271,000	898,486,700
Labor	202,861,301	199,883,937	207,576,800	217,727,900	220,373,900
Personnel	49,731,248	56,750,849	66,821,700	67,656,600	68,960,400
Postsecondary Education	5,240,250,216	5,455,084,163	6,286,372,500	6,650,802,300	6,865,417,100
Public Protection	102,474,257	97,742,330	109,879,200	112,931,600	114,507,900
Tourism, Arts and Heritage	218,772,549	212,482,679	224,857,900	211,210,400	215,905,800
Transportation	2,061,329,726	2,054,369,786	2,880,374,500	2,375,029,000	2,396,778,600
Statewide	800,000		1,200,000		
<b>TOTAL EXPENDITURES</b>	<b>25,723,736,786</b>	<b>25,592,312,926</b>	<b>28,331,258,350</b>	<b>27,777,604,600</b>	<b>28,500,232,100</b>

**General Government**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	589,056,600	576,998,500	606,954,600	656,766,600	724,754,300
State Salary and Compensation Allocation	2,988,800	5,678,200	8,239,000		
Special Appropriation	4,498,400	-7,800,000			
Current Year Appropriation			481,000		
Continuing Approp.-General Fund	254,247	192,445	68,246		
Budget Reduction-General Fund	-14,253,400				
Mandated Expenditure Reductions	-8,335,900	-4,327,400	-15,276,300		
Mandated Allotments	43,503,512	25,393,800	22,970,000		
Other	16,113,900	31,059,800	34,691,000		
<b>Total General Fund</b>	<b>633,826,159</b>	<b>627,195,345</b>	<b>658,127,546</b>	<b>656,766,600</b>	<b>724,754,300</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I	28,928,600	32,082,758	19,741,600	18,850,600	16,291,800
Continuing Approp.-Tobacco Settlement	20,278,780	23,936,603	28,670,300	17,216,500	9,035,100
Budget Reduction-General Fund Tobacco	-937,265	-3,733,278			
Fund Transfers			-51,700		
<b>Total Tobacco Settlement - Phase I</b>	<b>48,270,115</b>	<b>52,286,082</b>	<b>48,360,200</b>	<b>36,067,100</b>	<b>25,326,900</b>
<b>Restricted Funds</b>					
Balance Forward	48,742,839	52,838,707	70,282,000	60,769,600	50,248,800
Current Receipts	115,968,325	124,148,767	149,727,500	157,594,300	162,960,200
Non-Revenue Receipts	38,460,688	43,373,546	54,844,500	59,250,100	59,967,500
Fund Transfers	-2,144,321	-3,007,900	-6,124,200	-3,400,000	-3,300,000
<b>Total Restricted Funds</b>	<b>201,027,531</b>	<b>217,353,120</b>	<b>268,729,800</b>	<b>274,214,000</b>	<b>269,876,500</b>
<b>Federal Funds</b>					
Balance Forward	19,363,507	17,698,819	20,040,500	12,292,200	5,872,300
Current Receipts	317,730,588	161,959,970	221,382,500	125,602,200	119,467,100
Non-Revenue Receipts	3,271,333	288,285	-50,300		
ARRA Receipts	25,646,876	46,263,004	16,908,800	1,939,600	44,500
<b>Total Federal Funds</b>	<b>366,012,304</b>	<b>226,210,078</b>	<b>258,281,500</b>	<b>139,834,000</b>	<b>125,383,900</b>
<b>Road Fund</b>					
Regular Appropriation	500,000	500,000	500,000	500,000	500,000
<b>Total Road Fund</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>1,249,636,110</b>	<b>1,123,544,625</b>	<b>1,233,999,046</b>	<b>1,107,381,700</b>	<b>1,145,841,600</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	256,802,712	264,471,026	278,189,500	285,880,600	291,185,800
Operating Expenses	78,337,511	78,390,213	81,733,046	78,966,400	78,907,500
Grants Loans Benefits	696,608,844	483,167,224	551,991,200	432,248,300	461,257,500
Debt Service	104,410,885	170,655,041	221,977,800	238,760,500	268,727,100
Capital Outlay	3,686,932	2,475,380	3,904,000	6,369,700	3,025,100
Construction	2,176,980	1,400,425			
<b>TOTAL EXPENDITURES</b>	<b>1,142,023,864</b>	<b>1,000,559,309</b>	<b>1,137,795,546</b>	<b>1,042,225,500</b>	<b>1,103,103,000</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	620,688,044	623,203,002	651,268,746	656,766,600	724,754,300
Tobacco Settlement - Phase I	24,333,511	23,615,801	32,081,000	27,032,000	25,318,600
Restricted Funds	148,188,824	147,071,081	207,960,200	223,965,200	228,038,000
Federal Funds	348,313,485	206,169,568	245,989,300	133,961,700	124,492,100
Road Fund	500,000	499,857	496,300	500,000	500,000
<b>TOTAL EXPENDITURES</b>	<b>1,142,023,864</b>	<b>1,000,559,309</b>	<b>1,137,795,546</b>	<b>1,042,225,500</b>	<b>1,103,103,000</b>
<b>EXPENDITURES BY UNIT</b>					
Office of the Governor	8,393,094	6,919,315	8,241,400	8,108,100	8,125,200

Office of State Budget Director	3,198,638	2,974,733	3,146,700	3,228,900	3,392,800
State Planning Fund	187,800	178,500	173,200	158,700	158,700
Homeland Security	16,476,132	14,643,560	16,795,400	10,721,800	6,584,000
Department of Veterans' Affairs	45,002,822	46,999,498	46,699,600	52,388,600	54,292,800
Governor's Office of Agricultural Policy	22,977,591	24,051,729	32,136,600	25,449,700	23,381,500
Kentucky Infrastructure Authority	53,110,253	47,443,849	92,458,100	64,847,600	65,008,700
Military Affairs	300,845,856	133,449,474	173,319,000	92,591,100	93,085,400
Commission on Human Rights	1,976,314	2,000,247	1,916,100	1,849,700	1,882,300
Commission on Women	229,050	212,774	206,100	207,200	213,300
Department for Local Government	52,826,045	62,178,285	52,397,700	46,336,400	41,618,900
Local Government Economic Assistance Fund	57,388,216	64,151,429	68,851,100	73,792,800	76,786,400
Local Government Economic Development Fund	61,968,733	60,643,209	70,864,800	75,276,500	80,498,600
Area Development Fund	590,100	561,000	544,200	498,500	498,500
Executive Branch Ethics Commission	490,711	486,722	495,000	525,900	534,500
Secretary of State	2,770,272	2,832,844	2,712,000	3,494,600	3,405,900
Board of Elections	5,502,039	6,112,817	9,320,000	9,333,400	7,940,100
Registry of Election Finance	1,216,600	1,180,399	1,137,800	1,146,900	1,168,600
Attorney General	22,899,448	24,805,773	23,781,200	25,549,900	25,317,500
Unified Prosecutorial System	68,835,243	70,375,214	69,068,200	74,913,800	76,510,600
Treasury	2,869,100	2,830,691	2,887,100	3,144,700	3,195,900
Agriculture	29,455,659	28,878,159	30,182,100	29,447,200	28,882,500
Auditor of Public Accounts	10,273,565	10,603,710	10,706,600	10,856,700	10,995,700
Personnel Board	719,918	774,800	726,600	790,900	803,900
Kentucky Retirement Systems	23,914,434	23,931,689	38,282,300	38,245,000	38,855,900
Occupational & Professional Boards & Commissions	18,641,933	18,594,101	19,489,100	21,588,600	21,897,900
Kentucky River Authority	2,153,434	3,402,321	2,645,000	6,362,600	4,456,900
School Facilities Construction Commission	102,068,566	93,296,162	91,695,000	99,378,400	106,596,700
Teachers' Retirement System	209,954,599	227,871,247	250,667,300	256,700,400	311,722,400
Judgments	433,350	2,660,853	4,146		
Appropriations Not Otherwise Classified	14,654,348	15,514,207	16,246,100	5,290,900	5,290,900
<b>TOTAL EXPENDITURES</b>	<b>1,142,023,864</b>	<b>1,000,559,309</b>	<b>1,137,795,546</b>	<b>1,042,225,500</b>	<b>1,103,103,000</b>



**Economic Development**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	26,092,100	21,408,600	21,194,500	19,002,800	19,131,100
State Salary and Compensation Allocation	127,000	244,200	350,000		
Continuing Approp.-General Fund	20,723,707	18,814,982	15,936,500	9,519,200	
Budget Reduction-General Fund	-1,156,600				
Mandated Expenditure Reductions	-1,120,200	-668,200	-944,600		
<b>Total General Fund</b>	<b>44,666,007</b>	<b>39,799,582</b>	<b>36,536,400</b>	<b>28,522,000</b>	<b>19,131,100</b>
<b>Restricted Funds</b>					
Balance Forward	1,583,788	1,405,323	1,521,900	1,203,600	575,500
Current Receipts	1,887,167	1,356,217	445,000	445,000	445,000
Non-Revenue Receipts	-8,885	47,998	1,149,600	1,243,200	1,270,000
Fund Transfers		-63,700	-142,700		
<b>Total Restricted Funds</b>	<b>3,462,070</b>	<b>2,745,838</b>	<b>2,973,800</b>	<b>2,891,800</b>	<b>2,290,500</b>
<b>Federal Funds</b>					
Balance Forward	29,648	22,383	2,353,200	7,887,500	22,000
Current Receipts	123,755	137,014	16,181,600	89,500	89,700
Non-Revenue Receipts	22,969				
ARRA Receipts	11,297	4,378,774			
<b>Total Federal Funds</b>	<b>187,669</b>	<b>4,538,172</b>	<b>18,534,800</b>	<b>7,977,000</b>	<b>111,700</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>48,315,746</b>	<b>47,083,591</b>	<b>58,045,000</b>	<b>39,390,800</b>	<b>21,533,300</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	9,123,851	8,706,235	8,958,000	8,828,300	8,936,800
Operating Expenses	1,665,387	1,567,403	9,952,300	9,618,900	1,851,700
Grants Loans Benefits	15,950,471	15,995,699	20,282,100	10,846,100	10,744,800
Capital Outlay		105,717			
<b>TOTAL EXPENDITURES</b>	<b>26,739,709</b>	<b>26,375,054</b>	<b>39,192,400</b>	<b>29,293,300</b>	<b>21,533,300</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	24,517,676	22,966,089	26,774,900	19,022,000	19,131,100
Restricted Funds	2,079,717	1,224,023	1,770,200	2,316,300	2,290,500
Federal Funds	142,316	2,184,942	10,647,300	7,955,000	111,700
<b>TOTAL EXPENDITURES</b>	<b>26,739,709</b>	<b>26,375,054</b>	<b>39,192,400</b>	<b>29,293,300</b>	<b>21,533,300</b>
<b>EXPENDITURES BY UNIT</b>					
Secretary	13,855,698	15,764,820	16,512,300	13,486,200	13,536,800
Business Development	3,867,720	3,124,524	3,656,600	3,343,000	3,248,400
Financial Incentives	9,016,291	7,485,710	19,023,500	12,464,100	4,748,100
<b>TOTAL EXPENDITURES</b>	<b>26,739,709</b>	<b>26,375,054</b>	<b>39,192,400</b>	<b>29,293,300</b>	<b>21,533,300</b>

**Department of Education**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	3,907,626,300	3,657,868,800	3,828,830,200	3,826,787,800	3,839,998,600
State Salary and Compensation Allocation	279,700	537,500	792,600		
Continuing Approp.-General Fund	7,780,820		1,894,401		
Budget Reduction-General Fund	-284,869,100				
Mandated Expenditure Reductions	-1,343,600	-5,878,700	-9,428,800		
Mandated Allotments			234,703		
Other	296,800	225,000	517,300		
<b>Total General Fund</b>	<b>3,629,770,920</b>	<b>3,652,752,600</b>	<b>3,822,840,404</b>	<b>3,826,787,800</b>	<b>3,839,998,600</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I		596,242			
<b>Total Tobacco Settlement - Phase I</b>		<b>596,242</b>			
<b>Restricted Funds</b>					
Balance Forward	1,686,146	3,920,886	8,066,962	772,800	772,800
Current Receipts	1,080,740	4,121,445	3,803,768	10,074,500	10,123,500
Non-Revenue Receipts	1,393,950	70,239	456,670	1,651,300	1,690,200
Fund Transfers		-18,000	-18,100		
<b>Total Restricted Funds</b>	<b>4,160,836</b>	<b>8,094,571</b>	<b>12,309,300</b>	<b>12,498,600</b>	<b>12,586,500</b>
<b>Federal Funds</b>					
Balance Forward		457,542	2,860,565	2,547,800	
Current Receipts	780,068,548	769,385,277	873,934,835	779,075,500	757,889,000
Non-Revenue Receipts	-4,992,274	-4,281,192		5,400	-200
ARRA Receipts	171,954,976	133,640,304			
SFSF Receipts	221,660,914	183,863,908			
<b>Total Federal Funds</b>	<b>1,168,692,164</b>	<b>1,083,065,839</b>	<b>876,795,400</b>	<b>781,628,700</b>	<b>757,888,800</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>4,802,623,919</b>	<b>4,744,509,252</b>	<b>4,711,945,104</b>	<b>4,620,915,100</b>	<b>4,610,473,900</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	66,244,276	62,195,484	50,847,801	52,268,709	52,658,929
Operating Expenses	25,283,263	24,901,976	40,669,800	35,231,391	35,054,971
Grants Loans Benefits	4,660,652,130	4,643,637,621	4,615,613,603	4,532,642,200	4,521,987,200
Debt Service	28,882	115,527			
Capital Outlay	14,687	12,631			
Construction	12	918			
<b>TOTAL EXPENDITURES</b>	<b>4,752,223,251</b>	<b>4,730,864,156</b>	<b>4,707,131,204</b>	<b>4,620,142,300</b>	<b>4,609,701,100</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	3,583,748,679	3,650,035,034	3,821,347,104	3,826,787,800	3,839,998,600
Tobacco Settlement - Phase I		596,242			
Restricted Funds	239,949	27,657	11,536,500	11,725,800	11,813,700
Federal Funds	1,168,234,622	1,080,205,223	874,247,600	781,628,700	757,888,800
<b>TOTAL EXPENDITURES</b>	<b>4,752,223,251</b>	<b>4,730,864,156</b>	<b>4,707,131,204</b>	<b>4,620,142,300</b>	<b>4,609,701,100</b>
<b>EXPENDITURES BY UNIT</b>					
Operations and Support Services	326,601,182	324,563,677	335,683,804	325,437,500	322,739,900
Learning and Results Services	1,522,952,047	1,498,453,279	1,471,949,400	1,394,864,000	1,387,120,400
Support Education Excellence in Kentucky (SEEK)	2,902,670,022	2,907,847,200	2,899,498,000	2,899,840,800	2,899,840,800
<b>TOTAL EXPENDITURES</b>	<b>4,752,223,251</b>	<b>4,730,864,156</b>	<b>4,707,131,204</b>	<b>4,620,142,300</b>	<b>4,609,701,100</b>

**Education and Workforce Development**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	82,240,200	77,077,600	74,614,100	71,824,500	72,414,100
State Salary and Compensation Allocation	507,100	932,800	1,746,700		
Budget Reduction-General Fund	-4,252,600				
Mandated Expenditure Reductions	-1,676,200	-2,098,800	-2,633,600		
Other	-299,000	-225,000	-517,300		
<b>Total General Fund</b>	<b>76,519,500</b>	<b>75,686,600</b>	<b>73,209,900</b>	<b>71,824,500</b>	<b>72,414,100</b>
<b>Restricted Funds</b>					
Balance Forward	9,092,987	11,046,028	8,993,200	4,203,500	4,866,500
Current Receipts	12,529,408	11,580,554	11,541,800	11,897,300	12,360,400
Non-Revenue Receipts	24,247,918	24,135,149	51,537,500	56,200,100	53,313,100
Fund Transfers		-560,200	-1,312,200		
<b>Total Restricted Funds</b>	<b>45,870,313</b>	<b>46,201,531</b>	<b>70,760,300</b>	<b>72,300,900</b>	<b>70,540,000</b>
<b>Federal Funds</b>					
Balance Forward	17,364,949	7,277,273	5,912,200	1,356,400	1,356,400
Current Receipts	1,649,550,559	1,555,216,696	2,454,382,700	2,455,169,400	2,457,055,200
Non-Revenue Receipts	482,736,253	146,306,042			
ARRA Receipts	41,744,268	56,507,440	1,270,000		
<b>Total Federal Funds</b>	<b>2,191,396,029</b>	<b>1,765,307,452</b>	<b>2,461,564,900</b>	<b>2,456,525,800</b>	<b>2,458,411,600</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>2,313,785,842</b>	<b>1,887,195,582</b>	<b>2,605,535,100</b>	<b>2,600,651,200</b>	<b>2,601,365,700</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	137,869,258	138,201,608	136,993,900	143,066,000	145,718,600
Operating Expenses	38,271,110	39,021,769	68,677,600	61,948,100	58,848,700
Grants Loans Benefits	2,115,746,039	1,690,590,018	2,388,752,900	2,387,264,700	2,386,684,000
Debt Service		96			
Capital Outlay	3,475,456	3,607,104	3,536,700	2,129,500	2,128,900
Construction	75,052	247,524	20,000	20,000	20,000
<b>TOTAL EXPENDITURES</b>	<b>2,295,436,916</b>	<b>1,871,668,120</b>	<b>2,597,981,100</b>	<b>2,594,428,300</b>	<b>2,593,400,200</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	76,493,874	75,064,399	71,215,800	71,824,500	72,414,100
Restricted Funds	34,824,285	37,208,399	66,556,800	67,434,400	63,930,900
Federal Funds	2,184,118,756	1,759,395,323	2,460,208,500	2,455,169,400	2,457,055,200
<b>TOTAL EXPENDITURES</b>	<b>2,295,436,916</b>	<b>1,871,668,120</b>	<b>2,597,981,100</b>	<b>2,594,428,300</b>	<b>2,593,400,200</b>
<b>EXPENDITURES BY UNIT</b>					
General Administration and Program Support	9,696,574	9,744,133	9,389,200	10,371,900	10,186,000
Deaf and Hard of Hearing	1,560,687	1,500,757	1,496,700	1,629,700	1,585,700
Kentucky Educational Television	14,380,440	13,783,707	15,042,400	13,312,000	13,500,200
Environmental Education Council	317,811	300,146	331,100	245,700	246,000
Libraries and Archives	16,063,005	16,218,129	17,217,700	16,091,700	16,147,300
Workforce Investment	2,244,724,178	1,821,621,065	2,546,056,400	2,544,592,300	2,543,597,000
Education Professional Standards Board	8,694,221	8,500,184	8,447,600	8,185,000	8,138,000
<b>TOTAL EXPENDITURES</b>	<b>2,295,436,916</b>	<b>1,871,668,120</b>	<b>2,597,981,100</b>	<b>2,594,428,300</b>	<b>2,593,400,200</b>

**Energy and Environment**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	81,064,600	74,641,500	74,025,100	76,004,500	78,094,100
State Salary and Compensation Allocation	1,460,100	2,865,900	4,095,800		
Current Year Appropriation			952,000		
Continuing Approp.-General Fund	831,271	498,064	409,700		
Budget Reduction-General Fund	-7,549,500				
Mandated Expenditure Reductions	-3,870,400	-6,423,000	-2,730,600		
Mandated Allotments	3,661,710	3,860,652			
<b>Total General Fund</b>	<b>75,597,781</b>	<b>75,443,116</b>	<b>76,752,000</b>	<b>76,004,500</b>	<b>78,094,100</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I	9,000,000	9,000,000	6,000,000	3,000,000	2,500,000
Continuing Approp.-Tobacco Settlement	5,539,721	4,249,943	7,463,500		
Budget Reduction-General Fund Tobacco	-812,537	-2,207,692			
<b>Total Tobacco Settlement - Phase I</b>	<b>13,727,184</b>	<b>11,042,251</b>	<b>13,463,500</b>	<b>3,000,000</b>	<b>2,500,000</b>
<b>Restricted Funds</b>					
Balance Forward	12,888,527	20,906,406	17,575,200	9,573,500	6,189,100
Current Receipts	18,891,746	21,942,379	21,732,300	21,908,800	22,378,200
Non-Revenue Receipts	96,237,041	89,416,131	116,491,600	79,510,300	81,137,700
Fund Transfers	-26,750,001	-43,726,000	-55,591,200	-13,500,000	-13,500,000
<b>Total Restricted Funds</b>	<b>101,267,313</b>	<b>88,538,916</b>	<b>100,207,900</b>	<b>97,492,600</b>	<b>96,205,000</b>
<b>Federal Funds</b>					
Balance Forward	10,363	122,642	68,500		
Current Receipts	65,001,755	67,731,803	86,730,100	82,342,400	82,328,000
Non-Revenue Receipts	-5,649,360	-2,691,999	-2,647,000	-2,465,600	-2,184,500
ARRA Receipts	7,140,317	30,840,267	25,528,000	8,000,700	168,300
<b>Total Federal Funds</b>	<b>66,503,075</b>	<b>96,002,714</b>	<b>109,679,600</b>	<b>87,877,500</b>	<b>80,311,800</b>
<b>Road Fund</b>					
Regular Appropriation	300,000	300,000	300,000	300,000	300,000
<b>Total Road Fund</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>257,395,354</b>	<b>271,326,997</b>	<b>300,403,000</b>	<b>264,674,600</b>	<b>257,410,900</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	125,237,994	130,731,476	136,486,000	133,270,800	135,272,100
Operating Expenses	43,489,702	43,610,582	45,301,100	46,635,900	48,676,300
Grants Loans Benefits	50,841,541	54,798,617	72,306,100	44,249,600	38,621,000
Debt Service	589,000	589,000	589,000	589,000	1,538,500
Capital Outlay	2,787,508	5,205,549	8,532,200	4,545,500	4,841,100
Construction	8,672,553	10,874,423	20,561,100	23,652,200	21,924,700
<b>TOTAL EXPENDITURES</b>	<b>231,618,298</b>	<b>245,809,648</b>	<b>283,775,500</b>	<b>252,943,000</b>	<b>250,873,700</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	75,099,717	75,033,355	69,700,600	70,462,000	72,778,700
Tobacco Settlement - Phase I	9,477,240	3,578,774	13,463,500	3,000,000	2,500,000
Restricted Funds	80,360,908	70,963,309	90,634,400	91,303,500	94,983,200
Federal Funds	66,380,433	95,934,211	109,679,600	87,877,500	80,311,800
Road Fund	300,000	300,000	297,400	300,000	300,000
<b>TOTAL EXPENDITURES</b>	<b>231,618,298</b>	<b>245,809,648</b>	<b>283,775,500</b>	<b>252,943,000</b>	<b>250,873,700</b>
<b>EXPENDITURES BY UNIT</b>					
Secretary	4,918,108	5,166,253	5,188,400	5,771,500	5,763,900
Environmental Protection	107,608,303	102,774,338	114,385,600	110,901,200	115,407,800
Natural Resources	96,932,928	94,514,046	122,153,600	109,229,900	110,150,500
Energy Development and Independence	10,691,053	31,798,322	29,062,700	15,237,400	7,804,400

Environmental Quality Commission	190,835	195,195	239,000	222,000	223,400
Kentucky Nature Preserves Commission	1,442,620	1,366,990	2,580,700	1,357,700	1,387,100
Public Service Commission	9,834,450	9,994,505	10,165,500	10,223,300	10,136,600
<b>TOTAL EXPENDITURES</b>	231,618,298	245,809,648	283,775,500	252,943,000	250,873,700

**Finance and Administration**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	568,970,900	466,847,300	444,934,300	575,958,700	591,630,600
State Salary and Compensation Allocation	1,256,600	4,210,200	6,258,400		
Special Appropriation	3,113,600				
Budget Reduction-General Fund	-85,469,300				
Mandated Expenditure Reductions	-188,850,800	-92,019,300	-59,322,100		
Reorganization Adjustment	81,400				
<b>Total General Fund</b>	<b>299,102,400</b>	<b>379,038,200</b>	<b>391,870,600</b>	<b>575,958,700</b>	<b>591,630,600</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I	24,273,900	19,021,600	30,550,700	28,566,900	30,935,800
Continuing Approp.-Tobacco Settlement	2,725,487	2,916,194	100		
Budget Reduction-General Fund Tobacco	-6,681,888	-28,383	-2,717,200		
<b>Total Tobacco Settlement - Phase I</b>	<b>20,317,499</b>	<b>21,909,411</b>	<b>27,833,600</b>	<b>28,566,900</b>	<b>30,935,800</b>
<b>Restricted Funds</b>					
Balance Forward	51,704,618	49,901,744	56,773,300	45,518,000	31,712,200
Current Receipts	144,428,014	154,563,379	147,523,500	147,230,200	147,645,100
Non-Revenue Receipts	5,277,827	4,478,495	6,253,400	8,325,700	8,358,800
Fund Transfers	-18,543,000	-7,709,000	-19,292,400	-6,750,000	-6,750,000
<b>Total Restricted Funds</b>	<b>182,867,459</b>	<b>201,234,617</b>	<b>191,257,800</b>	<b>194,323,900</b>	<b>180,966,100</b>
<b>Federal Funds</b>					
Balance Forward		201,304			
Current Receipts	7,933,819	2,440,153	2,438,900	3,550,000	3,550,000
Non-Revenue Receipts	-628,743	125,244	1,200		
ARRA Receipts	14,544,437	30,048,443	31,808,000	471,700	291,000
<b>Total Federal Funds</b>	<b>21,849,513</b>	<b>32,815,143</b>	<b>34,248,100</b>	<b>4,021,700</b>	<b>3,841,000</b>
<b>Road Fund</b>					
Regular Appropriation	2,725,000	2,725,000	2,725,000	3,120,400	3,120,400
Current Year Appropriation			395,400		
<b>Total Road Fund</b>	<b>2,725,000</b>	<b>2,725,000</b>	<b>3,120,400</b>	<b>3,120,400</b>	<b>3,120,400</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>526,861,871</b>	<b>637,722,371</b>	<b>648,330,500</b>	<b>805,991,600</b>	<b>810,493,900</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	168,927,262	182,525,734	171,366,600	191,987,400	195,777,700
Operating Expenses	98,410,391	94,104,496	107,867,300	114,040,200	115,009,800
Grants Loans Benefits	22,685,349	32,965,401	34,761,400	4,021,100	233,000
Debt Service	163,760,441	231,433,031	252,965,400	432,676,500	451,401,200
Capital Outlay	11,215,371	15,628,834	9,393,400	16,365,400	16,316,700
Construction	6,092	9,006			
<b>TOTAL EXPENDITURES</b>	<b>465,004,907</b>	<b>556,666,503</b>	<b>576,354,100</b>	<b>759,090,600</b>	<b>778,738,400</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	290,270,388	357,763,779	369,442,100	563,063,500	578,735,400
Tobacco Settlement - Phase I	17,401,304	18,901,169	23,901,500	26,273,300	28,642,200
Restricted Funds	132,965,715	144,461,413	145,739,800	162,611,700	164,399,400
Federal Funds	21,648,209	32,815,142	34,248,100	4,021,700	3,841,000
Road Fund	2,719,291	2,725,000	3,022,600	3,120,400	3,120,400
<b>TOTAL EXPENDITURES</b>	<b>465,004,907</b>	<b>556,666,503</b>	<b>576,354,100</b>	<b>759,090,600</b>	<b>778,738,400</b>
<b>EXPENDITURES BY UNIT</b>					
General Administration	50,254,665	66,988,692	64,797,200	37,571,900	37,871,300
Controller	15,418,222	13,028,524	15,372,300	16,773,500	16,911,700
Debt Service	163,760,441	231,402,899	252,935,300	432,424,400	450,387,100
Facilities and Support Services	38,516,715	40,583,311	41,455,700	43,904,800	46,301,300

County Costs	17,579,331	18,234,518	18,442,300	18,436,200	18,436,200
Commonwealth Office of Technology	58,308,181	62,735,052	64,639,400	74,523,000	74,371,200
Revenue	81,214,659	82,454,914	80,273,300	95,348,900	93,594,900
Property Valuation Administrators	39,952,691	41,238,594	38,438,600	40,107,900	40,864,700
<b>TOTAL EXPENDITURES</b>	465,004,907	556,666,503	576,354,100	759,090,600	778,738,400

**Health and Family Services**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	2,023,761,500	1,456,550,200	2,107,732,800	1,997,288,400	2,185,860,800
State Salary and Compensation Allocation	4,838,700	9,126,700	7,255,800		
Special Appropriation		163,834,700	-97,295,800		
Continuing Approp.-General Fund	2,053,222	20,609,400	16,350,700		
Budget Reduction-General Fund	-451,897,600				
Mandated Expenditure Reductions	-29,699,600	-6,370,900	-6,161,200		
<b>Total General Fund</b>	<b>1,549,056,222</b>	<b>1,643,750,100</b>	<b>2,027,882,300</b>	<b>1,997,288,400</b>	<b>2,185,860,800</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I	30,641,600	27,192,300	24,930,100	22,336,600	22,120,600
Continuing Approp.-Tobacco Settlement	3,943,997	1,511,095	1,516,900		
Budget Reduction-General Fund Tobacco	-4,009,329	-2,859,542	-1,476,400		
<b>Total Tobacco Settlement - Phase I</b>	<b>30,576,268</b>	<b>25,843,853</b>	<b>24,970,600</b>	<b>22,336,600</b>	<b>22,120,600</b>
<b>Restricted Funds</b>					
Balance Forward	36,315,580	40,031,013	73,103,606	17,509,000	8,654,700
Current Receipts	543,166,517	588,274,009	609,405,194	585,071,800	590,476,800
Non-Revenue Receipts	355,115,026	333,506,577	322,470,000	375,037,100	333,225,800
Fund Transfers	-10,263,700	-3,032,600	-6,537,100		
<b>Total Restricted Funds</b>	<b>924,333,422</b>	<b>958,778,999</b>	<b>998,441,700</b>	<b>977,617,900</b>	<b>932,357,300</b>
<b>Federal Funds</b>					
Balance Forward	22,767,510	67,929,570	79,018,700		
Current Receipts	5,082,650,057	5,218,950,408	5,217,702,500	4,962,047,300	5,223,542,900
Non-Revenue Receipts	-2,070,168	-17,160,217	217,300	217,300	217,300
ARRA Receipts	593,445,159	475,253,048	353,300		
<b>Total Federal Funds</b>	<b>5,696,792,558</b>	<b>5,744,972,808</b>	<b>5,297,291,800</b>	<b>4,962,264,600</b>	<b>5,223,760,200</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>8,200,758,470</b>	<b>8,373,345,759</b>	<b>8,348,586,400</b>	<b>7,959,507,500</b>	<b>8,364,098,900</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	601,490,609	626,794,030	628,237,600	672,068,700	679,761,300
Operating Expenses	118,852,410	108,072,374	117,104,600	112,857,700	108,932,700
Grants Loans Benefits	7,347,767,889	7,464,909,086	7,577,439,600	7,162,944,000	7,563,305,400
Debt Service				482,500	8,792,300
Capital Outlay	2,390,977	3,453,728	1,980,500	2,379,900	1,540,300
Construction	92,190	126,483	120,000	120,000	120,000
<b>TOTAL EXPENDITURES</b>	<b>8,070,594,075</b>	<b>8,203,355,700</b>	<b>8,324,882,300</b>	<b>7,950,852,800</b>	<b>8,362,452,000</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	1,528,363,506	1,627,399,400	2,021,703,000	1,997,288,400	2,185,860,800
Tobacco Settlement - Phase I	29,065,172	24,326,893	24,954,800	22,336,600	22,120,600
Restricted Funds	884,302,409	885,675,329	980,932,700	968,963,200	930,710,400
Federal Funds	5,628,862,988	5,665,954,078	5,297,291,800	4,962,264,600	5,223,760,200
<b>TOTAL EXPENDITURES</b>	<b>8,070,594,075</b>	<b>8,203,355,700</b>	<b>8,324,882,300</b>	<b>7,950,852,800</b>	<b>8,362,452,000</b>
<b>EXPENDITURES BY UNIT</b>					
General Administration and Program Support	73,577,320	80,868,830	79,299,600	83,997,600	83,390,000
Comm for Children with Special Health Care Needs	14,577,889	15,074,165	16,292,300	16,408,600	16,298,500
Medicaid Services	5,964,285,853	6,085,041,736	6,189,849,300	5,900,294,900	6,314,365,900
Behavioral Health, Developmental & Intellectual Disabilities	442,288,678	449,622,925	459,090,600	445,116,900	459,797,800
Public Health	386,975,080	372,671,468	429,722,600	396,250,100	378,376,200
Health Policy	1,109,912	1,124,798	8,965,900	1,609,000	1,214,800



Family Resource Centers and Volunteer Services	4,618,266	5,557,023	3,843,000	3,601,000	3,601,800
Income Support	98,638,221	100,555,556	106,963,800	109,856,900	110,225,400
Community Based Services	1,016,609,048	1,025,948,866	967,451,600	929,775,900	931,652,300
Aging and Independent Living	67,913,809	66,890,332	63,403,600	63,941,900	63,529,300
<b>TOTAL EXPENDITURES</b>	<u>8,070,594,075</u>	<u>8,203,355,700</u>	<u>8,324,882,300</u>	<u>7,950,852,800</u>	<u>8,362,452,000</u>

**Justice and Public Safety**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	649,107,800	607,431,500	627,011,000	649,764,300	652,275,900
State Salary and Compensation Allocation	5,293,300	10,060,900	17,247,700		
Special Appropriation	1,727,100		-1,200,000		
Continuing Approp.-General Fund	24,416				
Budget Reduction-General Fund	-107,015,500				
Mandated Expenditure Reductions	-4,618,700	-6,132,300	-3,570,300		
Mandated Allotments		589,600	13,538,500		
<b>Total General Fund</b>	<b>544,518,416</b>	<b>611,949,700</b>	<b>653,026,900</b>	<b>649,764,300</b>	<b>652,275,900</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I	1,923,400	1,923,400	1,923,400	1,724,500	1,700,200
Continuing Approp.-Tobacco Settlement	118,604	4			
Budget Reduction-General Fund Tobacco	-255,052	-198,516	-101,500		
<b>Total Tobacco Settlement - Phase I</b>	<b>1,786,952</b>	<b>1,724,888</b>	<b>1,821,900</b>	<b>1,724,500</b>	<b>1,700,200</b>
<b>Restricted Funds</b>					
Balance Forward	11,412,136	19,403,992	21,158,782	20,901,800	12,428,900
Current Receipts	50,131,315	45,549,407	38,632,106	39,875,100	39,294,300
Non-Revenue Receipts	66,615,726	69,460,950	82,007,812	80,976,700	86,236,300
Fund Transfers		-6,446,383	-2,415,600	-17,041,100	-17,488,800
<b>Total Restricted Funds</b>	<b>128,159,178</b>	<b>127,967,966</b>	<b>139,383,100</b>	<b>124,712,500</b>	<b>120,470,700</b>
<b>Federal Funds</b>					
Balance Forward	1,760,804	14,794,259	6,628,277	4,652,000	2,228,500
Current Receipts	49,394,037	41,695,152	29,140,623	25,210,300	29,406,000
Non-Revenue Receipts	-6,404,271	-374,273	11,468,000	11,826,400	11,141,300
ARRA Receipts	15,098,142	2,290,996	5,569,500	562,500	281,100
SFSF Receipts	89,885,665	28,658,535			
<b>Total Federal Funds</b>	<b>149,734,377</b>	<b>87,064,669</b>	<b>52,806,400</b>	<b>42,251,200</b>	<b>43,056,900</b>
<b>Road Fund</b>					
Regular Appropriation	73,881,500	79,799,500	83,251,500	89,475,900	91,898,200
<b>Total Road Fund</b>	<b>73,881,500</b>	<b>79,799,500</b>	<b>83,251,500</b>	<b>89,475,900</b>	<b>91,898,200</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>898,080,423</b>	<b>908,506,724</b>	<b>930,289,800</b>	<b>907,928,400</b>	<b>909,401,900</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	492,017,260	507,362,670	508,179,000	530,022,800	538,008,400
Operating Expenses	97,096,170	103,121,946	106,862,800	102,316,400	101,353,100
Grants Loans Benefits	259,724,390	257,072,401	260,097,700	251,456,700	249,612,100
Debt Service	3,815,274	2,914,016	2,211,400	2,421,500	2,748,200
Capital Outlay	11,202,540	10,191,922	9,712,700	7,053,600	6,764,900
Construction	20,836	37,736			
<b>TOTAL EXPENDITURES</b>	<b>863,876,470</b>	<b>880,700,691</b>	<b>887,063,600</b>	<b>893,271,000</b>	<b>898,486,700</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	544,512,719	611,930,846	636,545,600	649,764,300	652,275,900
Tobacco Settlement - Phase I	1,786,948	1,724,888	1,819,500	1,724,500	1,700,200
Restricted Funds	108,755,186	106,809,050	118,481,300	112,283,600	111,678,500
Federal Funds	134,940,117	80,436,406	48,154,400	40,022,700	40,933,900
Road Fund	73,881,500	79,799,500	82,062,800	89,475,900	91,898,200
<b>TOTAL EXPENDITURES</b>	<b>863,876,470</b>	<b>880,700,691</b>	<b>887,063,600</b>	<b>893,271,000</b>	<b>898,486,700</b>
<b>EXPENDITURES BY UNIT</b>					
Justice Administration	30,675,975	32,682,211	28,909,000	27,622,900	29,136,700
Criminal Justice Training	47,549,521	47,615,865	48,922,300	48,952,300	49,517,400
Juvenile Justice	101,979,331	102,160,714	101,486,000	102,666,600	102,959,400

State Police	174,670,326	183,748,877	185,688,400	189,311,300	189,731,800
Corrections	464,929,454	470,188,185	477,975,500	478,281,700	479,997,500
Public Advocacy	44,071,863	44,304,839	44,082,400	46,436,200	47,143,900
<b>TOTAL EXPENDITURES</b>	863,876,470	880,700,691	887,063,600	893,271,000	898,486,700

	<b>Labor</b>				
	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	5,749,100	4,878,500	4,829,700	4,649,500	4,744,100
State Salary and Compensation Allocation	118,600	229,200	327,600		
Budget Reduction-General Fund	-534,000				
Mandated Expenditure Reductions	-433,700	-204,700	-188,500		
<b>Total General Fund</b>	<b>4,900,000</b>	<b>4,903,000</b>	<b>4,968,800</b>	<b>4,649,500</b>	<b>4,744,100</b>
<b>Restricted Funds</b>					
Balance Forward	8,117,080	16,440,886	14,402,700	793,000	378,900
Current Receipts	109,532,660	97,169,879	93,166,700	107,533,500	109,000,300
Non-Revenue Receipts	93,121,550	92,385,031	92,667,700	101,338,400	102,277,600
Fund Transfers		-38,600	-69,100		
<b>Total Restricted Funds</b>	<b>210,771,291</b>	<b>205,957,196</b>	<b>200,168,000</b>	<b>209,664,900</b>	<b>211,656,800</b>
<b>Federal Funds</b>					
Balance Forward	15,616		2,600		
Current Receipts	4,035,760	3,711,693	3,708,500	4,047,100	4,260,500
Non-Revenue Receipts	-320,852	-204,813	-218,400	-254,700	-253,100
<b>Total Federal Funds</b>	<b>3,730,525</b>	<b>3,506,880</b>	<b>3,492,700</b>	<b>3,792,400</b>	<b>4,007,400</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>219,401,815</b>	<b>214,367,077</b>	<b>208,629,500</b>	<b>218,106,800</b>	<b>220,408,300</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	129,445,955	128,118,245	130,121,500	139,129,100	141,271,400
Operating Expenses	5,454,555	5,306,791	6,380,200	7,613,700	8,086,100
Grants Loans Benefits	67,356,292	66,398,055	70,604,200	70,604,200	70,604,200
Capital Outlay	604,499	60,846	470,900	380,900	412,200
<b>TOTAL EXPENDITURES</b>	<b>202,861,301</b>	<b>199,883,937</b>	<b>207,576,800</b>	<b>217,727,900</b>	<b>220,373,900</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	4,800,371	4,825,186	4,709,100	4,649,500	4,744,100
Restricted Funds	194,330,405	191,554,513	199,375,000	209,286,000	211,622,400
Federal Funds	3,730,525	3,504,238	3,492,700	3,792,400	4,007,400
<b>TOTAL EXPENDITURES</b>	<b>202,861,301</b>	<b>199,883,937</b>	<b>207,576,800</b>	<b>217,727,900</b>	<b>220,373,900</b>
<b>EXPENDITURES BY UNIT</b>					
Secretary	4,060,565	3,823,537	4,318,300	4,685,300	4,847,000
General Administration and Program Support	5,245,557	5,520,730	5,805,300	5,816,400	6,091,900
Workplace Standards	77,805,929	76,650,555	82,042,200	82,518,800	82,844,400
Workers' Claims	14,283,695	14,827,465	15,115,500	15,945,500	16,527,200
Occupational Safety and Health Review Commission	459,021	509,337	512,600	541,100	551,200
Workers' Compensation Funding Commission	101,006,534	98,552,313	99,782,900	108,220,800	109,512,200
<b>TOTAL EXPENDITURES</b>	<b>202,861,301</b>	<b>199,883,937</b>	<b>207,576,800</b>	<b>217,727,900</b>	<b>220,373,900</b>

	<b>Personnel</b>				
	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	31,642,900	36,740,900	59,740,900	3,457,800	5,557,800
State Salary and Compensation Allocation	-17,524,900	-35,000,000	-47,959,200		
Budget Reduction-General Fund	-12,248,000				
Mandated Expenditure Reductions	-93,600	-116,900	-4,390,200		
<b>Total General Fund</b>	<b>1,776,400</b>	<b>1,624,000</b>	<b>7,391,500</b>	<b>3,457,800</b>	<b>5,557,800</b>
<b>Restricted Funds</b>					
Balance Forward	16,295,995	20,052,242	16,683,800	13,426,300	7,329,000
Current Receipts	46,126,978	43,045,824	49,888,900	57,172,500	55,573,600
Non-Revenue Receipts	5,584,235	9,465,462	9,060,900	7,919,100	7,198,400
Fund Transfers		-752,800	-2,777,100	-6,990,100	-2,690,100
<b>Total Restricted Funds</b>	<b>68,007,208</b>	<b>71,810,728</b>	<b>72,856,500</b>	<b>71,527,800</b>	<b>67,410,900</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>69,783,608</b>	<b>73,434,728</b>	<b>80,248,000</b>	<b>74,985,600</b>	<b>72,968,700</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	43,224,160	49,180,103	58,746,000	60,918,500	62,631,800
Operating Expenses	4,706,363	5,838,717	6,395,500	5,470,100	5,260,600
Grants Loans Benefits	1,776,282	1,623,930	1,591,500	1,257,800	1,057,800
Capital Outlay	24,443	108,099	88,700	10,200	10,200
<b>TOTAL EXPENDITURES</b>	<b>49,731,248</b>	<b>56,750,849</b>	<b>66,821,700</b>	<b>67,656,600</b>	<b>68,960,400</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	1,776,282	1,623,930	7,391,500	3,457,800	5,557,800
Restricted Funds	47,954,966	55,126,918	59,430,200	64,198,800	63,402,600
<b>TOTAL EXPENDITURES</b>	<b>49,731,248</b>	<b>56,750,849</b>	<b>66,821,700</b>	<b>67,656,600</b>	<b>68,960,400</b>
<b>EXPENDITURES BY UNIT</b>					
General Operations	19,917,120	26,024,421	31,466,900	29,645,300	26,818,800
Public Employees Deferred Compensation Authority	7,061,459	6,752,464	8,988,300	8,361,600	8,877,200
Workers' Compensation Benefits and Reserve	20,976,387	22,350,034	24,775,000	26,191,900	27,706,600
State Salary and Compensation Fund				2,200,000	4,500,000
State Group Health Insurance Fund	1,776,282	1,623,930	1,591,500	1,257,800	1,057,800
<b>TOTAL EXPENDITURES</b>	<b>49,731,248</b>	<b>56,750,849</b>	<b>66,821,700</b>	<b>67,656,600</b>	<b>68,960,400</b>

**Postsecondary Education**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	1,321,387,100	1,206,885,600	1,245,875,600	1,171,620,700	1,175,796,000
State Salary and Compensation Allocation	186,700	149,200	215,200		
Special Appropriation		18,943,800	-18,943,800		
Continuing Approp.-General Fund	4,251,375	2,783,925	7,841,200	794,300	
Budget Reduction-General Fund	-110,014,000				
Mandated Expenditure Reductions	-1,369,000	-1,024,600	-1,829,700		
<b>Total General Fund</b>	<b>1,214,442,175</b>	<b>1,227,737,925</b>	<b>1,233,158,500</b>	<b>1,172,415,000</b>	<b>1,175,796,000</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I	6,930,600	6,417,100	5,987,600	5,047,800	4,887,800
Continuing Approp.-Tobacco Settlement	140,567	3,218	200		
Budget Reduction-General Fund Tobacco	-753,274	-594,625	-250,000		
<b>Total Tobacco Settlement - Phase I</b>	<b>6,317,893</b>	<b>5,825,693</b>	<b>5,737,800</b>	<b>5,047,800</b>	<b>4,887,800</b>
<b>Restricted Funds</b>					
Balance Forward	2,959,741	3,191,259	8,732,800	1,819,100	1,214,200
Current Receipts	3,140,271,719	3,277,056,784	4,106,096,100	4,510,118,300	4,683,636,800
Non-Revenue Receipts	15,466,717	10,386,241	11,698,100	15,333,800	15,963,400
Fund Transfers		-207,316	-405,400	-7,550,000	-7,550,000
<b>Total Restricted Funds</b>	<b>3,158,698,177</b>	<b>3,290,426,969</b>	<b>4,126,121,600</b>	<b>4,519,721,200</b>	<b>4,693,264,400</b>
<b>Federal Funds</b>					
Balance Forward	1,825	2,000			
Current Receipts	797,794,618	889,921,506	924,252,500	954,832,500	992,644,300
Non-Revenue Receipts	4,747	149,020			
ARRA Receipts	455,600	322,600	5,000		
SFSF Receipts	70,000,000	57,272,700			
<b>Total Federal Funds</b>	<b>868,256,791</b>	<b>947,667,826</b>	<b>924,257,500</b>	<b>954,832,500</b>	<b>992,644,300</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>5,247,715,036</b>	<b>5,471,658,413</b>	<b>6,289,275,400</b>	<b>6,652,016,500</b>	<b>6,866,592,500</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	2,909,055,191	3,027,811,391	2,902,489,500	3,085,741,900	3,176,111,000
Operating Expenses	1,264,247,974	1,272,938,392	2,029,923,200	2,173,858,700	2,262,048,100
Grants Loans Benefits	784,762,911	823,093,098	1,019,217,200	1,053,936,900	1,083,441,600
Debt Service	112,995,244	120,632,188	136,190,700	133,462,700	133,838,400
Capital Outlay	169,188,896	210,609,093	198,551,900	203,802,100	209,978,000
<b>TOTAL EXPENDITURES</b>	<b>5,240,250,216</b>	<b>5,455,084,163</b>	<b>6,286,372,500</b>	<b>6,650,802,300</b>	<b>6,865,417,100</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	1,210,173,833	1,219,896,767	1,232,074,700	1,172,415,000	1,175,796,000
Tobacco Settlement - Phase I	6,314,675	5,825,478	5,737,800	5,047,800	4,887,800
Restricted Funds	3,155,506,918	3,281,694,092	4,124,302,500	4,518,507,000	4,692,089,000
Federal Funds	868,254,791	947,667,826	924,257,500	954,832,500	992,644,300
<b>TOTAL EXPENDITURES</b>	<b>5,240,250,216</b>	<b>5,455,084,163</b>	<b>6,286,372,500</b>	<b>6,650,802,300</b>	<b>6,865,417,100</b>
<b>EXPENDITURES BY UNIT</b>					
Council on Postsecondary Education	73,628,103	67,754,834	79,791,600	72,307,900	72,233,600
Kentucky Higher Education Assistance Authority	219,002,213	214,864,129	222,393,500	221,551,300	222,362,900
Postsecondary Education Institutions	4,947,619,900	5,172,465,200	5,984,187,400	6,356,943,100	6,570,820,600
<b>TOTAL EXPENDITURES</b>	<b>5,240,250,216</b>	<b>5,455,084,163</b>	<b>6,286,372,500</b>	<b>6,650,802,300</b>	<b>6,865,417,100</b>

**Public Protection**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	5,210,600	7,254,300	7,181,900	6,688,000	6,814,300
State Salary and Compensation Allocation	80,500	188,800	263,000		
Special Appropriation	2,663,100				
Budget Reduction-General Fund	-392,300				
Mandated Expenditure Reductions	-96,500	-261,600	-281,600		
<b>Total General Fund</b>	<b>7,465,400</b>	<b>7,181,500</b>	<b>7,163,300</b>	<b>6,688,000</b>	<b>6,814,300</b>
<b>Tobacco Settlement - Phase I</b>					
Tobacco Settlement - Phase I	19,881,900	18,084,700	16,581,400	14,867,200	14,657,300
Budget Reduction-General Fund Tobacco	-2,636,432	-1,866,536	-874,900		
<b>Total Tobacco Settlement - Phase I</b>	<b>17,245,468</b>	<b>16,218,164</b>	<b>15,706,500</b>	<b>14,867,200</b>	<b>14,657,300</b>
<b>Restricted Funds</b>					
Balance Forward	48,549,099	42,711,361	56,190,600	50,296,200	36,954,600
Current Receipts	75,037,672	77,326,290	77,459,000	78,655,600	78,624,400
Non-Revenue Receipts	15,650,859	19,894,540	20,436,000	20,278,300	21,396,600
Fund Transfers	-21,950,379	-13,069,100	-21,305,100	-25,000,000	-22,155,100
<b>Total Restricted Funds</b>	<b>117,287,250</b>	<b>126,863,091</b>	<b>132,780,500</b>	<b>124,230,100</b>	<b>114,820,500</b>
<b>Federal Funds</b>					
Current Receipts	3,007,996	2,622,233	4,767,100	4,100,900	4,051,600
Non-Revenue Receipts	26,371	113,887			
ARRA Receipts	153,133	934,322			
<b>Total Federal Funds</b>	<b>3,187,500</b>	<b>3,670,441</b>	<b>4,767,100</b>	<b>4,100,900</b>	<b>4,051,600</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>145,185,618</b>	<b>153,933,196</b>	<b>160,417,400</b>	<b>149,886,200</b>	<b>140,343,700</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	67,238,631	69,833,591	73,042,400	75,935,000	77,460,800
Operating Expenses	9,354,098	9,186,055	11,376,200	11,641,500	11,428,900
Grants Loans Benefits	25,764,389	18,491,119	25,012,900	25,006,900	24,957,300
Capital Outlay	116,308	231,565	447,700	348,200	660,900
Construction	831				
<b>TOTAL EXPENDITURES</b>	<b>102,474,257</b>	<b>97,742,330</b>	<b>109,879,200</b>	<b>112,931,600</b>	<b>114,507,900</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	7,465,400	7,181,500	6,921,300	6,688,000	6,814,300
Tobacco Settlement - Phase I	17,245,468	16,218,164	15,706,500	14,867,200	14,657,300
Restricted Funds	74,575,889	70,672,230	82,484,300	87,275,500	88,984,700
Federal Funds	3,187,500	3,670,436	4,767,100	4,100,900	4,051,600
<b>TOTAL EXPENDITURES</b>	<b>102,474,257</b>	<b>97,742,330</b>	<b>109,879,200</b>	<b>112,931,600</b>	<b>114,507,900</b>
<b>EXPENDITURES BY UNIT</b>					
Secretary	4,275,319	4,485,522	4,994,200	5,497,900	5,606,100
Boxing and Wrestling Authority	120,786	121,796	135,800	148,200	150,700
Alcoholic Beverage Control	5,015,814	5,012,387	5,273,800	5,641,000	5,894,600
Charitable Gaming	2,881,759	2,775,733	2,751,000	3,276,500	3,474,400
Board of Claims/Crime Victims' Compensation	3,170,886	2,491,464	2,612,700	2,261,700	2,125,800
Financial Institutions	8,394,278	8,371,060	9,719,700	10,528,000	10,449,800
Horse Racing Commission	26,463,898	22,731,849	27,896,700	27,997,000	28,286,600
Housing, Buildings and Construction	15,117,599	16,109,402	17,694,700	18,699,500	19,273,700
Insurance	36,636,019	35,246,618	38,390,100	38,481,100	38,837,400
Tax Appeals	397,900	396,500	410,500	400,700	408,800
<b>TOTAL EXPENDITURES</b>	<b>102,474,257</b>	<b>97,742,330</b>	<b>109,879,200</b>	<b>112,931,600</b>	<b>114,507,900</b>

**Tourism, Arts and Heritage**

	Actual FY 2010	Actual FY2011	Revised FY2012	Enacted FY 2013	Enacted FY 2014
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	52,167,800	50,170,600	48,718,700	46,308,500	47,468,200
State Salary and Compensation Allocation	387,800	776,400	1,167,400		
Special Appropriation	4,943,200				
Current Year Appropriation			9,000,000		
Budget Reduction-General Fund	-2,111,400				
Reorganization Adjustment	-81,400				
Mandated Expenditure Reductions	-1,028,200	-909,000	-860,900		
<b>Total General Fund</b>	<b>54,277,800</b>	<b>50,038,000</b>	<b>58,025,200</b>	<b>46,308,500</b>	<b>47,468,200</b>
<b>Restricted Funds</b>					
Balance Forward	69,344,554	68,735,406	66,175,900	63,505,500	64,079,900
Current Receipts	146,823,818	138,839,739	155,088,200	161,829,700	166,501,800
Non-Revenue Receipts	-372,946	5,313,309	-8,730,000	-14,727,200	-14,552,000
Fund Transfers		-1,485,500	-2,356,600		
<b>Total Restricted Funds</b>	<b>215,795,427</b>	<b>211,402,954</b>	<b>210,177,500</b>	<b>210,608,000</b>	<b>216,029,700</b>
<b>Federal Funds</b>					
Balance Forward	10,551,174	11,151,925	6,148,800	6,148,800	7,240,600
Current Receipts	17,935,495	21,231,994	20,641,000	19,115,600	19,116,900
Non-Revenue Receipts	-560,515	-9,503,659			
ARRA Receipts	310,500	136,492			
<b>Total Federal Funds</b>	<b>28,236,654</b>	<b>23,016,751</b>	<b>26,789,800</b>	<b>25,264,400</b>	<b>26,357,500</b>
<b>Road Fund</b>					
Regular Appropriation	350,000	350,000	350,000	350,000	350,000
<b>Total Road Fund</b>	<b>350,000</b>	<b>350,000</b>	<b>350,000</b>	<b>350,000</b>	<b>350,000</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>298,659,881</b>	<b>284,807,705</b>	<b>295,342,500</b>	<b>282,530,900</b>	<b>290,205,400</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	133,469,450	130,160,881	132,731,400	136,583,300	139,071,700
Operating Expenses	65,702,880	63,627,145	73,351,900	58,311,200	59,877,700
Grants Loans Benefits	11,093,373	10,335,575	11,307,600	10,365,100	10,293,700
Debt Service	4,431,741	4,435,862	4,422,300	4,785,200	5,286,400
Capital Outlay	4,051,792	3,885,078	3,044,700	1,165,600	1,376,300
Construction	23,313	38,137			
<b>TOTAL EXPENDITURES</b>	<b>218,772,549</b>	<b>212,482,679</b>	<b>224,857,900</b>	<b>211,210,400</b>	<b>215,905,800</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	54,277,799	50,037,932	57,194,900	46,308,500	47,468,200
Restricted Funds	147,060,021	145,226,784	146,672,000	146,528,100	150,790,200
Federal Funds	17,084,729	16,867,963	20,641,000	18,023,800	17,297,400
Road Fund	350,000	350,000	350,000	350,000	350,000
<b>TOTAL EXPENDITURES</b>	<b>218,772,549</b>	<b>212,482,679</b>	<b>224,857,900</b>	<b>211,210,400</b>	<b>215,905,800</b>
<b>EXPENDITURES BY UNIT</b>					
Secretary	12,257,626	11,275,520	12,710,000	12,841,300	12,915,200
Artisans Center	2,365,971	2,332,824	2,173,800	2,260,800	2,286,600
Travel	3,475,135	3,236,903	3,183,400	3,091,300	3,058,000
Parks	87,190,679	78,882,565	79,284,600	80,207,300	80,923,600
Horse Park Commission	9,273,767	10,727,793	13,460,600	10,127,700	10,231,100
State Fair Board	41,823,146	44,607,621	50,751,500	44,695,200	46,365,600
Fish and Wildlife Resources	47,370,431	48,245,861	50,372,200	45,613,500	47,703,300
Historical Society	7,271,854	6,535,172	6,442,400	6,158,700	6,195,700
Arts Council	4,566,427	3,808,154	3,826,200	3,683,300	3,709,100



Heritage Council	2,227,614	1,927,233	1,777,200	1,728,900	1,715,200
Kentucky Center for the Arts	949,899	903,032	876,000	802,400	802,400
<b>TOTAL EXPENDITURES</b>	<b>218,772,549</b>	<b>212,482,679</b>	<b>224,857,900</b>	<b>211,210,400</b>	<b>215,905,800</b>

**Transportation**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	5,178,200	4,574,600	4,528,800	5,678,200	5,678,200
Continuing Approp.-General Fund	131,541	255,166	305,600		
Budget Reduction-General Fund	-538,500				
Mandated Expenditure Reductions	-100,300	-68,700	-157,900		
<b>Total General Fund</b>	<b>4,670,941</b>	<b>4,761,066</b>	<b>4,676,500</b>	<b>5,678,200</b>	<b>5,678,200</b>
<b>Restricted Funds</b>					
Balance Forward	234,212,451	427,694,316	326,516,700	225,653,000	129,952,700
Current Receipts	101,777,120	100,207,879	112,991,600	113,639,900	114,916,100
Non-Revenue Receipts	349,088,007	59,020,247	585,866,900	130,925,000	104,925,000
Fund Transfers	-15,922,927	-10,925,200	-11,227,800	-13,964,700	-7,664,800
<b>Total Restricted Funds</b>	<b>669,154,651</b>	<b>575,997,242</b>	<b>1,014,147,400</b>	<b>456,253,200</b>	<b>342,129,000</b>
<b>Federal Funds</b>					
Balance Forward		15,488	553,400		
Current Receipts	566,300,413	539,090,925	632,060,600	605,332,200	606,670,700
Non-Revenue Receipts	-12,339,628	-10,297,901			
ARRA Receipts	205,491,947	161,513,299	94,109,200		
<b>Total Federal Funds</b>	<b>759,452,732</b>	<b>690,321,811</b>	<b>726,723,200</b>	<b>605,332,200</b>	<b>606,670,700</b>
<b>Road Fund</b>					
Regular Appropriation	1,327,346,900	1,191,610,300	1,259,954,500	1,441,323,700	1,461,496,100
Surplus Expenditure Plan		41,869,646	67,517,600		
Continuing Approp.-Road Fund	284,237,794	313,871,582			
Budget Reduction-Road Fund	-172,841,800				
Other	-30,269,186	27,922,615	34,065,400		
<b>Total Road Fund</b>	<b>1,408,473,708</b>	<b>1,575,274,143</b>	<b>1,361,537,500</b>	<b>1,441,323,700</b>	<b>1,461,496,100</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>2,841,752,032</b>	<b>2,846,354,263</b>	<b>3,107,084,600</b>	<b>2,508,587,300</b>	<b>2,415,974,000</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	397,430,277	391,174,341	424,095,500	337,616,600	345,321,400
Operating Expenses	312,798,629	293,681,864	306,393,500	317,995,000	316,077,500
Grants Loans Benefits	248,485,660	218,894,323	286,997,000	261,277,400	274,569,900
Debt Service	84,791,197	156,137,807	233,484,200	238,800,100	285,023,700
Capital Outlay	9,088,126	11,359,106	17,163,900	1,206,900	1,304,100
Construction	1,008,735,836	983,122,345	1,612,240,400	1,218,133,000	1,174,482,000
<b>TOTAL EXPENDITURES</b>	<b>2,061,329,726</b>	<b>2,054,369,786</b>	<b>2,880,374,500</b>	<b>2,375,029,000</b>	<b>2,396,778,600</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	4,415,774	4,455,489	4,676,500	5,678,200	5,678,200
Restricted Funds	241,460,335	249,480,470	788,494,400	326,300,500	326,539,200
Federal Funds	759,437,245	689,768,462	726,723,200	605,332,200	606,670,700
Road Fund	1,056,016,372	1,110,665,365	1,360,480,400	1,437,718,100	1,457,890,500
<b>TOTAL EXPENDITURES</b>	<b>2,061,329,726</b>	<b>2,054,369,786</b>	<b>2,880,374,500</b>	<b>2,375,029,000</b>	<b>2,396,778,600</b>
<b>EXPENDITURES BY UNIT</b>					
General Administration and Support	63,526,085	61,945,990	68,202,000	65,450,400	68,260,100
Aviation	13,965,011	8,943,495	9,335,800	13,639,500	13,684,500
Debt Service	31,005,917	97,069,493	116,904,800	147,359,700	164,556,000
Highways	1,590,850,413	1,525,343,442	2,237,998,900	1,690,527,200	1,666,137,500
Public Transportation	50,607,422	25,366,718	54,453,900	38,301,100	38,478,200
Revenue Sharing	274,772,102	297,802,054	352,235,300	380,661,800	405,482,300
Vehicle Regulation	30,712,776	32,101,594	41,243,800	39,089,300	40,180,000
Transfer to Capital Projects	5,890,000	5,797,000			
<b>TOTAL EXPENDITURES</b>	<b>2,061,329,726</b>	<b>2,054,369,786</b>	<b>2,880,374,500</b>	<b>2,375,029,000</b>	<b>2,396,778,600</b>



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2012 REGULAR SESSION

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HOUSE BILL NO. 265

AS ENACTED AND VETOED IN PART

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INFORMATIONAL COPY

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1 AN ACT relating to appropriations providing financing and conditions for the  
 2 operations, maintenance, support, and functioning of the government of the  
 3 Commonwealth of Kentucky and its various officers, cabinets, departments, boards,  
 4 commissions, institutions, subdivisions, agencies, and other state-supported activities.

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

6 → Section 1. The State/Executive Budget is as follows:

7 **PART I**

8 **OPERATING BUDGET**

9 **(1) Funds Appropriations:** There is appropriated out of the General Fund, Road  
 10 Fund, Restricted Funds accounts, Federal Funds accounts, or Bond Funds accounts for the  
 11 fiscal year beginning July 1, 2011, and ending June 30, 2012, for the fiscal year beginning  
 12 July 1, 2012, and ending June 30, 2013, and for the fiscal year beginning July 1, 2013,  
 13 and ending June 30, 2014, the following discrete sums, or so much thereof as may be  
 14 necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710. Each  
 15 appropriation is made by source of respective fund or funds accounts. Appropriations for  
 16 the following officers, cabinets, departments, boards, commissions, institutions,  
 17 subdivisions, agencies, and budget units of the state government, and any and all other  
 18 activities of the government of the Commonwealth, are subject to the provisions of  
 19 Chapters 12, 42, 45, and 48 of the Kentucky Revised Statutes and compliance with the  
 20 conditions and procedures set forth in this Act.

21 **(2) Tobacco Settlement Funds:** Appropriations identified as General Fund  
 22 (Tobacco) in Part I, Operating Budget, of this Act are representative of the amounts  
 23 provided in Part X, Phase I Tobacco Settlement, of this Act and are not to be appropriated  
 24 in duplication.

25 **A. GENERAL GOVERNMENT**

26 **Budget Units**

27 **1. OFFICE OF THE GOVERNOR**

	2012-13	2013-14	
1			
2	General Fund (Tobacco)	1,950,600	1,912,500
3	General Fund	5,219,500	5,313,600
4	Restricted Funds	208,700	208,800
5	Federal Funds	646,300	226,500
6	TOTAL	8,025,100	7,661,400

7       **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
8 appropriation is \$1,950,600 in fiscal year 2012-2013 and \$1,912,500 in fiscal year 2013-  
9 2014 for the Early Childhood Advisory Council.

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

	2012-13	2013-14	
11			
12	General Fund	2,963,100	3,021,900
13	Restricted Funds	265,800	370,900
14	TOTAL	3,228,900	3,392,800

15   **3. STATE PLANNING FUND**

	2012-13	2013-14	
16			
17	General Fund	158,700	158,700

18   **4. HOMELAND SECURITY**

	2012-13	2013-14	
19			
20	General Fund	202,500	207,500
21	Restricted Funds	1,338,500	1,268,900
22	Federal Funds	8,930,800	4,857,600
23	Road Fund	250,000	250,000
24	TOTAL	10,721,800	6,584,000

25   **5. DEPARTMENT OF VETERANS' AFFAIRS**

	2012-13	2013-14	
26			
27	General Fund	17,978,500	14,045,400

1	Restricted Funds	34,410,100	40,247,400
2	TOTAL	52,388,600	54,292,800

3       **(1) Weekend and Holiday Premium Pay Incentive:** The Kentucky Veterans'  
4 Centers are authorized to continue the weekend and holiday premium pay incentive  
5 component of the Personnel Pilot Program for the 2012-2014 fiscal biennium.

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

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

14       **(4) Debt Service - Fourth State Veterans' Nursing Home:** If any debt service is  
15 required for the issuance of bonds for the construction of the Fourth State Veterans'  
16 Nursing Home authorized in Part II, Capital Projects Budget, of this Act in fiscal year  
17 2012-2013 or fiscal year 2013-2014, it shall be deemed a necessary government expense  
18 and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget  
19 Reserve Trust Fund Account (KRS 48.705). No bonds shall be sold for this project until it  
20 has been approved by the United States Department of Veterans' Affairs and the  
21 Commonwealth has been notified by the United States Department of Veterans' Affairs  
22 that federal funds are available to support this construction.

23       **(5) Brain Injury Alliance of Kentucky and the Epilepsy Foundation of**  
24 **Kentuckiana Funding:** Included in the above General Fund appropriation is \$100,000 in  
25 each fiscal year for grants to the Brain Injury Alliance of Kentucky and \$100,000 in each  
26 fiscal year for grants to the Epilepsy Foundation of Kentuckiana to be used solely for the  
27 purpose of working with veterans' who have experienced brain trauma and their families.

1   **6. GOVERNOR'S OFFICE OF AGRICULTURAL POLICY**

	<b>2012-13</b>	<b>2013-14</b>
2		
3    General Fund (Tobacco)	16,900,000	14,379,300
4    Restricted Funds	451,300	439,200
5    TOTAL	17,351,300	14,818,500

6       **(1) Kentucky Agricultural Finance Corporation:** Notwithstanding KRS  
7 247.978(2), the total amount of principal which a qualified applicant may owe the  
8 Kentucky Agricultural Finance Corporation at any one time shall not exceed \$5,000,000.

9       **(2) Tobacco Settlement Funds - Allocations:** Notwithstanding KRS 248.711(2),  
10 and from the allocation provided therein, counties that are allocated in excess of \$20,000  
11 annually may provide up to four percent of the individual county allocation, not to exceed  
12 \$15,000 annually, to the county council in that county for administrative costs.

13       **(3) Agricultural Development Appropriations:** Notwithstanding KRS  
14 248.703(1), included in the above General Fund (Tobacco) appropriation is \$14,278,000  
15 in fiscal year 2012-2013 and \$14,083,600 in fiscal year 2013-2014 for the counties  
16 account as specified in KRS 248.703(1)(a).

17       **(4) Appropriation of Unexpended Tobacco Debt Service:** Any unexpended  
18 balance from the fiscal year 2011-2012 General Fund (Tobacco) debt service  
19 appropriation in the Finance and Administration Cabinet, Debt Service budget unit, shall  
20 continue and be appropriated to the Governor's Office for Agricultural Policy in fiscal  
21 year 2012-2013.

22   **7. KENTUCKY INFRASTRUCTURE AUTHORITY**

	<b>2012-13</b>	<b>2013-14</b>
23		
24    General Fund	1,385,800	1,551,300
25    Restricted Funds	34,116,600	34,141,000
26    Federal Funds	29,345,200	29,316,400
27    TOTAL	64,847,600	65,008,700

1       **(1) Debt Service:** Included in the above General Fund appropriation is \$163,500  
 2 in fiscal year 2013-2014 for new debt service to support new bonds as set forth in Part II,  
 3 Capital Projects Budget, of this Act.

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

8       **8. MILITARY AFFAIRS**

	2012-13	2013-14
10       General Fund	8,513,600	8,674,700
11       Restricted Funds	41,234,900	41,296,300
12       Federal Funds	42,842,600	43,114,400
13       TOTAL	92,591,100	93,085,400

14       **(1) Kentucky National Guard:** There is appropriated from the General Fund the  
 15 necessary funds to be expended, subject to the conditions and procedures provided in this  
 16 Act, which are required as a result of the Governor's declaration of emergency pursuant to  
 17 KRS Chapter 39A, and the Governor's call of the Kentucky National Guard to active duty  
 18 when an emergency or exigent situation has been declared to exist by the Governor.  
 19 These necessary funds shall be made available from the General Fund Surplus Account  
 20 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

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

27       **(3) Residential Youth-at-Risk Program:** Included in the above Restricted Funds



1 appropriation is \$400,000 in each fiscal year to support the Bluegrass Challenge Academy  
 2 and \$400,000 in each fiscal year to support the Appalachian Youth Challenge Academy.

3 **9. COMMISSION ON HUMAN RIGHTS**

	<b>2012-13</b>	<b>2013-14</b>
4		
5 General Fund	1,616,100	1,648,700
6 Federal Funds	233,600	233,600
7 TOTAL	1,849,700	1,882,300

8 **10. COMMISSION ON WOMEN**

	<b>2012-13</b>	<b>2013-14</b>
9		
10 General Fund	206,400	212,400
11 Restricted Funds	800	900
12 TOTAL	207,200	213,300

13 **11. DEPARTMENT FOR LOCAL GOVERNMENT**

	<b>2012-13</b>	<b>2013-14</b>
14		
15 General Fund	7,743,300	7,932,100
16 Restricted Funds	200,000	200,000
17 Federal Funds	38,393,100	33,486,800
18 TOTAL	46,336,400	41,618,900

19 **(1) Debt Service:** Included in the above General Fund appropriation is \$88,000 in  
 20 fiscal year 2013-2014 for new debt service to support new bonds as set forth in Part II,  
 21 Capital Projects Budget, of this Act.

22 **(2) Support of the 12 Multi-County Regional Industrial Park Authorities:**  
 23 Included in the above Restricted Funds appropriation is \$200,000 in each fiscal year in  
 24 support of the 12 multi-county regional industrial park authorities. Funds shall be  
 25 distributed equally to the 12 multi-county regional industrial park authorities for  
 26 marketing and maintenance of the industrial parks and the procurement of property and  
 27 casualty insurance on the parks.

1       **(3) Area Development District Funding:** Included in the above General Fund  
2 appropriation is \$2,325,600 in each fiscal year for the Joint Funding Administration  
3 Program in support of the Area Development Districts.

4 **12. LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND**

	2012-13	2013-14
6       General Fund	73,792,800	76,786,400

7 **13. LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND**

	2012-13	2013-14
9       General Fund	75,276,500	80,498,600

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

14       **(2) Kentucky Workers' Compensation Funding Commission:**  
15 Notwithstanding KRS 342.122(1)(c), no General Fund appropriation is provided to the  
16 Kentucky Workers' Compensation Funding Commission in fiscal year 2012-2013 and  
17 fiscal year 2013-2014.

18       **(3) Osteopathic Medicine Scholarship Program:** The transfer of moneys from  
19 the General Fund to the Local Government Economic Development Fund shall be made  
20 after the transfer to the Osteopathic Medicine Scholarship Program has been made  
21 pursuant to KRS 164.7891(11) and (12) in the amount of \$872,500 in each fiscal year  
22 within the Kentucky Higher Education Assistance Authority.

23       **(4) Trover Clinic Grant:** Notwithstanding KRS 42.4582 and 42.4585, the  
24 quarterly calculation and transfer of the funds shall be made only after each quarterly  
25 installment of the annual appropriation of \$1,000,000 in each fiscal year has been credited  
26 to the Trover Clinic Grant within the Department for Local Government.

27       **(5) School Facilities Construction Commission - 2002-2004:** Notwithstanding

1 KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing  
 2 counties through the Local Government Economic Development Fund shall be made only  
 3 after each quarterly installment of the annual appropriation of \$4,617,900 in each fiscal  
 4 year is appropriated as General Fund moneys to the School Facilities Construction  
 5 Commission budget unit to provide debt service to support previously authorized bonds  
 6 authorized in 2003 Ky. Acts ch. 156.

7 **(6) Water and Sewer Resources Development Fund for Coal-Producing**  
 8 **Counties - 2002-2004:** Notwithstanding KRS 42.4592, the quarterly calculation of the  
 9 allocation of moneys to coal-producing counties through the Local Government  
 10 Economic Development Fund shall be made only after each quarterly installment of the  
 11 annual appropriation of \$4,091,400 in each fiscal year is appropriated as General Fund  
 12 moneys to the Finance and Administration Cabinet, Debt Service budget unit, to provide  
 13 debt service to support previously authorized bonds for the Water and Sewer Resources  
 14 Development Fund for Coal-Producing Counties authorized in 2003 Ky. Acts ch. 156.

15 **(7) KIA Infrastructure for Economic Development Fund for Coal-Producing**  
 16 **Counties - 2004-2006:** Notwithstanding KRS 42.4592, the quarterly calculation of the  
 17 allocation of moneys to coal-producing counties through the Local Government  
 18 Economic Development Fund shall be made only after each quarterly installment of the  
 19 annual appropriation of \$694,200 in each fiscal year is appropriated as General Fund  
 20 moneys to the Finance and Administration Cabinet, Debt Service budget unit, to provide  
 21 debt service to support a portion of the previously authorized bonds for the KIA  
 22 Infrastructure for Economic Development Fund for Coal-Producing Counties authorized  
 23 in 2005 Ky. Acts ch. 173.

24 **(8) Infrastructure for Economic Development Fund for Coal-Producing**  
 25 **Counties - 2006-2008:** Notwithstanding KRS 42.4592, the quarterly calculation of the  
 26 allocation of moneys to coal-producing counties through the Local Government  
 27 Economic Development Fund shall be made only after each quarterly installment of the

1 annual appropriation of \$8,562,300 in each fiscal year is appropriated as General Fund  
2 moneys to the Finance and Administration Cabinet, Debt Service budget unit, to provide  
3 debt service to support previously authorized bonds for the Infrastructure for Economic  
4 Development Fund for Coal-Producing Counties authorized in 2006 Ky. Acts ch. 252.

5 **(9) Infrastructure for Economic Development Fund for Coal-Producing**  
6 **Counties - 2008-2010:** Notwithstanding KRS 42.4592, the quarterly calculation of the  
7 allocation of moneys to coal-producing counties through the Local Government  
8 Economic Development Fund shall be made only after each quarterly installment of the  
9 annual appropriation of \$7,538,000 in each fiscal year is appropriated as General Fund  
10 moneys to the Finance and Administration Cabinet, Debt Service budget unit, to provide  
11 debt service to support previously authorized bonds for the Infrastructure for Economic  
12 Development Fund for Coal-Producing Counties authorized in 2008 Ky. Acts ch. 127.

13 **(10) Read to Achieve:** Notwithstanding KRS 42.4592, the quarterly calculation of  
14 the allocation of moneys to coal-producing counties through the Local Government  
15 Economic Development Fund shall be made only after each quarterly installment of the  
16 annual appropriation of \$3,000,000 in each fiscal year is appropriated as General Fund  
17 moneys to the Learning and Results Services budget unit for the Read to Achieve  
18 Program within the Department of Education.

19 **(11) Robinson Scholars Program:** Notwithstanding KRS 42.4592, the quarterly  
20 calculation of the allocation of moneys to coal-producing counties through the Local  
21 Government Economic Development Fund shall be made only after each quarterly  
22 installment of the annual appropriation of \$1,000,000 in each fiscal year is appropriated  
23 as General Fund moneys to the University of Kentucky budget unit for the Robinson  
24 Scholars Program.

25 **(12) Kentucky Infrastructure Authority:** Notwithstanding KRS 42.4592, the  
26 quarterly calculation of the allocation of moneys to coal-producing counties through the  
27 Local Government Economic Development Fund shall be made only after each quarterly

1 installment of the annual appropriation of \$370,000 in each fiscal year is appropriated as  
2 General Fund moneys to the Kentucky Infrastructure Authority budget unit.

3 **(13) Department for Local Government:** Notwithstanding KRS 42.4592, the  
4 quarterly calculation of the allocation of moneys to coal-producing counties through the  
5 Local Government Economic Development Fund shall be made only after each quarterly  
6 installment of the annual appropriation of \$669,700 in each fiscal year is appropriated as  
7 General Fund moneys to the Department for Local Government budget unit.

8 **(14) Mining Engineering Scholarship Program:** Notwithstanding KRS 42.4592,  
9 the quarterly calculation of the allocation of moneys to coal-producing counties through  
10 the Local Government Economic Development Fund shall be made only after each  
11 quarterly installment of the annual appropriation of \$300,000 in each fiscal year is  
12 appropriated as General Fund moneys to the University of Kentucky budget unit for the  
13 Mining Engineering Scholarship Program.

14 **(15) School Technology in Coal Counties:** Notwithstanding KRS 42.4592, the  
15 quarterly calculation of the allocation of moneys to coal-producing counties through the  
16 Local Government Economic Development Fund shall be made only after each quarterly  
17 installment of the annual appropriation of \$2,500,000 in each fiscal year is appropriated  
18 as General Fund moneys to the Operations and Support Services budget unit within the  
19 Department of Education for the purpose of enhancing education technology in local  
20 school districts within coal-producing counties.

21 **(16) Mine Safety:** Notwithstanding KRS 42.4592, the final quarterly calculation of  
22 the allocation of moneys to coal-producing counties through the Local Government  
23 Economic Development Fund shall be made only after funds totaling \$952,000 in fiscal  
24 year 2011-2012 are appropriated to the Office of Mine Safety and Licensing, Natural  
25 Resources budget unit. Notwithstanding KRS 42.4592, the final quarterly calculation of  
26 the allocation of moneys to coal-producing counties through the Local Government  
27 Economic Development Fund shall be made only after each quarterly installment of the

1 annual appropriation of \$7,552,000 in each fiscal year is appropriated as General Fund  
2 moneys to the Office of Mine Safety and Licensing, Natural Resources budget unit.

3 **(17) Save the Children:** Notwithstanding KRS 42.4592, the quarterly calculation  
4 of the allocation of moneys to coal-producing counties through the Local Government  
5 Economic Development Fund shall be made only after each quarterly installment of the  
6 annual appropriation of \$500,000 in fiscal year 2013-2014 is appropriated as General  
7 Fund moneys to the Department of Education budget unit for the Save the Children  
8 Program.

9 **(18) KIA Infrastructure for Economic Development Fund for Coal-Producing**  
10 **Counties - 2004-2006:** Notwithstanding KRS 42.4588, funds totaling \$5,778,500 in each  
11 fiscal year shall be transferred from the Local Government Economic Development Fund,  
12 Multi-County Fund, to the General Fund to be used by the Finance and Administration  
13 Cabinet, Debt Service budget unit, to support a portion of the previously authorized  
14 bonds for the Infrastructure for Economic Development Fund for Coal-Producing  
15 Counties authorized in 2005 Ky. Acts ch. 173.

16 **(19) Drug Courts:** Notwithstanding KRS 42.4588, \$1,800,000 in each fiscal year  
17 shall be transferred from the Local Government Economic Development Fund, Multi-  
18 County Fund, to the Drug Court Program in the Office of Drug Control Policy, Justice  
19 Administration budget unit.

20 **(20) Operation Unite:** Notwithstanding KRS 42.4588, funds totaling \$2,000,000  
21 in each fiscal year shall be transferred from the Local Government Economic  
22 Development Fund, Multi-County Fund, to the Office of Drug Control Policy, Justice  
23 Administration budget unit, for Operation Unite in relation to the Federal Task Force on  
24 Drug Abuse.

25 **(21) Energy Research and Development Fund:** (a) Notwithstanding KRS  
26 42.4588, \$3,500,000 in each fiscal year shall be transferred from the Local Government  
27 Economic Development Fund, Multi-County Fund, to the Energy Development and

1 Independence budget unit. These funds shall be used, except as specified in paragraph (b)  
2 and (c) of this subsection, for research projects relating to clean coal, new combustion  
3 technology, thin-seam coal extraction safety, tracking and communication devices, coal  
4 slurry disposal, synthetic natural gas produced from coal through gasification processes,  
5 and the development of alternative transportation fuels produced by processes that  
6 convert coal or biomass resources or extract oil from oil shale, and other coal research  
7 and shall be targeted solely to Kentucky's Local Government Economic Development  
8 Fund-eligible counties. The Department for Energy Development and Independence shall  
9 coordinate its efforts with those of Kentucky's universities and related Kentucky  
10 Community and Technical College System programs in order to maximize Kentucky's  
11 opportunities for federal funding and receive research grants and awards from federal and  
12 other sources of funding for the development of clean coal technology, coal-to-liquid-fuel  
13 conversion, alternate transportation fuels, and biomass energy resources.

14 (b) Included in the Restricted Funds appropriation in paragraph (a) of this  
15 subsection is \$1,000,000 in each fiscal year which shall not be expended unless matched  
16 with federal or private funds for the purpose of supporting research and development  
17 activities at the University of Kentucky Center for Applied Energy Research.

18 (c) Included in the Restricted Funds appropriation in paragraph (a) of this  
19 subsection is \$350,000 in fiscal year 2012-2013 which shall be transferred to the  
20 University of Kentucky Mining Engineering Program to be used for the development of  
21 an underground laboratory for developing, testing, and improving all aspects of mining  
22 technologies.

23 **(22) Support of the 12 Multi-County Regional Industrial Park Authorities:**  
24 Notwithstanding KRS 42.4588, funds totaling \$200,000 in each fiscal year shall be  
25 transferred from the Local Government Economic Development Fund, Multi-County  
26 Fund, to the Department for Local Government budget unit to be distributed equally to  
27 the 12 multi-county regional industrial park authorities located in coal counties to be used

1 for marketing and maintenance of the industrial parks and for procurement of property  
2 and casualty insurance on the parks.

3 **(23) Mine Safety, Licensing, and Mapping Application:** Notwithstanding KRS  
4 42.4588, funds totaling \$972,000 in fiscal year 2012-2013 shall be transferred from the  
5 Local Government Economic Development Fund, Multi-County Fund, to the Mine  
6 Safety, Licensing, and Mapping Application capital project, Natural Resources budget  
7 unit, as set forth in Part II, Capital Projects Budget, of this Act.

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

12 **(25) Parameters for County Flexibility:** (a) Notwithstanding KRS 42.4588(2),  
13 Local Government Economic Development Fund allocations, except as provided in  
14 paragraph (b) of this subsection, may be used to support nonrecurring investments in  
15 public health and safety, economic development, public infrastructure, information  
16 technology development and access, and public water and wastewater development, with  
17 the concurrence of both the respective fiscal court and the Department for Local  
18 Government or the Kentucky Infrastructure Authority, as appropriate.

19 ~~[(b) Grants from funds provided for in KRS 42.4592(1)(c) shall be used only for the~~  
20 ~~purposes provided for in KRS 42.4588(2).]~~

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

24 **(27) Kentucky Coal Fields College Completion Program:** If House Bill 260 of  
25 the 2012 Regular Session of the General Assembly becomes law, then notwithstanding  
26 KRS 42.4588, \$8,000,000 in each fiscal year shall be transferred from the Local  
27 Government Economic Development Fund, Multi-County Fund, to the Coal Fields



1 College Completion Grant Fund within the Kentucky Higher Education Assistance  
 2 Authority and \$750,000 in each fiscal year shall be transferred from the Local  
 3 Government Economic Development Fund, Multi-County Fund, to the Coal Fields  
 4 College Completion Student Services Grant Fund within the Kentucky Higher Education  
 5 Assistance Authority.

6 **(28) Leslie County Veterans' Cemetery:** Notwithstanding KRS 42.4588,  
 7 \$2,000,000 in fiscal year 2012-2013 shall be transferred from the Local Government  
 8 Economic Development Fund, Multi-County Fund, to the Leslie County Fiscal Court for  
 9 the veterans' cemetery in Leslie County.

10 **(29) Utility Rates:** Notwithstanding KRS 42.4588, funds totaling \$200,000 in  
 11 fiscal year 2012-2013 shall be transferred from the Local Government Economic  
 12 Development Fund, Multi-County Fund, to the Public Service Commission and shall be  
 13 used to retain a consultant to study the impact of utility rates on the aluminum smelting  
 14 industry in the Commonwealth as it relates to the industry's impact on employment, and  
 15 energy efficiency opportunities within the aluminum smelting industry in the  
 16 Commonwealth. The Public Service Commission shall report the results of the study to  
 17 the Interim Special Subcommittee on Energy no later than October 31, 2012.

18 **(30) Lexington Downtown Redevelopment Project:** Notwithstanding KRS  
 19 42.4588, funds totaling \$1,250,000 in each fiscal year shall be transferred from the Local  
 20 Government Economic Development Fund, Multi-County Fund, to the Lexington  
 21 Downtown Redevelopment Planning and Design capital project, Finance and  
 22 Administration Cabinet, General Administration budget unit, as set forth in Part II,  
 23 Capital Projects Budget, of this Act. These funds shall be used exclusively for the  
 24 planning and design of the renovation of Rupp Arena. These funds shall not be expended  
 25 unless matching funds are provided on a dollar-for-dollar basis.

26 **14. AREA DEVELOPMENT FUND**

27

**2012-13**

**2013-14**



1 of the Secretary of State.

2 ~~{(2) One Stop Business Portal: Notwithstanding KRS 14.250, the Kentucky~~  
 3 ~~Business One Stop Commission and the Kentucky Business One Stop Office shall be~~  
 4 ~~administratively attached to the Office of the Secretary of State. The Office of the~~  
 5 ~~Secretary of State shall have oversight of the One Stop Business Portal.]~~

6 **17. BOARD OF ELECTIONS**

	2012-13	2013-14
8 General Fund	3,907,900	2,514,600
9 Restricted Funds	120,000	120,000
10 Federal Funds	5,305,500	5,305,500
11 TOTAL	9,333,400	7,940,100

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

16 **(2) Cost of Elections:** Notwithstanding KRS 116.145, the State Board of  
 17 Elections shall set a rate for the fee for new voter registration paid to the county clerks  
 18 within the available appropriated resources. The State Board of Elections shall also set a  
 19 fixed rate for the expenses outlined in KRS 117.343 within the available appropriated  
 20 resources. Notwithstanding KRS 117.345(2), the State Board of Elections shall set a rate  
 21 for the expenses outlined in KRS 117.345(2) for precincts with a voting machine within  
 22 the available appropriated resources, not to exceed \$300 per precinct per election. These  
 23 rates and all assumptions as to the number of precincts, registered voters, and new voter  
 24 registrations shall be communicated to the Secretary of the Finance and Administration  
 25 Cabinet and the State Budget Director by November 1, 2012, for fiscal year 2012-2013  
 26 and by November 1, 2013, for fiscal year 2013-2014.

27 Costs associated with special elections, KRS 117.345(2) costs associated with

1 additional precincts with a voting machine, KRS 117.343 costs for additional registered  
 2 voters, and KRS 116.145 costs for additional new registered voters shall be deemed a  
 3 necessary government expense and shall be paid from the General Fund Surplus Account  
 4 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). Any  
 5 reimbursements authorized as a necessary government expense according to the above  
 6 provisions shall be at the same rates as those established by the State Board of Elections  
 7 as provided in the above paragraph.

8 **18. REGISTRY OF ELECTION FINANCE**

	2012-13	2013-14
10 General Fund	1,146,900	1,168,600

11 **19. ATTORNEY GENERAL**

	2012-13	2013-14
13 General Fund	10,084,300	10,292,300
14 Restricted Funds	13,087,500	12,647,100
15 Federal Funds	2,378,100	2,378,100
16 TOTAL	25,549,900	25,317,500

17 **(1) Expert Witnesses:** In addition to such funds as may be appropriated, the  
 18 Office of the Attorney General may request from the Finance and Administration Cabinet,  
 19 as a necessary government expense, such funds as may be necessary for expert witnesses.  
 20 Upon justification of the request, the Finance and Administration Cabinet shall provide  
 21 up to \$275,000 for the 2012-2014 fiscal biennium for this purpose to the Office of the  
 22 Attorney General. The Department of Insurance shall provide the Office of the Attorney  
 23 General any available information to assist in the preparation of a rate hearing pursuant to  
 24 KRS 304.17A-095. Expenditures under this subsection shall be reported to the Interim  
 25 Joint Committee on Appropriations and Revenue by August 1 of each year.

26 **(2) Annual and Sick Leave Service Credit:** Notwithstanding any statutory or  
 27 regulatory restrictions to the contrary, any former employee of the Unified Prosecutorial

1 System who has been appointed to a permanent full-time position under KRS Chapter  
 2 18A shall be credited annual and sick leave based on service credited under the Kentucky  
 3 Retirement Systems solely for the purpose of computation of sick and annual leave. This  
 4 provision shall only apply to any new appointment or current employee as of July 1,  
 5 1998.

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

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

16 **(5) Operations of the Office of the Attorney General:** Notwithstanding KRS  
 17 367.478(2), 367.805(3), and 367.905(5), funds may be expended in support of the  
 18 operations of the Office of the Attorney General.

19 ~~{(6) National Mortgage Settlement Funds: Notwithstanding KRS 48.005, any~~  
 20 ~~funds received by the Commonwealth from the National Mortgage Settlement shall be~~  
 21 ~~deposited in a restricted account and shall not be expended without appropriation~~  
 22 ~~authority granted by the General Assembly. Receipts under this subsection shall be~~  
 23 ~~reported quarterly to the Interim Joint Committee on Appropriations and Revenue by July~~  
 24 ~~1, October 1, January 1, and April 1 of each year.}~~

25 **(7) Kentucky All Schedule Prescription Electronic Reporting (KASPER):**  
 26 Included in the above Restricted Fund appropriation is \$2,445,000 in fiscal year 2012-  
 27 2013 and \$1,820,000 in fiscal year 2013-2014 for enhancements to the KASPER

1 controlled substance prescription monitoring system as set out in House Bill 4 of the 2012  
2 Regular Session of the General Assembly.

3 **20. UNIFIED PROSECUTORIAL SYSTEM**

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

7 **a. Commonwealth's Attorneys**

8		2011-12	2012-13	2013-14
9	General Fund	243,000	38,867,700	39,630,700
10	Restricted Funds	-0-	1,495,300	1,560,400
11	Federal Funds	-0-	53,800	55,300
12	TOTAL	243,000	40,416,800	41,246,400

13 **b. County Attorneys**

14		2011-12	2012-13	2013-14
15	General Fund	238,000	33,596,300	34,308,200
16	Restricted Funds	-0-	317,400	334,000
17	Federal Funds	45,900	583,300	622,000
18	TOTAL	283,900	34,497,000	35,264,200

19 **TOTAL - UNIFIED PROSECUTORIAL SYSTEM**

20		2011-12	2012-13	2013-14
21	General Fund	481,000	72,464,000	73,938,900
22	Restricted Funds	-0-	1,812,700	1,894,400
23	Federal Funds	45,900	637,100	677,300
24	TOTAL	526,900	74,913,800	76,510,600

25 **21. TREASURY**

26		2012-13	2013-14
27	General Fund	1,725,400	1,766,400

1	Restricted Funds	1,169,300	1,179,500
2	Road Fund	250,000	250,000
3	TOTAL	3,144,700	3,195,900

4 **(1) Unclaimed Property Fund:** Included in the above Restricted Funds  
 5 appropriation is \$1,169,300 in fiscal year 2012-2013 and \$1,179,500 in fiscal year 2013-  
 6 2014 from the Unclaimed Property Fund to provide funding for services performed by the  
 7 Unclaimed Property Division of the Department of the Treasury.

8 **(2) Additional Personnel:** Included in the above Restricted Funds appropriation  
 9 are funds to support one additional full-time position.

10 **22. AGRICULTURE**

	2012-13	2013-14	
11			
12	General Fund	15,815,200	16,089,400
13	Restricted Funds	8,382,600	7,897,200
14	Federal Funds	5,249,400	4,895,900
15	TOTAL	29,447,200	28,882,500

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

21 **(2) County Fair Grants:** Included in the above General Fund appropriation is  
 22 \$500,000 in each fiscal year to support capital improvement grants to the Local  
 23 Agricultural Fair Aid Program.

24 ~~{(3) Farms to Food Banks Program: Included in the above General Fund~~  
 25 ~~appropriation is \$300,000 in each fiscal year to support the Farms to Food Banks program~~  
 26 ~~to benefit both Kentucky farmers and the needy by providing fresh, locally grown~~  
 27 ~~produce to food pantries.]~~

1       **(4) Animal Shelters:** Included in the above General Fund appropriation is  
 2 \$500,000 in each fiscal year to support grants for animal shelter projects.

3       **(5) Use of Restricted Funds:** Notwithstanding KRS 217.570 and 217B.580,  
 4 included in the above Restricted Funds is \$2,000,000 in each fiscal year that may be used  
 5 for the continuation of current activities within the Department of Agriculture.

6       **23. AUDITOR OF PUBLIC ACCOUNTS**

	2012-13	2013-14
7       General Fund	4,401,100	4,479,000
8       Restricted Funds	6,455,600	6,516,700
9       TOTAL	10,856,700	10,995,700

10       **(1) Auditor's Scholarships:** Notwithstanding KRS 43.200, no funding is  
 11 provided for Auditor's scholarships.  
 12

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

18       **(3) Compensatory Leave Conversion to Sick Leave:** If the Auditor of Public  
 19 Accounts determines that internal budgetary pressures warrant further austerity measures,  
 20 the State Auditor may institute a policy to suspend payment of 50-hour blocks of  
 21 compensatory time for those employees who have accumulated 240 hours of  
 22 compensatory time and instead convert those hours to sick leave.

23       **24. PERSONNEL BOARD**

	2012-13	2013-14
24       Restricted Funds	790,900	803,900

25       **(1) Personnel Board Operating Assessment:** Each agency of the Executive  
 26 Branch with employees covered by KRS Chapter 18A shall be assessed each fiscal year  
 27



1 the amount required for the operation of the Personnel Board. The agency assessment  
 2 shall be determined by the Secretary of the Finance and Administration Cabinet based on  
 3 the authorized full-time positions of each agency on July 1 of each year of the biennium.  
 4 The Secretary of the Finance and Administration Cabinet shall collect the assessment.

5 **(2) Special Assessment:** As a result of increased workload or for other reasons in  
 6 the best interest of the State Merit System, the Chairman of the Personnel Board may  
 7 request a special assessment to adequately provide for the financial needs and operations  
 8 of the Personnel Board. Any special assessment for Personnel Board operations shall  
 9 receive the prior approval of the State Budget Director and the Secretary of the Finance  
 10 and Administration Cabinet. Should a special assessment be approved, it shall be  
 11 uniformly implemented with the same procedures as the regular Personnel Board  
 12 Operating Assessment.

### 13 25. KENTUCKY RETIREMENT SYSTEMS

	2012-13	2013-14
14 Restricted Funds	38,245,000	38,855,900

16 **(1) Dependent Subsidy for Retirees - Kentucky Employee Retirement**  
 17 **System:** From July 1, 2012, through June 30, 2014, in addition to the benefits conferred  
 18 under KRS 61.702, the Kentucky Retirement Systems Board of Trustees shall have the  
 19 authority to make the recipients of a nonhazardous monthly retirement allowance eligible  
 20 for the dependent subsidy as provided under the terms established by the State Group  
 21 Health Insurance Program. The dependent subsidy conferred to recipients of a  
 22 nonhazardous monthly retirement allowance shall not be considered as a benefit protected  
 23 by the inviolable contract provisions of KRS 16.652, 61.692, and 78.852.

24 **(2) Dependent Subsidy for Retirees - County Employees Retirement System:**  
 25 From July 1, 2012, through June 30, 2014, in addition to the benefits conferred under  
 26 KRS 61.702, the Kentucky Retirement Systems Board of Trustees shall have the authority  
 27 to make the recipients of a nonhazardous monthly retirement allowance eligible for the

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

5 **26. OCCUPATIONAL AND PROFESSIONAL BOARDS AND**  
 6 **COMMISSIONS**

7 **a. Accountancy**

	<b>2012-13</b>	<b>2013-14</b>
8		
9	519,500	526,400

10 **b. Applied Behavior Analysis Licensing**

	<b>2012-13</b>	<b>2013-14</b>
11		
12	6,000	6,000

13 **c. Certification of Alcohol and Drug Counselors**

	<b>2012-13</b>	<b>2013-14</b>
14		
15	82,200	82,200

16 **d. Architects**

	<b>2012-13</b>	<b>2013-14</b>
17		
18	405,400	411,600

19 **e. Certification for Professional Art Therapists**

	<b>2012-13</b>	<b>2013-14</b>
20		
21	11,200	11,200

22 **f. Auctioneers**

	<b>2012-13</b>	<b>2013-14</b>
23		
24	366,800	372,300

25 **g. Barbering**

	<b>2012-13</b>	<b>2013-14</b>
26		
27	303,200	307,300

1	<b>h. Chiropractic Examiners</b>		
2		<b>2012-13</b>	<b>2013-14</b>
3	Restricted Funds	282,600	286,600
4	<b>i. Dentistry</b>		
5		<b>2012-13</b>	<b>2013-14</b>
6	Restricted Funds	753,000	760,900
7	<b>j. Licensed Diabetes Educators</b>		
8		<b>2012-13</b>	<b>2013-14</b>
9	Restricted Funds	1,000	1,000
10	<b>k. Licensure and Certification for Dietitians and Nutritionists</b>		
11		<b>2012-13</b>	<b>2013-14</b>
12	Restricted Funds	73,900	73,900
13	<b>l. Embalmers and Funeral Directors</b>		
14		<b>2012-13</b>	<b>2013-14</b>
15	Restricted Funds	362,300	368,800
16	<b>m. Licensure for Professional Engineers and Land Surveyors</b>		
17		<b>2012-13</b>	<b>2013-14</b>
18	Restricted Funds	1,215,400	1,234,800
19	<b>n. Certification of Fee-Based Pastoral Counselors</b>		
20		<b>2012-13</b>	<b>2013-14</b>
21	Restricted Funds	3,600	3,600
22	<b>o. Registration for Professional Geologists</b>		
23		<b>2012-13</b>	<b>2013-14</b>
24	Restricted Funds	106,900	106,900
25	<b>p. Hairdressers and Cosmetologists</b>		
26		<b>2012-13</b>	<b>2013-14</b>
27	Restricted Funds	1,286,900	1,305,600

1	<b>q. Specialists in Hearing Instruments</b>		
2		<b>2012-13</b>	<b>2013-14</b>
3	Restricted Funds	81,100	81,100
4	<b>r. Home Inspectors</b>		
5		<b>2012-13</b>	<b>2013-14</b>
6	Restricted Funds	83,800	83,800
7	<b>s. Interpreters for the Deaf and Hard of Hearing</b>		
8		<b>2012-13</b>	<b>2013-14</b>
9	Restricted Funds	45,900	45,900
10	<b>t. Examiners and Registration of Landscape Architects</b>		
11		<b>2012-13</b>	<b>2013-14</b>
12	Restricted Funds	62,600	63,500
13	<b>u. Licensure of Marriage and Family Therapists</b>		
14		<b>2012-13</b>	<b>2013-14</b>
15	Restricted Funds	116,400	116,400
16	<b>v. Licensure for Massage Therapy</b>		
17		<b>2012-13</b>	<b>2013-14</b>
18	Restricted Funds	160,600	160,600
19	<b>w. Medical Licensure</b>		
20		<b>2012-13</b>	<b>2013-14</b>
21	Restricted Funds	2,764,700	2,817,600
22	<b>x. Nursing</b>		
23		<b>2012-13</b>	<b>2013-14</b>
24	Restricted Funds	5,902,900	5,959,700
25	<b>y. Licensure for Nursing Home Administrators</b>		
26		<b>2012-13</b>	<b>2013-14</b>
27	Restricted Funds	61,100	61,100

1	<b>z. Licensure for Occupational Therapy</b>			
2			<b>2012-13</b>	<b>2013-14</b>
3	Restricted Funds		135,200	135,200
4	<b>aa. Ophthalmic Dispensers</b>			
5			<b>2012-13</b>	<b>2013-14</b>
6	Restricted Funds		55,200	55,200
7	<b>ab. Optometric Examiners</b>			
8		<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
9	Restricted Funds	4,300	191,500	193,800
10	<b>ac. Pharmacy</b>			
11			<b>2012-13</b>	<b>2013-14</b>
12	Restricted Funds		1,473,100	1,538,700
13	<b>ad. Physical Therapy</b>			
14			<b>2012-13</b>	<b>2013-14</b>
15	Restricted Funds		407,800	413,100
16	<b>ae. Podiatry</b>			
17			<b>2012-13</b>	<b>2013-14</b>
18	Restricted Funds		24,300	24,300
19	<b>af. Private Investigators</b>			
20			<b>2012-13</b>	<b>2013-14</b>
21	Restricted Funds		101,500	101,500
22	<b>ag. Prosthetics, Orthotics, and Pedorthics</b>			
23			<b>2012-13</b>	<b>2013-14</b>
24	Restricted Funds		9,000	9,000
25	<b>ah. Licensed Professional Counselors</b>			
26			<b>2012-13</b>	<b>2013-14</b>
27	Restricted Funds		154,900	154,900

1	<b>ai. Proprietary Education</b>		
2		<b>2012-13</b>	<b>2013-14</b>
3	Restricted Funds	187,700	187,700
4	<b>aj. Examiners of Psychology</b>		
5		<b>2012-13</b>	<b>2013-14</b>
6	Restricted Funds	236,400	236,400
7	<b>ak. Real Estate Appraisers</b>		
8		<b>2012-13</b>	<b>2013-14</b>
9	Restricted Funds	659,100	665,500
10	<b>al. Real Estate Commission</b>		
11		<b>2012-13</b>	<b>2013-14</b>
12	Restricted Funds	2,008,700	2,041,800
13	<b>am. Respiratory Care</b>		
14		<b>2012-13</b>	<b>2013-14</b>
15	Restricted Funds	193,100	196,100
16	<b>an. Social Work</b>		
17		<b>2012-13</b>	<b>2013-14</b>
18	Restricted Funds	244,400	248,200
19	<b>ao. Speech-Language Pathology and Audiology</b>		
20		<b>2012-13</b>	<b>2013-14</b>
21	Restricted Funds	170,100	170,100
22	<b>ap. Veterinary Examiners</b>		
23		<b>2012-13</b>	<b>2013-14</b>
24	Restricted Funds	277,600	277,600
25	<b>TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND</b>		
26	<b>COMMISSIONS</b>		
27		<b>2011-12</b>	<b>2012-13</b>
			<b>2013-14</b>

1	Restricted Funds	4,300	21,588,600	21,897,900
2	<b>27. KENTUCKY RIVER AUTHORITY</b>			
3			<b>2012-13</b>	<b>2013-14</b>
4	General Fund		242,300	246,400
5	Restricted Funds		6,120,300	4,210,500
6	<b>TOTAL</b>		<b>6,362,600</b>	<b>4,456,900</b>

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

11 **28. SCHOOL FACILITIES CONSTRUCTION COMMISSION**

12			<b>2012-13</b>	<b>2013-14</b>
13	General Fund		99,378,400	106,596,700

14       **(1) Debt Service:** Included in the above General Fund appropriation is  
 15 \$8,437,500 in fiscal year 2013-2014 for new debt service to support bonds as set forth in  
 16 Part II, Capital Projects Budget, of this Act.

17       **(2) Urgent Need School Trust Fund:** The Urgent Need School Trust Fund is  
 18 established in the Finance and Administration Cabinet for the purpose of assisting school  
 19 districts that have urgent and critical construction needs. The Urgent Need School Trust  
 20 Fund shall be administered by the School Facilities Construction Commission. The fund  
 21 may receive state appropriations, contributions, and grants from any source which shall  
 22 be credited to the trust fund and invested until needed. All interest earned on the fund  
 23 shall be retained in the trust fund.

24       **(3) Additional Offers of Assistance:** Notwithstanding KRS 157.611 to 157.640,  
 25 157.650, 157.655, 157.660, and 157.665, the School Facilities Construction Commission  
 26 is authorized to make an additional \$100,000,000 in offers of assistance during the 2012-  
 27 2014 biennium in anticipation of debt service availability during the 2014-2016

1 biennium. No bonded indebtedness based on the above amount is to be incurred during  
 2 the 2012-2014 biennium. No offers shall be made if the interest rate applicable to the debt  
 3 issued by the School Facilities Construction Commission exceeds five and one-half  
 4 percent.

5 ~~[(4) Unexpended Debt Service: Notwithstanding KRS 48.720, any General Fund~~  
 6 ~~moneys appropriated for debt service in fiscal years 2012-2013 and 2013-2014 that are~~  
 7 ~~not expended specifically for debt service shall be transferred to the Budget Reserve Trust~~  
 8 ~~Fund Account (KRS 48.705).]~~

## 9 29. TEACHERS' RETIREMENT SYSTEM

10		2012-13	2013-14
11	General Fund	244,670,100	299,692,100
12	Restricted Funds	12,030,300	12,030,300
13	TOTAL	256,700,400	311,722,400

14 **(1) State Medical Insurance Fund Financing:** Notwithstanding KRS 161.420  
 15 and 161.550, a portion of the state employer contribution in a sufficient amount shall be  
 16 allocated to the Teachers' Retirement System Medical Insurance Fund instead of the State  
 17 Accumulation Fund.

18 **(2) Dependent Subsidy for Retirees Under Age 65:** Notwithstanding KRS  
 19 161.675(4)(a) and (b), from July 1, 2012, through June 30, 2014, for all retirees under the  
 20 age of 65 who participate in the Kentucky Group Health Insurance Program through the  
 21 Kentucky Teachers' Retirement System, the Kentucky Teachers' Retirement System  
 22 Board of Trustees shall have the authority to pay the same dependent subsidy that  
 23 Executive Branch agencies pay for their active employees who have similar coverage.  
 24 The dependent subsidy is not subject to KRS 161.714.

25 **(3) Authorization of Funding Notes for Medical Insurance Fund:** Funding  
 26 notes are authorized in an amount not to exceed \$152,400,400 in fiscal year 2012-2013 to  
 27 finance obligations owed under KRS 161.550(2), to be issued by the Kentucky



1 Asset/Liability Commission. Included in the above General Fund appropriation is  
2 \$21,458,000 in debt service in fiscal year 2013-2014 for the notes. Included in the above  
3 General Fund appropriation is \$103,350,800 in fiscal year 2012-2013 and \$103,331,200  
4 in fiscal year 2013-2014 for debt service on previously issued notes.

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

8 **(5) Administrative Costs:** In accordance with KRS 161.420, in each fiscal year  
9 an amount not greater than four percent of the receipts of the state accumulation fund  
10 shall be set aside into the expense fund or expended for the administration of the  
11 retirement system.

12 **(6) Amortization of Sick Leave:** Included in the above General Fund  
13 appropriation is \$4,190,000 in fiscal year 2012-2013 and \$8,630,400 in fiscal year 2013-  
14 2014 to provide the cost of amortizing the requirements of KRS 161.155, relating to sick  
15 leave, for members retiring during the 2012-2014 biennium.

16 **(7) Supplemental Health Insurance Funding:** Notwithstanding KRS  
17 161.675(4)(a) and (b), included in the above General Fund appropriation is \$50,000 in  
18 each fiscal year to enable the retirement system to provide a subsidy from July 1, 2012,  
19 through June 30, 2014, for those retired state members over age 65 that insure their  
20 spouses under age 65 through the state health insurance plan. The amount of the subsidy  
21 for those over age 65 shall not exceed the amount of the subsidy for members under age  
22 65 that choose couple, family, or parent plus coverage. The spousal subsidy is not subject  
23 to KRS 161.714.

24 **(8) Contribution for Retiree Medical Insurance:** It is the intent of the General  
25 Assembly that operating costs not be supported with debt financing; therefore, included in  
26 the above General Fund appropriation is \$38,700,000 in fiscal year 2013-2014 to support  
27 the state's contribution for the cost of retiree health insurance for members not eligible for

1 Medicare, who have retired since July 1, 2010, pursuant to KRS 161.550.

2 **30. APPROPRIATIONS NOT OTHERWISE CLASSIFIED**

3	2012-13	2013-14
4	General Fund	5,290,900
		5,290,900

5 **(1) Funding Sources for Appropriations Not Otherwise Classified:** Funds  
 6 required to pay the costs of items included within Appropriations Not Otherwise  
 7 Classified are appropriated. Any required expenditure over the above amounts is to be  
 8 paid first from the General Fund Surplus Account (KRS 48.700), if available, or from any  
 9 available balance in either the Judgments budget unit appropriation or the Budget Reserve  
 10 Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in  
 11 this Act.

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

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

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

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

1           **(5) Police Officer, Firefighter, and Active Duty National Guard and Reserve**  
 2 **Survivor Benefits:** Funds are appropriated for payment of benefits for state and local  
 3 police officers, firefighters, and active duty National Guard and Reserve members in  
 4 accordance with KRS 61.315 and 95A.070.

5 **31. JUDGMENTS**

	2012-13	2013-14
7       General Fund	-0-	-0-

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

9 **Appropriation Balance:** The above appropriation is for the payment of judgments as  
 10 may be rendered against the Commonwealth by courts and orders of the State Personnel  
 11 Board and, where applicable, shall be subject to the provisions of KRS Chapter 45, and  
 12 for the payment of medical malpractice judgments against the University of Kentucky and  
 13 the University of Louisville in accordance with KRS 164.892 and 164.941, and for the  
 14 payment of judgments, audit adjustments, and excess billings to federal programs related  
 15 to transfers from statewide internal service funds to the General Fund authorized in prior  
 16 appropriations acts. Funds required to pay the costs of items included within the  
 17 Judgments are appropriated, and any required expenditure over the above amounts is to  
 18 be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from  
 19 the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and  
 20 procedures provided in this Act.

21 **TOTAL - GENERAL GOVERNMENT**

	2011-12	2012-13	2013-14
23       General Fund (Tobacco)	-0-	18,850,600	16,291,800
24       General Fund	481,000	656,766,600	724,754,300
25       Restricted Funds	4,300	223,965,200	228,038,000
26       Federal Funds	45,900	133,961,700	124,492,100
27       Road Fund	-0-	500,000	500,000

1 TOTAL 531,200 1,034,044,100 1,094,076,200

2 **B. ECONOMIC DEVELOPMENT CABINET**

3 **Budget Units**

4 **1. SECRETARY**

	<b>2012-13</b>	<b>2013-14</b>
5 General Fund	12,890,600	12,966,300
6 Restricted Funds	595,600	570,500
7 TOTAL	13,486,200	13,536,800

8 **(1) Funding for Commercialization and Innovation:** Notwithstanding KRS  
 9 154.12-278, interest income earned on the balances in the High-Tech  
 10 Construction/Investment Pool and loan repayments received by the High-Tech  
 11 Construction/Investment Pool shall be used to support the Office of Commercialization  
 12 and Innovation and are appropriated in addition to amounts appropriated above.

13 **(2) Louisville Waterfront Development Corporation:** Included in the above  
 14 General Fund appropriation is \$420,800 in fiscal year 2012-2013 and \$420,800 in fiscal  
 15 year 2013-2014 for the Louisville Waterfront Development Corporation.

16 ~~{(3) Allen County Industrial Authority Grant: Included in the above General Fund  
 17 appropriation is \$1,000,000 in fiscal year 2012-2013 for a grant to the Allen County  
 18 Industrial Authority to support construction of a storage facility for the benefit of the J.M.  
 19 Smucker Company.}~~

20 ~~{(4) Kentucky Innovation and Commercialization Center Program: The Kentucky  
 21 Innovation and Commercialization Center Program authorized in KRS 154.12-305 shall  
 22 remain open for the 2012-2014 fiscal biennium. Included in the above General Fund  
 23 appropriation are sufficient funds to support the six Innovation and Commercialization  
 24 Centers and seven Satellite Innovation Centers.}~~

25 **(5) Northern Kentucky Waterfront Development:** Included in the above  
 26 General Fund appropriation is \$150,000 in each fiscal year to be used jointly by the  
 27

1 Campbell County Fiscal Court and the Kenton County Fiscal Court for development of  
 2 the riverfront.

3 **2. BUSINESS DEVELOPMENT**

	<b>2012-13</b>	<b>2013-14</b>
4		
5 General Fund	3,083,600	3,123,400
6 Restricted Funds	152,500	125,000
7 Federal Funds	106,900	-0-
8 <b>TOTAL</b>	<b>3,343,000</b>	<b>3,248,400</b>

9 **3. FINANCIAL INCENTIVES**

	<b>2012-13</b>	<b>2013-14</b>
10		
11 General Fund	3,028,600	3,041,400
12 Restricted Funds	1,568,200	1,595,000
13 Federal Funds	7,848,100	111,700
14 <b>TOTAL</b>	<b>12,444,900</b>	<b>4,748,100</b>

15 **(1) Lapse and Carry Forward of General Fund Appropriation Balance for**  
 16 **Bluegrass State Skills Corporation:** Notwithstanding KRS 45.229, the General Fund  
 17 appropriation balance for Bluegrass State Skills Corporation training grants for fiscal year  
 18 2011-2012 shall not lapse and shall carry forward. Notwithstanding KRS 45.229, the  
 19 General Fund appropriation balance for Bluegrass State Skills Corporation training grants  
 20 in excess of \$9,500,000 for fiscal year 2012-2013, shall not lapse and shall carry forward.  
 21 The amount available to the Corporation for disbursement in each fiscal year shall be  
 22 limited to the unexpended training grant allotment balance at the end of fiscal year 2011-  
 23 2012 combined with the additional training grant allotment amounts for each fiscal year  
 24 of the 2012-2014 biennium, less any disbursements. If the required disbursements exceed  
 25 the Bluegrass State Skills Corporation training grants allotment balance, less the required  
 26 lapse, funds shall be appropriated from the General Fund Surplus Account (KRS 48.700)  
 27 or the Budget Reserve Trust Fund Account (KRS 48.705).

1 **TOTAL - ECONOMIC DEVELOPMENT CABINET**

2		2012-13	2013-14
3	General Fund	19,002,800	19,131,100
4	Restricted Funds	2,316,300	2,290,500
5	Federal Funds	7,955,000	111,700
6	TOTAL	29,274,100	21,533,300

7 **C. DEPARTMENT OF EDUCATION**8 **Budget Units**9 **1. OPERATIONS AND SUPPORT SERVICES**

10		2012-13	2013-14
11	General Fund	46,509,600	46,604,400
12	Restricted Funds	8,784,300	8,870,700
13	Federal Funds	270,143,600	267,264,800
14	TOTAL	325,437,500	322,739,900

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

19 **(2) Employment of Leadership Personnel:** Notwithstanding KRS 18A.005 to  
20 18A.200, the Kentucky Board of Education shall continue to have sole authority to  
21 determine the employees of the Department of Education who are exempt from the  
22 classified service and to set those employees' compensation comparable to the  
23 competitive market.

24 **(3) School Technology in Coal Counties:** Notwithstanding KRS 42.4588(2) and  
25 (4), included in the above General Fund appropriation is \$2,500,000 in each fiscal year  
26 from the Local Government Economic Development Fund for the purpose of enhancing  
27 education technology in local school districts within coal-producing counties. The

1 Commissioner of Education shall use the appropriation in this subsection to continue the  
 2 Coal County Computing program in conjunction with the Cabinet for Economic  
 3 Development through its Department of Commercialization and Innovation.

4 **(4) Education Technology Program:** Included in the above General Fund  
 5 appropriation is \$16,399,500 in each fiscal year for the Education Technology Program.

6 ~~[(5) Statewide IT Academy: Included in the above General Fund appropriation is  
 7 \$800,000 in each fiscal year for the Statewide IT Academy. Funding for this  
 8 appropriation shall not come from the Education Technology Program.]~~

9 **2. LEARNING AND RESULTS SERVICES**

	2012-13	2013-14
11 General Fund	880,437,400	893,553,400
12 Restricted Funds	2,941,500	2,943,000
13 Federal Funds	511,485,100	490,624,000
14 TOTAL	1,394,864,000	1,387,120,400

15 **(1) Funding for Employer Health and Life Insurance:** If the costs for health  
 16 insurance or life insurance coverage for employees of local school districts exceed the  
 17 levels of appropriated funds, any unexpended Support Education Excellence in Kentucky  
 18 (SEEK) appropriations may be used to offset the unbudgeted costs. Any transfer shall be  
 19 subject to approval of the Governor upon the written recommendation of the State Budget  
 20 Director pursuant to the written request of the Commissioner of Education. The per-  
 21 month, per-employee administrative assessment shall be remitted to the Personnel  
 22 Cabinet by the Department of Education from the General Fund appropriation for local  
 23 school district health and life insurance.~~[ If SEEK funds are not required under the  
 24 provisions of this subsection, the excess SEEK appropriation shall be transferred to the  
 25 Budget Reserve Trust Fund (KRS 48.705) pursuant to Part I, C., 3., (18) of this Act.]~~

26 **(2) Kentucky Education Technology System:** The School for the Deaf and the  
 27 School for the Blind shall be fully eligible, along with local school districts, to participate

1 in the Kentucky Education Technology System in a manner that takes into account the  
2 special needs of the students of these two schools.

3 **(3) Family Resource and Youth Services Centers:** Funds appropriated to  
4 establish and support Family Resource and Youth Services Centers shall be transferred in  
5 fiscal year 2012-2013 and in fiscal year 2013-2014 to the Cabinet for Health and Family  
6 Services consistent with KRS 156.497. The Cabinet for Health and Family Services is  
7 authorized to use, for administrative purposes, no more than three percent of the total  
8 funds transferred from the Department of Education for the Family Resource and Youth  
9 Services Centers. If a certified person is employed as a director or coordinator of a Family  
10 Resource and Youth Services Center, that person shall retain his or her status as a  
11 certified employee of the school district.

12 If 70 percent or more of the funding level provided by the state is utilized to support  
13 the salary of the director of a center, that center shall provide a report to the Cabinet for  
14 Health and Family Services identifying the salary of the director. The Cabinet for Health  
15 and Family Services shall transmit any reports received from Family Resource and Youth  
16 Services Centers pursuant to this paragraph to the Legislative Research Commission.

17 **(4) Health Insurance:** Included in the above General Fund appropriation is  
18 \$627,068,000 in fiscal year 2012-2013 and \$639,568,000 in fiscal year 2013-2014 for  
19 employer contributions for health insurance and the contribution to the health  
20 reimbursement account for employees waiving coverage.

21 **(5) Program Flexibility:** Notwithstanding KRS 157.226(2) and (3), 157.3175(3)  
22 and (4), and 160.345(8) with regard to the state allocation, four programs (Professional  
23 Development, Extended School Services, instructional materials, and Safe Schools) shall  
24 continue to permit the state and local school districts additional flexibility in the  
25 distribution of program funds while still addressing the governing statutes and serving the  
26 need and the intended student population. Notwithstanding KRS 157.226(2) and (3),  
27 157.3175(3) and (4), and 160.345(8) with regard to the state allocation, local school



1 districts may use funds from the Professional Development, Extended School Services,  
2 instructional materials, and Safe Schools programs to supplement the Preschool program  
3 in fiscal year 2012-2013 and in fiscal year 2013-2014.

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

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

18 **(8) Coordination With Head Start:** Each local district shall work with Head  
19 Start and other existing preschool programs to avoid duplication of services and  
20 programs, to avoid supplanting federal funds, and to maximize Head Start funds in order  
21 to serve as many four-year-old children as possible, and shall maintain certification from  
22 the Head Start director that the Head Start Program is fully utilized. If a local district fails  
23 to comply with the requirements of this subsection, the Commissioner of Education shall  
24 withhold preschool funding for an amount equal to the number of Head Start eligible  
25 children served in the district who would have been eligible to be served by Head Start  
26 under the full utilization certification required under this subsection. The Commissioner  
27 of Education shall resolve any disputes and make a determination of the district's

1 compliance with the full utilization requirement.

2       **(9) Commonwealth School Improvement Fund:** Notwithstanding KRS  
3 158.805, the Commissioner of Education shall be authorized to use the Commonwealth  
4 School Improvement Fund to provide support services to schools or to meet federal  
5 requirements.

6       **(10) Use of Local District Capital Funds:** Notwithstanding KRS 157.420(4) and  
7 (6), 157.440, and 157.621, a local board of education may submit a request to the  
8 Commissioner of Education to utilize any capital funds, regardless of the source, for  
9 general operating expenses in fiscal year 2012-2013 and fiscal year 2013-2014 without  
10 forfeiting the district's eligibility to participate in the School Facilities Construction  
11 Commission Program. Prior to August 1, 2012, the Kentucky Board of Education shall  
12 approve guidelines to be followed in considering such requests from local boards of  
13 education.

14       **(11) Advisory Council for Gifted and Talented Education:** Notwithstanding  
15 KRS 158.648(1), a member of the State Advisory Council for Gifted and Talented  
16 Education may be reappointed but shall not serve more than three consecutive terms.  
17 Notwithstanding KRS 158.648(1), a member of the Kentucky Association for Gifted  
18 Education shall be a voting member of the State Advisory Council for Gifted and  
19 Talented Education.

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

23       **(13) Allocations to School-Based Decision Making Councils:** Notwithstanding  
24 KRS 160.345(8), for fiscal years 2012-2013 and 2013-2014, a local board of education  
25 may reduce the allocations to individual schools within the district as outlined in 702  
26 KAR 3:246, secs. 6, 7, and 8. The allocation under 702 KAR 3:246, sec. 6, shall not be  
27 less than \$100 per pupil in average daily attendance.

1           **(14) Kentucky School for the Blind and Kentucky School for the Deaf:**  
 2           Included in the above General Fund appropriation is \$5,991,000 in each fiscal year for the  
 3           Kentucky School for the Blind, and \$9,589,600 in each fiscal year for the Kentucky  
 4           School for the Deaf.

5           **(15) Learning and Results Services Programs:** Notwithstanding KRS 156.265,  
 6           included in the above General Fund appropriation are the following allocations for the  
 7           2012-2014 fiscal biennium. ~~{ No portion of these funds shall be utilized for state-level~~  
 8           ~~administrative purposes; }~~

9           (a) \$1,236,000 in each fiscal year for the ACT and WorkKeys testing;

10          (b) \$72,300 in each fiscal year for the Appalachian Learning Disabled Tutoring  
 11          Program;

12          (c) \$525,100 in each fiscal year for the Blind/Deaf Residential Travel Program;

13          (d) \$1,225,600 in each fiscal year for the Collaborative Center for Literacy  
 14          Development;

15          (e) \$1,358,800 in each fiscal year for the Commonwealth School Improvement  
 16          Fund;

17          (f) \$1,936,400 in each fiscal year for the Community Education Program;

18          (g) \$576,100 in each fiscal year for the Dropout Prevention Program;

19          (h) \$424,100 in each fiscal year for the Elementary Arts and Humanities Program;

20          (i) \$451,400 in each fiscal year for the Every1 Reads Program;

21          (j) \$12,301,200 in each fiscal year for the Extended School Services Program;

22          (k) \$52,148,300 in each fiscal year for the Family Resource and Youth Services  
 23          Centers Program;

24          (l) \$227,900 in each fiscal year for the Georgia Chaffee Teenage Parent Program;

25          (m) \$6,622,300 in each fiscal year for the Gifted and Talented Program;

26          (n) \$328,800 in each fiscal year for the Leadership and Mentor Fund;

27          (o) \$1,483,700 in each fiscal year for the Local School District Life Insurance;

- 1 (p) \$10,954,100 in each fiscal year for the Locally Operated Vocational Schools;
- 2 (q) \$5,353,600 in each fiscal year for the Mathematics Achievement Fund;
- 3 (r) \$339,200 in each fiscal year for the Middle School Academic Center;
- 4 (s) \$71,315,300 in fiscal year 2012-2013 and \$71,315,300 in fiscal year 2013-
- 5 2014 for the Preschool Program;
- 6 (t) \$5,370,000 in each fiscal year for the Professional Development Program;
- 7 (u) \$720,300 in each fiscal year for the Professional Growth Fund;
- 8 (v) \$17,899,000 in each fiscal year for the Read to Achieve Program;
- 9 (w) \$4,157,400 in each fiscal year for the Safe Schools Program;
- 10 (x) \$441,400 in fiscal year 2012-2013 and \$941,400 in fiscal year 2013-2014 for
- 11 the Save the Children/Rural Literacy Program;
- 12 (y) \$3,646,200 in each fiscal year for the School Food Services;
- 13 (z) \$9,596,500 in each fiscal year for the State Agency Children Program;
- 14 (aa) \$1,400,800 in each fiscal year for the Teacher Academies Program;
- 15 (ab) \$1,338,200 in each fiscal year for the Teacher Recruitment and Retention
- 16 Program-Educator Quality and Diversity;
- 17 (ac) \$700,300 in each fiscal year for the Virtual Learning Program;
- 18 (ad) \$534,300 in each fiscal year for the Writing Program;
- 19 (ae) \$100,000 in each fiscal year for the Lexington Hearing and Speech Center,
- 20 (af) \$100,000 in each fiscal year for the Heuser Hearing and Language Academy;
- 21 and
- 22 (ag) \$100,000 in each fiscal year for the Visually Impaired Preschool Services
- 23 program.

24 **(16) Surplus Property:** Notwithstanding KRS 45A.045, 45.777, and 56.463, any

25 funds received by the Commonwealth from the disposal of any surplus property at the

26 Kentucky School for the Blind and the Kentucky School for the Deaf shall be deposited

27 in a restricted account and shall not be expended without appropriation authority granted

1 by the General Assembly.

2 **(17) Dual Course Credit:** Notwithstanding any statute to the contrary, the  
3 Commissioner of Education may approve a plan that is established by a local school  
4 board and a Southern Association of Colleges and Schools accredited postsecondary  
5 education institution for purposes of granting high school and college credit and which  
6 allows students to fulfill high school graduation requirements and compulsory school  
7 attendance; providing rigorous academic curriculum within a supportive and nurturing  
8 environment for underserved students; and encouraging academic success by linking  
9 students, teachers, and community partners in innovative ways.

10 **(18) Residential Youth-at-Risk Programs:** (a) Students enrolled in the Bluegrass  
11 Challenge Academy and the Appalachian Youth Challenge Academy shall be included in  
12 the student count used for determining the amount of state funding allocated to a local  
13 school district through the Support Education Excellence in Kentucky (SEEK) program.

14 (b) Students who are accepted for enrollment in either of the academies shall, on the  
15 first day of attendance at the academy, enroll in the county school district in which the  
16 academy is located. These students will be enrolled in the local school district for  
17 attendance purposes only. The attendance records of these students shall not be included  
18 in the Superintendent's Annual Attendance Report, and the local school district shall have  
19 no responsibility for these students.

20 (c) Each academy shall report student attendance to the local school district on a  
21 quarterly basis. The local school district shall calculate the amount of SEEK funds  
22 generated by the students enrolled in the academy in the district and shall transmit these  
23 funds to the academy on a semiannual basis.

24 (d) No later than July 1, 2012, the Commissioner of Education shall develop  
25 procedures for local school districts to follow to accomplish the requirements of  
26 paragraphs (b) and (c) of this subsection.

27 ~~{(19) Statewide Assessments and Program Reviews: For each fiscal year of the~~

1 ~~biennium, statewide assessments and program reviews shall be limited to those~~  
2 ~~assessments and program reviews prescribed and specified in KRS 158.6453.]~~

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

	2012-13	2013-14
6 General Fund	2,899,840,800	2,899,840,800

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

9 **(2) Base SEEK Allotments:** Notwithstanding KRS 157.420(2), included in the  
10 above General Fund appropriation is \$2,028,446,900 in fiscal year 2012-2013 and  
11 \$2,032,403,500 in fiscal year 2013-2014 for the base SEEK Program as defined by KRS  
12 157.360. Funds appropriated to the SEEK Program shall be allotted to school districts in  
13 accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall  
14 not exceed the appropriations for this purpose except as provided in this Act.  
15 Notwithstanding KRS 157.360(2)(c), included in the appropriation for the base SEEK  
16 Program is \$214,752,800 in each fiscal year for pupil transportation.

17 **(3) Tier I Component:** Included in the above General Fund appropriation is  
18 \$168,152,900 in fiscal year 2012-2013 and \$165,470,700 in fiscal year 2013-2014 for the  
19 Tier I component as established by KRS 157.440.

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

22 **(5) Secondary Vocational Education:** Included in the above General Fund  
23 appropriation is \$22,641,900 in each fiscal year to provide secondary vocational  
24 education in state-operated vocational schools.

25 **(6) Teachers' Retirement System Employer Match:** Included in the above  
26 General Fund appropriation is \$347,037,500 in each fiscal year to enable local school  
27 districts to provide the employer match for qualified employees as provided for by KRS

1 161.550.

2 **(7) Salary Supplements for Nationally Certified Teachers:** Notwithstanding  
3 KRS 157.395, included in the above General Fund appropriation is \$2,750,000 in each  
4 fiscal year for the purpose of providing salary supplements for teachers attaining  
5 certification by the National Board for Professional Teaching Standards.

6 **(8) Allocation of SEEK Funds:** Notwithstanding KRS 157.360(2)(c), the above  
7 General Fund and Federal Funds appropriations to the base SEEK Program are intended  
8 to provide a base guarantee of \$3,833 per student in average daily attendance in fiscal  
9 year 2012-2013 and \$3,827 per student in average daily attendance in fiscal year 2013-  
10 2014 as well as to meet the other requirements of KRS 157.360.

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

23 **(9) Final SEEK Calculation:** Notwithstanding KRS 157.410, on or before  
24 March 1 of each year, the Commissioner of Education shall determine the exact amount  
25 of the public common school fund to which each district is entitled, and the remainder of  
26 the amount due each district for the year shall be distributed in equal installments  
27 beginning the first month after completion of final calculation and for each successive

1 month thereafter.

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

6       **(11) Facilities Support Program of Kentucky/Equalized Nickel Levies:**  
7 Included in the above General Fund appropriation is \$74,978,600 in fiscal year 2012-  
8 2013 and \$73,673,500 in fiscal year 2013-2014 to provide facilities equalization funding  
9 pursuant to KRS 157.440 and 157.620.

10       **(12) Growth Levy Equalization Funding:** Included in the above General Fund  
11 appropriation is \$16,532,800 in fiscal year 2012-2013 and \$16,836,200 in fiscal year  
12 2013-2014 to provide facilities equalization funding pursuant to KRS 157.440 and  
13 157.620, for districts meeting the eligibility requirements of KRS 157.621(1) and (4).

14       **(13) Retroactive Equalized Facility Funding:** Included in the above General  
15 Fund appropriation is \$8,433,700 in fiscal year 2012-2013 and \$8,342,900 in fiscal year  
16 2013-2014 to provide equalized facility funding pursuant to KRS 157.440 and 157.620 to  
17 districts meeting the eligibility requirements of KRS 157.621(2) and (4). In addition, a  
18 local board of education that levied a tax rate subject to recall by January 1, 2012, in  
19 addition to the five cents levied pursuant to KRS 157.440(1)(b) and that committed the  
20 receipts to debt service, new facilities, or major renovations of existing facilities shall be  
21 eligible for equalization funds from the state at 150 percent of the statewide average per  
22 pupil assessment. The equalization funds shall be used as provided in KRS 157.440(1)(b).  
23 For the 2012-2014 fiscal biennium, equalization shall be provided to districts that levied  
24 the tax rate subject to recall after June 30, 2011, at 25 percent of the calculated  
25 equalization funding in fiscal year 2012-2013 and in fiscal year 2013-2014. It is the intent  
26 of the 2012 General Assembly that any local school district receiving partial equalization  
27 under this subsection in the 2012-2014 fiscal biennium shall receive full calculated



1 equalization in the 2014-2016 fiscal biennium and thereafter.

2 **(14) Equalized Facility Funding:** Included in the above General Fund  
3 appropriation is \$6,323,800 in fiscal year 2012-2013 and \$6,249,000 in fiscal year 2013-  
4 2014 to provide equalized facility funding pursuant to KRS 157.420 and 157.620 to  
5 districts meeting the eligibility requirements of KRS 157.621(3) and (4).

6 **(15) BRAC Equalized Facility Funding:** Included in the above General Fund  
7 appropriation is \$1,874,500 in fiscal year 2012-2013 and \$1,849,900 in fiscal year 2013-  
8 2014 to provide equalized facility funding to school districts meeting the eligibility  
9 requirements of KRS 157.621(1)(c) pursuant to KRS 157.440 and 157.620.

10 **(16) Equalization Funding for Category 5 Schools:** Included in the above  
11 General Fund appropriation is \$5,498,500 in fiscal year 2012-2013 and \$5,416,000 in  
12 fiscal year 2013-2014 to school districts in accordance with 2010 (1st Extra Sess.) Ky.  
13 Acts ch. 1, Part I, C., 4., subsection 18.

14 **(17) Instructional Days:** Notwithstanding KRS 158.070, the school term for fiscal  
15 year 2012-2013 and fiscal year 2013-2014 shall include the equivalent of 177 six-hour  
16 instructional days. Districts may exceed 177 six-hour instructional days. Included in the  
17 above General Fund appropriation are sufficient funds for 176 six-hour instructional days.

18 ~~[(18) Use of Excess SEEK Funds: Any unexpended SEEK appropriations for fiscal~~  
19 ~~year 2012-2013 as determined on or before March 1, 2013, and for fiscal year 2013-2014,~~  
20 ~~as determined on or before March 1, 2014, by the Kentucky Department of Education~~  
21 ~~shall be transferred to the Budget Reserve Trust Fund Account (KRS 48.705).]~~

22 **(19) Hold-Harmless Guarantee:** There is established a modified hold-harmless  
23 guarantee in fiscal biennium 2012-2014 which provides that every local school district  
24 shall receive at least the same amount of Support Education Excellence in Kentucky  
25 (SEEK) state funding per pupil as was received in fiscal year 1991-1992.

26 **(20) Disaster Days:** For school year 2011-2012, the Commissioner of Education  
27 shall grant up to ten disaster days for school districts located in counties in which a state

1 disaster has been declared by the Governor of the Commonwealth and the President of  
 2 the United States as a result of tornadic activity.

3 Notwithstanding the provisions of KRS 158.070, 702 KAR 7:125, and 702 KAR  
 4 7:140, for school year 2011-2012, school districts located in counties in which a state  
 5 disaster has been declared by the Governor of the Commonwealth and the President of  
 6 the United States as the result of tornadic activity may, when submitting the  
 7 Superintendent's Annual Attendance Report, substitute attendance data for school year  
 8 2010-2011 for attendance data for school year 2011-2012. If a school district submits data  
 9 for school year 2010-2011, this data shall be utilized to calculate the average daily  
 10 attendance that will be used in calculating Support Education Excellence in Kentucky  
 11 funds and any other state funding based in whole or in part on average daily attendance  
 12 for the district.

13 School district certified and classified personnel shall make up any student  
 14 instructional days waived by participating in instructional activities or professional  
 15 development or by being assigned additional work responsibilities.

16 **TOTAL - DEPARTMENT OF EDUCATION**

	<b>2012-13</b>	<b>2013-14</b>
17		
18	General Fund	3,826,787,800
19	Restricted Funds	11,725,800
20	Federal Funds	781,628,700
21	<b>TOTAL</b>	<b>4,620,142,300</b>

22 **D. EDUCATION AND WORKFORCE DEVELOPMENT CABINET**

23 **Budget Units**

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

	<b>2012-13</b>	<b>2013-14</b>
25		
26	General Fund	4,791,700
27	Restricted Funds	5,427,000

1	Federal Funds	153,200	164,100
2	TOTAL	10,371,900	10,186,000

3       **(1) Governor's Scholar Program:** Included in the above General Fund  
4 appropriation is \$1,857,500 in each fiscal year for the Governor's Scholar Program.

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

6		<b>2012-13</b>	<b>2013-14</b>
7	General Fund	764,200	775,900
8	Restricted Funds	865,500	809,800
9	TOTAL	1,629,700	1,585,700

10       **3. KENTUCKY EDUCATIONAL TELEVISION**

11		<b>2012-13</b>	<b>2013-14</b>
12	General Fund	11,861,000	12,049,200
13	Restricted Funds	1,451,000	1,451,000
14	TOTAL	13,312,000	13,500,200

15       **4. ENVIRONMENTAL EDUCATION COUNCIL**

16		<b>2012-13</b>	<b>2013-14</b>
17	Restricted Funds	245,700	246,000

18       **5. LIBRARIES AND ARCHIVES**

19       **a. General Operations**

20		<b>2012-13</b>	<b>2013-14</b>
21	General Fund	5,690,000	5,781,600
22	Restricted Funds	1,430,000	1,432,500
23	Federal Funds	2,071,900	2,076,400
24	TOTAL	9,191,900	9,290,500

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

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

4       **b. Direct Local Aid**

	<b>2012-13</b>	<b>2013-14</b>
5       General Fund	5,325,900	5,325,900
6       Restricted Funds	895,700	895,700
7       Federal Funds	678,200	635,200
8       TOTAL	6,899,800	6,856,800

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

11       **TOTAL - LIBRARIES AND ARCHIVES**

	<b>2012-13</b>	<b>2013-14</b>
12       General Fund	11,015,900	11,107,500
13       Restricted Funds	2,325,700	2,328,200
14       Federal Funds	2,750,100	2,711,600
15       TOTAL	16,091,700	16,147,300

16       **6. OFFICE FOR THE BLIND**

	<b>2012-13</b>	<b>2013-14</b>
17       General Fund	1,203,100	1,229,600
18       Restricted Funds	719,400	753,400
19       Federal Funds	8,950,200	8,954,500
20       TOTAL	10,872,700	10,937,500

21       **(1) Accessible Electronic Information Service Program:** Included in the above  
22 General Fund appropriation is \$40,000 in each fiscal year for the Accessible Electronic  
23 Information Service Program.

24       **7. EMPLOYMENT AND TRAINING**

1		<b>2012-13</b>	<b>2013-14</b>
2	Restricted Funds	33,149,900	30,131,900
3	Federal Funds	2,387,660,100	2,389,322,300
4	<b>TOTAL</b>	<b>2,420,810,000</b>	<b>2,419,454,200</b>

5 **8. CAREER AND TECHNICAL EDUCATION**

6		<b>2012-13</b>	<b>2013-14</b>
7	General Fund	23,971,900	24,092,400
8	Restricted Funds	19,979,800	19,870,000
9	Federal Funds	12,121,900	12,121,900
10	<b>TOTAL</b>	<b>56,073,600</b>	<b>56,084,300</b>

11 **(1) Participation in the Education Technology Program by Area Vocational**  
 12 **Education Centers:** Area Vocational Education Centers shall be fully eligible to  
 13 participate in the Kentucky Education Technology System. Notwithstanding KRS  
 14 157.650, 157.655, 157.660, and 157.665, the School Facilities Construction Commission,  
 15 in consultation with the Kentucky Board of Education and the Department of Education,  
 16 shall develop administrative regulations which identify a methodology by which the  
 17 average daily attendance for Area Vocational Education Centers may be equated to the  
 18 average daily attendance of other local school districts in order that they may receive their  
 19 respective distributions of these funds. The School Facilities Construction Commission  
 20 shall include Area Vocational Education Centers in any offers of assistance to local  
 21 school districts for technology assistance during the 2012-2014 fiscal biennium.

22 **(2) Transfer of State-Operated Secondary Vocational Education and**  
 23 **Technology Centers:** (a) Notwithstanding KRS 151B.035, 151B.040, 151B.045,  
 24 151B.050, 151B.055, and 151B.070, effective at the beginning of fiscal year 2012-2013,  
 25 a local board of education may submit a request to the Executive Director of the Office of  
 26 Career and Technical Education to assume authority for the management and control of a  
 27 state-operated secondary vocational education and technology center. Upon agreement

1 between the Executive Director of the Office of Career and Technical Education and the  
2 local board of education for the transfer of a state-operated secondary vocational  
3 education and technology center, all personnel, equipment, and supplies shall be  
4 transferred to the local board of education and shall only be utilized for the operation of  
5 the locally operated vocational center. The transfer of management and control of the  
6 secondary area vocational education and technology center shall be considered a  
7 permanent transfer to the local district.

8 (b) A certified employee who is affected by a transfer to the local board of  
9 education under paragraph (a) of this subsection shall be granted a one year limited  
10 contract by the local board of education and shall be employed on the local district salary  
11 schedule. A classified employee shall be guaranteed employment equal to his or her  
12 present status for at least one complete school term. A transferred employee shall be  
13 provided the benefits of comparable employees in the district and shall be subject to all  
14 rules and policies of the local board of education, including but not limited to disciplinary  
15 and personnel actions that are the same as those that may be exercised by the district for  
16 any other employee in the district during a contract period.

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

27 (d) An employee who is to be transferred to a local board of education under

1 provisions of this subsection but who chooses not to accept a one year limited contract  
2 with the board shall be separated from the state system and the employee's position shall  
3 be abolished. The employee may apply for any state position for which the employee is  
4 qualified but shall not be granted priority over other applicants for a position because the  
5 employee's position was abolished due to a transfer of the vocational education and  
6 technology center. An employee who refuses a contract with the local board shall be  
7 provided a lump-sum payment for accrued annual leave and compensatory time, and the  
8 employee's sick leave balance shall be placed in escrow by the appropriate state personnel  
9 system under KRS Chapter 18A or 151B. The sick leave balance shall be restored to the  
10 employee if the employee returns to a state government position.

11 (e) A certified employee, other than a principal, who has earned continuing status  
12 in the state certified personnel system under KRS Chapter 151B may be granted tenure  
13 under the provisions of KRS 161.740(1)(c). A principal may be granted tenure as a  
14 teacher, but the provisions relating to demotion of the principal under KRS 161.765 shall  
15 apply.

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

19 (g) General Fund moneys previously appropriated to the Office of Career and  
20 Technical Education for support of the transferred state-operated vocational technical  
21 school shall be appropriated to the Kentucky Department of Education for support of the  
22 local board of education center operations effective at the beginning of fiscal year 2012-  
23 2013. In addition, the local board of education shall receive 100 percent of the Support  
24 Education Excellence in Kentucky (SEEK) Program funds from the Kentucky  
25 Department of Education that are generated from students enrolled in the center.

26 **(3) Transfer of Locally Operated Secondary Vocational Education and**  
27 **Technology Centers:** (a) Effective at the beginning of fiscal year 2012-2013, a local

1 board of education that has operated a career and technical center for at least five years  
2 may submit a request to the Executive Director of the Office of Career and Technical  
3 Education to relinquish authority for the management and control of the career and  
4 technical center to the Office of Career and Technical Education. Upon agreement  
5 between the Executive Director of the Office of Career and Technical Education and the  
6 local board of education for the transfer of a locally operated career and technical center,  
7 the local board of education shall transfer all personnel, equipment, and supplies to the  
8 Office of Career and Technical Education.

9 (b) A certified employee who is affected by a transfer to the Office of Career and  
10 Technical Education under paragraph (a) of this subsection shall be granted the same  
11 status by the Office of Career and Technical Education as he or she had at the close of  
12 employment with the local board of education and shall be employed on the state salary  
13 schedule. A classified employee shall be guaranteed employment equal to his or her status  
14 in the local school district for at least one complete school term. A transferred employee  
15 shall be provided the benefits of comparable employees in the Office of Career and  
16 Technical Education and shall be subject to all rules and policies of the Office of Career  
17 and Technical Education, including but not limited to disciplinary and personnel actions  
18 that are the same as those that may be exercised by the Office for any other employee of  
19 the Commonwealth during a contract period.

20 (c) A certified employee shall be granted credit for accrued sick leave by the Office  
21 of Career and Technical Education up to the maximum allowed for transfers for teachers  
22 between school districts. The Office of Career and Technical Education shall award sick  
23 leave credit to a classified employee based on the sick leave accumulated in the local  
24 district. Any excess sick leave that a classified or certified employee earned that had been  
25 held in escrow by the appropriate state personnel system under KRS Chapter 18A or  
26 151B when transfer was made to the local board of education shall be restored to the  
27 employee.



1 (d) An employee who is to be transferred to the Office of Career and Technical  
 2 Education under the provisions of this subsection but who chooses not to accept  
 3 employment with the Commonwealth shall be separated from the local board of  
 4 education and the employee's position shall be abolished. The employee may apply for  
 5 any local board of education or state position for which the employee is qualified but  
 6 shall not be granted priority over other applicants for a position because the employee's  
 7 position was abolished due to a transfer of the area vocational education and technical  
 8 center.

9 (e) A certified employee, other than a principal, who has earned continuing status in  
 10 the local school district under KRS 161.740(1), shall be granted continuing status under  
 11 the provisions of KRS 151B.055. A principal may be granted continuing status as a  
 12 teacher, but the provisions relating to demotion under KRS 151B.055(8) shall apply.

13 (f) An employee of a local board of education who is transferred to the Office of  
 14 Career and Technical Education and who occupies a position covered by the Kentucky  
 15 Teachers' Retirement System shall remain in the Kentucky Teachers' Retirement System.

16 (g) General Fund moneys previously appropriated to a local board of education for  
 17 support of the career and technical center shall be appropriated to the Office of Career  
 18 and Technical Education. In addition, the Office of Career and Technical Education shall  
 19 receive 100 percent of the Support Education Excellence in Kentucky (SEEK) Program  
 20 funds from the Kentucky Department of Education that are generated from students  
 21 enrolled in the career and technical center.

22 **9. VOCATIONAL REHABILITATION**

	<b>2012-13</b>	<b>2013-14</b>
23		
24	General Fund	11,074,800
25	Restricted Funds	2,348,600
26	Federal Funds	43,412,600
27	<b>TOTAL</b>	<b>56,836,000</b>
		<b>57,121,000</b>

1           **(1) Interpreter Services:** Included in the above General Fund appropriation is  
 2 \$431,100 in each fiscal year to provide accessibility services for deaf and hard of hearing  
 3 students in postsecondary education institutions.

4 **10. EDUCATION PROFESSIONAL STANDARDS BOARD**

	<b>2012-13</b>	<b>2013-14</b>
6       General Fund	7,141,900	7,170,700
7       Restricted Funds	921,800	858,000
8       Federal Funds	121,300	109,300
9 <b>TOTAL</b>	<b>8,185,000</b>	<b>8,138,000</b>

10           **(1) Employment of Leadership Personnel:** Notwithstanding KRS 18A.005 to  
 11 18A.200, the Education Professional Standards Board shall have the sole authority to  
 12 determine the employees of the Education Professional Standards Board staff who are  
 13 exempt from the classified service and to set their compensation comparable to the  
 14 competitive market.

15           **(2) Kentucky Teacher Internship Program:** Notwithstanding KRS 161.030(7),  
 16 the Education Professional Standards Board shall set the minimum number of hours for  
 17 the activities set forth in KRS 161.030(7), subject to the availability of appropriations.

18           **(3) Kentucky Principal Internship Program:** Notwithstanding KRS 161.027,  
 19 no funds are provided in the above appropriations for the operational costs of the  
 20 Kentucky Principal Internship Program.

21 **TOTAL - EDUCATION AND WORKFORCE DEVELOPMENT CABINET**

	<b>2012-13</b>	<b>2013-14</b>
23       General Fund	71,824,500	72,414,100
24       Restricted Funds	67,434,400	63,930,900
25       Federal Funds	2,455,169,400	2,457,055,200
26 <b>TOTAL</b>	<b>2,594,428,300</b>	<b>2,593,400,200</b>

27 **E. ENERGY AND ENVIRONMENT CABINET**

1 **Budget Units**

2 **1. SECRETARY**

	<b>2012-13</b>	<b>2013-14</b>
4 General Fund	3,254,500	3,316,300
5 Restricted Funds	1,384,300	1,285,500
6 Federal Funds	1,132,700	1,162,100
7 <b>TOTAL</b>	<b>5,771,500</b>	<b>5,763,900</b>

8 **2. ENVIRONMENTAL PROTECTION**

	<b>2012-13</b>	<b>2013-14</b>
10 General Fund	20,566,000	21,900,400
11 Restricted Funds	66,816,600	69,962,200
12 Federal Funds	23,218,600	23,245,200
13 Road Fund	300,000	300,000
14 <b>TOTAL</b>	<b>110,901,200</b>	<b>115,407,800</b>

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

18 **(2) Debt Service:** Included in the above General Fund appropriation is \$949,500  
 19 in fiscal year 2013-2014 for new debt service to support new bonds as set forth in Part II,  
 20 Capital Projects Budget, of this Act.

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

23 **(4) Division of Water - Permits:** Included in the above General Fund  
 24 appropriation is \$250,000 in each fiscal year for four additional positions associated with  
 25 the Clean Water 402 Permitting Program.

26 **3. NATURAL RESOURCES**

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
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1	General Fund (Tobacco)	-0-	3,000,000	2,500,000
2	General Fund	952,000	34,879,900	35,528,700
3	Restricted Funds	-0-	16,968,200	17,720,600
4	Federal Funds	-0-	54,381,800	54,401,200
5	TOTAL	952,000	109,229,900	110,150,500

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

14       **(2) Conservation Districts:** Included in the above General Fund appropriation is  
15 \$950,000 in each fiscal year for the Division of Conservation to provide direct aid to local  
16 conservation districts.

17       **(3) Forestry Tree Nurseries:** Included in the above Restricted Funds  
18 appropriation is \$250,000 in each fiscal year for the Department of Natural Resources'  
19 tree nursery programs in Morgan County and Marshall County.

20       **(4) Mine Safety:** Notwithstanding KRS 42.4592, included in the above General  
21 Fund appropriation is \$952,000 in fiscal year 2011-2012, \$7,552,000 in fiscal year 2012-  
22 2013, and \$7,552,000 in fiscal year 2013-2014 from the Local Government Economic  
23 Development Fund for the Office of Mine Safety and Licensing.

24       **(5) DNR Bond Pool Expenditures:** (a) Notwithstanding KRS 350.700 to  
25 350.755, an amount not to exceed ten percent of the cash balance from the bond pool  
26 fund may be expended for reclamation in emergency situations for which bond funds  
27 have been expended and were not sufficient to eliminate dangers to human health and

1 safety posed by the conditions of the permitted area.

2 (b) Notwithstanding KRS 350.990(1), all civil penalties recovered pursuant to KRS  
 3 350.990 shall be paid into the bond pool fund except that penalties collected in excess of  
 4 \$800,000 shall be credited to the General Fund.

5 **4. ENERGY DEVELOPMENT AND INDEPENDENCE**

	2012-13	2013-14
7 General Fund	1,324,400	1,347,800
8 Restricted Funds	5,226,100	5,232,400
9 Federal Funds	8,686,900	1,224,200
10 TOTAL	15,237,400	7,804,400

11 **(1) Energy Research and Development:** (a) Notwithstanding KRS 42.4588,  
 12 included in the above Restricted Funds appropriation is \$3,500,000 in each fiscal year,  
 13 which shall be used, except as specified in paragraph (b) and (c) of this subsection, for  
 14 research projects relating to clean coal, new combustion technology, thin-seam coal  
 15 extraction, safety, tracking and communication devices, coal slurry disposal, synthetic  
 16 natural gas produced from coal through gasification processes, and the development of  
 17 alternative transportation fuels produced by processes that convert coal or biomass  
 18 resources or extract oil from oil shale, and other coal research and shall be targeted solely  
 19 to Kentucky's Local Government Economic Development Fund-eligible counties. The  
 20 Department for Energy Development and Independence shall coordinate its efforts with  
 21 those of Kentucky's universities and related Kentucky Community and Technical College  
 22 System programs in order to maximize Kentucky's opportunities for federal funding and  
 23 receive research grants and awards from federal and other sources of funding for the  
 24 development of clean coal technology, coal-to-liquid-fuel conversion, alternate  
 25 transportation fuels, and biomass energy resources.

26 (b) Included in the Restricted Funds appropriation in paragraph (a) of this  
 27 subsection is \$1,000,000 in each fiscal year which shall not be expended unless matched

1 with federal or private funds for the purpose of supporting research and development  
2 activities at the University of Kentucky Center for Applied Energy Research.

3 (c) Included in the Restricted Funds appropriation in paragraph (a) of this  
4 subsection is \$350,000 in fiscal year 2012-2013 which shall be transferred to the  
5 University of Kentucky Mining Engineering Program to be used for the development of  
6 an underground laboratory for developing, testing and improving all aspects of mining  
7 technologies.

8 **5. ENVIRONMENTAL QUALITY COMMISSION**

	<b>2012-13</b>	<b>2013-14</b>
9		
10	Restricted Funds	222,000
		223,400

11 **6. KENTUCKY NATURE PRESERVES COMMISSION**

	<b>2012-13</b>	<b>2013-14</b>
12		
13	General Fund	979,700
		1,000,900
14	Restricted Funds	327,800
		336,000
15	Federal Funds	50,200
		50,200
16	TOTAL	1,357,700
		1,387,100

17 **7. PUBLIC SERVICE COMMISSION**

	<b>2012-13</b>	<b>2013-14</b>
18		
19	General Fund	15,000,000
		15,000,000
20	Restricted Funds	358,500
		223,100
21	Federal Funds	407,300
		228,900
22	TOTAL	15,765,800
		15,452,000

23 **(1) Debt Service:** Included in the above General Fund appropriation is \$589,000  
24 in each fiscal year for debt service for previously issued bonds.

25 **(2) Lapse of General Fund Appropriation Balance:** Notwithstanding KRS  
26 278.150(3), \$5,542,500 in fiscal year 2012-2013 and \$5,315,400 in fiscal year 2013-2014  
27 shall lapse to the credit of the General Fund.

1           **(3) Small Utilities Assistance:** Included in the above General Fund appropriation  
2 is \$400,000 in each fiscal year for small utilities assistance.

3           **(4) Water Districts and Water Associations:** A water district created pursuant  
4 to KRS Chapter 74 and a water association formed under KRS Chapter 273 that  
5 undertakes a waterline extension or improvement project shall not be required to obtain a  
6 certificate of public convenience and necessity, notwithstanding KRS 278.020(1), if the  
7 water district or water association is a Class A or B utility as defined in the Uniform  
8 System of Accounts established by the Public Service Commission, pursuant to KRS  
9 278.220, as the system of accounts prescribed for utilities in Kentucky, and either: (a) The  
10 water line extension or improvement project will not cost in excess of \$500,000; or (b)  
11 The water district or water association will not, as a result of the water line extension or  
12 improvement project, incur obligations requiring Public Service Commission approval  
13 pursuant to KRS 278.300. In either case, the water district or water association shall not,  
14 as a result of the water line extension or improvement project, increase rates to its  
15 customers.

16           **(5) Utility Rates:** Notwithstanding KRS 42.4588, included in the above  
17 Restricted Funds appropriation is \$200,000 in fiscal year 2012-2013 which shall be used  
18 to retain a consultant to study the impact of utility rates on the aluminum smelting  
19 industry in the Commonwealth as it relates to the industry's impact on employment, and  
20 energy efficiency opportunities within the aluminum smelting industry in the  
21 Commonwealth. The Public Service Commission shall report the results of the study to  
22 the Interim Special Subcommittee on Energy no later than October 31, 2012.

23 **TOTAL - ENERGY AND ENVIRONMENT CABINET**

24		2011-12	2012-13	2013-14
25	General Fund (Tobacco)	-0-	3,000,000	2,500,000
26	General Fund	952,000	76,004,500	78,094,100
27	Restricted Funds	-0-	91,303,500	94,983,200

1	Federal Funds	-0-	87,877,500	80,311,800
2	Road Fund	-0-	300,000	300,000
3	TOTAL	952,000	258,485,500	256,189,100

#### 4 F. FINANCE AND ADMINISTRATION CABINET

##### 5 Budget Units

##### 6 1. GENERAL ADMINISTRATION

7		2012-13	2013-14
8	General Fund	6,644,500	6,784,300
9	Restricted Funds	27,027,400	27,187,000
10	Federal Funds	3,500,000	3,500,000
11	Road Fund	400,000	400,000
12	TOTAL	37,571,900	37,871,300

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

##### 19 2. CONTROLLER

20		2012-13	2013-14
21	General Fund	6,077,800	6,143,800
22	Restricted Funds	10,695,700	10,767,900
23	TOTAL	16,773,500	16,911,700

24 **(1) Social Security Contingent Liability Fund:** Any expenditures that may be  
25 required by KRS 61.470 are hereby deemed necessary government expenses and shall be  
26 paid first from the General Fund Surplus Account (KRS 48.700), if available, or from any  
27 available balance in the Budget Reserve Trust Fund Account (KRS 48.705), subject to the



1 conditions and procedures provided in this Act.

2 **3. DEBT SERVICE**

	<b>2012-13</b>	<b>2013-14</b>
3		
4 General Fund (Tobacco)	28,320,300	30,692,700
5 General Fund	419,292,900	434,883,200
6 TOTAL	447,613,200	465,575,900

7 **(1) General Fund (Tobacco) Debt Service Lapse:** Notwithstanding Part X (4)  
8 of this Act, \$2,293,600 in fiscal year 2012-2013 and \$2,293,500 in fiscal year 2013-2014  
9 shall lapse.

10 **4. FACILITIES AND SUPPORT SERVICES**

	<b>2012-13</b>	<b>2013-14</b>
11		
12 General Fund	5,351,700	6,215,300
13 Restricted Funds	38,553,100	40,086,000
14 TOTAL	43,904,800	46,301,300

15 **(1) Debt Service:** Included in the above General Fund appropriation is \$222,000  
16 in fiscal year 2012-2013 and \$984,000 in fiscal year 2013-2014 for new debt service to  
17 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

18 **5. COUNTY COSTS**

	<b>2012-13</b>	<b>2013-14</b>
19		
20 General Fund	16,733,700	16,733,700
21 Restricted Funds	1,702,500	1,702,500
22 TOTAL	18,436,200	18,436,200

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

1           **(2) Reimbursement to Sheriffs' Offices for Court Security Services:**  
 2 Notwithstanding KRS 64.092(6), the sheriff or other law enforcement officer serving a  
 3 Circuit or District Court shall be compensated at the rate of \$9 per hour of service.

4           **6. COMMONWEALTH OFFICE OF TECHNOLOGY**

	<b>2012-13</b>	<b>2013-14</b>
6           Restricted Funds	74,001,300	74,030,200
7           Federal Funds	521,700	341,000
8 <b>TOTAL</b>	<b>74,523,000</b>	<b>74,371,200</b>

9           **(1) Computer Services Fund Receipts:** The Secretary of the Finance and  
 10 Administration Cabinet shall provide a listing of fee receipts from the Executive, Judicial,  
 11 and Legislative Branches of government itemized by appropriation units, cost allocation  
 12 methodology, and a report detailing the rebate of excess fee receipts to the agencies to the  
 13 Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year.

14           **7. REVENUE**

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
16           General Fund (Tobacco)	-0-	246,600	243,100
17           General Fund	-0-	85,318,900	83,505,600
18           Restricted Funds	-0-	7,063,000	7,125,800
19           Road Fund	395,400	2,720,400	2,720,400
20 <b>TOTAL</b>	<b>395,400</b>	<b>95,348,900</b>	<b>93,594,900</b>

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

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

1 **8. PROPERTY VALUATION ADMINISTRATORS**

	<b>2012-13</b>	<b>2013-14</b>
3 General Fund	36,539,200	37,364,700
4 Restricted Funds	3,568,700	3,500,000
5 <b>TOTAL</b>	<b>40,107,900</b>	<b>40,864,700</b>

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

9 **TOTAL - FINANCE AND ADMINISTRATION CABINET**

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
11 General Fund (Tobacco)	-0-	28,566,900	30,935,800
12 General Fund	-0-	575,958,700	591,630,600
13 Restricted Funds	-0-	162,611,700	164,399,400
14 Federal Funds	-0-	4,021,700	3,841,000
15 Road Fund	395,400	3,120,400	3,120,400
16 <b>TOTAL</b>	<b>395,400</b>	<b>774,279,400</b>	<b>793,927,200</b>

17 **G. HEALTH AND FAMILY SERVICES CABINET**18 **Budget Units**19 **1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT**

	<b>2012-13</b>	<b>2013-14</b>
21 General Fund	31,279,200	31,935,600
22 Restricted Funds	10,437,800	9,733,000
23 Federal Funds	39,880,600	40,121,400
24 <b>TOTAL</b>	<b>81,597,600</b>	<b>81,790,000</b>

25 **(1) Human Services Transportation Delivery:** Notwithstanding KRS 281.014,  
26 the Kentucky Works Program shall not participate in the Human Services Transportation  
27 Delivery Program or the Coordinated Transportation Advisory Committee.

1       **(2) Debt Service:** Included in the above General Fund appropriation is \$109,500  
 2 in fiscal year 2012-2013 and \$328,500 in fiscal year 2013-2014 for new debt service to  
 3 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

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

11       **(4) Reallocation of Appropriations Among Budget Units:** The Secretary of the  
 12 Cabinet for Health and Family Services shall operate the Cabinet within the  
 13 appropriations for the Cabinet authorized in this Act. The Secretary may request a  
 14 revision or reallocation among the departments and offices of the Cabinet of up to ten  
 15 percent of General Fund or Restricted Funds appropriations contained in Part I, Operating  
 16 Budget, of the Act for fiscal year 2012-2013 and 2013-2014 for approval by the State  
 17 Budget Director. No request shall relate to moneys in a fiduciary fund account. A request  
 18 shall explain the need and use for the transfer authority under this section.

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

	<b>2012-13</b>	<b>2013-14</b>
21       General Fund (Tobacco)	100,000	-0-
22       General Fund	4,674,000	4,761,600
23       Restricted Funds	6,970,800	6,970,800
24       Federal Funds	4,663,800	4,566,100
25       TOTAL	16,408,600	16,298,500

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

1 appropriation is \$100,000 for Universal Newborn Hearing Screening in fiscal year 2012-  
 2 2013.

3 **3. MEDICAID SERVICES**

4 **a. Medicaid Administration**

	<b>2012-13</b>	<b>2013-14</b>
5		
6 General Fund	35,122,000	33,839,800
7 Restricted Funds	14,943,300	16,628,100
8 Federal Funds	56,653,600	56,737,600
9 TOTAL	106,718,900	107,205,500

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

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

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

22 **(2) Debt Service:** Included in the above General Fund appropriation is \$329,000  
 23 in fiscal year 2012-2013 and \$658,000 in fiscal year 2013-2014 for new debt service to  
 24 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

25 **(3) Medicaid Service Category Expenditure Information:** No Medicaid  
 26 managed care contract shall be valid and no payment to a Medicaid managed care vendor  
 27 by the Finance and Administration Cabinet or the Cabinet for Health and Family Services

1 shall be made, unless the Medicaid managed care contract contains a provision that the  
 2 contractor shall collect Medicaid expenditure data by the categories of services paid for  
 3 by the Medicaid Program. Actual statewide Medicaid expenditure data by all categories  
 4 of Medicaid services including mandated and optional Medicaid services, special  
 5 expenditures/offsets, and Disproportionate Share Hospital payments by type of hospital,  
 6 shall be compiled by the Department for Medicaid Services for all Medicaid providers  
 7 and forwarded to the Interim Joint Committee on Appropriations and Revenue on a  
 8 quarterly basis. Projections of Medicaid expenditures by categories of Medicaid services  
 9 shall be provided to the Interim Joint Committee on Appropriations and Revenue upon  
 10 request.

11 **b. Medicaid Benefits**

	2012-13	2013-14
13 General Fund	1,301,697,300	1,477,525,000
14 Restricted Funds	436,863,200	394,754,600
15 Federal Funds	4,055,015,500	4,334,880,800
16 TOTAL	5,793,576,000	6,207,160,400

17 **(1) Supports for Community Living Slots:** Included in the above appropriation  
 18 is \$2,200,000 in General Fund moneys and \$5,311,100 in Federal Funds to support 300  
 19 additional Supports for Community Living slots in fiscal year 2012-2013 and \$7,650,100  
 20 in General Fund moneys and \$18,326,300 in Federal Funds to support 300 additional  
 21 Supports for Community Living slots in fiscal year 2013-2014 for a total of 600  
 22 additional slots over the 2012-2014 fiscal biennium.

23 Supports for Community Living Waiver funds shall be utilized only for direct  
 24 services to qualified Supports for Community Living Waiver recipients.

25 **(2) Carry Forward of General Fund Appropriation Balance:** Notwithstanding  
 26 KRS 45.229, any General Fund appropriation unexpended in fiscal year 2011-2012 and  
 27 fiscal year 2012-2013 shall not lapse but shall be carried forward into the next fiscal year.

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

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

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

16           **(6) Quality and Charity Care Trust Fund:** No hospital shall be reimbursed  
17 from both the Quality and Charity Care Trust Fund and the Disproportionate Share  
18 Hospital Program for the same service to the same patient. Any hospital that willfully  
19 violates this provision shall be subject to a penalty equal to three times the amount of the  
20 improper charge to the funds which shall be credited to the General Fund. The Secretary  
21 of the Cabinet for Health and Family Services shall have the authority to secure the  
22 patient information as needed from the participating facilities in order to determine  
23 compliance and enforce this provision. Each facility billing and receiving reimbursements  
24 from the Quality and Charity Care Trust Fund shall be required to identify each patient by  
25 Social Security number and indicate whether the patient is classified as indigent or  
26 medically needy. In any fiscal year for which all the parties to the Quality and Charity  
27 Care Trust Agreement so agree, the General Fund appropriation to fulfill the

1 Commonwealth's contractual obligation relating to the Quality and Charity Care Trust  
 2 Agreement, or any portion thereof, together with any other funds paid to the Quality and  
 3 Charity Care Trust contractual obligation of the parties, or any portion thereof, shall be  
 4 transferred to the Department for Medicaid Services as part of its Restricted Funds  
 5 appropriation for Medicaid Benefits. In any fiscal year for which all the parties to the  
 6 Quality and Charity Care Trust Agreement do not agree to transfer all or any portion of  
 7 the Trust's revenues to the Department for Medicaid Services for Medicaid Benefits, the  
 8 Quality and Charity Care Trust shall operate pursuant to its contractual provisions.

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

18 **(8) Intergovernmental Transfers (IGTs):** Any funds received through an  
 19 Intergovernmental Transfer (IGT) agreement between the Department for Medicaid  
 20 Services and other governmental entities, in accordance with a federally approved State  
 21 Plan amendment, shall be used to provide for the health and welfare of the citizens of the  
 22 Commonwealth through the provision of Medicaid Benefits. Revenues from IGTs are  
 23 contingent upon agreement by the parties. The Secretary of the Cabinet for Health and  
 24 Family Services shall make the appropriate interim appropriations increase requests  
 25 pursuant to KRS 48.630.

26 **(9) Medicaid Budget Analysis Reports:** The Department for Medicaid Services  
 27 shall submit a quarterly budget analysis report to the Interim Joint Committee on



1 Appropriations and Revenue no later than 45 days after the quarter's end. The report shall  
2 provide monthly detail of actual expenditures, eligibles, and average monthly cost per  
3 eligible by eligibility category along with current trailing 12-month averages for each of  
4 these figures. The report shall also provide actual figures for all categories of noneligible-  
5 specific expenditures such as Supplemental Medical Insurance premiums, Kentucky  
6 Patient Access to Care, nonemergency transportation, drug rebates, cost settlements, and  
7 Disproportionate Share Hospital payments by type of hospital. The report shall compare  
8 the actual expenditure experience with those underlying the enacted or revised enacted  
9 budget and explain any significant variances which may occur.

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

21 **(11) Transfer of Medicaid Benefits Funds:** Any portion of the General Fund  
22 appropriation in either fiscal year that is deemed to be necessary for the administration of  
23 the Medicaid program may be transferred from the Medicaid Benefits budget unit to the  
24 Medicaid Administration budget unit in accordance with statutes governing the functions  
25 and activities of the Department for Medicaid Services. The Secretary shall recommend  
26 any proposed transfer to the State Budget Director for approval prior to transfer. Such  
27 action shall be reported by the Cabinet for Health and Family Services to the Interim Joint

1 Committee on Appropriations and Revenue.

2       **(12) Critical Access Hospitals:** Beginning with the effective date of this Act  
3 through June 30, 2014, no acute care hospital shall convert to a critical access hospital  
4 unless the hospital has either received funding for a feasibility study from the Kentucky  
5 State Office of Rural Health or filed a written request by January 1, 2012, with the  
6 Kentucky State Office of Rural Health requesting funding for conducting a feasibility  
7 study.

8       **(13) Medicaid Copayments:** Notwithstanding KRS 205.6312, the Department for  
9 Medicaid Services may impose copayments for services rendered to Medicaid recipients  
10 not to exceed the amounts permitted by federal law.

11       **(14) Medicaid Pharmacy:** Notwithstanding KRS 205.6312(4), a pharmacy  
12 provider participating in the Medical Assistance Program or a pharmacy provider serving  
13 Kentucky Medicaid recipients through a Medicaid Managed Care Organization shall not  
14 be required to serve an eligible recipient if the recipient does not make the required  
15 copayment at the time of service. An exception to this provision shall be an encounter  
16 when a recipient presents a condition which could result in harm to the recipient if left  
17 untreated, in which case the pharmacist shall dispense a 72-hour emergency supply of the  
18 required medicine. The recipient may then return to the pharmacy with the necessary  
19 copayment to obtain the remainder of the prescription. Only one dispensing fee shall be  
20 paid by the Cabinet for the provision of both the emergency supply and the remainder of  
21 the prescription. The Medicaid Managed Care Organization shall determine its policies  
22 with respect to dispensing fees.

23       **(15) KCHIP Premium Suspension:** Notwithstanding KRS 205.6485(1)(c),  
24 KCHIP premiums are suspended for fiscal year 2012-2013 and fiscal year 2013-2014.

25       **(16) Medicaid Managed Care Organization Reporting:** Except as provided by  
26 KRS 61.878, all records and correspondence relating to Kentucky Medicaid, revenues  
27 derived from Kentucky Medicaid funds, and expenditures utilizing Kentucky Medicaid

1 funds of a Medicaid managed care company operating within the Commonwealth shall be  
2 subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. All records and  
3 correspondence relating to Medicaid specifically prohibited from disclosure by the federal  
4 Health Insurance Portability and Accountability Act privacy rules shall not be provided  
5 under this Act.

6 Before December 1, 2012, and before December 1, 2013, a Medicaid managed care  
7 company operating within the Commonwealth shall be required to appear before the  
8 Medicaid Oversight and Advisory Committee as a condition of doing business in the  
9 Commonwealth. If a Medicaid managed care company operating within the  
10 Commonwealth is requested to appear before the committee and fails to appear, the  
11 Cabinet for Health and Family Services shall have grounds to invalidate any contract  
12 involving Kentucky Medicaid funds with that company.

13 No later than 30 days after the end of a quarter, each Medicaid managed care  
14 company operating within the Commonwealth shall prepare and submit to the  
15 Department for Medicaid Services sufficient information to allow the Department to meet  
16 the following requirements 45 days after the end of the quarter. The Department shall  
17 forward to the Legislative Research Commission Budget Review Office a quarterly report  
18 detailing monthly actual expenditures by service category, monthly eligibles, and average  
19 monthly cost per eligible for Medicaid and the Kentucky Children's Health Insurance  
20 Program (KCHIP) along with current trailing 12-month averages for each of these figures.  
21 The report shall also provide actual figures for other categories such as pharmacy rebates  
22 and reinsurance. Finally, the Department shall include in this report the most recent  
23 information or report available regarding the amount withheld to meet Department of  
24 Insurance reserve requirements, and any distribution of moneys received or retained in  
25 excess of these reserve requirements.

26 **(17) Appeals:** An appeal from denial of a service or services provided by a  
27 Medicaid managed care organization for medical necessity, or denial, limitation, or

1 termination of a health care service in a case involving a medical or surgical specialty or  
 2 subspecialty, shall, upon request of the recipient, authorized person, or provider, include a  
 3 review by a board-eligible or board-certified physician in the appropriate specialty or  
 4 subspecialty area; except in the case of a health care service rendered by a chiropractor or  
 5 optometrist, in which case, the denial shall be made respectively by a chiropractor or  
 6 optometrist duly licensed in Kentucky as specified in KRS 304.17A-607(1)(b). The  
 7 physician reviewer shall not have participated in the initial review and denial of service  
 8 and shall not be the provider of service or services under consideration in the appeal.

9 **TOTAL - MEDICAID SERVICES**

	<b>2012-13</b>	<b>2013-14</b>
11 General Fund	1,336,819,300	1,511,364,800
12 Restricted Funds	451,806,500	411,382,700
13 Federal Funds	4,111,669,100	4,391,618,400
14 TOTAL	5,900,294,900	6,314,365,900

15 **4. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL**  
 16 **DISABILITIES**

	<b>2012-13</b>	<b>2013-14</b>
18 General Fund (Tobacco)	683,400	697,400
19 General Fund	182,586,000	197,169,600
20 Restricted Funds	226,732,200	226,741,800
21 Federal Funds	35,115,300	35,189,000
22 TOTAL	445,116,900	459,797,800

23 **(1) Disproportionate Share Hospital Funds:** Mental health disproportionate  
 24 share funds are budgeted at the maximum amounts permitted by Section 1923(f) of the  
 25 Social Security Act. Upon publication in the Federal Register of the Annual Institutions  
 26 for Mental Disease (IMD) Disproportionate Share Hospital (DSH) limit, 92.3 percent of  
 27 the federal IMD DSH limit goes to the state-operated mental hospitals.

1           **(2) Debt Service:** Included in the above General Fund appropriation is \$44,000 in  
2 fiscal year 2012-2013 and \$88,000 in fiscal year 2013-2014 for debt service to support  
3 new bonds as set forth in Part II, Capital Projects Budget, of this Act.

4           **(3) Lease Payments for the New Eastern State Hospital:** Included in the above  
5 General Fund appropriation is \$7,717,800 in fiscal year 2013-14 to make lease payments  
6 to the Lexington-Fayette Urban County Government to retire its debt for the construction  
7 of the new facility.

8           **(4) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
9 appropriation is \$683,400 in fiscal year 2012-13 and \$697,400 in fiscal year 2013-2014  
10 for substance abuse prevention and treatment for pregnant women with a history of  
11 substance abuse problems.

12           **(5) Regional Mental Health/Mental Retardation Boards Retirement Cost**  
13 **Increase:** Included in the above General Fund appropriation is \$733,900 in fiscal year  
14 2012-13 and \$1,349,700 in fiscal year 2013-2014 for Regional Mental Health/Mental  
15 Retardation Boards to assist them with the required increase of the employer contribution  
16 rates, effective July 1, 2012, and July 1, 2013, for the Kentucky Employees  
17 Nonhazardous state retirement system. If the Department for Medicaid Services is  
18 successful in obtaining approval from the federal Centers for Medicare and Medicaid  
19 Services, the Department for Medicaid Services shall recognize this new cost to the  
20 Regional Mental Health/Mental Retardation Boards in the reimbursement rates, and the  
21 Department for Behavioral Health, Developmental and Intellectual Disabilities shall  
22 utilize these funds to provide the required state match. If that effort is not successful, the  
23 Commissioner of the Department for Behavioral Health, Developmental and Intellectual  
24 Disabilities shall distribute these funds directly to the Regional Mental Health/Mental  
25 Retardation Boards on a prorated basis each year.

26           **(6) Replacement of Eastern State Hospital:** The Commonwealth recognizes the  
27 statutory role of community mental health/mental retardation boards in providing mental

1 health and mental retardation services across the Commonwealth and the importance of a  
 2 system of care with a full continuum of services. Further, the Commonwealth recognizes  
 3 the successful operation by the Bluegrass Regional Mental Health/Mental Retardation  
 4 Board of the current Eastern State Hospital since 1995 as well as the Oakwood  
 5 intermediate care facility for persons with mental retardation since 2006. Thus, the  
 6 Commonwealth recognizes it is in the Commonwealth's best interest and good public  
 7 policy for the Bluegrass Regional MH/MR Board, a Kentucky non-profit corporation, to  
 8 operate the replacement facility of the current Eastern State Hospital.

9 ~~[Notwithstanding any other provision of law to the contrary, the Secretary of the~~  
 10 ~~Cabinet for Health and Family Services shall continue to negotiate on an annual basis~~  
 11 ~~with the Bluegrass Regional MH/MR Board to operate Eastern State Hospital and its~~  
 12 ~~replacement facility. Notwithstanding any other provision of law to the contrary, unless a~~  
 13 ~~written finding by the Secretary is made that it is in the Commonwealth's best interest to~~  
 14 ~~solicit proposals, the cabinet shall continue to enter into an annual contractual~~  
 15 ~~arrangement with the Bluegrass Regional MH/MR Board to operate Eastern State~~  
 16 ~~Hospital and its replacement facility.]~~

17 **(7) Mental Health and Mental Retardation Facilities:** Any funding reductions  
 18 imposed on the Department for Behavioral Health, Developmental and Intellectual  
 19 Disabilities that are applied to psychiatric hospitals, intermediate care nursing facilities,  
 20 intermediate care facilities for persons with mental retardation, forensic psychiatric  
 21 hospitals, or residential substance abuse treatment facilities of the Department shall be  
 22 allocated in equal proportion to all of these facilities except as provided below.  
 23 Reductions of the operational funding of these facilities shall be implemented on a pro  
 24 rata basis according to the percentage of the facilities' operating costs or of the amount of  
 25 funding allocated to them by the Department unless the Cabinet provides written  
 26 justification to the Office of State Budget Director and the Interim Joint Committee on  
 27 Appropriations and Revenue.

1   **5. PUBLIC HEALTH**

	<b>2012-13</b>	<b>2013-14</b>
3    General Fund (Tobacco)	12,838,200	12,708,200
4    General Fund	56,085,300	56,884,600
5    Restricted Funds	116,063,800	116,253,100
6    Federal Funds	211,262,800	192,530,300
7 <b>TOTAL</b>	<b>396,250,100</b>	<b>378,376,200</b>

8       **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
9    appropriation is \$8,583,000 in each fiscal year for the Health Access Nurturing  
10   Development Services Program, \$700,000 in each fiscal year for Healthy Start initiatives,  
11   \$250,000 in each fiscal year for Universal Children's Immunizations, \$128,200 in each  
12   fiscal year for the Folic Acid Program, \$873,100 in each fiscal year for Early Childhood  
13   Mental Health, \$80,000 in each fiscal year for Early Childhood Oral Health, \$100,000 in  
14   fiscal year 2012-2013 for the Reach Out and Read Program, and \$2,123,900 in fiscal year  
15   2012-2013 and \$2,093,900 in fiscal year 2013-2014 for Smoking Cessation.

16       **(2) Local and District Health Department Retirement Cost Increase:** Included  
17   in the above General Fund appropriation is \$417,000 in fiscal year 2012-13 and \$913,600  
18   in fiscal year 2013-2014 for Local and District Health Departments to assist them with  
19   the required increase of the employer contribution rates, effective July 1, 2012, and July  
20   1, 2013, for the Kentucky Employees Nonhazardous state retirement system. The  
21   Commissioner of Public Health shall distribute these funds directly to the Local and  
22   District Health Departments on a prorated basis each year.

23       **(3) Local and District Health Department Payments:** The Department for  
24   Public Health shall not interfere with the ability of a local or district health department to  
25   receive reimbursement for services provided. The Department for Public Health shall  
26   submit to the Department for Medicaid Services and the Medicaid Managed Care  
27   Organizations all requests for payment for services received from a local or district health

1 department.

2 **6. HEALTH POLICY**

	<b>2012-13</b>	<b>2013-14</b>
3		
4 General Fund	433,300	440,200
5 Restricted Funds	775,700	774,600
6 Federal Funds	400,000	-0-
7 TOTAL	1,609,000	1,214,800

8 **7. FAMILY RESOURCE CENTERS AND VOLUNTEER SERVICES**

	<b>2012-13</b>	<b>2013-14</b>
9		
10 General Fund	427,700	439,100
11 Restricted Funds	93,600	93,600
12 Federal Funds	3,079,700	3,069,100
13 TOTAL	3,601,000	3,601,800

14 **8. INCOME SUPPORT**

	<b>2012-13</b>	<b>2013-14</b>
15		
16 General Fund	11,941,100	8,644,100
17 Restricted Funds	12,625,200	15,750,800
18 Federal Funds	85,290,600	85,830,500
19 TOTAL	109,856,900	110,225,400

20 **9. COMMUNITY BASED SERVICES**

	<b>2012-13</b>	<b>2013-14</b>
21		
22 General Fund (Tobacco)	8,715,000	8,715,000
23 General Fund	329,384,300	330,465,500
24 Restricted Funds	139,230,900	139,965,700
25 Federal Funds	452,445,700	452,506,100
26 TOTAL	929,775,900	931,652,300

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



1 appropriation is \$8,715,000 in each fiscal year for the Early Childhood Development  
 2 Program.

3 **(2) Family and Children's Place:** Included in the above General Fund  
 4 appropriation is \$50,000 in each fiscal year to continue current services at the Family and  
 5 Children's Place in Louisville, Kentucky.

6 **(3) Early Intervention Services:** Included in the above General Fund  
 7 appropriation is \$100,000 in each fiscal year to the Madison County Fiscal Court for early  
 8 intervention services.

9 **10. AGING AND INDEPENDENT LIVING**

	<b>2012-13</b>	<b>2013-14</b>
11 General Fund	43,658,200	43,755,700
12 Restricted Funds	1,826,700	1,444,300
13 Federal Funds	18,457,000	18,329,300
14 <b>TOTAL</b>	<b>63,941,900</b>	<b>63,529,300</b>

15 **(1) Local Match Requirements:** Notwithstanding KRS 205.460, entities  
 16 contracting with the Cabinet for Health and Family Services to provide essential services  
 17 under KRS 205.455 and 205.460 shall provide local match equal to or greater than the  
 18 amount in effect during fiscal year 2011-2012. Local match may include any combination  
 19 of materials, commodities, transportation, office space, personal services, or other types  
 20 of facility services or funds. The Secretary of the Cabinet for Health and Family Services  
 21 shall prescribe the procedures to certify the local match assurance.

22 **(2) Additional Services Funded:** Included in the above General Fund  
 23 appropriation is \$5,000,000 in new funding in each fiscal year to address the waiting list  
 24 in the Meals on Wheels program, personal care attendant services, and enhance  
 25 guardianship services as funding allows.

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

	<b>2012-13</b>	<b>2013-14</b>
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1	General Fund (Tobacco)	22,336,600	22,120,600
2	General Fund	1,997,288,400	2,185,860,800
3	Restricted Funds	966,563,200	929,110,400
4	Federal Funds	4,962,264,600	5,223,760,200
5	TOTAL	7,948,452,800	8,360,852,000

6 **H. JUSTICE AND PUBLIC SAFETY CABINET**

7 **Budget Units**

8 **1. JUSTICE ADMINISTRATION**

9		<b>2012-13</b>	<b>2013-14</b>
10	General Fund (Tobacco)	1,724,500	1,700,200
11	General Fund	10,128,600	10,273,900
12	Restricted Funds	5,768,900	5,794,700
13	Federal Funds	10,000,900	11,367,900
14	TOTAL	27,622,900	29,136,700

15 **(1) Office of Drug Control Policy:** Included in the above Restricted Funds  
16 appropriation is \$1,800,000 in each fiscal year for regional Drug Courts in Kentucky's  
17 coal-producing counties.

18 **(2) Operation Unite:** Included in the above Restricted Funds appropriation is  
19 \$2,000,000 in each fiscal year for Operation Unite.

20 **(3) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
21 appropriation is \$1,724,500 in fiscal year 2012-2013 and \$1,700,200 in fiscal year 2013-  
22 2014 for the Office of Drug Control Policy.

23 **(4) Madisonville Medical Examiner's Office:** Included in the above General  
24 Fund appropriation is \$327,200 in each fiscal year for the operation of the Madisonville  
25 Medical Examiner's Office. The office shall not be relocated or closed during the 2012-  
26 2014 fiscal biennium.

27 **2. CRIMINAL JUSTICE TRAINING**

	2012-13	2013-14
1		
2	48,764,300	49,329,400
3	188,000	188,000
4	48,952,300	49,517,400

5       **(1) Kentucky Law Enforcement Foundation Program Fund:** Included in the  
6 above Restricted Funds appropriation is \$47,523,900 in fiscal year 2012-2013 and  
7 \$48,168,600 in fiscal year 2013-2014 for the Kentucky Law Enforcement Foundation  
8 Program Fund.

9       **(2) Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in  
10 the above Restricted Funds appropriation is \$3,100 in each fiscal year for each participant  
11 for training incentive payments.

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

20       **(4) Expenditure Limits:** For each fiscal year, the Department of Criminal Justice  
21 Training is limited to a total spending amount of \$19,289,700 for personnel, operating,  
22 and capital outlay. Costs for the Kentucky Law Enforcement Foundation Program Fund  
23 stipends and debt service costs are exempt from this spending limit.

### 24   3. JUVENILE JUSTICE

	2012-13	2013-14
25		
26	79,405,400	80,848,700
27	11,000,000	9,686,500

1	Federal Funds	12,261,200	12,424,200
2	TOTAL	102,666,600	102,959,400

3       **(1) Mary Kendall Homes and Gateway Juvenile Diversion:** Included in the  
 4 above General Fund appropriation is \$275,000 in each fiscal year for the support of the  
 5 Mary Kendall Homes and \$275,000 in each fiscal year for the support of Gateway  
 6 Juvenile Diversion.

7       **(2) Local Prevention Programs:** Included in the above General Fund  
 8 appropriation is \$100,000 in each fiscal year for distribution to local juvenile prevention  
 9 programs.

10 **4. STATE POLICE**

		2012-13	2013-14
11			
12	General Fund	65,296,000	67,166,600
13	Restricted Funds	22,037,800	19,105,000
14	Federal Funds	12,501,600	11,562,000
15	Road Fund	89,475,900	91,898,200
16	TOTAL	189,311,300	189,731,800

17       **(1) Call to Extraordinary Duty:** There is appropriated from the General Fund to  
 18 the Department of Kentucky State Police, subject to the conditions and procedures  
 19 provided in this Act, funds which are required as a result of the Governor's call of the  
 20 Kentucky State Police to extraordinary duty when an emergency situation has been  
 21 declared to exist by the Governor. Funding is authorized to be provided from the General  
 22 Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS  
 23 48.705).

24       **(2) State Police and Vehicle Enforcement Personnel Training Incentive:**  
 25 Included in the above Restricted Funds appropriation is sufficient funding for a \$3,100  
 26 annual training incentive stipend for state troopers, arson investigators, hazardous devices  
 27 investigators, legislative security specialists, and vehicle enforcement officers from the

1 Kentucky Law Enforcement Foundation Program Fund.

2       **(3) Restricted Funds Uses:** Notwithstanding KRS 42.320(2)(h), 160.151(1)(c),  
 3 189A.050(3)(a), 237.110(18), and 281A.160, funds are included in the above Restricted  
 4 Funds appropriation to maintain the operations and administration of the Kentucky State  
 5 Police.

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

9       **(5) Debt Service:** Included in the above General Fund appropriation is \$88,000 in  
 10 fiscal year 2012-2013 and \$176,000 in fiscal year 2013-2014 for new debt service to  
 11 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

12 **5. CORRECTIONS**

13 **a. Corrections Management**

	<b>2012-13</b>	<b>2013-14</b>
14 General Fund	9,493,900	9,537,200
15 Restricted Funds	300,000	300,000
16 Federal Funds	183,000	825,000
17 TOTAL	9,976,900	10,662,200

18  
 19       **(1) Appropriations Adjustments:** The General Assembly has determined that  
 20 the Department of Corrections shall be permitted to adjust appropriations between the  
 21 Community Services and Local Facilities budget unit and the Adult Correctional  
 22 Institutions budget unit in fiscal year 2012-2013 and in fiscal year 2013-2014. Only  
 23 adjustments necessary to manage the diverse mix of inmate classifications, custody  
 24 levels, probation and parole caseloads, and population increases or decreases shall be  
 25 permitted. Any appropriations transferred or otherwise directed between these  
 26 appropriation units shall be documented and justified in writing. No adjustments may be  
 27 made except upon the prior written concurrence of the State Budget Director. The State

1 Budget Director shall report the adjustments and the necessity of the adjustments to the  
 2 Interim Joint Committee on Appropriations and Revenue.

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

13 The training shall continue to be delivered by Regional Mental Health/Mental  
 14 Retardation Board staff to new jailers and new jail staff, except administrative support, on  
 15 screening and responding to the needs of inmates with mental illness within six months of  
 16 employment. Treatment services may also be provided for within this funding allocation.

17 **b. Adult Correctional Institutions**

	2012-13	2013-14
18 General Fund	270,450,800	273,659,900
19 Restricted Funds	17,338,600	17,588,900
20 Federal Funds	1,929,800	1,805,500
21 TOTAL	289,719,200	293,054,300

22  
 23 **(1) Debt Service:** Included in the above General Fund appropriation is \$120,500  
 24 in fiscal year 2012-2013 and \$361,500 in fiscal year 2013-2014 for new debt service to  
 25 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

26 **(2) Transfer to State Institutions:** Notwithstanding KRS 532.100(7), state  
 27 prisoners, excluding the Class C and Class D felons, qualifying to serve time in county

1 jails, may be transferred to a state institution within 90 days of final sentencing, if the  
 2 county jail does not object to the additional 45 days.

3 **(3) Canteen Fund Proceeds:** The Department of Corrections shall file annual  
 4 reports with the Interim Joint Committee on Appropriations and Revenue detailing the  
 5 revenues and expenditures from the Canteen Fund for each state-operated prison, private  
 6 prison, and the central office of the department. The report shall be due September 1 of  
 7 each year.

8 **(4) Expenditure of Savings for Substance Abuse Treatment:** Included in the  
 9 above General Fund appropriation is \$6,763,400 in fiscal year 2013-2014 for new  
 10 substance abuse treatment programs. Actual expenditures for new substance abuse  
 11 treatment programs in fiscal year 2013-2014 shall not exceed the actual savings in  
 12 incarceration costs as calculated in accordance with KRS 196.286.

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

	<b>2012-13</b>	<b>2013-14</b>
14 General Fund	158,051,700	151,074,000
15 Restricted Funds	3,030,000	5,830,000
16 Federal Funds	540,000	340,000
17 TOTAL	161,621,700	157,244,000

18 **(1) Excess Local Jail Per Diem Costs:** In the event that actual local jail per diem  
 19 payments exceed the amounts provided to support the budgeted average daily population  
 20 of state felons in county jails for fiscal year 2012-2013 and fiscal year 2013-2014, the  
 21 payments shall be deemed necessary government expenses and may be paid from the  
 22 General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account  
 23 (KRS 48.705), subject to notification as to necessity and amount by the State Budget  
 24 Director who shall report any certified expenditure to the Interim Joint Committee on  
 25 Appropriations and Revenue.  
 26

27 **(2) Local Jails Funding:** Notwithstanding KRS 441.605 to 441.695, funds in the

1 amount of \$2,800,000 in fiscal year 2013-2014 shall be expended from the Kentucky  
 2 Local Correctional Facilities Construction Authority for local correctional facility and  
 3 operational support consistent with contractual covenants in accordance with bond  
 4 indentures of the Authority.

5 **d. Local Jail Support**

	2012-13	2013-14
6 General Fund	16,963,900	19,037,000

7  
 8 **(1) Local Corrections Assistance Funds:** Pursuant to KRS 196.288, included in  
 9 the above General Fund appropriation is \$3,443,700 in fiscal year 2012-2013 and  
 10 \$5,516,800 in fiscal year 2013-2014 for the Local Corrections Assistance Fund.

11 **(2) Life Safety or Closed Jails:** Included in the above General Fund  
 12 appropriation is \$960,000 in each fiscal year to provide a monthly payment of an annual  
 13 amount of \$20,000 to each county with a life safety jail or a closed jail. The payment shall  
 14 be in addition to the payment required by KRS 441.206(2).

15 **(3) Inmate Medical Care Expenses:** Included in the above General Fund  
 16 appropriation is \$931,100 in each fiscal year for medical care contracts to be distributed,  
 17 upon approval of the Department of Corrections, to counties by the formula codified in  
 18 KRS 441.206, and \$960,000 in each fiscal year, on a partial reimbursement basis, for  
 19 medical claims in excess of the statutory threshold pursuant to KRS 441.045. The funding  
 20 support for medical contracts and catastrophic medical expenses for indigents shall be  
 21 maintained in discrete accounts. Any medical claim that exceeds the statutory threshold  
 22 may be reimbursed for that amount in excess of the statutory threshold.

23 **(4) Local Corrections Assistance Fund Allocation:** Moneys in the fund shall be  
 24 distributed to the counties~~[on or before September 15 of]~~ each year. Amounts distributed  
 25 from the fund shall be used to support local correctional facilities and programs,  
 26 including the transportation of prisoners, as follows:

27 **(a) 1.** In fiscal year 2012-2013, the first \$2,400,000 received by the fund, or, if the



1 fund receives less than \$2,400,000, the entire balance of the fund, shall be divided equally  
 2 among all counties; and

3 2. In fiscal year 2013-2014, the first \$3,000,000 received by the fund, or, if the  
 4 fund receives less than \$3,000,000, the entire balance of the fund, shall be divided equally  
 5 among all counties.

6 (b) Any moneys remaining after making the distributions required by paragraph (a)  
 7 of this subsection shall be distributed to each county based on a ratio, the numerator of  
 8 which shall be the county's county inmate population on the second Thursday in January  
 9 during the prior fiscal year, and the denominator of which shall be the total counties'  
 10 county inmate population for the entire state on the second Thursday in January during  
 11 the prior fiscal year.

12 **TOTAL - CORRECTIONS**

	<b>2012-13</b>	<b>2013-14</b>
13		
14	454,960,300	453,308,100
15	20,668,600	23,718,900
16	2,652,800	2,970,500
17	<b>TOTAL</b>	<b>479,997,500</b>

18 **6. PUBLIC ADVOCACY**

	<b>2012-13</b>	<b>2013-14</b>
19		
20	39,974,000	40,678,600
21	4,044,000	4,044,000
22	2,418,200	2,421,300
23	<b>TOTAL</b>	<b>47,143,900</b>

24 **(1) Compensatory Leave Conversion to Sick Leave:** If the Department of  
 25 Public Advocacy determines that internal budgetary pressures warrant further austerity  
 26 measures, the Public Advocate may institute a policy to suspend payment of 50-hour  
 27 blocks of compensatory time for those attorneys who have accumulated 240 hours of

1 compensatory time and instead convert those hours to sick leave.

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

3		2012-13	2013-14
4	General Fund (Tobacco)	1,724,500	1,700,200
5	General Fund	649,764,300	652,275,900
6	Restricted Funds	112,283,600	111,678,500
7	Federal Funds	40,022,700	40,933,900
8	Road Fund	89,475,900	91,898,200
9	TOTAL	893,271,000	898,486,700

10 **I. LABOR CABINET**

11 **Budget Units**

12 **1. SECRETARY**

13		2012-13	2013-14
14	Restricted Funds	4,515,300	4,677,000
15	Federal Funds	170,000	170,000
16	TOTAL	4,685,300	4,847,000

17 **2. GENERAL ADMINISTRATION AND PROGRAM SUPPORT**

18		2012-13	2013-14
19	General Fund	2,931,800	2,993,600
20	Restricted Funds	2,817,600	3,031,300
21	Federal Funds	67,000	67,000
22	TOTAL	5,816,400	6,091,900

23 **3. WORKPLACE STANDARDS**

24		2012-13	2013-14
25	General Fund	1,717,700	1,750,500
26	Restricted Funds	77,245,700	77,323,500
27	Federal Funds	3,555,400	3,770,400

1	TOTAL	82,518,800	82,844,400
2	<b>4. WORKERS' CLAIMS</b>		
3		<b>2012-13</b>	<b>2013-14</b>
4	Restricted Funds	15,945,500	16,527,200
5	<b>5. OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION</b>		
6		<b>2012-13</b>	<b>2013-14</b>
7	Restricted Funds	541,100	551,200
8	<b>6. WORKERS' COMPENSATION FUNDING COMMISSION</b>		
9		<b>2012-13</b>	<b>2013-14</b>
10	Restricted Funds	108,220,800	109,512,200
11	<b>(1) Commission Funding:</b> Notwithstanding KRS 342.122(1)(c), no General		
12	Fund appropriation is provided to the Kentucky Workers' Compensation Funding		
13	Commission in either fiscal year.		
14	<b>TOTAL - LABOR CABINET</b>		
15		<b>2012-13</b>	<b>2013-14</b>
16	General Fund	4,649,500	4,744,100
17	Restricted Funds	209,286,000	211,622,400
18	Federal Funds	3,792,400	4,007,400
19	TOTAL	217,727,900	220,373,900

## J. PERSONNEL CABINET

### Budget Units

#### 1. GENERAL OPERATIONS

23		<b>2012-13</b>	<b>2013-14</b>
24	Restricted Funds	29,645,300	26,818,800

25 **(1) Pro Rata Assessment:** Included in the above Restricted Funds appropriation  
 26 is \$2,691,200 in fiscal year 2012-2013 and \$2,691,600 in fiscal year 2013-2014 to be  
 27 transferred to the General Fund to support debt service on bonds previously issued for the

1 Kentucky Human Resources Information System. The Personnel Cabinet shall collect a  
 2 pro rata assessment from all state agencies, in all three branches of government, and other  
 3 organizations that are supported by the System. Those collections shall be deposited and  
 4 retained into a Restricted Funds account within the Personnel Cabinet.

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

	2012-13	2013-14
6		
7	8,361,600	8,877,200

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

	2012-13	2013-14
9		
10	26,191,900	27,706,600

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

	2012-13	2013-14
12		
13	2,200,000	4,500,000

14 **(1) Health Insurance Increased Costs:** The above General Fund appropriation  
 15 provides a pool of funds to be allocated to Executive Branch agencies that participate in  
 16 the Public Employees Self-Insured Health Insurance Program to provide the General  
 17 Fund portion of the increased cost of health insurance in accordance with the procedures  
 18 contained in Part IV, State Salary/Compensation, Benefit, and Employment Policy, of this  
 19 Act.

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

	2012-13	2013-14
21		
22	1,257,800	1,057,800

23 **(1) Group Health Insurance:** The above General Fund appropriation is provided  
 24 to support a dependent subsidy for full-time employees of quasi-governmental employers,  
 25 excluding state agencies, participating in the State Group Health Insurance program. To  
 26 participate in this fund, each quasi-governmental employer shall certify to the Secretary  
 27 of the Personnel Cabinet that no funds received from the pool are being utilized to fund

1 any benefits for persons other than full-time employees.

2 **TOTAL - PERSONNEL CABINET**

	<b>2012-13</b>	<b>2013-14</b>
4 General Fund	3,457,800	5,557,800
5 Restricted Funds	64,198,800	63,402,600
6 <b>TOTAL</b>	<b>67,656,600</b>	<b>68,960,400</b>

7 **K. POSTSECONDARY EDUCATION**

8 **Budget Units**

9 **1. COUNCIL ON POSTSECONDARY EDUCATION**

	<b>2012-13</b>	<b>2013-14</b>
11 General Fund (Tobacco)	4,247,800	4,187,800
12 General Fund	43,710,600	43,933,000
13 Restricted Funds	6,352,800	6,119,000
14 Federal Funds	17,996,700	17,993,800
15 <b>TOTAL</b>	<b>72,307,900</b>	<b>72,233,600</b>

16 **(1) Carry Forward of General Fund Appropriation Balance:** Notwithstanding  
 17 KRS 45.229, the General Fund appropriation in fiscal year 2011-2012 and fiscal year  
 18 2012-2013 to the Adult Education and Literacy Funding Program shall not lapse and shall  
 19 carry forward.

20 Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2011-  
 21 2012 and fiscal year 2012-2013 to the Science and Technology Funding Program shall  
 22 not lapse and shall carry forward.

23 **(2) Interest Earnings Transfer from the Strategic Investment and Incentive**  
 24 **Trust Fund Accounts:** Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917,  
 25 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, any expenditures from the  
 26 Strategic Investment and Incentive Trust Fund accounts in excess of appropriated  
 27 amounts by the Council on Postsecondary Education shall be subject to KRS 48.630.

1       **(3) Ovarian Cancer:** Notwithstanding KRS 164.476(1), General Fund (Tobacco)  
2 moneys in the amount of \$775,000 in each fiscal year shall be allotted from the Lung  
3 Cancer Research Fund to the Ovarian Cancer Screening Outreach Program at the  
4 University of Kentucky.

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

14       **(5) Washington, D.C. Internship Program:** Included in the above General Fund  
15 appropriation is \$76,100 in each fiscal year for scholarships to the Washington Center for  
16 Internships and Academic Seminars.

17       **(6) Adult Education:** Included in the above General Fund appropriation is  
18 \$19,548,600 in each fiscal year for the Kentucky Adult Education Funding Program.

19       **(7) Contract Spaces:** Included in the above General Fund appropriation is  
20 \$5,049,600 in fiscal year 2012-2013 and \$5,201,600 in fiscal year 2013-2014 for the  
21 Contract Spaces Program.

22       **(8) Veterinary Medicine:** If General Fund appropriations are not sufficient to  
23 fully fund 164 veterinary slots, the Council on Postsecondary Education shall fully fund  
24 the 164 slots out of the Council's base budget.

25       **(9) Optometry Slots:** If General Fund appropriations are not sufficient to fully  
26 fund 44 optometry slots, the Council on Postsecondary Education shall fully fund the 44  
27 slots out of the Council's base budget.

1           **(10) Council President Compensation:** Notwithstanding KRS 164.013(6), the  
 2 Council on Postsecondary Education shall set the salary of the President at an amount no  
 3 greater than the salary he was receiving on January 1, 2012.

4           **(11) Adult Learner Degree Attainment Initiative:** Included in the above General  
 5 Fund appropriation is \$375,000 in fiscal year 2013-2014 for a new Adult Learner Degree  
 6 Attainment Initiative. The Council on Postsecondary Education shall, in consultation with  
 7 the Kentucky Community and Technical College System (KCTCS), continue to develop  
 8 and structure a request for proposal for up to two four-year public postsecondary  
 9 institutions to serve as the lead institution or institutions for the initiative. The Council on  
 10 Postsecondary Education shall consult with KCTCS in selecting the lead institution or  
 11 institutions and transfer no less than a total of \$325,000 to the institution or institutions  
 12 for the initiative. The funds shall be used to support teaching activities including hiring  
 13 faculty, purchasing technology, program marketing and outreach efforts, establishing a  
 14 system of prior learning assessment with faculty and staff who are trained in this area and  
 15 will be compensated for evaluation of prior learning, and strategic partnerships with  
 16 private and public entities that will help develop and improve educational opportunities  
 17 for adult learners. The appropriation is subject to an in-kind or monetary match by the  
 18 Council on Postsecondary Education and the lead institution or institutions. The lead  
 19 institution or institutions shall work closely with KCTCS to increase bachelor's degree  
 20 completion through the Adult Learner Degree Attainment Initiative. The Council on  
 21 Postsecondary Education shall report to the Interim Joint Committee on Appropriations  
 22 and Revenue and the Interim Joint Committee on Education on the implementation and  
 23 experience of the Initiative no later than December 1, 2013.

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

	<b>2012-13</b>	<b>2013-14</b>
25           General Fund (Tobacco)	800,000	700,000
26           General Fund	189,494,000	190,288,300

1	Restricted Funds	28,447,700	29,359,000
2	Federal Funds	2,015,300	2,015,600
3	TOTAL	220,757,000	222,362,900

4       **(1) College Access Program:** Notwithstanding KRS 154A.130(4), included in  
5 the above General Fund appropriation is \$58,764,400 in each fiscal year for the College  
6 Access Program.

7       **(2) Kentucky Tuition Grant Program:** Notwithstanding KRS 154A.130(4),  
8 included in the above General Fund appropriation is \$31,669,100 in each fiscal year for  
9 the Kentucky Tuition Grant Program.

10       **(3) Teacher Scholarship Program:** Notwithstanding KRS 154A.130(4),  
11 included in the above General Fund appropriation is \$1,732,800 in each fiscal year for the  
12 Teacher Scholarship Program.

13       **(4) Kentucky National Guard Tuition Assistance Program:** Notwithstanding  
14 KRS 154A.130(4), included in the above General Fund appropriation is \$4,332,600 in  
15 fiscal year 2012-2013 and \$4,898,100 in fiscal year 2013-2014 for the National Guard  
16 Tuition Assistance Program.

17       **(5) Kentucky Education Excellence Scholarships (KEES):** Notwithstanding  
18 KRS 154A.130(4), included in the above General Fund appropriation is \$91,579,900 in  
19 each fiscal year for the Kentucky Educational Excellence Scholarships (KEES). Included  
20 in the above Restricted Funds appropriation is \$10,093,800 in fiscal year 2012-2013 and  
21 \$10,893,400 in fiscal year 2013-2014 for KEES.

22       **(6) Work Study:** Included in the above General Fund appropriation is \$600,000  
23 in each fiscal year for the Work Study Program.

24       **(7) Excess Lottery Revenues:** Lottery revenues transferred to the Kentucky  
25 Higher Education Assistance Authority in excess of the sum of the General Fund amounts  
26 set forth in subsections (1), (2), (3), (4), and (5) of this section shall be allocated in  
27 accordance with KRS 154A.130(4)(b). If the amount allocated to the KEES program



1 exceeds the amount needed to fully fund KEES at the statutory individual award amounts,  
2 all excess funds shall be transferred to the KEES Reserve Trust Fund.

3 **3. EASTERN KENTUCKY UNIVERSITY**

4		2012-13	2013-14
5	General Fund	67,673,700	67,673,700
6	Restricted Funds	171,562,700	178,873,000
7	Federal Funds	104,793,500	115,272,900
8	<b>TOTAL</b>	<b>344,029,900</b>	<b>361,819,600</b>

9 **(1) Community Operations Board:** Included in the above General Fund  
10 appropriation is \$200,000 in fiscal year 2012-2013 and \$200,000 in fiscal year 2013-2014  
11 to provide funds to the Community Operations Board for personnel and programmatic  
12 operations of the conferencing, meeting, and community areas, and the performing arts  
13 center located in Business/Technology Center, Phase II. The Business/Technology  
14 Center, Phase II shall be governed by the Community Operations Board. Members of the  
15 board shall serve without compensation and shall not be reimbursed for expenses incurred  
16 in performance of their duties. The board shall establish policies and procedures for board  
17 operations and for facility use. The board shall make all decisions regarding use of the  
18 Business/Technology Center, Phase II including the conferencing and community areas  
19 and the performing arts center and shall make all decisions regarding personnel and  
20 programmatic operations of the conferencing and community areas and the performing  
21 arts center. The board is attached to Eastern Kentucky University for administrative  
22 purposes, and the university shall provide all facility maintenance and operations costs.

23 **4. KENTUCKY STATE UNIVERSITY**

24		2012-13	2013-14
25	General Fund	23,537,400	23,537,400
26	Restricted Funds	34,439,500	35,605,700
27	Federal Funds	24,444,700	24,444,700



1 TOTAL 240,984,500 250,263,300

2 **8. UNIVERSITY OF KENTUCKY**

3 2012-13 2013-14

4 General Fund 283,869,300 283,869,300

5 Restricted Funds 2,247,116,400 2,333,364,300

6 Federal Funds 219,752,200 232,396,700

7 TOTAL 2,750,737,900 2,849,630,300

8 **(1) Mining Engineering Scholarship Program:** Notwithstanding KRS 42.4592,  
9 included in the above General Fund appropriation is \$300,000 in each fiscal year from the  
10 Local Government Economic Development Fund for mining engineering scholarships.

11 **(2) Robinson Scholars Program:** Notwithstanding KRS 42.4592, included in the  
12 above General Fund appropriation is \$1,000,000 in each fiscal year from the Local  
13 Government Economic Development Fund for the Robinson Scholars Program.

14 **(3) University of Kentucky Diagnostic Laboratories:** Included in the above  
15 General Fund appropriation is \$366,900 in each fiscal year for the diagnostic laboratories  
16 at the University of Kentucky. The funds provided in this subsection are in addition to  
17 existing appropriations for the laboratories contained in the University of Kentucky's  
18 General Fund-supported operating budget. [~~Notwithstanding KRS 48.130 and 48.600 and  
19 Part VI of this Act, the appropriation set forth in this subsection shall not be reduced.~~]

20 **9. UNIVERSITY OF LOUISVILLE**

21 2012-13 2013-14

22 General Fund 163,049,400 166,212,300

23 Restricted Funds 924,735,500 949,169,200

24 Federal Funds 118,126,200 116,852,300

25 TOTAL 1,205,911,100 1,232,233,800

26 **(1) Debt Service:** Included in the above General Fund appropriation is  
27 \$1,420,200 in fiscal year 2012-2013 and \$3,927,900 in fiscal year 2013-2014 for debt

1 service for previously issued bonds.

2 **(2) Quality and Charity Care Trust Agreement:** Included in the above General  
3 Fund appropriation is \$20,434,400 in fiscal year 2012-2013 and \$21,089,600 in fiscal  
4 year 2013-2014 to fulfill the Commonwealth's contractual obligation relating to indigent  
5 care furnished via the Quality and Charity Care Trust Agreement. If the University of  
6 Louisville or the University Medical Center rebate, refund, waive, or otherwise disburse  
7 back to Louisville/Jefferson County Metro Government any portion of funds required to  
8 be appropriated and disbursed by that entity in accordance with its own contractual  
9 obligation under the Quality and Charity Care Trust Agreement during fiscal years 2012-  
10 2013 or 2013-2014, the University of Louisville or the University Medical Center shall  
11 contemporaneously pay to the Commonwealth an amount equivalent to the amount of  
12 funds rebated or waived to Louisville Metro. ~~[At the close of fiscal year 2012-2013, any~~  
13 ~~unexpended funds remaining from the General Fund appropriations related to the Quality~~  
14 ~~and Charity Care Trust Agreement shall be transferred to the Budget Reserve Trust Fund~~  
15 ~~Account (KRS 48.705).]~~

16 **10. WESTERN KENTUCKY UNIVERSITY**

	2012-13	2013-14
17		
18 General Fund	72,425,200	72,425,200
19 Restricted Funds	266,398,600	277,461,600
20 Federal Funds	52,736,000	54,839,000
21 TOTAL	391,559,800	404,725,800

22 **11. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

	2012-13	2013-14
23		
24 General Fund	191,455,700	191,455,700
25 Restricted Funds	459,352,600	480,144,700
26 Federal Funds	289,858,400	301,350,000
27 TOTAL	940,666,700	972,950,400

1           **(1) Firefighters Foundation Program Fund:** Included in the above Restricted  
2 Funds appropriation is \$40,594,800 in fiscal year 2012-2013 and \$41,275,900 in fiscal  
3 year 2013-2014 for the Firefighters Foundation Program Fund. Notwithstanding KRS  
4 95A.250(1), supplemental payments for each qualified professional firefighter under the  
5 Firefighters Foundation Program Fund shall be \$3,100 in each fiscal year.

6           **(2) Firefighters Training Center Fund:** Notwithstanding KRS 95A.262(3),  
7 \$500,000 in Restricted Funds is provided in each fiscal year for the Firefighters Training  
8 Center Fund.

9           **(3) Conveyance of Property:** (a) Notwithstanding KRS 45.777 and 164A.575(7),  
10 the Kentucky Community and Technical College System may convey to the Hopkins  
11 County Board of Education fee simple title to certain of its real property and  
12 improvements at the Madisonville Community College Technical Campus that have  
13 become surplus to Madisonville Community College with the completion of construction  
14 of the new Energy and Advanced Technology Center facility on the main campus of the  
15 college. The conveyance shall be completed at a price that is acceptable to both parties.  
16 Madisonville Community College shall use the proceeds from the conveyance of the real  
17 property for scholarships to students attending Madisonville Community College.

18           (b) Notwithstanding KRS 45.777 and 164A.575(7), the Kentucky Community and  
19 Technical College System may convey to Northern Kentucky University fee simple title  
20 to certain of its real property and improvements located in Campbell County that have  
21 become surplus to Gateway Community and Technical College with the creation of the  
22 new Boone Campus of Gateway Community and Technical College. The conveyance  
23 shall be completed at a price that is acceptable to both parties. Gateway Community and  
24 Technical College shall use the proceeds from the conveyance of the real property to  
25 support a capital project for Gateway Community and Technical College.

26           (c) Notwithstanding KRS 45.777 and 164A.575(7), the Kentucky Community and  
27 Technical College System may dispose of certain real property and improvements located

1 in Covington, Kentucky that will become surplus to Gateway Community and Technical  
2 College with the completion of the Advanced Manufacturing Technology Facility at the  
3 Boone County Campus. Gateway Community and Technical College shall use all the  
4 proceeds and interest from the disposition of the real property to support a capital project  
5 for Gateway Community and Technical College in the city limits of Covington,  
6 Kentucky.

7       **(4) Salary Increases:** It is the intent of the 2012 General Assembly that  
8 employees of the Kentucky Community and Technical College System (KCTCS) who are  
9 in the University of Kentucky personnel system shall be treated the same, with respect to  
10 compensation plans and salary increases implemented by KCTCS, as all other employees  
11 of KCTCS. Specifically, KCTCS shall not utilize the practice of providing lower salary  
12 increases to KCTCS employees who are in the University of Kentucky personnel system  
13 in order to offset money paid to the University of Kentucky for the cost of providing  
14 health insurance to these employees.

15       KCTCS shall make no distinction in compensation plans or salary increases among  
16 its employees based upon the personnel system to which they belong, except that KCTCS  
17 may make up the lower salary increases given in the past to those employees of KCTCS  
18 in the University of Kentucky personnel system which were based upon reimbursing the  
19 University of Kentucky for the cost of providing health insurance.

20       **(5) Lancaster Center:** Eastern Kentucky University (EKU) may collaborate with  
21 Bluegrass Community and Technical College (BCTC) to offer a curriculum at the  
22 Lancaster Center, which permits students to fulfill EKU general education requirements  
23 within six semesters. At least 25 percent of the EKU courses may be taught by the  
24 instructor on site. Offered courses from EKU may be established or taught with 12  
25 enrolled students or with fewer students at the discretion of EKU. EKU may provide  
26 those courses which are not available from BCTC. EKU may offer, at the Lancaster  
27 Center, upper division completer courses in sequence for at least the five largest major

1 programs of study at the ECU Richmond campus. At least 25 percent of these courses  
 2 may be taught by the instructor on site. Offered courses may be established or taught with  
 3 ten enrolled students or with a number equivalent to the lowest number required for that  
 4 course at the ECU Richmond campus; or with fewer students at the discretion of ECU.  
 5 ECU may maintain a full-time director and academic advisor for students at the Lancaster  
 6 Center and may make textbooks available on site.

7 **TOTAL - POSTSECONDARY EDUCATION**

	<b>2012-13</b>	<b>2013-14</b>	
8			
9	General Fund (Tobacco)	5,047,800	4,887,800
10	General Fund	1,171,620,700	1,175,796,000
11	Restricted Funds	4,518,507,000	4,692,089,000
12	Federal Funds	954,832,500	992,644,300
13	<b>TOTAL</b>	<b>6,650,008,000</b>	<b>6,865,417,100</b>

14 **L. PUBLIC PROTECTION CABINET**

15 **Budget Units**

16 **1. SECRETARY**

	<b>2012-13</b>	<b>2013-14</b>	
17			
18	General Fund	261,700	267,400
19	Restricted Funds	5,236,200	5,338,700
20	<b>TOTAL</b>	<b>5,497,900</b>	<b>5,606,100</b>

21 **2. BOXING AND WRESTLING AUTHORITY**

	<b>2012-13</b>	<b>2013-14</b>	
22			
23	Restricted Funds	148,200	150,700

24 **3. ALCOHOLIC BEVERAGE CONTROL**

	<b>2012-13</b>	<b>2013-14</b>	
25			
26	General Fund	684,600	698,300
27	Restricted Funds	4,956,400	5,196,300

1	TOTAL	5,641,000	5,894,600
2	<b>4. CHARITABLE GAMING</b>		
3		<b>2012-13</b>	<b>2013-14</b>
4	Restricted Funds	3,276,500	3,474,400
5	<b>5. BOARD OF CLAIMS/CRIME VICTIMS' COMPENSATION BOARD</b>		
6		<b>2012-13</b>	<b>2013-14</b>
7	General Fund	594,200	600,000
8	Restricted Funds	1,103,800	1,011,400
9	Federal Funds	563,700	514,400
10	TOTAL	2,261,700	2,125,800
11	<b>6. FINANCIAL INSTITUTIONS</b>		
12		<b>2012-13</b>	<b>2013-14</b>
13	Restricted Funds	10,528,000	10,449,800
14	<b>7. HORSE RACING COMMISSION</b>		
15		<b>2012-13</b>	<b>2013-14</b>
16	General Fund	2,609,800	2,660,000
17	Restricted Funds	25,387,200	25,626,600
18	TOTAL	27,997,000	28,286,600
19	<b>8. HOUSING, BUILDINGS AND CONSTRUCTION</b>		
20		<b>2012-13</b>	<b>2013-14</b>
21	General Fund	2,137,000	2,179,800
22	Restricted Funds	16,562,500	17,093,900
23	TOTAL	18,699,500	19,273,700

24 **(1) Funding Flexibility:** Notwithstanding KRS 198B.090(10), 198B.095(2),  
25 198B.676(2), 227.620(5), 227A.050(1) and (2), 236.130(3), and 318.136, the Department  
26 of Housing, Buildings and Construction may expend, with the approval of any affected  
27 boards, any Restricted Funds for programs administered by the Department. The



1 Department shall return any funds transferred from a board back to the board within the  
 2 fiscal biennium.

3 **9. INSURANCE**

	<b>2012-13</b>	<b>2013-14</b>
4		
5 General Fund (Tobacco)	14,867,200	14,657,300
6 Restricted Funds	20,076,700	20,642,900
7 Federal Funds	3,537,200	3,537,200
8 <b>TOTAL</b>	<b>38,481,100</b>	<b>38,837,400</b>

9 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)  
 10 appropriation is \$14,867,200 in fiscal year 2012-2013 and \$14,657,300 in fiscal year  
 11 2013-2014 for the Kentucky Access Program.

12 **10. TAX APPEALS**

	<b>2012-13</b>	<b>2013-14</b>
13		
14 General Fund	400,700	408,800

15 **TOTAL - PUBLIC PROTECTION CABINET**

	<b>2012-13</b>	<b>2013-14</b>
16		
17 General Fund (Tobacco)	14,867,200	14,657,300
18 General Fund	6,688,000	6,814,300
19 Restricted Funds	87,275,500	88,984,700
20 Federal Funds	4,100,900	4,051,600
21 <b>TOTAL</b>	<b>112,931,600</b>	<b>114,507,900</b>

22 **M. TOURISM, ARTS AND HERITAGE CABINET**

23 **Budget Units**

24 **1. SECRETARY**

	<b>2012-13</b>	<b>2013-14</b>
25		
26 General Fund	2,528,100	2,582,400
27 Restricted Funds	10,313,200	10,332,800

1 TOTAL 12,841,300 12,915,200

2 **(1) Unexpended Restricted Funds:** Notwithstanding KRS 42.4588, included in  
 3 the above Restricted Funds appropriation is \$255,700 in fiscal year 2012-2013 and  
 4 \$255,700 in fiscal year 2013-2014 from unexpended coal severance funds from the Local  
 5 Government Economic Development Fund, Multi-County Fund, from prior fiscal years  
 6 for Tourism Marketing and Development on behalf of the coal-producing counties. ~~[-No~~  
 7 ~~less than \$200,000 in each fiscal year shall be allocated from Tourism Marketing and~~  
 8 ~~Development on behalf of the coal-producing counties for fees for professional artists and~~  
 9 ~~entertainers performing on the Kentucky Music Trail. The Cabinet shall promote this~~  
 10 ~~assistance opportunity for professional artists and entertainers through its Web site and~~  
 11 ~~other sources, and shall send notice to the organizations this opportunity may impact. Any~~  
 12 ~~funds remaining after the allocation of funds for fees for professional artists and~~  
 13 ~~entertainers may be used for other tourism and marketing programs on behalf of the coal-~~  
 14 ~~producing counties.-]~~

15 **(2) Outdoor Drama Grants:** Included in the above Restricted Funds  
 16 appropriation is \$405,000 in each fiscal year for the purpose of supporting the following  
 17 grants: Someday Outdoor Drama, \$20,000 in each fiscal year; Stephen Foster, \$81,000 in  
 18 each fiscal year; Pioneer School of Drama, \$28,500 in each fiscal year; Music Theater of  
 19 Louisville, \$9,000 in each fiscal year; Pine Knob Theater, \$29,500 in each fiscal year;  
 20 Kincaid Regional Theater, \$27,500 in each fiscal year; Twilight Cabaret, \$9,000 in each  
 21 fiscal year; Horse Cave Theater, \$60,000 in each fiscal year; Jenny Wiley, \$39,500 in  
 22 each fiscal year; Indian Fort Drama of Berea, \$25,000 in each fiscal year; Fort Harrod  
 23 Drama Productions, \$41,000 in each fiscal year; Greenbo Lake State Resort Park,  
 24 \$10,000 in each fiscal year; and Russell County Ruscotown Players Production, \$25,000  
 25 in each fiscal year. If the agency finds that an Outdoor Drama grant recipient no longer  
 26 exists, the appropriation for that grant shall lapse to the credit of the Tourism, Meeting,  
 27 and Convention Marketing Fund established under KRS 142.406.

1           **(3) International Mystery Writers' Festival Grant:** Included in the above  
 2 General Fund appropriation is[ ~~\$150,000 in each fiscal year for~~ a grant to the RiverPark  
 3 Center in Owensboro to be used for the support of the International Mystery Writers'  
 4 Festival. This grant is subject to a one-to-one dollar match from other funds that shall be  
 5 certified by the RiverPark Center to the Office of the Secretary.

6           **(4) Actors Theatre:** Included in the above General Fund appropriation is[  
 7 ~~\$100,000 in each fiscal year for the~~ support of the Actors Theatre of Louisville.

8           **2. ARTISANS CENTER**

	<b>2012-13</b>	<b>2013-14</b>
9		
10       General Fund	327,400	353,200
11       Restricted Funds	1,583,400	1,583,400
12       Road Fund	350,000	350,000
13       TOTAL	2,260,800	2,286,600

14           **3. TRAVEL**

	<b>2012-13</b>	<b>2013-14</b>
15		
16       General Fund	2,997,800	3,056,800
17       Restricted Funds	93,500	1,200
18       TOTAL	3,091,300	3,058,000

19           **(1) Bluegrass State Games:** Included in the above General Fund appropriation is  
 20 \$50,000 in each fiscal year for the Bluegrass State Games.

21           **4. PARKS**

	<b>2012-13</b>	<b>2013-14</b>
22		
23       General Fund	28,079,400	28,883,000
24       Restricted Funds	52,127,900	52,040,600
25       TOTAL	80,207,300	80,923,600

26           **(1) Park Capital Maintenance and Renovation Fund:** Notwithstanding KRS  
 27 148.810, no transfer to the Park Capital Maintenance and Renovation Fund shall be made.

1       **(2) Debt Service:** Included in the above General Fund appropriation is \$161,000  
 2 in fiscal year 2012-2013 and \$569,000 in fiscal year 2013-2014 for new debt service to  
 3 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

4       ~~{(3) Pine Mountain State Park Grant: Included in the above General Fund~~  
 5 ~~appropriation is \$14,500 in fiscal year 2012-2013 for a grant to Pine Mountain State Park~~  
 6 ~~in Bell County for a new curtain divider.}~~

7       **5. HORSE PARK COMMISSION**

	2011-12	2012-13	2013-14
8       General Fund	3,500,000	2,372,100	2,390,800
9       Restricted Funds	-0-	7,755,600	7,840,300
10       TOTAL	3,500,000	10,127,700	10,231,100

11       **(1) Business Plan:** The Horse Park Commission shall submit a business plan to  
 12 the Interim Joint Committee on Appropriations and Revenue by June 30, 2012. The plan  
 13 shall describe in detail the actions that will be taken to make the agency financially self-  
 14 sufficient and eliminate the agency's dependence on General Fund appropriations.  
 15

16       **6. STATE FAIR BOARD**

	2011-12	2012-13	2013-14
17       General Fund	5,500,000	88,000	176,000
18       Restricted Funds	-0-	44,607,200	46,189,600
19       TOTAL	5,500,000	44,695,200	46,365,600

20       **(1) Debt Service-Restricted Funds:** Included in the above Restricted Funds  
 21 appropriation is \$4,536,200 in fiscal year 2012-2013 and \$4,541,400 in fiscal year 2013-  
 22 2014 for previously issued bonds.  
 23

24       **(2) Debt Service-General Fund:** Included in the above General Fund  
 25 appropriation is \$88,000 in fiscal year 2012-2013 and \$176,000 in fiscal year 2013-2014  
 26 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget,  
 27 of this Act.

1       **(3) Property Sale Proceeds:** Notwithstanding KRS 45.777, the proceeds from  
 2 any sale of real property assigned to the State Fair Board shall be deposited into a  
 3 Restricted Funds account for the benefit of the State Fair Board.

4       **(4) Business Plan:** Before requesting any additional General Fund appropriations,  
 5 the State Fair Board shall submit a business plan to the Interim Joint Committee on  
 6 Appropriations and Revenue. The plan shall describe in detail the actions that will be  
 7 taken to make the agency financially self-sufficient and eliminate the agency's  
 8 dependence on General Fund appropriations.

9       **7. FISH AND WILDLIFE RESOURCES**

	<b>2012-13</b>	<b>2013-14</b>
10       Restricted Funds	29,126,300	31,943,800
11       Federal Funds	16,487,200	15,759,500
12       TOTAL	45,613,500	47,703,300

13  
 14       **(1) Fish and Wildlife Resources Peace Officers' Stipend:** Included in the above  
 15 Restricted Funds appropriation is sufficient funding for a \$3,100 annual training incentive  
 16 stipend for Fish and Wildlife Resources Conservation officers from the Fish and Game  
 17 Fund, to be effective July 1, 2012.

18       **8. HISTORICAL SOCIETY**

	<b>2012-13</b>	<b>2013-14</b>
19       General Fund	5,624,100	5,696,700
20       Restricted Funds	493,400	457,800
21       Federal Funds	41,200	41,200
22       TOTAL	6,158,700	6,195,700

23  
 24       **9. ARTS COUNCIL**

	<b>2012-13</b>	<b>2013-14</b>
25       General Fund	2,771,900	2,797,700
26       Restricted Funds	151,600	151,600

1	Federal Funds	759,800	759,800
2	TOTAL	3,683,300	3,709,100

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

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

11       **10. HERITAGE COUNCIL**

12		2012-13	2013-14
13	General Fund	717,300	729,200
14	Restricted Funds	276,000	249,100
15	Federal Funds	735,600	736,900
16	TOTAL	1,728,900	1,715,200

17       **11. KENTUCKY CENTER FOR THE ARTS**

18		2012-13	2013-14
19	General Fund	802,400	802,400

20       **TOTAL - TOURISM, ARTS AND HERITAGE CABINET**

21		2011-12	2012-13	2013-14
22	General Fund	9,000,000	46,308,500	47,468,200
23	Restricted Funds	-0-	146,528,100	150,790,200
24	Federal Funds	-0-	18,023,800	17,297,400
25	Road Fund	-0-	350,000	350,000
26	TOTAL	9,000,000	211,210,400	215,905,800

27       **PART II**

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## CAPITAL PROJECTS BUDGET

### **(1) Capital Construction Fund Appropriations and Reauthorizations:**

Moneys in the Capital Construction Fund are appropriated for the following capital projects subject to the conditions and procedures in this Act. Items listed without appropriated amounts are previously authorized for which no additional amount is required. These items are listed in order to continue their current authorization into the 2012-2014 fiscal biennium. Unless otherwise specified, reauthorized projects shall conform to the original authorization enacted by the General Assembly.

### **(2) Expiration of Existing Line-Item Capital Construction Projects:**

All appropriations to existing line-item capital construction projects expire on June 30, 2012, unless reauthorized in this Act with the following exceptions: (a) A construction or purchase contract for the project shall have been awarded by June 30, 2012; (b) Permanent financing or a short-term line of credit sufficient to cover the total authorized project scope shall have been obtained in the case of projects authorized for bonds, if the authorized project completes an initial draw on the line of credit within the fiscal biennium immediately subsequent to the original authorization; and (c) Grant or loan agreements, if applicable, shall have been finalized and properly signed by all necessary parties by June 30, 2012. Notwithstanding the criteria set forth in this subsection, the disposition of 2010-2012 fiscal biennium nonstatutory appropriated maintenance pools funded from Capital Construction Investment Income shall remain subject to the provisions of KRS 45.770(5)(c).

### **(3) Bond Proceeds Investment Income:**

Investment income earned from bond proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage rebates and penalties and excess bond proceeds upon the completion of a bond-financed capital project shall be used to pay debt service according to the Internal Revenue Service Code and accompanying regulations.

### **(4) Appropriations for Projects Not Line-Itemized:**

Inasmuch as the

1 identification of specific projects in a variety of areas of the state government cannot be  
2 ascertained with absolute certainty at this time, amounts are appropriated for specific  
3 purposes to projects which are not individually identified in this Act in the following  
4 areas: Kentucky Infrastructure Authority Water and Sewer Grant Projects, and Broadband  
5 Grant Projects; Kentucky River Authority Locks and Dams Renovation and Maintenance  
6 Pool; Repair of State-Owned Dams; Land Acquisition; Property Demolition; Guaranteed  
7 Energy Savings Performance Contract projects; Wetland and Stream Mitigation;  
8 Economic Development projects, which shall include authorization for the High-Tech  
9 Construction Pool and the High-Tech Investment Pool; Infrastructure projects; Capital  
10 Renewal and Maintenance Pool; Research Capital Match Program Pool: Heritage Land  
11 Conservation projects; Flood Control projects; Parks Renovation Pool; Parks  
12 Development Pool; Kentucky Center for the Arts Major Maintenance Renovation Pool;  
13 Bond-funded maintenance pools; Parking Garage Maintenance Pool; the Postsecondary  
14 Education Institutions Technology and Equipment Pool; the Postsecondary Education  
15 Institutions Research Support - Lab Renovation and Equipment Pool;  
16 Construct/Replace/Upgrade Student Housing Phase I at the University of Kentucky; and  
17 University Major Items of Equipment Pools. Any projects estimated to cost over  
18 \$600,000 and equipment estimated to cost over \$200,000 shall be reported to the Capital  
19 Projects and Bond Oversight Committee.

20 **(5) Bond Issues for Tobacco and Non-Coal Producing Counties:** Any  
21 authorized bond project from the Infrastructure for Economic Development Fund for  
22 Tobacco Counties, Water and Sewer Resource Development Fund for Tobacco Counties,  
23 and Infrastructure for Economic Development Fund for Non-Coal Producing Counties  
24 may be financed from any associated bond issue for the Infrastructure for Economic  
25 Development Fund for Tobacco Counties, Water and Sewer Resource Development Fund  
26 for Tobacco Counties, and Infrastructure for Economic Development Fund for Non-Coal  
27 Producing Counties.





1           **(1) Permitted Use of Funds:** The Bond Funds shall be used to meet the  
 2 state match requirement for federal funds for the Wastewater State Revolving Loan Fund  
 3 program.

4           **002. KIA Fund F - Drinking Water Revolving Loan Program -**  
 5           2012-2014

6           Federal Funds	-0-	12,220,000	12,220,000
7           Bond Funds	-0-	-0-	2,200,000
8           TOTAL	-0-	12,220,000	14,420,000

9           **(1) Permitted Use of Funds:** The Bond Funds shall be used to meet the  
 10 state match requirement for federal funds for the Safe Drinking Water State Revolving  
 11 Loan Fund program.

12           **003. KIA Fund A - Federally Assisted Wastewater Program -**  
 13           2010-2012 Reauthorization (\$100,000,000 Agency Bonds)

14           **004. KIA Fund F - Drinking Water Revolving Loan Program -**  
 15           2010-2012 Reauthorization (\$25,000,000 Agency Bonds)

16           **005. City of Versailles - Versailles Water System Improvements**  
 17           (WX21239024) Reauthorization and Reallocation (\$1,000,000  
 18           Bond Funds)

19           **(1) Reauthorization and Reallocation:** The above project is authorized  
 20 from a reallocation of the City of Versailles - Sewer Disinfection Conversion project as  
 21 set forth in 2008 Ky. Acts ch. 191, Section 2, Woodford County, 002. and in 2009 Ky.  
 22 Acts ch. 50, Section 2, Woodford County, 002.

23           **006. Ohio County Fiscal Court - Sewer Rehabilitation Project for the**  
 24           City of Hartford (SX21183014) Reauthorization and Reallocation  
 25           (\$100,000 Bond Funds)

26           **(1) Reauthorization and Reallocation:** The above project is authorized  
 27 from a reallocation of the Ohio County Fiscal Court - Sewer Project Across North Side of

1 Rough River project as set forth in 2008 Ky. Acts ch. 191, Section 1, Ohio County, 006.  
2 and in 2009 Ky. Acts ch. 50, Section 1, Ohio County, 006.

3 **007. Bell County Fiscal Court - Water Rehabilitation (WX21013920)**

4 Reauthorization and Reallocation (\$643,551 Bond Funds)

5 **(1) Reauthorization and Reallocation:** The above project is authorized  
6 from a reallocation of the Bell County Fiscal Court - IP Sewer and Water Infrastructure  
7 project as set forth in 2008 Ky. Acts ch. 191, Section 1, Bell County, 001. and in 2009  
8 Ky. Acts ch. 50, Section 1, Bell County, 001.

9 **008. City of Wingo - Wingo Water System - Metering Improvements**

10 and SCADA System (WX21083007) Reauthorization and

11 Reallocation (\$91,780 Bond Funds)

12 **(1) Reauthorization and Reallocation:** The above project is authorized  
13 from a reallocation of the Wingo Water System - WX21083001 - Interconnect with South  
14 Graves project as set forth in 2006 Ky. Acts, ch. 252, Part II, O., Graves County, 012.

15 **009. McKinney Water District - Stanford Interconnect and Pump**

16 Station (WX21137042) Reauthorization and Reallocation

17 (\$150,000 Bond Funds)

18 **(1) Reauthorization and Reallocation:** The above project is authorized  
19 from a reallocation of the McKinney Water District - Water extension - connect  
20 Hustonville at Moreland project as set forth in 2006 Ky. Acts, ch. 251, Section 76.

21 **010. City of Greenup - Water Improvements Reauthorization and**

22 Reallocation (\$40,000 Bond Funds)

23 **(1) Reauthorization and Reallocation:** The above project is authorized  
24 from a reallocation of the City of Greenup (Oldtown) - Install Approximately One Mile  
25 of New Service Along Upper Hog Branch Road off Laurel Road Near Oldtown  
26 (WX21089020) project as set forth in 2006 Ky. Acts, ch. 252, Part II, N., Greenup  
27 County, 002.

1           **011. City of Flatwoods - Various Water and Sewer Improvements**

2                       Reauthorization and Reallocation (\$9,762 Bond Funds)

3                       **(1) Reauthorization and Reallocation:** The above project is authorized  
4 from a reallocation of the City of Flatwoods - Tank Renovation with Booster Pump  
5 Station (WX21089057) project as authorized by 2005 Ky. Acts ch. 173, Part I, A., 4., (3),  
6 Infrastructure for Economic Development Fund for Coal-Producing Counties, and 2005  
7 Ky. Acts ch. 173, Part II, A., 3., 003., Infrastructure for Economic Development Fund for  
8 Coal-Producing Counties.

9           **012. City of Greenup - Sanitary or Storm Sewer Improvements**

10                      Reauthorization and Reallocation (\$13,000 Bond Funds)

11                      **(1) Reauthorization and Reallocation:** The above project is authorized  
12 from a reallocation of the City of Greenup - Storm Sewer Improvements project as set  
13 forth in 2005 Ky. Acts ch. 170, Volume Ia, Part II, Infrastructure for Economic  
14 Development Fund for Coal-Producing Counties, Greenup.

15           **013. City of South Shore - Sewer Work and Renovation Reauthorization**

16                      and Reallocation (\$25,000 Bond Funds)

17                      **(1) Reauthorization and Reallocation:** The above project is authorized  
18 from a reallocation of the Greenup County Fiscal Court - South Shore - McKell Branch  
19 Water and Sewer Work for Meeting Room Expansion/Renovation project as set forth in  
20 2008 Ky. Acts ch. 191, Section 2, Greenup County, 020. and in 2009 Ky. Acts ch. 50,  
21 Section 2, Greenup County, 020.

22           **014. City of Worthington - Storm/Sanitary Sewer Rehabilitation and**

23                      Equipment Reauthorization and Reallocation (\$74,315 Bond

24                      Funds)

25                      **(1) Reauthorization and Reallocation:** The above project is authorized  
26 from a reallocation of the City of Worthington - Storm/Sanitary Sewer Rehabilitation  
27 project as set forth in 2008 Ky. Acts ch. 191, Section 2, Greenup County, 016. and in

1 2009 Ky. Acts ch. 50, Section 2, Greenup County, 016.

2 **015.** City of Raceland - Water and Sewer Upgrades Reauthorization  
3 and Reallocation (\$8,000 Bond Funds)

4 **(1) Reauthorization and Reallocation:** The above project is authorized  
5 from a reallocation of the City of Raceland - Water and Sewer Upgrades and Water Park  
6 Infrastructure project as set forth in 2008 Ky. Acts ch. 191, Section 2, Greenup County,  
7 012. and in 2009 Ky. Acts ch. 50, Section 2, Greenup County, 012.

8 **016.** Harlan County Fiscal Court - Black Mountain Utility District -  
9 Greenhill Water - Woodward Water Project Reauthorization and  
10 Reallocation (\$325,000 Restricted Funds)

11 **(1) Reauthorization and Reallocation:** The above project is authorized  
12 from a reallocation of the Harlan County Fiscal Court - Green Hills Water District -  
13 Water Line Extension project as set forth in 2008 Ky. Acts, ch. 123, Section 3, L., Harlan  
14 County, 014., the Harlan County Fiscal Court - Green Hills Water District - Water Line  
15 Extension project as set forth in 2008 Ky. Acts, ch. 123, Section 3, L., Harlan County,  
16 015., the Harlan County Fiscal Court - Green Hills Water District - Water Line Extension  
17 project as set forth in 2008 Ky. Acts, ch. 123, Section 3, L., Harlan County, 016.

18 **017.** Harlan County Fiscal Court - Black Mountain Utility District -  
19 Greenhill Water - System Maintenance and Rehabilitation  
20 Reauthorization and Reallocation (\$200,000 Bond Funds)

21 **(1) Reauthorization and Reallocation:** The above project is authorized  
22 from a reallocation of the Harlan County Fiscal Court - Greenhill Water District -  
23 Woodward Water project as set forth in 2008 Ky. Acts ch. 191, Section 1, Harlan  
24 County, 004. and in 2009 Ky. Acts ch. 50, Section 1, Harlan County, 004.

25 **018.** Harlan County Fiscal Court - Black Mountain Utility District -  
26 Retire RD Series - 1998 Loan Reauthorization and Reallocation  
27 (\$400,000 Restricted Funds)

1           **(1) Reauthorization and Reallocation:** The above project is authorized  
 2 from a reallocation of the Harlan County Fiscal Court - Green Hills Water District -  
 3 Water Line Extension project as set forth in 2008 Ky. Acts, ch. 123, Section 3, L., Harlan  
 4 County, 014., the Harlan County Fiscal Court - Green Hills Water District - Water Line  
 5 Extension project as set forth in 2008 Ky. Acts, ch. 123, Section 3, L., Harlan County,  
 6 015., the Harlan County Fiscal Court - Green Hills Water District - Water Line Extension  
 7 project as set forth in 2008 Ky. Acts, ch. 123, Section 3, L., Harlan County, 016.

8           **019.** Laurel County Water District #2 - Laurel County Fiscal Court -  
 9           Water Line (WX21125554) Reauthorization and Reallocation  
 10           (\$125,000 Bond Funds)

11           **(1) Reauthorization and Reallocation:** The above project is authorized  
 12 from a reallocation of the Laurel County Fiscal Court - Lay New 6" Main Starting on  
 13 Hammons Lane into Sublimity Springs Subdivision project as set forth in 2008 Ky. Acts  
 14 ch. 191, Section 1, Laurel County, 003. and in 2009 Ky. Acts ch. 50, Section 1, Laurel  
 15 County, 003.

16           **020.** Glasgow Water and Sewer Commission - Glasgow - WWTP -  
 17           Surge Basins Installation and Headworks Improvement  
 18           Reauthorization and Reallocation (\$455,660 Bond Funds)

19           **(1) Reauthorization and Reallocation:** The above project is authorized  
 20 from a reallocation of the Glasgow Water Company - Sanitary Sewer for Hwy 90 West -  
 21 Barren County Board of Education (SX21009036) project as set forth in 2008 Ky. Acts  
 22 ch. 191, Section 2, Barren County, 005. and in 2009 Ky. Acts ch. 50, Section 2, Barren  
 23 County, 005.

24           **021.** Knox County Fiscal Court - Water Pipe and Fittings Reauthorization  
 25           and Reallocation (\$75,000 Bond Funds)

26           **(1) Reauthorization and Reallocation:** The above project is authorized  
 27 from a reallocation of the Barbourville Utility Commission - Water Tank, Pump Station

1 HWY 229, and Water Line Extensions project as set forth in 2003 Ky. Acts ch. 156, Part  
2 XIII, A., Knox County, 46.

3 **022. Knox County Fiscal Court - Water Pipe and Fittings Reauthorization**  
4 **and Reallocation (\$15,000 Bond Funds)**

5 **(1) Reauthorization and Reallocation:** The above project is authorized  
6 from a reallocation of the Knox Utility Commission - Fire Hydrant Replacement and  
7 Construction on Hwy 11 project as set forth in 2008 Ky. Acts ch. 191, Section 1, Knox  
8 County, 008. and in 2009 Ky. Acts ch. 50, Section 1, Knox County, 008.

9 **023. Knox County Fiscal Court - Water Pipe and Fittings Reauthorization**  
10 **and Reallocation (\$6,138 Bond Funds)**

11 **(1) Reauthorization and Reallocation:** The above project is authorized  
12 from a reallocation of the Barbourville Utility Commission - Highway 11 - Frisabe  
13 Branch, Payne's Creek, Bertha Hollow, Big Bill Creek and Low Gap Rd.,  
14 Disappointment, and Greenbrier project as set forth in 2005 Ky. Acts ch. 170, Volume Ia,  
15 Part II, Infrastructure for Economic Development Fund for Coal Producing Counties,  
16 Knox.

17 **024. City of Nicholasville - Armory Place Water Distribution System**  
18 **Improvement Project (WX21113042) Reauthorization and**  
19 **Reallocation (\$104,572 Bond Funds)**

20 **(1) Reauthorization and Reallocation:** The above project is authorized  
21 from a reallocation of the City of Nicholasville - Bethany Road Extension project as set  
22 forth in 2006 Ky. Acts ch. 252, Part II, O., Jessamine County, 001.

23 **025. Letcher County Fiscal Court - Water Lines for Carcassonne off of**  
24 **Rt.7 Reauthorization and Reallocation (\$500,000 Bond Funds)**

25 **(1) Reauthorization and Reallocation:** The above project is authorized  
26 from a reallocation of the Letcher County Fiscal Court - Blackey Wastewater Collection  
27 System project as set forth in 2006 Ky. Acts, ch. 252, Part II, N., Letcher County, 001.

1           **026. McLean County Fiscal Court - Fox Hollow Road Water Line**

2                     Upgrade (WX21149029) Reauthorization and Reallocation

3                     (\$6,593 Bond Funds)

4           **(1) Reauthorization and Reallocation:** The above project is authorized  
5 from a reallocation of the McLean County Fiscal Court - Buttonsberry (Island) - Sewer  
6 Extension project as set forth in 2006 Ky. Acts, ch. 252, Part II, N., McLean County,  
7 004., and the McLean County Fiscal Court - KY 81 - Sewer Extension project as set forth  
8 in 2006 Ky. Acts ch. 252, Part II, N., McLean County, 008.

9           **027. McLean County Fiscal Court - Rumsey Sewer Project Debt**

10                    Retirement (SX21149027) Reauthorization and Reallocation

11                    (\$48,882 Bond Funds)

12           **(1) Reauthorization and Reallocation:** The above project is authorized  
13 from a reallocation of the McLean County Fiscal Court - Water Line Construction -  
14 Troutman Hills project as set forth in 2005 Ky. Acts ch. 170, Volume Ia, Part II,  
15 Infrastructure for Economic Development Fund for Coal Producing Counties, McLean,  
16 the McLean County Fiscal Court - Walnut Street - Water Line project as set forth in 2006  
17 Ky. Acts, ch. 252, Part II, N., McLean County, 012., the McLean County Fiscal Court -  
18 KY 81 - Sewer Extension project as set forth in 2006 Ky. Acts ch. 252, Part II, N.,  
19 McLean County, 008., the Beech Grove Water Board - Beech Grove Looping Project  
20 (WX21149021) project as set forth in 2008 Ky. Acts ch. 191, Section 2, McLean County,  
21 001. and in 2009 Ky. Acts ch. 50, Section 2, McLean County, 001., the McLean County  
22 Fiscal Court - Island Pump Station (WX21149011) project as set forth in 2008 Ky. Acts  
23 ch. 191, Section 2, McLean County, 008. and in 2009 Ky. Acts ch. 50, Section 2, McLean  
24 County, 008., and the McLean County Fiscal Court - Waterline Extensions project as set  
25 forth in 2008 Ky. Acts ch. 191, Section 2, McLean County, 010. and in 2009 Ky. Acts ch.  
26 50, Section 2, McLean County, 010.

27           **028. City of Providence - Debt Service for KIA Sewer Treatment Plant**



1           Loan Reauthorization and Reallocation (\$396,797 Bond Funds)

2           **(1) Reauthorization and Reallocation:** The above project is authorized  
3 from a reallocation of the City of Providence - Sewer Line Expansion project as set forth  
4 in 2006 Ky. Acts, ch. 252, Part II, P., Webster County, 001.

5           **029.** City of Eubank - Water Line Extensions and Highland Water  
6           Tank Repaint and Repair Reauthorization and Reallocation  
7           (\$68,041 Bond Funds)

8           **(1) Reauthorization and Reallocation:** The above project is authorized  
9 from a reallocation of the Eubank Water District -Water Extension in Lincoln County  
10 project as set forth in 2006 Ky. Acts, ch. 251, Section 77., and the City of Eubank - Water  
11 System Improvements Project (WX21199028) project as set forth in 2008 Ky. Acts ch.  
12 191, Section 2, Pulaski County, 005. and in 2009 Ky. Acts ch. 50, Section 2, Pulaski  
13 County, 005.

14           **030.** City of Cynthiana - Manhole Covers Reauthorization and  
15           Reallocation (\$400 Bond Funds)

16           **(1) Reauthorization and Reallocation:** The above project is authorized  
17 from a reallocation of the City of Cynthiana - Wastewater Treatment Plant - Cost Overrun  
18 on New Plant project as set forth in 2006 Ky. Acts, ch. 252, Part II, O., Harrison County,  
19 002.

20           **031.** Cumberland Falls Highway Water District - CFHWYWD - Line  
21           Replacement and Reinforcement Reauthorization and  
22           Reallocation (\$40,000 Bond Funds)

23           **(1) Reauthorization and Reallocation:** The above project is authorized  
24 from a reallocation of the Whitley County Fiscal Court - Fire Hydrant Refill Station for  
25 Canadytown Community project as set forth in 2006 Ky. Acts ch. 252, Part II, N.,  
26 Whitley County, 007.

27           **032.** City of Lancaster - Construction of New Water Treatment Plant

1 Reauthorization and Reallocation (\$1,132,455 Bond Funds)

2 **(1) Reauthorization and Reallocation:** The above project is authorized  
 3 from a reallocation of the City of Lancaster - SX21079007 - Buckey Street Sewer System  
 4 Improvements as set forth in 2006 Ky. Acts ch. 252, Part II, O., Garrard County, 003., the  
 5 City of Lancaster - Sewer Line project as set forth in 2008 Ky. Acts ch. 191, Section 2,  
 6 Garrard County, 002. and in 2009 Ky. Acts ch. 50, Section 2, Garrard County, 002., the  
 7 City of Lancaster - Sewer Line Extension - Glenmore Estates (SX21079010) project as  
 8 set forth in 2008 Ky. Acts ch. 191, Section 2, Garrard County, 003. and in 2009 Ky. Acts  
 9 ch. 50, Section 2, Garrard County, 003., and the City of Lancaster - Utility Security  
 10 Improvements Part B project as set forth in 2008 Ky. Acts ch. 191, Section 2, Garrard  
 11 County, 004. and in 2009 Ky. Acts ch. 50, Section 2, Garrard County, 004.

12 **033.** Lake Village Water Association - Adams Lane - U.S. 127 Water  
 13 System Improvements (WX21167025) Reauthorization and  
 14 Reallocation (\$350,000 Bond Funds)

15 **(1) Reauthorization and Reallocation:** The above project is authorized  
 16 from a reallocation of the Lake Village Water Association - Adams Lane Tank  
 17 (WX21167012) project as set forth in 2008 Ky. Acts ch. 191, Section 2, Mercer County,  
 18 001. and in 2009 Ky. Acts ch. 50, Section 2, Mercer County, 001.

19 **034.** Mercer County Sanitation District - City of Burgin Sanitary  
 20 Sewer Extension (SX21167012) Reauthorization and Reallocation  
 21 (\$740,000 Bond Funds)

22 **(1) Reauthorization and Reallocation:** The above project is authorized  
 23 from a reallocation of the Mercer County Sanitation District - Kentucky Agricultural  
 24 Heritage Center/McAfee Wastewater Conveyance Project (SX21167011) project as set  
 25 forth in 2008 Ky. Acts ch. 191, Section 2, Mercer County, 002. and in 2009 Ky. Acts ch.  
 26 50, Section 2, Mercer County, 002.

27 **035.** Mercer County Sanitation District - Mercer Co. Sanitation

1 District Sanitary Sewer Service Project (SX21167020)

2 Reauthorization and Reallocation (\$260,000 Bond Funds)

3 **(1) Reauthorization and Reallocation:** The above project is authorized  
4 from a reallocation of the Mercer County Sanitation District - KY Agricultural Heritage  
5 Center/McAfee Wastewater Conveyance Project (SX21167011) project as set forth in  
6 2008 Ky. Acts ch. 191, Section 2, Mercer County, 003. and in 2009 Ky. Acts ch. 50,  
7 Section 2, Mercer County, 003.

8 **036. City of Campbellsville - Water Storage Tank Improvements**

9 (WX21217006) Reauthorization and Reallocation (\$750,000 Bond  
10 Funds)

11 **(1) Reauthorization and Reallocation:** The above project is authorized  
12 from a reallocation of the City of Campbellsville - Taylor County Industrial Park  
13 Extension (WX21217005) project as set forth in 2008 Ky. Acts ch. 191, Section 2, Taylor  
14 County, 003. and in 2009 Ky. Acts ch. 50, Section 2, Taylor County, 003., and the City  
15 of Campbellsville - Water Storage Tank Improvements (WX21217006) project as set  
16 forth in 2008 Ky. Acts ch. 191, Section 2, Taylor County, 006. and in 2009 Ky. Acts ch.  
17 50, Section 2, Taylor County, 006.

18 **037. Dexter-Almo Heights Water District - Hopkins Road Loop and**

19 Metering Installation (WX21035006) Reauthorization and  
20 Reallocation (\$95,776 Bond Funds)

21 **(1) Reauthorization and Reallocation:** The above project is authorized  
22 from a reallocation of the Bendefield Water Association - Bendefield Consumers  
23 Interconnect (WX21035015) project as set forth in 2008 Ky. Acts ch. 191, Section 2,  
24 Calloway County, 001. and in 2009 Ky. Acts ch. 50, Section 2, Calloway County, 001.

25 **038. City of Owenton - Construction of Main from New Kentucky**

26 American WTP to City of Owenton (WX21187003) Reauthorization  
27 and Reallocation (\$867,143 Bond Funds)

1           **(1) Reauthorization and Reallocation:** The above project is authorized  
 2 from a reallocation of the Owenton Water Works - WX21187207 - Water Intake project  
 3 as set forth in 2006 Ky. Acts, ch. 252, Part II, O., Owen County, 001.

4           **039. City of Owenton - Owen County Unserved Areas (WX21187002)**  
 5                               Reauthorization and Reallocation (\$400,000 Bond Funds)

6           **(1) Reauthorization and Reallocation:** The above project is authorized  
 7 from a reallocation of the City of Owenton - Completion of New Water Intake project as  
 8 set forth in 2008 Ky. Acts ch. 191, Section 2, Owen County, 001. and in 2009 Ky. Acts  
 9 ch. 50, Section 2, Owen County, 001.

10          **040. City of Georgetown - Georgetown/Scott Count South Sewer**  
 11                               Extension (SX21209012) Reauthorization and Reallocation  
 12                               (\$1,075,000 Bond Funds)

13          **(1) Reauthorization and Reallocation:** The above project is authorized  
 14 from a reallocation of the Scott County Fiscal Court - Scott County Reservoir  
 15 (WX21209003) project as set forth in 2008 Ky. Acts ch. 191, Section 2, Scott County,  
 16 003. and in 2009 Ky. Acts ch. 50, Section 2, Scott County, 003.

17          **041. Hancock County Fiscal Court - Various Water Line Projects**  
 18                               Reauthorization and Reallocation (\$100,000 Bond Funds)

19          **(1) Reauthorization and Reallocation:** The above project is authorized  
 20 from a reallocation of the Hancock County Fiscal Court - (WX21091079) project as set  
 21 forth in 2010 (1st Extra. Sess.) Ky. Acts ch. 1, Part II, A., Kentucky Infrastructure  
 22 Authority, 019.

23   **3. MILITARY AFFAIRS**

24          **001. Construct Army Aviation Support Facility - Frankfort**

Federal Funds	32,000,000	-0-	-0-
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26          **002. Construct Phase VII WHFRTC**

Federal Funds	-0-	20,000,000	-0-
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1	<b>003. Construct Armory Readiness Center - Pikeville</b>			
2	Federal Funds	-0-	12,000,000	-0-
3	<b>004. Construct Armed Forces Ready Center - Somerset</b>			
4	Federal Funds	-0-	7,500,000	-0-
5	<b>005. Renovate Butler Reserve Center - Louisville</b>			
6	Restricted Funds	-0-	5,000,000	-0-
7	<b>006. Bluegrass Station Facility Maintenance Pool - 2012-2014</b>			
8	Restricted Funds	-0-	2,000,000	-0-
9	<b>007. Maintenance Pool - 2012-2014</b>			
10	Investment Income	-0-	1,000,000	1,000,000
11	<b>008. Construct MEDCOM Building - Frankfort</b>			
12	Restricted Funds	508,000	-0-	-0-
13	Federal Funds	842,000	-0-	-0-
14	TOTAL	1,350,000	-0-	-0-
15	<b>009. Construct Replacement Human Resources Office Building -</b>			
16	Frankfort			
17	Restricted Funds	275,000	-0-	-0-
18	Federal Funds	825,000	-0-	-0-
19	TOTAL	1,100,000	-0-	-0-
20	<b>010. Construct Water Line Extension - Boone National Guard Center</b>			
21	Restricted Funds	250,000	-0-	-0-
22	Federal Funds	750,000	-0-	-0-
23	TOTAL	1,000,000	-0-	-0-
24	<b>011. Construct Administration Building - Disney Training Center</b>			
25	Reauthorization (\$2,420,000 Federal Funds)			
26	<b>012. Construct Field Maintenance Shop - Northern Kentucky</b>			
27	Reauthorization (\$12,000,000 Federal Funds)			

- 1       **013.** Construct Field Maintenance Shop 1 Conversion Reauthorization  
2               (\$1,200,000 Federal Funds)
- 3       **014.** Construct Field Maintenance Shop 2 - London Reauthorization  
4               (\$10,000,000 Federal Funds)
- 5       **015.** Construct Field Maintenance Shop 6 - Jackson Reauthorization  
6               (\$10,000,000 Federal Funds)
- 7       **016.** Construct Field Maintenance Shop 8 Conversion Reauthorization  
8               (\$1,200,000 Federal Funds)
- 9       **017.** Construct General Warehouse Building - Bluegrass Station  
10              Reauthorization (\$3,700,000 Other Funds)
- 11           **(1) Authorization:** The above authorization is approved pursuant to KRS  
12 45.763.
- 13       **018.** Construct Joint Forces Readiness Center Phase I - Frankfort  
14              Reauthorization (\$9,500,000 Federal Funds)
- 15       **019.** Construct Multi-Purpose Building - Bluegrass Station  
16              Reauthorization (\$15,000,000 Other Funds)
- 17           **(1) Authorization:** The above authorization is approved pursuant to KRS  
18 45.763.
- 19       **020.** Construct Multi-Purpose Machine Gun Range Wendell H. Ford  
20              Regional Training Center Reauthorization (\$850,000 Federal  
21              Funds)
- 22       **021.** Construct Pole Barns at Bluegrass Station Reauthorization  
23              (\$2,200,000 Restricted Funds)
- 24       **022.** Construct Roadway and Sewage Plant - Bluegrass Station  
25              Reauthorization (\$1,700,000 Restricted Funds)
- 26       **023.** Construct Unheated Training and Equipment Site - WHFRTC  
27              Reauthorization (\$12,000,000 Federal Funds)

- 1       **024.** Extend Utility Lines - Bluegrass Station Reauthorization
- 2               (\$2,300,000 Restricted Funds)
- 3       **025.** Install Backup Generators - Bluegrass Station Reauthorization
- 4               (\$1,000,000 Restricted Funds)
- 5       **026.** Install Digital Fiber - Bluegrass Station Reauthorization
- 6               (\$1,500,000 Restricted Funds)
- 7       **027.** Parking Improvements - Bluegrass Station Reauthorization
- 8               (\$2,200,000 Restricted Funds)
- 9       **028.** Roof Replacement and Repair - Bluegrass Station Reauthorization
- 10              (\$2,500,000 Restricted Funds)
- 11       **029.** Kenton County - Lease

12   **4. DEPARTMENT FOR LOCAL GOVERNMENT**

13       **001.** Flood Control Matching Fund - 2012-2014

14           Bond Funds	-0-	-0-	2,000,000
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15       **002.** City of Covington - Times Star Commons - Planning

16               Reauthorization (\$750,000 Bond Funds and \$250,000 General

17               Fund)

18           **(1) Reauthorization and Purpose of Funds:** Notwithstanding any

19   statutory provision or agreement between a state agency and a local government to the

20   contrary, any fund balance remaining for grants to the City of Covington for Times Star

21   Commons - Planning as appropriated in 2006 Ky. Acts ch. 252, Part II, P., Kenton

22   County, 002., and 2006 Ky. Acts ch. 252, Part II, P., Kenton County, 001. shall be

23   reauthorized for the 2012-2014 fiscal biennium and may also be used for land acquisition,

24   maintenance, remediation and rehabilitation of structures and/or public improvements.

25       **003.** Leslie County Fiscal Court - Project 6 - Mary Breckenridge

26               Hospital - ARH Indigent Care Reauthorization and Reallocation

27               (\$125,000 Restricted Funds)

1           **(1) Reauthorization and Reallocation:** The above project is authorized  
 2 from a reallocation of the Leslie County Fiscal Court - Project 6 - Mary Breckenridge  
 3 Hospital - ICU - Surgery Expansion project as set forth in 2010 (1st Extra. Sess.) Ky.  
 4 Acts ch. 1, Part II, N., Leslie County, 013.

5   **5. SECRETARY OF STATE**

6       **001.** Business One-Stop Portal - Phase I Reauthorization and  
 7           Reallocation (\$5,000,000 Bond Funds)

8           **(1) Reauthorization and Reallocation:** The above project is authorized  
 9 from a reallocation of the Comprehensive Tax System Project as set forth in 2010 (1st  
 10 Extra. Sess.) Ky. Acts ch. 1, Part II, F., 3., 001., and 2006 Ky. Acts ch. 252, Part II, G., 4.,  
 11 001.

12   **6. ATTORNEY GENERAL**

13       **001.** Franklin County - Lease

14   **7. UNIFIED PROSECUTORIAL SYSTEM**

15       **a. Commonwealth's Attorneys**

16           **001.** Jefferson County - Lease

17   **8. TREASURY**

18       **001.** Lease-Purchase Check Printers and Fold Sealers

19           Capital Construction Surplus	-0-	277,000	277,000
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20   **9. AGRICULTURE**

21       **001.** Franklin County - Lease

22       **002.** Jefferson County - Lease

23   **10. OCCUPATIONAL AND PROFESSIONAL BOARDS AND**

24       **COMMISSIONS**

25       **a. Nursing**

26           **001.** Jefferson County - Lease

27   **11. KENTUCKY RIVER AUTHORITY**



1       **001.** Kentucky River Locks and Dams Maintenance and Renovations  
 2           Pool - 2012-2014  
 3           Restricted Funds                           -0-       3,800,000       -0-

4       **002.** Kentucky River Locks and Dams Maintenance and Renovations  
 5           Pool - 2008-2010 Reauthorization (\$19,200,000 Agency Bonds)

6   **12. SCHOOL FACILITIES CONSTRUCTION COMMISSION**

7       **001.** Offers of Assistance - 2010-2012

8           Bond Funds                               -0-       100,000,000       -0-

9       **002.** School Facilities Construction Commission Reauthorization  
 10           (\$119,866,000 Bond Funds)

11                           **B. ECONOMIC DEVELOPMENT CABINET**

12       **(1) Economic Development Bond Issues:** Before any economic development  
 13 bonds are issued, the proposed bond issue shall be approved by the Secretary of the  
 14 Finance and Administration Cabinet and the State Property and Buildings Commission  
 15 under KRS 56.440 to 56.590. In addition to the terms and conditions of KRS 154.12-100,  
 16 administration of the Economic Development Bond Program by the Secretary of the  
 17 Cabinet for Economic Development is subject to the following guideline: project  
 18 selection shall be documented when presented to the Secretary of the Finance and  
 19 Administration Cabinet. Included in the documentation shall be the rationale for selection  
 20 and expected economic development impact.

21       **(2) Use of New Economy Funds:** Notwithstanding 2006 Ky. Acts ch. 252, Part  
 22 II, C., the \$20,000,000 in the New Economy High-Tech Construction/Investment Pool is  
 23 available for projects and loans approved by the Kentucky Economic Development  
 24 Finance Authority under the terms and conditions of its existing loan programs as well as  
 25 for projects in the High-Tech Construction Pool and the High-Tech Investment Pool in  
 26 KRS 154.12-278.

27       **(3) Use of New Economy Funds and Economic Development Bond Funds:**

1 Notwithstanding KRS 154.12-278(4) and (5), the Secretary of the Cabinet for Economic  
 2 Development may use funds appropriated to the High-Tech Construction/Investment Pool  
 3 for economic development bond projects, consistent with KRS 154.12-100.  
 4 Notwithstanding KRS 154.12-100, the Secretary of the Cabinet for Economic  
 5 Development may use funds appropriated to the Economic Development Bond Pool for  
 6 high-tech construction/investment pool projects, consistent with KRS 154.12-278(4) and  
 7 (5).

### 8 C. DEPARTMENT OF EDUCATION

9 Budget Units	2012-13	2013-14
10 1. OPERATIONS AND SUPPORT SERVICES		
11 001. Maintenance Pool - 2012-2014		
12 Investment Income	675,000	675,000

### 13 D. EDUCATION AND WORKFORCE DEVELOPMENT CABINET

14 Budget Units	2012-13	2013-14
15 1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT		
16 001. Maintenance Pool - 2012-2014		
17 Investment Income	400,000	400,000
18 2. KENTUCKY EDUCATIONAL TELEVISION		
19 001. Maintenance Pool - 2012-2014		
20 Investment Income	300,000	300,000
21 3. VOCATIONAL REHABILITATION		
22 001. Fayette County - Lease		

### 23 E. ENERGY AND ENVIRONMENT CABINET

24 Budget Units	2011-12	2012-13	2013-14
25 1. SECRETARY			
26 001. Kentucky Heritage Land Conservation Fund - Additional			
27 Federal Funds	-0-	1,000,000	1,000,000

1	<b>002. Maintenance Pool - 2012-2014</b>			
2	Investment Income	-0-	200,000	200,000
3	<b>2. ENVIRONMENTAL PROTECTION</b>			
4	<b>001. Maxey Flats Cap</b>			
5	Bond Funds	-0-	-0-	17,000,000
6	Other Funds	-0-	18,186,000	-0-
7	TOTAL	-0-	18,186,000	17,000,000
8	<b>002. Hazardous Waste Management Fund - 2012-2014</b>			
9	Restricted Funds	-0-	2,100,000	2,100,000
10	<b>003. State-Owned Dam Repair - 2012-2014</b>			
11	Bond Funds	-0-	2,500,000	-0-
12	<b>004. Paper Shredder</b>			
13	Restricted Funds	305,000	-0-	-0-
14	<b>005. Franklin County - Lease - 200 Fair Oaks</b>			
15	<b>006. Franklin County - Lease - 300 Fair Oaks</b>			
16	<b>3. NATURAL RESOURCES</b>			
17	<b>001. Mine Safety, Licensing and Mapping Application</b>			
18	Restricted Funds	-0-	972,000	-0-
19	<b>(1) Fund Source:</b> Notwithstanding KRS 42.4588, \$972,000 in fiscal year			
20	2012-2013 shall be transferred from the Local Government Economic Development			
21	Fund, Multi-County Fund, to the above project.			
22	<b>002. Franklin County - Lease</b>			

**F. FINANCE AND ADMINISTRATION CABINET**

24	<b>Budget Units</b>	<b>2012-13</b>	<b>2013-14</b>
25	<b>1. GENERAL ADMINISTRATION</b>		
26	<b>001. Lexington Downtown Redevelopment Project Planning and</b>		
27	Design		



1	<b>002. Equipment Leases</b>		
2	Restricted Funds	2,000,000	-0-
3	<b>003. Halon System Replacement</b>		
4	Restricted Funds	1,500,000	-0-
5	<b>004. Franklin County - Lease</b>		
6	<b>4. KENTUCKY LOTTERY CORPORATION</b>		
7	<b>001. Data Processing, Telecommunications and Related Equipment</b>		
8	Other Funds	3,000,000	3,000,000
9	<b>G. HEALTH AND FAMILY SERVICES CABINET</b>		
10	<b>Budget Units</b>	<b>2012-13</b>	<b>2013-14</b>
11	<b>1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT</b>		
12	<b>001. Maintenance Pool - 2012-2014</b>		
13	Bond Funds	2,500,000	2,500,000
14	<b>2. COMMISSION FOR CHILDREN WITH SPECIAL HEALTH CARE</b>		
15	<b>NEEDS</b>		
16	<b>001. Jefferson County - Lease</b>		
17	<b>3. MEDICAID ADMINISTRATION</b>		
18	<b>001. Medicaid Eligibility System</b>		
19	Federal Funds	45,000,000	-0-
20	Bond Funds	5,000,000	-0-
21	TOTAL	50,000,000	-0-
22	<b>4. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL</b>		
23	<b>DISABILITIES</b>		
24	<b>001. Electrical System Upgrade at Western State Hospital - Design</b>		
25	Bond Funds	960,000	-0-
26	<b>002. Fayette County - Lease</b>		
27	<b>003. Franklin County - Lease</b>		

1 **5. INCOME SUPPORT**

2 **001.** Franklin County - Lease

3 **002.** Jefferson County - Lease

4 **6. COMMUNITY BASED SERVICES**

5 **001.** Boone County - Lease

6 **002.** Boyd County - Lease

7 **003.** Campbell County - Lease

8 **004.** Daviess County - Lease

9 **005.** Fayette County - Lease

10 **006.** Fayette County - Lease - Centre Parkway

11 **007.** Hardin County - Lease

12 **008.** Johnson County - Lease

13 **009.** Kenton County - Lease - Madison Avenue

14 **010.** Kenton County - Lease

15 **011.** Shelby County - Lease

16 **012.** Warren County - Lease

17 **H. JUSTICE AND PUBLIC SAFETY CABINET**

18	<b>Budget Units</b>	<b>2012-13</b>	<b>2013-14</b>
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19 **1. JUVENILE JUSTICE**

20 **001.** Maintenance Pool - 2012-2014

21	Investment Income	500,000	500,000
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22 **2. STATE POLICE**

23 **001.** Demolition and Construction of Training Academy Building

24	Bond Funds	2,000,000	-0-
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25 **002.** Maintenance Pool - 2012-2014

26	Investment Income	400,000	400,000
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27 **3. CORRECTIONS**



1 with any capital project authorized in Part II, Capital Projects Budget, of this Act, that is  
 2 funded from Agency Bonds, Restricted Funds, or Other Funds on an expectation of  
 3 receiving General Fund moneys for the operations and maintenance of that facility in  
 4 future bienniums.

5 <b>Budget Units</b>	2011-12	2012-13	2013-14
6 <b>1. COUNCIL ON POSTSECONDARY EDUCATION</b>			
7 <b>001. Franklin County - Lease</b>			
8 <b>2. KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION</b>			
9 <b>001. Jefferson County - Lease</b>			
10 <b>3. EASTERN KENTUCKY UNIVERSITY</b>			
11 <b>001. Construct New Student Housing - Garden Apartments</b>			
12         Other Funds	-0-	-0-	54,000,000
13 <b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
14     45.763.			
15 <b>002. Construct New Student Housing</b>			
16         Other Funds	-0-	36,000,000	-0-
17 <b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
18     45.763.			
19 <b>003. Refinance Guaranteed Energy Savings Performance Contracts</b>			
20         Agency Bonds	-0-	27,000,000	-0-
21 <b>004. Renovate Weaver Building</b>			
22         Restricted Funds	-0-	13,584,000	-0-
23 <b>005. Expand, Upgrade Campus Data Network</b>			
24         Restricted Funds	-0-	7,212,000	6,000,000
25 <b>006. Construct Regional Health Facility</b>			
26         Federal Funds	-0-	12,500,000	-0-
27 <b>007. Construct Bio-Fuels Research Facility</b>			



1	Federal Funds	-0-	12,000,000	-0-
2	<b>008. EKU-UK Dairy Research Project (Meadowbrook Farm)</b>			
3	Restricted Funds	-0-	10,160,000	-0-
4	<b>009. Miscellaneous Maintenance Pool - 2012-2014</b>			
5	Restricted Funds	-0-	5,000,000	5,000,000
6	<b>010. Construct Student Athlete Support Facility</b>			
7	Restricted Funds	-0-	7,670,000	-0-
8	<b>011. Purchase Networked Education System Component</b>			
9	Restricted Funds	-0-	3,450,000	3,500,000
10	<b>012. Construct Aviation Instruction Facility</b>			
11	Restricted Funds	-0-	-0-	5,575,000
12	<b>013. Purchase Minor Projects Equipment</b>			
13	Restricted Funds	-0-	5,000,000	-0-
14	<b>014. Renovate HVAC Systems</b>			
15	Restricted Funds	-0-	5,000,000	-0-
16	<b>015. Upgrade Academic Computing System</b>			
17	Restricted Funds	-0-	2,300,000	2,600,000
18	<b>016. Construct EKU Early Childhood Center</b>			
19	Restricted Funds	-0-	3,284,000	-0-
20	<b>017. Expand Indoor Tennis Facility</b>			
21	Other Funds	-0-	3,162,000	-0-
22	<b>018. Upgrade Administrative Computing System</b>			
23	Restricted Funds	-0-	1,650,000	1,500,000
24	<b>019. Alumni Coliseum Addition/Field House Shell</b>			
25	Other Funds	-0-	3,000,000	-0-
26	<b>020. Renovate Student Health Center</b>			
27	Restricted Funds	-0-	2,655,000	-0-

1	<b>021. Renovate Baseball Complex</b>			
2	Other Funds	-0-	-0-	2,000,000
3	<b>022. Renovate Property</b>			
4	Other Funds	-0-	2,000,000	-0-
5	<b>023. Construct Addition to Ashland Building</b>			
6	Restricted Funds	-0-	1,775,000	-0-
7	<b>024. Video Board and Sound System for Alumni Coliseum</b>			
8	Restricted Funds	-0-	750,000	-0-
9	Other Funds	-0-	750,000	-0-
10	TOTAL	-0-	1,500,000	-0-
11	<b>025. Renovate Women's Softball Complex</b>			
12	Other Funds	-0-	1,500,000	-0-
13	<b>026. Renovate Lancaster Center Building</b>			
14	Restricted Funds	-0-	1,472,000	-0-
15	<b>027. Install Lights for Baseball, Softball, and Soccer</b>			
16	Other Funds	-0-	1,200,000	-0-
17	<b>028. Renovate Blanton House</b>			
18	Restricted Funds	-0-	1,100,000	-0-
19	<b>029. Renovate Ambulance Building</b>			
20	Restricted Funds	-0-	930,000	-0-
21	<b>030. Construct E&amp;G Life Safety Begley Elevator</b>			
22	Restricted Funds	-0-	750,000	-0-
23	<b>031. Construct Eastern Kentucky University Hotel/Learning Center</b>			
24	Reauthorization (\$40,000,000 Other Funds)			

25       **(1) Authorization:** The above authorization is approved pursuant to KRS  
26 45.763.

27 **4. KENTUCKY STATE UNIVERSITY**

1	<b>001. Integrated Digital Campus</b>			
2	Restricted Funds	-0-	11,450,000	-0-
3	<b>002. Renovate Atwood Agricultural Research Building</b>			
4	Federal Funds	-0-	10,768,000	-0-
5	<b>003. Renovate Central Computing Facility, Carroll ASB</b>			
6	Restricted Funds	-0-	10,673,000	-0-
7	<b>004. Construct New Residence Hall Phase III - Additional</b>			
8	Reauthorization (\$46,080,000 Other Funds)			
9	Other Funds	-0-	6,682,000	-0-
10	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
11	45.763.			
12	<b>005. Roof Repair and Replacement Pool - 2012-2014</b>			
13	Restricted Funds	-0-	6,506,000	-0-
14	<b>006. Upgrade Information Technology Infrastructure</b>			
15	Restricted Funds	-0-	6,261,000	-0-
16	<b>007. Renovate Jackson Hall Phase II</b>			
17	Restricted Funds	-0-	5,628,000	-0-
18	<b>008. Renovate Open Computer Lab in Hill Student Center</b>			
19	Restricted Funds	-0-	5,389,000	-0-
20	<b>009. Expand Emergency Notification System</b>			
21	Restricted Funds	-0-	4,580,000	-0-
22	<b>010. Renovate Old Federal Building - Additional Reauthorization</b>			
23	(\$4,000,000 Federal Funds)			
24	Federal Funds	-0-	4,580,000	-0-
25	<b>011. Construct Pedestrian Bridge Across US 60</b>			
26	Restricted Funds	-0-	2,206,000	-0-
27	<b>012. Capital Renewal and Maintenance Projects Pool - 2012-2014</b>			

1	Restricted Funds	-0-	2,110,000	-0-
2	<b>013. Acquire Land/Campus Master Plan - 2012-2014</b>			
3	Restricted Funds	-0-	1,000,000	-0-
4	Federal Funds	-0-	1,000,000	-0-
5	TOTAL	-0-	2,000,000	-0-
6	<b>014. Life Safety Upgrade Pool - 2012-2014</b>			
7	Restricted Funds	-0-	1,362,000	-0-
8	<b>015. Office for Center for Sustainability of Farms and Family</b>			
9	Federal Funds	-0-	1,221,000	-0-
10	<b>016. Create Pedestrian Mall Hathaway Hall/Hume Hall</b>			
11	Restricted Funds	-0-	1,125,000	-0-
12	<b>017. Develop Bicycle/Pedestrian Trail</b>			
13	Restricted Funds	-0-	1,025,000	-0-
14	<b>018. Improve Campus Landscape and Signage</b>			
15	Restricted Funds	-0-	906,000	-0-
16	<b>019. Construct Aquaculture Academic Research Facility - Additional</b>			
17	Reauthorization (\$6,800,000 Federal Funds)			
18	Federal Funds	-0-	643,000	-0-
19	<b>020. Guaranteed Energy Savings Performance Contracts</b>			
20	<b>5. MOREHEAD STATE UNIVERSITY</b>			
21	<b>001. Construct Morehead/Rowan County Public Safety Complex</b>			
22	Federal Funds	-0-	12,930,000	-0-
23	<b>002. Renovate Button Auditorium</b>			
24	Restricted Funds	-0-	8,540,000	-0-
25	<b>003. Capital Renewal and Maintenance Pool - E&amp;G</b>			
26	Restricted Funds	-0-	7,944,000	-0-
27	<b>004. Enhance Network/Infrastructure Resources</b>			

1	Restricted Funds	-0-	5,945,000	-0-
2	<b>005. Upgrade Instructional PCs/LANS/Peripherals</b>			
3	Restricted Funds	-0-	5,620,000	-0-
4	<b>006. Renovate Academic Center and Tennis Team Facilities</b>			
5	Restricted Funds	-0-	5,449,000	-0-
6	<b>007. Construct Space Science Center Clean Room</b>			
7	Restricted Funds	-0-	4,316,000	-0-
8	<b>008. Construct Food Service/Retail and Parking Structure</b>			
9	Other Funds	-0-	2,000,000	-0-
10	<b>009. Acquire Land Related to Master Plan</b>			
11	Restricted Funds	-0-	4,000,000	-0-
12	<b>010. Comply with ADA - E&amp;G</b>			
13	Restricted Funds	-0-	3,877,000	-0-
14	<b>011. Retube Coal-Fired Boilers</b>			
15	Restricted Funds	-0-	3,500,000	-0-
16	<b>012. Upgrade Administrative Office Systems</b>			
17	Restricted Funds	-0-	3,372,000	-0-
18	<b>013. Reconstruct Central Campus</b>			
19	Restricted Funds	-0-	2,810,000	-0-
20	<b>014. Capital Renewal and Maintenance Pool - Auxiliary</b>			
21	Restricted Funds	-0-	2,668,000	-0-
22	<b>015. Purchase Instructional Technology Initiatives</b>			
23	Restricted Funds	-0-	2,298,000	-0-
24	<b>016. Construct Honors College Facility</b>			
25	Restricted Funds	-0-	1,948,000	-0-
26	<b>017. Renovate McClure Pool</b>			
27	Restricted Funds	-0-	-0-	1,640,000

1	<b>018. Construct Classroom/Lab Building - Browning Orchard</b>			
2	Restricted Funds	-0-	1,632,000	-0-
3	<b>019. Plan and Design Library Facility</b>			
4	Restricted Funds	-0-	1,517,000	-0-
5	<b>020. Upgrade Fire Alarms</b>			
6	Restricted Funds	-0-	1,511,000	-0-
7	<b>021. Plan and Design Music Academic and Performance Arts Building</b>			
8	Restricted Funds	-0-	1,500,000	-0-
9	<b>022. Water Plant Sediment Basin</b>			
10	Restricted Funds	-0-	1,500,000	-0-
11	<b>023. Lime Injection System</b>			
12	Restricted Funds	-0-	1,400,000	-0-
13	<b>024. Upgrade and Expand Distance Learning</b>			
14	Restricted Funds	-0-	1,293,000	-0-
15	<b>025. Capital Renewal and Maintenance Pool - University Farm</b>			
16	Restricted Funds	-0-	1,209,000	-0-
17	<b>026. Enhance Library Automation Resources</b>			
18	Restricted Funds	-0-	1,169,000	-0-
19	<b>027. Purchase Equipment for Biochemistry Lab</b>			
20	Restricted Funds	-0-	450,000	-0-
21	<b>028. Guaranteed Energy Savings Performance Contracts</b>			
22	<b>029. Construct Residential Apartment Complex</b>			
23	Other Funds	-0-	58,586,000	-0-
24	<b>6. MURRAY STATE UNIVERSITY</b>			
25	<b>001. Complete Capital Renewal - E&amp;G Pool &lt; \$600,000</b>			
26	Restricted Funds	-0-	14,810,000	-0-
27	<b>002. Upgrade Campus Electrical Distribution System</b>			

1	Restricted Funds	-0-	11,600,000	-0-
2	<b>003. Renovate College Courts</b>			
3	Restricted Funds	-0-	10,000,000	-0-
4	<b>004. Renovate Ordway Hall</b>			
5	Restricted Funds	-0-	9,435,000	-0-
6	<b>005. Renovate Exposition Center</b>			
7	Restricted Funds	-0-	7,639,000	-0-
8	<b>006. Extend Energy Management System</b>			
9	Restricted Funds	-0-	5,500,000	-0-
10	<b>007. Replace Campus Steam Distribution System</b>			
11	Restricted Funds	-0-	5,310,000	-0-
12	<b>008. Complete ADA Compliance - E&amp;G Pool &lt; \$600,000</b>			
13	Restricted Funds	-0-	4,954,000	-0-
14	<b>009. Upgrade Campus Phone and Data Network</b>			
15	Restricted Funds	-0-	4,078,000	-0-
16	<b>010. College of Science Instructional/Research Equipment</b>			
17	Restricted Funds	-0-	3,500,000	-0-
18	<b>011. Construct Student Life Office Building</b>			
19	Restricted Funds	-0-	2,000,000	-0-
20	<b>012. Construct Livestock Instructional Laboratory</b>			
21	Restricted Funds	-0-	1,836,000	-0-
22	<b>013. Campus Desktop Virtualization</b>			
23	Restricted Funds	-0-	1,725,000	-0-
24	<b>014. ITV Upgrades to Murray State University System</b>			
25	Restricted Funds	-0-	1,453,000	-0-
26	<b>015. Demolish Woods Hall</b>			
27	Restricted Funds	-0-	1,440,000	-0-

1	<b>016. Complete Life Safety Projects - E&amp;G Pool &lt; \$600,000</b>			
2	Restricted Funds	-0-	1,364,000	-0-
3	<b>017. Demolish Ordway Hall</b>			
4	Restricted Funds	-0-	1,158,000	-0-
5	<b>018. Student Desktop Virtualization</b>			
6	Restricted Funds	-0-	1,150,000	-0-
7	<b>019. Upgrade Applied Science Electrical System</b>			
8	Restricted Funds	-0-	1,100,000	-0-
9	<b>020. Install Sprinkler System - Blackburn Science Building</b>			
10	Restricted Funds	-0-	1,082,000	-0-
11	<b>021. Renovate Pogue Library Electric and HVAC</b>			
12	Restricted Funds	-0-	1,052,000	-0-
13	<b>022. Construct Open-Sided Stall Barn at Expo Center</b>			
14	Restricted Funds	-0-	1,030,000	-0-
15	<b>023. Acquire Land</b>			
16	Restricted Funds	-0-	1,000,000	-0-
17	<b>024. Replace Breathitt Veterinary Center HVAC Controls and Heat</b>			
18	Recovery System			
19	Restricted Funds	-0-	960,000	-0-
20	<b>025. Replace Central Plant Boilers</b>			
21	Restricted Funds	-0-	820,000	-0-
22	<b>026. Waterproof Stewart Stadium</b>			
23	Restricted Funds	-0-	755,000	-0-
24	<b>027. Replace Exposition Center Roof</b>			
25	Restricted Funds	-0-	714,000	-0-
26	<b>028. Renovate Alexander Hall HVAC System</b>			
27	Restricted Funds	-0-	705,000	-0-



1       **029.** Abate Asbestos - E&G <\$600,000  
 2               Restricted Funds                               -0-               340,000               -0-

3       **030.** Acquire Land/Design New Breathitt Veterinary Center  
 4               Reauthorization and Reallocation (\$4,000,000 Bond Funds)

5               **(1) Reauthorization and Reallocation:** The above project is authorized  
 6 from a reallocation of the Kentucky Agricultural Heritage Center project as set forth in  
 7 2008 Ky. Acts ch. 127, Part II, A., 3., 001.

8       **031.** Construct Paducah Regional Campus Facility Reauthorization  
 9               (\$17,646,000 Other Funds)

10              **(1) Authorization:** The above authorization is approved pursuant to KRS  
 11 45.763.

12       **032.** Guaranteed Energy Savings Performance Contracts

13       **033.** Renovate Blackburn Science - Additional Reauthorization  
 14               (\$28,903,000 Restricted Funds)

15               Restricted Funds                               -0-               2,193,000               -0-

16       **034.** Renovate Lovett Auditorium Reauthorization (\$21,967,000  
 17               Restricted Funds)

18       **035.** Complete Business and Research Center Tenant Space  
 19               Reauthorization (\$1,948,000 Restricted Funds)

20       **036.** Construct Multipurpose Practice Facility Reauthorization  
 21               (\$4,000,000 Restricted Funds)

22       **037.** Construct/Complete New Science Complex, Engineering &  
 23               Physics Building - Final Phase

24               Restricted Funds                               -0-               33,132,000               -0-

25   **7. NORTHERN KENTUCKY UNIVERSITY**

26       **001.** Design Renovation/Expansion of Albright Health Center -  
 27               Additional Reauthorization (\$3,000,000 Other Funds)

1	Restricted Funds	-0-	6,000,000	-0-
2	Other Funds	-0-	9,000,000	-0-
3	TOTAL	-0-	15,000,000	-0-

4       **(1) Authorization:** The above authorization is approved pursuant to KRS  
5 45.763.

6       **002. Reconstruct Central Plaza Phase II**

7	Restricted Funds	-0-	7,500,000	-0-
8	Other Funds	-0-	10,000,000	-0-
9	TOTAL	-0-	17,500,000	-0-

10       **003. Construct Chiller Plant**

11	Restricted Funds	-0-	16,900,000	-0-
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12       **004. Construct Track and Field Stadium**

13	Other Funds	-0-	10,000,000	-0-
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14       **005. Enhance Administrative Systems**

15	Restricted Funds	-0-	10,000,000	-0-
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16       **006. Construct Athletics Practice Facility**

17	Other Funds	-0-	9,800,000	-0-
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18       **007. Renovate Gateway/Highland Heights Campus**

19	Restricted Funds	-0-	5,600,000	-0-
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20       **008. Relocate Early Childcare Center**

21	Other Funds	-0-	5,200,000	-0-
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22       **009. Enhance Instructional Technology**

23	Restricted Funds	-0-	4,000,000	-0-
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24       **010. Renovate/Expand Baseball Field**

25	Other Funds	-0-	4,000,000	-0-
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26       **(1) Authorization:** The above authorization is approved pursuant to KRS  
27 45.763.

1	<b>011. Renovate Civic Center Building</b>			
2	Restricted Funds	-0-	3,700,000	-0-
3	<b>012. Repair Structural Heaving Landrum and Fine Arts</b>			
4	Restricted Funds	-0-	2,900,000	-0-
5	<b>013. Renovate Applied Science and Technology First Floor</b>			
6	Restricted Funds	-0-	2,700,000	-0-
7	<b>014. Renovate Norse Commons</b>			
8	Other Funds	-0-	2,500,000	-0-
9	<b>015. Renovate Residence Halls - 2012-2014</b>			
10	Restricted Funds	-0-	2,500,000	-0-
11	<b>016. Replace Health Center and Regents Hall Roofs</b>			
12	Restricted Funds	-0-	2,450,000	-0-
13	<b>017. Disaster Recovery/Business Continuance</b>			
14	Restricted Funds	-0-	2,200,000	-0-
15	<b>018. Design New Residence Hall - 2012-2014</b>			
16	Restricted Funds	-0-	2,000,000	-0-
17	<b>019. Replace Callahan Roof</b>			
18	Restricted Funds	-0-	1,100,000	-0-
19	<b>020. Lease-Purchase Coach Bus</b>			
20	Restricted Funds	-0-	690,000	-0-
21	<b>021. Purchase FT - IR and Raman Microscope</b>			
22	Restricted Funds	-0-	395,000	-0-
23	<b>022. Lease-Purchase Large Format Color Press</b>			
24	Restricted Funds	-0-	325,000	-0-
25	<b>023. Purchase Calorimetry Instrumentation</b>			
26	Restricted Funds	-0-	295,000	-0-
27	<b>024. Purchase DART Mass Spectrometer</b>			

1	Restricted Funds	-0-	295,000	-0-
2	<b>025. Purchase Optical Paragetic Oscillator</b>			
3	Restricted Funds	-0-	295,000	-0-
4	<b>026. Purchase Ultra Liquid Chromatography System</b>			
5	Restricted Funds	-0-	275,000	-0-
6	<b>027. Construct Alumni Center Reauthorization (\$10,500,000 Other</b>			
7	<b>Funds)</b>			
8	<b>028. Enhance Softball and Tennis Complex Reauthorization</b>			
9	<b>(\$5,500,000 Other Funds)</b>			
10	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
11	45.763.			
12	<b>029. Implement Web 2.0 and Mobile Applications Reauthorization</b>			
13	<b>(\$1,000,000 Restricted Funds)</b>			
14	<b>030. Initiate Phase II of Master Plan Reauthorization (\$3,500,000</b>			
15	<b>Restricted Funds)</b>			
16	<b>031. Renew E&amp;G Elevators 2010-2012 Reauthorization (\$1,400,000</b>			
17	<b>Restricted Funds)</b>			
18	<b>032. Upgrade Communication and Network Infrastructure</b>			
19	<b>Reauthorization (\$2,500,000 Restricted Funds)</b>			
20	<b>033. Campbell County - Gateway Building - Lease</b>			
21	<b>034. Lease - Academic Space Highland Heights</b>			
22	<b>035. Kenton County - METS Lease</b>			
23	<b>036. Guaranteed Energy Savings Performance Contracts</b>			
24	<b>8. UNIVERSITY OF KENTUCKY</b>			
25	<b>001. Construct/Replace/Upgrade Student Housing Phase 1</b>			
26	Other Funds	-0-	175,000,000	-0-
27	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			

1 45.763.

2 (2) **Financial Obligation:** All costs associated with the financing of this  
 3 project shall be at the offeror's risk.

4 **002. Lease-Purchase Electronic Health Records System**

5	Restricted Funds	-0-	18,532,000	-0-
6	Federal Funds	-0-	26,000,000	-0-
7	Other Funds	-0-	15,000,000	-0-
8	TOTAL	-0-	59,532,000	-0-

9 (1) **Authorization:** The above authorization is approved pursuant to KRS

10 45.763.

11 **003. Expand Patient Care Facility - Hospital Phase 3**

12	Restricted Funds	-0-	50,000,000	-0-
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13 **004. Lease-Purchase/Construct Ambulatory Facility - UK HealthCare**

14	Other Funds	-0-	50,000,000	-0-
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15 (1) **Authorization:** The above authorization is approved pursuant to KRS

16 45.763.

17 **005. Construct Parking Structure 9**

18	Other Funds	-0-	42,990,000	-0-
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19 (1) **Authorization:** The above authorization is approved pursuant to KRS

20 45.763.

21 **006. Construct Center for Design Innovation**

22	Restricted Funds	-0-	38,250,000	-0-
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23 **007. Construct Freestanding Clinic - UK HealthCare**

24	Restricted Funds	-0-	36,000,000	-0-
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25 **008. Capital Renewal Maintenance Pool**

26	Restricted Funds	-0-	33,750,000	-0-
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27 **009. Upgrade, Renovate, Improve, or Expand Research Labs**

1	Restricted Funds	-0-	33,500,000	-0-
2	<b>010. Research Equipment Program</b>			
3	Restricted Funds	-0-	30,000,000	-0-
4	<b>011. Repair, Upgrade, or Improve Electrical Infrastructure</b>			
5	Restricted Funds	-0-	28,000,000	-0-
6	<b>012. Renovate Multi-Disciplinary Science Building Phase 2</b>			
7	Restricted Funds	-0-	26,000,000	-0-
8	<b>013. Repair, Upgrade, or Improve Mechanical Infrastructure</b>			
9	Restricted Funds	-0-	26,000,000	-0-
10	<b>014. Lease-Purchase/Construct Digital Village Building 3</b>			
11	Other Funds	-0-	25,310,000	-0-
12	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
13	45.763.			
14	<b>015. Repair, Upgrade, or Improve Building Mechanical Systems</b>			
15	Restricted Funds	-0-	25,000,000	-0-
16	<b>016. Acquire/Construct Good Samaritan Medical Office Building</b>			
17	Other Funds	-0-	23,700,000	-0-
18	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
19	45.763.			
20	<b>017. Purchase Upgrade Pollution Controls</b>			
21	Restricted Funds	-0-	21,150,000	-0-
22	<b>018. Construct/Renovate Lab Facilities</b>			
23	Restricted Funds	-0-	21,000,000	-0-
24	<b>019. Construct Ophthalmology Clinic - Hospital</b>			
25	Other Funds	-0-	45,000,000	-0-
26	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
27	45.763.			

1	<b>020. Construct/Expand/Renovate Ambulatory Care Facility - UK</b>			
2	HealthCare			
3	Restricted Funds	-0-	20,000,000	-0-
4	<b>021. Expand Coldstream Research Campus</b>			
5	Restricted Funds	-0-	20,000,000	-0-
6	<b>022. Implement Land Use Plan - UK HealthCare</b>			
7	Restricted Funds	-0-	20,000,000	-0-
8	<b>023. Implement Revenue Management System</b>			
9	Restricted Funds	-0-	20,000,000	-0-
10	<b>024. Repair, Upgrade, or Improve Building Systems - UK HealthCare</b>			
11	Restricted Funds	-0-	20,000,000	-0-
12	<b>025. Upgrade Enterprise Information Systems</b>			
13	Restricted Funds	-0-	20,000,000	-0-
14	<b>026. Upgrade Student Center Infrastructure</b>			
15	Restricted Funds	-0-	18,205,000	-0-
16	<b>027. Renovate/Upgrade Scovell Hall</b>			
17	Restricted Funds	-0-	17,200,000	-0-
18	<b>028. Lease-Purchase Fit-Up Hospital Dining Facility/Equipment</b>			
19	Other Funds	-0-	17,000,000	-0-
20	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
21	45.763.			
22	<b>029. Renovate/Upgrade Kastle Hall</b>			
23	Restricted Funds	-0-	16,900,000	-0-
24	<b>030. Construct/Renovate Imaging Services - Kentucky Clinic</b>			
25	Restricted Funds	-0-	15,000,000	-0-
26	<b>031. Improve Life Safety Project Pool</b>			
27	Restricted Funds	-0-	15,000,000	-0-

1	<b>032. Lease-Purchase Data Center Hardware - UK HealthCare</b>			
2	Restricted Funds	-0-	15,000,000	-0-
3	<b>033. Renovate/Expand Clinical Services - UK HealthCare</b>			
4	Restricted Funds	-0-	15,000,000	-0-
5	<b>034. Repair, Upgrade, and Improve Civil/Site Infrastructure</b>			
6	Restricted Funds	-0-	14,000,000	-0-
7	<b>035. Renovate/Upgrade McVey Hall</b>			
8	Restricted Funds	-0-	23,100,000	-0-
9	<b>036. Construct Marching Band Facilities</b>			
10	Other Funds	-0-	11,700,000	-0-
11	<b>037. Renovate/Upgrade Pence Hall</b>			
12	Restricted Funds	-0-	10,600,000	-0-
13	<b>038. Renovate Erikson Hall</b>			
14	Restricted Funds	-0-	10,500,000	-0-
15	<b>039. Implement Medication Bar Coding System</b>			
16	Restricted Funds	-0-	10,000,000	-0-
17	<b>040. Implement Patient Communication System</b>			
18	Restricted Funds	-0-	10,000,000	-0-
19	<b>041. Lease-Purchase Personal Electronic Health Records</b>			
20	Restricted Funds	-0-	10,000,000	-0-
21	<b>042. Lease-Purchase Telemedicine/Virtual ICU</b>			
22	Restricted Funds	-0-	10,000,000	-0-
23	<b>043. Lease-Purchase Upgrade UK HealthCare IT Systems</b>			
24	Restricted Funds	-0-	10,000,000	-0-
25	<b>044. Off Campus Office Building</b>			
26	Other Funds	-0-	10,000,000	-0-
27	<b>(1) Authorization:</b>			
	The above authorization is approved pursuant to KRS			



1	45.763.			
2	<b>045. Purchase Clinical Information System</b>			
3	Restricted Funds	-0-	10,000,000	-0-
4	<b>046. Document Scanning System</b>			
5	Restricted Funds	-0-	10,000,000	-0-
6	<b>047. Renovate/Upgrade Hospital Facilities - Good Samaritan</b>			
7	Restricted Funds	-0-	10,000,000	-0-
8	<b>048. Upgrade/Expand Cancer Treatment Facility - UK HealthCare</b>			
9	Restricted Funds	-0-	10,000,000	-0-
10	<b>049. Upgrade/Fit-Up Hospital Facilities</b>			
11	Restricted Funds	-0-	10,000,000	-0-
12	<b>050. Upgrade/Relocate Critical Care Facility - UK HealthCare</b>			
13	Restricted Funds	-0-	10,000,000	-0-
14	<b>051. Expand/Renovate West Kentucky and Robinson Station</b>			
15	Restricted Funds	-0-	9,835,000	-0-
16	<b>052. Construct Equine Campus - Phase 2</b>			
17	Restricted Funds	-0-	9,500,000	-0-
18	<b>053. Construct Library Depository Facility</b>			
19	Restricted Funds	-0-	8,925,000	-0-
20	<b>054. Renovate/Expand Stadium Multi-Purpose Kitchen</b>			
21	Restricted Funds	-0-	8,714,000	-0-
22	<b>055. Relocate/Replace Greenhouses</b>			
23	Restricted Funds	-0-	8,225,000	-0-
24	<b>056. Purchase Oncology Information System - UK HealthCare</b>			
25	Restricted Funds	-0-	8,000,000	-0-
26	<b>057. Renovate Academic Facility</b>			
27	Restricted Funds	-0-	8,000,000	-0-

1	<b>058.</b> Renovate/Upgrade Miller Hall			
2	Restricted Funds	-0-	7,000,000	-0-
3	<b>059.</b> Expand Boone Tennis Center			
4	Other Funds	-0-	6,500,000	-0-
5	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
6	45.763.			
7	<b>060.</b> High Performance Research Computer			
8	Restricted Funds	-0-	6,500,000	-0-
9	<b>061.</b> Upgrade Clinic Enterprise Network - UK HealthCare			
10	Restricted Funds	-0-	6,500,000	-0-
11	<b>062.</b> Renovate Nursing Units - UK HealthCare			
12	Restricted Funds	-0-	6,000,000	-0-
13	<b>063.</b> Construct University Storage Building			
14	Other Funds	-0-	5,800,000	-0-
15	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
16	45.763.			
17	<b>064.</b> Convert Taylor Education Space to Offices and Classrooms			
18	Restricted Funds	-0-	5,800,000	-0-
19	<b>065.</b> Renovate Sloan Building Phase 1			
20	Restricted Funds	-0-	5,445,000	-0-
21	<b>066.</b> Renovate Whalen Building			
22	Restricted Funds	-0-	5,425,000	-0-
23	<b>067.</b> Expand KGS Well Sample and Core Repository			
24	Restricted Funds	-0-	5,000,000	-0-
25	<b>068.</b> Implement Enterprise Security System			
26	Restricted Funds	-0-	5,000,000	-0-
27	<b>069.</b> Implement Real Time Locator System			

1	Restricted Funds	-0-	5,000,000	-0-
2	<b>070. Data Repository System</b>			
3	Restricted Funds	-0-	5,000,000	-0-
4	<b>071. Digital Medical Record Expansion</b>			
5	Restricted Funds	-0-	5,000,000	-0-
6	<b>072. PACS System</b>			
7	Restricted Funds	-0-	5,000,000	-0-
8	<b>073. Renovate Central Computing Facility</b>			
9	Restricted Funds	-0-	5,000,000	-0-
10	<b>074. Renovate Dentistry Space in Kentucky Clinic</b>			
11	Restricted Funds	-0-	5,000,000	-0-
12	<b>075. Repair, Upgrade, and Improve Building Electrical Systems</b>			
13	Restricted Funds	-0-	10,000,000	-0-
14	<b>076. Repair, Upgrade, and Improve Building Shell Systems</b>			
15	Restricted Funds	-0-	10,000,000	-0-
16	<b>077. Repair, Upgrade, and Improve Elevator System</b>			
17	Restricted Funds	-0-	10,000,000	-0-
18	<b>078. Upgrade/Renovate Surgical Services - UK HealthCare</b>			
19	Restricted Funds	-0-	5,000,000	-0-
20	<b>079. Renovate Mineral Industries Building</b>			
21	Restricted Funds	-0-	4,900,000	-0-
22	<b>080. Renovate King Library South - 1962 Section Phase II</b>			
23	Restricted Funds	-0-	4,430,000	-0-
24	<b>081. Construct WUKY Facility</b>			
25	Restricted Funds	-0-	4,000,000	-0-
26	<b>082. Construct Fit-Up Retail Space</b>			
27	Other Funds	-0-	4,000,000	-0-

1	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
2	45.763.			
3	<b>083.</b>	Purchase Cardiology Information System - UK HealthCare		
4		Restricted Funds	-0- 4,000,000	-0-
5	<b>084.</b>	Renovate Memorial Coliseum Seating Area		
6		Other Funds	-0- 4,000,000	-0-
7	<b>085.</b>	Renovate Robotics Building		
8		Restricted Funds	-0- 3,842,000	-0-
9	<b>086.</b>	Renovate/Expand DLAR Quarantine Facility Spindletop		
10		Restricted Funds	-0- 3,750,000	-0-
11	<b>087.</b>	Construct/Upgrade Fit-Up Support Services - UK HealthCare		
12		Restricted Funds	-0- 3,500,000	-0-
13	<b>088.</b>	Campus Infrastructure Upgrade		
14		Restricted Funds	-0- 3,500,000	-0-
15	<b>089.</b>	Large Scale Computing		
16		Restricted Funds	-0- 3,500,000	-0-
17	<b>090.</b>	PKS2 Frame Room Emergency Generators		
18		Restricted Funds	-0- 3,500,000	-0-
19	<b>091.</b>	Renovate Old Northside Library Building		
20		Restricted Funds	-0- 2,500,000	-0-
21		Other Funds	-0- 1,000,000	-0-
22		TOTAL	-0- 3,500,000	-0-
23	<b>092.</b>	Renovate Parking Structure 3 - UK HealthCare		
24		Restricted Funds	-0- 3,500,000	-0-
25	<b>093.</b>	Renovate Dentistry Class Lab		
26		Restricted Funds	-0- 3,300,000	-0-
27	<b>094.</b>	Construct Stadium Suite Addition		

1	Restricted Funds	-0-	3,000,000	-0-
2	<b>095. Implement Unified Communication System</b>			
3	Restricted Funds	-0-	3,000,000	-0-
4	<b>096. Mainframe Computer - UK HealthCare</b>			
5	Restricted Funds	-0-	3,000,000	-0-
6	<b>097. Replace Perioperative Information System</b>			
7	Restricted Funds	-0-	3,000,000	-0-
8	<b>098. Wireless/Cellular Infrastructure</b>			
9	Restricted Funds	-0-	3,000,000	-0-
10	<b>099. Purchase Telephone System Replacement</b>			
11	Restricted Funds	-0-	3,000,000	-0-
12	<b>100. Install Artificial Turf on Pieratt Recreational Fields</b>			
13	Restricted Funds	-0-	2,700,000	-0-
14	<b>101. Renovate Central DLAR Facility</b>			
15	Restricted Funds	-0-	2,680,000	-0-
16	<b>102. Renovate Diagnostic Treatment Services - UK HealthCare</b>			
17	Restricted Funds	-0-	2,500,000	-0-
18	<b>103. Repair Stadium Structure</b>			
19	Other Funds	-0-	2,500,000	-0-
20	<b>104. Enterprise Storage System</b>			
21	Restricted Funds	-0-	2,200,000	-0-
22	<b>105. Renovate Dentistry Building</b>			
23	Restricted Funds	-0-	2,100,000	-0-
24	<b>106. Construct Physicians Services Facilities - UK HealthCare</b>			
25	Restricted Funds	-0-	2,000,000	-0-
26	<b>107. Golf Facility</b>			
27	Other Funds	-0-	2,000,000	-0-

1	<b>108. Remote Site Fiber</b>			
2	Restricted Funds	-0-	2,000,000	-0-
3	<b>109. Renovate Schmidt Vocal Arts Center</b>			
4	Restricted Funds	-0-	2,000,000	-0-
5	<b>110. Replace Radiology Information System</b>			
6	Restricted Funds	-0-	2,000,000	-0-
7	<b>111. Lease-Purchase Data Warehouse/Infrastructure</b>			
8	Restricted Funds	-0-	1,800,000	-0-
9	<b>112. Expand/Renovate Sturgill Development Building</b>			
10	Other Funds	-0-	1,700,000	-0-
11	<b>113. Network Security Hardware</b>			
12	Restricted Funds	-0-	1,500,000	-0-
13	<b>114. Renovate Memorial Hall</b>			
14	Restricted Funds	-0-	1,500,000	-0-
15	<b>115. Renovate/Upgrade Good Samaritan Cafeteria - UK HealthCare</b>			
16	Restricted Funds	-0-	1,500,000	-0-
17	<b>116. Purchase Upgraded Communication Infrastructure 1</b>			
18	Restricted Funds	-0-	1,250,000	-0-
19	<b>117. Purchase Upgraded Integrated Library System</b>			
20	Restricted Funds	-0-	1,200,000	-0-
21	<b>118. Purchase Upgraded Communication Infrastructure 2</b>			
22	Restricted Funds	-0-	1,015,000	-0-
23	<b>119. Building Access Pool</b>			
24	Restricted Funds	-0-	1,000,000	-0-
25	<b>120. Exchange Replacement</b>			
26	Restricted Funds	-0-	1,000,000	-0-
27	<b>121. Purchase Allergy Information System - UK HealthCare</b>			

1	Restricted Funds	-0-	1,000,000	-0-
2	<b>122. Renovate Chemistry/Physics Building</b>			
3	Restricted Funds	-0-	1,000,000	-0-
4	<b>123. Renovate Shively Sports Center</b>			
5	Other Funds	-0-	1,000,000	-0-
6	<b>124. Document Imaging (ASG)</b>			
7	Restricted Funds	-0-	775,000	-0-
8	<b>125. Campus Call Center System</b>			
9	Restricted Funds	-0-	750,000	-0-
10	<b>126. Purchase Compact Shelving - Fine Arts Library</b>			
11	Restricted Funds	-0-	700,000	-0-
12	<b>127. Police Communications Equipment</b>			
13	Restricted Funds	-0-	675,000	-0-
14	<b>128. Purchase Shelving for Storage Facility</b>			
15	Restricted Funds	-0-	630,000	-0-
16	<b>129. Purchase Burnout Furnace</b>			
17	Restricted Funds	-0-	250,000	-0-
18	<b>130. Purchase Precision Machining System</b>			
19	Restricted Funds	-0-	250,000	-0-
20	<b>131. Purchase Physical Chemistry Teaching Laboratory</b>			
21	Restricted Funds	-0-	240,000	-0-
22	<b>132. Upgrade Audio/Visual Equipment Guignol Theatre</b>			
23	Restricted Funds	-0-	211,000	-0-
24	<b>133. Purchase Induction Furnace</b>			
25	Restricted Funds	-0-	210,000	-0-
26	<b>134. Purchase Metabolic Instructional System</b>			
27	Restricted Funds	-0-	205,000	-0-

- 1       **135.** Fayette County - Lease - Administrative Office
- 2       **136.** Fayette County - Lease - Blazer Parkway
- 3       **137.** Fayette County - Lease - Grants Project 2
- 4       **138.** Fayette County - Lease - Health Affairs Office 2
- 5       **139.** Fayette County - Lease - Kentucky Utilities Building
- 6       **140.** Fayette County - Lease - Off Campus Housing 1
- 7       **141.** Fayette County - Lease - Off Campus Housing 2
- 8       **142.** Fayette County - Lease - Good Samaritan Hospital
- 9       **143.** Lease - Health Affairs Office 3
- 10       **144.** Lease - Health Affairs Office 5
- 11       **145.** Lease - Grant Projects 1
- 12       **146.** Lease - Health Affairs Office
- 13       **147.** Lease - Health Affairs Office 4
- 14       **148.** Lease - Health Affairs Office 6
- 15       **149.** Lease - Health Affairs Office 7
- 16       **150.** Lease - Med Center Grant Projects 1
- 17       **151.** Lease - Med Center Grant Projects 2
- 18       **152.** Lease - Med Center Off Campus Facility 1
- 19       **153.** Lease - Med Center Off Campus Facility 2
- 20       **154.** Lease - Med Center Off Campus Facility 3
- 21       **155.** Lease - Med Center Off Campus Facility 4
- 22       **156.** Lease - Off Campus 1
- 23       **157.** Lease - Off Campus 2
- 24       **158.** Lease - Off Campus 3
- 25       **159.** Lease - Off Campus 4
- 26       **160.** Lease - Off Campus 5
- 27       **161.** Lease - Off Campus 6



1	<b>162. Lease - Off Campus 7</b>			
2	<b>163. Lease - Off Campus - Athletics</b>			
3	<b>164. Lease - Rural Health Expansion - Perry County</b>			
4	<b>165. Guaranteed Energy Savings Performance Contracts</b>			
5	<b>166. Construct New Science Building</b>			
6	Restricted Funds	-0-	90,000,000	-0-
7	<b>167. Renovate/Expand Gatton Building</b>			
8	Restricted Funds	-0-	55,000,000	-0-
9	<b>168. Construct Academic Learning Center</b>			
10	Restricted Funds	-0-	42,000,000	-0-
11	<b>169. Renovate/Expand Commonwealth Stadium</b>			
12	Other Funds	-0-	75,000,000	-0-
13	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
14	45.763.			
15	<b>170. Expand/Renovate Student Center</b>			
16	Restricted Funds	-0-	104,000,000	-0-
17	<b>171. Facility Upgrades for Energy Savings</b>			
18	Restricted Funds	-0-	25,000,000	-0-
19	<b>172. Renovate/Expand Law Building</b>			
20	Restricted Funds	-0-	50,000,000	-0-
21	<b>173. Acquire Land</b>			
22	Restricted Funds	-0-	50,000,000	-0-
23	<b>174. Renovate/Upgrade Baseball Facilities</b>			
24	Other Funds	-0-	15,000,000	-0-
25	<b>175. Renovate/Expand Soccer Facilities</b>			
26	Other Funds	-0-	7,000,000	-0-
27	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			

1	45.763.			
2	<b>176. Construct Science Research Building</b>			
3	Restricted Funds	-0-	134,000,000	-0-
4	<b>177. Repair/Upgrade/Expand Central Plants</b>			
5	Restricted Funds	-0-	62,000,000	-0-
6	<b>178. Construct Student Dining Facility</b>			
7	Restricted Funds	-0-	35,000,000	-0-
8	<b>179. Renovate/Expand Childrens Hospital</b>			
9	Restricted Funds	-0-	35,000,000	-0-
10	<b>180. Renovate M.I. King Library</b>			
11	Restricted Funds	-0-	30,000,000	-0-
12	<b>181. Construct Parking Structure #10</b>			
13	Restricted Funds	-0-	28,600,000	-0-
14	<b>182. Renovate/Upgrade Funkhouser Building</b>			
15	Restricted Funds	-0-	28,300,000	-0-
16	<b>183. Repair Emergency Infrastructure</b>			
17	Restricted Funds	-0-	25,000,000	-0-
18	<b>184. Repair/Upgrade/Improve Building Systems</b>			
19	Restricted Funds	-0-	25,000,000	-0-
20	<b>185. Acquire/Renovate Academic Facilities</b>			
21	Restricted Funds	-0-	25,000,000	-0-
22	<b>186. Repair/Upgrade/Improve Housing Building Systems</b>			
23	Restricted Funds	-0-	15,000,000	-0-
24	<b>187. Renovate/Expand Johnson Center</b>			
25	Restricted Funds	-0-	15,000,000	-0-
26	<b>188. Renovate/Expand Alumni Gym</b>			
27	Restricted Funds	-0-	14,500,000	-0-

1	<b>189. Renovate Fine Arts Building</b>			
2	Restricted Funds	-0-	10,000,000	-0-
3	<b>190. Renovate/Upgrade Taylor Education Building</b>			
4	Restricted Funds	-0-	10,000,000	-0-
5	<b>191. Improve Life Safety</b>			
6	Restricted Funds	-0-	10,000,000	-0-
7	<b>192. Acquire Campus Security System</b>			
8	Restricted Funds	-0-	1,300,000	-0-
9	<b>193. Lease-Purchase for Pollution Control Equipment</b>			
10	Other Funds	-0-	24,000,000	-0-
11	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
12	45.763.			
13	<b>9. UNIVERSITY OF LOUISVILLE</b>			
14	<b>001. Expand Ambulatory Care Building Academic Addition</b>			
15	Other Funds	-0-	72,649,000	-0-
16	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
17	45.763.			
18	<b>002. Capital Renewal Pool - 2012-2014</b>			
19	Restricted Funds	-0-	60,000,000	-0-
20	<b>003. Purchase Land Near Health Sciences Campus - Parcel I</b>			
21	Other Funds	-0-	34,246,000	-0-
22	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
23	45.763.			
24	<b>004. Construct Executive MBA/Business Program</b>			
25	Restricted Funds	-0-	23,500,000	-0-
26	<b>005. Construct Fitness and Health Institute</b>			
27	Restricted Funds	-0-	21,539,000	-0-

1	<b>006. Purchase IT Data Center Support Systems</b>			
2	Restricted Funds	-0-	20,000,000	-0-
3	<b>007. Expand and Renovate Student Activities Center</b>			
4	Restricted Funds	-0-	8,000,000	-0-
5	<b>008. Renovate Miller Hall</b>			
6	Restricted Funds	-0-	17,087,000	-0-
7	<b>009. Construct Athletic Academic Support Facility</b>			
8	Other Funds	-0-	16,228,000	-0-
9	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
10	45.763.			
11	<b>010. Construct Soccer Stadium</b>			
12	Other Funds	-0-	16,119,000	-0-
13	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
14	45.763.			
15	<b>011. Purchase Research and Instruction Replacement Equipment</b>			
16	Restricted Funds	-0-	15,000,000	-0-
17	<b>012. Construct Center for Social Change</b>			
18	Other Funds	-0-	13,000,000	-0-
19	<b>013. Expand School of Public Health and Information Sciences</b>			
20	Restricted Funds	-0-	11,561,000	-0-
21	<b>014. Construct Center for Creative Studies</b>			
22	Restricted Funds	-0-	9,450,000	-0-
23	<b>015. Renovate Medical School Tower - Additional Reauthorization</b>			
24	(\$66,643,000 Restricted Funds)			
25	Restricted Funds	-0-	9,125,000	-0-
26	<b>016. Purchase Computer Processing System</b>			
27	Restricted Funds	-0-	8,000,000	-0-

1	<b>017. Purchase Land Near Belknap Campus North</b>			
2	Restricted Funds	-0-	8,000,000	-0-
3	<b>018. Purchase Networking System</b>			
4	Restricted Funds	-0-	8,000,000	-0-
5	<b>019. Construct Belknap Center Place Plaza</b>			
6	Restricted Funds	-0-	7,883,000	-0-
7	<b>020. Renovate Law School - Additional Reauthorization (\$28,925,000</b>			
8	Restricted Funds)			
9	Restricted Funds	-0-	7,156,000	-0-
10	<b>021. Purchase Fiber Infrastructure</b>			
11	Restricted Funds	-0-	7,000,000	-0-
12	<b>022. Purchase Research Computing Infrastructure</b>			
13	Restricted Funds	-0-	7,000,000	-0-
14	<b>023. Expand and Renovate Life Sciences Building - Additional</b>			
15	Reauthorization (\$57,790,000 Restricted Funds)			
16	Restricted Funds	-0-	6,499,000	-0-
17	<b>024. Purchase Digital Communications System</b>			
18	Restricted Funds	-0-	6,000,000	-0-
19	<b>025. Purchase Enterprise Application System</b>			
20	Restricted Funds	-0-	6,000,000	-0-
21	<b>026. Purchase Land Near Belknap Campus South</b>			
22	Restricted Funds	-0-	6,000,000	-0-
23	<b>027. Purchase Storage System</b>			
24	Restricted Funds	-0-	6,000,000	-0-
25	<b>028. Construct HSC Research Facility V - Additional Reauthorization</b>			
26	(\$173,270,000 Restricted Funds)			
27	Restricted Funds	-0-	5,490,000	-0-

1	<b>029. Construct Belknap Stormwater Improvements</b>			
2	Restricted Funds	-0-	5,000,000	-0-
3	<b>030. Purchase Land Near Floyd Street Parcel 1</b>			
4	Restricted Funds	-0-	5,000,000	-0-
5	<b>031. Papa John's Stadium Seat Replacement</b>			
6	Restricted Funds	-0-	5,000,000	-0-
7	<b>032. Expand Patterson Baseball Stadium</b>			
8	Other Funds	-0-	4,573,000	-0-
9	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
10	45.763.			
11	<b>033. Purchase and Construct Chevron Parking Lot</b>			
12	Restricted Funds	-0-	4,430,000	-0-
13	<b>034. Construct Belknap Research/Academic Conn Center - Additional</b>			
14	Reauthorization (\$90,000,000 Restricted Funds)			
15	Restricted Funds	-0-	4,235,000	-0-
16	<b>035. Purchase Security and Firewall Infrastructure</b>			
17	Restricted Funds	-0-	4,000,000	-0-
18	<b>036. Construct Belknap Floyd Street Corridor Improvements</b>			
19	Restricted Funds	-0-	3,500,000	-0-
20	<b>037. Renovate Natural Science Building - Additional Reauthorization</b>			
21	(\$20,445,000 Restricted Funds)			
22	Restricted Funds	-0-	3,063,000	-0-
23	<b>038. Purchase Magnetic Resonance Imaging Equipment</b>			
24	Federal Funds	-0-	-0-	3,000,000
25	<b>039. Purchase Magnetic Resonance Imaging System</b>			
26	Federal Funds	-0-	-0-	3,000,000
27	<b>040. Purchase Three Tesla Magnetic Resonance Imager</b>			

1	Restricted Funds	-0-	-0-	3,000,000
2	<b>041. Construct Belknap Brandeis Corridor Improvements</b>			
3	Restricted Funds	-0-	2,774,000	-0-
4	<b>042. Purchase Electronic Research Information System</b>			
5	Restricted Funds	-0-	1,350,000	1,350,000
6	<b>043. Renovate Ekstrom Library - Additional Reauthorization</b>			
7	(\$42,070,000 Restricted Funds)			
8	Restricted Funds	-0-	2,635,000	-0-
9	<b>044. Expand Ulmer Softball Stadium</b>			
10	Other Funds	-0-	2,600,000	-0-
11	<b>(1) Authorization:</b> The above authorization is approved pursuant to KRS			
12	45.763.			
13	<b>045. Lease Digital Output System</b>			
14	Restricted Funds	-0-	2,500,000	-0-
15	<b>046. Purchase Positron Emission Tomography System</b>			
16	Federal Funds	-0-	2,500,000	-0-
17	<b>047. Purchase Two Robotic Cranes for Library</b>			
18	Restricted Funds	-0-	2,200,000	-0-
19	<b>048. Purchase Visualization System Planetarium</b>			
20	Federal Funds	-0-	2,000,000	-0-
21	<b>049. Construct Belknap Third Street Improvements</b>			
22	Restricted Funds	-0-	1,950,000	-0-
23	<b>050. Purchase Focused Ion Beam Microscope</b>			
24	Federal Funds	-0-	-0-	1,800,000
25	<b>051. Renovate College of Business Classrooms</b>			
26	Restricted Funds	-0-	1,800,000	-0-
27	<b>052. Purchase Computational Cluster System</b>			

1	Restricted Funds	-0-	1,500,000	-0-
2	<b>053. Purchase Transmission Electron Microscope</b>			
3	Federal Funds	-0-	1,500,000	-0-
4	<b>054. Renovate Chemistry Fume Hood Redesign Phase II - Additional</b>			
5	Reauthorization (\$15,095,000 Restricted Funds)			
6	Restricted Funds	-0-	1,372,000	-0-
7	<b>055. Renovate W. S. Speed Building - Additional Reauthorization</b>			
8	(\$10,759,000 Restricted Funds)			
9	Restricted Funds	-0-	1,168,000	-0-
10	<b>056. Renovate Life Sciences Building Vivarium</b>			
11	Restricted Funds	-0-	1,096,000	-0-
12	<b>057. Renovate J. B. Speed Building - Additional Reauthorization</b>			
13	(\$11,140,000 Restricted Funds)			
14	Restricted Funds	-0-	1,060,000	-0-
15	<b>058. Purchase Artificial Turf for Papa John's Stadium</b>			
16	Other Funds	-0-	1,000,000	-0-
17	<b>059. Purchase Soccer Stadium Video Boards</b>			
18	Restricted Funds	-0-	1,000,000	-0-
19	<b>060. Purchase Plastic Additive Manufacturing Machine</b>			
20	Federal Funds	-0-	-0-	900,000
21	<b>061. Construct Belknap Century Corridor Improvement</b>			
22	Restricted Funds	-0-	890,000	-0-
23	<b>062. Renovate Research Resource Center - Additional Reauthorization</b>			
24	(\$13,823,000 Restricted Funds)			
25	Restricted Funds	-0-	885,000	-0-
26	<b>063. Purchase Artificial Turf for Practice Field Facility</b>			
27	Other Funds	-0-	865,000	-0-



1	<b>064.</b> Construct Flexner Way Mall - Floyd to Preston - Additional			
2	Reauthorization (\$830,000 Restricted Funds)			
3	Restricted Funds	-0-	830,000	-0-
4	<b>065.</b> Purchase Additive Microdeposition Machine			
5	Federal Funds	-0-	825,000	-0-
6	<b>066.</b> Purchase Metal Additive Fabrication Machine			
7	Federal Funds	-0-	800,000	-0-
8	<b>067.</b> Construct Flexner Way Mall - Jackson to Hancock			
9	Restricted Funds	-0-	750,000	-0-
10	<b>068.</b> Expand Chilled Water and Electrical Service Upgrade - Additional			
11	Reauthorization (\$12,000,000 Restricted Funds)			
12	Restricted Funds	-0-	750,000	-0-
13	<b>069.</b> Purchase Laser Jet Cutting System			
14	Federal Funds	-0-	-0-	750,000
15	<b>070.</b> Purchase Orbitrap Ion Trap Mass Spectrometer			
16	Federal Funds	-0-	712,000	-0-
17	<b>071.</b> Purchase PCs, Printers, Scanners for Libraries			
18	Restricted Funds	-0-	175,000	175,000
19	Other Funds	-0-	175,000	175,000
20	TOTAL	-0-	350,000	350,000
21	<b>072.</b> Renovate Resurface Track and Cardio Path			
22	Restricted Funds	-0-	700,000	-0-
23	<b>073.</b> Expand and Renovate Founders Union Building Phase II -			
24	Additional Reauthorization (\$18,414,000 Restricted Funds)			
25	Restricted Funds	-0-	698,000	-0-
26	<b>074.</b> Purchase Illumina Genome Analyzer			
27	Federal Funds	-0-	-0-	610,000

1	<b>075. Purchase Atomic Force Microscope</b>			
2	Federal Funds	-0-	-0-	600,000
3	<b>076. Purchase Biological Material Deposition Machine</b>			
4	Federal Funds	-0-	600,000	-0-
5	<b>077. Purchase Classroom AV Recording Equipment</b>			
6	Restricted Funds	-0-	600,000	-0-
7	<b>078. Purchase Individually Ventilated Caging System 1</b>			
8	Restricted Funds	-0-	600,000	-0-
9	<b>079. Purchase Scanning Biological Microwave Microscope</b>			
10	Federal Funds	-0-	600,000	-0-
11	<b>080. Purchase Small Animal Positron Emission Tomography</b>			
12	Restricted Funds	-0-	-0-	600,000
13	<b>081. Purchase Individually Ventilated Caging System 2</b>			
14	Restricted Funds	-0-	-0-	597,000
15	<b>082. Purchase Orbitrap Mass Spectrometer</b>			
16	Federal Funds	-0-	-0-	593,000
17	<b>083. Renovate Kentucky Lions Eye Research Institute - Additional</b>			
18	Reauthorization (\$19,214,000 Restricted Funds)			
19	Restricted Funds	-0-	556,000	-0-
20	<b>084. Purchase FACS Aria II Special Order System</b>			
21	Federal Funds	-0-	-0-	530,000
22	<b>085. Purchase Atomic Layer Deposition System</b>			
23	Federal Funds	-0-	-0-	500,000
24	<b>086. Purchase Chemical Vapor Deposition System</b>			
25	Federal Funds	-0-	500,000	-0-
26	<b>087. Purchase MALDI-TOF Mass Spectrometer 1</b>			
27	Federal Funds	-0-	500,000	-0-

1	<b>088.</b> Purchase MALDI-TOF Mass Spectrometer 2			
2	Federal Funds	-0-	-0-	500,000
3	<b>089.</b> Purchase MoFlo Cell Sorter			
4	Federal Funds	-0-	-0-	500,000
5	<b>090.</b> Purchase Multiphoton Microscope			
6	Restricted Funds	-0-	-0-	500,000
7	<b>091.</b> Purchase Nanomaterial Equipment			
8	Restricted Funds	-0-	500,000	-0-
9	<b>092.</b> Purchase Resonance Raman Spectrometer			
10	Federal Funds	-0-	500,000	-0-
11	<b>093.</b> Purchase Shared Memory Computer			
12	Restricted Funds	-0-	500,000	-0-
13	<b>094.</b> Purchase Magnetron Sputtering System			
14	Federal Funds	-0-	500,000	-0-
15	<b>095.</b> Purchase SQUID Magnetometer			
16	Restricted Funds	-0-	500,000	-0-
17	<b>096.</b> Purchase Technology Enhanced Classroom			
18	Restricted Funds	-0-	500,000	-0-
19	<b>097.</b> Purchase Two - Photon Laser Scanning Microscope			
20	Federal Funds	-0-	-0-	500,000
21	<b>098.</b> Purchase UHR-TOF Mass Spectrometer			
22	Federal Funds	-0-	-0-	500,000
23	<b>099.</b> Purchase Two-Photon Imaging System			
24	Federal Funds	-0-	-0-	480,000
25	<b>100.</b> Utility Distribution - South Belknap Campus - Additional			
26	Reauthorization (\$11,548,000 Restricted Funds)			
27	Restricted Funds	-0-	452,000	-0-

1	<b>101. Purchase Spectral Confocal Microscope</b>			
2	Federal Funds	-0-	440,000	-0-
3	<b>102. Purchase Bulk Sterilizer</b>			
4	Restricted Funds	-0-	-0-	421,000
5	<b>103. Purchase Ultraview ERS 6FO Confocal Microscope</b>			
6	Restricted Funds	-0-	-0-	420,000
7	<b>104. Purchase High Resolution Triple TOF Mass Spectrometer</b>			
8	Federal Funds	-0-	-0-	400,000
9	<b>105. Purchase Live Cell Intracellular Nanoprobe Station</b>			
10	Federal Funds	-0-	400,000	-0-
11	<b>106. Purchase Small Animal Computed Tomography</b>			
12	Restricted Funds	-0-	-0-	400,000
13	<b>107. Purchase Small Animal Single Photon Emission Tomography</b>			
14	Restricted Funds	-0-	-0-	400,000
15	<b>108. Purchase Cage and Rack Washer</b>			
16	Restricted Funds	-0-	-0-	398,000
17	<b>109. Purchase Rodent Plastic Caging</b>			
18	Restricted Funds	-0-	398,000	-0-
19	<b>110. Purchase Multispectral Imaging Flow Cytometer</b>			
20	Restricted Funds	-0-	-0-	390,000
21	<b>111. Construct Utilities, Remove Overhead Lines - Additional</b>			
22	Reauthorization (\$10,000,000 Restricted Funds)			
23	Restricted Funds	-0-	350,000	-0-
24	<b>112. Purchase BD FACSAria III Cell Sorter</b>			
25	Federal Funds	-0-	-0-	350,000
26	<b>113. Purchase Micro Computed Tomography</b>			
27	Federal Funds	-0-	-0-	350,000

1	<b>114. Purchase Mobile Animal Runs</b>			
2	Restricted Funds	-0-	-0-	323,000
3	<b>115. Purchase Confocal Microscope</b>			
4	Federal Funds	-0-	-0-	300,000
5	<b>116. Purchase Etch System</b>			
6	Federal Funds	-0-	300,000	-0-
7	<b>117. Purchase OPUS Urology Table</b>			
8	Restricted Funds	-0-	300,000	-0-
9	<b>118. Purchase Automatic Bedding Dispensing and Removal System</b>			
10	Restricted Funds	-0-	-0-	278,000
11	<b>119. Purchase Library Chairs and Tables</b>			
12	Restricted Funds	-0-	275,000	-0-
13	<b>120. Purchase AMTI Split-Belt Instrumented Treadmill</b>			
14	Restricted Funds	-0-	270,000	-0-
15	<b>121. Construct Intramural Field Complex - Additional Reauthorization</b>			
16	(\$6,980,000 Restricted Funds)			
17	Restricted Funds	-0-	254,000	-0-
18	<b>122. Purchase Confocal Microscope</b>			
19	Restricted Funds	-0-	-0-	250,000
20	<b>123. Purchase Gene Chip Scanner</b>			
21	Federal Funds	-0-	-0-	250,000
22	<b>124. Purchase Imprint Lithography System</b>			
23	Federal Funds	-0-	250,000	-0-
24	<b>125. Purchase Reactive Ion Etching System</b>			
25	Federal Funds	-0-	250,000	-0-
26	<b>126. Purchase Cathodoluminescence System</b>			
27	Federal Funds	-0-	230,000	-0-

1	<b>127. Purchase Nanoindenter</b>			
2	Federal Funds	-0-	-0-	225,000
3	<b>128. Renovate Gross Anatomy Lab - Additional Reauthorization</b>			
4	(\$5,304,000 Restricted Funds)			
5	Restricted Funds	-0-	216,000	-0-
6	<b>129. Purchase FACSanto II Analyzer</b>			
7	Restricted Funds	-0-	210,000	-0-
8	<b>130. Purchase Research Equipment for Dental School</b>			
9	Federal Funds	-0-	-0-	210,000
10	<b>131. Purchase Tunnel Cage Washer</b>			
11	Restricted Funds	-0-	208,000	-0-
12	<b>132. Purchase 3D Surface Deformation Measurement</b>			
13	Federal Funds	-0-	200,000	-0-
14	<b>133. Purchase BD LSR II Fluorescence Asst Cell Sort</b>			
15	Federal Funds	-0-	-0-	200,000
16	<b>134. Purchase Fluorescence Imaging System</b>			
17	Federal Funds	-0-	200,000	-0-
18	<b>135. Renovate Kornhauser Library - Additional Reauthorization</b>			
19	(\$15,890,000 Restricted Funds)			
20	Restricted Funds	-0-	140,000	-0-
21	<b>136. Construct Physical Plant Space in Health Sciences Campus</b>			
22	Garage - Additional Reauthorization (\$2,191,000 Restricted			
23	Funds)			
24	Restricted Funds	-0-	127,000	-0-
25	<b>137. Construct Flexner Way Mall - Preston to Jackson Reauthorization</b>			
26	(\$420,000 Restricted Funds)			
27	<b>138. Purchase Artificial Turf for Intramural Field Reauthorization</b>			

- 1           (\$693,000 Restricted Funds)
- 2       **139.** Code Improvement Pool Reauthorization (\$4,179,000 Restricted
- 3           Funds)
- 4       **140.** Construct Administrative Office Building Reauthorization
- 5           (\$51,990,000 Restricted Funds)
- 6       **141.** Construct Athletics Office Building Reauthorization (\$8,398,000
- 7           Restricted Funds)
- 8       **142.** Construct Center for the Performing Arts Reauthorization
- 9           (\$76,660,000 Restricted Funds)
- 10       **143.** Construct Chestnut Street Garage Speed Ramp Reauthorization
- 11           (\$875,000 Restricted Funds)
- 12       **144.** Expand Rauch Planetarium Reauthorization (\$3,220,000 Federal
- 13           Funds)
- 14       **145.** Expand Sackett Hall Reauthorization (\$16,590,000 Restricted
- 15           Funds)
- 16       **146.** Purchase Land Near Health Sciences Campus Parcel II
- 17           Reauthorization (\$6,034,000 Restricted Funds)
- 18       **147.** Purchase Land Near Health Sciences Campus Parcel III
- 19           Reauthorization (\$3,000,000 Restricted Funds)
- 20       **148.** Renovate Burhans Hall Reauthorization (\$15,537,000 Restricted
- 21           Funds)
- 22       **149.** Renovate College of Business Faculty Offices Reauthorization
- 23           (\$1,500,000 Restricted Funds)
- 24       **150.** Renovate Housing Capital Renewal Pool Reauthorization
- 25           (\$4,400,000 Restricted Funds)
- 26       **151.** Expand and Renovate Oppenheimer Hall Reauthorization
- 27           (\$4,792,000 Restricted Funds)

1	<b>152.</b>	Ambulatory Care Building - Lease			
2	<b>153.</b>	HSC Communication Sciences - Lease			
3	<b>154.</b>	HSC Off Campus Office Space - Lease			
4	<b>155.</b>	IT Data Center - Lease			
5	<b>156.</b>	Master of Fine Arts - Lease			
6	<b>157.</b>	Med Center One - Lease			
7	<b>158.</b>	West Louisville Center for Community Health, Education			
8		Outreach - Lease			
9	<b>159.</b>	Construct - Belknap Classroom/Academic Building			
10		Restricted Funds	-0-	77,580,000	-0-
11	<b>160.</b>	Expand and Renovate - Instructional Building at HSC			
12		Restricted Funds	-0-	67,000,000	-0-
13	<b>161.</b>	Renovate Medical Dental Research Building			
14		Restricted Funds	-0-	56,345,000	-0-
15	<b>162.</b>	Expand and Renovate College of Education Building			
16		Restricted Funds	-0-	48,190,000	-0-
17	<b>163.</b>	Construct HSC Steam/Chilled Water Plant II			
18		Restricted Funds	-0-	34,595,000	-0-
19	<b>164.</b>	Construct IT Data Center			
20		Restricted Funds	-0-	38,000,000	-0-
21	<b>165.</b>	Renovate Exterior of University Tower Apartments			
22		Restricted Funds	-0-	750,000	-0-
23	<b>10.</b>	<b>WESTERN KENTUCKY UNIVERSITY</b>			
24	<b>001.</b>	Renovate Kentucky Building			
25		Restricted Funds	-0-	14,100,000	-0-
26	<b>002.</b>	Upgrade Coal Boiler to MACT Standards			
27		Restricted Funds	-0-	11,000,000	-0-



1	<b>003. Construct Baseball Grandstand</b>			
2	Other Funds	-0-	10,900,000	-0-
3	<b>004. Renovate Big Lots Retail Space Center for Research and</b>			
4	Development			
5	Restricted Funds	-0-	10,600,000	-0-
6	<b>005. Acquire Land and Construct Head Start Facility</b>			
7	Federal Funds	-0-	10,000,000	-0-
8	<b>006. Construct Track and Field Facilities</b>			
9	Other Funds	-0-	9,500,000	-0-
10	<b>007. Acquire Furniture and Equipment for Downing University Center</b>			
11	Renovation			
12	Restricted Funds	-0-	8,000,000	-0-
13	<b>008. Academic Complex Renovation</b>			
14	Restricted Funds	-0-	7,000,000	-0-
15	<b>009. Construct Mesonet Computer Center</b>			
16	Restricted Funds	-0-	800,000	-0-
17	Federal Funds	-0-	5,000,000	-0-
18	TOTAL	-0-	5,800,000	-0-
19	<b>010. Construct Center for Dairy Education and Innovation</b>			
20	Federal Funds	-0-	5,000,000	-0-
21	<b>011. Construct Fit-Out of Leased Space</b>			
22	Restricted Funds	-0-	5,000,000	-0-
23	<b>012. Construct New Lighted Tennis Courts</b>			
24	Restricted Funds	-0-	1,000,000	-0-
25	Other Funds	-0-	2,600,000	-0-
26	TOTAL	-0-	3,600,000	-0-
27	<b>013. Renovate Art Lab/Museum</b>			

1	Restricted Funds	-0-	3,600,000	-0-
2	<b>014. Renovate Radcliff Regional Center</b>			
3	Restricted Funds	-0-	3,500,000	-0-
4	<b>015. Acquire Furniture and Equipment for Nursing/Physical Therapy</b>			
5	Programs			
6	Restricted Funds	-0-	3,300,000	-0-
7	<b>016. Construct International Center</b>			
8	Restricted Funds	-0-	3,000,000	-0-
9	<b>017. Parking and Street Improvements - 2012-2014</b>			
10	Restricted Funds	-0-	3,000,000	-0-
11	<b>018. Purchase Property for Campus Expansion - 2012-2014</b>			
12	Restricted Funds	-0-	3,000,000	-0-
13	<b>019. Equipment Pool - 2012-2014</b>			
14	Restricted Funds	-0-	2,518,000	-0-
15	<b>020. Construct South Plaza</b>			
16	Other Funds	-0-	2,500,000	-0-
17	<b>021. Design Environmental Science and Technology Hall Renovation</b>			
18	Restricted Funds	-0-	2,500,000	-0-
19	<b>022. Design Garrett Conference Center Renovation</b>			
20	Restricted Funds	-0-	2,500,000	-0-
21	<b>023. Upgrade IT Infrastructure</b>			
22	Restricted Funds	-0-	2,300,000	-0-
23	<b>024. Construct Football Pressbox</b>			
24	Other Funds	-0-	2,200,000	-0-
25	<b>025. Develop Alumni Lawn</b>			
26	Restricted Funds	-0-	2,000,000	-0-
27	<b>026. Renovate Dollar General Space at Center for Research and</b>			

1	Development			
2	Restricted Funds	-0-	2,000,000	-0-
3	<b>027. Renovate Tate Page Hall</b>			
4	Restricted Funds	-0-	2,000,000	-0-
5	<b>028. Construct Nanotechnology Laboratory</b>			
6	Restricted Funds	-0-	1,800,000	-0-
7	<b>029. Renovate Movie Theater Space at Center for Research and</b>			
8	Development			
9	Restricted Funds	-0-	1,800,000	-0-
10	<b>030. Renovate Craig Alumni Center</b>			
11	Restricted Funds	-0-	1,700,000	-0-
12	<b>031. Add Club Seating at Diddle Arena</b>			
13	Restricted Funds	-0-	1,600,000	-0-
14	<b>032. Construct Scale-Up Compost Heat Greenhouse</b>			
15	Federal Funds	-0-	1,500,000	-0-
16	<b>033. Design Agriculture Exposition Center Renovation</b>			
17	Restricted Funds	-0-	1,000,000	-0-
18	<b>034. Design Gordon Wilson Hall Renovation</b>			
19	Restricted Funds	-0-	1,000,000	-0-
20	<b>035. Interior Renovation Jones Jagers</b>			
21	Restricted Funds	-0-	1,000,000	-0-
22	<b>036. Upgrade Campus Retaining Walls</b>			
23	Restricted Funds	-0-	1,000,000	-0-
24	<b>037. Nursing/Physical Therapy - Lease</b>			
25	<b>038. TIF Parking Garage - Lease</b>			
26	<b>039. South Regional Postsecondary Education Center - Lease</b>			
27	<b>040. Guaranteed Energy Savings Performance Contracts</b>			

1	<b>041. Renovate Science Campus, Phase IV</b>			
2	Restricted Funds	-0-	48,000,000	-0-
3	<b>042. Replace Underground Infrastructure - Steam/Electric</b>			
4	Restricted Funds	-0-	35,000,000	-0-
5	<b>043. Miscellaneous Maintenance Pool 2012-2014</b>			
6	Restricted Funds	-0-	10,000,000	-0-
7	<b>044. Renovate Downing University Center - Phase III Scope Increase</b>			
8	Agency Bonds	16,500,000	-0-	-0-

9 **11. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

10 **(1) Conveyance of Property:** The Kentucky Community and Technical College  
11 System may undertake a capital construction project under the provisions of Part I, K.,  
12 11., (3), of this Act.

13 **(2) Lexington College Classroom/Lab Building:** The Kentucky Community and  
14 Technical College System is authorized to construct the LCC Classroom/Lab Building  
15 appropriated in 2005 Ky. Acts ch. 173, Part II, K., 12., 019., on state property currently  
16 known as the main campus of Eastern State Hospital.

17	<b>001. Capital Renewal and Deferred Maintenance Pool</b>			
18	Restricted Funds	-0-	19,000,000	19,000,000
19	<b>002. KCTCS Equipment Pool</b>			
20	Restricted Funds	-0-	20,000,000	-0-
21	<b>003. KCTCS Information Technology Infrastructure Upgrade</b>			
22	Restricted Funds	-0-	12,000,000	-0-
23	<b>004. Renovate Buildings, New Parking and Loop Road - BGTC</b>			
24	Restricted Funds	-0-	9,500,000	-0-
25	<b>005. Acquisition of System Office Building</b>			
26	Restricted Funds	-0-	7,100,000	-0-
27	<b>006. KCTCS Property Acquisition Pool</b>			

1	Restricted Funds	-0-	5,500,000	-0-
2	<b>007. Renovate HVAC System - Meece Building - Somerset CC</b>			
3	Restricted Funds	-0-	3,000,000	-0-
4	<b>008. Space Modifications - System Office</b>			
5	Restricted Funds	-0-	3,000,000	-0-
6	<b>009. Renovate Downtown Campus - Owensboro CTC</b>			
7	Restricted Funds	-0-	2,753,000	-0-
8	<b>010. Renovate Administration Building - Elizabethtown CTC</b>			
9	Restricted Funds	-0-	2,720,000	-0-
10	<b>011. Renovate Academic/LRC Building - Ashland CTC - Additional</b>			
11	Reauthorization (\$20,000,000 Restricted Funds)			
12	Restricted Funds	-0-	2,678,000	-0-
13	<b>012. Renovate Building for Skilled Crafts Training Center, Phase III -</b>			
14	WKCTC			
15	Restricted Funds	-0-	2,630,000	-0-
16	<b>013. Construct School of Craft, Phase II - Hazard CTC</b>			
17	Restricted Funds	-0-	1,309,000	-0-
18	Other Funds	-0-	1,000,000	-0-
19	TOTAL	-0-	2,309,000	-0-
20	<b>014. Purchase Land Adjacent to Technology Drive - Ashland</b>			
21	Restricted Funds	-0-	2,000,000	-0-
22	<b>015. ADA Upgrades J. Phil Smith Building - Hazard CTC</b>			
23	Restricted Funds	-0-	1,935,000	-0-
24	<b>016. Master Plan Development and Upgrade Pool</b>			
25	Restricted Funds	-0-	1,500,000	-0-
26	<b>017. Construct Area 9 Training Building State Fire and Rescue</b>			
27	Restricted Funds	-0-	980,000	-0-

1	<b>018.</b> Purchase Combine for Agriculture Program - Hopkinsville CC			
2	Restricted Funds	-0-	315,000	-0-
3	<b>019.</b> EKSC Planetarium Equipment Replacement - Big Sandy			
4	Restricted Funds	-0-	205,000	-0-
5	<b>020.</b> Construct CPAT Center, State Fire and Rescue Training			
6	Reauthorization (\$1,500,000 Restricted Funds)			
7	<b>021.</b> Construct Transportation Tech Building, Boone Campus -			
8	Gateway CTC Reauthorization (\$9,704,000 Restricted Funds)			
9	<b>022.</b> Purchase and Improve Real Property - Downtown Jefferson CTC			
10	Reauthorization (\$10,500,000 Restricted Funds)			
11	<b>023.</b> Renovate Classroom Facility, Phase I Urban Campus - Gateway			
12	CTC Reauthorization (\$11,850,000 Restricted Funds)			
13	<b>024.</b> Renovate Downtown Campus, Phase II - JCTC Reauthorization			
14	(\$28,612,000 Restricted Funds)			
15	<b>025.</b> Reroof and Enclose Concourses, Gray Building - Madisonville CC			
16	Reauthorization (\$3,600,000 Restricted Funds)			
17	<b>026.</b> Gateway Urban Campus - Lease			
18	<b>027.</b> Guaranteed Energy Savings Performance Contracts			
19	<b>028.</b> Design and Construct Newtown Campus, Phase I - Bluegrass CTC			
20	Restricted Funds	-0-	5,000,000	-0-
21	<b>029.</b> Construct Urban Campus, Phase I - Gateway CTC			
22	Restricted Funds	-0-	8,150,000	-0-
23	<b>030.</b> Design and Construct Carrollton Campus, Phase I - Jefferson CTC			
24	Restricted Funds	-0-	1,000,000	-0-
25	<b>031.</b> Construct Arts School, Phase I - WKCTC			
26	Restricted Funds	-0-	5,000,000	-0-
27	<b>032.</b> KCTCS System Office Lease-Purchase			

1	<b>033.</b> Jefferson CTC - Jefferson Education Center - Lease			
2	<b>034.</b> Jefferson CTC - Bullitt County Campus - Lease			
3	<b>035.</b> Elizabethtown CTC - Leitchfield Campus - Lease			
4	<b>036.</b> Maysville CTC - Montgomery County Center - Lease			
5	<b>037.</b> Bowling Green TC - Glasgow Campus - Lease			
6	<b>038.</b> Modular Classroom - Bowling Green TC			
7	Restricted Funds	-0-	1,000,000	-0-

**K. PUBLIC PROTECTION CABINET**

9	<b>Budget Units</b>		<b>2012-13</b>	<b>2013-14</b>
10	<b>1. HORSE RACING COMMISSION</b>			
11	<b>001.</b> Kentucky Horse Racing Commission Integrated Database and			
12	Information System			
13	Restricted Funds		1,023,000	508,000
14	<b>2. HOUSING, BUILDINGS AND CONSTRUCTION</b>			
15	<b>001.</b> Franklin County - Lease			
16	<b>3. INSURANCE</b>			
17	<b>001.</b> Franklin County - Lease			

**L. TOURISM, ARTS AND HERITAGE CABINET**

19	<b>Budget Units</b>		<b>2012-13</b>	<b>2013-14</b>
20	<b>1. PARKS</b>			
21	<b>001.</b> Maintenance Pool - 2012-2014			
22	Bond Funds		3,000,000	3,000,000
23	<b>(1) Reporting:</b> A prioritized list of all projects to be funded from the			
24	maintenance pool authorized above shall be provided to the Interim Joint Committee on			
25	Appropriations and Revenue by July 1, 2012.			
26	<b>002.</b> Upgrade Wastewater System - Fort Boonesborough			
27	Bond Funds		2,000,000	-0-

1	<b>2. HORSE PARK COMMISSION</b>		
2	<b>001. Maintenance Pool - 2012-2014</b>		
3	Investment Income	575,000	575,000
4	<b>3. STATE FAIR BOARD</b>		
5	<b>001. Parking Garage Maintenance</b>		
6	Bond Funds	2,000,000	-0-
7	Statewide Deferred Maintenance Fund	247,000	-0-
8	TOTAL	2,247,000	-0-
9	<b>4. FISH AND WILDLIFE RESOURCES</b>		
10	<b>001. Fees-in-Lieu-of Stream Mitigation Projects Pool</b>		
11	Restricted Funds	20,000,000	20,000,000
12	<b>002. Land Acquisition Pool - 2012-2014</b>		
13	Restricted Funds	1,000,000	1,000,000
14	<b>003. Maintenance Pool - 2012-2014</b>		
15	Restricted Funds	1,000,000	1,000,000
16	<b>004. Boating and Fishing Access Pool - 2012-2014</b>		
17	Restricted Funds	600,000	600,000
18	<b>5. KENTUCKY CENTER FOR THE ARTS</b>		
19	<b>001. Maintenance Pool - 2012-2014</b>		
20	Investment Income	160,000	160,000

21                                   **M. COAL SEVERANCE TAX PROJECTS**

22           **(1) Projects Authorization and Appropriation:** Notwithstanding KRS  
23 42.4588(2) and (4), the following projects are authorized and appropriated from Local  
24 Government Economic Development Fund moneys from the respective single county  
25 fund pursuant to KRS 42.4592 for public purposes in the following coal-producing  
26 counties in the manner and amounts enumerated. These projects are determined by the  
27 General Assembly to be important to the furtherance of the public policy objectives and



1 economic development purposes for which the Local Government Economic  
 2 Development Program was established. The amounts appropriated are estimates. Actual  
 3 expenditures and encumbrances shall be limited to the actual receipts realized and  
 4 available in the respective single county fund. These amounts are composed of estimated  
 5 receipts for fiscal year 2011-2012, fiscal year 2012-2013, and fiscal year 2013-2014 in  
 6 combination with prior unobligated balances in the respective single county funds. To the  
 7 extent that a county that is authorized to proceed with a project enumerated below  
 8 receives more single county Local Government Economic Development Fund moneys  
 9 than are appropriated in this Act, the county may direct those funds to offset a cost  
 10 overrun on any of the projects enumerated below upon approval of the Commissioner of  
 11 the Department for Local Government.

12 **(2) Projects Not To Be Duplicated:** Notwithstanding KRS 42.4588(2) and (4),  
 13 to avoid duplication of appropriations for the line-item coal severance tax projects  
 14 authorized in this section, the following projects are authorized and appropriated for the  
 15 amounts enumerated below under the condition that the project has not received, or  
 16 already been authorized by the Department for Local Government to receive, funding  
 17 prior to the effective date of this Act.

18 **(3) Authorization for Current Year Coal Severance Tax Projects:** The  
 19 following projects authorized for fiscal year 2011-2012 shall remain authorized for the  
 20 2012-2014 fiscal biennium.

21 **(4) Project Prioritization:** Notwithstanding KRS 42.4588, the following projects  
 22 shall have priority over projects that have been authorized prior to the effective date of  
 23 this Act by the Department for Local Government to receive funding.

24 **(5) Water and Sewer Projects:** The following projects that are related to water  
 25 and sewer shall be administered by the Kentucky Infrastructure Authority.

26 <b>Budget Units</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
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27 **1. GENERAL GOVERNMENT**

1	a.	Department for Local Government			
2		<b>Bell County</b>			
3		<b>001.</b> Bell County Board of Education - Board Project			
4		Restricted Funds	-0-	25,000	-0-
5		<b>002.</b> Bell County Board of Education - Cops In School - Operations			
6		Restricted Funds	-0-	30,000	30,000
7		<b>003.</b> Bell County Board of Education - K-6 Little League Football - Equipment			
8		Restricted Funds	-0-	3,000	3,000
9		<b>004.</b> Bell County Board of Education - Youth Service Center - Supplies			
10		Restricted Funds	-0-	25,000	-0-
11		<b>005.</b> Bell County Fiscal Court - Bell - Whitley - CAA - Operations - Supplies			
12		Restricted Funds	-0-	15,000	15,000
13		<b>006.</b> Bell County Fiscal Court - Bell County - Middlesboro Airport - Operations			
14		Restricted Funds	-0-	5,000	5,000
15		<b>007.</b> Bell County Fiscal Court - Bell County Agriculture Council - Projects			
16		Restricted Funds	-0-	5,000	5,000
17		<b>008.</b> Bell County Fiscal Court - Bell County Attorney - Operations			
18		Restricted Funds	-0-	10,000	10,000
19		<b>009.</b> Bell County Fiscal Court - Bell County Cemetery Board - Operations -			
20		Supplies			
21		Restricted Funds	-0-	5,000	5,000
22		<b>010.</b> Bell County Fiscal Court - Bell County Clerk - Equipment			
23		Restricted Funds	-0-	5,000	5,000
24		<b>011.</b> Bell County Fiscal Court - Bell County Commonwealth's Attorney -			
25		Operations			
26		Restricted Funds	-0-	10,000	10,000
27		<b>012.</b> Bell County Fiscal Court - Bell County Conservation District - Operations			

1	Restricted Funds	-0-	10,000	10,000
2	<b>013.</b> Bell County Fiscal Court - Bell County Health Department - Operations -			
3	Supplies			
4	Restricted Funds	-0-	5,000	5,000
5	<b>014.</b> Bell County Fiscal Court - Bell County Historical Society - Operations -			
6	Supplies			
7	Restricted Funds	-0-	5,000	5,000
8	<b>015.</b> Bell County Fiscal Court - Bell County Homeless Shelter - Operations -			
9	Supplies			
10	Restricted Funds	-0-	5,000	5,000
11	<b>016.</b> Bell County Fiscal Court - Bell County Industrial Foundation - Projects			
12	Restricted Funds	-0-	40,000	40,000
13	<b>017.</b> Bell County Fiscal Court - Bell County Literacy Council - Operations			
14	Restricted Funds	-0-	3,000	3,000
15	<b>018.</b> Bell County Fiscal Court - Bell County Little League Baseball - Equipment			
16	Restricted Funds	-0-	5,000	5,000
17	<b>019.</b> Bell County Fiscal Court - Bell County PVA - Equipment			
18	Restricted Funds	-0-	5,000	5,000
19	<b>020.</b> Bell County Fiscal Court - Bell County Senior Citizens - Operations -			
20	Supplies			
21	Restricted Funds	-0-	10,000	10,000
22	<b>021.</b> Bell County Fiscal Court - Bell County Sheriff's Department - Vehicles -			
23	Equipment			
24	Restricted Funds	-0-	75,000	75,000
25	<b>022.</b> Bell County Fiscal Court - Bell County Solid Waste - Recycling Center -			
26	Operations - Equipment			
27	Restricted Funds	-0-	5,000	5,000

1	<b>023.</b> Bell County Fiscal Court - Bell County Veteran's Park - Improvements			
2	Restricted Funds	-0-	5,000	5,000
3	<b>024.</b> Bell County Fiscal Court - Frakes Senior Citizens Center - Operations -			
4	Supplies			
5	Restricted Funds	-0-	5,000	5,000
6	<b>025.</b> Bell County Fiscal Court - Friends of the Shelter - Spay and Neuter Program			
7	Restricted Funds	-0-	5,000	5,000
8	<b>026.</b> Bell County Fiscal Court - Henderson Settlement - After School Program -			
9	Supplies			
10	Restricted Funds	-0-	5,000	-0-
11	<b>027.</b> Bell County Fiscal Court - KCTCS - Heavy Equipment Program - Equipment			
12	Restricted Funds	-0-	25,000	25,000
13	<b>028.</b> Bell County Fiscal Court - Light House Mission - Operations - Supplies			
14	Restricted Funds	-0-	20,000	20,000
15	<b>029.</b> Bell County Fiscal Court - Middlesboro Public Library - Furniture -			
16	Improvements			
17	Restricted Funds	-0-	5,000	5,000
18	<b>030.</b> Bell County Fiscal Court - Operations - Projects - Equipment			
19	Restricted Funds	-0-	849,293	1,123,942
20	<b>031.</b> Bell County Fiscal Court - Pine Mountain "1st Tee" - Operations			
21	Restricted Funds	-0-	7,000	7,000
22	<b>032.</b> Bell County Fiscal Court - Pine Mountain State Park - Improvements			
23	Restricted Funds	-0-	5,000	5,000
24	<b>033.</b> Bell County Fiscal Court - Pineville Public Library - Furniture -			
25	Improvements			
26	Restricted Funds	-0-	5,000	5,000
27	<b>034.</b> Bell County Fiscal Court - Red Bird Senior Citizens - Operations - Supplies			

1	Restricted Funds	-0-	5,000	5,000
2	<b>035.</b> Bell County Fiscal Court - Reimbursement for County Projects from Fiscal			
3	Years 2009-2010, 2010-2011, and 2011-2012			
4	Restricted Funds	-0-	2,350,000	-0-
5	<b>036.</b> Bell County Fiscal Court - Salvation Army - Kitchen Facilities			
6	Restricted Funds	-0-	10,000	-0-
7	<b>037.</b> City of Middlesboro - Fire Department - Equipment			
8	Restricted Funds	-0-	15,000	15,000
9	<b>038.</b> City of Middlesboro - Little League Baseball			
10	Restricted Funds	-0-	5,000	5,000
11	<b>039.</b> City of Middlesboro - Main Street Program			
12	Restricted Funds	-0-	10,000	10,000
13	<b>040.</b> City of Middlesboro - Project and/or Equipment			
14	Restricted Funds	-0-	135,000	135,000
15	<b>041.</b> City of Pineville - Fire Department - Equipment			
16	Restricted Funds	-0-	10,000	10,000
17	<b>042.</b> City of Pineville - Police Department - Vehicle - Equipment			
18	Restricted Funds	-0-	25,000	25,000
19	<b>043.</b> City of Pineville - Projects and/or Equipment - Operations			
20	Restricted Funds	-0-	85,000	85,000
21	<b>044.</b> Middlesboro Independent Board of Education - Board Project			
22	Restricted Funds	-0-	25,000	-0-
23	<b>045.</b> Middlesboro Independent Board of Education - K-6 Little League Football -			
24	Equipment			
25	Restricted Funds	-0-	3,000	3,000
26	<b>046.</b> Middlesboro Independent Board of Education - Youth Service Center -			
27	Supplies			

1	Restricted Funds	-0-	10,000	-0-
2	<b>047.</b> Pineville Independent Board of Education - Board Project			
3	Restricted Funds	-0-	25,000	-0-
4	<b>048.</b> Pineville Independent Board of Education - K-6 Little League Football -			
5	Equipment			
6	Restricted Funds	-0-	3,000	-0-
7	<b>049.</b> Pineville Independent Board of Education - Youth Service Center - Supplies			
8	Restricted Funds	-0-	5,000	-0-
9	<b>Boyd County</b>			
10	<b>001.</b> Ashland Independent Board of Education - Facility - Ground and other			
11	Improvements			
12	Restricted Funds	-0-	25,000	-0-
13	<b>002.</b> Boyd County Board of Education - Facility - Ground and other Improvements			
14	Restricted Funds	-0-	25,000	-0-
15	<b>003.</b> Boyd County Fiscal Court - Casa - Northeastern KY - Improvements -			
16	Services - Operations			
17	Restricted Funds	-0-	10,000	10,000
18	<b>004.</b> Boyd County Fiscal Court - Catlettsburg/Boyd Optimist - Facility - Ground			
19	Improvements			
20	Restricted Funds	-0-	-0-	30,000
21	<b>005.</b> Boyd County Fiscal Court - County Parks and Ballfields			
22	Restricted Funds	-0-	25,000	5,000
23	<b>006.</b> Boyd County Fiscal Court - Economic Development - Equipment Upgrades -			
24	Other Improvements			
25	Restricted Funds	-0-	-0-	50,000
26	<b>007.</b> Boyd County Fiscal Court - Hope's Place - Improvements - Services -			
27	Operations			

1	Restricted Funds	-0-	10,000	10,000
2	<b>008. Boyd County Fiscal Court - Safe Harbor - Equipment - Improvements</b>			
3	Restricted Funds	-0-	25,000	-0-
4	<b>009. City of Ashland - Economic and Tourism Development</b>			
5	Restricted Funds	-0-	20,000	-0-
6	<b>010. City of Ashland - Riverfront Development and Improvements</b>			
7	Restricted Funds	-0-	-0-	30,000
8	<b>011. City of Catlettsburg - Facility - Equipment - Other Improvements</b>			
9	Restricted Funds	-0-	20,000	50,000
10	<b>012. Fairview Independent Board of Education - Facility - Ground and other</b>			
11	Improvements			
12	Restricted Funds	-0-	25,000	-0-
13	<b>013. Paramount Arts Center - Operations and Improvements</b>			
14	Restricted Funds	-0-	27,000	-0-
15	<b>Breathitt County</b>			
16	<b>001. Breathitt County Board of Education - Football Field Improvements -</b>			
17	Equipment - Blacktop - Education Materials - ACT Testing			
18	Restricted Funds	-0-	-0-	300,000
19	<b>002. Breathitt County Coroner - Purchase Vehicle - Equipment</b>			
20	Restricted Funds	-0-	-0-	35,000
21	<b>003. Breathitt County Court Clerk - Office Improvement - Equipment - Computers</b>			
22	- Software - Supplies			
23	Restricted Funds	-0-	35,000	-0-
24	<b>004. Breathitt County Fiscal Court - Breathitt County Senior Citizens</b>			
25	Restricted Funds	-0-	50,000	50,000
26	<b>005. Breathitt County Fiscal Court - Breathitt Water District Regional Facilities</b>			
27	Plan for Water and Sewer Service			

1	Restricted Funds	-0-	-0-	75,000
2	<b>006.</b> Breathitt County Fiscal Court - Middle Kentucky Title III C Nutrition Program			
3	Restricted Funds	-0-	25,000	25,000
4	<b>007.</b> Breathitt County Health Department - Purchase - Home Health Vehicles -			
5	Equipment - Building Improvements			
6	Restricted Funds	-0-	210,000	-0-
7	<b>008.</b> Breathitt County Jailer - Purchase Vehicle - Equipment			
8	Restricted Funds	-0-	-0-	35,000
9	<b>009.</b> Breathitt County Museum and History Center - Improvement - Equipment			
10	Restricted Funds	-0-	-0-	250,000
11	<b>010.</b> Breathitt County Senior Citizens Program - Vehicle - Equipment - Building			
12	Upgrade - Supplies			
13	Restricted Funds	-0-	-0-	50,000
14	<b>011.</b> Breathitt County Sheriff's Office - Purchase Vehicle - Equipment			
15	Restricted Funds	-0-	70,000	35,000
16	<b>012.</b> Breathitt County Water District - Vehicle, Equipment, and Supplies			
17	Restricted Funds	-0-	-0-	100,000
18	<b>013.</b> Breathitt County Water District - Bethany Project			
19	Restricted Funds	-0-	200,000	-0-
20	<b>014.</b> Breathitt County Water District - Jetts Creek Extension - Lick Branch - Snake			
21	Branch			
22	Restricted Funds	-0-	50,000	-0-
23	<b>015.</b> Breathitt County Water District - Matching ARC Grant of \$500,000 for			
24	Robinson Fork - End of Highway 205 - Roark Branch 30 East - War Creek			
25	Road			
26	Restricted Funds	-0-	300,000	-0-
27	<b>016.</b> Breathitt County Water District - Pump Station - Tank Sights - Purchasing			



1	Equipment - And Other Needed Material for Water District			
2	Restricted Funds	-0-	100,000	-0-
3	<b>017. Canoe Fire Department - Purchase Equipment - Supplies</b>			
4	Restricted Funds	-0-	-0-	25,000
5	<b>018. City of Jackson - Debt Service On Water/Sewer /FEMA Projects -</b>			
6	Road/Street Repairs			
7	Restricted Funds	-0-	650,000	-0-
8	<b>019. City of Jackson - Fire Department - Vehicle - Equipment - Fire Protection</b>			
9	Supplies			
10	Restricted Funds	-0-	-0-	35,000
11	<b>020. City of Jackson - Police Department - Purchase Equipment - Vehicle</b>			
12	Restricted Funds	-0-	70,000	50,000
13	<b>021. City of Jackson - South Jackson Road Wall Repair</b>			
14	Restricted Funds	-0-	-0-	100,000
15	<b>022. Jackson Independent School System - Buildings,- Ground Improvements -</b>			
16	Classroom Upgrades - Computers - Student Health Services - Educational			
17	Supplies			
18	Restricted Funds	-0-	-0-	100,000
19	<b>023. Nim Henson Geriatric Center - Generator - Blacktop - Building Improvements</b>			
20	- Equipment			
21	Restricted Funds	-0-	150,000	-0-
22	<b>024. Rousseau Fire Department - Purchase Equipment - Supplies</b>			
23	Restricted Funds	-0-	-0-	25,000
24	<b>025. UK Rural Health Homeplace Project - Office Improvements - Equipment -</b>			
25	Supplies - Vehicle			
26	Restricted Funds	-0-	-0-	50,000
27	<b>Clay County</b>			

1	<b>001. City of Manchester - Hacker Water Line - Hacker School to Fire Department</b>			
2	Restricted Funds	-0-	50,000	-0-
3	<b>002. City of Manchester - Land Acquisition, Building, and Renovations</b>			
4	Restricted Funds	-0-	250,000	-0-
5	<b>003. City of Manchester - Purchase of Two Police Cruisers</b>			
6	Restricted Funds	-0-	50,000	-0-
7	<b>004. City of Manchester - Swimming Pool Filtering System</b>			
8	Restricted Funds	-0-	75,000	-0-
9	<b>005. Clay County Fiscal Court - 10 Volunteer Fire Departments -</b>			
10	Equipment/Operations			
11	Restricted Funds	-0-	80,000	-0-
12	<b>006. Clay County Fiscal Court - Clay County Sheriff's Department - Purchase</b>			
13	Vehicles			
14	Restricted Funds	-0-	50,000	-0-
15	<b>007. Clay County Fiscal Court - County Maintenance - Equipment</b>			
16	Restricted Funds	-0-	-0-	660,000
17	<b>008. Clay County Fiscal Court - Transportation - Resurfacing - Chip Seal - Rehab</b>			
18	Restricted Funds	-0-	420,000	-0-
19	<b>009. Clay County Fiscal Court - Waterline Extensions - Pump Stations</b>			
20	Restricted Funds	-0-	500,000	100,000
21	<b>010. Clay County Public Library - Miscellaneous Items</b>			
22	Restricted Funds	-0-	15,000	-0-
23	<b>Crittenden County</b>			
24	<b>001. Crittenden County Fiscal Court - Animal Shelter - Upgrade to Comply with</b>			
25	Health Department Regulations			
26	Restricted Funds	-0-	-0-	60,000
27	<b>002. Crittenden County Fiscal Court - City/County Parks - Upgrade on Lights</b>			

1	Restricted Funds	-0-	-0-	90,000
2	<b>003. Crittenden County Fiscal Court - Courthouse - Renovations</b>			
3	Restricted Funds	-0-	100,000	-0-
4	<b>004. Crittenden County Fiscal Court - Fire Department - Equipment</b>			
5	Restricted Funds	-0-	-0-	60,000
6	<b>005. Crittenden County Fiscal Court - Purchase Generator for the Emergency</b>			
7	Operation Center			
8	Restricted Funds	-0-	40,000	-0-
9	<b>006. Crittenden County Fiscal Court - Road Department - Equipment - Upgrades</b>			
10	Restricted Funds	-0-	50,000	-0-
11	<b>Daviess County</b>			
12	<b>001. Daviess County Fiscal Court - Economic Development</b>			
13	Restricted Funds	-0-	160,404	174,488
14	<b>002. Daviess County Fiscal Court - Owensboro Museum of Fine Art</b>			
15	Restricted Funds	-0-	195,000	-0-
16	<b>Elliott County</b>			
17	<b>001. City of Sandy Hook - Improvements - Downtown Beautification</b>			
18	Restricted Funds	-0-	50,000	25,000
19	<b>002. Elliott County Board of Education - Facility and Ground Improvements - and</b>			
20	Other Initiatives			
21	Restricted Funds	-0-	75,000	75,000
22	<b>003. Elliott County Fiscal Court - Elliott County Ambulance Department -</b>			
23	Improvements - Equipment			
24	Restricted Funds	-0-	30,000	20,000
25	<b>004. Elliott County Fiscal Court - Elliott County Public Library - Improvements -</b>			
26	Equipment - Operations			
27	Restricted Funds	-0-	30,000	20,000

1	<b>005. Elliott County Fiscal Court - Facility - Ground - Equipment and other</b>			
2	Improvements			
3	Restricted Funds	-0-	75,000	25,000
4	<b>006. Elliott County Fiscal Court - Isonville Volunteer Fire Department -</b>			
5	Equipment - Improvements			
6	Restricted Funds	-0-	15,000	15,000
7	<b>007. Elliott County Fiscal Court - Laural Gorge Center - Improvements - Facility</b>			
8	Upgrades - Equipment - Operations			
9	Restricted Funds	-0-	30,000	20,000
10	<b>008. Elliott County Fiscal Court - Route 504 Volunteer Fire Department -</b>			
11	Equipment - Facility and Ground Improvements			
12	Restricted Funds	-0-	15,000	15,000
13	<b>009. Elliott County Fiscal Court - Sandy Hook Volunteer Fire Department -</b>			
14	Equipment - Facility and Ground Improvements			
15	Restricted Funds	-0-	15,000	15,000
16	<b>010. Sandy Hook Water District - Water Extensions and Improvements</b>			
17	Restricted Funds	-0-	75,000	75,000
18	<b>Floyd County</b>			
19	<b>001. City of Allen - Allen Park - General Maintenance - Golf Course</b>			
20	Restricted Funds	-0-	50,000	50,000
21	<b>002. City of Allen - Allen Park Recreation Building</b>			
22	Restricted Funds	-0-	5,000	5,000
23	<b>003. City of Allen - Ball Park Improvements</b>			
24	Restricted Funds	-0-	10,000	10,000
25	<b>004. City of Martin - Martin Fire Department - Equipment</b>			
26	Restricted Funds	-0-	3,000	3,000
27	<b>005. City of Prestonsburg - Floyd County Rescue Squad - Building Fund</b>			

1	Restricted Funds	-0-	100,000	100,000
2	<b>006.</b> City of Prestonsburg - Floyd County Rescue Squad - Equipment, Operations,			
3	and Repairs			
4	Restricted Funds	-0-	25,000	25,000
5	<b>007.</b> City of Prestonsburg - Mountain Arts Center			
6	Restricted Funds	-0-	75,000	75,000
7	<b>008.</b> City of Prestonsburg - Mountain Arts Center - A.C. Repairs and Replacement			
8	Restricted Funds	-0-	-0-	36,000
9	<b>009.</b> City of Prestonsburg - Mountain Top Recreational - Equipment, Clubhouse			
10	Design and Repair			
11	Restricted Funds	-0-	50,000	50,000
12	<b>010.</b> City of Prestonsburg - Mountain Top Recreational - Repairs, Maintenance,			
13	and Renovations to StoneCrest			
14	Restricted Funds	-0-	200,000	200,000
15	<b>011.</b> City of Prestonsburg - Parks and Recreation			
16	Restricted Funds	-0-	50,000	50,000
17	<b>012.</b> City of Prestonsburg - Prestonsburg Fire Department - Expenses			
18	Restricted Funds	-0-	3,000	3,000
19	<b>013.</b> City of Prestonsburg - Stonecrest Clubhouse - Core Drill, Design,			
20	Engineering, Construction, Furnishing, and Equipment			
21	Restricted Funds	-0-	500,000	-0-
22	<b>014.</b> City of Prestonsburg - VFW Post 5839 - Equipment and Improvements			
23	Restricted Funds	-0-	2,500	2,500
24	<b>015.</b> City of Wayland - Wayland Fire Department - Expenses			
25	Restricted Funds	-0-	3,000	3,000
26	<b>016.</b> City of Wayland - Wayland Park			
27	Restricted Funds	-0-	2,500	2,500

1	<b>017. City of Wheelwright - Streets and Sidewalks</b>			
2	Restricted Funds	-0-	50,000	-0-
3	<b>018. City of Wheelwright - Wheelwright Fire Department - Expenses</b>			
4	Restricted Funds	-0-	3,000	3,000
5	<b>019. City of Wheelwright - Wheelwright Swimming Pool</b>			
6	Restricted Funds	-0-	10,000	10,000
7	<b>020. Floyd County Board of Education - Academics and Athletics - High School -</b>			
8	Middle College			
9	Restricted Funds	-0-	100,000	100,000
10	<b>021. Floyd County Board of Education - Drift Ball Park Concession Stand and</b>			
11	Score Board			
12	Restricted Funds	-0-	15,000	-0-
13	<b>022. Floyd County Board of Education - Wheelwright Gym - Operating Expenses</b>			
14	Restricted Funds	-0-	10,000	10,000
15	<b>023. Floyd County Fiscal Court - Allen Fire Department - Expenses</b>			
16	Restricted Funds	-0-	3,000	3,000
17	<b>024. Floyd County Fiscal Court - American Legion Post 283 - Equipment and</b>			
18	Improvements			
19	Restricted Funds	-0-	2,500	2,500
20	<b>025. Floyd County Fiscal Court - Auxier Fire Department - Expenses</b>			
21	Restricted Funds	-0-	3,000	3,000
22	<b>026. Floyd County Fiscal Court - Betsy Layne Fire Department - Expenses</b>			
23	Restricted Funds	-0-	3,000	3,000
24	<b>027. Floyd County Fiscal Court - Courthouse - Renovation - Bathrooms - 3rd</b>			
25	Level Repairs - Electrical Upgrade			
26	Restricted Funds	-0-	100,000	100,000
27	<b>028. Floyd County Fiscal Court - Cow Creek Fire Department - Expenses</b>			

1	Restricted Funds	-0-	3,000	3,000
2	<b>029.</b> Floyd County Fiscal Court - DAV Post #128 - Equipment and Operations			
3	Restricted Funds	-0-	2,500	2,500
4	<b>030.</b> Floyd County Fiscal Court - DAV Post #169 - Equipment and Operations			
5	Restricted Funds	-0-	2,500	2,500
6	<b>031.</b> Floyd County Fiscal Court - DAV Post #18 - Equipment and Operations			
7	Restricted Funds	-0-	2,500	2,500
8	<b>032.</b> Floyd County Fiscal Court - David Fire Department - Expenses			
9	Restricted Funds	-0-	3,000	3,000
10	<b>033.</b> Floyd County Fiscal Court - Elkhorn Park - ATV Trails			
11	Restricted Funds	-0-	12,500	12,500
12	<b>034.</b> Floyd County Fiscal Court - Floyd County ATV Mapping/Trail Development			
13	Restricted Funds	-0-	50,000	-0-
14	<b>035.</b> Floyd County Fiscal Court - Floyd County Drug Court			
15	Restricted Funds	-0-	50,000	50,000
16	<b>036.</b> Floyd County Fiscal Court - Floyd County Health Department - Colon Cancer			
17	Screening/Care			
18	Restricted Funds	-0-	25,000	25,000
19	<b>037.</b> Floyd County Fiscal Court - Floyd County Offices - Establishment of Branch			
20	Office in Left Beaver Area			
21	Restricted Funds	-0-	60,000	60,000
22	<b>038.</b> Floyd County Fiscal Court - Floyd County Senior Citizens, Inc.			
23	Restricted Funds	-0-	200,000	200,000
24	<b>039.</b> Floyd County Fiscal Court - Garrett Fire Department - Expenses			
25	Restricted Funds	-0-	3,000	3,000
26	<b>040.</b> Floyd County Fiscal Court - Garrett Park			
27	Restricted Funds	-0-	40,000	-0-

1	<b>041.</b> Floyd County Fiscal Court - German Bridge Camping - Barns			
2	Restricted Funds	-0-	25,000	-0-
3	<b>042.</b> Floyd County Fiscal Court - God's Pantry Food Bank - Refrigerator/Freezer			
4	Restricted Funds	-0-	60,000	-0-
5	<b>043.</b> Floyd County Fiscal Court - Highland Autistic School - Autism Scholarships			
6	Restricted Funds	-0-	75,000	75,000
7	<b>044.</b> Floyd County Fiscal Court - Left Beaver Fire Department and Rescue Squad -			
8	Expenses			
9	Restricted Funds	-0-	3,000	3,000
10	<b>045.</b> Floyd County Fiscal Court - Left Beaver Fire Department and Rescue Squad -			
11	New Building			
12	Restricted Funds	-0-	75,000	75,000
13	<b>046.</b> Floyd County Fiscal Court - Martin American Veterans - Equipment and			
14	Improvements			
15	Restricted Funds	-0-	2,500	2,500
16	<b>047.</b> Floyd County Fiscal Court - Maytown Fire Department - Expenses			
17	Restricted Funds	-0-	3,000	3,000
18	<b>048.</b> Floyd County Fiscal Court - Middle Creek Fire Department - Expenses			
19	Restricted Funds	-0-	3,000	3,000
20	<b>049.</b> Floyd County Fiscal Court - Minnie Park - Restrooms, Sewer, and Various			
21	Improvements			
22	Restricted Funds	-0-	10,000	10,000
23	<b>050.</b> Floyd County Fiscal Court - Mountain Comp. Care - Construction Substance			
24	Abuse Complex			
25	Restricted Funds	-0-	100,000	100,000
26	<b>051.</b> Floyd County Fiscal Court - Mud Creek Fire Department - Expenses			
27	Restricted Funds	-0-	3,000	3,000



1	<b>052.</b>	Floyd County Fiscal Court - Mud Creek Park			
2		Restricted Funds	-0-	25,000	25,000
3	<b>053.</b>	Floyd County Fiscal Court - Pride on the River (Harold Sewer Project)			
4		Restricted Funds	-0-	100,000	100,000
5	<b>054.</b>	Floyd County Fiscal Court - Purchase Work Trucks			
6		Restricted Funds	-0-	70,000	-0-
7	<b>055.</b>	Floyd County Fiscal Court - Sheriff's Office - Ford Police Interceptor AWD			
8		Restricted Funds	-0-	30,000	-0-
9	<b>056.</b>	Floyd County Fiscal Court - Southeast Fire Department - Expenses			
10		Restricted Funds	-0-	3,000	3,000
11	<b>057.</b>	Floyd County Fiscal Court - Toler Creek Fire Department - Expenses			
12		Restricted Funds	-0-	3,000	3,000
13	<b>058.</b>	Floyd County Fiscal Court - Veterans Cemetery			
14		Restricted Funds	-0-	75,000	75,000
15	<b>059.</b>	Floyd County Fiscal Court - Wayland Historical Society - Purchase Clinic,			
16		Renovation, Planning, Development, and Construction - Mountain Sports Hall			
17		of Fame			
18		Restricted Funds	-0-	45,000	75,000
19	<b>060.</b>	Floyd County Fiscal Court - World War II and Korean War Monument			
20		Completion			
21		Restricted Funds	-0-	15,000	-0-
22	<b>061.</b>	Prestonsburg City Utilities - PCUC - Station Branch Sewer Project			
23		Restricted Funds	-0-	100,000	-0-
24	<b>Greenup County</b>				
25	<b>001.</b>	City of Flatwoods - Park and Facility Improvements			
26		Restricted Funds	-0-	4,012	-0-
27	<b>002.</b>	City of Greenup - Meals on Wheels			

1	Restricted Funds	-0-	1,000	-0-
2	<b>003. City of Greenup - Park Improvements</b>			
3	Restricted Funds	-0-	5,000	-0-
4	<b>004. City of South Shore - Fullerton/South Portsmouth Welcome Area</b>			
5	Restricted Funds	-0-	20,000	-0-
6	<b>005. Greenup County Board of Education - Wurtland Walking Track</b>			
7	Restricted Funds	-0-	6,000	-0-
8	<b>Hancock County</b>			
9	<b>001. Hancock County Fiscal Court - Hancock County Old Courthouse Repairs</b>			
10	Restricted Funds	-0-	38,345	-0-
11	<b>002. Hancock County Fiscal Court - Mowing Equipment - Improvements -</b>			
12	Purchasing			
13	Restricted Funds	-0-	71,250	77,506
14	<b>Harlan County</b>			
15	<b>001. City of Benham - Benham - Operations - Projects - Improvements</b>			
16	Restricted Funds	-0-	50,000	25,000
17	<b>002. City of Cumberland - Operations - Projects</b>			
18	Restricted Funds	-0-	25,000	25,000
19	<b>003. City of Evarts - Operations - Projects</b>			
20	Restricted Funds	-0-	25,000	25,000
21	<b>004. City of Harlan - Operations - Projects</b>			
22	Restricted Funds	-0-	25,000	25,000
23	<b>005. City of Loyall - Operations - Projects</b>			
24	Restricted Funds	-0-	25,000	25,000
25	<b>006. City of Lynch - Operations - Projects</b>			
26	Restricted Funds	-0-	25,000	25,000
27	<b>007. Harlan County Fiscal Court - Adventure Tourism - Projects</b>			

1	Restricted Funds	-0-	50,000	50,000
2	<b>008.</b> Harlan County Fiscal Court - Benham Volunteer Fire Department -			
3	Equipment			
4	Restricted Funds	-0-	5,357	-0-
5	<b>009.</b> Harlan County Fiscal Court - Black Mountain Elementary School - FRYSC -			
6	Operations			
7	Restricted Funds	-0-	2,500	2,500
8	<b>010.</b> Harlan County Fiscal Court - Black Mountain Utility District - Transition -			
9	Operations - Equipment			
10	Restricted Funds	-0-	125,000	-0-
11	<b>011.</b> Harlan County Fiscal Court - Bledsoe Volunteer Fire Department - Equipment			
12	Restricted Funds	-0-	5,357	-0-
13	<b>012.</b> Harlan County Fiscal Court - Camp Blanton Trust			
14	Restricted Funds	-0-	40,000	40,000
15	<b>013.</b> Harlan County Fiscal Court - Catron's Creek Phase III Caball Estates			
16	Restricted Funds	-0-	300,000	300,000
17	<b>014.</b> Harlan County Fiscal Court - Cawood Elementary School - FRYSC -			
18	Operations			
19	Restricted Funds	-0-	2,500	2,500
20	<b>015.</b> Harlan County Fiscal Court - Cawood Ledford Boys and Girls Club -			
21	Operations			
22	Restricted Funds	-0-	40,000	40,000
23	<b>016.</b> Harlan County Fiscal Court - City of Evarts Volunteer Fire Department -			
24	Equipment			
25	Restricted Funds	-0-	5,357	-0-
26	<b>017.</b> Harlan County Fiscal Court - City of Loyall - Fire Truck			
27	Restricted Funds	-0-	25,000	-0-

1	<b>018.</b>	Harlan County Fiscal Court - City of Lynch - Special Project			
2		Restricted Funds	-0-	-0-	10,000
3	<b>019.</b>	Harlan County Fiscal Court - Clover Fork Clinic			
4		Restricted Funds	-0-	125,000	125,000
5	<b>020.</b>	Harlan County Fiscal Court - Clover Fork Museum - Improvements			
6		Restricted Funds	-0-	10,000	10,000
7	<b>021.</b>	Harlan County Fiscal Court - Clover Fork Rescue Squad - Equipment			
8		Restricted Funds	-0-	10,000	10,000
9	<b>022.</b>	Harlan County Fiscal Court - Cumberland Elementary School - FRYSC -			
10		Operations			
11		Restricted Funds	-0-	2,500	2,500
12	<b>023.</b>	Harlan County Fiscal Court - Cumberland Volunteer Fire Department -			
13		Equipment			
14		Restricted Funds	-0-	5,357	-0-
15	<b>024.</b>	Harlan County Fiscal Court - Debt Retirement			
16		Restricted Funds	-0-	800,000	1,200,000
17	<b>025.</b>	Harlan County Fiscal Court - Evarts Boys and Girls Club - Operations -			
18		Supplies			
19		Restricted Funds	-0-	10,000	10,000
20	<b>026.</b>	Harlan County Fiscal Court - Evarts Depot - Improvements			
21		Restricted Funds	-0-	10,000	5,000
22	<b>027.</b>	Harlan County Fiscal Court - Evarts Elementary School - FRYSC -			
23		Operations			
24		Restricted Funds	-0-	2,500	2,500
25	<b>028.</b>	Harlan County Fiscal Court - Evarts Library - Equipment - Supplies			
26		Restricted Funds	-0-	10,000	10,000
27	<b>029.</b>	Harlan County Fiscal Court - Evarts Senior Citizens - Operations			

1	Restricted Funds	-0-	10,000	10,000
2	<b>030.</b> Harlan County Fiscal Court - Evarts Train Depot			
3	Restricted Funds	-0-	10,000	5,000
4	<b>031.</b> Harlan County Fiscal Court - Green Hill Senior Citizens - Maintenance -			
5	Operations			
6	Restricted Funds	-0-	50,000	50,000
7	<b>032.</b> Harlan County Fiscal Court - Green Hills Elementary School - FRYSC -			
8	Operations			
9	Restricted Funds	-0-	2,500	2,500
10	<b>033.</b> Harlan County Fiscal Court - Harlan 20/20 Project - Operations			
11	Restricted Funds	-0-	20,000	20,000
12	<b>034.</b> Harlan County Fiscal Court - Harlan County High School - FRYSC -			
13	Operations			
14	Restricted Funds	-0-	2,500	2,500
15	<b>035.</b> Harlan County Fiscal Court - Harlan County Youth Assc. - Operations			
16	Restricted Funds	-0-	30,000	30,000
17	<b>036.</b> Harlan County Fiscal Court - Harlan Elementary School - FRYSC -			
18	Operations			
19	Restricted Funds	-0-	2,500	2,500
20	<b>037.</b> Harlan County Fiscal Court - Harlan High School - FRYSC - Operations			
21	Restricted Funds	-0-	2,500	2,500
22	<b>038.</b> Harlan County Fiscal Court - Harlan Little League - Operations -			
23	Improvements			
24	Restricted Funds	-0-	35,000	-0-
25	<b>039.</b> Harlan County Fiscal Court - Harlan Middle School - FRYSC - Operations			
26	Restricted Funds	-0-	2,500	2,500
27	<b>040.</b> Harlan County Fiscal Court - Harlan Rescue Squad - Equipment			

1	Restricted Funds	-0-	10,000	10,000
2	<b>041.</b> Harlan County Fiscal Court - Harlan Volunteer Fire Department - Equipment			
3	Restricted Funds	-0-	5,357	-0-
4	<b>042.</b> Harlan County Fiscal Court - Health Department - Operations - Vehicles			
5	Restricted Funds	-0-	100,000	100,000
6	<b>043.</b> Harlan County Fiscal Court - Highsplint Lake			
7	Restricted Funds	-0-	20,000	20,000
8	<b>044.</b> Harlan County Fiscal Court - James A. Cawood Elementary School - FRYSC			
9	- Operations			
10	Restricted Funds	-0-	2,500	2,500
11	<b>045.</b> Harlan County Fiscal Court - Lower Cloverfork Volunteer Fire Department -			
12	Equipment			
13	Restricted Funds	-0-	5,357	-0-
14	<b>046.</b> Harlan County Fiscal Court - Loyall Roadside Park - Physical Fitness			
15	Apparatus - Improvements			
16	Restricted Funds	-0-	-0-	15,000
17	<b>047.</b> Harlan County Fiscal Court - Loyall Volunteer Fire Department - Equipment			
18	Restricted Funds	-0-	5,357	-0-
19	<b>048.</b> Harlan County Fiscal Court - Lynch Volunteer Fire Department - Equipment			
20	Restricted Funds	-0-	5,357	-0-
21	<b>049.</b> Harlan County Fiscal Court - Martins Volunteer Fire Department - Equipment			
22	Restricted Funds	-0-	5,357	-0-
23	<b>050.</b> Harlan County Fiscal Court - Old Court House - Repairs			
24	Restricted Funds	-0-	100,000	100,000
25	<b>051.</b> Harlan County Fiscal Court - Path Fork Park - Improvements			
26	Restricted Funds	-0-	10,000	-0-
27	<b>052.</b> Harlan County Fiscal Court - Poor Fork Arts and Guild - Improvements			

1	Restricted Funds	-0-	30,000	-0-
2	<b>053.</b> Harlan County Fiscal Court - Putney Ranger Station			
3	Restricted Funds	-0-	10,000	-0-
4	<b>054.</b> Harlan County Fiscal Court - Putney Volunteer Fire Department - Equipment			
5	Restricted Funds	-0-	5,357	-0-
6	<b>055.</b> Harlan County Fiscal Court - Rosspoint Elementary School - FRYSC -			
7	Operations			
8	Restricted Funds	-0-	2,500	2,500
9	<b>056.</b> Harlan County Fiscal Court - Senior Citizens Center in Harlan City -			
10	Operations			
11	Restricted Funds	-0-	50,000	50,000
12	<b>057.</b> Harlan County Fiscal Court - Stone Mountain Boat Dock			
13	Restricted Funds	-0-	15,000	15,000
14	<b>058.</b> Harlan County Fiscal Court - Sunshine Volunteer Fire Department -			
15	Equipment			
16	Restricted Funds	-0-	5,357	-0-
17	<b>059.</b> Harlan County Fiscal Court - The Laurels - Debt Retirement			
18	Restricted Funds	-0-	75,000	75,000
19	<b>060.</b> Harlan County Fiscal Court - Tot-Lot Senior Citizen Fitness Center - Wallins			
20	- Improvements			
21	Restricted Funds	-0-	10,000	15,000
22	<b>061.</b> Harlan County Fiscal Court - Tri-City Little League - Operations -			
23	Improvements			
24	Restricted Funds	-0-	35,000	10,000
25	<b>062.</b> Harlan County Fiscal Court - Tri-City Main Street - Operations			
26	Restricted Funds	-0-	10,000	10,000
27	<b>063.</b> Harlan County Fiscal Court - Tri-City Rescue Squad - Equipment			

1	Restricted Funds	-0-	10,000	10,000
2	<b>064.</b> Harlan County Fiscal Court - Tri-City Senior Citizens Center - Operations			
3	Restricted Funds	-0-	12,000	12,000
4	<b>065.</b> Harlan County Fiscal Court - Upper Clover Fork Volunteer Fire Department -			
5	Equipment			
6	Restricted Funds	-0-	5,357	-0-
7	<b>066.</b> Harlan County Fiscal Court - Various District Projects			
8	Restricted Funds	-0-	300,000	300,000
9	<b>067.</b> Harlan County Fiscal Court - Various Sewer Projects			
10	Restricted Funds	-0-	800,000	800,000
11	<b>068.</b> Harlan County Fiscal Court - Wallins Elementary School - FRYSC -			
12	Operations			
13	Restricted Funds	-0-	2,500	2,500
14	<b>069.</b> Harlan County Fiscal Court - Wallins Fellowship Center - Improvements -			
15	Operations			
16	Restricted Funds	-0-	10,000	10,000
17	<b>070.</b> Harlan County Fiscal Court - Wallins Volunteer Fire Department - Equipment			
18	Restricted Funds	-0-	5,357	-0-
19	<b>071.</b> Harlan County Fiscal Court - Water and/or Sewer Line Extension or Rehab			
20	Restricted Funds	-0-	1,500,000	1,500,000
21	<b>072.</b> Harlan County Fiscal Court - Yocum Creek Volunteer Fire Department -			
22	Equipment			
23	Restricted Funds	-0-	5,357	-0-
24	<b>Henderson County</b>			
25	<b>001.</b> Audubon State Park - Museum/Theater Construction and Equipment			
26	Restricted Funds	150,000	100,000	-0-
27	<b>002.</b> Henderson County Fiscal Court - Animal Control Shelter - Construction -			



1	Equipment			
2	Restricted Funds	250,000	-0-	-0-
3	<b>003.</b> Henderson County Fiscal Court - Baskett Community/Family Recreational			
4	Facility - Improvements			
5	Restricted Funds	-0-	50,000	-0-
6	<b>004.</b> Henderson County Fiscal Court - Baskett Volunteer Fire Department -			
7	Repeater System			
8	Restricted Funds	1,818	-0-	-0-
9	<b>005.</b> Henderson County Fiscal Court - Bluegrass in the Park - Tourism Project			
10	Restricted Funds	10,000	10,000	10,000
11	<b>006.</b> Henderson County Fiscal Court - Cairo Volunteer Fire Department - Repeater			
12	System			
13	Restricted Funds	1,818	-0-	-0-
14	<b>007.</b> Henderson County Fiscal Court - Colonels 2 College - Scholarship Funding			
15	Restricted Funds	100,000	100,000	100,000
16	<b>008.</b> Henderson County Fiscal Court - Community Service Work Program - Van			
17	and/or Any Necessary Equipment or Other Items for Transportation of			
18	Prisoners			
19	Restricted Funds	20,000	20,000	-0-
20	<b>009.</b> Henderson County Fiscal Court - Corydon Volunteer Fire Department -			
21	Repeater System			
22	Restricted Funds	1,818	-0-	-0-
23	<b>010.</b> Henderson County Fiscal Court - County Projects			
24	Restricted Funds	-0-	550,000	500,000
25	<b>011.</b> Henderson County Fiscal Court - Downtown Henderson - Grant Pool -			
26	Business Improvement			
27	Restricted Funds	-0-	50,000	-0-

1	<b>012.</b>	Henderson County Fiscal Court - Hebbardsville Volunteer Fire Department -			
2		Repeater System			
3		Restricted Funds	1,818	-0-	-0-
4	<b>013.</b>	Henderson County Fiscal Court - Henderson Community College -			
5		Surface/Underground Mining Certification Classes			
6		Restricted Funds	86,500	86,500	-0-
7	<b>014.</b>	Henderson County Fiscal Court - Henderson County - Fire Hydrants and/or			
8		Water Line Construction - Repair			
9		Restricted Funds	50,000	50,000	50,000
10	<b>015.</b>	Henderson County Fiscal Court - Henderson County Rescue Squad - Repeater			
11		System			
12		Restricted Funds	1,818	-0-	-0-
13	<b>016.</b>	Henderson County Fiscal Court - Library and Archives Building -			
14		Construction and/or Necessary Items			
15		Restricted Funds	-0-	-0-	300,000
16	<b>017.</b>	Henderson County Fiscal Court - Multi-County Energy Initiative			
17		Restricted Funds	-0-	10,000	-0-
18	<b>018.</b>	Henderson County Fiscal Court - Niagra Volunteer Fire Department -			
19		Repeater System			
20		Restricted Funds	1,818	-0-	-0-
21	<b>019.</b>	Henderson County Fiscal Court - Reed Volunteer Fire Department - Repeater			
22		System			
23		Restricted Funds	1,818	-0-	-0-
24	<b>020.</b>	Henderson County Fiscal Court - Robards Volunteer Fire Department -			
25		Repeater System			
26		Restricted Funds	1,818	-0-	-0-
27	<b>021.</b>	Henderson County Fiscal Court - Sandy Lee Watkins County Park -			

1	Equipment - Construction - Maintenance			
2	Restricted Funds	815,000	-0-	-0-
3	<b>022.</b> Henderson County Fiscal Court - Smith Mills Volunteer Fire Department -			
4	Repeater System			
5	Restricted Funds	1,818	-0-	-0-
6	<b>023.</b> Henderson County Fiscal Court - Spottsville Volunteer Fire Department -			
7	Repeater System			
8	Restricted Funds	1,818	-0-	-0-
9	<b>024.</b> Henderson County Fiscal Court - W.C. Handy Blues Festival - Tourism			
10	Project			
11	Restricted Funds	10,000	10,000	10,000
12	<b>025.</b> Henderson County Fiscal Court - Zion Volunteer Fire Department - Repeater			
13	System			
14	Restricted Funds	1,818	-0-	-0-
15	<b>Hopkins County</b>			
16	<b>001.</b> City of Dawson Springs - Water Tank - Repairs - Restoration			
17	Restricted Funds	-0-	100,000	100,000
18	<b>002.</b> City of Earlington - City Park - ATV Part - Improvements			
19	Restricted Funds	-0-	50,000	50,000
20	<b>003.</b> City of Hanson - Water Project - Improvements			
21	Restricted Funds	-0-	100,000	100,000
22	<b>004.</b> City of Madisonville - Old City Building - Removal - Construction			
23	Restricted Funds	-0-	100,000	100,000
24	<b>005.</b> City of Mortons Gap - City Building - Improvements			
25	Restricted Funds	-0-	100,000	100,000
26	<b>006.</b> City of Nebo - Community Center - Improvements			
27	Restricted Funds	-0-	100,000	-0-

1	<b>007.</b> City of Nortonville - Tennis - Basketball Court - Fencing Lake - Renovate			
2	Restricted Funds	-0-	100,000	-0-
3	<b>008.</b> City of Saint Charles - City Hall and Park - Improvements			
4	Restricted Funds	-0-	75,000	75,000
5	<b>009.</b> City of White Plains - Water Project - Improvements			
6	Restricted Funds	-0-	100,000	100,000
7	<b>010.</b> Hopkins County Fiscal Court - Anton Fire Department - Equipment			
8	Restricted Funds	-0-	5,000	5,000
9	<b>011.</b> Hopkins County Fiscal Court - Ballard Center - Upgrades			
10	Restricted Funds	-0-	60,000	60,000
11	<b>012.</b> Hopkins County Fiscal Court - Charleston Fire Department - Equipment			
12	Restricted Funds	-0-	5,000	5,000
13	<b>013.</b> Hopkins County Fiscal Court - Dawson Springs Fire Department - Equipment			
14	Restricted Funds	-0-	5,000	5,000
15	<b>014.</b> Hopkins County Fiscal Court - Earlington Fire Department - Equipment			
16	Restricted Funds	-0-	5,000	5,000
17	<b>015.</b> Hopkins County Fiscal Court - Grapevine Fire Department - Equipment			
18	Restricted Funds	-0-	5,000	5,000
19	<b>016.</b> Hopkins County Fiscal Court - Hanson Fire Department - Equipment			
20	Restricted Funds	-0-	5,000	5,000
21	<b>017.</b> Hopkins County Fiscal Court - Manitou Fire Department - Equipment			
22	Restricted Funds	-0-	5,000	5,000
23	<b>018.</b> Hopkins County Fiscal Court - Mortons Gap Fire Department - Equipment			
24	Restricted Funds	-0-	5,000	5,000
25	<b>019.</b> Hopkins County Fiscal Court - Nebo Fire Department - Equipment			
26	Restricted Funds	-0-	5,000	5,000
27	<b>020.</b> Hopkins County Fiscal Court - Nortonville Fire Department - Equipment			

1	Restricted Funds	-0-	5,000	5,000
2	<b>021.</b> Hopkins County Fiscal Court - Projects Appropriated by the Fiscal Court and			
3	the Department			
4	Restricted Funds	-0-	200,000	300,000
5	<b>022.</b> Hopkins County Fiscal Court - Richland Fire Department - Equipment			
6	Restricted Funds	-0-	5,000	5,000
7	<b>023.</b> Hopkins County Fiscal Court - Roads - Equipment			
8	Restricted Funds	-0-	200,000	200,000
9	<b>024.</b> Hopkins County Fiscal Court - Rosenwald Smith - Renovations			
10	Restricted Funds	-0-	60,000	60,000
11	<b>025.</b> Hopkins County Fiscal Court - South Hopkins Fire Department - Equipment			
12	Restricted Funds	-0-	5,000	5,000
13	<b>026.</b> Hopkins County Fiscal Court - Sports Complex - Construction			
14	Restricted Funds	-0-	500,000	500,000
15	<b>027.</b> Hopkins County Fiscal Court - St. Charles Fire Department - Equipment			
16	Restricted Funds	-0-	5,000	5,000
17	<b>028.</b> Hopkins County Fiscal Court - White Plains Fire Department - Equipment			
18	Restricted Funds	-0-	5,000	5,000
19	<b>029.</b> Madisonville Community College - School Counts			
20	Restricted Funds	-0-	10,000	10,000
21	<b>030.</b> Madisonville Community College - Synergy Lab			
22	Restricted Funds	-0-	150,000	150,000
23	<b>Jackson County</b>			
24	<b>001.</b> Jackson County Fiscal Court - Ambulance Service			
25	Restricted Funds	-0-	175,000	-0-
26	<b>002.</b> Jackson County Fiscal Court - Annville Fire Department - Equipment -			
27	Renovations			

1	Restricted Funds	197,000	10,000	10,000
2	<b>003.</b> Jackson County Fiscal Court - Annville Park			
3	Restricted Funds	-0-	-0-	40,000
4	<b>004.</b> Jackson County Fiscal Court - Blackwater - Water Lines			
5	Restricted Funds	-0-	-0-	50,000
6	<b>005.</b> Jackson County Fiscal Court - Flat Lick - Water Lines			
7	Restricted Funds	-0-	80,200	-0-
8	<b>006.</b> Jackson County Fiscal Court - Flat Lick Falls - Bathrooms and Parking Lot			
9	Restricted Funds	-0-	43,107	-0-
10	<b>007.</b> Jackson County Fiscal Court - Flat Lick Park - Storage Bldg., Entrance and/or			
11	Walking Trail			
12	Restricted Funds	-0-	-0-	100,000
13	<b>008.</b> Jackson County Fiscal Court - Gray Hawk Fire Department - Equipment			
14	Restricted Funds	-0-	10,000	10,000
15	<b>009.</b> Jackson County Fiscal Court - Gray Hawk Park			
16	Restricted Funds	-0-	-0-	40,000
17	<b>010.</b> Jackson County Fiscal Court - McKee Fire Department - Equipment			
18	Restricted Funds	-0-	10,000	10,000
19	<b>011.</b> Jackson County Fiscal Court - Oxygen Machine			
20	Restricted Funds	-0-	70,000	-0-
21	<b>012.</b> Jackson County Fiscal Court - Sand Gap Fire Department - Equipment			
22	Restricted Funds	-0-	10,000	10,000
23	<b>013.</b> Jackson County Fiscal Court - Sand Gap Park			
24	Restricted Funds	-0-	-0-	40,000
25	<b>014.</b> Jackson County Fiscal Court - Terrill Creek - Water Lines			
26	Restricted Funds	-0-	-0-	50,000
27	<b>015.</b> Jackson County Fiscal Court - Veterans Park			

1	Restricted Funds	92,324	-0-	84,157
2	<b>Johnson County</b>			
3	<b>001. Johnson County Fiscal Court - Economic Development - Operations</b>			
4	Restricted Funds	-0-	200,000	100,000
5	<b>002. Johnson County Fiscal Court - Flat Gap Volunteer Fire Department -</b>			
6	Equipment			
7	Restricted Funds	-0-	4,000	4,000
8	<b>003. Johnson County Fiscal Court - Johnson County Rescue Squad - Equipment</b>			
9	Restricted Funds	-0-	4,000	4,000
10	<b>004. Johnson County Fiscal Court - Oil Springs Volunteer Fire Department -</b>			
11	Equipment			
12	Restricted Funds	-0-	4,000	4,000
13	<b>005. Johnson County Fiscal Court - Recreation - Operations - Equipment</b>			
14	Restricted Funds	-0-	-0-	25,000
15	<b>006. Johnson County Fiscal Court - Red Bush Volunteer Fire Department -</b>			
16	Equipment			
17	Restricted Funds	-0-	4,000	4,000
18	<b>007. Johnson County Fiscal Court - River Volunteer Fire Department - Equipment</b>			
19	Restricted Funds	-0-	4,000	4,000
20	<b>008. Johnson County Fiscal Court - Road Department - Equipment</b>			
21	Restricted Funds	-0-	125,000	125,000
22	<b>009. Johnson County Fiscal Court - Rockhouse Volunteer Fire Department -</b>			
23	Equipment			
24	Restricted Funds	-0-	4,000	4,000
25	<b>010. Johnson County Fiscal Court - Senior Citizens - Operations</b>			
26	Restricted Funds	-0-	50,000	50,000
27	<b>011. Johnson County Fiscal Court - Thealka Volunteer Fire Department -</b>			

1	Equipment			
2	Restricted Funds	-0-	4,000	4,000
3	<b>012.</b> Johnson County Fiscal Court - Thelma Volunteer Fire Department -			
4	Equipment			
5	Restricted Funds	-0-	4,000	4,000
6	<b>013.</b> Johnson County Fiscal Court - Van Lear Volunteer Fire Department -			
7	Equipment			
8	Restricted Funds	-0-	4,000	4,000
9	<b>014.</b> Johnson County Fiscal Court - W.R. Volunteer Fire Department - Equipment			
10	Restricted Funds	-0-	4,000	4,000
11	<b>015.</b> Johnson County Fiscal Court - Water Lines - Improvements			
12	Restricted Funds	-0-	200,000	200,000
13	<b>016.</b> Johnson County Fiscal Court - West Van Lear Volunteer Fire Department -			
14	Equipment			
15	Restricted Funds	-0-	4,000	4,000
16	<b>017.</b> Johnson County Fiscal Court - Williamsport Volunteer Fire Department -			
17	Equipment			
18	Restricted Funds	-0-	4,000	4,000
19	<b>Knott County</b>			
20	<b>001.</b> City of Hindman - Water Plant - Match for ARC Grant			
21	Restricted Funds	-0-	75,000	-0-
22	<b>002.</b> Knott County Fiscal Court - Ball Creek Fire Department			
23	Restricted Funds	-0-	5,000	5,000
24	<b>003.</b> Knott County Fiscal Court - Carr Creek Fire Department			
25	Restricted Funds	-0-	5,000	5,000
26	<b>004.</b> Knott County Fiscal Court - Construction of Park in Clear Creek/Fisty			
27	Community Including Purchase of Property			



1	Restricted Funds	-0-	100,000	-0-
2	<b>005.</b> Knott County Fiscal Court - County Parks and Community Centers Including			
3	Operations			
4	Restricted Funds	-0-	100,000	100,000
5	<b>006.</b> Knott County Fiscal Court - Fisty Fire Department			
6	Restricted Funds	-0-	5,000	5,000
7	<b>007.</b> Knott County Fiscal Court - Garrett Fire Department			
8	Restricted Funds	-0-	5,000	5,000
9	<b>008.</b> Knott County Fiscal Court - Hazard Hospice			
10	Restricted Funds	-0-	25,000	25,000
11	<b>009.</b> Knott County Fiscal Court - Hindman Fire Department			
12	Restricted Funds	-0-	5,000	5,000
13	<b>010.</b> Knott County Fiscal Court - Jones Fork Fire Department			
14	Restricted Funds	-0-	5,000	5,000
15	<b>011.</b> Knott County Fiscal Court - Kite-Topmost Fire Department			
16	Restricted Funds	-0-	-0-	5,000
17	<b>012.</b> Knott County Fiscal Court - Kite-Topmost Fire Department - Building Project			
18	Restricted Funds	-0-	50,000	-0-
19	<b>013.</b> Knott County Fiscal Court - Knott County Coroner - Purchase of Vehicle and			
20	Equipment			
21	Restricted Funds	-0-	75,000	-0-
22	<b>014.</b> Knott County Fiscal Court - Knott County Health Department - Colon Cancer			
23	Screening and Treatment			
24	Restricted Funds	-0-	25,000	25,000
25	<b>015.</b> Knott County Fiscal Court - Knott County Library			
26	Restricted Funds	-0-	10,000	10,000
27	<b>016.</b> Knott County Fiscal Court - Knott County Rescue Fire Department			

1	Restricted Funds	-0-	5,000	5,000
2	<b>017.</b> Knott County Fiscal Court - Knott County Sheriff - Purchase of vehicle and			
3	equipment			
4	Restricted Funds	-0-	75,000	-0-
5	<b>018.</b> Knott County Fiscal Court - Knott County Sportsplex - Bond Payment,			
6	Equipment, Improvements, and Operations			
7	Restricted Funds	-0-	825,000	900,000
8	<b>019.</b> Knott County Fiscal Court - Knott Senior Citizens Centers			
9	Restricted Funds	-0-	65,000	65,000
10	<b>020.</b> Knott County Fiscal Court - Lotts Creek Fire Department			
11	Restricted Funds	-0-	5,000	5,000
12	<b>021.</b> Knott County Fiscal Court - Pippa Passes Fire Department			
13	Restricted Funds	-0-	5,000	5,000
14	<b>022.</b> Knott County Fiscal Court - Purchase of Vehicles and Equipment for County			
15	Departments			
16	Restricted Funds	-0-	500,000	200,000
17	<b>023.</b> Knott County Fiscal Court - Rough Terrain Rescue			
18	Restricted Funds	-0-	30,000	30,000
19	<b>024.</b> Knott County Fiscal Court - Various Adventure Tourism Projects - Including,			
20	but not limited to, Planning, Design, and Construction of a Water Park			
21	Restricted Funds	-0-	700,000	800,000
22	<b>025.</b> Knott County Fiscal Court - Various Water and Sewer Projects			
23	Restricted Funds	-0-	2,000,000	1,800,000
24	<b>026.</b> Knott County Fiscal Court - Vicco-Sassfras Fire Department			
25	Restricted Funds	-0-	5,000	5,000
26	<b>Knox County</b>			
27	<b>001.</b> City of Barbourville - Fire Department - Equipment - Supplies			

1	Restricted Funds	-0-	10,000	10,000
2	<b>002.</b> City of Barbourville - Police Department - Equipment - Supplies			
3	Restricted Funds	-0-	10,000	10,000
4	<b>003.</b> City of Barbourville - Purchase Police Cruisers			
5	Restricted Funds	-0-	25,000	25,000
6	<b>004.</b> City of Barbourville - Shelter - Mixon Manor			
7	Restricted Funds	5,000	-0-	-0-
8	<b>005.</b> Knox County Board of Education - TV 4 - Equipment - Upgrades			
9	Restricted Funds	10,000	-0-	-0-
10	<b>006.</b> Knox County Fiscal Court - Artemus Fire Department - Equipment - Supplies			
11	Restricted Funds	-0-	10,000	10,000
12	<b>007.</b> Knox County Fiscal Court - Bailey Switch Fire Department - Equipment -			
13	Supplies			
14	Restricted Funds	-0-	10,000	10,000
15	<b>008.</b> Knox County Fiscal Court - Christian Life Fellowship Food Pantry -			
16	Equipment			
17	Restricted Funds	5,000	-0-	-0-
18	<b>009.</b> Knox County Fiscal Court - Corbin Senior Citizens Center - Equipment			
19	Restricted Funds	5,000	-0-	-0-
20	<b>010.</b> Knox County Fiscal Court - County Jail - Equipment			
21	Restricted Funds	10,000	10,000	10,000
22	<b>011.</b> Knox County Fiscal Court - East Knox Fire Department - Equipment -			
23	Supplies			
24	Restricted Funds	-0-	10,000	10,000
25	<b>012.</b> Knox County Fiscal Court - History Museum - Operations			
26	Restricted Funds	-0-	5,000	-0-
27	<b>013.</b> Knox County Fiscal Court - K.C.E.O.C. Emergency Fund Service -			

1	Equipment			
2	Restricted Funds	-0-	5,000	-0-
3	<b>014. Knox County Fiscal Court - Lend-a-Hand Center - Equipment</b>			
4	Restricted Funds	5,000	-0-	-0-
5	<b>015. Knox County Fiscal Court - Poplar Creek Fire Department - Equipment -</b>			
6	Supplies			
7	Restricted Funds	-0-	10,000	10,000
8	<b>016. Knox County Fiscal Court - Richland Fire Department - Equipment - Supplies</b>			
9	Restricted Funds	-0-	10,000	10,000
10	<b>017. Knox County Fiscal Court - Sheriff's Department - Equipment</b>			
11	Restricted Funds	10,000	10,000	10,000
12	<b>018. Knox County Fiscal Court - Stinking Creek Fire Department - Equipment -</b>			
13	Supplies			
14	Restricted Funds	-0-	10,000	10,000
15	<b>019. Knox County Fiscal Court - West Knox Fire Department - Equipment -</b>			
16	Supplies			
17	Restricted Funds	-0-	10,000	10,000
18	<b>020. Knox County Fiscal Court - Woodbine Fire Department - Equipment -</b>			
19	Supplies			
20	Restricted Funds	-0-	10,000	10,000
21	<b>Laurel County</b>			
22	<b>001. Laurel County Fiscal Court - Bald Rock Fire Department</b>			
23	Restricted Funds	6,500	14,000	15,000
24	<b>002. Laurel County Fiscal Court - Bush Fire Department</b>			
25	Restricted Funds	6,500	14,000	15,000
26	<b>003. Laurel County Fiscal Court - Campground Fire Department</b>			
27	Restricted Funds	6,500	14,000	15,000

1	<b>004. Laurel County Fiscal Court - Colony Fire Department</b>			
2	Restricted Funds	6,500	14,000	15,000
3	<b>005. Laurel County Fiscal Court - Cross Road Fire Department</b>			
4	Restricted Funds	6,500	14,000	15,000
5	<b>006. Laurel County Fiscal Court - EB Fire Department</b>			
6	Restricted Funds	6,500	14,000	15,000
7	<b>007. Laurel County Fiscal Court - Keavy Fire Department</b>			
8	Restricted Funds	6,500	14,000	15,000
9	<b>008. Laurel County Fiscal Court - Laurel County Fire Department</b>			
10	Restricted Funds	6,500	14,000	15,000
11	<b>009. Laurel County Fiscal Court - Lily Fire Department</b>			
12	Restricted Funds	6,500	14,000	15,000
13	<b>010. Laurel County Fiscal Court - London Fire Department</b>			
14	Restricted Funds	6,500	14,000	15,000
15	<b>011. Laurel County Fiscal Court - London/Laurel Rescue Squad</b>			
16	Restricted Funds	6,500	14,000	15,000
17	<b>012. Laurel County Fiscal Court - McWhorter Fire Department</b>			
18	Restricted Funds	6,500	14,000	15,000
19	<b>013. Laurel County Fiscal Court - Senior Citizens</b>			
20	Restricted Funds	-0-	8,000	8,000
21	<b>014. Laurel County Fiscal Court - Sheriff Root - Equipment Needs</b>			
22	Restricted Funds	-0-	20,000	28,000
23	<b>015. Laurel County Fiscal Court - West Knox Fire Department</b>			
24	Restricted Funds	-0-	5,000	5,000
25	<b>Lawrence County</b>			
26	<b>001. City of Blaine - Blaine City Park - Improvements</b>			
27	Restricted Funds	-0-	25,000	-0-

1	<b>002.</b> City of Louisa - Downtown Beautification - Improvements			
2	Restricted Funds	-0-	50,000	-0-
3	<b>003.</b> Lawrence County Board of Education - Facility - Ground Improvements -			
4	Equipment			
5	Restricted Funds	-0-	125,000	25,000
6	<b>004.</b> Lawrence County Fiscal Court - Blaine Fire Department - Equipment -			
7	Improvements			
8	Restricted Funds	-0-	7,500	7,500
9	<b>005.</b> Lawrence County Fiscal Court - Cherryville Fire Department - Equipment -			
10	Improvements			
11	Restricted Funds	-0-	7,500	7,500
12	<b>006.</b> Lawrence County Fiscal Court - Economic and Tourism Development			
13	Restricted Funds	-0-	25,000	75,000
14	<b>007.</b> Lawrence County Fiscal Court - Fallsburg Community Center -			
15	Improvements			
16	Restricted Funds	-0-	10,000	-0-
17	<b>008.</b> Lawrence County Fiscal Court - Fallsburg Fire Department - Equipment -			
18	Improvements			
19	Restricted Funds	-0-	7,500	7,500
20	<b>009.</b> Lawrence County Fiscal Court - Lawrence County Court House and Annex			
21	Facility - Renovations - Improvements - Operations			
22	Restricted Funds	-0-	-0-	50,000
23	<b>010.</b> Lawrence County Fiscal Court - Lawrence County Emergency Management -			
24	Equipment - Improvement			
25	Restricted Funds	-0-	7,500	7,500
26	<b>011.</b> Lawrence County Fiscal Court - Lawrence County Park - Improvements			
27	Restricted Funds	-0-	50,000	50,000

1	<b>012.</b> Lawrence County Fiscal Court - Louisa Fire Department Station #1 -			
2	Equipment - Improvements			
3	Restricted Funds	-0-	7,500	7,500
4	<b>013.</b> Lawrence County Fiscal Court - Louisa Fire Department Station #2 -			
5	Equipment - Improvements			
6	Restricted Funds	-0-	7,500	7,500
7	<b>014.</b> Lawrence County Fiscal Court - Lowmansville Fire Department - Equipment			
8	- Improvements			
9	Restricted Funds	-0-	7,500	7,500
10	<b>015.</b> Lawrence County Fiscal Court - Solid Waste Enhancements			
11	Restricted Funds	-0-	25,000	50,000
12	<b>016.</b> Lawrence County Fiscal Court - Waterline Extensions			
13	Restricted Funds	-0-	125,000	125,000
14	<b>017.</b> Lawrence County Fiscal Court - Webbville Fire Department - Equipment -			
15	Improvements			
16	Restricted Funds	-0-	7,500	7,500
17	<b>Lee County</b>			
18	<b>001.</b> Beattyville/Lee County Volunteer Fire Department - Equipment - Supplies			
19	Restricted Funds	-0-	10,000	-0-
20	<b>002.</b> Beattyville/Lee County Volunteer Fire Department - Roof			
21	Restricted Funds	-0-	20,000	-0-
22	<b>003.</b> Lee County Ambulance - Purchase Ambulance			
23	Restricted Funds	-0-	40,000	-0-
24	<b>004.</b> Lee County Animal Control - Purchase Vehicle			
25	Restricted Funds	-0-	20,000	-0-
26	<b>005.</b> Lee County Beartrack Fire Department - Equipment - Supplies			
27	Restricted Funds	-0-	10,000	-0-

1	<b>006. Lee County Beartrack Park - Equipment - Improvements</b>			
2	Restricted Funds	-0-	20,000	25,000
3	<b>007. Lee County Court House - Repairs</b>			
4	Restricted Funds	-0-	50,000	-0-
5	<b>008. Lee County Emergency Service - Building Construction</b>			
6	Restricted Funds	-0-	-0-	100,000
7	<b>009. Lee County EMS - Ambulance Vehicles</b>			
8	Restricted Funds	-0-	30,000	30,000
9	<b>010. Lee County Fire Department - Equipment - Supplies</b>			
10	Restricted Funds	-0-	30,000	30,000
11	<b>011. Lee County Fiscal Court - Health Department Purchase</b>			
12	Restricted Funds	-0-	100,000	100,000
13	<b>012. Lee County Fiscal Court - Main Street - Street Lights</b>			
14	Restricted Funds	-0-	25,000	-0-
15	<b>013. Lee County Fiscal Court - Purchase Digital Radios</b>			
16	Restricted Funds	-0-	125,000	-0-
17	<b>014. Lee County Fiscal Court - Purchase Garbage Trucks</b>			
18	Restricted Funds	-0-	-0-	165,000
19	<b>015. Lee County Happy Top Park - Equipment - Improvements</b>			
20	Restricted Funds	-0-	20,000	25,000
21	<b>016. Lee County Heidelberg Park - Equipment - Improvements</b>			
22	Restricted Funds	-0-	20,000	25,000
23	<b>017. Lee County Museum - Construction</b>			
24	Restricted Funds	-0-	15,000	-0-
25	<b>018. Lee County Primrose Fire Department - Equipment - Supplies</b>			
26	Restricted Funds	-0-	10,000	-0-
27	<b>019. Lee County Rescue Squad - Equipment - Supplies</b>			



1	Restricted Funds	-0-	5,000	5,000
2	<b>020. Lee County Road Department - Equipment</b>			
3	Restricted Funds	-0-	-0-	106,187
4	<b>021. Lee County Senior Citizens - Building Repairs</b>			
5	Restricted Funds	-0-	25,000	-0-
6	<b>022. Lee County Sheriff's Department - Purchase Cruisers</b>			
7	Restricted Funds	-0-	80,000	-0-
8	<b>023. Lee County St. Helens Park - Equipment - Improvements</b>			
9	Restricted Funds	-0-	-0-	25,000
10	<b>024. Lee County St. Helens Park - Purchase Land - Renovations</b>			
11	Restricted Funds	-0-	55,196	-0-
12	<b>025. Lee County Tri-Community Volunteer Fire Department - Equipment -</b>			
13	<b>Supplies</b>			
14	Restricted Funds	-0-	10,000	-0-
15	<b>026. Lee County Youth Sports - Equipment</b>			
16	Restricted Funds	-0-	5,000	5,000
17	<b>Leslie County</b>			
18	<b>001. City of Hyden - Project Number 6 - Wastewater - Line Extensions - Pump</b>			
19	<b>Station</b>			
20	Restricted Funds	-0-	125,000	-0-
21	<b>002. City of Hyden - Project Number 8 - Transportation - Resurface - Rehab.</b>			
22	<b>Improvements - Park Improvements</b>			
23	Restricted Funds	-0-	150,000	-0-
24	<b>003. Leslie County Board of Education - Project Number 16 - Leslie County High</b>			
25	<b>School - Field House</b>			
26	Restricted Funds	-0-	-0-	350,000
27	<b>004. Leslie County Board of Education - Project Number 7 - Technology</b>			

1	Improvements			
2	Restricted Funds	-0-	100,000	100,000
3	<b>005.</b> Leslie County Fiscal Court - Number 3 - Leslie County Detention Center -			
4	Maintenance - Operations			
5	Restricted Funds	-0-	500,000	500,000
6	<b>006.</b> Leslie County Fiscal Court - Project Number 10 - General Government			
7	Restricted Funds	-0-	400,000	200,000
8	<b>007.</b> Leslie County Fiscal Court - Project Number 11 - Leslie County Detention			
9	Center - Maintenance - Operations			
10	Restricted Funds	-0-	500,000	400,000
11	<b>008.</b> Leslie County Fiscal Court - Project Number 12 - Leslie County Saddle Club			
12	- RV Bathhouse - RV Unite - Connections			
13	Restricted Funds	-0-	100,000	-0-
14	<b>009.</b> Leslie County Fiscal Court - Project Number 13 - Leslie County Food Pantry			
15	Restricted Funds	-0-	10,000	10,000
16	<b>010.</b> Leslie County Fiscal Court - Project Number 14 - Leslie County Drug			
17	Awareness			
18	Restricted Funds	-0-	20,000	20,000
19	<b>011.</b> Leslie County Fiscal Court - Project Number 15 - Hazard Community and			
20	Technical College - Leslie County Campus - Maintenance - Operations			
21	Restricted Funds	-0-	40,000	40,000
22	<b>012.</b> Leslie County Fiscal Court - Project Number 2 - Hurricane Creek Mine			
23	Memorial - Plaque Changes - Video Monitoring - Improvements - Site			
24	Improvements			
25	Restricted Funds	-0-	40,000	-0-
26	<b>013.</b> Leslie County Fiscal Court - Project Number 4 - Beechfork Senior Citizens			
27	Center - Maintenance - Operations			

1	Restricted Funds	-0-	150,000	150,000
2	<b>014.</b> Leslie County Fiscal Court - Project Number 4 - Cutshin Senior Citizens -			
3	Maintenance - Operations			
4	Restricted Funds	-0-	150,000	150,000
5	<b>015.</b> Leslie County Fiscal Court - Project Number 4 - Hyden Senior Citizens -			
6	Maintenance - Operations			
7	Restricted Funds	-0-	150,000	150,000
8	<b>016.</b> Leslie County Fiscal Court - Project Number 4 - Stinnett Senior Citizens -			
9	Maintenance - Operations			
10	Restricted Funds	-0-	150,000	150,000
11	<b>017.</b> Leslie County Fiscal Court - Project Number 5 - Leslie County 911 Center -			
12	Maintenance - Operations			
13	Restricted Funds	-0-	300,000	300,000
14	<b>018.</b> Leslie County Fiscal Court - Project Number 9 - Six Volunteer Fire			
15	Departments - Maintenance - Operations			
16	Restricted Funds	-0-	60,000	60,000
17	<b>019.</b> Leslie County Fiscal Court - Veterans' Cemetery - Land Acquisition			
18	Restricted Funds	-0-	500,000	-0-
19	<b>Letcher County</b>			
20	<b>001.</b> City of Fleming-Neon - Operations - Improvements - Maintenance -			
21	Equipment			
22	Restricted Funds	-0-	50,000	50,000
23	<b>002.</b> City of Jenkins - Operations - Improvements - Maintenance - Equipment			
24	Restricted Funds	-0-	150,000	100,000
25	<b>003.</b> City of Whitesburg - Operations - Improvements - Maintenance - Equipment			
26	Restricted Funds	-0-	100,000	100,000
27	<b>004.</b> Letcher County Board of Education - Letcher Elementary School - Supplies			

1	Restricted Funds	-0-	25,000	-0-
2	<b>005.</b> Letcher County Fiscal Court - ARH - Indigent Care Reimbursement			
3	Restricted Funds	-0-	50,000	50,000
4	<b>006.</b> Letcher County Fiscal Court - Carcassone Community Center			
5	Restricted Funds	-0-	25,000	-0-
6	<b>007.</b> Letcher County Fiscal Court - Colson Volunteer Fire Department - Equipment			
7	- Supplies - Operational - Improvements			
8	Restricted Funds	-0-	20,000	-0-
9	<b>008.</b> Letcher County Fiscal Court - Cumberland Mountain Arts and Crafts Council,			
10	Inc. - Building Repairs - Maintenance - Equipment			
11	Restricted Funds	-0-	30,000	-0-
12	<b>009.</b> Letcher County Fiscal Court - Cumberland River Fire Department -			
13	Equipment - Supplies - Operational - Improvements			
14	Restricted Funds	-0-	20,000	-0-
15	<b>010.</b> Letcher County Fiscal Court - Deane Water Project - Millcreek Section			
16	Restricted Funds	-0-	150,000	-0-
17	<b>011.</b> Letcher County Fiscal Court - Domestic Violence Shelter - Supplies -			
18	Operational - Improvements			
19	Restricted Funds	-0-	50,000	50,000
20	<b>012.</b> Letcher County Fiscal Court - Gordon Volunteer Fire Department -			
21	Equipment - Supplies - Operational - Improvements			
22	Restricted Funds	-0-	20,000	-0-
23	<b>013.</b> Letcher County Fiscal Court - Jenkins Fire and Rescue - Equipment - Supplies			
24	- Operational			
25	Restricted Funds	-0-	20,000	-0-
26	<b>014.</b> Letcher County Fiscal Court - Kingdom Come Community Center			
27	Restricted Funds	-0-	12,000	12,000

1	<b>015.</b> Letcher County Fiscal Court - Kingscreek Volunteer Fire Department -			
2	Equipment - Supplies - Operational - Improvements			
3	Restricted Funds	-0-	20,000	-0-
4	<b>016.</b> Letcher County Fiscal Court - Letcher County Airport Board - New Airport -			
5	Engineering - Architectural - Construction - Land Acquisition - Operations -			
6	Board Member Training			
7	Restricted Funds	-0-	25,000	25,000
8	<b>017.</b> Letcher County Fiscal Court - Letcher County Community Centers -			
9	Maintenance - Repairs - Operational - Improvements			
10	Restricted Funds	-0-	50,000	50,000
11	<b>018.</b> Letcher County Fiscal Court - Letcher County Court Clerk - Equipment -			
12	Supplies - Operational - Improvements			
13	Restricted Funds	-0-	25,000	25,000
14	<b>019.</b> Letcher County Fiscal Court - Letcher County Parks and Recreation -			
15	Maintenance - Repairs - Operational - Improvements			
16	Restricted Funds	-0-	175,000	175,000
17	<b>020.</b> Letcher County Fiscal Court - Letcher County Planning Commission - Project			
18	Planning - Engineering - Architectural			
19	Restricted Funds	-0-	25,000	25,000
20	<b>021.</b> Letcher County Fiscal Court - Letcher County Rangers and Pine Mountain			
21	Search and Rescue - Equipment - Supplies - Maintenance - Operational -			
22	Improvements			
23	Restricted Funds	-0-	25,000	25,000
24	<b>022.</b> Letcher County Fiscal Court - Letcher County Recreation Center - Operations			
25	- Maintenance			
26	Restricted Funds	-0-	150,000	150,000
27	<b>023.</b> Letcher County Fiscal Court - Letcher County Road and Sanitation			

1	Departments - Maintenance - Operational - Improvements			
2	Restricted Funds	-0-	900,000	900,000
3	<b>024.</b> Letcher County Fiscal Court - Letcher County Senior Citizens - Maintenance			
4	- Repairs - Operational - Improvements			
5	Restricted Funds	-0-	250,000	250,000
6	<b>025.</b> Letcher County Fiscal Court - Letcher County Sheriff's Department - Supplies			
7	- Equipment - Operational - Improvements			
8	Restricted Funds	-0-	25,000	25,000
9	<b>026.</b> Letcher County Fiscal Court - Letcher County Tourism - Maintenance -			
10	Operational - Improvements			
11	Restricted Funds	-0-	110,000	110,000
12	<b>027.</b> Letcher County Fiscal Court - Letcher County Veteran's Museum at			
13	Whitesburg			
14	Restricted Funds	-0-	25,000	-0-
15	<b>028.</b> Letcher County Fiscal Court - Letcher Fire and Rescue - Equipment -			
16	Supplies - Operational - Improvements			
17	Restricted Funds	-0-	20,000	-0-
18	<b>029.</b> Letcher County Fiscal Court - Letcher Fire and Rescue - First Responder			
19	Truck			
20	Restricted Funds	-0-	100,000	-0-
21	<b>030.</b> Letcher County Fiscal Court - Mayking Volunteer Fire Department -			
22	Equipment - Supplies - Operational - Improvements			
23	Restricted Funds	-0-	20,000	-0-
24	<b>031.</b> Letcher County Fiscal Court - Neon Fire and Rescue Squad - Equipment -			
25	Supplies - Operational - Improvements			
26	Restricted Funds	-0-	20,000	-0-
27	<b>032.</b> Letcher County Fiscal Court - Neon Fire Training Center - Debt Service -			

1	Operational - Improvements			
2	Restricted Funds	-0-	100,000	100,000
3	<b>033.</b> Letcher County Fiscal Court - Recreation Center - Debt Service - Operational			
4	- Improvements			
5	Restricted Funds	-0-	600,000	600,000
6	<b>034.</b> Letcher County Fiscal Court - Sandlick Volunteer Fire Department -			
7	Equipment - Supplies - Operational - Improvements			
8	Restricted Funds	-0-	20,000	-0-
9	<b>035.</b> Letcher County Fiscal Court - Whitesburg Volunteer Fire Department -			
10	Equipment - Supplies - Operational - Improvements			
11	Restricted Funds	-0-	20,000	-0-
12	<b>036.</b> Letcher County Water District - Debt Service - Operational - Improvements			
13	Restricted Funds	-0-	165,000	165,000
14	<b>037.</b> Letcher County Water District - Various Water Projects - Operational -			
15	Improvements			
16	Restricted Funds	-0-	835,000	835,000
17	<b>Magoffin County</b>			
18	<b>001.</b> City of Salyersville - Debt Reduction			
19	Restricted Funds	-0-	100,000	100,000
20	<b>002.</b> Magoffin County Fiscal Court - Bloomington Volunteer Fire Department -			
21	Equipment - Infrastructure			
22	Restricted Funds	-0-	-0-	25,000
23	<b>003.</b> Magoffin County Fiscal Court - Disabled American Veterans - Equipment -			
24	Vehicle			
25	Restricted Funds	-0-	12,500	-0-
26	<b>004.</b> Magoffin County Fiscal Court - District 3 Volunteer Fire Department -			
27	Equipment - Infrastructure			

1	Restricted Funds	-0-	-0-	25,000
2	<b>005. Magoffin County Fiscal Court - Economic Development Initiative -</b>			
3	Infrastructure Associated with County Development Project			
4	Restricted Funds	-0-	1,050,000	1,150,000
5	<b>006. Magoffin County Fiscal Court - Health Department - Debt Reduction</b>			
6	Restricted Funds	-0-	65,000	65,000
7	<b>007. Magoffin County Fiscal Court - Library - Renovations - Construction</b>			
8	Restricted Funds	-0-	125,000	125,000
9	<b>008. Magoffin County Fiscal Court - Magoffin County Rescue Squad - Equipment</b>			
10	- Infrastructure			
11	Restricted Funds	-0-	-0-	50,000
12	<b>009. Magoffin County Fiscal Court - Magoffin County Senior Citizens Center -</b>			
13	Operations			
14	Restricted Funds	-0-	25,000	25,000
15	<b>010. Magoffin County Fiscal Court - Middle Fork Volunteer Fire Department -</b>			
16	Equipment - Infrastructure			
17	Restricted Funds	-0-	-0-	25,000
18	<b>011. Magoffin County Fiscal Court - North Magoffin Volunteer Fire Department -</b>			
19	Equipment - Infrastructure			
20	Restricted Funds	-0-	-0-	25,000
21	<b>012. Magoffin County Fiscal Court - Ramey Park - Facility Upgrades -</b>			
22	Maintenance			
23	Restricted Funds	-0-	25,000	25,000
24	<b>013. Magoffin County Fiscal Court - Reach - Operations</b>			
25	Restricted Funds	-0-	10,000	10,000
26	<b>014. Magoffin County Fiscal Court - Salyersville Fire Department - Equipment -</b>			
27	Infrastructure			



1	Restricted Funds	-0-	-0-	25,000
2	<b>015. Magoffin County Fiscal Court - Sheriff's Department</b>			
3	Restricted Funds	-0-	50,000	50,000
4	<b>016. Magoffin County Fiscal Court - South Magoffin Volunteer Fire Department -</b>			
5	Equipment - Infrastructure			
6	Restricted Funds	-0-	-0-	25,000
7	<b>017. Magoffin County Fiscal Court - Tourism - Tourism and Related Infrastructure</b>			
8	Development			
9	Restricted Funds	-0-	100,000	200,000
10	<b>Martin County</b>			
11	<b>001. Martin County Fiscal Court - Family Resource Centers</b>			
12	Restricted Funds	-0-	60,000	-0-
13	<b>002. Martin County Fiscal Court - Inez Fire Department - Equipment</b>			
14	Restricted Funds	-0-	175,000	-0-
15	<b>003. Martin County Fiscal Court - New Courthouse Project</b>			
16	Restricted Funds	-0-	2,000,000	-0-
17	<b>004. Martin County Fiscal Court - Senior Citizens Center - Meals on Wheels</b>			
18	Restricted Funds	-0-	15,000	-0-
19	<b>005. Martin County Fiscal Court - Sheriff's Department - Purchase Two Vehicles</b>			
20	Restricted Funds	-0-	60,000	-0-
21	<b>006. Martin County Fiscal Court - Warfield Fire Department - Equipment</b>			
22	Restricted Funds	-0-	175,000	-0-
23	<b>Menifee County</b>			
24	<b>001. City of Frenchburg - Frenchburg Park - Building Improvements</b>			
25	Restricted Funds	-0-	20,000	30,000
26	<b>002. Menifee County Board of Education - Champions Against Drugs</b>			
27	Restricted Funds	-0-	5,000	5,000

1	<b>003.</b> Menifee County Board of Education - HOPE			
2	Restricted Funds	-0-	5,000	5,000
3	<b>004.</b> Menifee County Board of Education - Menifee Actors Guild			
4	Restricted Funds	-0-	10,000	10,000
5	<b>005.</b> Menifee County Board of Education - MMRC Regional Training Center -			
6	Facility Improvement - Equipment - Tuition Assistance			
7	Restricted Funds	-0-	150,000	50,000
8	<b>006.</b> Menifee County Fiscal Court - Ambulance Service - Purchase Cardiac			
9	Monitor			
10	Restricted Funds	-0-	30,000	-0-
11	<b>007.</b> Menifee County Fiscal Court - Boneal - Resurfacing Base Parking Lot			
12	Restricted Funds	-0-	50,000	-0-
13	<b>008.</b> Menifee County Fiscal Court - Debt Retirement - Ambulance			
14	Restricted Funds	-0-	10,000	10,000
15	<b>009.</b> Menifee County Fiscal Court - Gateway House Homeless Shelter			
16	Restricted Funds	-0-	5,000	5,000
17	<b>010.</b> Menifee County Fiscal Court - Menifee County Horse Trail - Improvements			
18	Restricted Funds	-0-	50,000	50,000
19	<b>011.</b> Menifee County Fiscal Court - Menifee County Jails - Debt Retirement -			
20	Operations			
21	Restricted Funds	-0-	10,000	10,000
22	<b>012.</b> Menifee County Fiscal Court - Menifee County Park - Improvements			
23	Restricted Funds	-0-	15,000	15,000
24	<b>013.</b> Menifee County Fiscal Court - Neighborhood Unite Crime Watch			
25	Restricted Funds	-0-	5,000	5,000
26	<b>014.</b> Menifee County Fiscal Court - Senior Citizens Center - Equipment			
27	Restricted Funds	-0-	20,000	20,000

1	<b>015. Menifee County Fiscal Court - Senior Citizens Center - Property Acquisition</b>			
2	Restricted Funds	-0-	25,000	25,000
3	<b>016. Menifee County Fiscal Court - Sheriff's Department - Purchase Canine</b>			
4	Vehicle			
5	Restricted Funds	-0-	15,000	15,000
6	<b>017. Menifee County Fiscal Court - Worth Main - Operations</b>			
7	Restricted Funds	-0-	5,000	5,000
8	<b>Morgan County</b>			
9	<b>001. City of West Liberty - West Liberty Walking Trail - Sidewalks - Diabetes</b>			
10	Coalition			
11	Restricted Funds	-0-	10,000	10,000
12	<b>002. Morgan County Board of Education - County Schools Resource Officer</b>			
13	Restricted Funds	-0-	30,000	30,000
14	<b>003. Morgan County Board of Education - HOPE - Improvements - Services -</b>			
15	Operations			
16	Restricted Funds	-0-	5,000	5,000
17	<b>004. Morgan County Board of Education - School Nurse</b>			
18	Restricted Funds	-0-	15,000	15,000
19	<b>005. Morgan County Fiscal Court - Doves</b>			
20	Restricted Funds	-0-	5,000	5,000
21	<b>006. Morgan County Fiscal Court - Eight Volunteer Fire Departments - Divided</b>			
22	Equally			
23	Restricted Funds	-0-	40,000	40,000
24	<b>007. Morgan County Fiscal Court - Food Pantry</b>			
25	Restricted Funds	-0-	5,000	5,000
26	<b>008. Morgan County Fiscal Court - Gateway Homeless Shelter</b>			
27	Restricted Funds	-0-	5,000	5,000

1	<b>009.</b> Morgan County Fiscal Court - Little League Infrastructure - Improvements -			
2	Soccer and Baseball			
3	Restricted Funds	-0-	20,000	20,000
4	<b>010.</b> Morgan County Fiscal Court - Morgan County Rescue Squad - Equipment -			
5	Operations			
6	Restricted Funds	-0-	10,000	10,000
7	<b>011.</b> Morgan County Fiscal Court - Road Department - Equipment			
8	Restricted Funds	-0-	65,000	65,000
9	<b>012.</b> Morgan County Fiscal Court - Sarah's Place			
10	Restricted Funds	-0-	5,000	5,000
11	<b>013.</b> Morgan County Fiscal Court - Technical Center - Maintenance - Equipment			
12	Restricted Funds	-0-	20,000	20,000
13	<b>014.</b> Morgan County Fiscal Court - White Oak Fire Department Building -			
14	Equipment			
15	Restricted Funds	-0-	20,000	20,000
16	<b>Muhlenberg County</b>			
17	<b>001.</b> City of Central City - Downtown - Renovations			
18	Restricted Funds	-0-	45,000	-0-
19	<b>002.</b> City of Central City - Water and Sewer - Replacement - Water Meters - Valve			
20	Insertions			
21	Restricted Funds	-0-	75,000	100,000
22	<b>003.</b> City of Greenville - Debt Retirement - Downtown - Renovation			
23	Restricted Funds	-0-	45,000	-0-
24	<b>004.</b> City of Greenville - Water and/or Sewer Projects			
25	Restricted Funds	-0-	75,000	100,000
26	<b>005.</b> Muhlenberg County Fiscal Court - Antique Stop Light Cross Arms at US 62			
27	West/181 South - Unless Paid for by the Department of Transportation Under			

1	Current Turning Lane Construction 2012 - Otherwise to Fiscal Court -			
2	Courthouse - Debt Retirement - Renovations			
3	Restricted Funds	-0-	60,000	-0-
4	<b>006.</b> Muhlenberg County Fiscal Court - Bond Debt Payment - Muhlenberg County			
5	Courthouse - Renovations - Construction - Emergency Services Complex			
6	Restricted Funds	-0-	995,000	995,000
7	<b>007.</b> Muhlenberg County Fiscal Court - Muhlenberg Economic Enterprises			
8	Restricted Funds	-0-	50,000	50,000
9	<b>008.</b> Muhlenberg County Fiscal Court - Sheriff's Department - Purchase Three			
10	Vehicles and Components			
11	Restricted Funds	-0-	65,000	75,000
12	<b>009.</b> Muhlenberg County Water District One - Tank Rehabilitation Project			
13	Restricted Funds	-0-	75,000	100,000
14	<b>010.</b> Muhlenberg County Water District Three - Water Main - Replacement			
15	Restricted Funds	-0-	75,000	100,000
16	<b>Ohio County</b>			
17	<b>001.</b> City of McHenry - Infrastructure			
18	Restricted Funds	-0-	-0-	50,000
19	<b>002.</b> City of Rockport - Infrastructure			
20	Restricted Funds	-0-	-0-	50,000
21	<b>003.</b> Ohio County Fiscal Court - Beaver Dam - Park Development			
22	Restricted Funds	-0-	50,000	50,000
23	<b>004.</b> Ohio County Fiscal Court - Centertown - Area Streets Coal Impact			
24	Restricted Funds	-0-	50,000	100,000
25	<b>005.</b> Ohio County Fiscal Court - Centertown - Streets Coal Impact			
26	Restricted Funds	-0-	-0-	50,000
27	<b>006.</b> Ohio County Fiscal Court - Courthouse - Repairs - Improvement			

1	Restricted Funds	-0-	81,506	-0-
2	<b>007. Ohio County Fiscal Court - Fifth District - Blacktop 1.5 Miles Critical to</b>			
3	Large Populated Area for Safety			
4	Restricted Funds	-0-	-0-	100,000
5	<b>008. Ohio County Fiscal Court - Firefighters Training Facility - Equipment</b>			
6	Restricted Funds	-0-	-0-	51,337
7	<b>009. Ohio County Fiscal Court - Fourth District - Infrastructure</b>			
8	Restricted Funds	-0-	50,000	50,000
9	<b>010. Ohio County Fiscal Court - Industrial Foundation - 10 Acres on Goshen Road</b>			
10	Restricted Funds	-0-	100,000	-0-
11	<b>011. Ohio County Fiscal Court - Land Acquisition</b>			
12	Restricted Funds	-0-	100,000	-0-
13	<b>012. Ohio County Fiscal Court - Ohio County Park - Park Development</b>			
14	Restricted Funds	-0-	9,457	-0-
15	<b>013. Ohio County Fiscal Court - Ohio County Road Department - Equipment</b>			
16	Restricted Funds	-0-	40,006	47,550
17	<b>014. Ohio County Fiscal Court - Ohio County Sheriff's Department - Patrol Cars -</b>			
18	Loan Payoff			
19	Restricted Funds	-0-	115,543	-0-
20	<b>015. Ohio County Fiscal Court - Wellness</b>			
21	Restricted Funds	-0-	-0-	100,000
22	<b>Owsley County</b>			
23	<b>001. City of Booneville - Camera Civic</b>			
24	Restricted Funds	-0-	9,861	-0-
25	<b>002. City of Booneville - County Garage</b>			
26	Restricted Funds	-0-	5,875	-0-
27	<b>003. City of Booneville - Courthouse</b>			

1	Restricted Funds	-0-	10,326	-0-
2	<b>004. City of Booneville - Police Equipment</b>			
3	Restricted Funds	-0-	30,000	-0-
4	<b>005. City of Booneville - Replace Water Pumps and Filters</b>			
5	Restricted Funds	-0-	50,000	-0-
6	<b>006. Owsley County Board of Education - Capital Improvements</b>			
7	Restricted Funds	-0-	50,000	50,000
8	<b>007. Owsley County Fiscal Court - Booneville Fire Department</b>			
9	Restricted Funds	-0-	10,000	10,000
10	<b>008. Owsley County Fiscal Court - Booneville Rescue Squad</b>			
11	Restricted Funds	-0-	10,000	10,000
12	<b>009. Owsley County Fiscal Court - Health Department</b>			
13	Restricted Funds	-0-	100,000	100,000
14	<b>010. Owsley County Fiscal Court - Health Department - Lot and Building</b>			
15	Restricted Funds	-0-	75,000	225,000
16	<b>011. Owsley County Fiscal Court - Island City Fire Department</b>			
17	Restricted Funds	-0-	10,000	10,000
18	<b>012. Owsley County Fiscal Court - Purchase Backhoe</b>			
19	Restricted Funds	70,000	-0-	-0-
20	<b>013. Owsley County Fiscal Court - Purchase Garbage Truck</b>			
21	Restricted Funds	135,053	-0-	-0-
22	<b>014. Owsley County Fiscal Court - Vincent Fire Department</b>			
23	Restricted Funds	-0-	10,000	10,000
24	<b>Perry County</b>			
25	<b>001. City of Buckhorn - Operations - Maintenance</b>			
26	Restricted Funds	-0-	100,000	100,000
27	<b>002. City of Hazard - Park Improvement and Maintenance</b>			

1	Restricted Funds	-0-	100,000	100,000
2	<b>003. City of Vicco - Operations - Maintenance</b>			
3	Restricted Funds	-0-	100,000	100,000
4	<b>004. Perry County Fiscal Court - 911 Maintenance - Operations</b>			
5	Restricted Funds	-0-	155,000	155,000
6	<b>005. Perry County Fiscal Court - Airport Maintenance and Tree Removal</b>			
7	Restricted Funds	-0-	20,000	20,000
8	<b>006. Perry County Fiscal Court - Animal Shelter - Supplies</b>			
9	Restricted Funds	-0-	100,000	100,000
10	<b>007. Perry County Fiscal Court - Bond Payment - Road Maintenance - Equipment</b>			
11	Restricted Funds	-0-	1,077,724	1,102,724
12	<b>008. Perry County Fiscal Court - Care Cottage</b>			
13	Restricted Funds	-0-	60,000	60,000
14	<b>009. Perry County Fiscal Court - Challenger Center - Supplies</b>			
15	Restricted Funds	-0-	50,000	50,000
16	<b>010. Perry County Fiscal Court - Drug Court - Supplies</b>			
17	Restricted Funds	-0-	20,000	20,000
18	<b>011. Perry County Fiscal Court - Fire Department - Equipment</b>			
19	Restricted Funds	-0-	120,000	120,000
20	<b>012. Perry County Fiscal Court - Hazard Community Ministries</b>			
21	Restricted Funds	-0-	75,000	50,000
22	<b>013. Perry County Fiscal Court - Hazard Independent - Supplies</b>			
23	Restricted Funds	-0-	225,000	200,000
24	<b>014. Perry County Fiscal Court - Hazard/Perry County Tourism</b>			
25	Restricted Funds	-0-	15,000	15,000
26	<b>015. Perry County Fiscal Court - Homeless Shelter</b>			
27	Restricted Funds	-0-	50,000	50,000



1	<b>016. Perry County Fiscal Court - Hospice - Supplies</b>			
2	Restricted Funds	-0-	200,000	200,000
3	<b>017. Perry County Fiscal Court - Little Flower Clinic</b>			
4	Restricted Funds	-0-	50,000	50,000
5	<b>018. Perry County Fiscal Court - Maintenance - Recycling - Improvements</b>			
6	Restricted Funds	-0-	250,000	250,000
7	<b>019. Perry County Fiscal Court - Perry County Police</b>			
8	Restricted Funds	-0-	50,000	50,000
9	<b>020. Perry County Fiscal Court - Perry County Schools</b>			
10	Restricted Funds	-0-	275,000	275,000
11	<b>021. Perry County Fiscal Court - Perry County Sheriff's Department - Operations -</b>			
12	Equipment			
13	Restricted Funds	-0-	100,000	100,000
14	<b>022. Perry County Fiscal Court - Perry Seniors and Park Improvements - Dog Park</b>			
15	Restricted Funds	-0-	225,000	225,000
16	<b>023. Perry County Fiscal Court - Sewer Plant - Chavies</b>			
17	Restricted Funds	-0-	400,000	400,000
18	<b>024. Perry County Fiscal Court - University College of the Mountains - Supplies</b>			
19	Restricted Funds	-0-	250,000	250,000
20	<b>025. Perry County Fiscal Court - Water Projects - North Perry</b>			
21	Restricted Funds	-0-	250,000	250,000
22	<b>026. Perry County Fiscal Court - Water Projects - South Perry</b>			
23	Restricted Funds	-0-	500,000	500,000
24	<b>Pike County</b>			
25	<b>001. City of Coal Run Village - Infrastructure</b>			
26	Restricted Funds	-0-	200,000	200,000
27	<b>002. City of Elkhorn City - ACT Inc.</b>			

1	Restricted Funds	-0-	50,000	50,000
2	<b>003.</b> City of Elkhorn City - City Housing Authority - Facility Repair and			
3	Rehabilitation			
4	Restricted Funds	-0-	75,000	75,000
5	<b>004.</b> City of Elkhorn City - Heritage Council - Whitewater Park - Design and			
6	Construction			
7	Restricted Funds	-0-	25,000	25,000
8	<b>005.</b> City of Elkhorn City - Infrastructure			
9	Restricted Funds	-0-	250,000	250,000
10	<b>006.</b> City of Pikeville - Airport Board Terminal - Upgrades - Improvements			
11	Restricted Funds	-0-	100,000	100,000
12	<b>007.</b> City of Pikeville - Bridge Replacement - Walters Road			
13	Restricted Funds	-0-	-0-	100,000
14	<b>008.</b> City of Pikeville - City of Pikeville Fire Department - New Fire Station			
15	Restricted Funds	-0-	400,000	-0-
16	<b>009.</b> City of Pikeville - East KY Expo Center - Improvements			
17	Restricted Funds	-0-	150,000	150,000
18	<b>010.</b> City of Pikeville - Funds for Matching Grant			
19	Restricted Funds	-0-	100,000	-0-
20	<b>011.</b> City of Pikeville - Judi's Place - Payoff on Facility			
21	Restricted Funds	-0-	15,000	15,000
22	<b>012.</b> City of Pikeville - Projects - Infrastructure - Equipment			
23	Restricted Funds	-0-	250,000	250,000
24	<b>013.</b> City of Pikeville - Sewer Design			
25	Restricted Funds	-0-	250,000	-0-
26	<b>014.</b> City of Pikeville - Sewer Plant			
27	Restricted Funds	-0-	1,000,000	-0-

1	<b>015. City of Pikeville - Sewer Projects - Enhancements</b>			
2	Restricted Funds	-0-	-0-	300,000
3	<b>016. City of Pikeville - Storm Water Sewer Separation</b>			
4	Restricted Funds	-0-	-0-	100,000
5	<b>017. Mountain Water District - 2nd Magisterial District - Various Projects</b>			
6	Restricted Funds	-0-	-0-	500,000
7	<b>018. Mountain Water District - Belfry Sewer Project</b>			
8	Restricted Funds	-0-	-0-	308,846
9	<b>019. Mountain Water District - Jonican Water Project</b>			
10	Restricted Funds	-0-	808,846	-0-
11	<b>020. Mountain Water District - Majestic-Knox Creek Sewer</b>			
12	Restricted Funds	-0-	-0-	800,000
13	<b>021. Mountain Water District - Phelps Wastewater - Upgrades</b>			
14	Restricted Funds	-0-	1,500,000	-0-
15	<b>022. Mountain Water District - Tank and Pump Station Maintenance and Rehab</b>			
16	Restricted Funds	-0-	-0-	1,500,000
17	<b>023. Mountain Water District - Water System Maintenance and Rehab</b>			
18	Restricted Funds	-0-	200,000	300,000
19	<b>024. Pike County Board of Education - Kimper Facility - Project Completion</b>			
20	Restricted Funds	-0-	100,000	100,000
21	<b>025. Pike County Board of Education - McCoy Center - Structural Repairs and</b>			
22	Equipment			
23	Restricted Funds	-0-	75,000	75,000
24	<b>026. Pike County Board of Education - New Phelps Elementary School -</b>			
25	Equipment			
26	Restricted Funds	-0-	-0-	50,000
27	<b>027. Pike County Fiscal Court - Belfry Fire Department Station at South</b>			

1	Williamson - Project Completion			
2	Restricted Funds	-0-	100,000	-0-
3	<b>028.</b> Pike County Fiscal Court - Big Creek Fire Department - New Facility			
4	Construction and Acquisition			
5	Restricted Funds	-0-	200,000	-0-
6	<b>029.</b> Pike County Fiscal Court - Blackberry Community Center - Improvements			
7	Restricted Funds	-0-	50,000	-0-
8	<b>030.</b> Pike County Fiscal Court - Breaks Interstate Park - Water Park Project			
9	Restricted Funds	-0-	500,000	-0-
10	<b>031.</b> Pike County Fiscal Court - Detention Center Surveillance System - Purchase			
11	Equipment - Vehicles			
12	Restricted Funds	-0-	75,000	75,000
13	<b>032.</b> Pike County Fiscal Court - Dorton Fire Department - Equipment, Repairs, and			
14	Maintenance			
15	Restricted Funds	-0-	100,000	50,000
16	<b>033.</b> Pike County Fiscal Court - Elkhorn City Senior Citizens Center - Purchase			
17	Handicap Van			
18	Restricted Funds	-0-	-0-	50,000
19	<b>034.</b> Pike County Fiscal Court - Emergency Management - Equipment			
20	Restricted Funds	-0-	75,000	75,000
21	<b>035.</b> Pike County Fiscal Court - Emergency Management - Train and Equip Urban			
22	Search and Rescue Team (USAR)			
23	Restricted Funds	-0-	100,000	100,000
24	<b>036.</b> Pike County Fiscal Court - Family Resource and Youth Service Centers - To			
25	Be Allocated Among Centers Based Upon The Number of Students in the			
26	Children's Incorporated Being Served			
27	Restricted Funds	-0-	100,000	100,000

1	<b>037.</b> Pike County Fiscal Court - Feds Creek Fire Department - Equipment			
2	Restricted Funds	-0-	-0-	50,000
3	<b>038.</b> Pike County Fiscal Court - Grapevine Fire Department - Equipment			
4	Restricted Funds	-0-	50,000	-0-
5	<b>039.</b> Pike County Fiscal Court - Hatfield Fire Department - Equipment			
6	Restricted Funds	-0-	-0-	50,000
7	<b>040.</b> Pike County Fiscal Court - Hurricane Creek Fire Department - Equipment			
8	Restricted Funds	-0-	50,000	-0-
9	<b>041.</b> Pike County Fiscal Court - Joe's Creek Community Center			
10	Restricted Funds	-0-	10,000	-0-
11	<b>042.</b> Pike County Fiscal Court - John's Creek Fire Department			
12	Restricted Funds	-0-	50,000	-0-
13	<b>043.</b> Pike County Fiscal Court - Kimper Intergenerational Center - Completion			
14	Restricted Funds	-0-	100,000	-0-
15	<b>044.</b> Pike County Fiscal Court - KY HOPE Building - Equipment			
16	Restricted Funds	-0-	125,000	50,000
17	<b>045.</b> Pike County Fiscal Court - Long Fork Community Center - Repairs -			
18	Maintenance			
19	Restricted Funds	-0-	25,000	25,000
20	<b>046.</b> Pike County Fiscal Court - Long Fork Fire Department - Equipment			
21	Restricted Funds	-0-	100,000	-0-
22	<b>047.</b> Pike County Fiscal Court - Lookout Fire Department - Equipment			
23	Restricted Funds	-0-	50,000	-0-
24	<b>048.</b> Pike County Fiscal Court - Marrowbone Fire Department - Equipment			
25	Restricted Funds	-0-	50,000	-0-
26	<b>049.</b> Pike County Fiscal Court - Marrowbone Senior Citizens Center - Purchase			
27	Handicap Van			

1	Restricted Funds	-0-	-0-	50,000
2	<b>050.</b> Pike County Fiscal Court - Millard Fire Department - Equipment - Repairs -			
3	Renovation			
4	Restricted Funds	-0-	-0-	50,000
5	<b>051.</b> Pike County Fiscal Court - Mountain Pub Links			
6	Restricted Funds	-0-	250,000	-0-
7	<b>052.</b> Pike County Fiscal Court - Mouthcard Community Center - Project			
8	Completion			
9	Restricted Funds	-0-	-0-	50,000
10	<b>053.</b> Pike County Fiscal Court - Phelps Fire Department - Purchase Truck			
11	Restricted Funds	-0-	-0-	200,000
12	<b>054.</b> Pike County Fiscal Court - Phelps Senior Citizens Center - Purchase			
13	Handicap Van			
14	Restricted Funds	-0-	-0-	50,000
15	<b>055.</b> Pike County Fiscal Court - Pike County Hope			
16	Restricted Funds	-0-	50,000	50,000
17	<b>056.</b> Pike County Fiscal Court - Pike County Senior Citizens Centers			
18	Restricted Funds	-0-	100,000	100,000
19	<b>057.</b> Pike County Fiscal Court - Pikeville Senior Citizens - Purchase Handicap Van			
20	Restricted Funds	-0-	-0-	50,000
21	<b>058.</b> Pike County Fiscal Court - Pride			
22	Restricted Funds	-0-	5,000	10,000
23	<b>059.</b> Pike County Fiscal Court - Shelby Creek Rescue Squad			
24	Restricted Funds	-0-	70,000	-0-
25	<b>060.</b> Pike County Fiscal Court - Shelby Valley Fire Department - Equipment			
26	Restricted Funds	-0-	-0-	100,000
27	<b>061.</b> Pike County Fiscal Court - Shelby Valley Senior Citizens - Building Repairs			

1	Restricted Funds	-0-	25,000	25,000
2	<b>062. Pike County Fiscal Court - Sheriff's Department - Purchase Dive Rescue</b>			
3	Equipment			
4	Restricted Funds	-0-	25,000	25,000
5	<b>063. Pike County Fiscal Court - Sheriff's Department - Purchase Vehicles and</b>			
6	Equipment			
7	Restricted Funds	-0-	75,000	75,000
8	<b>064. Pike County Fiscal Court - Stone Heritage Inc.</b>			
9	Restricted Funds	-0-	-0-	50,000
10	<b>065. Pike County Fiscal Court - Sycamore Fire Department - Equipment</b>			
11	Restricted Funds	-0-	50,000	-0-
12	<b>066. Pike County Fiscal Court - Unite Pike</b>			
13	Restricted Funds	-0-	50,000	50,000
14	<b>067. Pike County Fiscal Court - Upper Pond Creek Fire Department - Equipment</b>			
15	Restricted Funds	-0-	50,000	-0-
16	<b>068. Pike County Fiscal Court - Vehicle Acquisition</b>			
17	Restricted Funds	-0-	-0-	100,000
18	<b>069. Pike County Health Department - Colon Cancer Screening Program</b>			
19	Restricted Funds	-0-	35,000	35,000
20	<b>070. Pike County Health Department - Remote Area Medical Program (RAM)</b>			
21	Restricted Funds	-0-	25,000	25,000
22	<b>Pulaski County</b>			
23	<b>001. City of Burnside - Police Department - Equipment</b>			
24	Restricted Funds	-0-	10,000	-0-
25	<b>002. City of Somerset - Rocky Hollow Community Park</b>			
26	Restricted Funds	-0-	15,000	-0-
27	<b>003. Pulaski County Fiscal Court - City of Burnside - Community Park</b>			

1	Restricted Funds	-0-	10,000	-0-
2	<b>004. Pulaski County Fiscal Court - Colo Community Park</b>			
3	Restricted Funds	-0-	10,000	-0-
4	<b>005. Pulaski County Fiscal Court - Eubank Community Park</b>			
5	Restricted Funds	-0-	15,000	-0-
6	<b>006. Pulaski County Fiscal Court - Fire Brook Community Park</b>			
7	Restricted Funds	-0-	10,000	-0-
8	<b>007. Pulaski County Fiscal Court - Furgeson Community Park</b>			
9	Restricted Funds	-0-	10,000	-0-
10	<b>008. Pulaski County Fiscal Court - Pulaski County Park</b>			
11	Restricted Funds	-0-	12,075	-0-
12	<b>009. Pulaski County Fiscal Court - Pulaski County Senior Citizen Center</b>			
13	Restricted Funds	141,030	-0-	111,110
14	<b>010. Pulaski County Fiscal Court - Science Hill Community Park</b>			
15	Restricted Funds	-0-	10,000	-0-
16	<b>011. Pulaski County Fiscal Court - Shopville Community Park</b>			
17	Restricted Funds	-0-	10,000	-0-
18	<b>012. Pulaski County Fiscal Court - Woodstock Community Park</b>			
19	Restricted Funds	-0-	36,030	40,000
20	<b>Union County</b>			
21	<b>001. City of Morganfield - Morganfield Water Tank Replacement</b>			
22	Restricted Funds	-0-	-0-	500,000
23	<b>002. City of Sturgis - Grangertown Area - Lift Station</b>			
24	Restricted Funds	-0-	163,000	-0-
25	<b>003. City of Sturgis - Sturgis Rest Home - Improvements - Renovations -</b>			
26	<b>Equipment</b>			
27	Restricted Funds	-0-	100,000	-0-



1	<b>004.</b> City of Uniontown - Uniontown Baseball Field - Lights - Field Improvements			
2	Restricted Funds	-0-	150,000	-0-
3	<b>005.</b> Union County Fiscal Court - Caseyville Boat Ramp Area Dock - Renovations			
4	- Equipment and Area Improvements			
5	Restricted Funds	-0-	25,000	-0-
6	<b>006.</b> Union County Fiscal Court - County Projects			
7	Restricted Funds	-0-	1,040,000	1,580,000
8	<b>007.</b> Union County Fiscal Court - Elkwood and Breckinridge Golf Courses -			
9	Divided Equally - Maintenance, Improvements, Equipment and Program			
10	Restricted Funds	-0-	200,000	-0-
11	<b>008.</b> Union County Fiscal Court - Henderson Community College - Coal Miner			
12	Training			
13	Restricted Funds	-0-	125,000	125,000
14	<b>009.</b> Union County Fiscal Court - Hites School Road			
15	Restricted Funds	-0-	375,000	-0-
16	<b>010.</b> Union County Fiscal Court - Levee Recertification			
17	Restricted Funds	250,000	-0-	-0-
18	<b>011.</b> Union County Fiscal Court - Multi County Energy Initiative			
19	Restricted Funds	-0-	10,000	-0-
20	<b>012.</b> Union County Fiscal Court - Sturgis Water System/UC Water District			
21	Consolidation			
22	Restricted Funds	-0-	750,000	-0-
23	<b>013.</b> Union County Fiscal Court - Water Way Improvements in and Around Union			
24	County			
25	Restricted Funds	-0-	75,000	-0-
26	<b>014.</b> Union County Fiscal Court - Waverly Sanitary Sewer Rehab			
27	Restricted Funds	-0-	400,000	-0-

1	<b>Webster County</b>			
2	<b>001. City of Clay - New Fire Department Building</b>			
3	Restricted Funds	-0-	150,000	-0-
4	<b>002. City of Clay - Sewer Line Repair - Engineering - Improvements - Expansion</b>			
5	Restricted Funds	-0-	-0-	125,000
6	<b>003. City of Clay - Veterans Memorial Park - Construction and Improvements</b>			
7	Restricted Funds	-0-	-0-	30,000
8	<b>004. City of Providence - Debt Service KIA Loan A90-01</b>			
9	Restricted Funds	-0-	198,000	-0-
10	<b>005. City of Providence - Debt Service KIA Loan A90-01.05</b>			
11	Restricted Funds	-0-	-0-	200,000
12	<b>006. City of Providence - Equipment - Purchase</b>			
13	Restricted Funds	-0-	202,000	-0-
14	<b>007. City of Providence - Sewer and Water - Improvements</b>			
15	Restricted Funds	-0-	-0-	150,000
16	<b>008. City of Sebree - Water Line Upgrades - Replacement - Repairs</b>			
17	Restricted Funds	-0-	250,000	500,000
18	<b>009. City of Slaughters - Equipment - Purchase</b>			
19	Restricted Funds	-0-	50,000	-0-
20	<b>010. City of Wheatcroft - Equipment</b>			
21	Restricted Funds	-0-	50,000	-0-
22	<b>011. Webster County Fiscal Court - County Projects</b>			
23	Restricted Funds	-0-	950,000	1,060,000
24	<b>012. Webster County Fiscal Court - County Road Improvments</b>			
25	Restricted Funds	-0-	250,000	250,000
26	<b>013. Webster County Fiscal Court - Equipment</b>			
27	Restricted Funds	-0-	250,000	250,000

1	<b>014. Webster County Fiscal Court - Multi-County Energy Initiative</b>			
2	Restricted Funds	-0-	-0-	10,000
3	<b>015. Webster County Fiscal Court - Providence Dispatch - Equipment Purchase</b>			
4	Restricted Funds	-0-	125,000	-0-
5	<b>Whitley County</b>			
6	<b>001. City of Corbin - Fire Department - Equipment</b>			
7	Restricted Funds	5,000	5,000	5,000
8	<b>002. City of Corbin - Library - Equipment</b>			
9	Restricted Funds	-0-	5,000	5,000
10	<b>003. City of Corbin - Parks and Recreation</b>			
11	Restricted Funds	-0-	5,000	5,000
12	<b>004. City of Corbin - Police Department - Equipment</b>			
13	Restricted Funds	5,000	5,000	20,000
14	<b>005. City of Williamsburg - Fire Department - Equipment</b>			
15	Restricted Funds	5,000	5,000	5,000
16	<b>006. City of Williamsburg - Parks and Recreation</b>			
17	Restricted Funds	-0-	5,000	5,000
18	<b>007. City of Williamsburg - Police Department - Equipment</b>			
19	Restricted Funds	5,000	5,000	5,000
20	<b>008. City of Williamsburg - Senior Citizens Center - Equipment</b>			
21	Restricted Funds	-0-	5,000	5,000
22	<b>009. City of Williamsburg - Sewer Bond Mitigation Project</b>			
23	Restricted Funds	-0-	30,000	30,000
24	<b>010. City of Williamsburg - Various Water and Sewer Projects</b>			
25	Restricted Funds	60,000	-0-	-0-
26	<b>011. Corbin Independent Board of Education - Equipment and Upgrades</b>			
27	Restricted Funds	-0-	20,000	20,000

1	<b>012.</b>	Corbin Independent Board of Education - Youth Centers - Supplies			
2		Restricted Funds	-0-	4,000	-0-
3	<b>013.</b>	Whitley County Board of Education - Equipment and Upgrades			
4		Restricted Funds	-0-	20,000	20,000
5	<b>014.</b>	Whitley County Board of Education - Youth Centers - Supplies			
6		Restricted Funds	-0-	18,000	-0-
7	<b>015.</b>	Whitley County Fiscal Court - Ambulance Service			
8		Restricted Funds	-0-	60,000	82,000
9	<b>016.</b>	Whitley County Fiscal Court - Animal Shelter - Supplies			
10		Restricted Funds	-0-	5,000	5,000
11	<b>017.</b>	Whitley County Fiscal Court - County Jail - Equipment			
12		Restricted Funds	5,000	5,000	5,000
13	<b>018.</b>	Whitley County Fiscal Court - Emlyn Fire Department - Equipment			
14		Restricted Funds	5,000	5,000	5,000
15	<b>019.</b>	Whitley County Fiscal Court - Goldbug Fire Department - Equipment			
16		Restricted Funds	5,000	5,000	5,000
17	<b>020.</b>	Whitley County Fiscal Court - Oak Grove Fire Department - Equipment			
18		Restricted Funds	5,000	5,000	5,000
19	<b>021.</b>	Whitley County Fiscal Court - Patterson Creek Fire Department - Equipment			
20		Restricted Funds	5,000	5,000	5,000
21	<b>022.</b>	Whitley County Fiscal Court - Pleasant View Fire Department - Equipment			
22		Restricted Funds	5,000	5,000	5,000
23	<b>023.</b>	Whitley County Fiscal Court - Rockhold Fire Department - Equipment			
24		Restricted Funds	5,000	5,000	5,000
25	<b>024.</b>	Whitley County Fiscal Court - South Whitley Fire Department - Equipment			
26		Restricted Funds	5,000	5,000	5,000
27	<b>025.</b>	Whitley County Fiscal Court - Whitley County Library - Equipment			

1	Restricted Funds	-0-	5,000	5,000
2	<b>026. Whitley County Fiscal Court - Whitley County Sheriff's Department -</b>			
3	Equipment			
4	Restricted Funds	5,000	5,000	5,000
5	<b>027. Williamsburg Independent Board of Education - Equipment and Upgrades</b>			
6	Restricted Funds	-0-	20,000	20,000
7	<b>028. Williamsburg Independent Board of Education - Youth Center - Supplies</b>			
8	Restricted Funds	-0-	2,000	-0-
9	<b>Wolfe County</b>			
10	<b>001. City of Campton - Barker Branch - Water Extension</b>			
11	Restricted Funds	-0-	50,000	-0-
12	<b>002. City of Campton - City Park - Improvements</b>			
13	Restricted Funds	-0-	2,500	-0-
14	<b>003. City of Campton - Mockinbird Lane - Road Improvements</b>			
15	Restricted Funds	-0-	10,000	-0-
16	<b>004. City of Campton - Water Improvements</b>			
17	Restricted Funds	-0-	-0-	25,000
18	<b>005. Wolfe County Board of Education - Red River Elementary - Equipment -</b>			
19	Facility Improvements			
20	Restricted Funds	-0-	50,000	50,000
21	<b>006. Wolfe County Board of Education - Rogers Elementary - Entrance</b>			
22	Reconstruction			
23	Restricted Funds	-0-	-0-	17,500
24	<b>007. Wolfe County Board of Education - Rogers Elementary - Playground</b>			
25	Equipment - Improvements			
26	Restricted Funds	-0-	7,500	-0-
27	<b>008. Wolfe County Fiscal Court - Adult Education - Equipment - Supplies</b>			

1	Restricted Funds	-0-	5,000	-0-
2	<b>009.</b> Wolfe County Fiscal Court - City of Campton Fire Department - Equipment			
3	Restricted Funds	-0-	10,000	10,000
4	<b>010.</b> Wolfe County Fiscal Court - County Garage - Improvements			
5	Restricted Funds	-0-	12,500	12,500
6	<b>011.</b> Wolfe County Fiscal Court - County Park - Improvements			
7	Restricted Funds	-0-	-0-	25,000
8	<b>012.</b> Wolfe County Fiscal Court - Hazel Green/Lee City Fire Department -			
9	Equipment - Improvements - Renovations			
10	Restricted Funds	-0-	48,000	48,000
11	<b>013.</b> Wolfe County Fiscal Court - Jailer's Office - Equipment			
12	Restricted Funds	-0-	-0-	7,500
13	<b>014.</b> Wolfe County Fiscal Court - Library - Equipment - Supplies			
14	Restricted Funds	-0-	5,000	-0-
15	<b>015.</b> Wolfe County Fiscal Court - Search and Rescue - Equipment - Supplies			
16	Restricted Funds	-0-	2,500	2,500
17	<b>016.</b> Wolfe County Fiscal Court - Senior Citizens Center - Buses - Equipment -			
18	Supplies			
19	Restricted Funds	-0-	15,000	-0-
20	<b>017.</b> Wolfe County Fiscal Court - Sheriff's Department - Equipment			
21	Restricted Funds	-0-	-0-	7,500
22	<b>018.</b> Wolfe County Fiscal Court - Swift Silver Mine Festival			
23	Restricted Funds	-0-	2,500	2,500

### PART III

#### GENERAL PROVISIONS

26 **1. Funds Designations:** Restricted Funds designated in the biennial budget bills  
 27 are classified in the state financial records and reports as the Agency Revenue Fund, State

1 Enterprise Funds (State Parks, State Fair Board, Insurance Administration, and Kentucky  
2 Horse Park), Internal Services Funds (Fleet Management, Computer Services,  
3 Correctional Industries, Central Printing, Risk Management, and Property Management),  
4 and selected Fiduciary Funds (Other Expendable Trust Funds). Separate funds records  
5 and reports shall be maintained in a manner consistent with the branch budget bills.

6 The sources of Restricted Funds appropriations in this Act shall include all fees  
7 (which includes fees for room and board, athletics, and student activities) and rentals,  
8 admittances, sales, bond proceeds, licenses collected by law, gifts, subventions,  
9 contributions, income from investments, and other miscellaneous receipts produced or  
10 received by a budget unit, except as otherwise specifically provided, for the purposes, use,  
11 and benefit of the budget unit as authorized by law. Restricted Funds receipts shall be  
12 credited and allotted to the respective fund or account out of which a specified  
13 appropriation is made in this Act. All receipts of Restricted Funds shall be deposited in  
14 the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42,  
15 45, and 48.

16 The sources of Federal Funds appropriations in this Act shall include federal  
17 subventions, grants, contracts, or other Federal Funds received, income from investments,  
18 other miscellaneous federal receipts received by a budget unit, and the Unemployment  
19 Compensation Fund, except as otherwise provided, for the purposes, use, and benefit of  
20 the budget unit as authorized by law. Federal Funds receipts shall be credited and allotted  
21 to the respective fund account out of which a specified appropriation is made in this Act.  
22 All Federal Funds receipts shall be deposited in the State Treasury and credited to the  
23 proper account as provided in KRS Chapters 12, 42, 45, and 48.

24 **2. Expenditure of Excess Restricted Funds or Federal Funds Receipts:** If  
25 receipts received or credited to the Restricted Funds accounts or Federal Funds accounts  
26 of a budget unit during fiscal year 2012-2013 or fiscal year 2013-2014, and any balance  
27 forwarded to the credit of these same accounts from the previous fiscal year, exceed the

1 appropriation made by specific sum for these accounts of the budget unit as provided in  
2 Part I, Operating Budget, of this Act, for the fiscal year in which the excess occurs, the  
3 excess funds in the accounts of the budget unit shall become available for expenditure for  
4 the purpose of the account during the fiscal year only upon compliance with the  
5 conditions and procedures specified in KRS 48.400, 48.500, 48.600, 48.605, 48.610,  
6 48.620, 48.630, 48.730, and 48.800 of this Act, and with the authorization of the State  
7 Budget Director and approval of the Secretary of the Finance and Administration Cabinet.

8 Prior to authorizing the appropriation of any excess, unbudgeted Restricted Funds  
9 pursuant to this section, the State Budget Director and the Secretary of the Finance and  
10 Administration Cabinet shall review the adequacy of the General Fund Surplus Account  
11 with respect to its availability to support authorized expenditures from the General Fund  
12 Surplus Account, known as Necessary Government Expenses. If General Fund Surplus  
13 Account moneys are determined by this review to be adequate to meet known or  
14 anticipated Necessary Government Expenses during fiscal year 2012-2013 or fiscal year  
15 2013-2014, respectively, then the appropriation increase may be approved. If the review  
16 indicates that there are insufficient funds available or reasonably estimated to become  
17 available to the General Fund Surplus Account to meet known or projected Necessary  
18 Government Expenses for the fiscal years enumerated above, the State Budget Director  
19 and the Secretary of the Finance and Administration Cabinet may disapprove the request  
20 for additional Restricted Funds expenditure authority and may direct the excess Restricted  
21 Funds identified to the General Fund Surplus Account in order to meet Necessary  
22 Government Expense obligations. The results of any review shall be reported to the  
23 Interim Joint Committee on Appropriations and Revenue in accordance with KRS  
24 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.730, and 48.800.

25 Any request made by a budget unit pursuant to KRS 48.630 that relates to  
26 Restricted Funds or Federal Funds shall include documentation showing a comparative  
27 statement of revised estimated receipts by fund source and the proposed expenditures by



1 proposed use, with the appropriated sums specified in the Budget of the Commonwealth,  
2 and statements which explain the cause, source, and use for any variances which may  
3 exist.

4 Each budget unit shall submit its reports in print and electronic format consistent  
5 with the Restricted Funds and Federal Funds records contained in the fiscal biennium  
6 2012-2014 Branch Budget Request Manual and according to the following schedule in  
7 each fiscal year: (a) On or before the beginning of each fiscal year; (b) On or before  
8 October 1; (c) On or before January 1; and (d) On or before April 1.

9 **3. Interim Appropriation Increases:** No appropriation from any fund source  
10 shall exceed the sum specified in this Act until the agency has documented the necessity,  
11 purpose, use, and source, and the documentation has been submitted to the Interim Joint  
12 Committee on Appropriations and Revenue for its review and action in accordance with  
13 KRS 48.630. Proposed revisions to an appropriation contained in the enacted Executive  
14 Budget or allotment of an unbudgeted appropriation shall conform to the conditions and  
15 procedures of KRS 48.630 and this Act.

16 Notwithstanding KRS 48.630(3), (4), and (5), any proposed and recommended  
17 actions to increase appropriations for funds specified in section 2. of this Part shall be  
18 scheduled consistent with the timetable contained in that section in order to provide  
19 continuous and timely budget information.

20 **4. Revision of Appropriation Allotments:** Allotments within appropriated  
21 sums for the activities and purposes contained in the enacted Executive Budget shall  
22 conform to KRS 48.610 and may be revised pursuant to KRS 48.605 and this Act.

23 **5. Appropriations Expenditure Purpose and Transfer Restrictions:** Funds  
24 appropriated in this Act shall not be expended for any purpose not specifically authorized  
25 by the General Assembly in this Act nor shall funds appropriated in this Act be  
26 transferred to or between any cabinet, department, board, commission, institution, agency,  
27 or budget unit of state government unless specifically authorized by the General

1 Assembly in this Act and the provisions of KRS 48.400, 48.500, 48.600, 48.605, 48.610,  
2 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810. Compliance  
3 with the provisions of this section shall be reviewed and determined by the Interim Joint  
4 Committee on Appropriations and Revenue.

5 **6. Permitted Appropriation Obligations:** No state agency, cabinet,  
6 department, office, or program shall incur any obligation against the General Fund or  
7 Road Fund appropriations contained in this Act unless the obligation may be reasonably  
8 determined to have been contemplated in the enacted budget and is based upon  
9 supporting documentation considered by the General Assembly and legislative and  
10 executive records.

11 **7. Lapse of General Fund or Road Fund Appropriations Supplanted by**  
12 **Federal Funds:** Any General Fund or Road Fund appropriation made in anticipation of a  
13 lack, loss, or reduction of Federal Funds shall lapse to the General Fund or Road Fund  
14 Surplus Account, respectively, to the extent the Federal Funds otherwise become  
15 available.

16 **8. Federally Funded Agencies:** A state agency entitled to Federal Funds, which  
17 would represent 100 percent of the cost of a program, shall conform to KRS 48.730.

18 **9. Lapse of Road Fund Excess Debt Service Appropriations:** Pursuant to  
19 KRS 48.720, excess Road Fund debt service shall lapse to the Road Fund surplus account  
20 unless otherwise directed in this Act.

21 **10. Statutes in Conflict:** All statutes and portions of statutes in conflict with any  
22 of the provisions of this Act, to the extent of the conflict, are suspended unless otherwise  
23 provided by this Act.

24 **11. Construction of Budget Provisions on Statutory Budget Administration**  
25 **Powers and Duties:** Nothing in this Act is to be construed as amending or altering the  
26 provisions of Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the  
27 duties and powers of the Secretary of the Finance and Administration Cabinet except as

1 otherwise provided in this Act.

2 **12. Interpretation of Appropriations:** All questions that arise in interpreting any  
3 appropriation in this Act as to the purpose or manner for which the appropriation may be  
4 expended shall be decided by the Secretary of the Finance and Administration Cabinet  
5 pursuant to KRS 48.500, and the decision of the Secretary of the Finance and  
6 Administration Cabinet shall be final and conclusive.

7 **13. Publication of the Budget of the Commonwealth:** The State Budget  
8 Director shall cause the Governor's Office for Policy and Management, within 60 days of  
9 adjournment of the 2012 Regular Session of the General Assembly, to publish a final  
10 enacted budget document, styled the Budget of the Commonwealth, based upon the  
11 Legislative Budget, Executive Budget, Transportation Cabinet Budget, and Judicial  
12 Budget as enacted by the 2012 Regular Session, as well as other Acts which contain  
13 appropriation provisions for the 2012-2014 fiscal biennium, and based upon supporting  
14 documentation and legislative records as considered by the 2012 Regular Session. This  
15 document shall include, for each agency and budget unit, a consolidated budget summary  
16 statement of available regular and continuing appropriated revenue by fund source,  
17 corresponding appropriation allocations by program or subprogram as appropriate, budget  
18 expenditures by principal budget class, and any other fiscal data and commentary  
19 considered necessary for budget execution by the Governor's Office for Policy and  
20 Management and oversight by the Interim Joint Committee on Appropriations and  
21 Revenue. The enacted Executive Budget and Transportation Cabinet Budget shall be  
22 revised or adjusted only upon approval by the Governor's Office for Policy and  
23 Management as provided in each Part of this Act and by KRS 48.400, 48.500, 48.600,  
24 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and  
25 48.810, and upon review and action by the Interim Joint Committee on Appropriations  
26 and Revenue.

27 **14. State Financial Condition:** Pursuant to KRS 48.400, the State Budget

1 Director shall monitor and report on the financial condition of the Commonwealth.

2       **15. Prorating Administrative Costs:** The Secretary of the Finance and  
3 Administration Cabinet is authorized to establish a system or formula or a combination of  
4 both for prorating the administrative costs of the Finance and Administration Cabinet, the  
5 Department of the Treasury, and the Office of the Attorney General relative to the  
6 administration of programs in which there is joint participation by the state and federal  
7 governments for the purpose of receiving the maximum amount of participation permitted  
8 under the appropriate federal laws and regulations governing the programs. The receipts  
9 and allotments under this section shall be reported to the Interim Joint Committee on  
10 Appropriations and Revenue prior to any transfer of funds.

11       **16. Construction of Budget Provisions Regarding Executive Reorganization**  
12 **Orders:** Nothing in this Act shall be construed to confirm or ratify, under KRS 12.027 or  
13 12.028, any executive reorganization order unless the executive order was confirmed or  
14 ratified by appropriate amendment to the Kentucky Revised Statutes in another Act of the  
15 2012 Regular Session of the General Assembly. If any executive reorganization order  
16 issued from the sine die adjournment of the 2011 Regular Session to the sine die  
17 adjournment of the 2012 Regular Session was not confirmed by the 2012 Regular Session  
18 of the General Assembly, the Secretary of the Finance and Administration Cabinet shall,  
19 in consultation with agency heads and with notification to the Legislative Research  
20 Commission, transfer the balance of funds for any affected program or function for fiscal  
21 year 2011-2012 and any related appropriations and funds for each of the next two fiscal  
22 years from the budget unit in which the program or function was placed by the executive  
23 reorganization order to the budget unit in which the program or function resided prior to  
24 the reorganization action or in which it was placed by action of the 2012 Regular Session  
25 of the General Assembly.

26       **17. Budget Planning Report:** By August 15, 2013, the State Budget Director, in  
27 conjunction with the Consensus Forecasting Group, shall provide to each branch of

1 government, pursuant to KRS 48.120, a budget planning report.

2 **18. Tax Expenditure Revenue Loss Estimates:** By November 30, 2013, the  
3 Office of State Budget Director shall provide to each branch of government detailed  
4 estimates for the General Fund and Road Fund for the current and next two fiscal years of  
5 the revenue loss affected by tax expenditures. The Department of Revenue shall provide  
6 assistance and furnish data which is not restricted by KRS 131.190. "Tax expenditure" as  
7 used in this section means an exemption, exclusion, or deduction from the base of a tax, a  
8 credit against the tax, a deferral of a tax, or a preferential tax rate. The estimates shall  
9 include for each tax expenditure the amount of revenue loss, a citation of the legal  
10 authority for the tax expenditure, the year in which it was enacted, and the tax year in  
11 which it became effective.

12 **19. Duplicate Appropriations:** Any appropriation item and sum in Parts I to X of  
13 this Act and in an appropriation provision in any Act of the 2012 Regular Session which  
14 constitutes a duplicate appropriation shall be governed by KRS 48.312.

15 **20. Priority of Individual Appropriations:** KRS 48.313 shall control when a  
16 total or subtotal figure in this Act conflicts with the sum of the appropriations of which it  
17 consists.

18 **21. Severability of Budget Provisions:** Appropriation items and sums in Parts I  
19 to X of this Act shall conform to KRS 48.311. If any section, any subsection, or any  
20 provision is found by a court of competent jurisdiction in a final, unappealable order to be  
21 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the  
22 remaining sections, subsections, or provisions.

23 **22. Unclaimed Lottery Prize Money:** For fiscal year 2012-2013 and fiscal year  
24 2013-2014, all unclaimed lottery prize money under KRS 154A.110(3) shall be credited  
25 to the Kentucky Educational Excellence Scholarship Reserve Account to be held as a  
26 subsidiary account within the Finance and Administration Cabinet for the purpose of  
27 funding the KEES Program as appropriated in this Act. If the Kentucky Higher Education

1 Assistance Authority certifies to the State Budget Director that the appropriations in this  
 2 Act for the KEES Program under the existing award schedule are insufficient to meet  
 3 funds required for eligible applicants, then the State Budget Director shall provide the  
 4 necessary allotment of funds in the balance of the KEES Reserve Account to fund the  
 5 KEES Program. Actions taken under this section shall be reported to the Interim Joint  
 6 Committee on Appropriations and Revenue on a timely basis.

7 **23. Workers' Compensation:** Notwithstanding KRS 342.340(1) or any other  
 8 provision of law, public sector self-insured employers are not required to deposit funds as  
 9 security, indemnity, or bond to secure the payment of compensation liabilities, provided  
 10 that each public sector employer has the authority to impose taxes or raise tuition in an  
 11 amount sufficient to recoup payments of compensation liabilities as they are incurred.  
 12 Notwithstanding KRS 342.340(1) and 803 KAR 25:021, Section 5, the Personnel Cabinet  
 13 shall be exempt from procuring excess risk insurance in fiscal year 2012-2013 and fiscal  
 14 year 2013-2014 for the Workers' Compensation Benefits and Reserve program  
 15 administered by the Cabinet.

16 **24. Carry Forward and Transfer of Undesignated Funds:** Notwithstanding  
 17 KRS 48.700 and 48.705 and other Parts of this Act, the Secretary of the Finance and  
 18 Administration Cabinet shall determine and certify, within 30 days of the close of fiscal  
 19 year 2011-2012 and fiscal year 2012-2013, the actual amount of undesignated balance of  
 20 the General Fund and the Road Fund for the year just ended. The amounts from the  
 21 undesignated fiscal year 2011-2012 and fiscal year 2012-2013 General Fund and Road  
 22 Fund balances that are designated and carried forward for budgeted purposes in the 2012-  
 23 2014 fiscal biennium shall be determined by the State Budget Director during the close of  
 24 the respective fiscal year and shall be reported to the Interim Joint Committee on  
 25 Appropriations and Revenue within 30 days of the close of the fiscal year. [~~Within 30~~  
 26 ~~days of the close of fiscal year 2011-2012, an amount equal to the General Fund receipts~~  
 27 ~~for fiscal year 2011-2012 in excess of \$9,007,700,000, net of the necessary statutory~~

1 ~~adjustment for severance taxes, shall be transferred to the Budget Reserve Trust Fund.~~  
 2 ~~Within 30 days of the close of fiscal year 2012-2013, an amount equal to the General~~  
 3 ~~Fund receipts for fiscal year 2012-2013 in excess of \$9,307,839,000, net of the necessary~~  
 4 ~~statutory adjustment for severance taxes, shall be transferred to the Budget Reserve Trust~~  
 5 ~~Fund. On June 30, 2014, the Secretary of the Finance and Administration Cabinet shall~~  
 6 ~~estimate the General Fund receipts for fiscal year 2013-2014, and an amount equal to the~~  
 7 ~~estimated fiscal year 2013-2014 General Fund receipts in excess of \$9,523,918,000, net~~  
 8 ~~of the necessary adjustment for severance taxes, shall be transferred to the Budget~~  
 9 ~~Reserve Trust Fund. All amounts transferred to the Budget Reserve Trust Fund under this~~  
 10 ~~subsection shall be reported to the Interim Joint Committee on Appropriations and~~  
 11 ~~Revenue within 30 days of the date of the transfer.] Any General Fund undesignated~~  
 12 ~~balance in excess of the amount designated for budgeted purposes[ and the amount~~  
 13 ~~transferred to the Budget Reserve Trust Fund] under this section shall be made available~~  
 14 ~~for the General Fund Surplus Expenditure Plan contained in Part VII of this Act unless~~  
 15 ~~otherwise provided in this Act. The Road Fund undesignated balance in excess of the~~  
 16 ~~amount designated for budgeted purposes under this section shall be made available for~~  
 17 ~~the Road Fund Surplus Expenditure Plan contained in Part IX of this Act unless~~  
 18 ~~otherwise provided in this Act.~~

19       **25. Civil War Reenactors:** Notwithstanding KRS 38.440, Civil War reenactors  
 20 may associate, drill, and parade with firearms and/or swords without permission from the  
 21 Governor before, during, and after Civil War reenactments and events.

22       **26. Budget Implementation:** The General Assembly directs that the Executive  
 23 Branch shall carry out all appropriations and budgetary language provisions as contained  
 24 in the State/Executive Budget. The Legislative Research Commission shall review  
 25 quarterly expenditure data to determine if an agency is out of compliance with this  
 26 directive. If the Legislative Research Commission suspects that any entity has acted in  
 27 non-conformity with this section, the Legislative Research Commission may order an

1 audit or review at the agency's expense. Such audit findings, reviews, and reports shall be  
2 subject to the Kentucky Open Records law.

3 **27. Information Technology:** All authorized computer information technology  
4 projects shall submit a semiannual progress report to the Interim Joint Committee on  
5 Appropriations and Revenue. The reporting process shall begin six months after the  
6 project is authorized and shall continue through completion of the project. The initial  
7 report shall establish a timeline for completion and cash disbursement schedule. Each  
8 subsequent report shall update the timeline and budgetary status of the project and explain  
9 in detail any issues with completion date and funding.

10 **28. Equipment Service Contracts and Energy Efficiency Measures:** The  
11 General Assembly mandates that the Finance and Administration Cabinet review all  
12 equipment service contracts to maximize savings to the Commonwealth to strictly adhere  
13 to the provisions of KRS 56.722, 56.782, and 56.784 in maximizing the use of energy  
14 efficiency measures.

15 **29. Kentucky Wine and Vine Fest:** The Kentucky Wine and Vine Fest of  
16 Nicholasville, Kentucky, is named and designated as the official state wine festival.

17 ~~[30. Unexpended Debt Service: Notwithstanding KRS 48.720, any General Fund~~  
18 ~~moneys appropriated for debt service in fiscal years 2012-2013 and 2013-2014 that are~~  
19 ~~not expended specifically for debt service shall be transferred to the Budget Reserve Trust~~  
20 ~~Fund Account (KRS 48.705).]~~

21 **31. Debt Restructuring:** Notwithstanding any other provision of the Kentucky  
22 Revised Statutes, no General Fund or Road Fund debt restructuring transactions shall be  
23 undertaken during the 2012-2014 fiscal biennium.

24 ~~[32. Executive Branch Budget Recommendation: The Executive Branch budget~~  
25 ~~recommendation submitted pursuant to KRS 48.110(6) for the 2014-2016 fiscal biennium~~  
26 ~~shall contain, for all budget units not including the budget units within the Transportation~~  
27 ~~Cabinet, total Road Fund appropriations not exceeding 6.25 percent of the official~~



1 ~~revenue estimate made by the Consensus Forecasting Group for the Road Fund for each~~  
 2 ~~fiscal year, or \$96,000,000, in each year, whichever is the lesser amount. All other Road~~  
 3 ~~Fund appropriations shall be contained in the Transportation Cabinet budget~~  
 4 ~~recommendation submitted pursuant to KRS 48.110(6)(f).]~~

5       **33. Funds to Carry Forward:** Funds made available by the repayment of the  
 6 internal loan in the amount of \$18,389,500, which was used to pay interest on the  
 7 outstanding loan from the Federal Unemployment Account, shall carry forward as an  
 8 undesignated balance from fiscal year 2011-2012 and shall be made available for  
 9 appropriation in fiscal year 2012-2013.

10       **34. General Fund Expenditure Reductions:** The Governor shall reduce General  
 11 Fund expenditures appropriated in this Act~~[by \$40,000,000]~~ in each fiscal year. This  
 12 reduction shall be achieved in part but not limited to the following measures: a review of  
 13 state contracts, including master agreements and personal services contracts, a  
 14 coordination of information technology to include procurement and implementation  
 15 practices, a review of improved management and utilization of fleet vehicles, the  
 16 identification and sale of surplus assets including real property, and a review of leased  
 17 space. The State Budget Director with the recommendation from the Secretary of the  
 18 Finance and Administration Cabinet shall utilize the information from these reviews and  
 19 associated actions to determine the amount of General Fund expenditure reductions per  
 20 year that can be obtained from each budget unit of the Executive Branch. The State  
 21 Budget Director is authorized to withhold General Fund allotments associated with the  
 22 determined General Fund expenditure reductions. The State Budget Director shall provide  
 23 a quarterly report to the Interim Joint Committee on Appropriations and Revenue  
 24 outlining the actions taken or planned pursuant to this section. Notwithstanding any  
 25 statute or administrative regulation to the contrary, Restricted Funds savings may be  
 26 transferred to the General Fund.

27       **35. Lottery Dividends:** KRS 154A.130(1) establishes the intent of the General

1 Assembly that it shall be the goal of the Kentucky Lottery Corporation to transfer each  
 2 year 35 percent of gross revenues to the General Fund. In fiscal year 2012-2013 the  
 3 Kentucky Lottery Corporation shall remit no less than \$214,000,000 of gross revenues to  
 4 the General Fund. In fiscal year 2013-2014, the Kentucky Lottery Corporation shall remit  
 5 no less than \$218,000,000 of gross revenues to the General Fund.

6 **36. Debt Service Template Interest Rates:** Appropriated amounts for debt  
 7 service for new debt and currently authorized but unissued debt assume a five and one-  
 8 half percent tax-exempt interest rate and a six and one-half percent taxable interest rate  
 9 for 20 years and a four and three-quarters percent tax-exempt interest rate and a six  
 10 percent taxable interest rate for ten years. This language provision shall not apply in cases  
 11 in which the debt service amount for a project is not calculated using the template  
 12 provided by the Finance and Administration Cabinet's Office of Financial Management or  
 13 the debt service amount is based on specific terms or interest rates.

14 **37. Appropriation of Budget Reserve Trust Fund:** Pursuant to KRS 48.705,  
 15 \$49,029,200 in fiscal year 2013-2014 from the Budget Reserve Trust Fund is available to  
 16 be appropriated by the General Assembly in this Act.

17 **38. Transfer of Restricted Funds:** Notwithstanding any statute or administrative  
 18 regulation to the contrary, Restricted Funds in the amount of \$3,500,000 in fiscal year  
 19 2011-2012 shall be transferred to the General Fund.

#### 20 PART IV

#### 21 STATE SALARY/COMPENSATION, BENEFIT, AND EMPLOYMENT POLICY

22 **1. Authorized Personnel Complement:** On July 1, 2012, the Personnel Cabinet  
 23 and the Office of State Budget Director shall establish a record for each budget unit of  
 24 authorized permanent full-time and other positions based upon the enacted Executive  
 25 Budget of the Commonwealth and any adjustments authorized by provisions in this Act.  
 26 The total number of filled permanent full-time and all other positions shall not exceed the  
 27 authorized complements pursuant to this section. An agency head may request an increase

1 in the number of authorized positions to the State Budget Director. Upon approval, the  
2 Secretary of the Personnel Cabinet may authorize the employment of individuals in  
3 addition to the authorized complement. A report of the actions authorized in this section  
4 shall be provided to the Interim Joint Committee on Appropriations and Revenue on a  
5 monthly basis.

6 **2. Salary Adjustments:** Notwithstanding KRS 18A.355, no increment is  
7 provided in either fiscal year on the base salary or wages of each eligible state employee  
8 on their anniversary date.

9 Notwithstanding KRS 151B.035(12), no increment is provided in both fiscal years  
10 2012-2013 and 2013-2014 for certified and equivalent employees of the Office of Career  
11 and Technical Education. Notwithstanding KRS 151B.035(6)(e), for both fiscal years  
12 2012-2013 and 2013-2014, there shall be no increase to the salary schedule for certified  
13 and equivalent employees.

14 **3. Monthly Per Employee Health Insurance Benefits Assessment:** The  
15 Personnel Cabinet shall collect a benefits assessment per month per employee eligible for  
16 health insurance coverage in the state group for duly authorized use by the Personnel  
17 Cabinet in administering its statutory and administrative responsibilities, including but  
18 not limited to administration of the Commonwealth's health insurance program.

19 **4. Employee Cross-Reference:** The Personnel Cabinet may permit married  
20 couples who are both eligible to participate in the state health insurance plan to be  
21 covered under one family health benefit plan.

22 **5. Salary and Compensation Fund Distribution:** The State Budget Director  
23 shall determine the amount of funds from the appropriation in Part I, J., 4., of this Act  
24 that is necessary for each budget unit to pay the General Fund portion of the increased  
25 costs of health insurance. The State Salary and Compensation Fund shall be  
26 supplemented by Restricted Funds, Federal Funds, the Road Fund, and other General  
27 Fund amounts otherwise appropriated to state agencies. The amount of moneys

1 transferred from the State Salary and Compensation Fund to state agencies shall not  
 2 exceed the additional General Fund cost of increased health insurance. The State Budget  
 3 Director shall report distributions from the State Salary and Compensation Fund to the  
 4 Interim Joint Committee on Appropriations and Revenue.

5 **6. State Group Health Insurance Plan - Plan Year Closure:** Notwithstanding  
 6 KRS 18A.2254, plan years 2006, 2007, 2008, and 2009 shall be considered closed as of  
 7 December 31, 2011, and all balances from those plan years shall be transferred to Plan  
 8 Year 2010. All other income and expenses attributable to the closed plan years shall be  
 9 deposited in or charged to the Plan Year 2010 account after that date. Notwithstanding  
 10 KRS 18A.2254, ~~[no]~~ transfer of funds from Plan Year 2010 is authorized ~~[unless~~  
 11 ~~specifically directed by the General Assembly].~~ ~~[This section shall apply retroactively to~~  
 12 ~~December 31, 2011, and any action to the contrary shall be considered null and void.]~~

13 **7. Full-Time Positions:** Notwithstanding KRS 18A.005(18)(a), full-time  
 14 positions in the state parks, where the work assigned is dependent upon fluctuation in  
 15 tourism, may be assigned work hours from 25 hours per week and remain in full-time  
 16 positions.

17 **8. Employer Retirement Contribution Rates:** Notwithstanding KRS 61.565  
 18 and 61.702 the employer contribution rates for Kentucky Employees Retirement Systems  
 19 from July 1, 2012, through June 30, 2013, shall be 23.61 percent, consisting of 14.86  
 20 percent for pension and 8.75 percent for insurance for nonhazardous duty employees and  
 21 29.79 percent, consisting of 13.41 percent for pension and 16.38 percent for insurance for  
 22 hazardous duty employees; for the same period the employer contribution for employees  
 23 of the State Police Retirement System shall be 63.67 percent, consisting of 33.24 percent  
 24 for pension and 30.43 percent for insurance. Notwithstanding KRS 61.565 and 61.702 the  
 25 employer contribution rates for the Kentucky Employees Retirement Systems from July 1,  
 26 2013, through June 30, 2014, shall be 26.79 percent, consisting of 17.29 percent for  
 27 pension and 9.50 percent for insurance for nonhazardous duty employees and 32.21,

1 percent consisting of 14.89 percent for pension and 17.32 percent for insurance for  
 2 hazardous duty employees; for the same period the employer contribution rates for  
 3 employees of the State Police Retirement System shall be 71.15 percent, consisting of  
 4 39.50 percent for pension and 31.65 percent for insurance. The rates above apply to  
 5 wages and salaries earned for work performed during the described period regardless of  
 6 when the employee is paid for the time worked.

7 **9. Issuance of Paychecks to State Employees:** Notwithstanding 101 KAR  
 8 2:095, section 10, the state payroll that would normally be scheduled to be paid on June  
 9 30, 2013, and June 30, 2014, shall not be issued prior to July 1, 2013, and July 1, 2014.

10 **10. Retirement Allowance Increase:** Notwithstanding KRS 61.691(2), no  
 11 retirement allowance increase shall be granted to recipients of a retirement allowance  
 12 under KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852 on July 1, 2012, or  
 13 July 1, 2013.

14 **PART V**

15 **FUNDS TRANSFER**

16 The General Assembly finds that the financial condition of state government  
 17 requires the following action.

18 Notwithstanding the statutes or requirements of the Restricted Funds enumerated  
 19 below, there is transferred to the General Fund the following amounts in fiscal year 2012-  
 20 2013, and fiscal year 2013-2014:

21 2012-13 2013-14

22 **A. GENERAL GOVERNMENT**

23 **1. Department for Local Government**

24 Expendable Trust Fund 600,000 600,000  
 25 (KRS 42.4582)

26 **2. Local Government Economic Development Fund**

27 Multi-County Fund - Debt

1	Service	5,778,500	5,778,500
2	(KRS 42.4588)		
3	<b>3. Secretary of State</b>		
4	Agency Revenue Fund	1,000,000	1,000,000
5	<b>4. Architects</b>		
6	Agency Revenue Fund	100,000	100,000
7	<b>5. Chiropractic Examiners</b>		
8	Agency Revenue Fund	100,000	-0-
9	<b>6. Licensure for Professional Engineers and Land</b>		
10	<b>Surveyors</b>		
11	Agency Revenue Fund	500,000	500,000
12	(KRS 322.420)		
13	<b>7. Hairdressers and Cosmetologists</b>		
14	Agency Revenue Fund	500,000	500,000
15	(KRS 317A.080)		
16	<b>8. Medical Licensure</b>		
17	Agency Revenue Fund	500,000	500,000
18	(KRS 311.610)		
19	<b>9. Nursing</b>		
20	Agency Revenue Fund	500,000	500,000
21	(KRS 314.161)		
22	<b>10. Pharmacy</b>		
23	Agency Revenue Fund	100,000	100,000
24	(KRS 315.195)		
25	<b>11. Licensed Professional Counselors</b>		
26	Agency Revenue Fund	100,000	100,000
27	(KRS 335.520(2))		

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**B. ECONOMIC DEVELOPMENT CABINET**

**1. Financial Incentives**

Other Special Revenue Fund	450,000	435,000
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Balances remaining in the Special Revenue Fund accounts after all appropriations authorized in this bill shall lapse to the General Fund Surplus Account at the end of each fiscal year.

**C. ENERGY AND ENVIRONMENT CABINET**

**1. Secretary**

Kentucky Pride Trust Fund	2,006,300	2,006,300
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Pursuant to KRS 224.43-505(2)(a)3., these funds transfers to the General Fund support the General Fund debt service on the bonds sold as appropriated by 2003 Ky. Acts ch. 156, Part II, A., 3., c.

**2. Environmental Protection**

Insurance Administration Fund	13,500,000	13,500,000
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(KRS 224.60-130, 224.60-140, 224.60-145, and 224.60-150)

**D. FINANCE AND ADMINISTRATION CABINET**

**1. General Administration**

Fleet Management Fund	3,000,000	3,000,000
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**2. Controller**

Rural Development Trust Fund -

Investment Income	400,000	400,000
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(KRS 248.655)

**3. Controller**

Agency Revenue Fund	750,000	750,000
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**4. Commonwealth Office of Technology**

Computer Services Fund	3,000,000	3,000,000
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**5. Finance and Administration**

1	Capital Construction Investment		
2	Income	1,000,000	3,000,000

**E. HEALTH AND FAMILY SERVICES CABINET**

4	<b>1. General Administration and Program Support</b>		
5	Malt Beverage Education Fund	500,000	500,000

**F. JUSTICE AND PUBLIC SAFETY CABINET**

7	<b>1. Criminal Justice Training</b>		
8	Agency Revenue Fund	17,041,100	17,488,800
9	(KRS 15.430 and 136.392(2))		

**G. PERSONNEL CABINET**

11	<b>1. General Operations</b>		
12	Agency Revenue Fund	2,690,100	2,690,100
13	These fund transfers to the General Fund support General Fund debt service on		
14	bonds sold for the new Personnel/Payroll system.		

15	<b>2. General Operations</b>		
16	Other Special Revenue Fund	760,000	-0-
17	(KRS 18A.225(2)(g))		

18	<b>3. Workers' Compensation Benefits and Reserve</b>		
19	Agency Revenue Fund	4,300,000	-0-
20	(KRS 18A.375(3))		

**H. POSTSECONDARY EDUCATION**

22	<b>1. Kentucky Higher Education Assistance Authority</b>		
23	Other Special Revenue Fund	200,000	200,000
24	(KRS 164.7891(11))		

25	<b>2. Kentucky Community and Technical College</b>		
26	<b>System</b>		
27	Agency Revenue Fund	7,350,000	7,350,000



1 (KRS 95A.220, 95A.262, and 136.392(2))

2 **I. PUBLIC PROTECTION CABINET**

3 **1. Alcoholic Beverage Control**

4	Agency Revenue Fund	500,000	155,100
5	(KRS 243.025(3))		

6 **2. Financial Institutions**

7	Agency Revenue Fund	7,000,000	7,000,000
8	(KRS 286.01-485)		

9 **3. Horse Racing Commission**

10	Agency Revenue Fund	2,500,000	-0-
11	(KRS 230.240, 230.260, 230.300, and 230.310)		

12 **4. Insurance**

13	Agency Revenue Fund	15,000,000	15,000,000
14	(KRS 304.2-300(1) and (4), 304.2-400, and 304.2-440(4))		

15	TOTAL - FUNDS TRANSFER	91,726,000	86,153,800
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16 **PART VI**

17 **GENERAL FUND BUDGET REDUCTION PLAN**

18 Pursuant to KRS 48.130 and 48.600, a General Fund Budget Reduction Plan is  
 19 enacted for state government in the event of an actual or projected revenue shortfall in  
 20 estimated General Fund revenue receipts, excluding Tobacco Settlement – Phase I  
 21 receipts, of \$9,307,839,000 in fiscal year 2012-2013 and \$9,523,918,000 in fiscal year  
 22 2013-2014, as determined by KRS 48.120 and modified by related Acts and actions of the  
 23 General Assembly in an extraordinary or regular session. Direct services, obligations  
 24 essential to the minimum level of constitutional functions, and other items that may be  
 25 specified in this Act, are exempt from the requirements of this Plan. Each branch head  
 26 shall prepare a specific plan to address a proportionate share of the General Fund revenue  
 27 shortfall applicable to the respective branch. No budget revision action shall be taken by a

1 branch head in excess of the actual or projected revenue shortfall.

2 The Governor, the Chief Justice, and the Legislative Research Commission shall  
3 direct and implement reductions in allotments and appropriations only for their respective  
4 branch budget units as may be necessary, as well as take other measures which shall be  
5 consistent with the provisions of this Part and general branch budget bills.

6 Notwithstanding KRS 48.130(4)(a) and (b), in the event of a revenue shortfall of  
7 five percent or less, General Fund budget reduction actions shall be implemented in the  
8 following sequence:

9 (1) The Local Government Economic Assistance and the Local Government  
10 Economic Development Funds shall be adjusted by the Secretary of the Finance and  
11 Administration Cabinet to equal revised estimates of receipts pursuant to KRS 42.4582 as  
12 modified by the provisions of this Act;

13 (2) Transfers of excess unappropriated Restricted Funds, other than fiduciary  
14 funds, to the General Fund shall be applied as determined by the head of each branch for  
15 its respective budget units. No transfers to the General Fund shall be made from the  
16 following:

17 (a) Local Government Economic Assistance and Local Government Economic  
18 Development Funds;

19 (b) Unexpended debt service from the Tobacco-Settlement Phase I Funds in either  
20 fiscal year;

21 (c) Tobacco Unbudgeted Interest Income-Rural Development Trust Fund; and

22 (d) Multi-County Coal Severance Fund;

23 (3) Any unanticipated Phase I Master Settlement Agreement revenues in both  
24 fiscal years shall be appropriated according to KRS 248.654;

25 (4) Application of the unappropriated balance of the General Fund surplus shall  
26 be applied;

27 ~~[(5) Any language provision that expresses legislative intent regarding a specific~~

1 ~~appropriation shall not be reduced by a greater percentage than the reduction to the~~  
2 ~~General Fund appropriation for that budget unit;]~~

3 (6) Reduce General Fund appropriations in Executive Branch agencies' operating  
4 budget units by a sufficient amount to balance either fiscal year. No reductions of General  
5 Fund appropriations shall be made from the Local Government Economic Assistance  
6 Fund or the Local Government Economic Development Fund;

7 ~~[(7) Notwithstanding subsection (10) of this Part, no reductions shall be made to~~  
8 ~~the Constitutional Officers or their offices, Commonwealth's Attorneys or their offices, or~~  
9 ~~County Attorneys or their offices. The Governor may request their participation in a~~  
10 ~~budget reduction; however, the level of participation shall be at the discretion of the~~  
11 ~~Constitutional Officer, or the Prosecutors Advisory Council;]~~

12 (8) Excess General Fund appropriations which accrue as a result of personnel  
13 vacancies and turnover, and reduced requirements for operating expenses, grants, and  
14 capital outlay shall be determined and applied by the heads of the executive, judicial, and  
15 legislative departments of state government for their respective branches. The branch  
16 heads shall certify the available amounts which shall be applied to budget units within the  
17 respective branches and shall promptly transmit the certification to the Secretary of the  
18 Finance and Administration Cabinet and the Legislative Research Commission. The  
19 Secretary of the Finance and Administration Cabinet shall execute the certified actions as  
20 transmitted by the branch heads.

21 Branch heads shall take care, by their respective actions, to protect, preserve, and  
22 advance the fundamental health, safety, legal and social welfare, and educational well-  
23 being of the citizens of the Commonwealth;

24 (9) Funds available in the Budget Reserve Trust Fund shall be applied in an  
25 amount not to exceed 25 percent of the Trust Fund balance in fiscal year 2012-2013 and  
26 50 percent in fiscal year 2013-2014; and

27 (10) Pursuant to KRS 48.130 and 48.600, if the actions contained in subsections

1 (1) to (9) of this Part are insufficient to eliminate an actual or projected revenue shortfall  
 2 in the enacted General Fund revenue receipts, then the Governor is empowered and  
 3 directed to take necessary actions with respect to the Executive Branch budget units to  
 4 balance the budget by such actions conforming with the criteria expressed in this Part.

## 5 **PART VII**

### 6 **GENERAL FUND SURPLUS EXPENDITURE PLAN**

7 (1) Notwithstanding KRS 48.130(7), 48.140(3), 48.700, and 48.705, there is  
 8 established a plan for the expenditure of General Fund surplus moneys pursuant to a  
 9 General Fund Surplus Expenditure Plan contained in this Part for fiscal years 2012-2013  
 10 and 2013-2014. Pursuant to the enactment of the Surplus Expenditure Plan, General Fund  
 11 moneys made available for the General Fund Surplus Expenditure Plan pursuant to Part  
 12 III, General Provisions, Section 24, of this Act are appropriated to the following:

13 (a) Authorized expenditures without a sum-specific appropriation amount, known  
 14 as Necessary Government Expenses, including but not limited to Emergency Orders  
 15 formally declared by the Governor in an Executive Order; and

16 (b) Increased support to the Budget Reserve Trust Fund.

17 (2) The Secretary of the Finance and Administration Cabinet shall determine,  
 18 within 30 days after the close of the fiscal year 2011-2012, and the close of fiscal year  
 19 2012-2013, based on the official financial records of the Commonwealth, the amount of  
 20 actual General Fund undesignated fund balance for the General Fund Surplus Account  
 21 that may be available for expenditure pursuant to the Plan respectively in fiscal year  
 22 2012-2013 and fiscal year 2013-2014. The Secretary of the Finance and Administration  
 23 Cabinet shall certify the amount of actual General Fund undesignated fund balance  
 24 available for expenditure to the Legislative Research Commission.

## 25 **PART VIII**

### 26 **ROAD FUND BUDGET REDUCTION PLAN**

27 There is established a Road Fund Budget Reduction Plan for fiscal year 2012-2013

1 and fiscal year 2013-2014. Pursuant to KRS 48.130, in the event of an actual or projected  
 2 shortfall in estimated Road Fund revenue receipts of \$1,499,631,400 in fiscal year 2012-  
 3 2013 and \$1,568,159,300 in fiscal year 2013-2014 as determined by KRS 48.120 and  
 4 modified by related Acts and actions of the General Assembly in an extraordinary or  
 5 regular session, the Governor shall implement sufficient reductions as may be required to  
 6 protect the highest possible level of service.

## 7 PART IX

### 8 ROAD FUND SURPLUS EXPENDITURE PLAN

9 Notwithstanding KRS 48.110, 48.140, and 48.710, there is established a plan for the  
 10 expenditure of the Road Fund Surplus Account. All moneys in the Road Fund Surplus  
 11 Account shall be deposited in the State Construction Account and utilized to support  
 12 projects in the fiscal biennium 2012-2014 Biennial Highway Construction Program.

## 13 PART X

### 14 PHASE I TOBACCO SETTLEMENT

15 **(1) General Purpose:** This Part prescribes the policy implementing aspects of the  
 16 national settlement agreement between the tobacco industry and the collective states as  
 17 described in KRS 248.701 to 248.727. In furtherance of that agreement, the General  
 18 Assembly recognizes that the Commonwealth of Kentucky is a party to the Phase I  
 19 Master Settlement Agreement (MSA) between the Participating Tobacco Manufacturers  
 20 and 46 Settling States which provides reimbursement to states for smoking-related  
 21 expenditures made over time.

22 **(2) State's MSA Share:** The Commonwealth's share of the MSA is equal to  
 23 1.7611586 percent of the total settlement amount. Payments under the MSA are made to  
 24 the states annually in April of each year.

25 **(3) MSA Payment Amount Variables:** The total settlement amount to be  
 26 distributed each payment date is subject to change pursuant to several variables provided  
 27 in the MSA, including inflation adjustments, volume adjustments, previously settled

1 states adjustments, and the nonparticipating manufacturers adjustment.

2       **(4) Distinct Identity of MSA Payment Deposits:** The General Assembly has  
3 determined that it shall be the policy of the Commonwealth that all Phase I Tobacco  
4 Settlement payments shall be deposited to the credit of the General Fund and shall  
5 maintain a distinct identity as Phase I Tobacco Settlement payments that shall not lapse to  
6 the credit of the General Fund surplus but shall continue forward from each fiscal year to  
7 the next fiscal year to the extent that any balance is unexpended.

8       **(5) MSA Payment Estimates and Adjustments:** Based on the current estimates  
9 as reviewed by the Consensus Revenue Forecasting Group, the amount of MSA payments  
10 expected to be received in fiscal year 2012-2013 is \$92,100,000 and in fiscal year 2013-  
11 2014 is \$90,800,000. It is recognized that payments to be received by the Commonwealth  
12 are estimated and are subject to change. Any appropriations made from the estimated  
13 receipts are subject to adjustments based on actual receipts as received and certified by  
14 the Secretary of the Finance and Administration Cabinet.

15       **a. State Enforcement:** Notwithstanding KRS 248.654, a total of \$246,600 of  
16 the MSA payments received in fiscal year 2012-2013 and \$243,100 in fiscal year 2013-  
17 2014 is appropriated to the Finance and Administration Cabinet, Department of Revenue  
18 for the state's enforcement of noncompliant nonparticipating manufacturers.

19       **b. Agricultural Development Initiatives:** Fifty percent of the MSA payments,  
20 less the above enforcement appropriations, received in fiscal year 2012-2013, estimated  
21 to be \$45,926,700, and in fiscal year 2013-2014, estimated to be \$45,278,500, is  
22 appropriated to the Kentucky Agricultural Development Fund to be used for agricultural  
23 development initiatives.

24       **c. Early Childhood Development Initiatives:** Twenty-five percent of the MSA  
25 payments, less the above enforcement appropriations, received in fiscal year 2012-2013,  
26 estimated to be \$22,963,300, and in fiscal year 2013-2014, estimated to be \$22,639,200,  
27 is appropriated for Early Childhood Development Initiatives as specified below.



1 248.703(1)(a).

2 **2. ENERGY AND ENVIRONMENT CABINET**

3 <b>Budget Unit</b>	<b>2012-13</b>	<b>2013-14</b>
4 a. Natural Resources	3,000,000	2,500,000

5 **(1) Environmental Stewardship Program:** Included in the above General Fund  
6 (Tobacco) appropriation is \$3,000,000 in fiscal year 2012-2013 and \$2,500,000 in fiscal  
7 year 2013-2014 for the Environmental Stewardship Program.

8 **3. FINANCE AND ADMINISTRATION CABINET**

9 <b>Budget Unit</b>	<b>2012-13</b>	<b>2013-14</b>
10 a. Debt Service	28,320,300	30,692,700

11 **(1) Debt Service:** To the extent that revenues sufficient to support the required  
12 debt service appropriations are received from the Tobacco Settlement Program, those  
13 revenues shall be made available from those accounts to the appropriate account of the  
14 General Fund. All necessary debt service amounts shall be appropriated from the General  
15 Fund and shall be fully paid regardless of whether there is a sufficient amount available to  
16 be transferred from tobacco-supported funding program accounts to other accounts of the  
17 General Fund.

18 **(2) General Fund (Tobacco) Debt Service Lapse:** Notwithstanding Part X, (4),  
19 \$2,293,600 in fiscal year 2012-2013 and \$2,293,500 in fiscal year 2013-2014 shall lapse.

20 TOTAL - AGRICULTURAL APPROPRIATIONS	48,220,300	47,572,000
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21 **C. EARLY CHILDHOOD DEVELOPMENT**

22 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

23 **1. GENERAL GOVERNMENT**

24 <b>Budget Unit</b>	<b>2012-13</b>	<b>2013-14</b>
25 a. Office of the Governor	1,950,600	1,912,500

26 **(1) Early Childhood Advisory Council:** Included in the above General Fund  
27 (Tobacco) appropriation is \$1,950,600 in fiscal year 2012-2013 and \$1,912,500 in fiscal



1 year 2013-2014 for the Early Childhood Advisory Council.

2 **2. CABINET FOR HEALTH AND FAMILY SERVICES**

3 <b>Budget Units</b>	<b>2012-13</b>	<b>2013-14</b>
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4 a. Community Based Services	8,715,000	8,715,000
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5 **(1) Early Childhood Development Program:** Included in the above General  
6 Fund (Tobacco) appropriation is \$8,715,000 in each fiscal year for the Early Childhood  
7 Development Program.

8 b. Public Health	10,714,300	10,614,300
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9 **(1) HANDS Program, Healthy Start, Universal Children's Immunizations,**  
10 **Folic Acid Program, Early Childhood Mental Health, Early Childhood Oral Health,**  
11 **and Reach Out and Read:** Included in the above General Fund (Tobacco) appropriation  
12 is \$8,583,000 in each fiscal year for the Health Access Nurturing Development Services  
13 (HANDS) Program, \$700,000 in each fiscal year for Healthy Start initiatives, \$250,000 in  
14 each fiscal year for Universal Children's Immunizations, \$128,200 in each fiscal year for  
15 the Folic Acid Program, \$873,100 in each fiscal year for Early Childhood Mental Health,  
16 \$80,000 in each fiscal year for Early Childhood Oral Health, and \$100,000 in fiscal year  
17 2012-2013 for Reach Out and Read.

18 c. Behavioral Health, Developmental and Intellectual Disabilities		
19 Services	683,400	697,400

20 **(1) Substance Abuse Prevention and Treatment:** Included in the above General  
21 Fund (Tobacco) appropriation is \$683,400 in fiscal year 2012-2013 and \$697,400 in  
22 fiscal year 2013-2014 for substance abuse prevention and treatment.

23 d. Commission for Children with Special		
24 Health Care Needs	100,000	-0-

25 **(1) Universal Newborn Hearing Screening:** Included in the above General Fund  
26 (Tobacco) appropriation is \$100,000 in fiscal year 2012-2013 for the Universal Newborn  
27 Hearing Screening program.

1   **3.   POSTSECONDARY EDUCATION**

2 <b>Budget Unit</b>	2012-13	2013-14
3       a.   Kentucky Higher Education Assistance		
4            Authority	800,000	700,000
5 <b>(1)   Early Childhood Scholarships:</b> Included in the above General Fund		
6   (Tobacco) appropriation is \$800,000 in fiscal year 2012-2013 and \$700,000 in fiscal year		
7   2013-2014 for Early Childhood Scholarships.		
8 <b>TOTAL - EARLY CHILDHOOD APPROPRIATIONS</b>	22,963,300	22,639,200

9       **D.   HEALTH CARE IMPROVEMENT APPROPRIATIONS**10       **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

11       Notwithstanding KRS 304.17B-003(5), appropriations for health care improvement  
12   shall be as follows:

13       **1.   CABINET FOR HEALTH AND FAMILY SERVICES**

14 <b>Budget Unit</b>	2012-13	2013-14
15       a.   Public Health	2,123,900	2,093,900
16 <b>(1)   Smoking Cessation Program:</b> Included in the above General Fund (Tobacco)		
17   appropriation is \$2,123,900 in fiscal year 2012-2013 and \$2,093,900 in fiscal year 2013-		
18   2014 for the Smoking Cessation Program.		

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

20 <b>Budget Unit</b>	2012-13	2013-14
21       a.   Justice Administration	1,724,500	1,700,200
22 <b>(1)   Office of Drug Control Policy:</b> Included in the above General Fund		
23   (Tobacco) appropriation is \$1,724,500 in fiscal year 2012-2013 and \$1,700,200 in fiscal		
24   year 2013-2014 for the Office of Drug Control Policy.		

25       **3.   PUBLIC PROTECTION CABINET**

26 <b>Budget Unit</b>	2012-13	2013-14
27       a.   Insurance	14,867,200	14,657,300



1	Bond Funds	-0-	129,910,000	52,950,000
2	Agency Bonds	16,500,000	27,000,000	-0-
3	Capital Construction Surplus	-0-	277,000	277,000
4	Investment Income	-0-	6,081,000	4,510,000
5	Other Funds	-0-	941,921,000	59,175,000
6	Statewide Deferred Maintenance Fund	-0-	247,000	-0-
7	SUBTOTAL	52,255,000	4,806,693,000	248,683,000

8                                   **TOTAL - STATE/EXECUTIVE BUDGET**

9		<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
10	General Fund (Tobacco)	-0-	94,393,600	93,093,500
11	General Fund	10,433,000	9,106,122,100	9,404,539,900
12	Restricted Funds	1,342,300	10,107,534,100	6,897,583,500
13	Federal Funds	34,462,900	9,711,372,900	9,753,716,400
14	Road Fund	395,400	93,746,300	96,168,600
15	Bond Funds	-0-	129,910,000	52,950,000
16	Agency Bonds	16,500,000	27,000,000	-0-
17	Capital Construction Surplus	-0-	277,000	277,000
18	Investment Income	-0-	6,081,000	4,510,000
19	Other Funds	-0-	941,921,000	59,175,000
20	Statewide Deferred Maintenance Fund	-0-	247,000	-0-
21	TOTAL FUNDS	63,133,600	30,218,605,000	26,362,013,900

22                                   **PART XII**

23                                   **INSURANCE COVERAGE, AFFORDABILITY AND RELIEF TO SMALL**

24                                   **EMPLOYERS (ICARE) PROGRAM**

25                   **Section 1.** As used in Sections 1 to 8 of this Part, unless the context requires  
26 otherwise:

27                   (1) "Consumer-driven health plan" means a health benefit plan, including a high

1 deductible health plan as defined in 26 U.S.C. sec. 223(c)(2)(A), or a health  
 2 reimbursement arrangement that meets the requirements of Internal Revenue Code,  
 3 Notice 2002-45, 2002-2 C.B. 93;

4 (2) "Eligible employer" or "employer" means an individual that employs two to  
 5 25 employees, a corporation, including a foreign corporation, other than a governmental  
 6 entity, that employs one or more residents of the Commonwealth, or a corporation or an  
 7 unincorporated entity that is exempt from taxation under the provisions of 26 U.S.C. sec.  
 8 501(c), as amended and in effect for the taxable year. An eligible employer must employ  
 9 no more than 25 employees and meet the eligibility requirements set forth in  
 10 administrative regulations promulgated by the department. The method of determining  
 11 the number of employees an employer has and the amount and types of subsidies shall be  
 12 determined by the department or a third-party administrator selected in accordance with  
 13 Section 5 of this Part;

14 (3) "Eligible employee" or "employee" means an employee of an eligible  
 15 employer whose business is located in the Commonwealth, who has not attained age 65  
 16 or is Medicare eligible, and who meets the financial and other eligibility standards set  
 17 forth in administrative regulations promulgated by the department;

18 (4) "Health risk assessment" means an assessment to prevent or minimize risk  
 19 factors for disease and maintain wellness;

20 (5) "High-cost condition" means a diagnosed specific list of conditions  
 21 representing the top 20 high-cost conditions in the small group market;

22 (6) "ICARE Program participating insurer" means any insurer who offers a health  
 23 benefit plan in the small group market;

24 (7) "Department" means the Department of Insurance; and

25 (8) "Qualified health benefit plan" means a health benefit plan as described in  
 26 Section 3(2) of this Part.

27 **Section 2.** (1) There is hereby created and established, under the supervision of

1 the Department of Insurance, the Insurance Coverage, Affordability and Relief to Small  
2 Employers (ICARE) Program, which is designed to make health insurance more  
3 affordable for small employer groups. The program is being piloted in the small group  
4 market and shall be limited to those employer groups with two to 25 employees,  
5 including small groups with two to 25 employees who are members of an employer-  
6 organized association, and who were approved for participation in the program by the  
7 Department of Insurance as of June 15, 2010.

8 (2) All insurers that issue health benefit plans to employers with two to 25  
9 employees, including employers participating in an employer-organized association, as a  
10 condition of doing business in Kentucky, shall be deemed an ICARE Program  
11 participating insurer.

12 (3) The Department of Insurance may, subject to the provisions of this section,  
13 establish an employer health care incentive program for certain employers for the purpose  
14 of reducing the amount of contributions or payments made by those employers and  
15 employees toward the cost of qualified medical insurance and which shall consist of the  
16 following two programs:

17 (a) An employer health care incentive program for the purpose of reducing the  
18 cost to employers and employees for providing qualified health benefit plan coverage  
19 under Section 3(2)(a) or (b) of this Part for an eligible employer with low-income  
20 employees if the eligible employer pays 50 percent or more of the premium cost of that  
21 qualified health benefit plan coverage and meets the insurer's participation requirements  
22 as allowed under KRS 304.17A-200(3). The department may limit premium payments or  
23 enrollment under this program, to the extent funding is available. The ICARE Program  
24 shall be available to employer groups that have not provided employer-sponsored health  
25 benefit plan coverage to their employees within the previous 12 months; and

26 (b) An employer health care incentive program for the purpose of reducing the  
27 cost to employers and employees for the purpose of obtaining or maintaining qualified

1 health benefit plan coverage under Section 3(2)(a), (b), or (c) of this Part for an eligible  
2 employer and employees if the eligible employer pays 50 percent or more of the premium  
3 cost of that health benefit plan coverage and meets the insurer's participation  
4 requirements as allowed under KRS 304.17A-200(3). The department may limit premium  
5 payments or enrollment under this program, to the extent funding is available. The  
6 ICARE Program shall be available to employer groups that have at least one employee  
7 with a high-cost condition. The department shall promulgate administrative regulations to  
8 establish a list of high-cost conditions for the ICARE Program.

9 (4) In order for an eligible employer to qualify for the ICARE Program, the  
10 average annual salary of the employer group shall not exceed 300 percent of the federal  
11 poverty level. This shall not include the annual salary of any person with an ownership  
12 interest in the employer group.

13 (5) The department shall promulgate administrative regulations to establish  
14 guidelines for determination of preference for employer groups based upon federal  
15 poverty level, eligibility criteria, health care incentive payment procedures, program  
16 participating insurer and employer reporting requirements, and administrative guidelines  
17 for the ICARE Program.

18 **Section 3.** (1) Sections 1 to 8 of this Part shall not apply to an insurer that  
19 provides coverage solely to Medicaid recipients, Medicare beneficiaries, CHAMPUS  
20 insureds, or self-insured groups.

21 (2) Each ICARE Program participating insurer shall offer at least three qualified  
22 health benefit plans to employers. A qualified health benefit plan shall be:

23 (a) A consumer-driven health benefit plan, including a health reimbursement  
24 arrangement or health savings account;

25 (b) A basic health benefit plan, as described in KRS 304.17A-096 and 304.17A-  
26 097; or

27 (c) An enriched health benefit plan.

1           (3) Each ICARE Program participating insurer shall offer at least one of each of  
2 the plans listed in subsection (2)(a), (b), or (c) of this section. These plans shall be subject  
3 to the provisions of KRS 304.17A-220.

4           (4) An ICARE Program participating insurer shall conduct a health risk  
5 assessment for each employee enrolled in the ICARE Program and offer a wellness  
6 program, case management services, and disease management services.

7           (5) An insurer shall be required to offer a premium rate that includes a healthy  
8 lifestyle discount for employers participating in the ICARE Program.

9           (6) A separate class of business may be established for health benefit plan rate  
10 filings offered under the ICARE Program in accordance with KRS 304.17A-0952(8)(b).

11           **Section 4.** (1) The amount of health care incentive paid shall be as follows:

12           (a) Forty dollars per employee per month for eligible employers as defined in  
13 Section 2(3)(a) of this Part. The amount shall be reduced annually, at the time of renewal,  
14 in incremental rates of ten dollars; and

15           (b) Sixty dollars per employee per month for eligible employers as defined in  
16 Section 2(3)(b) of this Part. The amount shall be reduced annually, at the time of renewal,  
17 in incremental rates of fifteen dollars.

18           (2) The department may, in lieu of cash payments, issue to individuals vouchers  
19 or other documents certifying that the department will pay a specified amount for health  
20 benefit plan coverage under specified circumstances.

21           (3) Any allocated surplus remaining in the ICARE Program shall be carried  
22 forward to the next fiscal year and be used for the ICARE Program in subsequent years.

23           (4) The department may limit enrollment for the ICARE Program so not to  
24 exceed annual program funding.

25           (5) A group shall be determined ineligible if the most recent coverage under any  
26 health benefit plan terminated or nonrenewed because of any of the following:

27           (a) The group failed to pay premiums or contributions in accordance with the



1 terms of the plan or the insurer had not received timely premium payments;

2 (b) The group or any individual in the group performed an act or practice that  
3 constitutes fraud or made an intentional misrepresentation of material fact under the terms  
4 of the coverage; or

5 (c) The group or any individual engaged in intentional and abusive  
6 noncompliance with health benefit plan provisions.

7 **Section 5.** (1) The department may select a third-party administrator to  
8 administer the ICARE Program. The third-party administrator shall be an administrator  
9 licensed under this chapter by the department. The department shall consider criteria in  
10 selecting a third-party administrator that shall include but not be limited to the following:

11 (a) A third-party administrator's proven ability to demonstrate performance of the  
12 following: eligibility determinations, enrollment, payment issuance, reconciliation  
13 processes, and data collection and reporting;

14 (b) The total cost to administer the ICARE Program;

15 (c) A third-party administrator's proven ability to demonstrate that the ICARE  
16 Program be administered in a cost-efficient manner; and

17 (d) A third-party administrator's financial condition and stability.

18 (2) In addition to any duties and obligations set forth in the contract with the  
19 third-party administrator, the third-party administrator shall:

20 (a) Develop and establish policies and procedures for eligibility determinations,  
21 enrollment, payment issuance, reconciliation processes, data collection and reporting, and  
22 other responsibilities determined by the department;

23 (b) Submit reports to the department regarding the operation and financial  
24 condition of the ICARE Program. The frequency, content, and form of the reports shall be  
25 determined by the department; and

26 (c) Submit a monthly and annual report to the department. Both reports shall  
27 include:

- 1           1.    Number of applicants;
- 2           2.    Enrolled employer groups by insurance company;
- 3           3.    Number of groups previously uninsured for a period of 12 months by
- 4 insurance company;
- 5           4.    Average premium per group by insurance company;
- 6           5.    Number of groups eligible due to an individual with a high-cost condition by
- 7 insurance company;
- 8           6.    Total amount of health care incentive paid listed by insurance company; and
- 9           7.    Any other information requested by the department.

10           (3) The third-party administrator shall be paid for necessary and reasonable  
11 expenses as provided in the contract between the department and the third-party  
12 administrator.

13           **Section 6.** (1) The department shall establish and maintain the ICARE Program  
14 fund. All funds shall be held at interest, in a single depository designated in accordance  
15 with KRS 304.8-090(1) under a written trust agreement in accordance with KRS 304.8-  
16 095. All expense and revenue transactions of the fund shall be posted to the Management  
17 Administrative Reporting System (MARS) and its successors; and

18           (2) The department shall work with the Office of Health Policy within the Cabinet  
19 for Health and Family Services to review the availability of federal funds for the ICARE  
20 Program.

21           **Section 7.** (1) The department may implement Sections 1 to 8 of this Part  
22 through arrangements with other agencies of the Commonwealth.

23           (2) The provisions of this section shall not give rise to, nor be construed as giving  
24 rise to, enforceable legal rights for any party or an enforceable entitlement to benefits  
25 other than to the extent that such rights or entitlements exist pursuant to the  
26 administrative regulations of the executive director of insurance.

27           **Section 8.** (1) Each insurer authorized to offer health benefit plans in the

1 Commonwealth shall disclose the availability of the health insurance purchasing program  
 2 as authorized in 42 U.S.C. sec. 1396e to eligible employer groups. In connection with the  
 3 initial offering and renewal of any health benefit plan, an insurer shall make a disclosure  
 4 as part of its solicitation, sales material, and renewal information of the availability of the  
 5 ICARE Program;

6 (2) The manner and content of the disclosure as described in subsection (1) of this  
 7 section shall be established through promulgation of administrative regulations by the  
 8 Department of Insurance in coordination with the Cabinet for Health and Family  
 9 Services.

10 **Section 9.** (1) All insurers as defined in KRS 304.17A-005(24) shall provide  
 11 upon request to the Cabinet for Health and Family Services, by electronic means and in  
 12 the format prescribed by the cabinet, information in accordance with KRS 205.623.

13 (2) All information obtained by the cabinet pursuant to this section shall be  
 14 confidential and shall not be open to public inspection.

15 **Section 10.** Pursuant to terms and conditions of Subtitle 17A of KRS Chapter  
 16 304, the Commonwealth of Kentucky seeks to explore the feasibility of an Interstate  
 17 Reciprocal Health Benefit Plan Compact (IRHBPC) with contiguous states to allow the  
 18 residents of the Commonwealth of Kentucky and the residents of contiguous states to  
 19 purchase health benefit plan coverage among the states participating with the compact.  
 20 The purposes of this compact are, through means of joint and cooperative action among  
 21 the compacting states:

22 (1) To promote and protect the interest of consumers purchasing health benefit  
 23 plan coverage;

24 (2) To develop uniform minimum standards for health benefit plan products  
 25 covered under the compact, while ensuring that the standards established in Kentucky law  
 26 and regulation are maintained and protected;

27 (3) To improve coordination of regulatory resources and expertise between state

1 insurance departments regarding the setting of uniform minimum standards; and

2 (4) To perform these and such other related functions as may be consistent with  
3 the state regulation of the business of insurance.

4 **Section 11.** Any insurer violating Section 9 of this Part shall be fined not less  
5 than one hundred dollars (\$100) for each offense. Failure to respond to each request made  
6 by the Cabinet for Health and Family Services, as required under Section 9 of this Part,  
7 shall constitute a separate offense.

8 **Section 12.** Notwithstanding KRS 304.17A.0952(8)(b), an insurer may  
9 establish a separate class of business to reflect substantial differences in expected claims  
10 experience or administrative cost because the insurer is offering a qualified health benefit  
11 plan under the ICARE Program pursuant to Section 3(3) of this Part.

12 **Section 13.** Notwithstanding KRS 216.2921(1), the Cabinet for Health and  
13 Family Services shall make every effort to make health data findings that can serve as a  
14 basis to educate consumers on the cost and quality of health care and providers for the  
15 purpose of improving patient morbidity and mortality outcomes available to the public,  
16 and state and local leaders in health policy, through the cost-effective and timely use of  
17 the media and the Internet and through distribution of the findings to health facilities and  
18 health-care providers for further dissemination to their patients.

19 **Section 14.** Notwithstanding KRS 216.2923(2)(a), for the purposes of carrying  
20 out the provisions of KRS 216.2920 to 216.2929, the Secretary of the Cabinet for Health  
21 and Family Services shall publish and make publicly available, pursuant to Section 18 of  
22 this Part, information on charges, quality, and outcomes of health care services provided,  
23 and information that relates to the health care financing and delivery system and health  
24 insurance premiums and benefits that is in the public interest.

25 Notwithstanding KRS 216.2923(2)(f), the cabinet advisory committee shall utilize  
26 the Health Services Data Advisory Committee as a subcommittee, which shall include a  
27 member of the Division of Women's Physical and Mental Health, to define quality

1 outcome measurements and to advise the cabinet on technical matters including review of  
2 administrative regulations promulgated pursuant to KRS Chapter 13A, proper  
3 interpretation of the data, and the most cost-effective manner in which it should be  
4 published and disseminated to the public. The Health Services Data Advisory Committee  
5 shall review and make recommendations to the secretary's advisory committee regarding  
6 exploration of technical matters related to data from other health care providers. The  
7 committee shall make recommendations on methods for risk adjusting any data prepared  
8 and published by the cabinet.

9 **Section 15.** Notwithstanding KRS 216.2925(1), every hospital and ambulatory  
10 facility shall be required to report, on a quarterly basis, information regarding the charge  
11 for, quality, and outcomes of the procedures and health-care services performed therein,  
12 and as stipulated by administrative regulations promulgated pursuant to KRS Chapter  
13 13A. The cabinet shall accept data which, at the option of the provider is submitted  
14 through a third party, including but not limited to organizations involved in the  
15 processing of claims for payment, so long as the data elements conform to the  
16 requirements established by the cabinet. On at least a biennial basis, the cabinet shall  
17 conduct a statistical survey that addresses the status of women's health, specifically  
18 including data on patient age, ethnicity, geographic region, and payor sources. The  
19 cabinet shall rely on data from readily available reports and statistics whenever possible.

20 Notwithstanding KRS 216.2925(2), the cabinet shall require for quarterly  
21 submission to the cabinet by any group of providers, except for physicians providing  
22 services or dispensaries, first aid stations, or clinics located within business or industrial  
23 establishments maintained solely for the use of their employees, including those  
24 categories within the definition of provider contained in KRS 216.2920 and any further  
25 categories determined by the cabinet, as provided by cabinet promulgation of  
26 administrative regulations pursuant to KRS Chapter 13A, the following:

27 (a) A list of medical conditions, health services, and procedures for which data on

1 charge, quality, and outcomes shall be collected and published;

2 (b) A timetable for filing the information provided for under paragraph (a) above  
3 on a quarterly basis;

4 (c) A list of data elements that are necessary to enable the cabinet to analyze and  
5 disseminate risk-adjusted charge, quality, and outcome information, including mortality  
6 and morbidity data;

7 (d) An acceptable format for data submission which shall include use of the  
8 uniform:

9 1. Health claim form pursuant to KRS 304.14-135 or any other universal health  
10 claim form to be determined by the cabinet, if in the form of hard copy; or

11 2. Electronic submission formats as required under the federal Health Insurance  
12 Portability and Accountability Act of 1996, 42 U.S.C. Chapter 6A, sec. 300gg et seq., in  
13 the form of magnetic computer tape, computer diskettes, or other electronic media  
14 through an electronic network;

15 (e) Procedures to allow health-care providers at least thirty (30) days to review  
16 information generated from any data required to be submitted by them, with any reports  
17 generated by the cabinet to reflect valid corrections by the provider before the information  
18 is released to the public; and

19 (f) Procedures pertaining to the confidentiality of data collected.

20 Notwithstanding KRS 216.2925(3), the data-gathering activities of the cabinet shall  
21 be coordinated with and not duplicative of other data-collection activities conducted by  
22 the Department of Insurance, as well as other state and national agencies and  
23 organizations that collect the same or substantially similar health-related service,  
24 utilization, quality, outcome, financial, or health-care personnel data, and shall review all  
25 administrative regulations promulgated pursuant to KRS 216.2920 to 216.2929 to prevent  
26 duplicate filing requirements. The cabinet shall periodically review the use of all data  
27 collected under KRS 216.2920 to 216.2929 to assure its use is consistent with legislative

1 intent.

2 Notwithstanding KRS 216.2925(4), the cabinet shall conduct outcome analyses and  
3 effectiveness studies and prepare other reports pertaining to issues involving health-care  
4 charges and quality.

5 Notwithstanding KRS 216.2925(7), the Cabinet for Health and Family Services  
6 shall collect all data elements under this section using only the uniform health insurance  
7 claim form pursuant to KRS 304.14-135, the Professional 837 (ASC X12N 837) format  
8 or its successor as adopted by the Centers for Medicare and Medicaid Services, or the  
9 Institutional 837 (ASC X12N 837) format or its successor as adopted by the Centers for  
10 Medicare and Medicaid Services.

11 **Section 16.** Notwithstanding KRS 216.2927(3), no less than 60 days after  
12 reports are published and except as otherwise provided, the Cabinet for Health and  
13 Family Services shall make all aggregate data which does not allow disclosure of the  
14 identity of any individual patient, and which was obtained for the annual period covered  
15 by the reports, available to the public. The Health Services Data Advisory Committee  
16 shall review at least annually current protocols related to the release of data referenced in  
17 this section and shall make recommendations to the cabinet advisory committee  
18 referenced in KRS 216.2923. Persons or organizations requesting use of these data shall  
19 agree to abide by a public use data agreement and by HIPAA privacy rules referenced in  
20 45 C.F.R. 164. The public use data agreement shall include at a minimum:

- 21 (a) A prohibition against the sale or further release of data; and  
22 (b) Guidelines for the use and analysis of the data released to the public related to  
23 provider quality, outcomes, or charges.

24 Notwithstanding KRS 216.2925(3), the cabinet may impose a fee for providing  
25 electronic or multiple printed copies of the data.

26 **Section 17.** Notwithstanding KRS 216.2929(1), the Cabinet for Health and  
27 Family Services shall make available on its Web site information on charges for health

1 care services, which is updated at least annually, in understandable language with  
2 sufficient explanation to allow consumers to draw meaningful comparisons between  
3 every hospital and ambulatory facility in the Commonwealth, and other provider groups  
4 as relevant data become available. Any charge information compiled and reported by the  
5 cabinet shall include the median charge and other percentiles to describe the typical  
6 charges for all of the patients treated by a provider and the total number of patients  
7 represented by the charges, and shall be risk adjusted according to the recommendations  
8 of the Health Data Advisory Committee. The report shall clearly identify the sources of  
9 data used in the report and explain limitations of the data and why differences between  
10 provider charges may be misleading. Every provider that is specifically identified in any  
11 report shall be given 30 days to verify the accuracy of its data prior to public release and  
12 shall be afforded the opportunity to submit comments on its data that shall be included on  
13 the Web site and as part of any printed report of the data. The cabinet shall only provide  
14 linkages to organizations that publicly report comparative charge data for Kentucky  
15 providers using data for all patients treated regardless of payor source, which may be  
16 adjusted for outliers, is risk adjusted, and permits identified providers the opportunity to  
17 comment on their data and includes such comments on the Web site and as part of any  
18 printed report of the data.

19 The Cabinet for Health and Family Services shall make information available on its  
20 Web site, describing quality and outcome measures, in understandable language with  
21 sufficient explanation to allow consumers to draw meaningful comparison between every  
22 hospital and ambulatory facility in the Commonwealth, and other provider groups as  
23 relevant data become available.

24 (a) The cabinet shall utilize only national quality indicators that have been  
25 endorsed and adopted by the Agency for Healthcare Research and Quality, the National  
26 Quality Forum, or the United States Centers for Medicare and Medicaid Services, or shall  
27 provide linkages only to the following organizations that publicly report quality and



1 outcome measures on Kentucky providers:

- 2 1. The United States Centers for Medicare and Medicaid Services;
- 3 2. The Agency for Healthcare Research and Quality;
- 4 3. The Joint Commission on the Accreditation of Health Care Organizations; and
- 5 4. Other organizations that publicly report relevant outcome data for Kentucky
- 6 health care providers, as determined by the Health Services Data Advisory Committee.

7 (b) The cabinet shall utilize or refer the general public to only those nationally  
8 endorsed quality indicators that:

- 9 1. Are based upon current scientific evidence or relevant national professional  
10 consensus; and
- 11 2. Have definitions and calculation methods openly available to the general  
12 public at no charge.

13 Any report the cabinet disseminates or refers the public to shall:

14 (a) Not include data for a provider whose caseload of patients is insufficient to  
15 make the data a reliable indicator of the provider's performance;

16 (b) Afford providers specifically identified in the report 30 days to verify the  
17 accuracy of their data prior to the data's public release and the opportunity to submit  
18 comments on their data, which shall be included on the Web site and as part of any  
19 printed report of the data;

20 (c) Clearly identify the sources of data used in the report and explain the  
21 analytical methods used in preparing the data included in the report; and

22 (d) Explain any limitations of the data and how the data should be used by  
23 consumers.

24 **Section 18.** Notwithstanding KRS 304.17A-700, as used in KRS 304.17A-700  
25 to 304.17A-730 and KRS 205.593, 304.14-135, and 304.99-123, "health care provider" or  
26 "provider" means a provider licensed in Kentucky as defined in KRS 304.17A-005 and,  
27 for the purposes of KRS 304.17A-700 to 304.17A-730 and KRS 205.593, 304.14-135,

1 and 304.99-123 only, shall include physical therapists licensed under KRS Chapter 327,  
2 psychologists licensed under KRS Chapter 319, social workers licensed under KRS  
3 Chapter 335, and durable medical equipment dealers holding an active Medicare DME  
4 provider number. Nothing contained in KRS 304.17A-700 to 304.17A-730 and KRS  
5 205.593, 304.14-135, and 304.99-123 shall be construed to include physical therapists,  
6 psychologists, social workers, and durable medical equipment dealers holding an active  
7 Medicare DME provider number as a health care provider or provider under KRS  
8 304.17A-005.

9       **Section 19.** Notwithstanding KRS 304.17A-704, within five business days  
10 from the time of acknowledgment under KRS 304.17A.704(1)(a), an insurer, its agent, or  
11 designee shall notify the provider, its billing agent, or designee that submitted the claim  
12 electronically, of all information that is missing from the billing instrument, of any errors  
13 in the billing instrument, or of any other circumstances which preclude it from being a  
14 clean claim.

15       Notwithstanding KRS 304.17A-704(2), at the time of acknowledgment under  
16 paragraph (b) of KRS 304.17A-704(1), an insurer, its agent, or designee, shall notify the  
17 provider, its billing agent, or designee that submitted the claim, in writing, of all  
18 information that is missing from the billing instrument, any errors in the billing  
19 instrument, or of any other circumstances which preclude it from being a clean claim.

20       **Section 20.** Notwithstanding KRS 304.17A-730(1), an insurer that fails to pay,  
21 deny, or settle a clean claim in accordance with KRS 304.17A-700 to 304.17A-730 and  
22 KRS 205.593, 304.14-135, and 304.99-123 shall pay interest according to the following  
23 schedule on the amount of the claim that remains unpaid:

24       (a) For claims that are paid between one and 30 days from the date that payment  
25 was due under KRS 304.17A-702, interest at a rate of 12 percent per annum shall accrue  
26 from the date payment was due under KRS 304.17A-702; and

27       (b) For claims that are paid more than 31 days from the date that payment was

- 1 due under KRS 304.17A-702, interest at a rate of 14 percent per annum shall accrue from
- 2 the date payment was due under KRS 304.17A-702.



COMMONWEALTH OF KENTUCKY  
**OFFICE OF THE GOVERNOR**

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**VETO MESSAGE FROM THE**  
**GOVERNOR OF THE COMMONWEALTH OF KENTUCKY**  
**REGARDING HOUSE BILL 265 OF THE**  
**2012 REGULAR SESSION**

*On January 17, 2012, when I proposed the 2012-14 biennial budget, I deemed it to be inadequate for the needs of our people. Due to the recessionary period, and its aftermath, it was a budget that included further spending cuts, as much as 8.4 percent, assigned specifically to each state agency. This represents the eleventh time that Kentucky state government's programs and services will endure budget reductions since I took Office. These spending cuts are on top of cumulative reductions of as much as 30 percent over the last five years. The General Assembly passed the bulk of my proposed budget, including the spending cuts, with no relief provided, nor expected, from its many challenges. Furthermore, the General Assembly added another \$80 million to the amount of proposed spending reductions, but unlike the budget I offered, did so without the specification of the additional cuts that will affect each agency and institution. This is the third consecutive budget enacted by the General Assembly that relies upon a significant lump-sum amount of unspecified spending reductions to balance after I had recommended spending reductions assigned specifically to each affected part of the government. Moreover, the budget gap for the next two years was made even larger by the passage of other legislation and several other provisions in this bill, none of which is accounted for in the enacted budget. These are among the many challenges that our state government must tackle in the next two years. Despite this situation, this bill includes language provisions that inhibit the most fiscally responsible implementation of such a difficult biennial budget. They add new obligations, limit necessary flexibility, and reduce the ability to manage this budget.*

***Limitations on Management of Funds***

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



Page 29, lines 3 through 6, in their entirety.  
Page 36, line 21, after "insurance.", delete the rest of the line.  
Page 36, lines 22 through 23, in their entirety.  
Page 46, lines 16 through 19, in their entirety.  
Page 97, line 10, after "Metro.", delete the rest of the line.  
Page 97, lines 11 through 13, in their entirety.  
Page 259, line 23, after "year.", delete the rest of the line.  
Page 259, lines 24 through 27, in their entirety.  
Page 260, lines 1 through 8, in their entirety.  
Page 260, line 9, delete "Revenue within 30 days of the date of the transfer."  
Page 260, line 10, after "purposes", delete the rest of the line.  
Page 260, line 11, delete "transferred to the Budget Reserve Trust Fund".  
Page 261, lines 15 through 18, in their entirety.

*I am vetoing these parts because the General Assembly has directed certain unexpended General Fund appropriations and General Fund revenues in excess of the official estimate to the Budget Reserve Trust Fund. I agree with the objective of the General Assembly to rebuild the Budget Reserve Trust Fund to improve the Commonwealth's credit position and financial stability. Existing statutes and the General Fund Surplus Expenditure plan enacted by the General Assembly in this same budget bill already accomplish that goal: to build the balance in the Budget Reserve Trust Fund, the Commonwealth's rainy day fund, with extra revenues and unspent appropriations. The practical effect of implementing the provisions at issue would result in the use of the Budget Reserve Trust Fund as a checking account to pay for unbudgeted spending needs such as calling out the National Guard for emergencies and natural disasters, forest fire suppression, and higher prisoner population than budgeted. The Budget Reserve Trust Fund should be considered the Commonwealth's savings account and used only as a last resort to finance these unbudgeted spending needs.*

#### ***Additional Spending Items Without Funding Provided***

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

Page 20, lines 22 through 27, in their entirety.  
Page 33, lines 15 through 18, in their entirety.  
Page 36, lines 4 through 6, in their entirety.  
Page 103, line 4, after "counties.", delete the rest of the line.  
Page 103, lines 5 through 12, in their entirety.  
Page 103, line 27, after "is", delete "\$150,000 in each fiscal year for".

Page 104, line 5, delete "\$100,000 in each fiscal year for the".

Page 105, lines 2 through 4, in their entirety.

*I am vetoing these parts because they identify new spending earmarks yet the General Assembly failed to appropriate additional funds to finance them. These earmarks were included within budget units where the enacted appropriations are less than current appropriations, most of which are 8.4 percent less, and when the enacted budget for the Executive branch relies upon \$80 million in unspecified spending reductions to ensure a balanced budget. I am also honoring the request of a constitutional officer who requested a veto of unfunded spending earmarks to maintain budget management flexibility. Spending reductions will be necessary over the next two years to balance the budget, and are on top of cumulative reductions of as much as 30 percent over the last five fiscal years. Most new earmarks are understandably not feasible without additional funding provided to accomplish them. Should fiscal circumstances change or other resources become available, this action does not preclude these agencies from considering these items for funding.*

#### ***Reduced Flexibility on Budget and Program Management***

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

Page 13, lines 17 through 18, in their entirety.

Page 15, line 27, in its entirety.

Page 16, lines 1 through 3, in their entirety.

Page 18, lines 17 through 22, in their entirety.

Page 33, lines 19 through 23, in their entirety.

Page 40, line 5, after "biennium.", delete the rest of the line.

Page 40, line 6, in its entirety.

Page 42, lines 25 through 27, in their entirety.

Page 75, lines 7 through 14, in their entirety.

Page 85, line 22, after "counties", delete "on or before September 15 of".

Page 95, line 19, after "budget.", delete the rest of the line.

Page 95, line 20, in its entirety.

Page 96, line 16, after "budget.", delete the rest of the line.

Page 96, line 17, in its entirety.

Page 261, lines 22 through 27, in their entirety.

Page 262, lines 1 through 2, in their entirety.


Page 262, line 9, after "Act", delete "by \$40,000,000".

Page 265, line 8, after "KRS 18A.2254,", delete "no".

Page 265, line 8, after “authorized”, delete the rest of the line.  
Page 265, line 9, delete “specifically directed by the General Assembly”.  
Page 265, line 9, after “.”, delete “This section shall apply retroactively to”.  
Page 265, line 10, in its entirety.  
Page 271, lines 25 through 27, in their entirety.  
Page 272, lines 5 through 9, in their entirety.

*I am vetoing these parts because they eliminate or reduce the flexibility of the Executive branch to balance the budget, reduce the flexibility to contend with revenue shortfalls with unprecedented exclusions and limitations, reduce the ability to manage a budget that already contains significant spending reductions by limiting management options, by mandating a minimum level of program activity, by seeking to eliminate the efficiency, transparency, and accountability provided through the model procurement code, by limiting the ability to encourage performance improvement in programs, or by limiting the Executive budget recommendation for the next biennial budget. I am also honoring the request of a constitutional officer who requested a veto of language that would prohibit the spending of funds resulting from a federal court judgment. The Executive branch intends to continue to operate these good and important programs for which the bill imposes limitations or barriers to the flexibility necessary to work through all the fiscal challenges included in the enacted budget.*

This the 11<sup>th</sup> day of April, 2012

  
Steven L. Beshear, Governor



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2012 EXTRAORDINARY SESSION

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HOUSE BILL NO. 2

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WEDNESDAY, APRIL 18, 2012

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The following bill was reported to the Senate from the House and ordered to be printed.



1 AN ACT relating to appropriations providing financing and conditions for the  
 2 operations, maintenance, support, and functioning of the Transportation Cabinet of the  
 3 Commonwealth of Kentucky.

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

5 →Section 1. The Transportation Cabinet Budget is as follows:

6 **PART I**

7 **OPERATING BUDGET**

8 **(1) Funds Appropriations:** There is appropriated out of the General Fund, Road  
 9 Fund, Restricted Funds accounts, Federal Funds accounts, or Bond Funds accounts for the  
 10 fiscal year beginning July 1, 2012, and ending June 30, 2013, and for the fiscal year  
 11 beginning July 1, 2013, and ending June 30, 2014, the following discrete sums, or so  
 12 much thereof as may be necessary. Appropriated funds are included pursuant to KRS  
 13 48.700 and 48.710. Each appropriation is made by source of respective fund or funds  
 14 accounts. Appropriations for the budget units of the Transportation Cabinet are subject to  
 15 the provisions of Chapters 12, 42, 45, and 48 of the Kentucky Revised Statutes and  
 16 compliance with the conditions and procedures set forth in this Act.

17 **A. TRANSPORTATION CABINET**

18 **Budget Units**

19 **1. GENERAL ADMINISTRATION AND SUPPORT**

	<b>2012-13</b>	<b>2013-14</b>
21 General Fund	500,000	500,000
22 Restricted Funds	19,700	19,700
23 Road Fund	64,930,700	67,740,400
24 TOTAL	65,450,400	68,260,100

25 **(1) Biennial Highway Construction Plan:** The Secretary of the Transportation  
 26 Cabinet shall produce a single document that contains two separately identified sections,  
 27 as follows:

1 Section 1 shall detail the enacted fiscal biennium 2012-2014 Biennial Highway  
2 Construction Program and Section 2 shall detail the 2012-2014 Highway Preconstruction  
3 Program Plan for fiscal year 2012-2013 through fiscal year 2017-2018 as identified by the  
4 2012 General Assembly. This document shall mirror in data type and format the fiscal  
5 year 2012-2018 Recommended Six-Year Road Plan as submitted to the 2012 General  
6 Assembly. The document shall be published and distributed to members of the General  
7 Assembly and the public within 60 days of adjournment of the 2012 Regular Session of  
8 the General Assembly.

9 (2) **Debt Service:** Included in the above Road Fund appropriation is \$6,112,200  
10 in fiscal year 2012-2013 and \$7,066,900 in fiscal year 2013-2014 for debt service on  
11 previously authorized bonds for the Transportation Cabinet office building and parking  
12 structure.

13 (3) **Adopt-A-Highway Litter Program:** The Transportation Cabinet and the  
14 Energy and Environment Cabinet may receive, accept, and solicit grants, contributions of  
15 money, property, labor, or other things of value from any governmental agency,  
16 individual, nonprofit organization, or private business to be used for the Adopt-a-  
17 Highway Litter Program or other statewide litter programs. Any contribution of this  
18 nature shall be deemed to be a contribution to a state agency for a public purpose and  
19 shall be treated as Restricted Funds under KRS Chapter 45 and reported according to  
20 KRS Chapter 48, and shall not be subject to restrictions set forth under KRS Chapter  
21 11A.

22 (4) **SAFE Patrol Program:** The Transportation Cabinet shall continue the SAFE  
23 Patrol Program at the current service level. The primary mission of the Cabinet's SAFE  
24 Patrol shall be motorist assistance. The SAFE Patrol shall be restricted to providing only  
25 assistance services on interstates, parkways, and other limited-access highways.

26 (5) **Riverport Improvement:** Included in the above General Fund appropriation  
27 is \$500,000 in each fiscal year to improve public riverports within Kentucky.

1 Improvements shall be limited to dredging and maintenance of access. The Secretary of  
 2 the Transportation Cabinet, in conjunction with the Kentucky Water Transportation  
 3 Advisory Board, shall determine how the funds are distributed.

4 **2. AVIATION**

	2012-13	2013-14
5 Restricted Funds	9,916,800	9,901,700
6 Federal Funds	1,221,700	1,011,700
7 Road Fund	2,501,000	2,771,100
8 TOTAL	13,639,500	13,684,500

9  
 10 **(1) Operational Costs:** Notwithstanding KRS 183.525(5), the above Restricted  
 11 Funds appropriation includes operational costs of the program in each fiscal year.

12 **(2) Debt Service:** Included in the above Road Fund appropriation is \$1,677,700  
 13 in fiscal year 2012-2013 and \$1,904,800 in fiscal year 2013-2014 for debt service on  
 14 previously authorized bonds. Notwithstanding KRS 183.525, \$996,700 in fiscal year  
 15 2012-2013 and \$996,800 in fiscal year 2013-2014 is transferred to the Road Fund from  
 16 the Kentucky Aviation Economic Development Fund to support debt service on those  
 17 bonds.

18 **3. DEBT SERVICE**

	2012-13	2013-14
19 Road Fund	150,965,300	168,161,600

20  
 21 **(1) Economic Development Road Lease-Rental Payments:** Included in the  
 22 above Road Fund appropriation is \$150,715,300 in fiscal year 2012-2013 and  
 23 \$167,911,600 in fiscal year 2013-2014 for Economic Development Road lease-rental  
 24 payments relating to projects financed by Economic Development Road Revenue Bonds  
 25 previously authorized by the General Assembly and issued by the Kentucky Turnpike  
 26 Authority.

27 **(2) Debt Payment Acceleration Fund Account:** Notwithstanding KRS 175.505,

1 no portion of the revenues to the state Road Fund provided by the adjustments in KRS  
 2 138.220(2), excluding KRS 177.320 and 177.365, shall accrue to the Debt Payment  
 3 Acceleration Fund account during the 2012-2014 fiscal biennium.

4 **(3) Excess Lease-Rental Payments:** Any moneys not required to meet lease-  
 5 rental payments or to meet the administrative costs of the Kentucky Turnpike Authority  
 6 shall be transferred to the State Construction Account.

7 **4. HIGHWAYS**

	2012-13	2013-14
8 Restricted Funds	304,119,500	304,490,500
9 Federal Funds	568,697,600	570,069,000
10 Road Fund	817,710,100	791,578,000
11 TOTAL	1,690,527,200	1,666,137,500

12  
 13 **(1) Debt Service:** Included in the above Federal Funds appropriation is  
 14 \$79,687,100 in fiscal year 2012-2013 and \$106,711,500 in fiscal year 2013-2014 for debt  
 15 service on Grant Anticipation Revenue Vehicle (GARVEE) Bonds previously  
 16 appropriated by the General Assembly.

17 **(2) State Supported Construction Program:** Included in the above Road Fund  
 18 appropriation is \$406,454,700 in fiscal year 2012-2013 and \$377,562,000 in fiscal year  
 19 2013-2014 for the State Supported Construction Program.

20 **(3) Biennial Highway Construction Program:** Included in the State Supported  
 21 Construction Program is \$278,454,700 in fiscal year 2012-2013 and \$249,562,000 in  
 22 fiscal year 2013-2014 from the Road Fund for state construction projects in the fiscal  
 23 biennium 2012-2014 Biennial Highway Construction Program.

24 **(4) Highway Construction Contingency Account:** Included in the State  
 25 Supported Construction Program is \$31,000,000 in each fiscal year for the Highway  
 26 Construction Contingency Account. Included in the Highway Construction Contingency  
 27 Account is \$5,000,000 in each fiscal year to support the Kentucky Pride Fund created in

1 KRS 224.43-505. Also included in the Highway Construction Contingency Account is  
2 \$1,600,000 in each fiscal year for at-grade railroad crossing reconstruction and railroad  
3 crossing safety equipment improvements. The Cabinet may institute a program to require  
4 matching funds from private sources to be utilized for at-grade railroad crossing  
5 reconstruction and railroad crossing safety equipment improvements.

6 **(5) 2012-2014 Biennial Highway Construction Plan:** Projects in the enacted  
7 2010-2012 Biennial Highway Construction Plan are authorized to continue their current  
8 authorization into the 2012-2014 fiscal biennium.

9 **(6) Kentucky Transportation Center:** Notwithstanding KRS 177.320(4),  
10 included in the above Road Fund appropriation is \$290,000 in each fiscal year for the  
11 Kentucky Transportation Center.

12 **(7) New Highway Equipment Purchases:** Notwithstanding KRS 48.710(3),  
13 included in the above Restricted Funds appropriation is \$1,500,000 in each fiscal year  
14 from the sale of surplus equipment to purchase new highway equipment.

15 **(8) State Match Provisions:** The Transportation Cabinet is authorized to utilize  
16 state construction moneys or Toll Credits to match federal highway moneys.

17 **(9) Federal Aid Highway Funds:** If additional federal highway moneys are made  
18 available to Kentucky by the United States Congress, the funds shall be used according to  
19 the following priority: (a) Any demonstration-specific or project-specific money shall be  
20 used on the project identified; and (b) All other funds shall be used to ensure that projects  
21 in the fiscal biennium 2012-2014 Biennial Highway Construction Plan are funded. If  
22 additional federal moneys remain after these priorities are met, the Transportation  
23 Cabinet may select projects from the Highway Preconstruction Program.

24 **(10) Road Fund Cash Management:** The Secretary of the Transportation Cabinet  
25 may continue the Cash Management Plan to address the policy of the General Assembly  
26 to expeditiously initiate and complete projects in the fiscal biennium 2012-2014 Biennial  
27 Highway Construction Plan. Notwithstanding KRS Chapter 45, specifically including

1 KRS 45.242 and 45.244, the Secretary may concurrently advance projects in the Biennial  
2 Highway Construction Plan by employing management techniques that maximize the  
3 Cabinet's ability to contract for and effectively administer the project work. Under the  
4 approved Cash Management Plan, the Secretary shall continuously ensure that the  
5 unspent project and Road Fund balances available to the Transportation Cabinet are  
6 sufficient to meet expenditures consistent with appropriations provided.

7 **(11) Carry Forward of Appropriation Balances:** Notwithstanding KRS 45.229,  
8 unexpended Road Fund appropriations in the Highways budget unit for the Construction  
9 program, the Maintenance program, and the Research program in fiscal year 2011-2012  
10 and in fiscal year 2012-2013 shall not lapse but shall carry forward. Unexpended Federal  
11 Funds and Restricted Funds appropriations in the Highways budget unit for the  
12 Construction program, the Maintenance program, the Equipment Services program, and  
13 the Research program in fiscal year 2011-2012 and in fiscal year 2012-2013, up to the  
14 amount of ending cash balances and unissued Highway Bond Funds and grant balances  
15 shall not lapse but shall carry forward.

16 **(12) Louisville-Southern Indiana Ohio River Bridges Demonstration Project:**  
17 Notwithstanding any conflicting provisions of KRS Chapters 45A, 176, and 177, the  
18 Transportation Cabinet is authorized to utilize design/build procurement methods for the  
19 Louisville-Southern Indiana Ohio River Bridges Project. For procurement purposes, the  
20 Transportation Cabinet shall utilize a qualifications-based bidding process within the  
21 context of the provisions of KRS Chapter 176. The Secretary of the Transportation  
22 Cabinet shall determine the nature and scope of the design/build project.

23 **(13) Federally Supported Construction Program:** Included in the above Federal  
24 Funds appropriation is \$547,761,600 in fiscal year 2012-2013 and \$548,652,900 in fiscal  
25 year 2013-2014 for federal construction projects.

26 **(14) State Resurfacing Program:** Included in the State Supported Construction  
27 Program is \$97,000,000 in each fiscal year from the Road Fund for the State Resurfacing

1 Program.

2 **(15) Highways Maintenance:** Included in the above Highways Road Fund  
3 appropriation is \$323,212,500 in fiscal year 2012-2013 and \$323,212,500 in fiscal year  
4 2013-2014 for Highways Maintenance. Highways Maintenance positions may be filled to  
5 the extent the above funding level and the Highways Maintenance continuing  
6 appropriation are sufficient to support those positions.

7 **(16) LSIORB Bi-State Authority Financial Plan:** Pursuant to the provisions of  
8 KRS 175B.020(2) and (4), the Kentucky Public Transportation Infrastructure Authority  
9 created in KRS 175B.015 is authorized to act as the developing and issuing authority as  
10 described in KRS 175B.025, as necessary to facilitate the completion, operation, and  
11 maintenance of the Louisville-Southern Indiana Ohio River Bridges Project, and as  
12 outlined in the financial plan adopted by the Louisville and Southern Indiana Bridges  
13 Authority on March 5, 2012, pursuant to KRS 175B.030(6), and presented to the General  
14 Assembly on March 6, 2012.

15 The General Assembly recognizes that the Bridges Authority has completed the  
16 tasks and duties assigned to it by KRS 175B.030, by adopting a financial plan and  
17 submitting that plan to the Kentucky Public Transportation Infrastructure Authority and  
18 the General Assembly.

19 The General Assembly recognizes that the Louisville-Southern Indiana Ohio River  
20 Bridges Project financial plan, as submitted and approved by the Kentucky Public  
21 Transportation Infrastructure Authority, recommends a commitment of funding from the  
22 Transportation Cabinet for six years. The General Assembly hereby acknowledges that  
23 two years of funding is committed, and four years of proposed funding is recommended,  
24 consistent with the General Assembly's method of funding of the six-year road plan  
25 (KRS 176.430).

26 **(17) Brent Spence Bridge Initial Financial Plan:** The Kentucky Transportation  
27 Cabinet, in conjunction with the Ohio Department of Transportation, shall jointly develop

1 and submit an initial financial plan for the Brent Spence Bridge Project to the Federal  
 2 Highway Administration by December 31, 2013. The Kentucky Transportation Cabinet  
 3 shall not authorize any additional funds on the Brent Spence Bridge Project after  
 4 December, 31, 2013, until the Federal Highway Administration approves an initial  
 5 financing plan for the project.

## 6 5. JUDGMENTS

7 (1) **Payment of Judgments:** Road Fund resources required to pay judgments  
 8 shall be transferred from the State Construction Account at the time when actual  
 9 payments must be disbursed from the State Treasury.

## 10 6. PUBLIC TRANSPORTATION

11		2012-13	2013-14
12	General Fund	5,178,200	5,178,200
13	Restricted Funds	440,000	440,000
14	Federal Funds	32,682,900	32,860,000
15	TOTAL	38,301,100	38,478,200

16 (1) **Toll Credits:** The Transportation Cabinet is authorized to maximize to the  
 17 extent necessary the use of Toll Credits to match Federal Funds for transit systems capital  
 18 grants.

19 (2) **Nonpublic School Transportation:** Included in the above General Fund  
 20 appropriation is \$2,950,000 in each fiscal year for nonpublic school transportation.

## 21 7. REVENUE SHARING

22		2012-13	2013-14
23	Road Fund	380,661,800	405,482,300

24 (1) **County Road Aid Program:** Included in the above Road Fund appropriation  
 25 is \$143,900,700 in fiscal year 2012-2013 and \$153,320,600 in fiscal year 2013-2014 for  
 26 the County Road Aid Program in accordance with KRS 177.320, 179.410, 179.415, and  
 27 179.440. Notwithstanding KRS 177.320(2), the above amounts have been reduced by



1 \$38,000 in each fiscal year, which has been appropriated to the Highways budget unit for  
 2 the support of the Kentucky Transportation Center.

3 **(2) Rural Secondary Program:** Included in the above Road Fund appropriation  
 4 is \$174,568,100 in fiscal year 2012-2013 and \$185,995,600 in fiscal year 2013-2014 for  
 5 the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340,  
 6 177.350, and 177.360. Notwithstanding KRS 177.320(1), the above amounts have been  
 7 reduced by \$46,000 in each fiscal year, which has been appropriated to the Highways  
 8 budget unit for the support of the Kentucky Transportation Center.

9 **(3) Municipal Road Aid Program:** Included in the above Road Fund  
 10 appropriation is \$60,548,400 in fiscal year 2012-2013 and \$64,511,900 in fiscal year  
 11 2013-2014 for the Municipal Road Aid Program in accordance with KRS 177.365,  
 12 177.366, and 177.369. Notwithstanding KRS 177.365(1), the above amounts have been  
 13 reduced by \$16,000 in each fiscal year, which has been appropriated to the Highways  
 14 budget unit for the support of the Kentucky Transportation Center.

15 **(4) Energy Recovery Road Fund:** Included in the above Road Fund  
 16 appropriation is \$903,000 in each fiscal year for the Energy Recovery Road Fund in  
 17 accordance with KRS 177.977, 177.9771, 177.9772, 177.978, 177.979, and 177.981.

18 **8. VEHICLE REGULATION**

	<b>2012-13</b>	<b>2013-14</b>
19 Restricted Funds	11,804,500	11,687,300
20 Federal Funds	2,730,000	2,730,000
21 Road Fund	24,554,800	25,762,700
22 TOTAL	39,089,300	40,180,000

24 **(1) Debt Service:** Included in the above Road Fund appropriation is \$3,143,900  
 25 in fiscal year 2012-2013 and \$3,145,500 in fiscal year 2013-2014 for debt service on  
 26 previously issued bonds. Included in the above Road Fund appropriation is \$819,500 in  
 27 fiscal year 2012-2013 and \$1,639,000 in fiscal year 2013-2014 for new debt service to



1 appropriations to existing line-item capital construction projects expire on June 30, 2012,  
 2 unless reauthorized in this Act with the following exceptions: (a) A construction contract  
 3 for the project shall have been awarded by June 30, 2012; (b) Permanent financing or a  
 4 short-term line of credit sufficient to cover the total authorized project scope shall have  
 5 been obtained in the case of projects authorized for bonds, if the authorized project  
 6 completes an initial draw on the line of credit within the biennium immediately  
 7 subsequent to the original authorization; and (c) Grant or loan agreements, if applicable,  
 8 shall have been finalized and properly signed by all necessary parties. Notwithstanding  
 9 the criteria set forth in this subsection, the disposition of 2010-2012 fiscal biennium  
 10 nonstatutory appropriated maintenance pools funded from Capital Construction  
 11 Investment Income shall remain subject to the provisions of KRS 45.770(5)(c).

12 **(3) Bond Proceeds Investment Income:** Investment income earned from bond  
 13 proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage  
 14 rebates and penalties and excess bond proceeds upon the completion of a bond-financed  
 15 capital project shall be used to pay debt service according to the Internal Revenue Service  
 16 Code and accompanying regulations.

#### 17 **A. TRANSPORTATION CABINET**

18 <b>Budget Units</b>	<b>2012-13</b>	<b>2013-14</b>
19 <b>1. GENERAL ADMINISTRATION AND SUPPORT</b>		
20 <b>001. Building/Site Renovations and Emergency Repairs - 2012-2014</b>		
21 Road Fund	1,405,000	1,460,000
22 <b>002. Construct Ballard County Maintenance Facility and Salt Storage</b>		
23 Structure		
24 Road Fund	270,000	1,170,000
25 <b>003. Construct Harrison County Maintenance Facility and Salt Storage</b>		
26 Structure		
27 Road Fund	270,000	1,170,000

1	<b>004. Construct Henderson County Maintenance Facility and Salt Storage</b>		
2	Structure		
3	Road Fund	270,000	1,170,000
4	<b>005. Construct Knott County Maintenance Facility and Salt Storage</b>		
5	Structure		
6	Road Fund	270,000	1,170,000
7	<b>006. Construct Menifee County Maintenance Facility and Salt Storage</b>		
8	Structure		
9	Road Fund	270,000	1,170,000
10	<b>007. Construct Muhlenberg County Maintenance Facility and Salt Storage</b>		
11	Structure		
12	Road Fund	270,000	1,170,000
13	<b>008. Construct Nicholas County Maintenance Facility and Salt Storage</b>		
14	Structure		
15	Road Fund	270,000	1,170,000
16	<b>009. Salt Structure Facility and Ancillary Building Maintenance and</b>		
17	Repairs - 2012-2014		
18	Road Fund	640,000	665,000
19	<b>010. Replace Overhead Doors and Emergency Repairs - 2012-2014</b>		
20	Road Fund	350,000	365,000
21	<b>011. Water and Wastewater - 2012-2014</b>		
22	Road Fund	280,000	292,000
23	<b>012. Construct Crittenden County Maintenance Facility and Salt Storage</b>		
24	Structure Reauthorization (\$1,340,000 Road Fund)		
25	<b>013. Construct Larue County Maintenance Facility and Salt Storage</b>		
26	Structure Reauthorization (\$1,340,000 Road Fund)		
27	<b>014. Purchase PONTIS Upgrade Reauthorization (\$600,000 Road Fund)</b>		

1	<b>015. Purchase TRNS*PORT Upgrade Reauthorization (\$3,000,000 Road</b>		
2	Fund)		
3	<b>2. AVIATION</b>		
4	<b>001. Aircraft Major Maintenance Pool - 2012-2014</b>		
5	Investment Income	500,000	500,000
6	<b>002. Lake Barkley State Resort Park Airport Runway Asphalt Crack Repair</b>		
7	Restricted Funds	50,000	-0-
8	Federal Funds	950,000	-0-
9	TOTAL	1,000,000	-0-
10	<b>3. HIGHWAYS</b>		
11	<b>001. Road Maintenance Parks - 2012-2014</b>		
12	Road Fund	1,500,000	1,500,000
13	<b>002. Repair Loadometer and Rest Areas - 2012-2014</b>		
14	Road Fund	750,000	750,000
15	<b>003. Various Environmental Compliance - 2012-2014</b>		
16	Road Fund	670,000	625,000
17	<b>004. Laser Crack Measurement System</b>		
18	Federal Funds	480,000	-0-
19	Road Fund	120,000	-0-
20	TOTAL	600,000	-0-
21	<b>005. Video-Logging Roadway Feature System</b>		
22	Federal Funds	480,000	-0-
23	Road Fund	120,000	-0-
24	TOTAL	600,000	-0-
25	<b>006. Light Detection and Ranging Equipment for Video-Logging Vans</b>		
26	Federal Funds	320,000	-0-
27	Road Fund	80,000	-0-

1	TOTAL	400,000	-0-
2	<b>4. VEHICLE REGULATION</b>		
3	<b>001. Replace Kentucky Driver Licensing System</b>		
4	Bond Funds	12,500,000	-0-
5	<b>002. Flat Digitized License Plates</b>		
6	Road Fund	-0-	1,250,000

7 **PART III**

8 **FUNDS TRANSFER**

9 The General Assembly finds that the financial condition of state government  
 10 requires the following action.

11 Notwithstanding the statutes or requirements of the Restricted Funds enumerated  
 12 below, there is transferred to the General Fund the following amounts in fiscal year 2012-  
 13 2013 and fiscal year 2013-2014:

14		2012-13	2013-14
15	<b>A. TRANSPORTATION CABINET</b>		
16	<b>1. Aviation</b>		
17	Agency Revenue Fund	468,000	468,000
18	(KRS 183.525(4) and (5))		
19	<b>2. Aviation</b>		
20	Agency Revenue Fund	7,000,000	2,000,000
21	(KRS 183.525(4) and (5))		
22	<b>3. Vehicle Regulation</b>		
23	Agency Revenue Fund	5,500,000	4,100,000
24	(KRS 186.040(6)(a))		
25	<b>4. Vehicle Regulation</b>		
26	Agency Revenue Fund	-0-	100,000
27	(KRS 190.058(10))		

1 **5. Vehicle Regulation**

2	Agency Revenue Fund	3,500,000	3,500,000
3	(KRS 186.040(6)(b))		
4	TOTAL - FUNDS TRANSFER	16,468,000	10,168,000

5 **PART IV**6 **TRANSPORTATION CABINET BUDGET SUMMARY**7 **OPERATING BUDGET**

8		2011-12	2012-13	2013-14
9	General Fund	-0-	5,678,200	5,678,200
10	Restricted Funds	-0-	326,300,500	326,539,200
11	Federal Funds	-0-	605,332,200	606,670,700
12	Road Fund	-0-	1,441,323,700	1,461,496,100
13	SUBTOTAL	-0-	2,378,634,600	2,400,384,200

14 **CAPITAL PROJECTS BUDGET**

15		2011-12	2012-13	2013-14
16	Restricted Funds	-0-	50,000	-0-
17	Federal Funds	-0-	2,230,000	-0-
18	Road Fund	-0-	7,805,000	15,097,000
19	Bond Funds	-0-	12,500,000	-0-
20	Investment Income	-0-	500,000	500,000
21	SUBTOTAL	-0-	23,085,000	15,597,000

22 **TOTAL - TRANSPORTATION CABINET BUDGET**

23		2011-12	2012-13	2013-14
24	General Fund	-0-	5,678,200	5,678,200
25	Restricted Funds	-0-	326,350,500	326,539,200
26	Federal Funds	-0-	607,562,200	606,670,700
27	Road Fund	-0-	1,449,128,700	1,476,593,100

1	Bond Funds	-0-	12,500,000	-0-
2	Investment Income	-0-	500,000	500,000
3	TOTAL FUNDS	-0-	2,401,719,600	2,415,981,200





# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2012 REGULAR SESSION

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HOUSE BILL NO. 499

AS ENACTED

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FRIDAY, MARCH 30, 2012

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1 AN ACT relating to fiscal matters and declaring an emergency.

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

3 ➔ Section 1. KRS 131.400 is amended to read as follows:

4 (1) KRS 131.410 to 131.445 shall be known as and may be cited as the "Kentucky Tax  
5 Amnesty Act."

6 (2) The department~~[of Revenue]~~ shall develop and administer~~[a]~~ tax amnesty  
7 programs~~[program]~~ as provided in KRS 131.410 to 131.445.

8 (3) As used in KRS 131.410 to 131.445, unless the context requires otherwise:

9 (a) "Amnesty period" means the period of time established pursuant to  
10 subsection (4)(a) or (b) of this section during which a taxpayer may apply  
11 for tax amnesty;~~["Department" means the Department of Revenue.]~~

12 (b) "Taxpayer" means any individual, partnership, joint venture, association,  
13 corporation, receiver, trustee, guardian, executor, administrator, fiduciary,  
14 limited liability company, limited liability partnership, or any other entity of  
15 any kind subject to any tax set forth in subsection (4) of this section or any  
16 person required to collect any such tax under subsection (4) of this section;~~[-]~~

17 (c) "Account receivable" means an amount of state tax, penalty, fee, or interest  
18 which has been recorded as due and entered in the account records of the  
19 department, or which the taxpayer should reasonably expect to become due as  
20 a direct or indirect result of any pending or completed audit or investigation  
21 which the taxpayer knows is being conducted by any federal or state  
22 government taxing authority; and~~governmental taxing authority, federal,~~  
23 ~~state, or local.]~~

24 (d) "Due and owing" means an assessment which has become final and is owed to  
25 the Commonwealth due to either the expiration of the taxpayer's appeal rights  
26 pursuant to KRS 131.110 or, if an assessment has been appealed~~[to the board~~  
27 ~~of tax appeals]~~, the issuance~~[rendition]~~ of a final order by the board or by any

1 court of this Commonwealth. For the purposes of KRS 131.410 to 131.445,  
 2 assessments that have been appealed~~[ to the board of tax appeals]~~ shall be  
 3 final, due and owing fifteen (15) days after the last unappealed or  
 4 unappealable order sustaining the assessment or any part thereof has become  
 5 final.

6 (4) (a) Notwithstanding the provisions of any other law to the contrary, ~~a~~~~[the]~~ tax  
 7 amnesty program shall be conducted by the department during the fiscal year  
 8 ending June 30, 2003, for a period of not less than sixty (60) days nor more  
 9 than one hundred and twenty (120) days and shall apply to all taxpayers owing  
 10 taxes, penalties, fees, or interest subject to the administrative jurisdiction of  
 11 the department, with the exceptions of ad valorem taxes levied on real  
 12 property pursuant to KRS Chapter 132, ad valorem taxes on motor vehicles  
 13 and motorboats collected by the county clerks, and ad valorem taxes on  
 14 personal property levied pursuant to KRS Chapter 132 that are payable to  
 15 local officials. The program shall apply to tax liabilities for taxable periods  
 16 ending or transactions occurring after December 1, 1987, but prior to  
 17 December 1, 2001. Amnesty tax return forms shall be in a form prescribed by  
 18 the department.

19 (b) Notwithstanding the provisions of any other law to the contrary, a tax  
 20 amnesty program shall be conducted by the department during the fiscal  
 21 year ending June 30, 2013, for a period of not less than sixty (60) days nor  
 22 more than one hundred twenty (120) days. The program shall be available  
 23 to all taxpayers owing taxes, penalties, fees, or interest subject to the  
 24 administrative jurisdiction of the department, with the exception of:

25 1. Ad valorem taxes levied on real property pursuant to KRS Chapter

26 132;

27 2. Ad valorem taxes on motor vehicles and motorboats collected by the



1 subdivision thereof or the United States, nor shall this section apply to any taxpayer  
 2 who is the subject of any criminal litigation which is pending on the date of the  
 3 taxpayer's application in any court of this state or the United States for nonpayment,  
 4 delinquency, evasion or fraud in relation to any federal taxes or to any of the taxes  
 5 to which this amnesty program is applicable.

6 (3) No refund or credit shall be granted for any interest, fee, or penalty paid prior to the  
 7 time the taxpayer requests amnesty pursuant to KRS 131.420.

8 (4) Unless the department in its own discretion redetermines the amount of taxes due,  
 9 no refund or credit shall be granted for any taxes paid under the amnesty program.

10 *Any administrative or judicial proceeding or claim seeking the refund or recovery*  
 11 *of any amount paid under an amnesty program is hereby barred.*

12 → Section 3. KRS 131.420 is amended to read as follows:

13 (1) The provisions of KRS 131.400 to 131.445 shall apply to any eligible taxpayer who  
 14 files an application for amnesty within the time prescribed by the department and  
 15 does the following:

16 (a) Files completed tax returns for all years or tax reporting periods as stated on  
 17 the application for which returns have not previously been filed and files  
 18 completed amended tax returns for all years or tax reporting periods as stated  
 19 on the application for which the tax liability was underreported, except in  
 20 cases in which the tax liability has been established through audit;[-]

21 (b) Pays in full the taxes due for the periods and taxes applied for at the time the  
 22 application or amnesty tax returns are filed within the amnesty period and  
 23 pays the amount of any additional tax owed within thirty (30) days of  
 24 notification by the department;[-]

25 (c) Pays in full within the amnesty period all taxes previously assessed by the  
 26 department that are due and owing at the time the application or amnesty tax  
 27 returns are filed; *and*

1 (d) With regard to the program described in subsection (4)(b) of Section 1 of  
 2 this Act, agrees to file all tax returns when due and make all tax payments  
 3 when due for three (3) years following the date amnesty is granted to the  
 4 taxpayer.

5 (2) An eligible taxpayer may participate in the amnesty program whether or not the  
 6 taxpayer is under audit, notwithstanding the fact that the amount due is included in  
 7 a proposed assessment or an assessment, bill, notice, or demand for payment issued  
 8 by the department, and without regard to whether the amount due is subject to a  
 9 pending administrative or judicial proceeding. An eligible taxpayer may participate  
 10 in the amnesty program to the extent of the uncontested portion of any assessed  
 11 liability. However, participation in the program shall be conditioned upon the  
 12 taxpayer's agreement that the right to protest or initiate an administrative or judicial  
 13 proceeding or to claim any refund of moneys paid under the program is barred with  
 14 respect to the amounts paid under the amnesty programs~~[with the application or~~  
 15 ~~amnesty returns]~~.

16 (3) (a) The department may enter into an installment payment agreement as provided  
 17 in KRS 131.081(9) in cases of severe hardship in lieu of the complete  
 18 payment required under subsection (1) of this section.

19 (b) Failure of the taxpayer to make timely payments shall void the~~[ terms of the]~~  
 20 amnesty granted the taxpayer~~[ program]~~.

21 (c) 1. All~~[ such]~~ agreements and payments under the program described in  
 22 subsection (4)(a) of Section 1 of this Act shall include interest as  
 23 provided under subsection (2) of KRS 131.425.

24 2. All agreements and payments under the program described in  
 25 subsection (4)(b) of Section 1 of this Act shall include interest as  
 26 provided under subsection (3) of Section 4 of this Act.

27 (d) All required payments under an installment payment agreement under the

1           program described in subsection (4)(b) of Section 1 of this Act shall be  
 2           made on or before May 31, 2013.

3           (e) 1. If a taxpayer fails to make all required payments under paragraph (d)  
 4           of this subsection by May 31, 2013, the amnesty received by the  
 5           taxpayer shall be invalidated, and all civil penalties, fees, and interest  
 6           waived under the amnesty agreement shall:

7           a. Be reinstated;

8           b. Be subject to immediate collection by the department; and

9           c. Not be subject to protest under KRS 131.110.

10          2. The department may utilize any remedy allowed by law to recover the  
 11          amounts reinstated, and no statute of limitations shall apply.

12 (4) If, following the termination of the tax amnesty period, the department issues a  
 13 deficiency assessment based upon information independent of that shown on a  
 14 return filed pursuant to subsection (1) of this section, the department shall have the  
 15 authority to impose penalties and criminal action may be brought where authorized  
 16 by law only with respect to the difference between the amount shown on the  
 17 amnesty tax return and the correct amount of tax due. The imposition of penalties or  
 18 criminal action shall not invalidate any waiver granted under KRS 131.410. With  
 19 the exception of the cost-of-collection~~[cost of collection]~~ fee imposed under  
 20 subsection (1) of KRS 131.440, all assessments issued by the department under  
 21 KRS 131.410 to 131.445 may be protested by the taxpayer in the same manner as  
 22 other assessments pursuant to the terms of this chapter.

23          ➔Section 4. KRS 131.425 is amended to read as follows:

24 (1) Notwithstanding the provisions of KRS 131.183(1), all taxes paid under an~~[with~~  
 25 ~~the]~~ amnesty program~~[tax]~~ return:

26          (a) Filed under the program described in subsection (4)(a) of Section 1 of this  
 27          Act shall bear no interest imposed under KRS 131.183(1) or other applicable

1 statutes; and

2 (b) Filed under the program described in subsection (4)(b) of Section 1 of this  
 3 Act shall bear interest at one-half (1/2) the tax interest rate established by  
 4 KRS 131.183(1) or other applicable statutes.

5 (2) Notwithstanding the provisions of KRS 131.183(2) and 141.235, if any  
 6 overpayment of tax under KRS 131.410 to 131.445 is refunded or credited within  
 7 one hundred eighty (180) days after the return is filed, no interest shall be allowed.

8 (3) All installment payment agreements entered into pursuant to Section 3 of this Act  
 9 relating to the program described in subsection (4)(b) of Section 1 of this Act  
 10 shall bear interest on the outstanding amount of tax due during the installment  
 11 period at the full rate established by KRS 131.183 or other applicable provisions  
 12 of the Kentucky Revised Statutes.

13 ➔ Section 5. KRS 131.440 is amended to read as follows:

14 (1) (a) For purposes of the program described in subsection (4)(a) of Section 1 of  
 15 this Act, in addition to all other penalties provided under KRS 131.180,  
 16 131.410 to 131.445, and 131.990 and any other law, there is hereby imposed  
 17 after the expiration of the tax amnesty period the following cost-of-  
 18 collection~~[cost of collection]~~ fees:

19 1.{(a)} A cost-of-collection~~[cost of collection]~~ fee of twenty-five percent  
 20 (25%) on all taxes which are or become due and owing to the  
 21 department for any reporting period, regardless of when due. This fee  
 22 shall be in addition to any other applicable fee provided in this  
 23 paragraph~~[subsection]~~;

24 2.{(b)} Taxes which are assessed and collected after the amnesty period  
 25 for taxable periods ending or transactions occurring prior to December  
 26 1, 2001, shall be charged a cost-of-collection~~[cost of collection]~~ fee of  
 27 twenty-five percent (25%) at the time of assessment; and



1           ~~3.{(e)}~~ For any taxpayer who failed to file a return for any previous tax  
 2           period for which amnesty is available and fails to file the return during  
 3           the amnesty period, the cost-of-collection~~[cost-of-collection]~~ fee shall be  
 4           fifty percent (50%) of any tax deficiency assessed after the amnesty  
 5           period.

6           **(b) For purposes of the program described in subsection (4)(b) of Section 1 of**  
 7           **this Act:**

8           **1. In addition to all other penalties provided under KRS 131.180,**  
 9           **131.410 to 131.445, 131.990 and any other law, there are hereby**  
 10           **imposed after the expiration of the tax amnesty period the following**  
 11           **cost-of-collection fees:**

12           **a. A cost-of-collection fee of twenty-five percent (25%) on all taxes**  
 13           **which are or become due and owing to the department for any**  
 14           **reporting period, regardless of when due. This fee shall be in**  
 15           **addition to any other applicable fee provided in this paragraph;**

16           **b. Taxes which are assessed and collected after the amnesty period**  
 17           **for taxable periods ending or transactions occurring prior to**  
 18           **October 1, 2011, shall be charged a cost-of-collection fee of**  
 19           **twenty-five percent (25%) at the time of assessment; and**

20           **c. For any taxpayer who failed to file a return for any previous tax**  
 21           **period for which amnesty is available and fails to file the return**  
 22           **during the amnesty period, the cost-of-collection fee shall be fifty**  
 23           **percent (50%) of any tax deficiency assessed after the amnesty**  
 24           **period.**

25           **2. After expiration of the tax amnesty period, an amnesty-eligible tax**  
 26           **liability that remains unpaid and that is not covered by an installment**  
 27           **agreement as provided in Section 3 of this Act shall accrue interest at**

1                    *a rate that is two percent (2%) above the interest rate established by*  
 2                    *KRS 131.183 or other applicable provisions of the Kentucky Revised*  
 3                    *Statutes, beginning on the day after the tax amnesty period ends.*

4        (2) The commissioner~~[-of revenue]~~ shall have the right to waive any penalties or  
 5        collection fees when it is demonstrated that any deficiency of the taxpayer was due  
 6        to reasonable cause as defined in KRS 131.010(9). However, any taxes that cannot  
 7        be paid under the amnesty program because of the exclusions in subsection (2) of  
 8        KRS 131.410 shall not be subject to these fees.

9        (3) The provisions of subsection (1) of this section shall not relate to any account which  
 10       has been protested pursuant to KRS 131.110 as of the expiration of the amnesty  
 11       period and which does not become due and owing, or to any account on which the  
 12       taxpayer is remitting timely payments under a payment agreement negotiated with  
 13       the department prior to or during the amnesty period.

14       (4) The fee levied under subsection (1) of this section shall not apply to taxes paid  
 15       pursuant to the terms of the amnesty program nor shall the judgment penalty of  
 16       twenty percent (20%) levied under KRS 135.060(3) apply in any case in which the  
 17       fee levied under this section is applicable.

18       ➔Section 6. KRS 131.445 is amended to read as follows:

19       (1) After the expiration of the tax amnesty period, the department shall vigorously  
 20       pursue all civil, administrative, and criminal penalties authorized by state and  
 21       federal law for all taxes found to be due the Commonwealth.

22       (2) In addition to all other penalties provided under KRS 131.180, 131.410 to 131.445,~~{~~  
 23       ~~and}~~ 131.990, and any other law, any taxpayer who willfully fails to make a return  
 24       or willfully makes a false return, or who willfully fails to pay taxes owing or  
 25       collected, with intent to evade payment of the tax or amount collected, or any part  
 26       thereof, shall be guilty of a Class D felony.

27       *(3) (a) Amnesty received by a taxpayer under the program described in subsection*

1 (4)(b) of Section 1 of this Act shall be invalidated if:

2 1. The taxpayer fails to timely file any tax return or timely pay any tax  
 3 and interest due for any period ending after December 31, 2001, and  
 4 prior to October 1, 2011; or

5 2. The taxpayer fails to timely file any tax return or timely pay any tax  
 6 for any period beginning October 1, 2011, and ending within three (3)  
 7 years of the date amnesty was granted to the taxpayer.

8 (b) Except as provided in paragraph (d) of this subsection, if the provisions of  
 9 paragraph (a) of this subsection apply, then the civil penalties, fees, and  
 10 interest waived pursuant to Section 2 of this Act shall:

11 1. Be reinstated;

12 2. Be subject to immediate collection by the department; and

13 3. Not be subject to protest under KRS 131.110.

14 (c) The department may utilize any remedy permitted under the law to collect  
 15 amounts due under this subsection, and no statute of limitations shall  
 16 apply.

17 (d) If paragraph (a) of this subsection applies to a taxpayer as the result of an  
 18 audit or other investigation by the department, the amnesty shall not be  
 19 invalidated until the taxpayer has had the opportunity to protest as provided  
 20 in KRS 131.110, and has failed to pay the tax within thirty (30) days of the  
 21 date on which the assessment becomes final, due, and owing as provided in  
 22 KRS 131.500(1).

23 →SECTION 7. A NEW SECTION OF KRS CHAPTER 131 IS CREATED TO  
 24 READ AS FOLLOWS:

25 (1) As used in this section, "licensing agency" means any instrumentality, agency,  
 26 board, commission, or department established by statute that has the power and  
 27 authority within the Commonwealth to issue any occupational or professional

1 certification, license, or registration required to engage in an occupation,  
 2 profession, or trade in the Commonwealth.

3 (2) The department may identify licensing agencies from which it wants to obtain  
 4 information for the purpose of tax compliance.

5 (3) Any licensing agency identified by the department shall work with the department  
 6 to develop a process to provide the department with information about its  
 7 licensees.

8 →Section 8. KRS 15.020 is amended to read as follows:

9 The Attorney General is the chief law officer of the Commonwealth of Kentucky and all  
 10 of its departments, commissions, agencies, and political subdivisions, and the legal  
 11 adviser of all state officers, departments, commissions, and agencies, and when requested  
 12 in writing shall furnish to them his written opinion touching any of their official duties,  
 13 and shall prepare proper drafts of all instruments of writing required for public use, and  
 14 shall exercise all common law duties and authority pertaining to the office of the Attorney  
 15 General under the common law, except when modified by statutory enactment. He shall  
 16 communicate with the Legislative Research Commission as required by KRS 418.075.  
 17 Except as otherwise provided in KRS 48.005~~{(8)}~~ and 2000 Ky. Acts ch. 483, sec. 8, he  
 18 shall appear for the Commonwealth in all cases in the Supreme Court or Court of Appeals  
 19 wherein the Commonwealth is interested, and shall also commence all actions or enter his  
 20 appearance in all cases, hearings, and proceedings in and before all other courts, tribunals,  
 21 or commissions in or out of the state, and attend to all litigation and legal business in or  
 22 out of the state required of him by law, or in which the Commonwealth has an interest,  
 23 and any litigation or legal business that any state officer, department, commission, or  
 24 agency may have in connection with, or growing out of, his or its official duties, except  
 25 where it is made the duty of the Commonwealth's attorney or county attorney to represent  
 26 the Commonwealth. When any attorney is employed for any said agency, the same shall  
 27 have the approval of such agency before such employment. If any funds of any kind or

1 nature whatsoever are recovered by or on behalf of the Commonwealth, in any action,  
2 including an ex rel. action where the Attorney General has entered an appearance or is a  
3 party according to statutory or common law authority, those funds shall be handled under  
4 KRS 48.005.

5 →Section 9. KRS 48.005 is amended to read as follows:

6 (1) The General Assembly hereby finds and declares that:

7 (a) Public accountability for funds or other assets recovered in a legal action by or  
8 on behalf of the general public, the Commonwealth, or its duly elected  
9 statewide constitutional officers is appropriate and required, whether the  
10 character of the assets or funds recovered is public or private;

11 (b) Accountability for assets or funds recovered by duly elected statewide  
12 constitutional officers is essential to the public trust, and is even more critical  
13 when that officer was a party to the action that resulted in the recovery by  
14 virtue of the public office he or she holds;

15 (c) Public accountability demands the applicability of the Kentucky Open  
16 Records Law, KRS 61.870 to 61.884, and the Kentucky Open Meetings Law,  
17 KRS 61.805 to 61.850, so that the actions of individuals or agencies who are  
18 charged with the administration of funds or other assets are conducted in full  
19 view, and are open to public scrutiny; and

20 (d) The power to appropriate funds for public purposes is solely within the  
21 purview of the legislative branch of government, and the General Assembly,  
22 as a steward of the budgetary process, shall take steps to assure that future  
23 settlements are handled in a manner that assures maximum accountability to  
24 the citizens of the Commonwealth and their duly elected legislative  
25 representatives.

26 (2) Therefore, any other provision of the common law or statutory law to the contrary  
27 notwithstanding:

1 (a) The provisions of subsection (3) of this section shall apply whenever the  
2 Attorney General or other duly elected statewide constitutional officer is a  
3 party or has entered his appearance in a legal action on behalf of the  
4 Commonwealth of Kentucky, including ex rel. or other type actions, and a  
5 disposition of that action has resulted in the recovery of funds or assets to be  
6 held in trust by the Attorney General or other duly elected statewide  
7 constitutional officer or a person, organization, or entity created by the  
8 Attorney General or the Commonwealth, through court action or otherwise, to  
9 administer the trust funds or assets, for charitable, eleemosynary, benevolent,  
10 educational, or similar public purposes;

11 (b) Except as otherwise provided in paragraph (a) of this subsection, the  
12 provisions of subsection (4) of this section shall apply when any funds or  
13 assets of any kind or nature whatsoever, including but not limited to public  
14 funds as defined in KRS 446.010 and private funds or assets are recovered by  
15 judgment or settlement of a legal action by or on behalf of the Commonwealth  
16 of Kentucky, including ex rel. or other type actions filed by a duly elected  
17 statewide constitutional officer under that officer's statutory or common law  
18 authority.

19 (3) Whenever the Attorney General or other duly elected statewide constitutional  
20 officer is a party to or has entered his appearance in, a legal action on behalf of the  
21 Commonwealth of Kentucky, including ex rel. or other type actions, and a  
22 disposition of that action has resulted in the recovery of funds or assets to be held in  
23 trust by the Attorney General or other duly elected statewide constitutional officer  
24 or by a person, organization, or entity created by the Attorney General, or the  
25 Commonwealth, through court action or otherwise, to administer the trust funds or  
26 assets, for charitable, eleemosynary, benevolent, educational, or similar public  
27 purposes, those funds shall be deposited in the State Treasury and the funds or

1 assets administered and disbursed by the Office of the Controller.

- 2 (4) The Office of Attorney General may first recover its reasonable costs of litigation,  
 3 as determined by the court and approved by the secretary of the Finance and  
 4 Administration Cabinet. After recovering the reasonable costs of litigation, any  
 5 required consumer restitution or payments shall be made. All remaining funds  
 6 shall be deposited in the general fund surplus account. Any costs recovered under  
 7 this subsection shall be reported to the Interim Joint Committee on  
 8 Appropriations and Revenue.

9 ~~[(a) Any other provision of the common law or~~  
 10 ~~statutory law to the contrary notwithstanding, and except as otherwise provided in~~  
 11 ~~this section, any funds or assets of any kind or nature whatsoever, including but not~~  
 12 ~~limited to public funds as defined in KRS 446.010 and private funds or assets when~~  
 13 ~~recovered by judgment or settlement of a legal action by or on behalf of the~~  
 14 ~~Commonwealth of Kentucky, including ex rel. or other type actions filed by a duly~~  
 15 ~~elected statewide constitutional officer under that officer's statutory or common law~~  
 16 ~~authority shall be deemed public funds, and shall be deposited into an account~~  
 17 ~~maintained by the Finance and Administration Cabinet.~~

18 ~~(b) No funds to which this subsection applies when deposited in an account~~  
 19 ~~maintained by the Finance and Administration Cabinet shall be disbursed~~  
 20 ~~without a specific legislative appropriation of the deposited funds by the~~  
 21 ~~General Assembly while in regular or special legislative session.]~~

- 22 (5) The common law, including the common law authority of any duly elected  
 23 statewide constitutional officer, is specifically abrogated to the extent it is  
 24 inconsistent with the provisions of this section.

- 25 (6) ~~The provisions of this section shall not apply to actions by or on behalf of the~~  
 26 ~~Commonwealth or its duly elected statewide constitutional officers, if the recovery~~  
 27 ~~sought and received is for specific individuals identified as parties to the action~~  
 either by individual Social Security number, other individual identifying number, or

1 by the individual's proper name.

2 (7) Notwithstanding any statute or common law to the contrary, and except as provided  
 3 in this subsection, an elected statewide constitutional officer or any other state  
 4 official or agency shall not file or participate as a plaintiff, petitioner, party,  
 5 intervening party, attorney, or amicus curiae in any litigation challenging the  
 6 constitutionality of this section. State funds and employee time shall not be  
 7 expended by any person or agency in support of such a challenge. If the  
 8 constitutionality of this section is challenged, the Finance and Administration  
 9 Cabinet shall be the sole named respondent in that litigation, and shall consult with  
 10 the Legislative Research Commission regarding defense of that litigation.

11 ➔Section 10. KRS 224.50-868 is amended to read as follows:

12 (1) Until June 30, 2014~~[July 31, 2010]~~, a person purchasing a new motor vehicle tire in  
 13 Kentucky shall pay to the retailer a one dollar (\$1) fee at the time of the purchase of  
 14 that tire. A new tire is a tire that has never been placed on a motor vehicle wheel  
 15 rim, but it is not a tire placed on a motor vehicle prior to its original retail sale or a  
 16 recapped tire. The term "motor vehicle" as used in this section shall mean "motor  
 17 vehicle" as defined in KRS 138.450. The fee shall not be subject to the Kentucky  
 18 sales tax.

19 (2) When a person purchases a new motor vehicle tire in Kentucky to replace another  
 20 tire, the tire that is replaced becomes a waste tire subject to the waste tire program.  
 21 The person purchasing the new motor vehicle tire shall be encouraged by the  
 22 retailer to leave the waste tire with the retailer or meet the following requirements:

- 23 (a) Dispose of the waste tire in accordance with KRS 224.50-856(1);
- 24 (b) Deliver the waste tire to a person registered in accordance with the waste tire  
 25 program; or
- 26 (c) Reuse the waste tire for its original intended purpose or an agricultural  
 27 purpose.



- 1 (3) A retailer shall report to the Department of Revenue on or before the twentieth day  
2 of each month the number of new motor vehicle tires sold during the preceding  
3 month and the number of waste tires received from customers that month. The  
4 report shall be filed on forms and contain information as the Department of  
5 Revenue may require. The retailer shall remit with the report ninety-five percent  
6 (95%) of the fees collected for the preceding month and may retain a five percent  
7 (5%) handling fee.
- 8 (4) A retailer shall:
- 9 (a) Accept from the purchaser of a new tire, if offered, for each new motor  
10 vehicle tire sold, a waste tire of similar size and type; and
- 11 (b) Post notice at the place where retail sales are made that state law requires the  
12 retailer to accept, if offered, a waste tire for each new motor vehicle tire sold  
13 and that a person purchasing a new motor vehicle tire to replace another tire  
14 shall comply with subsection (2) of this section. The notice shall also include  
15 the following wording: "State law requires a new tire buyer to pay one dollar  
16 (\$1) for each new tire purchased. The money is collected and used by the state  
17 to oversee the management of waste tires, including cleaning up abandoned  
18 waste tire piles and preventing illegal dumping of waste tires."
- 19 (5) A retailer shall comply with the requirements of the recordkeeping system for waste  
20 tires established by KRS 224.50-874.
- 21 (6) A retailer shall transfer waste tires only to a person who presents a letter from the  
22 cabinet approving the registration issued under KRS 224.50-858 or a copy of a solid  
23 waste disposal facility permit issued by the cabinet, unless the retailer is delivering  
24 the waste tires to a destination outside Kentucky and the waste tires will remain in  
25 the retailer's possession until they reach that destination.
- 26 (7) The cabinet shall, in conjunction with the Waste Tire Working Group, develop the  
27 informational fact sheet to be made publicly available on the cabinet's Web site and

1 available in print upon request. The fact sheet shall identify ways to properly  
 2 dispose of the waste tire and present information on the problems caused by  
 3 improper waste tire disposal.

4 ➔Section 11. KRS 132.099 is amended to read as follows:

5 (1) The tax rate levied by cities, counties, charter counties, urban-counties, and school  
 6 districts on personal property placed in a warehouse or distribution center for the  
 7 purpose of subsequent shipment to an out-of-state destination shall be as follows:

8 (a) Eighty percent (80%) of the tax rate levied on other tangible personal property  
 9 for tax assessments made on January 1, 2000; and

10 (b) Fifty percent (50%) of the tax rate levied on other tangible personal property  
 11 for tax assessments made on January 1, 2001.

12 (2) Personal property placed in a warehouse or distribution center for the purpose of  
 13 subsequent shipment to an out-of-state destination shall be exempt from the ad  
 14 valorem tax levied by cities, counties, charter counties, urban-counties, and school  
 15 districts for tax assessments made on or after January 1, 2002.

16 (3) Any fire district or other special taxing district may exempt from the ad valorem tax  
 17 personal property placed in a warehouse or distribution center for the purpose of  
 18 subsequent shipment to an out-of-state destination.

19 (4) (a) As used in this subsection:

20 1. "Drug" means a compound, substance, or preparation and any  
 21 component of a compound, substance, or preparation that is  
 22 recognized in the official United States Pharmacopoeia, official  
 23 Homeopathic Pharmacopoeia of the United States, or official National  
 24 Formulary, or a supplement to any of them, or is:

25 a. Intended for use in the diagnosis, cure, mitigation, treatment, or  
 26 prevention of disease in humans; or

27 b. Intended to affect the structure or any function of the human

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body;

2. "Pharmaceutical manufacturer" means any entity which is engaged in the production, preparation, propagation, compounding, conversion, or processing of drug products, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis; but does not include a drug wholesaler or a retail pharmacy; and

3. "Affiliate" means a partnership, limited liability entity, corporation, or any other business entity that directly or indirectly owns or controls, or is owned or controlled by, or is under common ownership or control with, another partnership, limited liability entity, corporation, or other business entity.

(b) For assessments made on and after January 1, 2012 the maximum ad valorem tax rate that may be levied by any special taxing district on drugs held by a pharmaceutical manufacturer or by an affiliate of a pharmaceutical manufacturer in a warehouse or distribution center for the purpose of subsequent shipment to an out-of-state destination shall not exceed three cents (\$0.03) upon each one hundred dollars (\$100) of value. This subsection shall not apply to any fire district.

(5) For the purpose of this section, personal property shall be deemed to be held for shipment to an out-of-state destination if the owner can reasonably demonstrate that the personal property will be shipped out of state within the next six (6) months.

→ Section 12. KRS 342.122 is amended to read as follows:

(1) (a) For calendar year 1997 and for each calendar year thereafter, for the purpose of funding and prefunding the liabilities of the special fund, financing the administration and operation of the Kentucky Workers' Compensation

1 Funding Commission, and financing the expenditures for all programs in the  
2 Labor Cabinet, except the Division of Employment Standards, Apprenticeship  
3 and Mediation in the Department of Workplace Standards, as reflected in the  
4 enacted budget of the Commonwealth and enacted by the General Assembly,  
5 the funding commission shall impose a special fund assessment rate of nine  
6 percent (9%) upon the amount of workers' compensation premiums received  
7 on and after January 1, 1997, through December 31, 1997, by every insurance  
8 carrier writing workers' compensation insurance in the Commonwealth, by  
9 every self-insured group operating under the provisions of KRS 342.350(4)  
10 and Chapter 304, and against the premium, as defined in KRS 342.0011, of  
11 every employer carrying his or her own risk.

- 12 (b) The funding commission shall, for calendar year 1998 and thereafter, establish  
13 for the special fund an assessment rate to be assessed against all premium  
14 received during that calendar year which~~], when added to the coal severance~~  
15 ~~tax appropriated to the special fund in accordance with paragraph (c) of this~~  
16 ~~section,]~~ shall produce enough revenue to amortize on a level basis the  
17 unfunded liability of the special fund as of June 30 preceding January 1 of  
18 each year, for the period remaining until December 31, 2029. The interest rate  
19 to be used in this calculation shall reflect the funding commission's  
20 investment experience to date and the current investment policies of the  
21 commission. This assessment shall be imposed upon the amount of workers'  
22 compensation premiums received by every insurance carrier writing workers'  
23 compensation insurance in the Commonwealth, by every self-insured group  
24 operating under the provisions of KRS 342.350(4) and Chapter 304, and  
25 against the premium, as defined in KRS 342.0011, of every employer carrying  
26 its own risk. On or before October 1 of each year, the commission shall notify  
27 each insurance carrier writing workers' compensation insurance in the

1 Commonwealth, every group of self-insured employers, and each employer  
 2 carrying its own risk, of the rates which shall become effective on January 1  
 3 of each year, unless modified by the General Assembly.

4 ~~(c)~~ ~~In addition to the assessment imposed in paragraph (a) or (b) of this~~  
 5 ~~subsection, and notwithstanding and prior to the transfer of funds to the Local~~  
 6 ~~Government Economic Assistance Program under KRS 42.450 to 42.495, the~~  
 7 ~~Kentucky Department of Revenue shall credit nineteen million dollars~~  
 8 ~~(\$19,000,000) in coal severance tax revenues levied under KRS 143.020 to~~  
 9 ~~the benefit reserve fund within the Kentucky Workers' Compensation Funding~~  
 10 ~~Commission each year beginning with fiscal year 1998 and all fiscal years~~  
 11 ~~thereafter. The annual transfer of nineteen million dollars (\$19,000,000) shall~~  
 12 ~~occur in four (4) equal quarterly payments. These transfers shall occur not~~  
 13 ~~later than the last day of each quarter of each calendar year and shall consist of~~  
 14 ~~four (4) equal payments of four million, seven hundred fifty thousand dollars~~  
 15 ~~(\$4,750,000).~~

16 ~~(d)~~ All assessments imposed by this section shall be paid to the Kentucky  
 17 Workers' Compensation Funding Commission and shall be credited to the  
 18 benefit reserve fund within the Kentucky Workers' Compensation Funding  
 19 Commission.

20 ~~(d)~~~~(e)~~ The assessments imposed in this chapter shall be in lieu of all other  
 21 assessments or taxes on workers' compensation premiums.

22 (2) These assessments shall be paid quarterly not later than the thirtieth day of the  
 23 month following the end of the quarter in which the premium is received. Receipt  
 24 shall be considered timely through actual physical receipt or by postmark of the  
 25 United States Postal Service. Employers carrying their own risk and employers  
 26 defined in KRS 342.630(2) shall pay the annual assessments in four (4) equal  
 27 quarterly installments.

1 (3) The assessments imposed by this section may be collected by the insurance carrier  
2 from the[its] insured. However, the insurance carrier shall not collect from the  
3 employer any amount exceeding the assessments imposed pursuant to this section.  
4 If the insurance carrier collects the assessment from an insured, the assessment shall  
5 be collected at the same time and in the same proportion as the premium is  
6 collected. The assessment for an insurance policy or other evidence of coverage  
7 providing a deductible may be collected in accordance with this chapter on a  
8 premium amount that equates to the premium that would have applied without the  
9 deductible. Each statement from an insurance carrier presented to an insured  
10 reflecting premium and assessment amounts shall clearly identify and distinguish  
11 the amount to be paid for premium and the amount to be paid for assessments. No  
12 insurance carrier shall collect from an insured an amount in excess of the  
13 assessment percentages imposed by this chapter. The assessment for an insurance  
14 policy or other evidence of coverage providing a deductible may be collected in  
15 accordance with this chapter on a premium amount that equates to the premium that  
16 would have applied without the deductible. The percentages imposed by this  
17 chapter for an insurance policy issued by an insurance company shall be those  
18 percentages in effect on the annual effective date of the policy, regardless of the  
19 date that the premium is actually received by the insurance company.

20 (4) A self-insured group may elect to report its premiums and to have its assessments  
21 computed in the same manner as insurance companies. This election may not be  
22 rescinded for at least ten (10) years, nor may this election be made a second time for  
23 at least another ten (10) years, except that the board of directors of the funding  
24 commission may, at its discretion, waive the ten (10) year ban on a case-by-case  
25 basis after formal petition has been made to the funding commission by a self-  
26 insured group.

27 (5) The funding commission, as part of the collection and auditing of the special fund

1 assessments required by this section, shall annually require each insurance carrier  
2 and each self-insured group to provide a list of employers which it has insured or  
3 which are members and the amount collected from each employer. Additionally, the  
4 funding commission shall require each entity paying a special fund assessment to  
5 report the SIC code for each employer and the amount of premium collected from  
6 each SIC code. An insurance carrier or self-insured group may require its insureds  
7 or members to furnish the SIC code for each of their employees. However, the  
8 failure of any employer to furnish said codes shall not relieve the insurance carrier  
9 or self-insured group from the obligation to furnish same to the funding  
10 commission. The Office of Employment and Training, Education and Workforce  
11 Development Cabinet, is hereby directed to make available the SIC codes assigned  
12 in its records to specific employers to aid in the reporting and recording of the  
13 special fund assessment data.

14 (6) Each self-insured employer, self-insured group, or insurance carrier shall provide  
15 any information and submit any reports the Department of Revenue or the funding  
16 commission may require to effectuate the provisions of this section. In addition, the  
17 funding commission may enter reciprocal agreements with other governmental  
18 agencies for the exchange of information necessary to effectuate the provisions of  
19 this section.

20 (7) The special fund shall be required to maintain a central claim registry of all claims  
21 to which it is named a party, giving each such claim a unique claim number and  
22 thereafter recording the status of each claim on a current basis. The registry shall be  
23 established by January 26, 1988, for all claims on which payments were made since  
24 July 1, 1986, or which were pending adjudication since July 1, 1986, by audit of all  
25 claim files in the possession of the special fund.

26 (8) The fund heretofore designated as the subsequent claim fund is abolished, and there  
27 is substituted therefor the special fund as set out by this section, and all moneys and

1 properties owned by the subsequent claim fund are transferred to the special fund.

2 (9) Notwithstanding any other provisions of this section or this chapter to the contrary,  
3 the total amount of funds collected pursuant to the assessment rates adopted by the  
4 funding commission shall not be limited to the provisions of this section.

5 (10) All assessment rates imposed for periods prior to January 1, 1997, under KRS  
6 342.122 shall forever remain applicable to premiums received on policies with  
7 effective dates prior to January 1, 1997, by every insurance carrier writing workers'  
8 compensation insurance in the Commonwealth, by every self-insured group  
9 operating under the provision of KRS 342.350(4) and Chapter 304, and against the  
10 premium, as defined in KRS 342.0011, of every employer carrying its own risk.

11 ➔Section 13. KRS 42.4582 is amended to read as follows:

12 (1) There is hereby established in the State Treasury a fund entitled "Local Government  
13 Economic Development Fund." The fund may receive state appropriations, gifts,  
14 grants, and federal funds and shall be disbursed by the State Treasurer upon the  
15 warrant of the secretary of the Finance and Administration Cabinet. Any unallotted  
16 or unencumbered balances in the fund shall be invested as provided for in KRS  
17 42.500(9). Income earned from the investments shall be prorated for grants to  
18 counties according to the allotment schedule set out in KRS 42.4592.

19 (2) (a) Moneys shall be transferred from the general fund in an amount equal to fifty  
20 percent (50%) of the severance and processing taxes on coal collected  
21 annually, unless otherwise amended by the budget bill.

22 (b) The transfers shall be made quarterly, based upon the revenue estimates  
23 prevailing at the time each quarterly transfer is due, except that the last  
24 quarterly transfer shall be made after the close of the fiscal year accounting  
25 records, and shall be adjusted to provide the balance of the annual transfer  
26 required by this subsection.

27 (c) The quarterly calculation and transfer of funds pursuant to this section shall be



1 made only after distribution of †:

2 ~~1. The quarterly installment of the annual nineteen million dollars~~  
 3 ~~(\$19,000,000) allocation of coal severance tax revenues has been~~  
 4 ~~credited to the benefit reserve fund within the Kentucky Workers'~~  
 5 ~~Compensation Funding Commission as required by KRS 342.122; and~~

6 ~~2.]the quarterly installment of the annual amount from the prior calendar~~  
 7 ~~year allowed as an incentive to an approved company under KRS~~  
 8 ~~143.024 and 154.27-060.~~

9 ➔Section 14. KRS 42.4585 is amended to read as follows:

10 (1) A portion of each quarterly transfer of moneys provided for in KRS 42.4582 shall  
 11 be transferred from the local government economic development fund into the local  
 12 government economic assistance fund.

13 (2) The amount transferred annually from the local government economic development  
 14 fund into the local government economic assistance fund under the provisions of  
 15 subsection (1) of this section shall be not less than an amount equal to fifteen  
 16 percent (15%) of the severance and processing taxes on coal collected annually.

17 (3) The quarterly calculation and transfer of funds pursuant to subsections (1) and  
 18 (2) of this section shall be made only after distribution of †:

19 ~~(a) The quarterly installment of the annual nineteen million dollars (\$19,000,000)~~  
 20 ~~allocation of coal severance tax revenues has been credited to the benefit~~  
 21 ~~reserve fund within the Kentucky Workers' Compensation Funding~~  
 22 ~~Commission as required by KRS 342.122; and~~

23 ~~(b)]the quarterly installment of the annual amount from the prior calendar year~~  
 24 ~~allowed as an incentive to an approved company under KRS 143.024 and~~  
 25 ~~154.27-060.~~

26 ➔Section 15. KRS 164.7891 is amended to read as follows:

27 (1) It is the intent of the General Assembly to establish a scholarship program to

1 provide eligible Kentucky students the opportunity to attend an accredited  
2 osteopathic school of medicine located in the Commonwealth and become certified  
3 practitioners rendering medical service in the Commonwealth.

4 (2) The Kentucky Higher Education Assistance Authority may award scholarships, to  
5 the extent funds are available for that purpose, to persons who declare an intent to  
6 become osteopaths and practice in the Commonwealth and who are eligible under  
7 subsection (4) of this section.

8 (3) The authority may award scholarships to students who meet the following criteria:

9 (a) Kentucky residents who are United States citizens as determined by the  
10 institution in accordance with criteria established by the Council on  
11 Postsecondary Education for the purposes of admission and tuition  
12 assessment;

13 (b) Students who are enrolled or accepted for enrollment in an eligible program of  
14 study accredited by the Bureau of Professional Education of the American  
15 Osteopathy Association or its successor, on a full-time basis, or eligible  
16 students who have a disability defined by Title II of the Americans with  
17 Disabilities Act, 42 U.S.C. secs. 12131 et seq., certified by a licensed  
18 physician to be unable to attend the eligible program of study full-time  
19 because of the disability;

20 (c) Students who agree to render one (1) year of qualified service in the  
21 Commonwealth for each year the scholarship was awarded. "Qualified  
22 service" means a full-time practice in the Commonwealth of Kentucky as a  
23 licensed doctor of osteopathy for a majority of the calendar year in the fields  
24 of family practice, general practice, general internal medicine, general  
25 pediatrics, general obstetrics, or gynecology, except that an individual having  
26 a disability defined by Title II of the Americans with Disabilities Act, 42  
27 U.S.C. secs. 12131 et seq., whose disability, certified by another licensed

- 1 physician, prevents him or her from practicing full-time, shall be deemed to  
2 perform qualified service by practicing the maximum time permitted by the  
3 attending physician; and
- 4 (d) Students who sign a promissory note as evidence of the scholarship awarded  
5 and the obligation to repay the scholarship amount or render medical service  
6 as agreed in lieu of payment.
- 7 (4) The amount of the scholarship awarded to an eligible student by the authority shall  
8 be equal to the difference between:
- 9 (a) The average of the prevailing amount charged for in-state tuition at the  
10 University of Kentucky School of Medicine and the University of Louisville  
11 School of Medicine; and
- 12 (b) The prevailing amount charged for tuition at the osteopathic school of  
13 medicine in which the student is enrolled.
- 14 (5) The authority shall require a promissory note to be executed by the student as  
15 evidence of the obligation. The recipient shall render one (1) year of qualified  
16 service for each year the scholarship was awarded. Upon completion of each year of  
17 qualified service, the authority shall cancel the appropriate number of promissory  
18 notes. Promissory notes shall be canceled by qualified service in the order in which  
19 the promissory notes were executed. Service credit shall not include residency  
20 service. In the event a recipient fails to complete an eligible program of study, or  
21 fails to render qualified medical service as a primary care physician as agreed in  
22 subsection (3) of this section, the recipient shall be liable for the total repayment of  
23 the sum of all outstanding promissory notes and accrued interest.
- 24 (6) A scholarship shall not be awarded or a promissory note cancellation shall not be  
25 granted to any person who is in default on any obligation to the authority under any  
26 program administered by the authority under KRS 164.740 to 164.785 until  
27 financial obligations to the authority are satisfied, except that ineligibility for this

- 1 reason may be waived by the authority for cause.
- 2 (7) A repayment obligation imposed by this section shall not be voidable by reason of  
3 the age of the recipient at the time of executing the promissory note.
- 4 (8) Failure to meet repayment obligations imposed by this section shall be cause for the  
5 revocation of the scholarship recipient's license to practice medicine, subject to the  
6 procedures set forth in KRS Chapter 311.
- 7 (9) Notwithstanding KRS 164.753(3), the authority shall establish by administrative  
8 regulation procedures or the terms of promissory notes for the administration of this  
9 program, including the execution of appropriate contracts and promissory notes,  
10 cancellation of the obligation, the rate of repayment and deferment of repayment of  
11 outstanding debt, and the priority of awarding scholarships if funds are insufficient  
12 to honor all requests.
- 13 (10) Notwithstanding any other statute to the contrary, the maximum interest rate  
14 applicable to repayment of a promissory note under this section shall be twelve  
15 percent (12%) per annum, except that if a judgment is rendered to recover payment,  
16 the judgment shall bear interest at the rate of five percent (5%) greater than the rate  
17 actually charged on the promissory note.
- 18 (11) (a) The "Osteopathic Medicine Scholarship Program" is hereby created as a  
19 special trust fund in the State Treasury administered by the Kentucky Higher  
20 Education Assistance Authority for the purpose of providing funds for  
21 scholarships to eligible students studying osteopathic medicine in schools in  
22 the Commonwealth.
- 23 (b) Funding shall be transferred to the special trust fund from the coal severance  
24 tax revenues levied under KRS 143.020 in an amount that permits each  
25 Kentucky resident eligible under subsection (3) of this section to be awarded a  
26 scholarship in the amount established under subsection (4) of this section. No  
27 more than four percent (4%) of the coal severance tax revenues levied under

1 KRS 143.020 and collected annually shall be transferred to the trust fund. To  
 2 the extent this appropriation and other funds are available, the authority shall  
 3 award scholarships to all renewal applicants and eligible students in  
 4 accordance with the formula for determining the amount of the scholarship  
 5 award established in this section.

6 (c) The trust fund may also receive state appropriations, gifts, and grants from  
 7 public and private sources, and federal funds. Any unallotted or  
 8 unencumbered balances in the trust fund shall be invested as provided in KRS  
 9 42.500(9). Income earned from the investments shall be credited to the trust  
 10 fund. Any fund balance at the close of the fiscal year shall not lapse but shall  
 11 be carried forward to the next fiscal year and continuously appropriated only  
 12 for the purposes specified in this section. A general statement that all  
 13 continuing appropriations are repealed, discontinued, or suspended shall not  
 14 operate to repeal, discontinue, or suspend this fund or to repeal this section.

15 (d) All moneys repaid to the authority under this section shall be added to the  
 16 appropriations made for purposes of this section, and the funds and  
 17 unobligated appropriations shall not lapse.

18 (12) On or before August 1 of each year, sixty-five percent (65%) of the amount of  
 19 funding provided in subsection (11)(b) of this section shall be transferred to the  
 20 special trust fund and the remaining thirty-five percent (35%) shall be transferred on  
 21 or before December 1 of each year. The revenue transfers shall be based upon the  
 22 revenue estimates prevailing at the time each transfer is due.

23 ~~[(13) The calculation and transfer of funds under subsection (11) of this section shall be~~  
 24 ~~made only after the quarterly installment of the annual nineteen million dollars~~  
 25 ~~(\$19,000,000) allocation of coal severance tax revenues has been credited to the~~  
 26 ~~benefit reserve fund within the Workers' Compensation Funding Commission as~~  
 27 ~~required by KRS 342.122.]~~

1       ➔Section 16. KRS 164.7890 is amended to read as follows:

- 2       (1) To ensure the public health purpose of access to pharmaceutical services in the coal-
- 3       producing counties of the Commonwealth, which have been traditionally
- 4       underserved for pharmaceutical services due to a shortage of pharmacists in the
- 5       Commonwealth, the General Assembly hereby establishes a coal county scholarship
- 6       program to provide eligible Kentucky students the opportunity to attend an
- 7       accredited school of pharmacy or a provisionally accredited school of pharmacy in
- 8       the Commonwealth, and to become certified pharmacists in the Commonwealth,
- 9       provided that the scholarship recipient agrees to practice pharmacy in a coal-
- 10      producing county for each year a scholarship is provided.
- 11      (2) "Coal-producing county" as used in this section has the same meaning as in KRS
- 12      42.4592(1)(c).
- 13      (3) The authority may award scholarships, to the extent funds are available for that
- 14      purpose, to any person who:
- 15          (a) Is a Kentucky resident;
- 16          (b) Is a United States citizen as determined by the institution in accordance with
- 17              criteria established by the Council on Postsecondary Education for the
- 18              purposes of admission and tuition assessment;
- 19          (c) Is enrolled or accepted for enrollment in a Pharm.D. program at an accredited
- 20              institution or a provisionally accredited institution in the Commonwealth on a
- 21              full-time basis, or is a student who has a disability defined by Title II of the
- 22              Americans with Disabilities Act, 42 U.S.C. secs. 12131 et seq., certified by a
- 23              licensed physician to be unable to attend the eligible program of study full-
- 24              time because of the disability;
- 25          (d) Agrees to render one (1) year of qualified service in a coal-producing county
- 26              of the Commonwealth for each year the scholarship was awarded. "Qualified
- 27              service" means a full-time practice in a coal-producing county of the

1 Commonwealth of Kentucky as a licensed pharmacist for a majority of the  
2 calendar year, except that an individual having a disability defined by Title II  
3 of the Americans with Disabilities Act, 42 U.S.C. secs. 12131 et seq., whose  
4 disability, certified by another licensed physician, prevents him or her from  
5 practicing full-time, shall be deemed to perform qualified service by  
6 practicing the maximum time permitted by the attending physician, in the  
7 coal-producing county; and

8 (e) Agrees to sign a promissory note as evidence of the scholarship awarded and  
9 the obligation to repay the scholarship amount or render pharmacy service as  
10 agreed in lieu of payment.

11 (4) (a) Notwithstanding KRS 164.753(3), the amount of the scholarship awarded to  
12 an eligible student by the authority shall not exceed the difference between the  
13 prevailing amount charged for in-state tuition at the University of Kentucky  
14 College of Pharmacy and the prevailing amount charged for tuition at the  
15 institution at which the student is enrolled. The authority shall establish, by  
16 administrative regulation a procedure for awarding scholarships which shall  
17 give preference to students residing in coal-producing counties and which  
18 shall establish procedures to award scholarships should funding be insufficient  
19 to award scholarships to all eligible students. The authority may also, by  
20 administrative regulation, establish scholarship amounts based on  
21 demonstration of initial financial need by eligible students.

22 (b) The actual amount of the scholarship awarded to each eligible student by the  
23 authority for each semester shall be based on the amount of funds available  
24 and the criteria established under paragraph (a) of this subsection.

25 (5) (a) The authority shall require each student receiving a scholarship to execute a  
26 promissory note as evidence of the obligation.

27 (b) The recipient shall render one (1) year of qualified service in a coal-producing

- 1 county for each year the scholarship was awarded. Upon completion of each  
2 year of qualified service in a coal-producing county, the authority shall cancel  
3 the appropriate number of promissory notes. Promissory notes shall be  
4 canceled by qualified service in the order in which the promissory notes were  
5 executed. Service credit shall not include residency service.
- 6 (c) If a recipient fails to complete an eligible program of study, or fails to render  
7 service as a pharmacist as agreed in this subsection, the recipient shall be  
8 liable for the total repayment of the sum of all outstanding promissory notes  
9 and accrued interest.
- 10 (6) Any person who is in default on any obligation to the authority under any program  
11 administered by the authority under KRS 164.740 to 164.785 shall not be awarded a  
12 scholarship or have a promissory note canceled until all financial obligations to the  
13 authority are satisfied, except that ineligibility for this reason may be waived by the  
14 authority for cause.
- 15 (7) A repayment obligation imposed by this section shall not be voidable by reason of  
16 the age of the recipient at the time of executing the promissory note.
- 17 (8) Failure to meet repayment obligations imposed by this section shall be cause for the  
18 revocation of the scholarship recipient's license to practice pharmacy, subject to the  
19 procedures set forth in KRS Chapter 311.
- 20 (9) Notwithstanding KRS 164.753(3), the authority shall establish by administrative  
21 regulation procedures for the administration of this program, including but not  
22 limited to the execution of appropriate contracts and promissory notes, cancellation  
23 of obligations, the rate of repayment, and deferment of repayment of outstanding  
24 debt.
- 25 (10) Notwithstanding any other statute to the contrary, the maximum interest rate  
26 applicable to repayment of a promissory note under this section shall be twelve  
27 percent (12%) per annum, except that if a judgment is rendered to recover payment,



1 the judgment shall bear interest at the rate of five percent (5%) greater than the rate  
2 actually charged on the promissory note.

3 (11) (a) The coal county pharmacy scholarship fund is hereby created as a revolving  
4 fund in the State Treasury to be administered by the Kentucky Higher  
5 Education Assistance Authority for the purpose of providing scholarships to  
6 qualifying students studying pharmacy in schools in the Commonwealth.

7 (b) The fund shall consist of amounts transferred from coal severance tax receipts  
8 as provided in paragraph (c) of this subsection and any other proceeds from  
9 grants, contributions, appropriations, or other moneys made available for the  
10 fund.

11 (c) 1. Receipts from the coal severance tax levied under KRS 143.020 shall be  
12 transferred to the fund on an annual basis in an amount not to exceed the  
13 lesser of:

14 a. Four percent (4%) of the total annual coal severance tax revenues  
15 collected under KRS 143.020; or

16 b. The amount necessary to provide full funding for all students who  
17 qualify for a scholarship under this section, considering all other  
18 resources available.

19 2. Transfers required by subparagraph 1. of this paragraph shall be made as  
20 follows:

21 a. On or before August 1 of each year, sixty-five percent (65%) of the  
22 amount of funding provided for in this paragraph shall be  
23 transferred to the fund; and

24 b. The remaining thirty-five percent (35%) shall be transferred on or  
25 before December 1 of each year.

26 3. The amount transferred shall be based upon the prevailing revenue  
27 estimate for coal severance tax receipts at the time each transfer is made.

1           ~~[4. The calculation and transfer of funds under this subsection shall be made~~  
 2           ~~only after the quarterly installment of the annual nineteen million dollars~~  
 3           ~~(\$19,000,000) allocation of coal severance tax revenues has been~~  
 4           ~~credited to the benefit reserve fund within the Workers' Compensation~~  
 5           ~~Funding Commission as required by KRS 342.122.]~~

- 6           (d) Any unallotted or unencumbered balances in the trust fund shall be invested as  
 7           provided in KRS 42.500(9).
- 8           (e) Income earned from the investments shall be credited to the trust fund.
- 9           (f) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year  
 10          shall not lapse but shall be carried forward to the next fiscal year.
- 11          (g) All amounts included in the fund shall be continuously appropriated only for  
 12          the purposes specified in this section.
- 13          (h) A general statement that all continuing appropriations are repealed,  
 14          discontinued, or suspended shall not operate to repeal, discontinue, or suspend  
 15          this fund or to repeal this action.
- 16          (i) All moneys repaid to the authority under this section shall be added to the  
 17          fund.

18          ➔Section 17. KRS 45A.850 is amended to read as follows:

- 19       (1) (a) Pursuant to KRS 45A.853 and 45A.857, one (1) or more underwriters and one  
 20           (1) or more bond counsel firms shall be chosen for each of the following  
 21           agencies:
- 22           1. Turnpike Authority of Kentucky;
  - 23           2. Kentucky Housing Corporation;
  - 24           3. Kentucky Infrastructure Authority;
  - 25           4. Kentucky Higher Education Student Loan Corporation;
  - 26           5. Kentucky River Authority;
  - 27           6. Kentucky Agricultural Finance Corporation;

1           7.    Kentucky Local Correctional Facilities Construction Authority;[~~and~~]

2           8.    State Property and Buildings Commission; *and*

3           9.    Kentucky Public Transportation Infrastructure Authority.

4           (b)   The underwriter and the bond counsel chosen for each agency shall provide  
5           their services for all bond issuances over a period of twelve (12) months from  
6           their selection. At the conclusion of the twelve (12) month period, the  
7           executive director may continue the employment of the underwriter or the  
8           bond counsel, on the same terms and conditions, for another twelve (12)  
9           month period. If the employment is not continued, the choosing of an  
10          underwriter or bond counsel, as appropriate, shall be conducted pursuant to  
11          KRS 45A.853 and 45A.857.

12       (2)   (a)   Pursuant to KRS 45A.853 and 45A.857, one (1) or more underwriters and one  
13          (1) or more bond counsel firms shall be chosen to provide their services for all  
14          of the following agencies:

15           1.    School Facilities Construction Commission;

16           2.    Murray State University;

17           3.    Western Kentucky University;

18           4.    University of Louisville when it declines to exercise the authority  
19           granted under KRS 164A.585(1) and 164A.605;

20           5.    Northern Kentucky University;

21           6.    Kentucky State University;

22           7.    University of Kentucky when it declines to exercise the authority  
23           granted under KRS 164A.585(1) and 164A.605;

24           8.    Morehead State University;

25           9.    Eastern Kentucky University; and

26           10.   Kentucky Community and Technical College System.

27       (b)   The underwriter and the bond counsel chosen for all of the agencies shall

1 provide their services for all bond issuances of the agencies for a period of  
2 twelve (12) months from the underwriter's and the bond counsel's selection.  
3 At the conclusion of the twelve (12) month period, the executive director may  
4 continue the employment of the underwriter or the bond counsel, on the same  
5 terms and conditions, for another twelve (12) month period. If the  
6 employment is not continued, the choosing of an underwriter or bond counsel,  
7 as appropriate, shall be conducted pursuant to KRS 45A.853 and 45A.857.

8 (3) Pursuant to KRS 45A.853 and 45A.857, one (1) or more financial advisors,  
9 managing underwriters, and remarketing agents and one (1) bond counsel shall be  
10 chosen for the Kentucky Asset/Liability Commission. The commission shall enter  
11 into agreements with the individuals or entities for a maximum contract period of  
12 twenty-four (24) months. At the conclusion of the contract period, the executive  
13 director may continue the employment of the financial advisor, underwriter,  
14 remarketing agent, or bond counsel for another contract period, not to exceed  
15 twenty-four (24) months. If the employment is not continued or terminated, the  
16 selection of a financial advisor, underwriter, remarketing agent, or bond counsel, as  
17 appropriate, shall be conducted pursuant to KRS 45A.853 and 45A.857.

18 (4) The office may select national comanaging underwriters and Kentucky comanaging  
19 underwriters who shall provide national and local marketing expertise for bond  
20 issuances. The executive director shall recommend to the secretary of the Finance  
21 and Administration Cabinet the number of national and Kentucky comanaging  
22 underwriters, if any, to be utilized on each bond issuance. The executive director  
23 shall consider the following issues when making the recommendations:

- 24 (a) Principal amount of bonds being issued;
- 25 (b) Structure of the bond issue; and
- 26 (c) Composition of expected buyers of the bonds.

27 Kentucky comanaging underwriters shall be selected pursuant to a request for

1 proposals. National comanaging underwriters shall be selected pursuant to an  
 2 administrative regulation promulgated by the office. Comanaging underwriters  
 3 selected pursuant to this subsection shall provide their services to a bond issuing  
 4 agency as needed over the appropriate period of time stated in this section.

5 ➔Section 18. KRS 68.197 is amended to read as follows:

6 (1) The fiscal court of each county having a population of thirty thousand (30,000) or  
 7 more may by ordinance impose license fees on franchises, provide for licensing any  
 8 business, trade, occupation, or profession, and the using, holding, or exhibiting of  
 9 any animal, article, or other thing.

10 (2) License fees on business, trade, occupation, or profession for revenue purposes,  
 11 except those of the common schools, may be imposed at a percentage rate not to  
 12 exceed one percent (1%) of:

13 (a) Salaries, wages, commissions, and other compensation earned by persons  
 14 within the county for work done and services performed or rendered in the  
 15 county;

16 (b) The net profits of self-employed individuals, partnerships, professional  
 17 associations, or joint ventures resulting from trades, professions, occupations,  
 18 businesses, or activities conducted in the county; and

19 (c) The net profits of corporations resulting from trades, professions, occupations,  
 20 businesses, or activities conducted in the county.

21 (3) In order to reduce administrative costs and minimize paperwork for employers,  
 22 employees, and businesses, the fiscal court may provide:

23 (a) For an annual fixed amount license fee which a person may elect to pay in lieu  
 24 of reporting and paying the percentage rate as provided in this subsection on  
 25 salaries, wages, commissions, and other compensation earned within the  
 26 county for work done and services performed or rendered in the county; and

27 (b) For an annual fixed amount license fee which an individual, partnership,

1 professional association, joint venture, or corporation may elect to pay in lieu  
2 of reporting and paying the percentage rate as provided in this subsection on  
3 net profits of businesses, trades, professions, or occupations from activities  
4 conducted in the county.

5 (4) (a) Licenses imposed for regulatory purposes are not subject to limitations as to  
6 form and amount.

7 (b) No public service company that pays an ad valorem tax is required to pay a  
8 license tax.

9 (c) 1. It is the intent of the General Assembly to continue the exemption from  
10 local license fees and occupational taxes that existed on January 1, 2006,  
11 for providers of multichannel video programming services or  
12 communications services as defined in KRS 136.602 that were taxed  
13 under KRS 136.120 prior to the effective date of this section.

14 2. To further this intent, no company providing multichannel video  
15 programming services or communications services as defined in KRS  
16 136.602 shall be required to pay a license tax. If only a portion of an  
17 entity's business is providing multichannel video programming services  
18 including products or services that are related to and provided in support  
19 of the multichannel video programming services or communications  
20 services, this exclusion applies only to that portion of the business that  
21 provides multichannel video programming services or communications  
22 services, including products or services that are related to and provided  
23 in support of the multichannel video programming services or  
24 communications services.

25 (d) No license tax shall be imposed upon or collected from any insurance  
26 company except as provided in KRS 91A.080, bank, trust company, combined  
27 bank and trust company, combined trust, banking, and title business in this

1 state, or any savings and loan association whether state or federally chartered,  
2 or in other cases where the county is prohibited by law from imposing a  
3 license fee.

4 (5) No license fee shall be imposed or collected on income received by members of the  
5 Kentucky National Guard for active duty training, unit training assemblies, and  
6 annual field training, or on income received by precinct workers for election  
7 training or work at election booths in state, county, and local primary, regular, or  
8 special elections, or upon any profits, earnings, or distributions of an investment  
9 fund which would qualify under KRS 154.20-250 to 154.20-284 to the extent any  
10 profits, earnings, or distributions would not be taxable to an individual investor.

11 (6) Persons who pay a county license fee pursuant to this section and who also pay a  
12 license fee to a city contained in the county may, upon agreement between the  
13 county and the city, credit their city license fee against their county license fee. As  
14 used in this subsection, "city contained in the county" shall include a city that is in  
15 more than one (1) county.

16 (7) The provisions of subsection (6) of this section notwithstanding, effective with  
17 license fees imposed under the provisions of subsection (1) of this section on or  
18 after July 15, 1986, persons who pay a county license fee and a license fee to a city  
19 contained in the county shall be allowed to credit their city license fee against their  
20 county license fee. As used in this subsection, "city contained in the county" shall  
21 include a city that is in more than one (1) county.

22 (8) Notwithstanding any statute to the contrary, the provisions of subsection (7) of  
23 this section shall apply as follows from March 14, 2012, through July 15, 2014:

24 (a) Any set-off or credit of city license fees against county license fees that  
25 exists between a city and county as of March 15, 2012, shall remain in  
26 effect as it is on March 15, 2012; and

27 (b) The provisions of subsection (7) shall not apply to a city and county unless

1           *both the city and the county have both levied and are collecting license fees*  
 2           *on March 15, 2012*~~[On July 14, 2000, the provisions of subsection (7) of this~~  
 3           ~~section notwithstanding, city license fees not credited against county license~~  
 4           ~~fees enacted under this section or KRS 67.083 as of January 1, 2000, shall not~~  
 5           ~~be credited against county license fees. However, this exception shall not~~  
 6           ~~apply to county license fees enacted for the first time, or increased, on or after~~  
 7           ~~January 1, 2000. This provision shall expire July 15, 2002, unless otherwise~~  
 8           ~~extended by the General Assembly].~~

9           (9) A county that enacted an occupational license fee under the authority of KRS  
 10           67.083 shall not be required to reduce its occupational tax rate when it is  
 11           determined that the population of the county exceeds thirty thousand (30,000).

12          (10) Notwithstanding any statute to the contrary:

13           (a) In those counties where a license fee has been authorized by a public question  
 14           approved by the voters, there shall be no credit of a city license fee against a  
 15           county license fee except by agreement between the county and the city in  
 16           accordance with subsection (6) of this section;

17           (b) Notwithstanding any provision of the KRS to the contrary, no taxpayer shall  
 18           be refunded or credited for any overpayment of a license tax paid to any  
 19           county to the extent the overpayment is attributable to or derives from this  
 20           section as it existed at any time subsequent to July 15, 1986, and the taxpayer  
 21           seeks a credit for a license tax paid to a city located within such county, if  
 22           such refund claim or amended tax return claim was filed or perfected after  
 23           November 18, 2004, except by agreement between the city and county in  
 24           accordance with subsection (6) of this section;

25           (c) In those counties where a license fee has been authorized by a public question  
 26           approved by the voters, the percentage rate of the license fee in effect on  
 27           January 1, 2005, and any maximum salary limit upon which the license fee is



1 calculated shall remained unchanged for subsequent fiscal years. A percentage  
 2 rate higher than the percentage rate in effect on January 1, 2005, or any change  
 3 in the maximum salary limit upon which a license fee is calculated shall be  
 4 prohibited unless approved by the voters at a public referendum. The  
 5 percentage rate of a license fee in such counties shall at no time exceed one  
 6 percent (1%). Any question to be placed before the voters as a result of this  
 7 paragraph shall be placed on the ballot at a regular election or nominating  
 8 primary.

9 (d) This subsection shall have retroactive application; and

10 (e) If any provision of this subsection or the application thereof to any person or  
 11 circumstance is held invalid, the invalidity shall not affect other provisions or  
 12 application of this section that can be given effect without the invalid  
 13 provision or application, and to this end the provisions of this subsection are  
 14 severable.

15 (11) Pursuant to this section, no fiscal court shall regulate any aspect of the manner in  
 16 which any duly ordained, commissioned, or denominationally licensed minister of  
 17 religion may perform his or her duties and activities as a minister of religion. Duly  
 18 ordained, commissioned, or denominationally licensed ministers of religion shall be  
 19 subject to the same license fees imposed on others in the county on salaries, wages,  
 20 commissions, and other compensation earned for work done and services performed  
 21 or rendered.

22 →Section 19. **Administrative Fee on Infrastructure for Economic**

23 **Development Fund Projects:** A one-half of one percent administrative fee is authorized  
 24 to be paid to the Kentucky Infrastructure Authority for the administration of each project  
 25 funded by the Infrastructure for Economic Development Fund for Coal-Producing  
 26 Counties and the Infrastructure for Economic Development Fund for Tobacco Counties.  
 27 These administrative fees shall be paid, upon inception of the project, out of the fund

1 from which the project was allocated.

2       ➔Section 20. **Legal Services Contracts:** The Office of the Attorney General may  
3 present proposals to state agencies specifying legal work that is presently accomplished  
4 through personal service contracts that indicate the Office of the Attorney General's  
5 capacity to perform the work at a lesser cost. State agencies may agree to make  
6 arrangements with the Office of the Attorney General to perform the legal work and  
7 compensate the Office of the Attorney General for the legal services. Notwithstanding  
8 KRS Chapter 45A, the Office of the Attorney General may contract with outside law  
9 firms on a contingency basis.

10       ➔Section 21. **Charges for Federal, State, and Local Audits:** Any additional  
11 expenses incurred by the Auditor of Public Accounts for required audits of Federal Funds  
12 shall be charged to the audited government or agency. Because the auditor of Public  
13 Accounts receives General Fund appropriations for audits of the statewide systems of  
14 personnel and payroll, cash and investments, revenue collection, and the state accounting  
15 system, any expenses incurred by the Auditor of Public Accounts for other state agency  
16 audits shall be charged to the agency audited. The Auditor of Public Accounts shall  
17 maintain a record of all time and expenses for each audit or investigation.

18       Any expenses incurred by the Auditor of Public Accounts for auditing individual  
19 governmental entities when mandated by the Legislative Research Committee shall be  
20 charged to the agency or entity receiving audit services.

21       ➔Section 22. **Insurance Surcharge Rate:** Pursuant to KRS 136.392, the  
22 insurance surcharge rate shall be calculated at a rate to provide sufficient funds in the  
23 2012-2014 fiscal biennium for the Firefighters Foundation Program Fund and the  
24 Kentucky Law Enforcement Foundation Program Fund. The calculation of sufficient  
25 funds for those programs shall include any Restricted Funds carried forward from fiscal  
26 years 2011-2012 and 2012-2013 as provided by the General Assembly.

27       ➔Section 23. **Sale of Abandoned Property by Finance and Administration**

1 **Cabinet:** Notwithstanding KRS 393.125, unclaimed securities held by the Department of  
2 the Treasury may be sold with the receipts, net of estimated claims to be paid, available  
3 for appropriation to the General Fund during the 2012-2014 biennium. The Secretary of  
4 the Finance and Administration Cabinet shall determine when to initiate the sale of  
5 securities based on the market structure and the financial status of the Commonwealth at  
6 the time.

7 →Section 24. **Transfer of Abandoned Property from the Transportation**  
8 **Cabinet:** In accordance with KRS 393.066, 393.080, and 393.090, any bonds filed with  
9 the Transportation Cabinet pursuant to KRS 138.670 that have been payable or  
10 distributable to the payor for three years or more shall be presumed abandoned and shall  
11 be transferred to the Abandoned Property Fund held by the Department of the Treasury,  
12 and shall, net of estimated claims to be paid, be available for appropriation from the  
13 General Fund during the 2012-2014 biennium. The Transportation Cabinet shall provide  
14 the Treasurer with all records and information in its possession that may assist the  
15 Treasurer in identifying and contacting the owners of the abandoned property.

16 →Section 25. **Premium and Retaliatory Taxes:** Notwithstanding KRS 304.17B-  
17 021(4)(d), premium taxes collected under KRS Chapter 136 from any insurer and  
18 retaliatory taxes collected under KRS 304.3-270 from any insurer shall be credited to the  
19 General Fund.

20 →Section 26. **Insurance License Fee and Tax:** Notwithstanding any other  
21 statutory provision to the contrary, no license fee or tax imposed under KRS 91A.080  
22 shall apply to premiums paid to insurance companies or surplus lines brokers by nonprofit  
23 self-insurance groups whose membership consists of cities, counties, charter county  
24 governments, urban-county government, consolidated local governments, school districts,  
25 or any other political subdivisions of the Commonwealth.

26 →Section 27. The Department of Revenue shall provide a written report to the  
27 Interim Joint Committee on Appropriations and Revenue on or before September 15,

1 2012, 2013, and 2014, providing a separate breakdown, both for the reporting period and  
2 cumulatively, of additional revenues collected as a result of:

3 (a) The tax amnesty provisions included in Sections 1 to 7 of this Act;

4 (b) Additional staff authorized by the 2012-2014 biennial budget to enhance  
5 compliance and collections; and

6 (c) Additional staff hired to enhance compliance and collections with funds  
7 provided in 2009 Ky. Acts ch. 2, sec. 10, at page 121, amending 2008 Ky. Acts Ch. 127,  
8 Part I, Operating Budget; G. Finance and Administration Cabinet; 7. Revenue, at page  
9 517.

10 ➔Section 28. The following KRS section is repealed:

11 48.112 Governor to include certain appropriations within budget recommendations for  
12 benefit reserve fund within Kentucky Workers' Compensation Funding  
13 Commission.

14 ➔Section 29. Sections 19 to 26 of this Act are effective for and apply to the fiscal  
15 year beginning July 1, 2012, and ending June 30, 2013, and the fiscal year beginning July  
16 1, 2013, and ending June 30, 2014, and shall expire at the end of June 30, 2014.

17 ➔Section 30. Whereas this Act applies to the balancing of the Executive Branch  
18 Budget, an emergency is declared to exist, and this Act takes effect upon its passage and  
19 approval by the Governor or upon its otherwise becoming a law.

# Legislative Branch

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House Bill 268



**Legislative Branch**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	55,452,600	50,883,800	53,800,100	50,883,800	53,800,100
Continuing Approp.-General Fund	9,658,662	10,183,523	13,193,700	13,193,700	10,519,900
<b>Total General Fund</b>	<b>65,111,262</b>	<b>61,067,323</b>	<b>66,993,800</b>	<b>64,077,500</b>	<b>64,320,000</b>
<b>Restricted Funds</b>					
Balance Forward	1,265,881	1,448,193			
Current Receipts	182,312	28,770	119,300	53,000	119,300
<b>Total Restricted Funds</b>	<b>1,448,193</b>	<b>1,476,963</b>	<b>119,300</b>	<b>53,000</b>	<b>119,300</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>66,559,455</b>	<b>62,544,286</b>	<b>67,113,100</b>	<b>64,130,500</b>	<b>64,439,300</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	40,225,301	39,316,519	44,108,300	44,217,500	46,399,600
Operating Expenses	11,338,944	8,471,135	9,533,600	8,273,100	9,461,200
Capital Outlay	187,494	86,135	277,500	1,120,000	220,000
<b>TOTAL EXPENDITURES</b>	<b>51,751,738</b>	<b>47,873,790</b>	<b>53,919,400</b>	<b>53,610,600</b>	<b>56,080,800</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	51,751,738	47,873,586	49,770,600	50,876,900	55,961,500
Restricted Funds		204	119,300	53,000	119,300
<b>TOTAL EXPENDITURES</b>	<b>51,751,738</b>	<b>47,873,790</b>	<b>49,889,900</b>	<b>50,929,900</b>	<b>56,080,800</b>
<b>EXPENDITURES BY UNIT</b>					
Legislative Branch	51,751,738	47,873,790	49,889,900	50,929,900	56,080,800
<b>TOTAL EXPENDITURES</b>	<b>51,751,738</b>	<b>47,873,790</b>	<b>49,889,900</b>	<b>50,929,900</b>	<b>56,080,800</b>



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2012 REGULAR SESSION

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HOUSE BILL NO. 268

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WEDNESDAY, MARCH 7, 2012

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The following bill was reported to the Senate from the House and ordered to be printed.



1 AN ACT making appropriations for the operations, maintenance, and support of the  
2 Legislative Branch of the Commonwealth of Kentucky.

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

4 →Section 1. The Legislative Branch Budget is as follows:

5 **PART I**

6 **OPERATING BUDGET**

7 **Funds Appropriations:** Funds are appropriated to the Legislative Research  
8 Commission for the Legislative Branch of government out of the General Fund and  
9 Restricted Funds accounts for the fiscal year beginning July 1, 2012, and ending June 30,  
10 2013, and for the fiscal year beginning July 1, 2013, and ending June 30, 2014, in the  
11 following discrete sums, or so much thereof as may be necessary. Each appropriation is  
12 made by the source of respective fund or funds accounts to be used for the purposes of the  
13 Legislative Branch of government of the Commonwealth of Kentucky.

	2012-13	2013-14
14		
15 <b>1. General Assembly</b>		
16 General Fund	18,097,700	18,883,200
17 Restricted Funds	53,000	119,300
18 TOTAL	18,150,700	19,002,500

19 **(1) Legislators Retirement and Compensation:** Notwithstanding KRS 6.500 to  
20 6.577 and 21.345 to 21.580, included in the above General Fund appropriation are  
21 sufficient funds to pay 53 percent of the actuarially required contribution in fiscal year  
22 2012-2013 and 57 percent of the actuarially required contribution in fiscal year 2013-  
23 2014 for the Legislators Retirement Plan. Notwithstanding KRS 6.190 and 6.213, the  
24 daily compensation provided by KRS 6.190 and the interim expense allowance provided  
25 by KRS 6.213 for members of the General Assembly shall remain at the January 1, 2012,  
26 level.

27 **(2) Kentucky Legislative Ethics Commission:** Included in the above General

1 Fund appropriation is \$388,500 in fiscal year 2012-2013 and \$388,600 in fiscal year  
 2 2013-2014 for the Kentucky Legislative Ethics Commission. Included in the above  
 3 Restricted Funds appropriation is \$53,000 in fiscal year 2012-2013 and \$119,300 in fiscal  
 4 year 2013-2014 for the Kentucky Legislative Ethics Commission.

5 **(3) Kentucky Long-Term Policy Research Center:** Notwithstanding KRS  
 6 7B.010 to 7B.090, operation of the Kentucky Long-Term Policy Research Center and its  
 7 governing board shall continue to be suspended effective July 1, 2012, and shall remain  
 8 suspended for the 2012-2014 fiscal biennium or until funding is restored. No funds are  
 9 appropriated for the Kentucky Long-Term Policy Research Center for fiscal year 2012-  
 10 2013 and fiscal year 2013-2014.

11 **(4) Pension Benefit Increase:** Notwithstanding KRS 6.521(3), no pension  
 12 benefit increase shall be granted to recipients of a retirement allowance under KRS 6.500  
 13 to 6.577 on July 1, 2012, or July 1, 2013.

	2012-13	2013-14
15 <b>2. Legislative Research Commission</b>		
16 General Fund	32,786,100	34,916,900
17 Restricted Funds	-0-	-0-
18 TOTAL	32,786,100	34,916,900

19 **Permanent Full-time Employees:** The total number of permanent full-time  
 20 employees hired by the Legislative Research Commission with the above appropriation,  
 21 and not assigned specifically to the House and Senate members of the Legislative  
 22 Research Commission, shall not exceed 232 in fiscal year 2012-2013 and 232 in fiscal  
 23 year 2013-2014. In addition to this number, the total number of permanent full-time  
 24 employees assigned specifically to the House members of the Legislative Research  
 25 Commission shall not exceed 19 and the permanent full-time employees assigned  
 26 specifically to the Senate members of the Legislative Research Commission shall not  
 27 exceed 10.

<b>TOTAL - OPERATING BUDGET</b>		
	<b>2012-13</b>	<b>2013-14</b>
General Fund	50,883,800	53,800,100
Restricted Funds	53,000	119,300
<b>TOTAL</b>	<b>50,936,800</b>	<b>53,919,400</b>

**Unexpended Balance:** Notwithstanding KRS 45.229, any unexpended balance remaining at the close of fiscal year 2011-2012 shall not lapse but shall continue into fiscal year 2012-2013, and any unexpended balance in any succeeding fiscal year shall not lapse but shall continue into the following fiscal year.

<b>TOTAL - LEGISLATIVE BRANCH BUDGET</b>		
	<b>2012-13</b>	<b>2013-14</b>
General Fund	50,883,800	53,800,100
Restricted Funds	53,000	119,300
<b>TOTAL</b>	<b>50,936,800</b>	<b>53,919,400</b>

**PART II**  
**GENERAL PROVISIONS**

**1. Expenditure Authority:** The Director of the Legislative Research Commission, under the supervision of the Legislative Research Commission, may expend any of the funds appropriated for legislative operation and administration in any lawful manner and for any legal purpose consistent with the policies and practices of the Commission. No executive agency or statute governing the executive agencies of state government shall have the power to restrict or limit the actions of, or the expenditure of funds appropriated to, the Legislative Research Commission for the Legislative Branch of government.

**2. Capitol Annex Capital Construction Expenditures:** Any expenditure authorized by the Director of the Legislative Research Commission, under the supervision of the Legislative Research Commission, relating to implementation of KRS

1 56.463(4)(b) and funded by previous or current appropriations to the Legislative Research  
2 Commission for the Legislative Branch of government shall not be governed by KRS  
3 7A.010, 7A.120, 45.750 to 45.810, 48.010(16), 48.020, and 48.110.

4 **3. Severability of Budget Provisions:** Appropriation items and sums in this Act  
5 conform to KRS 48.311. If any section, any subsection, or any provision thereof shall be  
6 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the  
7 remaining sections, subsections, or provisions.

8 **4. Duplicate Appropriation:** Any appropriation item and sum in this Act and in  
9 an appropriation provision in another Act of the 2012 Regular Session of the General  
10 Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.

11 **5. Priority of Individual Appropriations:** KRS 48.313 shall control when a  
12 total or subtotal figure in this Act conflicts with the sum of the appropriations of which it  
13 consists.

14 **6. Appropriations Revisions:** Proposed revisions to Restricted Funds  
15 appropriations in this Act shall be made and reported pursuant to KRS 48.630(10). The  
16 Director of the Legislative Research Commission may transfer any available funds  
17 between all appropriation units as needed to meet the constitutional requirements of the  
18 Legislative Branch for fiscal years 2011-2012, 2012-2013, and 2013-2014.

19 **7. Allowance in Lieu of Stationery:** Notwithstanding KRS 6.220, in lieu of  
20 stationery, there shall be allowed to each member of the House of Representatives the  
21 sum of \$250 and to each member of the Senate the sum of \$500. This allowance shall be  
22 paid out of the State Treasury at the beginning of each legislative session.

23 **8. Issuance of Employee Paychecks:** Notwithstanding 101 KAR 2:095, Section  
24 10, the state payroll that would normally be scheduled to be paid on June 30, 2013, and  
25 June 30, 2014, shall not be issued prior to July 1, 2013, and July 1, 2014.

26 **9. Transfer of Payroll Funds:** Funds equal to the amount of the state payroll  
27 that would normally be scheduled to be paid on June 30, 2012, but will be paid on July 1,

1 2012, pursuant to 2010 Ky. Acts ch. 156, Part II, 9., shall be transferred to the General  
2 Fund Surplus Account (KRS 48.700) on June 30, 2012.

3 **PART III**

4 **FUNDS TRANSFER**

5 The Legislative Branch shall transfer \$2,629,500 to the General Fund in fiscal year  
6 2011-2012, and \$2,680,700 in fiscal year 2012-2013.

7 **PART IV**

8 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

9 The Legislative Branch shall participate in any Budget Reduction Plan or Surplus  
10 Expenditure Plan in accordance with the provisions of KRS Chapter 48.

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# Judicial Branch

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House Bill 269





**Judicial Branch**

	<b>Actual FY 2010</b>	<b>Actual FY2011</b>	<b>Revised FY2012</b>	<b>Enacted FY 2013</b>	<b>Enacted FY 2014</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	295,885,800	290,849,100	316,338,800	316,211,100	315,602,000
Continuing Approp.-General Fund	13,350,900	18,637,800	1,455,900	236,600	236,600
Budget Reduction-General Fund	-1,630,800				
<b>Total General Fund</b>	<b>307,605,900</b>	<b>309,486,900</b>	<b>317,794,700</b>	<b>316,447,700</b>	<b>315,838,600</b>
<b>Restricted Funds</b>					
Balance Forward	34,548,800	12,157,000	20,401,400	13,574,000	4,079,000
Current Receipts	23,080,700	27,791,400	19,605,000	19,585,000	23,182,200
Non-Revenue Receipts	13,218,100	12,876,700	16,920,000	16,920,000	16,920,000
<b>Total Restricted Funds</b>	<b>70,847,600</b>	<b>52,825,100</b>	<b>56,926,400</b>	<b>50,079,000</b>	<b>44,181,200</b>
<b>Federal Funds</b>					
Current Receipts	2,549,500	3,230,400	3,922,000	2,956,300	2,955,900
ARRA Receipts		179,800	26,100		
<b>Total Federal Funds</b>	<b>2,549,500</b>	<b>3,410,200</b>	<b>3,948,100</b>	<b>2,956,300</b>	<b>2,955,900</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>381,003,000</b>	<b>365,722,200</b>	<b>378,669,200</b>	<b>369,483,000</b>	<b>362,975,700</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	200,954,700	199,082,500	196,274,200	203,015,200	200,951,000
Operating Expenses	126,362,400	144,163,200	158,380,600	159,518,200	155,341,000
Capital Outlay	225,000	591,500	1,103,800	2,634,000	6,265,900
<b>TOTAL EXPENDITURES</b>	<b>327,542,100</b>	<b>343,837,200</b>	<b>355,758,600</b>	<b>365,167,400</b>	<b>362,557,900</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	266,302,000	308,003,300	308,458,100	316,211,100	315,602,000
Restricted Funds	58,690,600	32,423,700	43,352,400	46,000,000	44,000,000
Federal Funds	2,549,500	3,410,200	3,948,100	2,956,300	2,955,900
<b>TOTAL EXPENDITURES</b>	<b>327,542,100</b>	<b>343,837,200</b>	<b>355,758,600</b>	<b>365,167,400</b>	<b>362,557,900</b>
<b>EXPENDITURES BY UNIT</b>					
Court Operations & Administration	231,449,700	231,091,600	231,280,200	232,092,800	233,118,100
Local Facilities Fund	90,237,600	107,289,800	118,719,300	121,575,000	117,500,000
Local Facilities Use Allowance	11,500				
Contingency Fund					
Judicial Form Retirement System	5,843,300	5,455,800	5,759,100	11,499,600	11,939,800
<b>TOTAL EXPENDITURES</b>	<b>327,542,100</b>	<b>343,837,200</b>	<b>355,758,600</b>	<b>365,167,400</b>	<b>362,557,900</b>



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2012 REGULAR SESSION

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HOUSE BILL NO. 269

AS ENACTED

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FRIDAY, MARCH 30, 2012

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1 AN ACT making appropriations for the operations, maintenance, support, and  
 2 functioning of the Judicial Branch of the government of the Commonwealth of Kentucky  
 3 and its various officers, boards, commissions, subdivisions, and other state-supported  
 4 activities.

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

6 →Section 1. The Judicial Branch Budget is as follows:

7 **PART I**  
 8 **OPERATING BUDGET**

9 **(1) Funds Appropriations:** There is appropriated out of the General Fund,  
 10 Restricted Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1,  
 11 2012, and ending June 30, 2013, and for the fiscal year beginning July 1, 2013, and  
 12 ending June 30, 2014, the following sums to be used for the purposes of the Judicial  
 13 Branch of the government of the Commonwealth of Kentucky, including the Supreme  
 14 Court, Court of Appeals, Circuit Court, Family Court, District Court, the Administrative  
 15 Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use  
 16 Allowance Contingency Fund, and for services performed by the Circuit Court Clerks'  
 17 offices, including both Circuit and District Court support.

18 **1. Court of Justice**

19 **a. Court Operations and Administration**

	<b>2012-13</b>	<b>2013-14</b>
21 General Fund	183,136,500	186,162,200
22 Restricted Funds	46,000,000	44,000,000
23 Federal Funds	2,956,300	2,955,900
24 TOTAL	232,092,800	233,118,100

25 **(1) Pretrial Officers:** Included in the above General Fund appropriation is  
 26 \$2,116,200 in fiscal year 2012-2013 and \$2,054,900 in fiscal year 2013-2014 for 25  
 27 pretrial officers.

1           **(2) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended  
2 balance remaining at the close of fiscal year 2011-2012 shall not lapse and shall continue  
3 into fiscal year 2012-2013, and any unexpended balance remaining at the close of fiscal  
4 year 2012-2013 shall not lapse and shall continue into fiscal year 2013-2014.

5           **(3) Civil Filing Fees:** Pursuant to its authority, if the Supreme Court retains the  
6 increases in civil filings fees that were effective in 2008, the additional income resulting  
7 from the fee increases, not to exceed \$5,000,000 in each fiscal year of the biennium, shall  
8 be deposited into a trust and agency account for court operations. Any revenue generated  
9 by these increases in excess of the \$5,000,000 in each fiscal year of the biennium shall be  
10 deposited into the General Fund.

11           **(4) Night Court in Jefferson County:** The Administrative Office of the Courts  
12 shall continue the operations and current schedule of night court in Okolona and  
13 Middletown in Jefferson County in fiscal year 2012-2013 and fiscal year 2013-2014.

14           **b. Local Facilities Fund**

	2012-13	2013-14
15		
16	121,575,000	117,500,000

17           **(1) Local Court Facility Compensation:** Included in the above appropriation are  
18 moneys to compensate local units of government for providing court space and for costs  
19 incurred in the development of local court facilities as defined in KRS Chapter 26A and  
20 provided in Part II of this Act, and to perform all other acts required or authorized by  
21 KRS Chapter 26A.

22           **(2) Furniture and Equipment:** Included in the above General Fund  
23 appropriation is \$4,075,000 in fiscal year 2012-2013 for furniture and equipment for five  
24 authorized projects of Campbell, Franklin, Pike, Bracken, and Lawrence Counties that  
25 will be complete in fiscal year 2012-2013.

26           **(3) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended  
27 balance remaining at the close of fiscal year 2011-2012 shall not lapse and shall continue

1 into fiscal year 2012-2013, and any unexpended balance remaining at the close of fiscal  
 2 year 2012-2013 shall not lapse and shall be continued into fiscal year 2013-2014.

3 **(4) Fayette County Courthouse Use Allowance:** The use allowance for the  
 4 Fayette County Courthouse is contingent upon Short Street in Lexington, Kentucky  
 5 remaining open to traffic.

6 **c. Local Facilities Use Allowance Contingency Fund**

	2012-13	2013-14
8 General Fund	-0-	-0-

9 **(1) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended  
 10 balance remaining at the close of fiscal year 2011-2012 shall not lapse and shall continue  
 11 into fiscal year 2012-2013, and any unexpended balance remaining at the close of fiscal  
 12 year 2012-2013 shall not lapse and shall continue into fiscal year 2013-2014 to provide  
 13 for cost overruns in authorized court facilities projects not to exceed 15 percent of the use  
 14 allowance in accordance with KRS Chapter 26A.

15 **TOTAL - COURT OF JUSTICE**

	2012-13	2013-14
17 General Fund	304,711,500	303,662,200
18 Restricted Funds	46,000,000	44,000,000
19 Federal Funds	2,956,300	2,955,900
20 TOTAL	353,667,800	350,618,100

21 **2. Judicial Retirement System**

	2012-13	2013-14
23 General Fund	11,499,600	11,939,800

24 **(1) Judicial Retirement Benefits:** Included in the above General Fund  
 25 appropriation is \$11,009,300 in fiscal year 2012-2013 and \$11,437,400 in fiscal year  
 26 2013-2014 for contributions to the Judicial Retirement System.

27 **(2) Pension Benefit Increase:** Notwithstanding KRS 21.405(5), no pension

1 benefit increase shall be granted to recipients of a retirement allowance under KRS  
 2 21.345 to 21.570 on July 1, 2012, or July 1, 2013.

3 **TOTAL - OPERATING BUDGET**

4		2012-13	2013-14
5	General Fund	316,211,100	315,602,000
6	Restricted Funds	46,000,000	44,000,000
7	Federal Funds	2,956,300	2,955,900
8	<b>TOTAL</b>	<b>365,167,400</b>	<b>362,557,900</b>

9 **PART II**

10 **CAPITAL PROJECTS BUDGET**

11 **(1) Authorization of Capital Projects:** It is the intent of the General Assembly  
 12 that any capital project proposed by any state government entity, including the agencies  
 13 and subdivisions of the Court of Justice, shall be authorized by the General Assembly  
 14 prior to the project's financing and construction, in accordance with KRS 7A.010,  
 15 7A.120, 45.750, 45.760, 45.763, 45.765, and 48.110. Pursuant to KRS 45.760(1), the  
 16 amount allotted, from all sources, for expenditure on any capital project, including leases  
 17 as defined by KRS 45.750, shall not exceed the estimated cost as shown in this Act.

18 **(2) Capital Projects and Bond Oversight Committee:** Capital construction  
 19 projects and major items of equipment that are not specifically listed in this Act may be  
 20 authorized only after submission of the project to the Capital Projects and Bond  
 21 Oversight Committee and in accordance with the other requirements of KRS 45.760(7).  
 22 Moneys may be transferred to the allotment account of any capital project only after  
 23 submission of the project to the Capital Projects and Bond Oversight Committee and in  
 24 accordance with the other requirements of KRS 45.760(6). As required by KRS 45.760,  
 25 all capital construction items authorized in this Act shall be constructed in accordance  
 26 with this Act, supporting documentation considered by the General Assembly, and  
 27 Judicial Branch budget records. Any modifications to the scope of a capital construction

1 project or to a lease shall be reported to the Capital Projects and Bond Oversight  
 2 Committee before execution.

3 <b>Budget Unit</b>	2011-12	2012-13	2013-14
4 <b>1. Court Operations and Administration</b>			
5 <b>001. Renovation of Office Space - 1001 Vandalay Drive</b>			
6           Restricted Funds	6,000,000	-0-	-0-

7 **2. Local Facilities Projects**

8 **(1) Court Facility Planning Process:** The county shall require the Project  
 9 Development Board to hire a certified architect not otherwise involved with the project to  
 10 conduct an independent feasibility study to determine whether the needs of the  
 11 community and the Court of Justice can best be met through the construction of a  
 12 freestanding building, or through an addition and/or renovation of the existing court  
 13 facility. The cost for this study shall be an accepted and approved portion of the planning  
 14 process, and shall be eligible for reimbursement from the bond proceeds.

15 **3. Lease Authorizations**

16 **001** Franklin County - Lease - Office Space - Mill Creek Park

17 **002.** Franklin County - Lease - Court of Appeals

18 **003.** Jefferson County - Lease - Parking

19 **004.** Franklin County - Lease - Office Space - Vandalay Drive

20 **(1) Local Facilities Projects - Authorized:** Nothing in this Act shall reduce  
 21 funding of court facility projects authorized by the General Assembly.

22 **(2) Local Facilities Use Allowance Contingency Fund:** For any court facility  
 23 project which is occupied and use allowance funding is insufficient, the use allowance  
 24 payments shall be approved from the Local Facilities Use Allowance Contingency Fund.  
 25 If funds are not available in the Local Facilities Use Allowance Contingency Fund, the  
 26 Chief Justice may transfer funds from other Judicial Branch accounts in accordance with  
 27 Part III, General Provisions, Section 7 of this Act to make the necessary payments.

TOTAL - JUDICIAL BRANCH BUDGET			
	2012-13	2013-14	
General Fund	316,211,100	315,602,000	
Restricted Funds	46,000,000	44,000,000	
Federal Funds	2,956,300	2,955,900	
TOTAL	365,167,400	362,557,900	

### PART III

#### GENERAL PROVISIONS

1. **Expenditure Authority:** The Director of the Administrative Office of the Courts, with the approval of the Chief Justice, may expend any of the funds appropriated for court operations and administration in any lawful manner and for any legal purpose that the Chief Justice shall authorize or direct. All expenditures shall conform with Part III, General Provisions, Section 7 of this Act. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the Judicial Branch of government.

2. **Severability of Budget Provisions:** Appropriation items and sums in this Act conform to KRS 48.311. If any section, any subsection, or any provision thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions.

3. **Duplicate Appropriations:** Any appropriation item and sum in this Act and in an appropriation provision in another Act of the 2012 Regular Session of the General Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.

4. **Priority of Individual Appropriations:** KRS 48.313 shall control when a total or subtotal figure in this Act conflicts with the sum of the appropriations of which it consists.

5. **Carry Forward of Restricted and Federal Funds:** Notwithstanding KRS 45.229, any unexpended balance remaining in the Court's Restricted Funds accounts or



1 Federal Funds accounts at the close of the fiscal years ending June 30, 2012, and June 30,  
2 2013, shall not lapse and shall continue into the next fiscal year.

3 **6. Final Budget Document:** The Chief Justice shall cause the Director of the  
4 Administrative Office of the Courts to prepare a final budget document reflecting the  
5 2012-2014 biennial budget of the Court of Justice. A copy shall be provided to the  
6 Legislative Research Commission and an informational copy shall be furnished to the  
7 Finance and Administration Cabinet within 60 days of the adjournment of the 2012  
8 Regular Session of the General Assembly.

9 **7. Transferability of Funds:** The Chief Justice of the Commonwealth of  
10 Kentucky may transfer funds among three appropriation units within the Judicial Branch.  
11 These are: Court Operations and Administration, Local Facilities Fund, and Local  
12 Facilities Use Allowance Contingency Fund. The Chief Justice may transfer funds from  
13 any appropriation unit to a capital project, lease, or lease-purchase only if that capital  
14 project, lease, or lease-purchase has been authorized by the General Assembly.

15 **8. Appropriations Revisions:** Proposed revisions to Restricted Funds and  
16 Federal Funds appropriations in this Act shall be made and reported pursuant to KRS  
17 48.630(10). The Director of the Administrative Office of the Courts shall notify on a  
18 timely basis the Legislative Research Commission of the most current estimates of  
19 anticipated receipts for the affected fiscal year and an accompanying statement which  
20 explains variations from the anticipated amount.

21 **9. Maximum Salary of Trial Commissioners:** Notwithstanding KRS  
22 24A.100(3), funds are included to continue the statutory maximum salary of trial  
23 commissioners as provided for in the Judicial Branch Budget Recommendation.

24 **10. Purchases of Prison-Made Products:** On and after July 1, 2012, all local  
25 court facilities projects authorized by the General Assembly shall conform with KRS  
26 197.210(1)(a).

27 **11. Issuance of Paychecks to Employees:** Notwithstanding 101 KAR 2:095,

1 Section 10, the state payroll that would normally be scheduled to be paid on June 30,  
2 2013, and June 30, 2014, shall not be issued prior to July 1, 2013, and July 1, 2014.

3 **12. Transfer of Payroll Funds:** Funds equal to the amount of the state payroll  
4 that would normally be scheduled to be paid on June 30, 2012, but will be paid on July 1,  
5 2012, pursuant to 2010 Ky. Acts ch. 154, Part I, 1., a., (2), shall be transferred to the  
6 General Fund Surplus Account (KRS 48.700) on June 30, 2012.

7 **PART IV**

8 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

9 The Judicial Branch may participate in any Budget Reduction Plan or Surplus  
10 Expenditure Plan in accordance with the provisions of KRS Chapter 48.

- 
- State of the Commonwealth 2012  
January 4, 2012
  - 2012-2014 State Budget Address  
January 17, 2012



**State of the Commonwealth**  
**Jan. 4, 2012**  
**Gov. Steve Beshear**

Mr. President, Mr. Speaker, distinguished members of the Kentucky General Assembly, Lt. Governor Abramson, Constitutional officers, honorable members of the Court of Justice, honored guests, including Kentucky's First Lady and my fellow Kentuckians ...

Kentucky has just elected new Constitutional officers who are here with us tonight.

First, let me ask Kentucky's new lieutenant governor, Jerry Abramson, his wife, Madeline, and their son, Sidney, to stand and be recognized ...

Also, let me ask our other Constitutional officers, Attorney General Jack Conway ... Secretary of State Alison Lundergan Grimes ... Auditor of Public Accounts Adam Edelen ... State Treasurer Todd Hollenbach ... and Commissioner of Agriculture James Comer ... to also stand and be recognized.

Thank you for your willingness to serve.

\*\*\*

I come here tonight to report for the fifth time on the State of our Commonwealth.

... and I do so focused not on the challenges of the past few years – which we all know have been immense – but on the future, and how we can improve it.

Tonight and in the days ahead, each of us in this chamber must ask ourselves a simple question: What are we willing to do to build a stronger Kentucky?

What steps are we willing to take – right now in this legislative session – to improve the lives of our people, not only those already here but also the generations to come?

Finding bold answers to those questions must be the goal of this session.

And we cannot be distracted.

The budget decisions we face are horrible ... but we cannot use lack of money as an excuse.

The November election was contentious and redistricting is on the agenda ...but we must resist the temptation to refight past political battles or to start gathering ammunition for future ones.

Kentucky continues to suffer from the lingering effects of the global recession ...but short-term survival cannot be our only goal.

This is no time to rest, to be complacent, to hide or to be timid.

Rather, it is time to be decisive and aggressive.

We must look beyond the next headline, beyond the next crisis and beyond the next election.

Tonight I will lay out for you some bold steps we can take – in a collective and strategic way – to continue to address the fundamental weaknesses that have hampered our state for generations.

\*\*\*

For now, we won't have a lot of money to put toward these efforts.

Balancing our budget and keeping it balanced has been and will continue to be a struggle.

Together, you and I have met that challenge nine times. We're in the process of doing it a 10<sup>th</sup> time, having just imposed additional spending cuts for the fiscal year ending June 30.

We collectively have cut \$1.3 billion in spending so far.

And the 11<sup>th</sup> challenge – preparing a balanced budget for the biennium starting July 1 – will be the toughest yet.

It's true that state revenues are improving. In fact, Kentucky was among the first 11 states to see revenues return to pre-recession levels.

But revenues are not improving fast enough to replace federal stimulus funds which helped us and every other state through the worst of this historic recession.

In two weeks I will present my two-year budget proposal.

And although we're still putting the pieces together, I can tell you this:

We will not be relying on new revenue to balance this budget.

Let me repeat that: The key to balancing this budget lies not on the revenue side, but on the spending side.

We will be cutting.

A lot.

We will, of course, continue to find efficiencies, but the numbers are so wretched that we will likely be forced to carve into some of our most critical, basic services.

And it will hurt.

\*\*\*

But Kentucky will not succeed if our only response is to slash.

We must look beyond our current budget crisis and take steps to improve our revenues long term if we are to strengthen our state.

I mentioned two of those steps in my inaugural address.

No. 1, we should allow the people of this state to vote on the issue of expanded gaming.

Hundreds of millions of dollars in tax revenue are leaving our state as thousands of Kentuckians drive to Illinois, Indiana, Ohio, West Virginia and elsewhere to spend their entertainment dollars on some form of expanded gaming.

Kentucky money is funding early childhood education, schools, libraries, police officers, roads and bridges in our neighboring states.

It makes no sense to continue watching that happen.

We might as well be backing trucks filled with cash up to the Ohio River and dumping that money into the water.

How much money are we giving away?

Think of this:

A foundation connected with an Indiana casino across from Louisville recently offered a \$1 million bonus to the company working on the closed Sherman Minton Bridge if the bridge re-opens ahead of schedule.

How much Kentucky money do you think that casino must be attracting if it's willing to put up \$1 million just to get that bridge reopened?

\*\*\*

Furthermore, Kentucky's equine industry – one of our signature industries – is losing stature by the day.

Other states are using gaming earnings to boost purses and breeders' incentives to lure race horses, brood mares and stallions away from the Bluegrass State.

We can – and must – reverse that trend.

We're the Horse Capital of the World -- but for how much longer?

\*\*\*

Look, we've been talking about expanded gaming for 15 years.

The people of this state want us to act.

Two recent surveys, including one by the state Republican Party, both show that more than 80 percent of Kentuckians want to vote on this issue.

My friends, it is time to listen to our people.

I've met with many elected leaders in both the Senate and the House over the past few weeks, including leaders in both parties, to discuss this issue.

In the coming days, there will be a bill proposing such a Constitutional amendment introduced in the state Senate.

I understand there are a number of different ways to do this, so this bill may well serve as a starting point for discussion.

But I believe that if we all sit down and negotiate in good faith ...if we avoid making public comments that box people in or draw lines in the sand ... and if we keep uppermost in our minds that the people of Kentucky have repeatedly made clear that they want to vote on this issue – then we can come up with language that can pass both chambers without amendments.

\*\*\*

Expanded gaming is not an end unto itself.

It's a mechanism that will keep significant money in our state that we're now sending elsewhere, money we can use to protect and invest in our priorities, like education, job creation ... and yes, our horse industry.

So tonight I reiterate: It's time to let Kentuckians decide the future of gaming in our state.

\*\*\*

The second thing we need to do is to reform our state tax code.

Kentucky's system of taxation served us well during the recession.

In fact, the national Tax Foundation says Kentucky has the 19<sup>th</sup> best business tax climate in the country – better than neighboring states like Illinois, Ohio, West Virginia and Tennessee.



But to prepare ourselves to compete in the future, we must, in a strategic and non-partisan way, re-align our system with the principles of fairness and with a 21<sup>st</sup> century economy.

In the coming days, I will lay out a process to ensure this issue gets both the thoughtful attention it deserves and the public input needed to develop consensus.

I guarantee three things:

One, all voices will be heard.

Two, we will consider all options.

And three, our focus will be on creating a system that meets Kentucky's future needs.

\*\*\*

Both of these steps – expanded gaming and tax reform – are within our power to do.

Both will take political courage and will.

And I think you and I – Kentucky's leaders – have that courage and will.

\*\*\*

Jobs will continue to be my top priority.

Nothing will help our economy and our families more.

While too many Kentuckians remain out of work, unemployment rates are edging downward, and they're now the lowest in almost three years.

We will continue to use programs that you and I created in 2009 to recruit new companies and to help existing Kentucky companies expand work forces, facilities and operations.

Why?

Because these programs are working.

Some 387 projects representing potential investment of almost \$4 billion have received approval for incentives under these programs.

As these companies continue to follow through on their plans, these projects will create or retain more than 30,000 Kentucky jobs.

We will also continue work on initiatives that help small businesses and that help Kentucky businesses export products overseas.

\*\*\*

But our toolbox is still missing a few tools.

We need a way to encourage a type of private investment called “angel investing,” in which individuals help fund new companies.

Mid-level entrepreneurs are in particular need of funding, because many are too small to attract big venture capital and too large for other forms of start-up assistance.

Rep. Arnold Simpson has come forward again with a bill to create tax credits for individual angel investors similar to those already offered for investment funds.

What this means is that Kentuckians who invest in Kentucky start-ups to create Kentucky jobs would receive a credit on their Kentucky income taxes.

At least 22 states offer a similar credit, and it is time for Kentucky to add this job-creation program to its toolbox.

\*\*\*

But as helpful as special programs and tax incentives are, what companies want most is a highly skilled, trained, educated, healthy and ambitious work force.

And this, my friends, is where Kentucky must improve.

Kentucky jumped 18 spots in two years to rank No. 25 on Forbes' list of best states in which to do business.

That's an impressive leap.

But it could have been greater. It should have been greater.

The list is based on six categories which clearly display our strengths and weaknesses.

In the area of business costs, Kentucky ranks 12<sup>th</sup> best in the nation.

In growth prospects, we rank 16<sup>th</sup>.

But in the critical category of labor supply, we rank 45<sup>th</sup> in the nation.

45<sup>th</sup>.

Companies want to come to Kentucky.

But there is concern about our workforce.

The message is obvious: To succeed long term, Kentucky must strengthen its core.

And what is that core?

Our people infrastructure, our human capital.

\*\*\*

One way we can immediately do this is by aggressively tackling one of the largest threats to productivity and health in our communities – the abuse of prescription drugs.

A recent report from the Kentucky Department for Public Health showed that more Kentuckians die from prescription drug overdoses than from car accidents.

Think about that: Our medicine cabinets are deadlier than our highways.

And that doesn't measure the financial and emotional toll this abuse is having on our families.

According to another recent poll, 32 percent of Kentuckians have a family member or friend who has suffered because of prescription drug abuse.

My friends, this is a scourge.

And we have to stop it.

By partnering with Attorney General Jack Conway ...with legislators, including House Speaker Greg Stumbo, Sen. Jimmy Higdon, Sen. Robert Stivers and others ...with law enforcement agencies ...with our medical professionals ... and with officials from neighboring states, we are zeroing in on both users and illegal prescribers.

In the last year, we persuaded Florida to begin shutting down its pill pipeline into Kentucky.

We created an interstate task force with officials from Ohio, Tennessee and West Virginia to better identify those who exploit our borders in order to abuse, misuse or divert prescription drugs.

And we've also strengthened our ability to identify irregular and improper prescribing habits through Kentucky's electronic monitoring system, called KASPER.

But KASPER, while a model program emulated around the nation, isn't as effective as it could be.

During this session, you will be asked to consider a wide-ranging package of legislation designed to strengthen KASPER, including making participation mandatory, and cracking

down on pill pushers in white coats and on pill mills in Kentucky.

This legislation is vital for the health, safety, productivity and future of our people.

\*\*\*

Now, we're also directly improving our workforce itself.

Next month, Kentucky will become only the third state to begin identifying and certifying "Work Ready Communities."

This national program represents a commitment made to existing and potential employers by an entire community – its elected officials, schools and business groups.

It says to them: If you invest in Kentucky, you will have the skilled workers you need. Already, eight counties have applied for this certification.

\*\*\*

One way to ensure a work-ready community is by improving local workforce training.

We're increasing the quality of our Career and Technical Education courses to integrate them more fully into the secondary education system.

Courses are being given a more rigorous academic foundation.

In October we signed a dual credit agreement to allow students in high school to earn college credit for approved courses, including those in career and technical education.

This will speed a student's path to a certificate or degree, reduce his or her costs and keep them in school by tying class work directly to their future careers.

Right now, Kentucky has two systems of Career and Technical Education – one operated by local school districts and one operated by the state Department of Workforce Investment.

I am proposing legislation that moves the state program to the Department of Education.

This will enable us to elevate the importance of this segment of our educational system, to consolidate administrative staffs and to improve the consistency of the programs by uniting them under one vision and leadership.

We need to give our students skills that translate to their careers.

It would be easy for a bill like this to get lost during this session.

It shouldn't get lost, because it's critical to our future.

\*\*\*

Furthermore, for the third session in a row, I am urging you to pass the Graduation Bill, because we must keep our teenagers in school.

This legislation phases in an increase in the mandatory school age from 16 to 18, amending a law created in 1934.

Surely we can all agree that the world has changed in the last 78 years.

In Kentucky alone, 6,000 students drop out before their 18<sup>th</sup> birthday every year.

As a direct result, they are more likely to be unemployed ... to earn significantly less money when they do find work ... and to find themselves on welfare or in prison.

By letting them jeopardize their future, we are failing our youth ... and we are costing Kentucky taxpayers millions of dollars.

Two similar bills will address this issue, one sponsored by Democratic Rep. Jeff Greer, and one by Republican Sen. Jimmy Higdon.

Every education group and most legislators from both parties support this legislation.

Let's make a commitment to our children and pass it.

\*\*\*

At the same time, if we truly want to build a vibrant workforce, one that makes Kentucky more competitive in this increasingly sophisticated world, then we have to start earlier.

We have to begin with our youngest children.

Most brain development – the planting of the seeds for what we accomplish the rest of our lives – begins in the years before we enter school.

Right now too many Kentucky children get a poor start in life.

Too many children enter school with preventable health problems, with undeveloped minds, with no sense of curiosity or engagement in life around them.

In short, they start out behind, and they never catch up.

We were once America's frontier, known for invention, innovation and ingenuity.

But fundamental weaknesses in how we educate and care for our youngest children have eroded our strengths.

We must do better.

My vision for Kentucky guarantees every child the opportunity to succeed – every child, regardless of whether he or she is born in the suburbs, on a farm, in the inner city or in a mountain hollow.

All of our children deserve a chance at a life of promise and meaning.

\*\*\*

With help from a lot of people, including many here in this chamber, I've been working for four years to get our children off to a better start.

We will continue restructuring our preschool and day-care programs to ensure every child is mentally and physically prepared for kindergarten the day he or she enters the classroom.

Kindergarten readiness is at the heart of our efforts to make sure our children succeed throughout their time in school.

We've created a standard definition of school readiness, one that gives all of our programs -- public and private -- a consistent, singular mission.

By executive order, I created the Early Childhood Advisory Council to put this into action – and I'm seeking to formalize that move with legislation before you.

Again, a bill like this could get lost.

We must not allow that to happen.

\*\*\*

We're also searching for funding to increase access to high-quality early education and care programs.

We need to reach more children.

As our revenues recover, early childhood development is one of the first areas where significant new investment must be made.

Nothing will have more impact on the future of this state.

\*\*\*

We've also focused resources on improving the health of our children from an early age.

Simply put, sick children do not learn.

So we've found health care through existing programs for nearly 60,000 Kentucky children whose families had no insurance coverage.

We're also improving dental care for tens of thousands of children by training more dentists in pediatric techniques and taking treatment straight to our schools.

\*\*\*

We're also reducing smoking.

Nearly 40 percent of Kentucky youth live with someone who smokes. That's the highest percentage in the country, and it causes untold health problems for our children.

Two years ago you worked with me to fund smoking cessation in our Medicaid program.

We've also expanded counseling services to younger Kentuckians, and a new ad campaign seeks to protect our people from toxic secondhand smoke.

And our efforts are paying off.

In 2002, 33 percent of Kentuckians smoked. Now less than 25 percent do.

And in the last 10 years, the number of our middle-schoolers – yes, I said middle-schoolers – who smoked has dropped from 22 percent to less than 9 percent.

Our people, our state, our children are breathing easier.

\*\*\*

And while we're on the subject of children, let me mention another legislative priority.

The tragic deaths of several children this year raised issues in Kentucky's system of child protective services that we need to address together.

With help from several legislators, I will be proposing a package of legislation called the Child Protection Act of 2012.

A primary component will be creating an independent review panel to examine child fatalities and near-fatalities where abuse and/or neglect are alleged.

This panel would be appointed by the state Attorney General and include a range of professionals.

I have proposed similar legislation twice before, and it needs to pass this session.

\*\*\*

Another provision involves the availability of information about such cases.

I have called for more transparency in our programs and am proposing that Kentucky change its law to require, not just permit, certain information and records to be made public.

Given the horrifying details reported recently about the deaths of several children, it's time to statutorily move toward increased openness.

But there is genuine disagreement among child-care professionals about the types of information that should be public in these cases.

We need an airing of those disagreements before the General Assembly so that policy decisions can be made.

Our social workers and others who protect our children generally do a good job under very difficult circumstances. But they need a clear understanding of their responsibilities and duties in this area.

And I truly appreciate the willingness of Rep. Tom Burch, Rep. Susan Westrom and others to join with me in tackling these tough issues.

\*\*\*

And finally, let me call attention to one of Kentucky's greatest assets – our servicemen and women.

As you know, many of our soldiers are returning home from Iraq.

But many Kentuckians – including several Kentucky National Guard units – remain in the danger zones of the Middle East, fighting against terrorism and helping local residents.

At the invitation of the Pentagon, last summer I visited those war zones to talk to our soldiers face to face.

The opportunity to witness their courage, sacrifice and dedication firsthand – and getting to know some of them personally – was a phenomenal experience.

In addition, shortly before Christmas, Jane and I visited some of the families of these soldiers – the spouses and children of the 1204<sup>th</sup> Aviation Support Battalion and the Agribusiness



Development Team 3.

Their commitment is equally inspiring.

This session we want to reach out to our military families by expanding adoption tax credits to families in the National Guard.

So tonight – on behalf of 4.3 million Kentuckians – I want to tell our soldiers and their families that we are immensely proud of you, and we continue to pray for your safe return.

\*\*\*

One of the things that impressed me during my visits with our troops was the collaboration across the different branches of service.

Despite differing opinions and strategies, the focus is always on the common mission.

Here in Frankfort, over the last four years we have made progress in creating a similar culture.

We've worked across political and geographical boundaries on a range of issues:

... balancing the budget.

... overhauling our economic development tools to create and retain jobs.

... establishing a One-Stop business portal to improve interaction with our businesses.

... holding taxes down.

... bringing stability to the public pension system.

... reforming the penal code.

... attracting a NASCAR Sprint Cup race.

... preserving our unemployment insurance fund.

... protecting our elderly from predators.

... exempting our active-duty military personnel from paying Kentucky income tax.

... and moving Medicaid to a more efficient delivery model.

As I've told many of you privately over the last few weeks, the onus is on us once again to work together.

In fact, we must do so.

The issues – from attacking prescription drug abuse to keeping our kids in school, from improving our workforce and protecting our children to keeping Kentucky tax money here at home by passing expanded gaming – require us to collaborate.

The lure of partisanship is strong.

Having just finished a long political campaign, I personally know that to be the case.

But election season is over.

Now it's time to govern.

After all, Kentuckians don't much care which party pushes an idea.

They just want to know whether it'll work.

They just want assurance that their lives will get better.

We have an opportunity this session to improve the lives of our people, both in the short term and long into the future.

And if we put the focus where it belongs – on creating a better Kentucky for the people we serve – we will succeed.

Join with me in truly building a stronger Kentucky.

Thank you, and God bless the Commonwealth.

###

**State Budget Address**  
**Tuesday, Jan. 17, 2012**  
**Gov. Steve Beshear**

Mr. President, Mr. Speaker, distinguished members of the Kentucky General Assembly, Lieutenant Governor Abramson, other Constitutional officers, honorable members of the Court of Justice, honored guests, including Kentucky's First Lady and my fellow Kentuckians ...

Tonight I present my proposed state budget for the biennium that begins July 1.

It's a budget that – to be candid – is inadequate for the needs of our people.

The historic recession of the last four years has inflicted deep hardship on our families.

And we continue to address longstanding fundamental weaknesses in the health and education of our people that have kept Kentucky at a persistent disadvantage.

We should be making substantial investments in our physical and intellectual infrastructure to bring transformational change to our state.

This budget does not allow us to do enough of that.

Not like we should.

Instead, it requires painful cuts that may well force us to retreat on some core services ... and that risk jeopardizing progress we've made over decades in education.

Given our current resources, these cuts are unavoidable.

**Ten times in four years we've come together to fill holes in Kentucky's budget.**

**Each time, we've had two goals:**

**To reduce the suffering of our people ...**

**And to preserve our top priorities – education, health care for the most vulnerable, job creation and public safety.**

To meet these goals, we reduced the size of government ... identified and eliminated waste ... applied federal stimulus dollars ... restructured debt ... sold surplus property ... deferred payments ... transferred money from other funds ... reduced energy costs in our buildings ... furloughed workers ... created a Smart Government Initiative to reduce costs in government's daily operations ... and made fundamental changes in major cost areas like Medicaid, Corrections, public pensions and employee health insurance.

We even sold planes on e-Bay.

In short, to protect our people we have used *every* trick in our bag, patched holes with *every* bandage we could find and reached for *every* helping hand extended in our direction.

But my friends, the major efficiencies have been found, and the tricks and Band-aids are about used up.

**Revenues are improving, but they are not improving fast enough to make up the loss of federal stimulus money and to cover growth in the costs of Medicaid, health insurance, retirement benefits and debt service.**

And so the day of reckoning has come ... because with this budget, we begin to carve into some of our most critical services.

\*\*\*

Now, my duty as governor is to propose a responsible budget.

And I am doing that.

- This budget is balanced.
- It continues to reduce the cost of government.
- And it shrinks our reliance on one-time funds, improving the so-called structural balance of the budget, meaning spending only what we take in each year.

But that's not enough ... and I refuse to simply accept the status quo.

**So while some services will continue to be cut back, I am recommending ways to invest in the long-term needs of our people by chipping away at those fundamental weaknesses that have hurt us for generations.**

How?

This budget:

- Expands access to early childhood education.
- It better protects our vulnerable populations – from the youngest to the oldest – by reducing caseloads for beleaguered social workers battling child abuse and neglect, and by targeting those who abuse our elderly.

- It funds for the first time a colon cancer screening program created four years ago ... and it expands substance-abuse treatment within the Medicaid program.
- And it adds muscle and intensity to our response to the prescription drug abuse which is decimating our communities.

Given what we have to work with, these will be major accomplishments.

\*\*\*

Now, what are the keys to making these investments and making this budget balance?

There are five:

One, we're seeing a modest growth in revenues that reflects signs of recovery in our economy.

Experts estimate that growth at 2.4 percent in Fiscal Year '13 and 3 percent in Fiscal Year '14.

Two, we're employing a handful of fund transfers, like those tapped in every budget cycle.

Three, we're using part of the reserves we built up at the end of Fiscal Year '11.

Four, we're aggressively pursuing people who owe taxes or try to avoid paying them.

**As part of a new emphasis on compliance, we will hold Kentucky's first tax amnesty program in 10 years.**

**Forty states have recently done something similar, and we expect to net \$61 million.**

And five, we're balancing Kentucky's budget by making deep cuts in most state agencies.

**Most departments and cabinets – including the Governor's Office – will be cut 8.4 percent in Fiscal Year '13 as compared to current Fiscal Year '12 numbers.**

**In year two, Fiscal Year '14, they will be straight-lined from the first year of the biennium.**

**Now remember, these cuts are on top of cumulative cuts of 25 percent to 30 percent made over the previous four years.**

In these agencies, the fat has long been burned away.

Now we're cutting muscle and bone.

Thus the impact of additional cuts will include things like delays in service ... loss of federal funds ... possible facility closures ... and even possible lay-offs.

However, these cuts will not be made across the board.

Some areas – like classroom funding and Corrections – will be exempt.

Other areas – like our universities and law enforcement agencies – will see lesser cuts.

To show you what I mean, and to unveil other features of this budget, let me detail some of the areas:

**In the area of K-12 education, which must remain our highest priority:**

My proposal preserves SEEK funding at the same level in Fiscal Years '13 and '14 as we are now spending in Fiscal Year '12.

I have protected SEEK through 10 rounds of budget cuts, and I will continue to do so.

We cannot take significant steps backward in funding classroom learning.

But maintaining funding is not a step forward.

It's not even running in place.

Measured in per-pupil funding, this is a slip backward to 2008 levels.

That's why – if revenues come in better than projected, and we have extra money – I will move to restore SEEK to 2012 per-pupil funding levels ... because our children, our teachers and our state deserve better.

Last week, in Education Week's annual Quality Counts report – which offers a highly respected assessment of public education – Kentucky ranked 14th among the 50 states in overall assessment of key education indicators.

Folks, that's a jump of 20 spots in one year.

And it occurred primarily because of investment and policy direction in our accountability system, teacher training, college/career readiness and stronger academic standards.

But with this budget, we begin putting that progress in jeopardy – the best policy in the world won't matter if we retreat on funding our basic instruction.

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This budget also includes \$100 million in school facility bonds for improvements to deteriorating buildings.

Now, a recent assessment of 485 of Kentucky's school facilities identified the need to spend \$3.7 billion to repair or improve those buildings.

Obviously, \$100 million won't cover that need. But it's a start.

This budget also fully funds employer contributions for the Kentucky Teachers' Retirement System.

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**And finally, I am proposing to make preschool available to more 4 year olds by expanding eligibility in Fiscal Year '14 to families whose income is at 160 percent or below of the poverty level, up from the current level of 150 percent.**

**This \$15 million investment will put 4,430 more Kentucky children in preschool.**

Why do this?

It's obvious.

Too many Kentucky children don't get off to a good start in school. They start out behind and they never catch up.

These are the kids who are more likely to drop out of school and to go on to lead lives not filled with productivity and promise but defined by problems – many of which end up consuming state resources.

Folks, this is a cycle.

We have to break it.

Over the last four years, we've been improving the health and minds of our youngest children through our KCHIP, dental and kindergarten readiness initiatives.

Expanding preschool eligibility is another step, one that will directly improve the futures of 4,430 Kentucky children ... children who will hit the ground running in kindergarten, who are more likely to be engaged throughout their school careers and become productive adults.

**By the end of my term, I intend to make preschool available to all 4 year olds in families whose income is 200 percent or less of the poverty level.**

**This will help us to reach 3,920 additional children.**

**Researchers confirm that every dollar spent on pre-K programs carries a return on investment that ranges from \$2 to \$17.**

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**In the area of higher education:**

While most agencies are being cut 8.4 percent, my proposal reduces base funding to higher education by 6.4 percent.

It maintains funding for student financial aid programs, including KEES, need-based programs and our National Guard Tuition Assistance Program.

It authorizes \$25 million in General Fund bonds to maintain and preserve buildings on our campuses.

This budget includes no money for new General Fund capital projects, but it does authorize \$451 million in agency bonds for priority projects where institutions have identified revenue streams to pay off debt service.

It also authorizes the University of Kentucky to proceed with Phase I of the overhaul of its residence halls. UK needs approval to secure third-party financing as it partners with a private company to build 9,000 beds over the next several years.

Phase I is a \$175 million project. It's a demonstration that even in these tough times, the public and private sectors can unite to address needs and create jobs.

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Now, finally, you're aware of a proposal to add the University of Pikeville to the state higher education system.

I have directed the hiring of a consultant to do a thoughtful and thorough evaluation of this issue, whose complexity is great.

Should the General Assembly decide to move forward on this proposal, I have left unallocated a portion of our multi-county coal severance fund.

**In the area of health and family services:**

My proposal funds our Medicaid obligations without cutting services or kicking families off the program.

One in five Kentuckians is now on Medicaid.



At the depths of the recession, more than 3,000 Kentuckians a month were being added to the program. Even though that rate of growth has dropped by about half, the Medicaid rolls are still expanding.

This growing enrollment – along with rising health-care costs – creates one of the biggest stresses on our budget.

We are mitigating that stress by continuing to find efficiencies and implement cost-containment measures – and by moving to a managed-care delivery model.

That new model alone will reduce the cost of Medicaid to the General Fund by \$294 million over this biennium and \$372 million over the 32-month contract period.

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**My proposal also provides, for the first time, out-patient substance-abuse treatment in the Medicaid program for both adults and adolescents.**

Forty-three states fund community-based substance-abuse treatment through Medicaid.

Kentucky does not.

My proposal funds treatment for 4,500 people in the first year and an additional 1,300 people in the second year.

Join with me in taking another serious step toward fighting substance abuse in the Commonwealth.

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**We are also addressing pressing needs in our Department for Community Based Services.**

**This budget not only exempts this department from the 8.4 percent cuts, it *increases* funding by nearly \$21 million to hire more social workers and support staff.**

We're looking to reduce dangerously high caseloads from an average of 20 per case worker to an average of 18 per worker, and from 1,000 on average to 800 for family support staff.

Our social workers and support staff perform at high levels in a very difficult job, but there are simply too few of them.

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**This proposal also provides \$1 million over the biennium – to be matched by \$1 million from a private foundation – for colon cancer screening for some 4,000 uninsured Kentuckians.**

Kentucky's incidence of this disease is the highest in the nation – and about 25 percent higher than the national average.

And while this type of cancer can be costly to treat, it is highly preventable with screening.

Four years ago the General Assembly created the screening program but funding was not available.

Implementing this screening will directly save both lives and money.

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**This budget also exempts our mental health programs from cuts, given the fragile safety net that protects this extremely vulnerable population.** It also brings on line the new Eastern State Hospital.

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**And finally, as a way to guide hiring decisions by nursing homes and other agencies, it funds the creation of a registry of people who have abused or neglected adults.**

The Adult Abuse Registry was proposed in the 2011 session as part of a package of bills we called the Safeguarding Our Seniors program. Much of the initiative passed, but this provision failed for lack of funding.

Now that funding is available in this budget, I urge the General Assembly to pass this legislation to protect our parents and grandparents from those who would prey on them.

**In the area of public safety and justice:**

My proposal seeks to shield our law enforcement agencies from the worst of the budget pain by limiting their cuts to 2.2 percent, including our State Police, prosecutors and Juvenile Justice system.

It sets aside \$2 million in bond funds to make improvements to the new State Police training facility we recently created out of a prison.

This budget exempts the Department of Public Advocacy from cuts, given the sheer

number of indigent clients they serve.

It continues to implement House Bill 463 – the Corrections Reform bill passed last year – in a variety of ways, including hiring additional pre-trial and parole officers to increase supervision of our inmates as they re-enter society.

It re-invests the savings from a reduced prison population in areas like expanded substance-abuse treatment programs.

It also begins phasing out our reliance on private prison contracts, a move that could help our county jails.

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**And finally, this budget provides funds to more aggressively address one of the biggest threats to the health, welfare, safety and productivity of our families – the abuse of prescription drugs.**

This scourge is not only exacting a huge emotional and economic toll, it's also literally killing our people.

In our state alone, 82 people die every month from drug overdoses.

During this session you will consider a wide-ranging package of legislation on this issue, including improvements to KASPER, our electronic monitoring system.

My budget includes money to enhance KASPER to accommodate mandatory participation by our providers, as well as to increase the sharing of data with other states.

We must not only pass stronger measures to fight this abuse, we must fund those measures.

**In the area of economic development:**

My proposal continues to help our economy by reinvesting in programs that retain and create jobs, including \$20 million in bonds for our high-tech grant and loan program. This nurtures our cutting-edge companies, especially our small companies, who create many of our jobs.

I also urge the passage of legislation creating tax credits for “angel investors,” a way of encouraging individual private investment in new companies.

**Regarding our military veterans:**

My proposal protects this area from cuts.

It also sets aside bonds for construction of a fourth state veterans' nursing home in Radcliff, and provides operating funds to open the new wing at the Western Kentucky Veterans Center in Hanson.

It also reauthorizes a fifth veterans' cemetery in Leslie County, putting us closer to our goal of having a veterans' cemetery within 75 miles of every family in this state.

**In the area of agriculture:**

My proposal sets aside \$4 million in bonds for the design, planning and purchase of land for the Breathitt Veterinary Center in Hopkinsville, which has been identified by the agriculture community as its highest priority.

Our animal diagnostic labs need the capability to keep up with modern technologies and the future demands of a global market focused on animal and food security.

**In the area of parks and tourism:**

The 8.4 percent cuts imposed by this budget will have deep impact.

Over the past four years, we have reduced the hours at some of our parks, we've closed some of our locations during the winter and we've neglected needed improvements.

We will do everything we can to keep them operating at some level over the next two years, but it will be a difficult task.

**In the area of energy and environment:**

My proposal recognizes the importance of coal to our economy – both as an energy source and as a job provider – by making limited or no reductions in mine permitting, enforcement, safety and licensing.

We must preserve our ability to mine coal and to do it cleanly and safely.

**For public employees and retirees:**

This budget has both good news and bad news.

My proposal does not include money for pay raises for the fourth year in a row. I regret that.

**I'm also aware that limited layoffs are possible, depending upon how our cabinets manage their reduced budgets.**

But my budget does not propose furloughs of state workers, which we were forced to implement last year and which many states are still doing.

My budget also, for the second time in a row, fully funds the recommended House Bill 1 increase in employer contribution rates for our retirement systems.

This keeps us on the path of bringing stability to these funds and protecting the retirement of our dedicated public employees.

**In the area of capital improvements:**

I am proposing a limited bond program totaling \$778 million.

Of that figure, only \$304 million are General Fund bonds, with most of the rest being Agency Fund bonds.

Of the \$304 million, nearly a third is for improvements to K-12 school facilities.

We are also setting aside \$3.5 million in bonds – to be matched by \$1.5 million from the City of Lexington – for planning and redesign of a significant part of that city's downtown, including Rupp Arena.

Just as we did successfully in Louisville, we will partner with Lexington to add vibrancy to an area that attracts jobs and business investment.

In addition to projects I've previously mentioned tonight, General Fund bonds will also help put into place the state's new on-line One-Stop Business Portal passed by the General Assembly last year ... and implement the final closure plan for Maxey Flats, the radioactive Superfund site northwest of Morehead.

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But let me tell you: Collectively, this is the *smallest* capital program since 1996, including the smallest supported by the General Fund.

This is not a boast; it's just a fact.

We simply do not have the money to pay off more debt.

And this lack of investment will have ramifications on our ability to attract businesses, to grow our communities and to improve the quality of life for our people.

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Finally, let me talk about transportation.

**The Road Fund is where we see good news.**

For the fourth and fifth years in a row, we expect growth in revenues.

In year one of the biennium, state Road Fund revenues are expected to increase 6.1 percent; in year two, 4.6 percent.

This will enable us to increase revenue sharing with local governments, as well as to create a Six-Year Highway Plan that aggressively invests in Kentucky's primary road system.

There of course remains great uncertainty about what will come from Washington as Congress continues its habit of last-minute decision-making on a federal highway program.

We have to assume that Congress will address the problem of the Federal Highway Trust Fund ... because if not, the impact on not just Kentucky but the whole nation would be devastating.

Our transportation strategy focuses on improvements that boost interstate commerce and create an enhanced economic climate for existing and future employers.

This six-year plan:

- Funds the Louisville Bridges Project.
- Completes the six-laning of I-65 between Bowling Green and Elizabethtown.
- Completes the final leg of a 25-year widening of the U.S. 68/Ky. 80 corridor between Bowling Green and Mayfield, including the bridges over Lake Barkley and Kentucky Lake.
- Advances the Interstate 69 project in West Kentucky by enabling the ultimate conversion of many more miles of parkway to interstate status.
- Provides about \$80 million toward the four-laning of the Mountain Parkway between Campton and Salyersville.
- Widens a stretch of Ky. 15 in Perry County near the Hazard bypass.
- Completes the construction of U.S. 460 in Pike County between U.S. 23 and the Virginia state line.
- Completes the construction of U.S. 119 in Letcher County between Partridge and Oven Fork.
- Completes the Newtown Pike Extension Project in downtown Lexington.
- Constructs new I-75 interchanges in Boone County and builds a new frontage road system between Mount Zion and Richwood roads.
- Spends over \$500 million to repair or replace more than 240 substandard bridges across the Commonwealth.
- And dedicates over \$100 million a year to pavement repairs on primary roads.

These are aggressive investments in our transportation network, and they will have tangible positive impact on our communities – both in immediate construction jobs and in long-term economic potential.

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We should be investing this aggressively in other sectors of our state, especially in our intellectual capacity.

But we simply don't have the resources to do that.

And that's what I want to talk about now.

To keep Kentucky's budget balanced over the last four years, we have cut spending by \$1.3 billion.

With this budget proposal, that figure reaches \$1.6 billion.

Now, many of those reductions were needed, because state government had become bloated ... and some people had forgotten the sanctity of the taxpayer's money.

**But we're at the point where drastic cuts will do more damage to Kentucky's long-term future than realized savings will help.**

**There are those who continue to insist that Kentucky can cut its way to prosperity. If that were the case ... we'd all be wealthy.**

**No, continued slashing isn't the answer.**

**We need to take steps to ensure that we have adequate revenue to meet our needs.**

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Two options – expanded gaming and tax reform – are before us right now.

Last week I announced plans to create a Blue Ribbon Commission headed by Lt. Gov. Abramson to begin looking at Kentucky's tax system to see how we can better align it with the principles of fairness, business competitiveness and a 21<sup>st</sup> Century economy.

Over the next several months, this commission will examine other tax systems and hear from experts, as well as the public and various stakeholders throughout Kentucky.

Continuous input from the General Assembly will be essential to the success of this effort.

I hope to have recommendations to propose to you before the end of this year.

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The other option – expanded gaming – will come before you this session.

You will be asked to place a Constitutional Amendment allowing expanded gaming on the ballot.

**You've heard a lot of arguments about why gaming is or isn't right for Kentucky.**

**But you haven't heard a *single* argument as to why Kentuckians shouldn't be allowed to *vote* on this proposal.**

**In fact, I don't think there is a legitimate argument.**

**Kentuckians have made it clear through numerous surveys that they want to vote.**

**The only question is whether we listen to them, or we ignore them.**

Gaming isn't an end unto itself. It's a mechanism to keep our Kentucky money at home.

An economic analysis just released estimates that, in 2010, Kentuckians spent \$451 million on casino gaming in our neighboring states.

These states are enhancing their budgets with hundreds of millions of dollars they rake in by taxing this Kentucky money.

And they know it.

One Indiana casino has billboards in Louisville that boldly proclaims itself as the place “where Kentucky gambles.”

My friends, they're advertising in our own front yard.

We need to keep our money in our own state.

That same analysis estimates that, under one scenario, expanding gaming at our tracks alone would bring in one-time license fees of \$266 million and \$377 million annually into the General Fund.

These are conservative estimates.

I did not build any of those projections into this budget proposal.

But just think of what that money could do for Kentucky.

With \$266 million in one-time license fees, we could:

- Rebuild or repair a good number of our most rundown schools.



- Or we could make a large deposit to the retirement system to help pay down the unfunded liability.

Just think of what we could do with an influx of annual tax receipts of \$377 million:

- We could restore SEEK funding to 2012 per-pupil levels.
- Or we could help our universities lower the cost of tuition, providing better access to college degrees.
- Or raise teacher pay.
- Or provide full-day kindergarten to all children.
- Or better fund programs that serve a growing elderly population.

It is time to let our people decide whether they want that Kentucky money to continue to flow across our borders or to stay here at home.

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So there you have it – my two-year budget – a practical, responsible strategy that helps this state survive and moves it forward.

But not far enough, and not fast enough.

We could – and we should – be doing more.

Future budgets do not have to look like this one.

Future budgets -- with additional revenue – could help us more aggressively attack the fundamental weaknesses that are holding Kentucky back.

I stand ready to work with you to improve our resources by keeping gaming revenue in Kentucky and by improving our tax structure.

And I stand ready to work with you to implement the many parts of this budget.

By expanding access to early childhood education ... by improving protections for our most vulnerable populations ... and by getting serious about prescription drug abuse, we can improve the quality of life of our people.

Likewise, with the Graduation Bill, and bills to improve kindergarten readiness and our Career and Technical Education, we have the opportunity in this legislative session to improve Kentucky's workforce, the core of our economic strength.

Together, we *can* build a better Kentucky, right now and long into the future.

Thank you, and God bless Kentucky.