FREE CONFERENCE COMMITTEE REPORT

The Free Conference Committee on **HB 200** has met as provided in the Rules of the House and Senate and hereby reports the following to be adopted:

____ GA __X__ SCS ____ HCS

For the above-referenced bill, with these amendments (if applicable):

Committee (list by chamber and number): ____;

Floor (list by chamber and number): ____; and

The following Free Conference Committee action:

Beginning on page 1, after line 5, delete all language in its entirety and insert in lieu thereof the following:

"➔Section 1. The State/Executive Branch Budget is as follows:

PART I

OPERATING BUDGET

(1) Funds Appropriations: There is appropriated out of the General Fund, Road Fund, Restricted Funds accounts, Federal Funds accounts, or Bond Funds accounts for the fiscal year beginning July 1, 2017, and ending June 30, 2018, for the fiscal year beginning July 1, 2018, and ending June 30, 2019, and for the fiscal year beginning July 1, 2019, and ending June 30, 2020, the following discrete sums, or so much thereof as may be necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710. Each appropriation is made by source of respective fund or funds accounts. Appropriations for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and budget units of the state government, and any and all other activities of the government of the Commonwealth, are subject to the provisions of Chapters 12, 42, 45, and 48 of the Kentucky Revised Statutes and compliance with the conditions and procedures set forth in this Act.

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

A. GENERAL GOVERNMENT

Budget Units

1. OFFICE OF THE GOVERNOR

	2018-19	2019-20
General Fund (Tobacco)	2,050,000	2,050,000
General Fund	6,170,900	6,258,000
Restricted Funds	659,500	659,500
Federal Funds	262,000	175,000
TOTAL	9,142,400	9,142,500

(1) **Tobacco Settlement Funds:** Included in the above General Fund (Tobacco) appropriation is $2,050,000 in each fiscal year for the Early Childhood Advisory Council.

2. OFFICE OF STATE BUDGET DIRECTOR

	2018-19	2019-20
General Fund	3,486,400	3,533,700
Restricted Funds	347,900	383,600
TOTAL	3,834,300	3,917,300

(1) **State Planning Fund:** Notwithstanding KRS 147.110, no General Fund is provided for the State Planning Fund in the Office of State Budget Director.

3. HOMELAND SECURITY

	2018-19	2019-20
General Fund	251,900	255,200
Restricted Funds	1,352,000	1,361,800
Federal Funds	4,085,100	4,096,200
Road Fund	307,900	312,000

TOTAL	5,996,900	6,025,200

4. DEPARTMENT OF VETERANS' AFFAIRS

	2018-19	**2019-20**
General Fund	25,098,600	25,810,200
Restricted Funds	78,959,900	78,964,500
TOTAL	104,058,500	104,774,700

(1) Weekend and Holiday Premium Pay Incentive: The Kentucky Veterans' Centers are authorized to continue the weekend and holiday premium pay incentive for the 2018-2020 fiscal biennium.

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

(3) Brain Injury Alliance of Kentucky and the Epilepsy Foundation of Kentuckiana Funding: Included in the above General Fund appropriation is $93,700 in each fiscal year for grants to the Brain Injury Alliance of Kentucky and $93,700 in each fiscal year for grants to the Epilepsy Foundation of Kentuckiana to be used solely for the purpose of working with veterans who have experienced brain trauma and their families.

(4) Veterans' Service Organization Funding: Included in the above General Fund appropriation is $187,500 in each fiscal year for grants to Veterans' Service Organization programs.

(5) Debt Service - Bowling Green Veterans' Center: If any debt service is required for the issuance of bonds for the Construct Bowling Green Veterans' Center capital project reauthorized in Part II, Capital Projects Budget, of this Act, it shall be deemed a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). No bonds shall be sold for this project until it has been approved by the United States Department of Veterans Affairs and the

Commonwealth has been notified by the United States Department of Veterans Affairs that Federal Funds are available to support this construction.

(6) State Veterans Nursing Home: It is the desire of the General Assembly that any future beds allocated from the United States Department of Veterans Affairs or reallocated from the Kentucky Department of Veterans' Affairs be dedicated to a state veterans nursing home in Magoffin County to serve that area.

5. GOVERNOR'S OFFICE OF AGRICULTURAL POLICY

	2018-19	2019-20
General Fund (Tobacco)	40,553,300	38,379,300
Restricted Funds	100,000	100,000
TOTAL	40,653,300	38,479,300

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

(2) Counties Account: Notwithstanding KRS 248.703(1), included in the above General Fund (Tobacco) appropriation is $16,869,000 in fiscal year 2018-2019 and $15,841,300 in fiscal year 2019-2020 for the counties account as specified in KRS 248.703(1)(a).

(3) Directive for Fiscal Year 2018-2019 and Fiscal Year 2019-2020 General Fund (Tobacco) Appropriations: Notwithstanding KRS 248.709 and 248.727, included in the above General Fund (Tobacco) appropriation is $7,000,000 in fiscal year 2018-2019 and $6,000,000 in fiscal year 2019-2020 to be used for capital improvements to the agricultural event space and other facilities at the Kentucky State Fair and Exposition Center. The grant process for the proposed projects shall require the State Fair Board to submit an application to the Agricultural Development Board. The application shall be subject to the review, approval, and evaluation criteria established by the Agricultural Development Board. Any grants approved by the Agricultural Development Board to the State Fair Board shall not require a match by the

applicant. The highest priority and the purpose of grants approved shall be for projects related to deferred maintenance, renovation, and remodeling of event space primarily used for animal and other agricultural-related events or the demolition of unusable facilities. New construction projects dedicated primarily to agricultural events at the Kentucky State Fair and Exposition Center may be considered by the Agricultural Development Board if there are unused appropriations remaining after grant funds have been approved for maintenance, renovation, remodeling, and demolition projects, which shall have the highest priority among the projects considered. If the total grant funds awarded to the State Fair Board are less than the General Fund (Tobacco) appropriation of $13,000,000 reserved in the 2018-2020 fiscal biennium for the State Fair Board, any uncommitted or unobligated appropriations shall not be approved by the Agricultural Development Board for any other project until appropriated by the General Assembly.

6. KENTUCKY INFRASTRUCTURE AUTHORITY

	2018-19	**2019-20**
General Fund	1,398,800	1,914,800
Restricted Funds	46,560,800	51,668,900
Federal Funds	29,381,900	29,381,900
TOTAL	77,341,500	82,965,600

(1) Debt Service: Included in the above General Fund appropriation is $258,000 in fiscal year 2018-2019 and $774,000 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

7. MILITARY AFFAIRS

	2018-19	**2019-20**
General Fund	15,036,400	15,256,400
Restricted Funds	38,405,600	38,642,500
Federal Funds	46,015,700	46,329,900
TOTAL	99,457,700	100,228,800

(1) Kentucky National Guard: Included in the above General Fund appropriation is $4,500,000 in each fiscal year to be expended, subject to the conditions and procedures provided in this Act, which are required as a result of the Governor's declaration of emergency pursuant to KRS Chapter 39A, and the Governor's call of the Kentucky National Guard to active duty when an emergency or exigent situation has been declared to exist by the Governor. Any portion of the $4,500,000 not expended shall lapse to the General Fund at the end of each fiscal year. In the event that costs for Governor-declared emergencies or the Governor's call of the Kentucky National Guard for emergencies or exigent situations exceed $4,500,000 annually, the costs shall be deemed necessary government expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

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

(3) Debt Service: Included in the above General Fund appropriation is $11,000 in fiscal year 2018-2019 and $101,000 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(4) Residential Youth-at-Risk Program: Included in the above General Fund appropriation is $335,000 in each fiscal year to support the Bluegrass Challenge Academy and $335,000 in each fiscal year to support the Appalachian Youth Challenge Academy.

8. COMMISSION ON HUMAN RIGHTS

	2018-19	**2019-20**
General Fund	1,874,800	2,005,600
Restricted Funds	10,000	10,000
Federal Funds	245,000	245,000
TOTAL	2,129,800	2,260,600

9. COMMISSION ON WOMEN

	2018-19	2019-20

(1) Commission on Women: Notwithstanding KRS 12.020, 12.023, 14.260, 15A.190, 214.554, and 344.510 to 344.530, no General Fund is provided for the Commission on Women.

10. DEPARTMENT FOR LOCAL GOVERNMENT

	2018-19	2019-20
General Fund	9,207,400	9,326,700
Restricted Funds	888,200	888,700
Federal Funds	29,711,300	29,727,500
TOTAL	39,806,900	39,942,900

(1) Area Development District Funding: Included in the above General Fund appropriation is $1,984,000 in each fiscal year for the Joint Funding Administration Program in support of the Area Development Districts.

(2) Mary Kendall Homes and Gateway Juvenile Diversion: Included in the above General Fund appropriation is $257,800 in each fiscal year for the support of the Mary Kendall Homes and $257,800 in each fiscal year for the support of Gateway Juvenile Diversion.

(3) Allocation of Area Development District Funding: The Department for Local Government shall allocate Area Development District Funding appropriated to the Joint Funding Administration Program to the area development districts in accordance with the following formula:

(a) 70 percent of the total appropriation shall be allocated equally among all area development districts;

(b) 20 percent of the total appropriation shall be allocated based upon each area development district's proportionate share of total state population, as identified by the 2010 United States Census; and

(c) Ten percent of the total appropriation shall be allocated based upon each area development district's proportionate share of total incorporated cities and counties, as identified

by the records of the Kentucky Secretary of State's Land Office at the time of the allocation.

The Department for Local Government shall, upon the unanimous written direction of all Area Development Districts, reduce the allocation based upon proportionate share of total incorporated cities and counties and instead allocate those funds to provide additional nonfederal dollars to area development districts for the purpose of maximizing federal awards.

11. LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND

	2018-19	2019-20
General Fund	23,379,700	24,682,800

(1) Additional Coal Severance Transfer: Notwithstanding KRS 42.450 to 42.495, an additional amount equal to $808,200 in fiscal year 2018-2019 and $2,500,000 in fiscal year 2019-2020 shall be transferred from the Local Government Economic Development Fund to the Local Government Economic Assistance Fund established by KRS 42.450 to be allocated in accordance with KRS 42.470(1).

(2) Jefferson County Mineral Severance: Notwithstanding KRS 42.450 to 42.495, all funds distributed to Jefferson County in accordance with KRS 42.470(2)(a) shall be used by the Jefferson County Fiscal Court for the Waterfront Botanical Gardens.

12. LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND

	2018-19	2019-20
General Fund	3,150,000	4,150,000

(1) Coal Severance Tax Collections Calculations and Transfers: The above appropriations from the General Fund are based on the official estimate presented by the Office of State Budget Director.

(a) Notwithstanding KRS 42.450 to 42.495, coal severance tax collections during the 2018-2020 fiscal biennium shall first be allocated to the following programs or purposes on a quarterly basis:

1. Kentucky Infrastructure Authority: An annual appropriation of $370,000 in each fiscal year is appropriated as General Fund moneys to the Kentucky Infrastructure Authority

budget unit for Local Government Economic Development Fund project administration costs;

2. Department for Local Government: An annual appropriation of $669,700 in each fiscal year is appropriated as General Fund moneys to the Department for Local Government budget unit for Local Government Economic Development Fund project administration costs;

3. Debt Service: An annual appropriation of 100 percent of the debt service necessary to support bonds authorized in 2003 Ky. Acts ch. 156, 2005 Ky. Acts ch. 173, 2006 Ky. Acts ch. 252, 2008 Ky. Acts ch. 127, and 2010 (1st Extra. Sess.) Ky. Acts ch. 1, in the amount of $28,955,100 in fiscal year 2018-2019 and $27,456,700 in fiscal year 2019-2020 is appropriated for that purpose;

4. Osteopathic Medicine Scholarship Program: Notwithstanding KRS 164.7891(11)(b), no transfers shall be made to the Osteopathic Medicine Scholarship Program within the Kentucky Higher Education Assistance Authority; and

5. Pharmacy Scholarships: Notwithstanding KRS 164.7890(11)(c), no transfers shall be made to the Coal County Pharmacy Scholarship Program within the Kentucky Higher Education Assistance Authority.

(b) Notwithstanding KRS 42.450 to 42.495, an amount equal to 15 percent in each fiscal year of the remaining severance and processing taxes on coal collected annually shall be transferred from the General Fund to the Local Government Economic Assistance Fund on a quarterly basis.

(c) Notwithstanding KRS 42.450 to 42.495, an amount equal to $15,896,000 in fiscal year 2018-2019 and $7,500,000 in fiscal year 2019-2020 of the severance and processing taxes on coal collected annually shall be transferred from the General Fund to the Local Government Economic Development Fund.

(2) Use of Local Government Economic Development Fund: Notwithstanding KRS 42.450 to 42.495, transfers made to the Local Government Economic Development Fund shall be used for the following purposes:

(a) An amount equal to $3,150,000 in fiscal year 2018-2019 and $4,150,000 in fiscal year

2019-2020 shall be transferred, on a quarterly basis, to the Kentucky Coal Fields Endowment Authority;

(b) An amount equal to $1,000,000 shall be transferred in fiscal year 2018-2019, on a quarterly basis, to the University of Kentucky budget unit for the Robinson Scholars Program;

(c) An amount equal to $500,000 shall be transferred in each fiscal year, on a quarterly basis, to the Justice Administration budget unit for Operation UNITE in relation to the Federal Task Force on Drug Abuse;

(d) An amount equal to $350,000 shall be transferred in each fiscal year, on a quarterly basis, to the University of Kentucky budget unit for the Mining Engineering Scholarship Program;

(e) An amount equal to $10,087,800 shall be transferred in fiscal year 2018-2019, to the Department of Education for purposes specified in Part I, C., 1., (20) of this Act; and

(f) An amount equal to $808,200 in fiscal year 2018-2019 and an amount equal to $2,500,000 in fiscal year 2019-2020 shall be transferred, on a quarterly basis to the Local Government Economic Assistance Fund.

13. AREA DEVELOPMENT FUND

	2018-19	**2019-20**

(1) Area Development Fund: Notwithstanding KRS 42.345 to 42.370, and 48.185, or any statute to the contrary, no funding is provided for the Area Development Fund.

(2) Area Development District Flexibility: Notwithstanding KRS 42.350(2) and provided that sufficient funds are maintained in the Joint Funding Agreement Program to meet the match requirements for the Economic Development Administration grants, Community Development Block Grants, Appalachian Regional Commission grants, or any federal program where the Joint Funding Agreement funds are utilized to meet nonfederal match requirements, an area development district with authorization from its Board of Directors may request approval to transfer funding between the Area Development Fund and the Joint Funding Agreement Program from the Commissioner of the Department for Local Government. Joint Funding Agreement

grants from the Community Economic Development Block Grant Program and the Appalachian Regional Commission shall be matched on a dollar-for-dollar basis.

14. EXECUTIVE BRANCH ETHICS COMMISSION

	2018-19	2019-20
General Fund	548,900	555,700
Restricted Funds	335,000	335,000
TOTAL	883,900	890,700

(1) Use of Restricted Funds: All penalties collected or received by the Executive Branch Ethics Commission shall be deposited in the State Treasury and credited to a trust and agency fund account to the credit of the Commission to be used by the Commission for the cost of conducting administrative hearings pursuant to KRS Chapter 13B. Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward.

15. SECRETARY OF STATE

	2018-19	2019-20
General Fund	2,204,100	2,252,500
Restricted Funds	2,688,000	2,681,200
Federal Funds	221,400	221,400
TOTAL	5,113,500	5,155,100

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

16. BOARD OF ELECTIONS

	2018-19	2019-20
General Fund	4,216,200	4,231,100
Restricted Funds	246,000	246,000
Federal Funds	4,045,000	2,926,200
TOTAL	8,507,200	7,403,300

(1) Cost of Elections: (a) Notwithstanding KRS 116.145, the State Board of Elections shall set a rate for the fee for new voter registration paid to the county clerks within the available appropriated resources. The State Board of Elections shall also set a fixed rate for the expenses outlined in KRS 117.343 within the available appropriated resources. Notwithstanding KRS 117.345(2), the State Board of Elections shall set a rate for the expenses outlined in KRS 117.345(2) for precincts with a voting machine within the available appropriated resources, not to exceed $300 per precinct per election. These rates and all assumptions as to the number of precincts, registered voters, and new voter registrations shall be communicated to the Secretary of the Finance and Administration Cabinet and the State Budget Director by November 1, 2018, for fiscal year 2018-2019 and by November 1, 2019, for fiscal year 2019-2020.

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

17. REGISTRY OF ELECTION FINANCE

	2018-19	**2019-20**
General Fund	1,511,000	1,529,400

18. ATTORNEY GENERAL

	2018-19	**2019-20**
General Fund	12,081,100	12,239,600
Restricted Funds	18,781,200	18,815,100
Federal Funds	5,707,900	5,393,400
TOTAL	36,570,200	36,448,100

(1) Expert Witnesses: In addition to such funds as may be appropriated, the Office of

the Attorney General may request from the Finance and Administration Cabinet, as a necessary government expense, such funds as may be necessary for expert witnesses. Upon justification of the request, the Finance and Administration Cabinet shall provide up to $275,000 for the 2018-2020 fiscal biennium for this purpose to the Office of the Attorney General from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). Without charge, the Department of Insurance shall provide the Office of the Attorney General any available information to assist in the preparation of a rate hearing pursuant to KRS 304.17A-095. Expenditures under this subsection shall be reported to the Interim Joint Committee on Appropriations and Revenue by August 1 of each year.

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

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

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

(5) Contingency Fee Contracts: (a) The Office of the Attorney General may contract with outside law firms on a contingency fee basis, subject to the provisions of KRS 45A.690 to 45A.725.

(b) The Attorney General shall not award a contingency fee contract unless, prior to the

award, the Attorney General determines in writing:

1. The contingency fee is both cost-effective and in the public interest;

2. That sufficient and appropriate legal and financial resources do not exist within the Office of the Attorney General; and that

3. The experience desired for the particular kind of legal services to be provided does not exist within the Office of the Attorney General.

(c) A contingency fee shall not exceed:

1. 20 percent of the amount recovered up to $10,000,000;

2. 15 percent of the amount recovered between $10,000,001 and $15,000,000;

3. Ten percent of the amount recovered between $15,000,001 and $20,000,000;

4. Five percent of the amount recovered of $20,000,001 or more; or

5. An amount of $20,000,000, regardless of the number of actions or proceedings or the number of attorneys or law firms involved in the matter, and exclusive of any costs and expenses provided for by the contract and actually incurred by the legal services contractor.

(d) A contingency fee shall be payable only from money that is actually received pursuant to a judgment or settlement agreement, and any judgment or settlement funds shall be disbursed in accordance with KRS Chapter 45A and 48.005.

(e) The Attorney General or his or her designee shall retain control over the course and conduct of the case and shall retain veto authority over any decision made by the contract attorney. The Attorney General or his or her designee shall attend all settlement conferences, be personally involved in overseeing the litigation, and have exclusive decision-making power regarding any settlement of the matter for which the contract was entered. Any opposing party to the matter for which the contract was entered into may directly contact the Attorney General or his or her designee, without having to notify the contract attorney.

(f) The Finance and Administration Cabinet and the Office of the Attorney General shall post on their Web sites each contingency fee contract, the accompanying written determinations as required in paragraph (b) of this subsection, and any payments of contingency fees to the legal

services contractors. These records shall remain posted on the Web sites for the duration of the contracts or any extensions, or 365 days, whichever is longer.

(g) In addition to the information required of each contingency fee contract by the Kentucky Model Procurement Code and KRS 45A.695, a contractor awarded a contingency fee contract shall maintain detailed current records of expenses, disbursements, charges and credits, underlying receipts and invoices, and any other financial transactions that occur under the contract. These records shall become public records subject to KRS 61.870 to 61.884 after a judgment or agreement is entered in the case and all appeals have been exhausted, but shall not be public records until that time. Any information that is subject to an evidentiary privilege shall be redacted before any public disclosure of these financial records.

(h) The Finance and Administration Cabinet and Office of the Attorney General shall submit a joint report to the Government Contract Review Committee by September 1 of each fiscal year identifying all contingency fee contracts awarded, active, and concluded in the previous fiscal year. For each contract, the report shall include the written determination as required in paragraph (b) of this subsection, the name of the attorney or law firm with whom the contract was made, the nature and status of the legal matter that is the subject of the contract, the name of the parties to the legal matter that is the subject of the contract, the amount of recovery, and the amount of the contingency fee paid.

(6) Legal Services Contracts: The Office of the Attorney General may present proposals to state agencies specifying legal work that is presently accomplished through personal service contracts that indicate the Office of the Attorney General's capacity to perform the work at a lesser cost. State agencies may agree to make arrangements with the Office of the Attorney General to perform the legal work and compensate the Office of the Attorney General for the legal services.

(7) Purdue Pharma Settlement Funds: In each fiscal year of the biennium, the Attorney General, after payment of attorney's fees and expenses, shall transfer $1,500,000 of the settlement funds resulting from the suit against Purdue Pharma, et al. to Justice Administration for the

Operation UNITE Program.

19. UNIFIED PROSECUTORIAL SYSTEM

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

(2) Employment Classification Status and Wage and Benefits Determination Report: The Prosecutors Advisory Council shall report the methodology used to determine the employment classification status for all Assistant Commonwealth's Attorneys and Assistant County Attorneys, whether classification was full-time, part-time, or other, and define those classifications. In addition, the report shall include the methodology used to determine salary and benefits or wage and benefits for each Assistant Commonwealth's Attorney position and each Assistant County Attorney position. The council shall finalize and submit this report to the Interim Joint Committee on Appropriations and Revenue by December 1, 2018.

a. Commonwealth's Attorneys

	2018-19	**2019-20**
General Fund	59,068,600	59,913,100
Restricted Funds	2,469,600	2,032,900
Federal Funds	40,300	40,300
TOTAL	61,578,500	61,986,300

(1) Additional Prosecutors: Included in the above General Fund appropriation is $1,141,600 in fiscal year 2018-2019 and $1,212,500 in fiscal year 2019-2020 to be used for the sole purpose of hiring additional prosecutors.

(2) Rocket Docket Program: Included in the above General Fund appropriation is $387,700 in each fiscal year to support the Rocket Docket Program.

b. County Attorneys

	2018-19	**2019-20**
General Fund	52,266,800	53,058,600

Restricted Funds	782,200	642,700
Federal Funds	993,800	1,003,700
TOTAL	54,042,800	54,705,000

(1) Additional Prosecutors: Included in the above General Fund appropriation is $1,619,000 in fiscal year 2018-2019 and $1,720,900 in fiscal year 2019-2020 to be used for the sole purpose of hiring additional prosecutors.

(2) Rocket Docket Program: Included in the above General Fund appropriation is $549,800 in each fiscal year to support the Rocket Docket Program.

(3) County Attorneys Expense Allowance: Notwithstanding KRS 15.765, each County Attorney shall receive a monthly expense allowance of $400, payable out of the State Treasury for the 2018-2020 fiscal biennium.

TOTAL - UNIFIED PROSECUTORIAL SYSTEM

	2018-19	**2019-20**
General Fund	111,335,400	112,971,700
Restricted Funds	3,251,800	2,675,600
Federal Funds	1,034,100	1,044,000
TOTAL	115,621,300	116,691,300

20. TREASURY

	2018-19	**2019-20**
General Fund	2,225,600	2,261,200
Restricted Funds	1,928,300	1,848,600
Road Fund	250,000	250,000
TOTAL	4,403,900	4,359,800

(1) Unclaimed Property Fund: Included in the above Restricted Funds appropriation is $1,793,600 in each fiscal year from the Unclaimed Property Fund to provide funding for services performed by the Unclaimed Property Division of the Department of the Treasury.

21. AGRICULTURE

	2018-19	2019-20
General Fund (Tobacco)	500,000	500,000
General Fund	17,691,200	17,910,800
Restricted Funds	10,858,600	10,848,200
Federal Funds	7,068,400	7,068,400
TOTAL	36,118,200	36,327,400

(1) **Use of Restricted Funds:** Notwithstanding KRS 217.570 and 217B.580, funds may be expended in support of the operations of the Department of Agriculture.

(2) **Farms to Food Banks:** Included in the above General Fund (Tobacco) appropriation is $500,000 in each fiscal year to support the Farms to Food Banks Program to benefit both Kentucky farmers and the needy by providing fresh, locally grown produce to food pantries.

(3) **County Fair Grants:** Included in the above General Fund appropriation is $300,000 in each fiscal year of the 2018-2020 biennium to support capital improvement grants to the Local Agricultural Fair Aid Program.

(4) **Kentucky Grape and Wine Council:** Notwithstanding KRS 260.175(2), no General Fund is provided for the Kentucky Small Farm Wineries Support Fund for use by the Kentucky Grape and Wine Council.

22. AUDITOR OF PUBLIC ACCOUNTS

	2018-19	2019-20
General Fund	5,634,200	5,735,700
Restricted Funds	10,857,500	10,973,200
TOTAL	16,491,700	16,708,900

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

(2) **Audit Services Contracts:** No state agency shall enter into any contract with a nongovernmental entity for audit services unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within 30 days of receipt of a written request

for such services. The agency's request for audit services shall include a comprehensive statement of the scope and nature of the proposed audit.

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

23. PERSONNEL BOARD

	2018-19	2019-20
Restricted Funds	1,009,800	1,018,500

24. KENTUCKY RETIREMENT SYSTEMS

	2018-19	2019-20
General Fund	1,086,200	1,086,200
Restricted Funds	47,307,300	47,702,500
TOTAL	48,393,500	48,788,700

(1) State Police Retirement System Pension Fund: Included in the above General Fund appropriation is $1,086,200 in each fiscal year to be applied to the unfunded pension liability of the State Police Retirement System pension fund.

25. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

a. Accountancy

	2018-19	2019-20
Restricted Funds	649,500	655,500

b. Certification of Alcohol and Drug Counselors

	2018-19	2019-20
Restricted Funds	150,200	150,200

c. Applied Behavior Analysis Licensing

	2018-19	2019-20

Restricted Funds	30,600	30,600

d. Architects

	2018-19	**2019-20**
Restricted Funds	547,300	552,400

e. Certification for Professional Art Therapists

	2018-19	**2019-20**
Restricted Funds	11,200	11,200

f. Barbering

	2018-19	**2019-20**
Restricted Funds	423,100	426,000

g. Chiropractic Examiners

	2018-19	**2019-20**
Restricted Funds	374,400	377,900

h. Dentistry

	2018-19	**2019-20**
Restricted Funds	1,011,100	1,017,500

i. Licensed Diabetes Educators

	2018-19	**2019-20**
Restricted Funds	26,800	26,800

j. Licensure and Certification for Dietitians and Nutritionists

	2018-19	**2019-20**
Restricted Funds	73,900	73,900

k. Embalmers and Funeral Directors

	2018-19	**2019-20**
Restricted Funds	483,500	488,600

l. Licensure for Professional Engineers and Land Surveyors

	2018-19	**2019-20**

Restricted Funds	1,578,100	1,594,500

m. Certification of Fee-Based Pastoral Counselors

	2018-19	**2019-20**
Restricted Funds	3,600	3,600

n. Registration for Professional Geologists

	2018-19	**2019-20**
Restricted Funds	95,000	95,000

o. Hairdressers and Cosmetologists

	2018-19	**2019-20**
Restricted Funds	1,719,300	1,733,700

p. Specialists in Hearing Instruments

	2018-19	**2019-20**
Restricted Funds	58,000	58,000

q. Interpreters for the Deaf and Hard of Hearing

	2018-19	**2019-20**
Restricted Funds	38,200	38,200

r. Examiners and Registration of Landscape Architects

	2018-19	**2019-20**
Restricted Funds	76,800	77,500

s. Licensure of Marriage and Family Therapists

	2018-19	**2019-20**
Restricted Funds	133,600	133,600

t. Licensure for Massage Therapy

	2018-19	**2019-20**
Restricted Funds	169,900	169,900

u. Medical Imaging and Radiation Therapy

	2018-19	**2019-20**

Restricted Funds	435,300	438,300

v. Medical Licensure

	2018-19	**2019-20**
Restricted Funds	3,407,900	3,426,800

w. Nursing

	2018-19	**2019-20**
Restricted Funds	8,266,800	8,355,200

x. Licensure for Nursing Home Administrators

	2018-19	**2019-20**
Restricted Funds	61,100	61,100

y. Licensure for Occupational Therapy

	2018-19	**2019-20**
Restricted Funds	191,600	191,600

z. Ophthalmic Dispensers

	2018-19	**2019-20**
Restricted Funds	68,200	68,200

aa. Optometric Examiners

	2018-19	**2019-20**
Restricted Funds	231,300	233,300

ab. Pharmacy

	2018-19	**2019-20**
Restricted Funds	2,437,400	2,465,300

ac. Physical Therapy

	2018-19	**2019-20**
Restricted Funds	647,000	652,700

ad. Podiatry

	2018-19	**2019-20**

Restricted Funds	40,000	40,000

ae. Private Investigators

	2018-19	2019-20
Restricted Funds	73,700	73,700

af. Licensed Professional Counselors

	2018-19	2019-20
Restricted Funds	260,800	260,800

ag. Prosthetics, Orthotics, and Pedorthics

	2018-19	2019-20
Restricted Funds	46,200	46,200

ah. Examiners of Psychology

	2018-19	2019-20
Restricted Funds	256,400	256,400

ai. Respiratory Care

	2018-19	2019-20
Restricted Funds	240,300	242,900

aj. Social Work

	2018-19	2019-20
Restricted Funds	421,000	425,300

ak. Speech-Language Pathology and Audiology

	2018-19	2019-20
Restricted Funds	172,900	172,900

al. Veterinary Examiners

	2018-19	2019-20
Restricted Funds	275,000	275,000

TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

	2018-19	2019-20

Restricted Funds	25,187,000	25,400,300

26. KENTUCKY RIVER AUTHORITY

	2018-19	**2019-20**
General Fund	282,700	286,400
Restricted Funds	7,289,500	7,289,300
TOTAL	7,572,200	7,575,700

27. SCHOOL FACILITIES CONSTRUCTION COMMISSION

	2018-19	**2019-20**
General Fund	129,898,300	129,071,300

(1) Debt Service: Included in the above General Fund appropriation is $1,729,300 in fiscal year 2018-2019 and $5,878,700 in fiscal year 2019-2020 for new debt service to support bonds as set forth in Part II, Capital Projects Budget, of this Act.

(2) Additional Offers of Assistance: Notwithstanding KRS 157.611 to 157.665, the School Facilities Construction Commission is authorized to make an additional $58,000,000 in offers of assistance during the 2018-2020 biennium in anticipation of debt service availability during the 2020-2022 biennium. No bonded indebtedness based on the above amount is to be incurred during the 2018-2020 biennium.

(3) Urgent Needs School Assistance - 2018-2020: Notwithstanding KRS 157.611 to 157.665, the School Facilities Construction Commission is authorized to make additional offers of assistance in the specified amounts during the 2018-2020 fiscal biennium to the following local school districts:

(a) Not more than $7,612,400 to Fort Thomas Independent Schools for Johnson Elementary School; and

(b) Not more than $7,650,300 to Menifee County Schools for Menifee Elementary School.

These schools are designated as the two schools ranked within the top 100 schools on both the Kentucky Facilities Inventory and Classification System reports released in 2011 and 2017

that are A1 schools, are ranked as a Priority 1 on the local school district's facility plan, and have levied a ten-cent equivalent tax dedicated to capital improvements but remain unable to cash fund or to sufficiently support the required annual debt service for replacement or renovation of the school. The amounts stated represent the difference between the cost to replace or renovate the designated facility and the amount of available local resources.

The School Facilities Construction Commission shall make offers of assistance to each local school district up to the amount authorized for that local school district only upon the written authorization of the Commissioner of Education or his or her designee and documentation of the project cost, but in no case shall any district receive an additional offer of assistance greater than that authorized in this section.

28. TEACHERS' RETIREMENT SYSTEM

	2018-19	2019-20
General Fund	828,160,500	719,474,400
Restricted Funds	13,949,200	13,989,000
TOTAL	842,109,700	733,463,400

(1) Debt Service: Included in the above General Fund appropriation is $78,866,000 in fiscal year 2018-2019 and $60,578,400 in fiscal year 2019-2020 for debt service on previously issued bonds.

(2) Retiree Health Insurance: Notwithstanding KRS 161.420, 161.550, or any other statute to the contrary, included in the above General Fund appropriation is $59,500,000 in fiscal year 2018-2019 to support the state's contribution for the cost of retiree health insurance for members not eligible for Medicare, who have retired since July 1, 2010. Notwithstanding KRS 161.675, the Teachers' Retirement System Board of Trustees shall provide health insurance supplement payments towards the cost of the single coverage insurance premium based on age and years of service credit of eligible recipients of a retirement allowance, the cost of which shall be paid from the Medical Insurance Fund. Notwithstanding KRS 161.675, the Teachers' Retirement System Board of Trustees shall authorize eligible recipients of a retirement allowance

from the Teachers' Retirement System who are less than age 65 to be included in the state-sponsored health insurance plan that is provided to active teachers and state employees under KRS 18A.225. Notwithstanding KRS 161.675(4)(a), the contribution paid by retirees who are less than age 65 who qualify for the maximum health insurance supplement payment for single coverage shall be no more than the sum of (a) the employee contribution paid by active teachers and state employees for a similar plan, and (b) the standard Medicare Part B premium as determined by the Centers for Medicare and Medicaid Services. Notwithstanding KRS 161.675(4)(a), the contribution paid by retirees who are less than age 65 who do not qualify for the maximum health insurance supplement payment for single coverage shall be determined by the same graduated formula used by the Teachers' Retirement System for Plan Year 2018.

(3) Dependent Subsidy for All Retirees under age 65: Pursuant to KRS 161.675(4), health insurance supplement payments made by the retirement system shall not exceed the amount of the single coverage insurance premium for Plan Year 2019 and Plan Year 2020.

(4) Medical Insurance Fund Employee Contributions: Notwithstanding any statute to the contrary, the employee contribution to the Medical Insurance Fund shall not be changed in the 2018-2020 fiscal biennium.

29. APPROPRIATIONS NOT OTHERWISE CLASSIFIED

	2018-19	2019-20
General Fund	14,526,400	14,526,400

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

The above appropriation is for the payment of Attorney General Expense, Kentucky Claims Commission Award, Guardian Ad Litem, Prior Year Claims, Unredeemed Checks Refunded,

Involuntary Commitments - ICF/MR, Frankfort in Lieu of Taxes, Frankfort Cemetery, Police Officer, Firefighter, and National Guard and Reserve Survivor Benefits, Medical Malpractice Liability Insurance Reimbursement, and Blanket Employee Bonds.

(2) Repayment of Awards or Judgments: Funds are appropriated from the General Fund for the repayment of awards or judgments made by the Kentucky Claims Commission against departments, boards, commissions, and other agencies funded with appropriations out of the General Fund. However, awards under $5,000 shall be paid from funds available for the operations of the agency.

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

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

(5) Police Officer, Firefighter, and Active Duty National Guard and Reserve Survivor Benefits: Funds are appropriated for payment of benefits for survivors of state and local police officers, firefighters, and active duty National Guard and Reserve members in accordance with KRS 61.315 and for the cost of insurance premiums for firefighters as provided in KRS 95A.070.

30. JUDGMENTS

	2018-19	**2019-20**
General Fund	-0-	-0-

(1) Payment of Judgments and Carry Forward of General Fund Appropriation Balance: Notwithstanding KRS 45A.275, the above appropriation is for the payment of judgments as may be rendered against the Commonwealth by courts and orders of the State Personnel Board and, where applicable, shall be subject to KRS Chapter 45, and for the payment of medical malpractice judgments against the University of Kentucky and the University of

Louisville in accordance with KRS 164.892 and 164.941, and for the payment of judgments, audit adjustments, and excess billings to federal programs related to transfers from statewide internal service funds to the General Fund authorized in prior appropriations acts. Funds required to pay the costs of items included within the Judgments budget unit are appropriated, and any required expenditure over the above amounts is to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

31. KENTUCKY COMMUNICATIONS NETWORK AUTHORITY

	2018-19	2019-20
Restricted Funds	3,500,000	1,500,000

(1) Funding Sources for Availability Payments and Operating Expenses: In addition to such funds as may be appropriated and in the event that funding generated by the Kentucky Communications Network Authority is not sufficient, expenditures as may be necessary to support availability payments required by the Kentucky Communications Network Authority's public-private partnership contract and operating expenses of the Authority shall be deemed necessary government expenses, in amounts not to exceed $2,820,200 in fiscal year 2017-2018, $33,387,400 in fiscal year 2018-2019, and $34,268,300 in fiscal year 2019-2020, and may be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act. Expenditures under this subsection shall be reported to the Interim Joint Committee on Appropriations and Revenue by August 1 of each year.

TOTAL - GENERAL GOVERNMENT

	2018-19	2019-20
General Fund (Tobacco)	43,103,300	40,929,300
General Fund	1,220,456,700	1,117,325,800
Restricted Funds	314,473,100	318,002,000
Federal Funds	127,777,800	126,608,900

Road Fund	557,900	562,000
TOTAL	1,706,368,800	1,603,428,000

B. ECONOMIC DEVELOPMENT CABINET

Budget Units

1. ECONOMIC DEVELOPMENT

	2018-19	**2019-20**
General Fund	20,704,000	20,813,500
Restricted Funds	2,888,800	2,950,000
Federal Funds	397,500	-0-
TOTAL	23,990,300	23,763,500

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

(2) Lapse and Carry Forward of General Fund Appropriation Balance for Bluegrass State Skills Corporation: Notwithstanding KRS 45.229, the General Fund appropriation balance for Bluegrass State Skills Corporation training grants for fiscal year 2017-2018 and fiscal year 2018-2019 shall not lapse and shall carry forward. The amount available to the Corporation for disbursement in each fiscal year shall be limited to the unexpended training grant allotment balance at the end of fiscal year 2016-2017 combined with the additional training grant allotment amounts for each fiscal year of the 2018-2020 biennium, less any disbursements. If the required disbursements exceed the Bluegrass State Skills Corporation training grants allotment balance, notwithstanding KRS 154.12-278, Restricted Funds may be expended for training grants.

C. DEPARTMENT OF EDUCATION

Budget Units

1. SUPPORT EDUCATION EXCELLENCE IN KENTUCKY (SEEK)

	2018-19	2019-20
General Fund	3,066,588,600	3,047,480,900

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

(2) Allocation of SEEK Funds: Notwithstanding KRS 157.360(2)(c), the above General Fund appropriation to the base SEEK Program is intended to provide a base guarantee of $4,000 per student in average daily attendance in each fiscal year, as well as to meet the other requirements of KRS 157.360.

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

(3) SEEK Lapse: Not less than $12,953,600 of unexpended SEEK funds in fiscal year 2017-2018 shall lapse to the General Fund. Notwithstanding KRS 157.310 to 157.440, any funds in excess of the needs determined by the final SEEK calculation in each fiscal year shall be added to the allocation for pupil transportation in that same fiscal year and distributed in accordance with KRS 157.370.

(4) **Base SEEK Allotments:** Notwithstanding KRS 157.420(2), included in the above General Fund appropriation is $2,079,778,600 in fiscal year 2018-2019 and $2,068,339,200 in fiscal year 2019-2020 for the base SEEK Program as defined by KRS 157.360. Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriation for this purpose, except as provided in this Act. Notwithstanding KRS 157.360(2)(c), included in the appropriation for the base SEEK Program is $214,752,800 in each fiscal year for pupil transportation.

(5) **Tier I Component:** Included in the above General Fund appropriation is $179,961,700 in fiscal year 2018-2019 and $176,702,400 in fiscal year 2019-2020 for the Tier I component as established by KRS 157.440.

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

(7) **Secondary Vocational Education:** Included in the above General Fund appropriation is $22,881,900 in each fiscal year to provide secondary vocational education in state-operated vocational schools.

(8) **Teachers' Retirement System Employer Match:** Included in the above General Fund appropriation is $408,500,000 in fiscal year 2018-2019 and $417,600,000 in fiscal year 2019-2020 to enable local school districts to provide the employer match for qualified employees.

(9) **Salary Supplements for Nationally Certified Teachers:** Notwithstanding KRS 157.395, included in the above General Fund appropriation is $2,750,000 in each fiscal year for the purpose of providing salary supplements for public school teachers attaining certification by the National Board for Professional Teaching Standards. Notwithstanding the provisions of KRS 157.395, if the appropriation is insufficient to provide the mandated salary supplement for teachers who have obtained this certification, the Department of Education is authorized to pro rata reduce the supplement.

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

(11) Facilities Support Program of Kentucky/Equalized Nickel Levies: Included in the above General Fund appropriation is $86,673,500 in fiscal year 2018-2019 and $84,695,100 in fiscal year 2019-2020 to provide facilities equalization funding pursuant to KRS 157.440 and 157.620.

(12) Growth Levy Equalization Funding: Included in the above General Fund appropriation is $19,038,400 in fiscal year 2018-2019 and $18,303,900 in fiscal year 2019-2020 to provide facilities equalization funding pursuant to KRS 157.440 and 157.620, for districts meeting the eligibility requirements of KRS 157.621(1) and (4).

(13) Retroactive Equalized Facility Funding: Included in the above General Fund appropriation is $23,913,700 in fiscal year 2018-2019 and $23,415,000 in fiscal year 2019-2020 to provide equalized facility funding pursuant to KRS 157.440 and 157.620 to districts meeting the eligibility requirements of KRS 157.621(2) and (4). In addition, a local board of education that levied a tax rate subject to recall by January 1, 2014, in addition to the five cents levied pursuant to KRS 157.440(1)(b) and that committed the receipts to debt service, new facilities, or major renovations of existing facilities shall be eligible for equalization funds from the state at 150 percent of the statewide average per pupil assessment. Revenue to generate the five cent equivalent levy may be obtained from levies on property, motor vehicles, or the taxes authorized by KRS 160.593 to 160.597, 160.601 to 160.633, and 160.635 to 160.648 if the levy was dedicated to facilities funding at the time of the levy. The equalization funds shall be used as provided in KRS 157.440(1)(b). For the 2018-2020 fiscal biennium, school districts that levied the tax rate subject to recall prior to January 1, 2016, shall be equalized at 100 percent of the calculated equalization funding, and school districts that levied the tax rate subject to recall after January 1, 2016, and before January 1, 2018, and began collecting the tax by fiscal year 2018-2019, shall be equalized at 25 percent of the calculated equalization funding in each fiscal year. It

is the intent of the 2018 General Assembly that any local school district receiving partial equalization under this subsection in the 2018-2020 fiscal biennium shall receive full calculated equalization in the 2020-2022 fiscal biennium and thereafter, until the earlier of June 30, 2038, or the date the bonds for the local school district supported by this equalization funding are retired, in accordance with KRS 157.621(2). It is the intent of the 2018 General Assembly that no local school district levying an equivalent tax rate subject to recall under the provisions of KRS 157.621(2) after January 1, 2018, shall be eligible for state equalization funds.

(14) Equalized Facility Funding: Included in the above General Fund appropriation is $7,269,500 in fiscal year 2018-2019 and $7,133,500 in fiscal year 2019-2020 to provide equalized facility funding pursuant to KRS 157.420 and 157.620 to districts meeting the eligibility requirements of KRS 157.621(3) and (4).

(15) BRAC Equalized Facility Funding: Included in the above General Fund appropriation is $2,057,500 in fiscal year 2018-2019 and $2,016,800 in fiscal year 2019-2020 to provide equalized facility funding to school districts meeting the eligibility requirements of KRS 157.621(1)(c) pursuant to KRS 157.440 and 157.620.

(16) Equalization Funding for Critical Construction Needs Schools: Included in the above General Fund appropriation is $6,506,300 in fiscal year 2018-2019 and $6,473,400 in fiscal year 2019-2020 to school districts in accordance with KRS 157.621(5).

(17) Hold-Harmless Guarantee: A modified hold-harmless guarantee is established in fiscal biennium 2018-2020 which provides that every local school district shall receive at least the same amount of Support Education Excellence in Kentucky (SEEK) state funding per pupil as was received in fiscal year 1991-1992. If funds appropriated to the SEEK Program are insufficient to provide the amount of money required under KRS 157.310 to 157.440, and allotments to local school districts are reduced in accordance with KRS 157.430, allocations to school districts subject to this provision shall not be reduced.

(18) Residential Youth-at-Risk Programs: In accordance with KRS 157.360, no funds from the SEEK Program shall be distributed to the programs operated by the Kentucky Guard

Youth Challenge Division of the Department of Military Affairs. Notwithstanding KRS 157.350, 157.360, 157.410, and any other statute to the contrary, any nonresident school district providing educational services to students enrolled in programs operated by the Kentucky Guard Youth Challenge Division of the Department of Military Affairs shall be paid for those services from the General Fund appropriation in Part I, A., 7. of this Act.

(19) Use of Local District Capital Funds: Notwithstanding KRS 157.420(4) and (6), 157.440, and 157.621, a local board of education may submit a request to the Commissioner of Education to utilize any capital funds for general operating expenses in fiscal year 2018-2019 without forfeiting the district's eligibility to participate in the School Facilities Construction Commission Program. The Commissioner of Education shall not approve any capital funds request that exceeds 25 percent of a local board of education's available capital funds in fiscal year 2018-2019. Prior to August 1, 2018, the Kentucky Board of Education shall approve guidelines for requests from local boards of education. Notwithstanding KRS 157.615(14) and 157.622, the School Facilities Construction Commission shall include the capital funds transferred under the provisions of this subsection among the local board of education's available local revenue for the purposes of calculating unmet facilities need for the 2018-2020 fiscal biennium. Notwithstanding KRS 157.618, no local school district shall be eligible for a grant from the Emergency and Targeted Investment Fund in fiscal year 2018-2019 if any of its capital funds have been transferred under the provisions of this subsection.

(20) Unmined Minerals Assessment Offset: Included in the above General Fund appropriation are the following amounts in fiscal year 2018-2019 to help offset the loss of revenue to the below named local school districts from a change in the assessed value of unmined minerals:

(a) $201,800 for Bell County Schools;

(b) $1,300 for Boyd County Schools;

(c) $367,200 for Breathitt County Schools;

(d) $200 for Carter County Schools;

(e) $11,300 for Clay County Schools;
(f) $8,900 for Daviess County Schools;
(g) $100 for Elliott County Schools;
(h) $845,200 for Floyd County Schools;
(i) $727,200 for Harlan County Schools;
(j) $112,700 for Henderson County Schools;
(k) $192,200 for Hopkins County Schools;
(l) $1,400 for Jenkins Independent Schools;
(m) $68,500 for Johnson County Schools;
(n) $1,757,500 for Knott County Schools;
(o) $17,800 for Knox County Schools;
(p) $53,300 for Lawrence County Schools;
(q) $732,800 for Leslie County Schools;
(r) $1,002,900 for Letcher County Schools;
(s) $59,700 for Magoffin County Schools;
(t) $429,600 for Martin County Schools;
(u) $1,000 for McCreary County Schools;
(v) $5,900 for McLean County Schools;
(w) $2,600 for Morgan County Schools;
(x) $129,800 for Muhlenberg County Schools;
(y) $128,900 for Ohio County Schools;
(z) $600 for Owsley County Schools;
(aa) $1,142,700 for Perry County Schools;
(ab) $1,655,800 for Pike County Schools;
(ac) $379,300 for Union County Schools;
(ad) $27,600 for Webster County Schools; and
(ae) $22,000 for Whitley County Schools.

(21) Emergency Revolving School Loan Fund Account: From the General Fund appropriation set forth in 2016 Ky. Acts ch. 149, Part I, C., 1., $7,000,000 is appropriated in fiscal year 2017-2018 for the Emergency Revolving School Loan Fund account. Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward.

Notwithstanding KRS 160.599, a school district shall be eligible for a loan from the account if the school district has a significant revenue shortfall within the immediate prior year, the current year, or the upcoming fiscal year, due to circumstances beyond the district's control which the district has made reasonable and prudent efforts to mitigate; or there are any other extraordinary financial circumstances which warrant an emergency loan, as determined by the Kentucky Board of Education on the recommendation of the Commissioner of Education. No loan from the account shall be made for a period in excess of five years, and the maximum amount of any one loan from the account shall not exceed $500,000 and shall be determined by the Kentucky Board of Education on the recommendation of the Commissioner of Education.

Notwithstanding KRS 160.599, the Kentucky Board of Education may promulgate administrative regulations in accordance with KRS Chapter 13A as needed for the loan process. The Kentucky Department of Education shall monitor any loans made and provide by October 1 of each year an annual written report to the Interim Joint Committee on Appropriations and Revenue on the status of the loan fund account as of the immediately previous September 1.

2. OPERATIONS AND SUPPORT SERVICES

	2018-19	**2019-20**
General Fund	56,243,700	56,326,300
Restricted Funds	7,401,500	7,401,500
Federal Funds	389,132,300	389,178,100
TOTAL	452,777,500	452,905,900

(1) Employment of Leadership Personnel: Notwithstanding KRS 18A.005 to 18A.200, the Kentucky Board of Education shall continue to have sole authority to determine the employees of the Department of Education who are exempt from the classified service and to set

those employees' compensation comparable to the competitive market.

(2) Blind/Deaf Residential Travel Program: Included in the above General Fund appropriation is $492,300 in each fiscal year for the Blind/Deaf Residential Travel Program.

(3) School Food Services: Included in the above General Fund appropriation is $3,555,900 in each fiscal year for the School Food Services Program.

(4) Review of the Classification of Primary and Secondary School Buildings: Included in the above General Fund appropriation is $600,000 in each fiscal year to implement KRS 157.420(9) and (10). Notwithstanding KRS 45.229, any portion of the $600,000 that has not been expended by the end of fiscal year 2018-2019 shall not lapse and shall carry forward into fiscal year 2019-2020. Notwithstanding KRS 157.420(9) and (10), only schools classified as A1, A2, A3, A4, A5, A6, C2, and D1 shall be included in the evaluation process. Notwithstanding KRS 157.420(9) and (10), the Department of Education may limit the school buildings included in the evaluation process based on the time elapsed since the building's construction or last major renovation as defined in 702 KAR 4:160. The Department of Education shall provide an updated list of school buildings evaluated by the process pursuant to KRS 157.420(9) and (10) to the Legislative Research Commission by October 1, 2019.

(5) Advanced Placement and International Baccalaureate Exams: Notwithstanding KRS 160.348(3), included in the above General Fund appropriation is $1,000,000 in each fiscal year to pay the cost of Advanced Placement and International Baccalaureate examinations for those students who meet the eligibility requirements for free or reduced-price meals.

(6) School Technology in Coal Counties: Included in the above General Fund appropriation is $1,750,000 in each fiscal year for the purpose of enhancing education technology in local school districts within coal-producing counties. The Commissioner of Education shall use the appropriation in this subsection to continue the Coal County Computing Program in conjunction with the Cabinet for Economic Development through its Department of Commercialization and Innovation.

3. LEARNING AND RESULTS SERVICES

	2018-19	2019-20
General Fund	1,006,064,200	1,020,447,300
Restricted Funds	34,812,100	35,045,100
Federal Funds	559,690,200	559,756,300
TOTAL	1,600,566,500	1,615,248,700

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

(2) Family Resource and Youth Services Centers: Funds appropriated to establish and support Family Resource and Youth Services Centers shall be transferred in fiscal year 2018-2019 and in fiscal year 2019-2020 to the Cabinet for Health and Family Services consistent with KRS 156.496. The Cabinet for Health and Family Services is authorized to use, for administrative purposes, no more than three percent of the total funds transferred from the Department of Education for the Family Resource and Youth Services Centers. If a certified person is employed as a director or coordinator of a Family Resource and Youth Services Center, that person shall retain his or her status as a certified employee of the school district.

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

(3) Health Insurance: Included in the above General Fund appropriation is $710,172,500 in fiscal year 2018-2019 and $724,376,000 in fiscal year 2019-2020 for employer contributions for health insurance and the contribution to the health reimbursement account for employees waiving coverage.

(4) Locally Operated Vocational Programs: Notwithstanding KRS 157.069, the

supplemental funding distribution shall include Category II and III programs in districts established after June 21, 2001, with state assistance, if approved by the Commissioner of Education.

(5) Program Elimination: Notwithstanding KRS 156.095, 156.400 to 156.476, 156.553, 156.555, 157.100 to 157.190, 157.390, 158.070, 158.770, 158.775, and 158.805, no General Fund is provided for Instructional Resources (Textbooks), the Professional Development Program, the Commonwealth School Improvement Fund, the Leadership and Mentor Fund, the Middle School Academic Center, the Teacher's Professional Growth Fund, the Teacher Academies Program, and the Writing Program.

(6) Program Flexibility: Notwithstanding KRS 158.070(8) and 158.446, local school districts shall be provided additional flexibility in the utilization of funds for Extended School Services and Safe Schools. Local school districts shall continue to address the governing statutes and serve the intended student population but may utilize funds from these programs for general operating expenses in each year of the biennium. Local school districts that utilize these funds for general operating expenses shall report to the Kentucky Department of Education and the Interim Joint Committee on Education on an annual basis the amount of funding from each program utilized for general operating expenses.

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

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

(9) Allocations to School-Based Decision Making Councils: Notwithstanding KRS 160.345(8), for fiscal years 2018-2019 and 2019-2020, a local board of education may reduce the

allocations to individual schools within the district as outlined in 702 KAR 3:246, secs. 6, 7, and 8. The allocation under 702 KAR 3:246, sec. 6, shall not be less than $100 per pupil in average daily attendance.

(10) Kentucky School for the Blind and Kentucky School for the Deaf: Included in the above General Fund appropriation is $6,811,600 in fiscal year 2018-2019 and $6,853,100 in fiscal year 2019-2020 for the Kentucky School for the Blind and $10,019,700 in fiscal year 2018-2019 and $10,080,600 in fiscal year 2019-2020 for the Kentucky School for the Deaf.

(11) Learning and Results Services Programs: Included in the above General Fund appropriation are the following allocations for the 2018-2020 fiscal biennium, but no portion of these funds shall be utilized for state-level administrative purposes:

(a) Notwithstanding KRS 154A.130(4), $1,700,000 in each fiscal year for AdvanceKentucky;

(b) $1,200,000 in each fiscal year for the Collaborative Center for Literacy Development Program;

(c) $1,850,000 in each fiscal year for the Community Education Program;

(d) $397,600 in each fiscal year for the Elementary Arts and Humanities Program;

(e) $23,916,300 in each fiscal year for the Extended School Services Program;

(f) $48,889,000 in each fiscal year for the Family Resource and Youth Services Centers Program;

(g) $6,208,400 in each fiscal year for the Gifted and Talented Program;

(h) $100,000 in each fiscal year for the Heuser Hearing and Language Academy;

(i) $100,000 in each fiscal year for the Lexington Hearing and Speech Center;

(j) $1,391,000 in each fiscal year for Local School District Life Insurance;

(k) $5,019,000 in each fiscal year for the Mathematics Achievement Fund;

(l) $84,481,100 in each fiscal year for the Preschool Program;

(m) $15,936,600 in each fiscal year for the Read to Achieve Program;

(n) $13,000,000 in each fiscal year for the Safe Schools Program;

(o) $1,300,000 in each fiscal year for the Save the Children/Rural Literacy Program;

(p) $9,465,500 in each fiscal year for the State Agency Children Program;

(q) $250,000 in each fiscal year for Teach for America;

(r) $1,000,000 in each fiscal year for the Teacher Recruitment and Retention Program - Educator Quality and Diversity; and

(s) $93,800 in each fiscal year for the Visually Impaired Preschool Services Program.

(12) Participation in the Education Technology Program by Area Vocational Education Centers: Area Vocational Education Centers shall be fully eligible to participate in the Kentucky Education Technology System. Notwithstanding KRS 157.650, 157.655, 157.660, and 157.665, the School Facilities Construction Commission, in consultation with the Kentucky Board of Education and the Department of Education, shall promulgate administrative regulations which identify a methodology by which the average daily attendance for Area Vocational Education Centers may be equated to the average daily attendance of other local school districts in order that they may receive their respective distributions of these funds. The School Facilities Construction Commission shall include Area Vocational Education Centers in any offers of assistance to local school districts for technology assistance during the 2018-2020 fiscal biennium.

(13) Preschool Education Program: Notwithstanding KRS 157.3175, $7,500,000 of preschool funding in each fiscal year shall be used to develop a grant program to incentivize cooperative, public-private partnerships between school districts and child care providers to develop full-day, high-quality programs for children eligible for assistance from the Child Care Assistance Program to be administered by the Kentucky Department of Education. The Board of Education, the Department of Education, the Early Childhood Advisory Council, the Child Care Advisory Council, and the Cabinet for Health and Family Services shall work collaboratively to develop the incentive grant program.

TOTAL - DEPARTMENT OF EDUCATION

	2018-19	**2019-20**

General Fund	4,128,896,500	4,124,254,500
Restricted Funds	42,213,600	42,446,600
Federal Funds	948,822,500	948,934,400
TOTAL	5,119,932,600	5,115,635,500

D. EDUCATION AND WORKFORCE DEVELOPMENT CABINET

Budget Units

1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT

	2018-19	**2019-20**
General Fund	5,164,000	5,210,100
Restricted Funds	7,381,600	7,475,400
Federal Funds	3,867,000	3,198,400
TOTAL	16,412,600	15,883,900

(1) **Governor's Scholars Program:** Included in the above General Fund appropriation is $1,758,700 in each fiscal year for the Governor's Scholars Program.

(2) **Kentucky Center for Education and Workforce Statistics:** Included in the above General Fund appropriation is $600,000 in fiscal year 2019-2020 to support the Kentucky Longitudinal Data System.

2. PROPRIETARY EDUCATION

	2018-19	**2019-20**
Restricted Funds	320,900	323,900

3. DEAF AND HARD OF HEARING

	2018-19	**2019-20**
General Fund	959,000	970,000
Restricted Funds	1,173,800	1,179,700
TOTAL	2,132,800	2,149,700

4. KENTUCKY EDUCATIONAL TELEVISION

	2018-19	**2019-20**

General Fund	15,047,600	15,401,100
Restricted Funds	1,518,600	1,524,800
TOTAL	16,566,200	16,925,900

(1) Debt Service: Included in the above General Fund appropriation is $182,500 in fiscal year 2018-2019 and $365,000 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

5. ENVIRONMENTAL EDUCATION COUNCIL

	2018-19	**2019-20**
Restricted Funds	214,400	217,700
Federal Funds	73,700	66,000
TOTAL	288,100	283,700

(1) Environmental Education Council: Notwithstanding KRS 224.43-505(2)(b), the Council may use interest received to support the operations of the Council.

6. LIBRARIES AND ARCHIVES

a. General Operations

	2018-19	**2019-20**
General Fund	6,265,600	6,327,100
Restricted Funds	1,641,500	1,464,000
Federal Funds	2,567,400	2,589,900
TOTAL	10,474,500	10,381,000

b. Direct Local Aid

	2018-19	**2019-20**
General Fund	6,829,600	6,829,600
Restricted Funds	592,200	592,200
TOTAL	7,421,800	7,421,800

(1) Per Capita Grants: Notwithstanding KRS 171.201(2)(b), included in the above General Fund appropriation is $2,500,000 in each fiscal year for Per Capita Grants.

(2) Public Libraries Facilities Construction: Included in the above General Fund appropriation is $4,329,600 in each fiscal year for the Public Libraries Facilities Construction Fund.

TOTAL - LIBRARIES AND ARCHIVES

	2018-19	2019-20
General Fund	13,095,200	13,156,700
Restricted Funds	2,233,700	2,056,200
Federal Funds	2,567,400	2,589,900
TOTAL	17,896,300	17,802,800

7. OFFICE FOR THE BLIND

	2018-19	2019-20
General Fund	1,880,900	1,890,800
Restricted Funds	1,011,100	1,015,400
Federal Funds	10,110,800	10,184,500
TOTAL	13,002,800	13,090,700

(1) Cafeteria Service Contracts: No state agency shall enter into any contract with a nongovernmental entity for the operation of food services provided in the cafeterias located in the Kentucky Transportation Cabinet office building and/or the Cabinet for Human Resources office building in Frankfort unless the Office for the Blind has declined in writing to provide such services.

8. EMPLOYMENT AND TRAINING

	2018-19	2019-20
Restricted Funds	46,496,600	46,321,000
Federal Funds	440,635,600	440,765,400
TOTAL	487,132,200	487,086,400

(1) Unemployment Compensation Administration Fund: Notwithstanding KRS 341.240 and 341.295, funds from the Unemployment Compensation Administration Fund may

be used each fiscal year to support the Wagner-Peyser Program.

9. VOCATIONAL REHABILITATION

	2018-19	2019-20
General Fund	13,393,000	13,459,000
Restricted Funds	3,334,000	3,336,300
Federal Funds	50,270,000	50,341,400
TOTAL	66,997,000	67,136,700

10. EDUCATION PROFESSIONAL STANDARDS BOARD

	2018-19	2019-20
General Fund	3,624,700	3,643,800
Restricted Funds	1,122,300	974,300
Federal Funds	95,500	95,900
TOTAL	4,842,500	4,714,000

(1) **Internship Programs:** Notwithstanding KRS 161.027 and 161.030, no General Fund is provided for the operational costs of the Kentucky Principal Internship Program and the Kentucky Teacher Internship Program.

TOTAL - EDUCATION AND WORKFORCE DEVELOPMENT CABINET

	2018-19	2019-20
General Fund	53,164,400	53,731,500
Restricted Funds	64,807,000	64,424,700
Federal Funds	507,620,000	507,241,500
TOTAL	625,591,400	625,397,700

E. ENERGY AND ENVIRONMENT CABINET

Budget Units

1. SECRETARY

	2018-19	2019-20
General Fund	3,330,000	3,372,100

Restricted Funds	1,874,100	1,632,400
Federal Funds	1,126,400	1,126,400
TOTAL	6,330,500	6,130,900

(1) Volkswagen Mitigation Trust Agreement: All funds received from the environmental mitigation trust established by Volkswagen pursuant to the partial consent decree shall be held in a trust and agency account. These funds shall not be expended or appropriated without the express authority of the General Assembly.

2. ENVIRONMENTAL PROTECTION

	2018-19	**2019-20**
General Fund	27,665,900	28,567,500
Restricted Funds	75,122,300	75,031,800
Federal Funds	21,121,700	20,723,500
Road Fund	320,900	320,900
TOTAL	124,230,800	124,643,700

(1) Debt Service: Included in the above General Fund appropriation is $424,500 in fiscal year 2018-2019 and $849,000 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

3. NATURAL RESOURCES

	2018-19	**2019-20**
General Fund (Tobacco)	3,757,300	3,757,300
General Fund	37,228,700	37,702,200
Restricted Funds	14,698,100	14,661,700
Federal Funds	61,424,900	61,846,200
TOTAL	117,109,000	117,967,400

(1) Emergency Forest Fire Suppression: Not less than $2,500,000 of the above General Fund appropriation for each fiscal year shall be set aside for emergency forest fire suppression. Any portion of the $2,500,000 not expended for emergency forest fire suppression shall lapse to

the General Fund at the end of each fiscal year. There is appropriated from the General Fund the necessary funds, subject to the conditions and procedures provided in this Act, which are required as a result of emergency fire suppression activities in excess of $2,500,000 each fiscal year. Fire suppression costs in excess of $2,500,000 annually shall be deemed necessary government expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

(2) Environmental Stewardship Program: Included in the above General Fund (Tobacco) appropriation is $2,500,000 in each fiscal year for the Environmental Stewardship Program.

(3) Conservation District Local Aid: Included in the above General Fund (Tobacco) appropriation is $907,300 in each fiscal year for the Division of Conservation to provide direct aid to local conservation districts.

(4) Match for Conservation Program: Included in the above General Fund (Tobacco) appropriation is $350,000 in each fiscal year to provide the nonfederal match for a federal conservation program.

4. ENERGY DEVELOPMENT AND INDEPENDENCE

	2018-19	**2019-20**
General Fund	1,412,000	1,433,800
Restricted Funds	867,800	827,500
Federal Funds	582,000	582,000
TOTAL	2,861,800	2,843,300

5. KENTUCKY NATURE PRESERVES COMMISSION

	2018-19	**2019-20**
General Fund	1,224,400	1,244,800
Restricted Funds	944,000	944,000
Federal Funds	49,600	49,600
TOTAL	2,218,000	2,238,400

6. PUBLIC SERVICE COMMISSION

	2018-19	2019-20
General Fund	16,582,600	16,582,600
Restricted Funds	201,900	201,900
Federal Funds	445,100	445,100
TOTAL	17,229,600	17,229,600

(1) **Lapse of General Fund Appropriation Balance:** Notwithstanding KRS 278.150(3), $6,485,200 in fiscal year 2018-2019 and $6,485,200 in fiscal year 2019-2020 shall lapse to the General Fund.

TOTAL - ENERGY AND ENVIRONMENT CABINET

	2018-19	2019-20
General Fund (Tobacco)	3,757,300	3,757,300
General Fund	87,443,600	88,903,000
Restricted Funds	93,708,200	93,299,300
Federal Funds	84,749,700	84,772,800
Road Fund	320,900	320,900
TOTAL	269,979,700	271,053,300

F. FINANCE AND ADMINISTRATION CABINET

Budget Units

1. GENERAL ADMINISTRATION

	2018-19	2019-20
General Fund	7,572,800	7,889,800
Restricted Funds	32,616,000	32,680,300
Road Fund	264,800	266,400
TOTAL	40,453,600	40,836,500

(1) **State Motor Vehicle Fleet:** The Secretary of the Finance and Administration Cabinet shall restrict permanently assigned vehicles to only Constitutional Officers, the Court of Justice,

Executive Cabinet Secretaries, law enforcement, or for other public safety purposes. A report listing the recipients of permanently assigned vehicles from the State Motor Vehicle Fleet shall be submitted to the Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year.

2. CONTROLLER

	2018-19	2019-20
General Fund	6,351,000	6,422,500
Restricted Funds	13,138,300	13,205,300
TOTAL	19,489,300	19,627,800

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

3. INSPECTOR GENERAL

	2018-19	2019-20
General Fund	790,500	802,700
Restricted Funds	657,300	662,900
TOTAL	1,447,800	1,465,600

4. DEBT SERVICE

	2018-19	2019-20
General Fund (Tobacco)	28,974,900	31,878,700
General Fund	475,583,700	491,371,500
TOTAL	504,558,600	523,250,200

(1) General Fund (Tobacco) Debt Service Lapse: Notwithstanding Part X, (4) of this Act, $2,065,000 in fiscal year 2017-2018, $2,031,400 in fiscal year 2018-2019 and $1,987,500 in fiscal year 2019-2020 shall lapse to the General Fund.

5. FACILITIES AND SUPPORT SERVICES

	2018-19	2019-20
General Fund	6,115,900	7,178,000
Restricted Funds	43,198,300	43,430,700
TOTAL	49,314,200	50,608,700

(1) Debt Service: Included in the above General Fund appropriation is $192,000 in fiscal year 2018-2019 and $1,168,000 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

6. COUNTY COSTS

	2018-19	2019-20
General Fund	19,743,500	19,743,500
Restricted Funds	1,702,500	1,702,500
TOTAL	21,446,000	21,446,000

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

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

(3) Sheriffs' Expense Allowance: Notwithstanding KRS 70.170, each sheriff performing the duties required under the provisions of KRS 70.150 shall be allowed the amount of $2,400 annually, payable out of the State Treasury at the rate of $200 per month for such services in the 2018-2020 fiscal biennium.

7. COMMONWEALTH OFFICE OF TECHNOLOGY

	2018-19	2019-20
General Fund	641,000	1,923,000

Restricted Funds	129,509,300	128,955,900
Federal Funds	10,000	10,000
TOTAL	130,160,300	130,888,900

(1) **Debt Service:** Included in the above General Fund appropriation is $641,000 in fiscal year 2018-2019 and $1,923,000 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

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

8. REVENUE

	2018-19	**2019-20**
General Fund (Tobacco)	250,000	250,000
General Fund	95,204,300	101,965,600
Restricted Funds	14,710,700	16,713,400
Road Fund	3,577,500	3,621,000
TOTAL	113,742,500	122,550,000

(1) **Operations of Revenue:** Notwithstanding KRS 132.672, 134.552(2), 136.652, and 365.390(2), funds may be expended in support of the operations of the Department of Revenue.

(2) **Debt Service:** Included in the above General Fund appropriation is $5,820,500 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(3) **Local Economic Development Grants:** Included in the above Restricted Funds appropriation is $2,000,000 in fiscal year 2018-2019 and $4,000,000 in fiscal year 2019-2020 transferred from the TVA Regional Development Agency Assistance Fund for the purpose of supporting grants to local economic development agencies.

9. PROPERTY VALUATION ADMINISTRATORS

	2017-18	2018-19	2019-20
General Fund	2,438,400	54,824,800	56,138,900
Restricted Funds	-0-	3,698,500	3,500,000
TOTAL	2,438,400	58,523,300	59,638,900

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

(2) Appropriation Increases: Included in the above General Fund appropriation is an additional $2,438,400 in fiscal year 2017-2018 and $8,224,900 in each fiscal year of the 2018-2020 biennium to support operations of the property valuation administrators.

(3) Property Valuation Administrators' Expense Allowance: Notwithstanding KRS 132.597, each property valuation administrator shall receive an expense allowance of $2,400 annually, payable out of the State Treasury at the rate of $200 per month in the 2018-2020 fiscal biennium.

TOTAL - FINANCE AND ADMINISTRATION CABINET

	2017-18	2018-19	2019-20
General Fund (Tobacco)	-0-	29,224,900	32,128,700
General Fund	2,438,400	666,827,500	693,435,500
Restricted Funds	-0-	239,230,900	240,851,000
Federal Funds	-0-	10,000	10,000
Road Fund	-0-	3,842,300	3,887,400
TOTAL	2,438,400	939,135,600	970,312,600

G. HEALTH AND FAMILY SERVICES CABINET

Budget Units

1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT

	2018-19	2019-20

General Fund	35,784,800	36,475,900
Restricted Funds	21,369,500	21,410,100
Federal Funds	54,073,100	54,457,500
TOTAL	111,227,400	112,343,500

(1) **Debt Service:** Included in the above General Fund appropriation is $102,500 in fiscal year 2018-2019 and $307,500 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(2) **Human Services Transportation Delivery:** Notwithstanding KRS 281.010, the Kentucky Works Program shall not participate in the Human Services Transportation Delivery Program or the Coordinated Transportation Advisory Committee.

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

2. COMMISSION FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS

	2018-19	**2019-20**
General Fund	5,249,000	5,249,000
Restricted Funds	11,285,500	11,477,400
Federal Funds	4,566,100	4,566,100
TOTAL	21,100,600	21,292,500

3. MEDICAID SERVICES

a. Medicaid Administration

	2018-19	**2019-20**

General Fund	56,622,700	59,367,300
Restricted Funds	19,027,200	10,266,400
Federal Funds	214,031,000	164,474,200
TOTAL	289,680,900	234,107,900

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

(a) Establish a new program;

(b) Expand the services of an existing program; or

(c) Increase rates or payment levels in an existing program.

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

(2) Medicaid Service Category Expenditure Information: No Medicaid managed care contract shall be valid and no payment to a Medicaid managed care vendor by the Finance and Administration Cabinet or the Cabinet for Health and Family Services shall be made, unless the Medicaid managed care contract contains a provision that the contractor shall collect Medicaid expenditure data by the categories of services paid for by the Medicaid Program. Actual statewide Medicaid expenditure data by all categories of Medicaid services, including mandated and optional Medicaid services, special expenditures/offsets, and Disproportionate Share Hospital payments by type of hospital, shall be compiled by the Department for Medicaid Services for all Medicaid providers and forwarded to the Interim Joint Committee on Appropriations and Revenue on a quarterly basis. Projections of Medicaid expenditures by categories of Medicaid services shall be provided to the Interim Joint Committee on Appropriations and Revenue upon request.

b. Medicaid Benefits

	2018-19	2019-20
General Fund	1,825,369,800	1,983,649,500
Restricted Funds	536,245,100	521,341,800
Federal Funds	8,920,198,300	9,298,956,300
TOTAL	11,281,813,200	11,803,947,600

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

(2) Intergovernmental Transfers (IGTs): Any funds received through an Intergovernmental Transfer (IGT) agreement between the Department for Medicaid Services and other governmental entities, in accordance with a federally approved State Plan amendment, shall be used to provide for the health and welfare of the citizens of the Commonwealth through the provision of Medicaid Benefits. Revenues from IGTs are contingent upon agreement by the parties, including but not limited to the Cabinet for Health and Family Services, Department for Medicaid Services, and the appropriate providers. The Secretary of the Cabinet for Health and Family Services shall make the appropriate interim appropriations increase requests pursuant to KRS 48.630.

(3) Medicaid Benefits Budget Deficit: If Medicaid Benefits expenditures are projected to exceed available funds, the Secretary of the Cabinet for Health and Family Services may recommend and implement that reimbursement rates, optional services, eligibles, or programs be reduced or maintained at levels existing at the time of the projected deficit in order to avoid a

budget deficit. The projected deficit shall be confirmed and approved by the Office of State Budget Director. No service, eligible, or program reductions shall be implemented by the Cabinet for Health and Family Services without written notice of such action to the Interim Joint Committee on Appropriations and Revenue and the State Budget Director. Such actions taken by the Cabinet for Health and Family Services shall be reported, upon request, at the next meeting of the Interim Joint Committee on Appropriations and Revenue.

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

(5) **Disproportionate Share Hospital (DSH) Program:** Hospitals shall report the uncompensated care for which, under federal law, the hospital is eligible to receive disproportionate share payments. Disproportionate share payments shall equal the maximum amounts established under federal law.

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

(7) **Provider Tax Information:** Any provider who posts a sign or includes information on customer receipts or any material distributed for public consumption indicating that it has paid provider tax shall also post, in the same size typeset as the provider tax information, the amount

of payment received from the Department for Medicaid Services during the same period the provider tax was paid. Providers who fail to meet this requirement shall be excluded from the Disproportionate Share Hospital and Medicaid Programs. The Cabinet for Health and Family Services shall include this provision in facilities' annual licensure inspections.

(8) Medicaid Budget Analysis Reports: The Department for Medicaid Services shall submit a quarterly budget analysis report to the Interim Joint Committee on Appropriations and Revenue no later than 75 days after the quarter's end. The report shall provide monthly detail of actual expenditures, eligibles, and average monthly cost per eligible by eligibility category along with current trailing 12-month averages for each of these figures. The report shall also provide actual figures for all categories of noneligible-specific expenditures such as Supplemental Medical Insurance premiums, Kentucky Patient Access to Care, nonemergency transportation, drug rebates, cost settlements, and Disproportionate Share Hospital payments by type of hospital. The report shall compare the actual expenditure experience with those underlying the enacted or revised enacted budget and explain any significant variances which may occur.

(9) Medicaid Managed Care Organization Reporting: Except as provided by KRS 61.878, all records and correspondence relating to Kentucky Medicaid, revenues derived from Kentucky Medicaid funds, and expenditures utilizing Kentucky Medicaid funds of a Medicaid managed care company operating within the Commonwealth shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. All records and correspondence relating to Medicaid specifically prohibited from disclosure by the federal Health Insurance Portability and Accountability Act privacy rules shall not be provided under this Act.

No later than 60 days after the end of a quarter, each Medicaid managed care company operating within the Commonwealth shall prepare and submit to the Department for Medicaid Services sufficient information to allow the department to meet the following requirements 90 days after the end of the quarter. The Department shall forward to the Legislative Research Commission Budget Review Office a quarterly report detailing monthly actual expenditures by service category, monthly eligibles, and average monthly cost per eligible for Medicaid and the

Kentucky Children's Health Insurance Program (KCHIP) along with current trailing 12-month averages for each of these figures. The report shall also provide actual figures for other categories such as pharmacy rebates and reinsurance. Finally, the Department shall include in this report the most recent information or report available regarding the amount withheld to meet Department of Insurance reserve requirements, and any distribution of moneys received or retained in excess of these reserve requirements.

(10) Critical Access Hospitals: Beginning with the effective date of this Act through June 30, 2020, no acute care hospital shall convert to a critical access hospital unless the hospital has either received funding for a feasibility study from the Kentucky State Office of Rural Health or filed a written request by January 1, 2018, with the Kentucky State Office of Rural Health requesting funding for conducting a feasibility study.

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

(12) Supports for Community Living Reimbursement Increase: Included in the above appropriation is $10,529,000 in General Fund moneys in each fiscal year and $24,567,800 in Federal Funds in each fiscal year to be expended by the Department for Medicaid Services to increase provider reimbursements for Supports for Community Living Waiver Program services. From these funds, the Department shall increase the upper payment limit dollar amount for each Supports for Community Living Waiver Program service by ten percent from the dollar amount

in effect on December 31, 2017, as established by the Department. The funds directed under this subsection shall not be reallocated, except as expressly permitted in this subsection, and are contingent upon approval by the U.S. Centers for Medicare and Medicaid Services and the receipt of federal financial participation. In the event the Supports for Community Living Waiver Program encounters a material change based upon a new or amended federal waiver that is approved by the U.S. Centers for Medicare and Medicaid Services, then the amounts appropriated under this subsection may be reallocated so long as the upper payment limit dollar amount for each Supports for Community Living Waiver Program service is not less than the dollar amount established under this subsection.

(13) Acquired Brain Injury Waiver Slots: Included in the above appropriation is $2,550,400 in General Fund in fiscal year 2019-2020 and $6,330,500 in Federal Funds in fiscal year 2019-2020 to support 118 additional long-term care slots.

(14) Kentucky Children's Health Insurance Program (KCHIP): Included in the above appropriation is $12,000,000 in General Fund in fiscal year 2019-2020 and $188,077,282 in Federal Funds in fiscal year 2019-2020 to support the continuation of KCHIP services.

(15) Medicaid Prescription Benefits Reporting: Notwithstanding KRS 205.647, the Department for Medicaid Services shall submit a report to the Interim Joint Committee on Appropriations and Revenue by December 1 of each fiscal year on the dispensing of prescription medications to persons eligible under KRS 205.560. The report shall include:

(a) The total Medicaid dollars paid to the pharmacy benefit manager by a managed care organization;

(b) The total amount of Medicaid dollars paid to the pharmacy benefit manager by a managed care organization which were not subsequently paid to a pharmacy licensed in Kentucky;

(c) The average reimbursement by drug ingredient cost, dispensing fee, and any other fee paid by a pharmacy benefit manager to licensed pharmacies with which the pharmacy benefit manager shares common ownership, management, or control; or which are owned, managed, or

controlled by any of the pharmacy benefit manager's management companies, parent companies, subsidiary companies, jointly held companies, or companies otherwise affiliated by a common owner, manager, or holding company; or which share any common members on the board of directors; or which share managers in common;

(d) The average reimbursement by drug ingredient cost, dispensing fee, or any other fee paid by a pharmacy benefit manager to pharmacies licensed in Kentucky which operate ten locations, ten or fewer locations, or ten or more locations;

(e) Any direct or indirect fees, charges, or any kind of assessments imposed by the pharmacy benefit manager on pharmacies licensed in Kentucky with which the pharmacy benefit manager shares common ownership, management, or control; or which are owned, managed, or controlled by any of the pharmacy benefit manager's management companies, parent companies, subsidiary companies, jointly held companies, or companies otherwise affiliated by a common owner, manager, or holding company; or which share any common members on the board of directors; or which share managers in common;

(f) Any direct or indirect fees, charges, or any kind of assessments imposed by the pharmacy benefit manager on pharmacies licensed in Kentucky which operate ten locations, ten or fewer locations, or ten or more locations; and

(g) All common ownership, management, common members of a board of directors, shared managers, or control of a pharmacy benefit manager, or any of the pharmacy benefit manager's management companies, parent companies, subsidiary companies, jointly held companies, or companies otherwise affiliated by a common owner, manager, or holding company with any managed care organization contracted to administer Kentucky Medicaid benefits, any entity which contracts on behalf of a pharmacy, or any pharmacy services administration organization, or any common ownership management, common members of a board of directors, shared managers, or control of a pharmacy services administration organization that is contracted with a pharmacy benefit manager, with any drug wholesaler or distributor or any of the pharmacy services administration organizations, management companies, parent companies, subsidiary

companies, jointly held companies, or companies otherwise affiliated by a common owner, common members of a board of directors, manager, or holding company.

(16) Medicaid Prescription Drug Dispensing Reimbursement Rate: Included in the above General Fund appropriation is $12,000,000 in fiscal year 2018-2019 to provide an increase in the reimbursement rate for the dispensing of prescription medications to Medicaid enrollees who receive services through a managed care organization. Any increase in the reimbursement rate for the dispensing of prescription medications to Medicaid enrollees in a managed care organization for fiscal year 2019-2020 shall be funded with savings realized by the cost-saving measures implemented in the Medicaid pharmacy program.

TOTAL - MEDICAID SERVICES

	2018-19	**2019-20**
General Fund	1,881,992,500	2,043,016,800
Restricted Funds	555,272,300	531,608,200
Federal Funds	9,134,229,300	9,463,430,500
TOTAL	11,571,494,100	12,038,055,500

4. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES

	2018-19	**2019-20**
General Fund (Tobacco)	1,500,800	1,500,800
General Fund	172,406,600	173,286,700
Restricted Funds	209,582,900	203,459,900
Federal Funds	49,131,100	39,703,000
TOTAL	432,621,400	417,950,400

(1) Disproportionate Share Hospital Funds: Mental health disproportionate share funds are budgeted at the maximum amounts permitted by Section 1923(f) of the Social Security Act. Upon publication in the Federal Register of the Annual Institutions for Mental Disease (IMD) Disproportionate Share Hospital (DSH) limit, 92.3 percent of the federal IMD DSH limit

goes to the state-operated mental hospitals.

(2) Lease Payments for Eastern State Hospital: Included in the above General Fund appropriation is $11,257,500 in fiscal year 2018-2019 and $11,256,200 in fiscal year 2019-2020 to make lease payments to the Lexington-Fayette Urban County Government to retire its debt for the construction of the new facility.

(3) Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is $1,500,800 in each fiscal year of the 2018-2020 biennium for substance abuse prevention and treatment for pregnant women with a history of substance abuse problems.

(4) Debt Service: Included in the above General Fund appropriation is $71,000 in fiscal year 2018-2019 and $737,000 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(5) Regional Mental Health/Mental Retardation Boards Retirement Cost: Included in the above General Fund appropriation is $23,274,100 in each fiscal year for Regional Mental Health/Mental Retardation Boards to assist them with employer contributions for the Kentucky Employees Retirement System. In July and January of each year, the Department for Behavioral Health, Developmental and Intellectual Disabilities shall obtain the total creditable compensation reported by each Regional Mental Health/Mental Retardation Board to the Kentucky Retirement System and utilize that number to determine how much of this total appropriation shall be distributed to each Regional Mental Health/Mental Retardation Board. Payments to the Mental Health/Mental Retardation Boards shall be made on September 1 and April 1 of each fiscal year.

(6) Delivery of Services for Intermediate Care Facilities for Individuals with Intellectual Disability (ICF/ID): The General Assembly directs the Cabinet for Health and Family Services to transition all qualified individuals from the ICF/ID care model to the community living model demonstrated by the Supports for Community Living Waiver Program as permitted and in compliance with all applicable federal laws. For those qualified individuals who need an additional, higher level of supervision, such as one-on-one staffing and increased behavioral support services, an enhanced rate shall be applied for successful transition to the

Supports for Community Living Waiver Program. In continuance of the transitions, from any cost savings realized by the Cabinet for Health and Family Services, 50 percent shall be utilized to increase the reimbursement rates for Supports for Community Living Waiver Program slots and the remaining balance shall be transferred to the Budget Reserve Trust Fund Account (KRS 48.705). The Cabinet shall provide a quarterly report on transition progress, including identification of cost savings, to the Interim Joint Committee on Health and Welfare and Family Services.

5. PUBLIC HEALTH

	2018-19	**2019-20**
General Fund (Tobacco)	15,903,000	15,472,100
General Fund	76,360,000	76,481,200
Restricted Funds	86,878,400	86,987,400
Federal Funds	190,380,300	190,607,100
TOTAL	369,521,700	369,547,800

(1) Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is $9,000,000 in each fiscal year for the Health Access Nurturing Development Services (HANDS) Program, $1,000,000 in each fiscal year for Healthy Start initiatives, $80,000 in each fiscal year for the Folic Acid Program, $1,000,000 in each fiscal year for Early Childhood Mental Health, $1,050,000 in each fiscal year for Early Childhood Oral Health, and $3,773,000 in fiscal year 2018-2019 and $3,342,100 in fiscal year 2019-2020 for Smoking Cessation.

(2) Local and District Health Department Retirement Cost: Included in the above General Fund appropriation is $25,394,600 in each fiscal year of the 2018-2020 biennium for Local and District Health Departments to assist them with employer contributions for the Kentucky Employees Retirement System. In July and January of each year, the Department for Public Health shall obtain the total creditable compensation reported by each Local and District Health Department Board to the Kentucky Retirement System and utilize that number to determine how much of this total appropriation shall be distributed to each department. Payments

to the Local and District Health Departments shall be made on September 1 and April 1 of each fiscal year.

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

(4) Kentucky Poison Control Center: Included in the above General Fund appropriation is $750,000 in each fiscal year for the Kentucky Poison Control Center.

(5) Kentucky Colon Cancer Screening Program: Included in the above General Fund appropriation is $500,000 in each fiscal year to support the Kentucky Colon Cancer Screening Program.

(6) Kentucky Pediatric Cancer Research Trust Fund: Included in the above General Fund appropriation is $2,500,000 in each fiscal year to the Kentucky Pediatric Cancer Research Trust Fund for general pediatric cancer research and support of expansion of clinical trials at the University of Kentucky and University of Louisville.

6. HEALTH POLICY

	2018-19	**2019-20**
General Fund	471,600	476,900
Restricted Funds	818,600	649,100
Federal Funds	1,013,100	1,013,100
TOTAL	2,303,300	2,139,100

7. FAMILY RESOURCE CENTERS AND VOLUNTEER SERVICES

	2017-18	**2018-19**	**2019-20**
General Fund	4,100,000	11,318,100	11,336,400
Federal Funds	-0-	7,042,200	7,053,300
TOTAL	4,100,000	18,360,300	18,389,700

(1) Family Resource and Youth Service Centers: Included in the above General Fund appropriation is an additional $4,100,000 in fiscal year 2017-2018 and $9,791,700 in each fiscal year of the 2018-2020 fiscal biennium to support Family Resource and Youth Service Centers.

8. INCOME SUPPORT

	2018-19	2019-20
General Fund	7,116,600	7,116,600
Restricted Funds	12,550,900	12,550,900
Federal Funds	85,212,900	85,736,600
TOTAL	104,880,400	105,404,100

9. COMMUNITY BASED SERVICES

	2017-18	2018-19	2019-20
General Fund (Tobacco)	-0-	13,211,100	12,250,000
General Fund	2,500,000	471,974,100	473,960,500
Restricted Funds	-0-	201,316,100	202,239,400
Federal Funds	-0-	572,881,400	577,870,100
TOTAL	2,500,000	1,259,382,700	1,266,320,000

(1) Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is $10,711,100 in fiscal year 2018-2019 and $9,750,000 in fiscal year 2019-2020 for the Early Childhood Development Program. Included in the above General Fund (Tobacco) appropriation is $2,500,000 in each fiscal year for the Early Childhood Adoption and Foster Care Supports Program.

(2) Contracted Entities Retirement Cost: Included in the above General Fund appropriation is $1,498,900 in each fiscal year for domestic violence shelters, rape crisis centers, and child advocacy centers to assist them with employer contribution rates for the Kentucky Employees Retirement System. In the interim, the contracted entities shall evaluate the feasibility of continued participation in the Kentucky Employees Retirement System as provided in KRS 61.522.

(3) **Fostering Success:** Included in the above General Fund appropriation is $375,000 in each fiscal year for the Fostering Success Program. The Cabinet for Health and Family Services shall submit a report containing the results of the program, including but not limited to the number of participants, number and type of job placements, job training provided, and any available information pertaining to individual outcomes to the Interim Joint Committee on Appropriations and Revenue by July 1 of each fiscal year.

(4) **Relative Placement Support Benefit:** Included in the above General Fund appropriation is $1,000,000 in each fiscal year for start-up costs associated with placing children with non-parental relatives.

(5) **Domestic Violence Shelters:** Included in the above General Fund appropriation is $250,000 in each fiscal year for operational costs.

(6) **Rape Crisis Centers:** Included in the above General Fund appropriation is $250,000 in each fiscal year for operational costs.

(7) **Dually Licensed Pediatric Facilities:** Included in the above General Fund appropriation is $550,000 in each fiscal year to provide supplemental payments to dually licensed pediatric facilities for emergency shelter services for children.

(8) **Child Care Assistance Program:** Included in the above General Fund appropriation is $10,600,000 in each fiscal year to provide services to families at or below 160 percent of the federal poverty level as determined annually by the U.S. Department of Health and Human Services.

(9) **Family Counseling and Trauma Remediation Services:** Included in the above General Fund appropriation is $50,000 in each fiscal year to provide forensic interviews, family counseling, and trauma remediation services primarily in Jefferson County and surrounding Kentucky counties.

(10) **Private Child Caring Agencies Reimbursement Rates:** Included in the above appropriations is $3,893,000 in General Fund, $21,900,000 in Restricted Funds, and $2,200,500 in Federal Funds in each fiscal year to increase reimbursement rates to private child caring

agencies.

(11) Salary Adjustments: Included in the above General Fund appropriation is $11,148,100 in each fiscal year to provide up to a 10 percent increase in the base salary or wages in the Social Services Worker I, Social Services Worker II, Social Service Clinician I, Social Service Clinician II, and Family Services Office Supervisor personnel classifications within the Department for Community Based Services effective July 1, 2018.

10. AGING AND INDEPENDENT LIVING

	2018-19	2019-20
General Fund	43,742,400	43,937,800
Restricted Funds	3,298,500	3,308,800
Federal Funds	24,829,300	24,829,300
TOTAL	71,870,200	72,075,900

(1) Local Match Requirements: Notwithstanding KRS 205.460, entities contracting with the Cabinet for Health and Family Services to provide essential services under KRS 205.455 and 205.460 shall provide local match equal to or greater than the amount in effect during fiscal year 2017-2018. Local match may include any combination of materials, commodities, transportation, office space, personal services, or other types of facility services or funds. The Secretary of the Cabinet for Health and Family Services shall prescribe the procedures to certify the local match compliance.

11. HEALTH BENEFIT EXCHANGE

	2018-19	2019-20
Restricted Funds	5,063,900	5,100,500

(1) Kentucky Access Fund: Notwithstanding KRS 304.17B-021, excess Restricted Funds not needed for the operations and maintenance cost for the Health Benefit Exchange in fiscal year 2018-2019 and in fiscal year 2019-2020 shall be transferred to the Department for Medicaid Services from the Kentucky Access Fund.

TOTAL - HEALTH AND FAMILY SERVICES CABINET

	2017-18	2018-19	2019-20
General Fund (Tobacco)	-0-	30,614,900	29,222,900
General Fund	6,600,000	2,706,415,700	2,871,337,800
Restricted Funds	-0-	1,107,436,600	1,078,791,700
Federal Funds	-0-	10,123,358,800	10,449,266,600
TOTAL	6,600,000	13,967,826,000	14,428,619,000

H. JUSTICE AND PUBLIC SAFETY CABINET

Budget Units

1. JUSTICE ADMINISTRATION

	2018-19	2019-20
General Fund (Tobacco)	7,831,000	7,362,800
General Fund	31,085,700	31,244,000
Restricted Funds	4,297,100	4,302,800
Federal Funds	51,629,900	76,643,600
TOTAL	94,843,700	119,553,200

(1) Operation UNITE: Notwithstanding KRS 48.005(4), included in the above Restricted Funds appropriation is $1,500,000 in each fiscal year for the Operation UNITE Program from settlement funds resulting from the suit against Purdue Pharma, et al.. Included in the above General Fund appropriation is $500,000 in each fiscal year from the Local Government Economic Development Fund for the Operation UNITE Program.

(2) Office of Drug Control Policy: Included in the above General Fund (Tobacco) appropriation is $7,831,000 in fiscal year 2018-2019 and $7,362,800 in fiscal year 2019-2020 for the Office of Drug Control Policy to support opioid prevention, treatment, and recovery initiatives.

(3) Access to Justice: Included in the above General Fund appropriation is $639,800 in each fiscal year to support the Access to Justice Program.

(4) Court Appointed Special Advocate Funding: (a) Included in the above General

Fund appropriation is $1,406,300 in each fiscal year for grants to support Court Appointed Special Advocate (CASA) funding programs.

(b) No administrative costs shall be paid from the appropriation provided in paragraph (a) of this subsection.

2. CRIMINAL JUSTICE TRAINING

	2018-19	2019-20
Restricted Funds	90,330,600	82,834,500
Federal Funds	120,200	120,200
TOTAL	90,450,800	82,954,700

(1) Kentucky Law Enforcement Foundation Program Fund: Included in the above Restricted Funds appropriation is $88,818,100 in fiscal year 2018-2019 and $80,366,500 in fiscal year 2019-2020 for the Kentucky Law Enforcement Foundation Program Fund.

(2) Training Incentive Payments: Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is $4,000 in each fiscal year for each participant for training incentive payments.

(3) Training Incentive Stipends Expansion to Other Peace Officers:

(a) Notwithstanding KRS 15.410, 15.420(2), 15.460(1), 15.470(2) and (4), and any statute to the contrary, included in the above Restricted Funds appropriation is sufficient funding for a $4,000 annual training incentive stipend for Kentucky state troopers, Kentucky State Police arson investigators, Kentucky State Police hazardous devices investigators, Kentucky State Police legislative security specialists, Kentucky vehicle enforcement officers, Horse Park mounted patrol officers, Parks rangers, Agriculture investigators, Charitable Gaming investigators, Alcoholic Beverage Control investigators, Insurance Fraud investigators, and Attorney General investigators from the Kentucky Law Enforcement Foundation Program Fund. Employers of these officers shall be reimbursed for the Federal Insurance Contributions Act tax and retirement plan contributions employers are required to make to defined benefit pension plans.

(b) Notwithstanding KRS 15.410, 15.420(2), 15.460(1), 15.470(2) and (4), and any statute to the contrary, included in the above Restricted Funds appropriation is sufficient funding for a $4,000 annual training incentive stipend for School Security officers employed by an eligible local unit of government, plus an amount equal to the required employer's contribution on the supplement to the defined benefit plan to which the officer belongs.

(c) Notwithstanding any statute to the contrary, employers of eligible local units of government shall receive an administrative expense reimbursement in an amount equal to 7.65 percent of the total annual supplement received greater than $3,100 for each qualified local officer. Total reimbursements to all employers of this subsection shall not exceed $525,000 in each fiscal year. If there are insufficient funds to provide for the full provision of the administrative fee, then the amount shall be distributed pro rata to each eligible local unit of government so that each receives the same percentage attributable to its total receipts of the cash salary supplement.

(4) Support for Statewide Law Enforcement Purposes: (a) Notwithstanding KRS 15.470 and any other statute to the contrary, included in the above Restricted Funds appropriation is $1,442,500 in each fiscal year to be transferred to the Department of Kentucky State Police for the laboratory updates capital project set forth in Part II, H., 3., 002. of this Act.

(b) Notwithstanding KRS 15.470 and any other statute to the contrary, included in the above Restricted Funds appropriation is $3,305,800 in fiscal year 2018-2019 and $872,800 in fiscal year 2019-2020 to be transferred to the Department of Kentucky State Police for the sole purpose of purchasing marked and unmarked vehicles.

(c) Notwithstanding KRS 15.470 and any other statute to the contrary, included in the above Restricted Funds appropriation is $4,329,500 in fiscal year 2018-2019 to be transferred to the Department of Kentucky State Police for the purposes of paying pension spiking costs and sick leave service credit.

(d) Any unexpended balance from the appropriations set forth in paragraphs (a), (b), and (c) of this subsection shall lapse to the Kentucky Law Enforcement Foundation Program Fund.

(5) Criminal Justice Council: Pursuant to KRS 15.410 to 15.515, the Department of Criminal Justice Training shall not transfer funds from the Kentucky Law Enforcement Foundation Program Fund to support the Criminal Justice Council.

(6) Administrative Costs: Notwithstanding KRS 15.470 and any other statute to the contrary, the Department of Criminal Justice Training is authorized to transfer Restricted Funds to the Department of Justice Administration to support the Criminal Justice Training attorney positions in each fiscal year of the biennium.

3. JUVENILE JUSTICE

	2017-18	**2018-19**	**2019-20**
General Fund	600,000	103,935,700	105,397,200
Restricted Funds	-0-	10,360,000	10,027,400
Federal Funds	-0-	10,542,300	10,421,300
TOTAL	600,000	124,838,000	125,845,900

4. STATE POLICE

	2018-19	**2019-20**
General Fund	125,210,700	121,147,800
Restricted Funds	38,458,400	31,357,800
Federal Funds	11,097,100	11,097,100
Road Fund	105,278,800	106,762,100
TOTAL	280,045,000	270,364,800

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

(2) State Police and Vehicle Enforcement Personnel Training Incentive: Included in

the above Restricted Funds appropriation is sufficient funding for a $4,000 annual training incentive stipend for state troopers, arson investigators, hazardous devices investigators, legislative security specialists, and vehicle enforcement officers from the Kentucky Law Enforcement Foundation Program Fund.

(3) Restricted Funds Uses: Notwithstanding KRS 24A.179, 42.320(2)(h), 65.7631, 189A.050(3)(a), 237.110(18), and 281A.160(2)(b), funds are included in the above Restricted Funds appropriation to maintain the operations and administration of the Kentucky State Police.

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

(5) Debt Service: Included in the above General Fund appropriation is $1,125,300 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(6) Transfers for Statewide Law Enforcement Purposes: (a) Included in the above Restricted Funds appropriation is $1,442,500 in each fiscal year for the laboratory updates capital project set forth in Part II, H., 3., 002. of this Act.

(b) Included in the above Restricted Funds appropriation is $3,305,800 in fiscal year 2018-2019 and $872,800 in fiscal year 2019-2020 for the sole purpose of purchasing marked and unmarked vehicles.

(c) Included in the above Restricted Funds appropriation is $4,329,500 in fiscal year 2018-2019 for the purposes of paying pension spiking costs and sick leave service credit.

(d) Any unexpended balance from the appropriations set forth in paragraphs (a), (b), and (c) of this subsection shall lapse to the Kentucky Law Enforcement Foundation Program Fund.

(7) Forensic Laboratory Technician Salary Increases: Included in the above General Fund appropriation is $1,000,000 in each fiscal year for salary increases for forensic laboratory technicians.

5. CORRECTIONS

a. Corrections Management

	2018-19	2019-20
General Fund	11,744,800	11,890,700
Restricted Funds	300,000	300,000
Federal Funds	75,000	75,000
TOTAL	12,119,800	12,265,700

(1) Local Correctional Facilities: Notwithstanding KRS 441.420, no funds are provided for reimbursement to counties for design fees for architectural and engineering services associated with any new local correctional facility approved by the Local Correctional Facilities Construction Authority.

(2) Management of State Inmate Population: (a) Notwithstanding KRS 532.100 and any other provision of law to the contrary, the Department of Corrections is authorized to adjust inmate custody levels as necessary to house Class C and Class D felons beyond the scope of KRS 532.100 in county jails, halfway houses, and reentry centers. These provisions shall exclude offenders convicted of a sex crime as defined in KRS 17.500.

(b) Notwithstanding KRS 532.100 and 501 KAR 2:040, counties may not obtain a waiver to be noncompliant with paragraph (a) of this subsection without written approval from the Department of Corrections.

(c) The Department of Corrections is authorized to compel county jail compliance of this subsection, including any reporting requirements deemed necessary by the Department.

(d) Notwithstanding KRS 197.500, 197.505, and any other provision of law to the contrary, no agency of state government shall enter into a new agreement or expand an existing agreement with any nongovernmental entity to house state inmates without authorization of the General Assembly, and if the Commissioner of the Department of Corrections seeks approval to expand or enter into a new agreement with any nongovernmental entity to house state inmates, the Commissioner shall certify to the Interim Joint Committee on Appropriations and Revenue that all bed capacities in county jails, halfway houses, and reentry centers have been exhausted.

b. Adult Correctional Institutions

	2017-18	2018-19	2019-20
General Fund	4,501,800	311,464,000	324,718,900
Restricted Funds	-0-	17,909,200	17,947,200
Federal Funds	-0-	272,500	272,500
TOTAL	4,501,800	329,645,700	342,938,600

(1) **Debt Service:** Included in the above General Fund appropriation is $149,000 in fiscal year 2018-2019 and $544,000 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(2) **Transfer to State Institutions:** Notwithstanding KRS 532.100(7), state prisoners, excluding the Class C and Class D felons qualifying to serve time in county jails, may be transferred to a state institution within 90 days of final sentencing, if the county jail does not object to the additional 45 days.

(3) **Operational Costs for Inmate Population:** In the event that actual operational costs exceed the amounts appropriated to support the budgeted average daily population of state felons for each fiscal year, the additional payments shall be deemed necessary government expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705), subject to notification as to necessity and amount by the State Budget Director who shall report any certified expenditure to the Interim Joint Committee on Appropriations and Revenue.

c. Community Services and Local Facilities

	2018-19	2019-20
General Fund	244,656,300	245,505,700
Restricted Funds	10,000,000	9,876,100
Federal Funds	695,500	695,500
TOTAL	255,351,800	256,077,300

(1) **Excess Local Jail Per Diem Costs:** In the event that actual local jail per diem payments exceed the amounts appropriated to support the budgeted average daily population of

state felons in county jails for each fiscal year, the payments shall be deemed necessary government expenses and may be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705), subject to notification as to necessity and amount by the State Budget Director who shall report any certified expenditure to the Interim Joint Committee on Appropriations and Revenue.

(2) Local Jails Funding: Notwithstanding KRS 441.605 to 441.695, funds in the amount of $2,000,000 in each fiscal year shall be expended from the Kentucky Local Correctional Facilities Construction Authority for local correctional facility and operational support.

(3) Parole for Infirm Inmates: (a) The Commissioner of the Department of Corrections shall certify and notify the Parole Board when a prisoner meets the requirements of paragraph (c) of this subsection for parole.

(b) Notwithstanding any statute to the contrary, within 30 days of receiving notification as prescribed by paragraph (a) of this subsection, the Parole Board shall grant parole.

(c) A prisoner who has been determined by the Department of Corrections to be physically or mentally debilitated, incapacitated, or infirm as a result of advanced age, chronic illness, disease, or any other qualifying criteria that constitutes an infirm prisoner shall be eligible for parole if:

1. The prisoner was not convicted of a capital offense and sentenced to death or was not convicted of a sex crime as defined in KRS 17.500;

2. The prisoner has reached his or her parole eligibility date or has served one-half of his or her sentence, whichever occurs first;

3. The prisoner is substantially dependent on others for the activities of daily living; and

4. There is a low risk of the prisoner presenting a threat to society if paroled.

(d) Unless a new offense is committed that results in a new conviction subsequent to a prisoner being paroled, paroled prisoners shall not be considered to be under the custody of the state in any way.

(e) Prisoners paroled under this subsection shall be paroled to a licensed long-term-care

facility in the Commonwealth.

(f) The Cabinet for Health and Family Services and the Justice and Public Safety Cabinet shall provide all needed assistance and support in seeking and securing approval from the United States Department of Health and Human Services for federal assistance, including Medicaid funds, for the provision of long-term-care services to those eligible for parole under paragraph (c) of this subsection.

(g) The Cabinet for Health and Family Services and the Justice and Public Safety Cabinet shall have the authority to contract with community providers that meet the requirements of paragraph (e) of this subsection and that are willing to house any inmates deemed to meet the requirements of this subsection so long as contracted rates do not exceed current expenditures related to the provisions of this subsection.

(h) The Cabinet for Health and Family Services and the Justice and Public Safety Cabinet are encouraged to corroborate with other states that are engaged in similar efforts so as to achieve the mandates of this subsection.

(i) The Cabinet for Health and Family Services and the Justice and Public Safety Cabinet shall provide a report to the Interim Joint Committee on Appropriations and Revenue by December 15 of each fiscal year concerning these provisions. The report shall include the number of persons paroled, the identification of the residential facilities utilized, an estimate of cost savings as a result of the project, and any other relevant material to assist the General Assembly in assessing the value of continuing and expanding the project.

(4) Participation in Transparent Governing - Full Disclosure of Inmate Population Forecasts and Related Materials: The Office of State Budget Director shall provide the methodology, assumptions, data, and all other related materials used to project biennial offender population forecasts conducted by the Office of State Budget Director, the Kentucky Department of Corrections, and any consulting firms, to the Interim Joint Committee on Appropriations and Revenue by November 1, 2018. This submission shall include but not be limited to the projected state, county, and community offender populations for the 2018-2020 fiscal biennium and must

coincide with the budgeted amount for these populations. This submission shall clearly divulge the methodology and reasoning behind the budgeted and projected offender population in a commitment to participate in transparent governing.

(5) Participation in Transparent Governing - Calculating Avoided Costs Relating to Legislative Action: The Office of State Budget Director shall provide the methodology, assumptions, data, and all other related materials used to calculate any avoided costs pursuant to the implementation of 2011 Ky. Acts ch. 2 by November 1, 2018. This submission shall clearly divulge the methodology and reasoning behind the projected costs avoided in a commitment to participate in transparent governing.

d. Local Jail Support

	2018-19	**2019-20**
General Fund	16,653,600	16,653,600

(1) Local Corrections Assistance Fund Allocation: Notwithstanding KRS 196.288(5)(a), included in the above General Fund appropriation is $4,630,200 in each fiscal year for the Local Corrections Assistance Fund. Moneys in the fund shall be distributed to the counties each year. Amounts distributed from the fund shall be used to support local correctional facilities and programs, including the transportation of prisoners, as follows:

(a) In each fiscal year, the first $3,000,000 received by the fund, or, if the fund receives less than $3,000,000, the entire balance of the fund, shall be divided equally among all counties; and

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

(2) Jailers' Allowance: Notwithstanding KRS 441.115(2), each jailer shall receive an expense allowance of $2,400 annually, at the rate of $200 per month in the 2018-2020 fiscal

biennium, for participation in the Jail Staff Training Program.

(3) Life Safety or Closed Jails: Included in the above General Fund appropriation is $880,000 in each fiscal year to provide a monthly payment of an annual amount of $20,000 to each county with a life safety jail or closed jail. The payment shall be in addition to the payment required by KRS 441.206(2).

(4) Inmate Medical Care Expenses: Included in the above General Fund appropriation is $792,800 in each fiscal year for medical care contracts to be distributed, upon approval of the Department of Corrections, to counties by the formula codified in KRS 441.206, and $851,800 in each fiscal year, on a partial reimbursement basis, for medical claims in excess of the statutory threshold pursuant to KRS 441.045. The funding support for medical contracts and catastrophic medical expenses for indigents shall be maintained in discrete accounts. Any medical claim that exceeds the statutory threshold may be reimbursed for that amount in excess of the statutory threshold.

TOTAL - CORRECTIONS

	2017-18	**2018-19**	**2019-20**
General Fund	4,501,800	584,518,700	598,768,900
Restricted Funds	-0-	28,209,200	28,123,300
Federal Funds	-0-	1,043,000	1,043,000
TOTAL	4,501,800	613,770,900	627,935,200

6. PUBLIC ADVOCACY

	2017-18	**2018-19**	**2019-20**
General Fund	3,800,000	65,412,600	66,170,800
Restricted Funds	-0-	4,608,100	4,504,300
Federal Funds	-0-	1,422,100	1,422,100
TOTAL	3,800,000	71,442,800	72,097,200

(1) Compensatory Leave Conversion to Sick Leave: If the Department of Public Advocacy determines that internal budgetary pressures warrant further austerity measures, the

Public Advocate may institute a policy to suspend payment of 50-hour blocks of compensatory time for those attorneys who have accumulated 240 hours of compensatory time and instead convert those hours to sick leave.

TOTAL - JUSTICE AND PUBLIC SAFETY CABINET

	2017-18	2018-19	2019-20
General Fund (Tobacco)	-0-	7,831,000	7,362,800
General Fund	8,901,800	910,163,400	922,728,700
Restricted Funds	-0-	176,263,400	161,150,100
Federal Funds	-0-	75,854,600	100,747,300
Road Fund	-0-	105,278,800	106,762,100
TOTAL	8,901,800	1,275,391,200	1,298,751,000

I. LABOR CABINET

Budget Units

1. SECRETARY

	2018-19	2019-20
Restricted Funds	6,792,900	6,484,200
Federal Funds	139,800	139,800
TOTAL	6,932,700	6,624,000

2. GENERAL ADMINISTRATION AND PROGRAM SUPPORT

	2018-19	2019-20
General Fund	3,528,000	3,573,600
Restricted Funds	3,366,500	3,370,000
Federal Funds	74,900	73,400
TOTAL	6,969,400	7,017,000

3. WORKPLACE STANDARDS

	2018-19	2019-20
General Fund	2,404,500	2,434,600

Restricted Funds	8,732,800	8,873,300
Federal Funds	3,671,300	3,671,300
TOTAL	14,808,600	14,979,200

(1) **Apprenticeship Program:** Included in the above General Fund appropriation is an additional $171,500 in each fiscal year for the Apprenticeship Program.

4. WORKERS' CLAIMS

	2018-19	**2019-20**
Restricted Funds	75,004,600	75,227,500

5. OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

	2018-19	**2019-20**
Restricted Funds	745,700	752,600

6. WORKERS' COMPENSATION FUNDING COMMISSION

	2018-19	**2019-20**
Restricted Funds	117,306,600	116,826,000

7. WORKERS' COMPENSATION NOMINATING COMMITTEE

	2018-19	**2019-20**
Restricted Funds	1,100	1,100

TOTAL - LABOR CABINET

	2018-19	**2019-20**
General Fund	5,932,500	6,008,200
Restricted Funds	211,950,200	211,534,700
Federal Funds	3,886,000	3,884,500
TOTAL	221,768,700	221,427,400

J. PERSONNEL CABINET

Budget Units

1. GENERAL OPERATIONS

	2018-19	**2019-20**

Restricted Funds	31,449,800	31,707,400

(1) Pro Rata Assessment: Included in the above Restricted Funds appropriation is $2,869,000 in fiscal year 2018-2019 and $2,693,800 in fiscal year 2019-2020 to be transferred to the General Fund to support debt service on bonds previously issued for the Kentucky Human Resources Information System.

2. PUBLIC EMPLOYEES DEFERRED COMPENSATION AUTHORITY

	2018-19	**2019-20**
Restricted Funds	9,227,800	9,269,300

3. WORKERS' COMPENSATION BENEFITS AND RESERVE

	2018-19	**2019-20**
Restricted Funds	25,497,000	25,510,100

TOTAL - PERSONNEL CABINET

	2018-19	**2019-20**
Restricted Funds	66,174,600	66,486,800
TOTAL	66,174,600	66,486,800

K. POSTSECONDARY EDUCATION

Budget Units

1. COUNCIL ON POSTSECONDARY EDUCATION

	2018-19	**2019-20**
General Fund (Tobacco)	7,000,000	6,686,500
General Fund	40,430,300	40,496,500
Restricted Funds	5,368,000	5,273,300
Federal Funds	12,772,000	12,322,000
TOTAL	65,570,300	64,778,300

(1) Carry Forward of General Fund Appropriation Balance: Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2017-2018 and fiscal year 2018-2019 to the Adult Education and Literacy Program shall not lapse and shall carry forward. Notwithstanding

KRS 45.229, the General Fund appropriation in fiscal year 2017-2018 and fiscal year 2018-2019 to the Science and Technology Program shall not lapse and shall carry forward.

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

(3) Program Elimination: Notwithstanding KRS 164.028 to 164.0282, no General Fund is provided for Professional Education Preparation.

(4) Optometry Contract Spaces: (a) Included in the above General Fund appropriation is $776,000 in each fiscal year to fund 44 optometry slots. Of those slots, the Council on Postsecondary Education shall contract ten slots for fiscal year 2018-2019 and 15 slots for fiscal year 2019-2020 with the Kentucky College of Optometry for the same supplement available through the Southern Regional Education Board.

(b) No dues shall be paid to the Southern Regional Education Board from the appropriation included in paragraph (a) of this subsection.

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

(6) Adult Education: Included in the above General Fund appropriation are funds in each fiscal year for the Kentucky Adult Education Funding Program.

(7) Veterinary Medicine Contract Spaces: (a) Included in the above General Fund appropriation is $5,084,000 in each fiscal year to fund 164 veterinary slots.

(b) No dues shall be paid to the Southern Regional Education Board from the appropriation included in paragraph (a) of this subsection.

(8) Ovarian Cancer Screening: Notwithstanding KRS 164.476, included in the above General Fund appropriation is $500,000 in each fiscal year for the Ovarian Cancer Screening Outreach Program at the University of Kentucky.

(9) Cancer Research and Screening: Included in the above General Fund (Tobacco) appropriation is $7,000,000 in fiscal year 2018-2019 and $6,686,500 in fiscal year 2019-2020 for cancer research and screening. The appropriation each fiscal year shall be equally shared between the University of Louisville and the University of Kentucky.

(10) Veterinary Contract Spaces Working Group: Having determined that there is a need to study the effects of both the establishment of a forgivable loan program for the students of the Veterinary Contract Spaces Program and the projected return of large animal veterinary graduates to practice in Kentucky, the Kentucky Council on Postsecondary Education is hereby directed to establish a working group composed of the following:

(a) The President of the Council on Postsecondary Education or his representative;

(b) The Speaker of the House or his representative;

(c) A minority member of the House appointed by the Speaker;

(d) The President of the Senate or his representative;

(e) A minority member of the Senate appointed by the President;

(f) The Kentucky Commissioner of Agriculture or his representative;

(g) The Executive Director of the Governor's Office of Agricultural Policy or his representative;

(h) A representative of the Kentucky Cattlemen's Association;

(i) A representative of the Kentucky Pork Producers;

(j) A representative of the Kentucky Poultry Federation;

(k) A representative of the Kentucky Veterinary Medical Association;

(l) A representative of the Kentucky Farm Bureau; and

(m) A representative of the Kentucky Thoroughbred Owners and Breeders (KTOB).

The working group shall report to the Interim Joint Committee on Appropriations and Revenue no later than December 1, 2018.

(11) Southern Regional Education Board Dues: Included in the above General Fund appropriation is $210,000 in each fiscal year for Southern Regional Education Board dues.

(12) Optometry Contract Spaces Working Group: Having determined that there is a need to study the effects of both the establishment of a forgivable loan program for the students of the Optometry Contract Spaces Program and the projected return of Optometry graduates to practice in Kentucky, the Kentucky Council on Postsecondary Education is hereby directed to establish a working group composed of the following:

(a) The President of the Council on Postsecondary Education or his representative;

(b) The Speaker of the House or his representative;

(c) A minority member of the House appointed by the Speaker;

(d) The President of the Senate or his representative;

(e) A minority member of the Senate appointed by the President;

(f) The Dean of the Kentucky College of Optometry at the University of Pikeville or his representative; and

(g) The President of the Kentucky Optometric Association or his representative.

The working group shall report to the Interim Joint Committee on Appropriations and Revenue no later than December 1, 2018.

2. KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

	2018-19	**2019-20**
General Fund	232,100,000	239,100,000
Restricted Funds	33,492,100	34,756,500
Federal Funds	33,800	33,800

TOTAL		265,625,900	273,890,300

(1) College Access Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $71,942,800 in fiscal year 2018-2019 and $76,114,500 in fiscal year 2019-2020 for the College Access Program.

(2) Kentucky Tuition Grant Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $38,574,400 in fiscal year 2018-2019 and $40,364,400 in fiscal year 2019-2020 for the Kentucky Tuition Grant Program.

(3) Kentucky National Guard Tuition Award Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $7,398,100 in each fiscal year for the National Guard Tuition Award Program.

(4) Kentucky Educational Excellence Scholarships (KEES): Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $106,684,700 in fiscal year 2018-2019 and $107,723,000 in fiscal year 2019-2020 for the Kentucky Educational Excellence Scholarships (KEES). Included in the above Restricted Funds appropriation is $11,367,300 in fiscal year 2018-2019 and $12,600,000 in fiscal year 2019-2020 for KEES.

(5) Work Ready Scholarship Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $2,500,000 in each fiscal year for the Work Ready Scholarship Program.

(6) Dual Credit Scholarship Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is $5,000,000 in each fiscal year for the Dual Credit Scholarship Program.

(7) Use of Lottery Revenues: Notwithstanding KRS 154A.130(3)(a) and (4), lottery revenues in the amount of $232,100,000 in fiscal year 2018-2019 and $239,100,000 in fiscal year 2019-2020 are appropriated to the Kentucky Higher Education Assistance Authority. If lottery receipts received by the Commonwealth, excluding any unclaimed prize money received under Part III, Section 21. of this Act, exceed $249,000,000 in fiscal year 2018-2019 or $256,000,000 in fiscal year 2019-2020, the excess shall be transferred to the Kentucky Higher Education

Assistance Authority and appropriated in accordance with KRS 154A.130(4)(b).

(8) Program Elimination: Notwithstanding KRS 164.518, 164.740 to 164.764, 164.769, 164.7890(11)(c), 164.7891(11)(b), and 164.7894, no General Fund is provided for Early Childhood Development Scholarships, Work Study, the Teacher Scholarship Program, Coal County Pharmacy Scholarships, Osteopathic Medicine Scholarships, and Coal County College Completion Scholarships.

3. EASTERN KENTUCKY UNIVERSITY

	2018-19	2019-20
General Fund	60,801,700	60,175,200
Restricted Funds	207,001,200	207,314,400
Federal Funds	127,500,000	135,500,600
TOTAL	395,302,900	402,990,200

4. KENTUCKY STATE UNIVERSITY

	2018-19	2019-20
General Fund	25,459,000	25,259,100
Restricted Funds	19,220,000	19,220,000
Federal Funds	19,000,000	19,000,000
TOTAL	63,679,000	63,479,100

(1) Land Grant Match: Included in the above General Fund appropriation is $3,700,000 in each fiscal year to fund the state match payments required of land-grant universities under federal law.

5. MOREHEAD STATE UNIVERSITY

	2018-19	2019-20
General Fund	38,852,400	38,466,800
Restricted Funds	113,211,900	114,991,300
Federal Funds	50,205,200	51,499,100
TOTAL	202,269,500	204,957,200

(1) **Craft Academy:** Included in the above General Fund appropriation is $2,822,400 in each fiscal year for the Craft Academy for Excellence in Science and Mathematics.

6. MURRAY STATE UNIVERSITY

	2018-19	2019-20
General Fund	45,014,500	44,581,400
Restricted Funds	129,986,300	130,419,400
Federal Funds	18,902,300	18,902,300
TOTAL	193,903,100	193,903,100

(1) **Breathitt Veterinary Center:** Included in the above General Fund appropriation is $3,200,000 in each fiscal year for the Breathitt Veterinary Center.

7. NORTHERN KENTUCKY UNIVERSITY

	2018-19	2019-20
General Fund	48,477,500	47,974,500
Restricted Funds	182,462,200	189,381,700
Federal Funds	13,075,600	13,075,600
TOTAL	244,015,300	250,431,800

(1) **Kentucky Center for Mathematics:** Included in the above General Fund appropriation is $1,323,900 in each fiscal year for the Kentucky Center for Mathematics.

(2) **Conveyance of Property:** Notwithstanding KRS 45.777 and 164A.575(7), Northern Kentucky University may dispose of real property and improvements located in Covington/Park Hills, Kentucky that will become surplus to its needs and retain the proceeds from any sale.

8. UNIVERSITY OF KENTUCKY

	2018-19	2019-20
General Fund	250,224,300	249,109,400
Restricted Funds	3,412,380,500	3,698,123,000
Federal Funds	253,980,300	270,764,400
TOTAL	3,916,585,100	4,217,996,800

(1) Veterinary Diagnostic Laboratory and Division of Regulatory Services: Included in the above General Fund appropriation is $3,900,000 in each fiscal year to support the operations of the Veterinary Diagnostic Laboratory and the Division of Regulatory Services.

(2) Center for Applied Energy Research: Included in the above General Fund appropriation is $2,670,000 in each fiscal year for the Center for Applied Energy Research.

(3) Robinson Scholars Program: Notwithstanding KRS 42.4582 and 42.4585, the quarterly calculation and transfer of the funds shall be made only after each quarterly installment of the annual appropriation of $1,000,000 in fiscal year 2018-2019 to the University of Kentucky budget unit for the Robinson Scholars Program.

(4) Mining Engineering Scholarship Program: Notwithstanding KRS 42.4582 and 42.4585, the quarterly calculation and transfer of the funds shall be made only after each quarterly installment of the annual appropriation of $350,000 in each fiscal year to the University of Kentucky budget unit for the Mining Engineering Scholarship Program.

(5) Center for Entrepreneurship: Included in the above General Fund appropriation is $600,000 in each fiscal year for the Center for Entrepreneurship.

(6) Debt Service: Included in the above General Fund appropriation is $848,500 in fiscal year 2018-2019 and $2,545,500 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

9. UNIVERSITY OF LOUISVILLE

	2018-19	**2019-20**
General Fund	124,610,600	123,290,400
Restricted Funds	1,018,178,700	1,037,241,100
Federal Funds	98,456,500	98,456,500
TOTAL	1,241,245,800	1,258,988,000

(1) Autism Training: Included in the above General Fund appropriation is $150,000 in each fiscal year for autism training.

10. WESTERN KENTUCKY UNIVERSITY

	2018-19	2019-20
General Fund	70,034,800	69,344,200
Restricted Funds	311,690,200	316,874,200
Federal Funds	32,340,000	32,340,000
TOTAL	414,065,000	418,558,400

(1) **Kentucky Mesonet:** Included in the above General Fund appropriation is $750,000 in each fiscal year for the Kentucky Mesonet at the Kentucky Climate Center.

(2) **Gatton Academy:** Included in the above General Fund appropriation is $4,747,700 in each fiscal year for the Gatton Academy for Mathematics and Science.

11. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM

	2018-19	2019-20
General Fund	167,729,000	166,034,000
Restricted Funds	426,692,100	426,692,100
Federal Funds	244,555,000	244,555,000
TOTAL	838,976,100	837,281,100

(1) **Firefighters Foundation Program Fund:** Included in the above Restricted Funds appropriation is $46,962,000 in fiscal year 2018-2019 and $48,136,400 in fiscal year 2019-2020 for the Firefighters Foundation Program Fund. Notwithstanding KRS 95A.250(1), supplemental payments for each qualified professional firefighter under the Firefighters Foundation Program Fund shall be $4,000 in each fiscal year. Notwithstanding any statute to the contrary, employers of eligible local units of government shall receive an administrative expense reimbursement in an amount equal to 7.65 percent of the total annual supplement received greater than $3,100 for each qualified professional firefighter. Total reimbursements to all employers of this subsection shall not exceed $250,000 in each fiscal year. If there are insufficient funds to provide for the full provision of the administrative fee, then the amount shall be distributed pro rata to each eligible local unit of government so that each receives the same percentage attributable to its total receipts of the cash salary supplement. Notwithstanding KRS 95A.262(2), the aid payment for

each qualified volunteer fire department shall be $11,000 in each fiscal year. Notwithstanding KRS 95A.200 to 95A.300, $3,600,000 in fiscal year 2018-2019 shall be transferred to support projects as set forth in Part II, Capital Projects Budget, of this Act.

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

(3) Guaranteed Energy Savings Performance Contracts: Notwithstanding KRS 56.770 and 56.774, guaranteed energy savings performance contracts may be executed for buildings operated by the Kentucky Community and Technical College System under agreements governed by KRS 164.593.

(4) Adult Agriculture Program: Included in the above General Fund appropriation is $1,000,000 in each fiscal year for the Adult Agriculture Program.

12. POSTSECONDARY EDUCATION PERFORMANCE FUND

	2018-19	**2019-20**
General Fund	31,000,000	38,665,800

TOTAL - POSTSECONDARY EDUCATION

	2018-19	**2019-20**
General Fund (Tobacco)	7,000,000	6,686,500
General Fund	1,134,734,100	1,142,497,300
Restricted Funds	5,859,683,200	6,180,287,000
Federal Funds	870,820,700	896,449,300
TOTAL	7,872,238,000	8,225,920,100

L. PUBLIC PROTECTION CABINET

Budget Units

1. SECRETARY

	2018-19	**2019-20**
Restricted Funds	6,494,100	6,581,000

2. KENTUCKY CLAIMS COMMISSION

		2018-19	2019-20
	General Fund	1,371,000	1,390,000
	Restricted Funds	968,000	968,000
	Federal Funds	157,200	157,200
	TOTAL	2,496,200	2,515,200

3. PROFESSIONAL LICENSING

	2018-19	2019-20
Restricted Funds	5,768,800	5,819,200

4. BOXING AND WRESTLING AUTHORITY

	2018-19	2019-20
Restricted Funds	178,100	179,600

5. ALCOHOLIC BEVERAGE CONTROL

	2018-19	2019-20
Restricted Funds	8,198,500	8,257,500

6. CHARITABLE GAMING

	2018-19	2019-20
Restricted Funds	4,292,800	4,333,900

7. FINANCIAL INSTITUTIONS

	2018-19	2019-20
Restricted Funds	14,523,000	14,688,700

8. HORSE RACING COMMISSION

	2018-19	2019-20
General Fund	3,092,300	3,147,700
Restricted Funds	29,736,000	29,745,400
TOTAL	32,828,300	32,893,100

9. HOUSING, BUILDINGS AND CONSTRUCTION

	2018-19	2019-20

General Fund	2,610,800	2,640,400
Restricted Funds	25,483,400	24,063,700
TOTAL	28,094,200	26,704,100

(1) Funding Flexibility: Notwithstanding KRS 198B.090(10), 198B.095(2), 198B.4037(2), (3), and (4), 198B.6674, 227.620(5), 227A.050(1) and (2), 227.715, 236.130(3), and 318.136, the Department of Housing, Buildings and Construction may expend, with the approval of the Housing, Buildings and Construction Advisory Committee, any Restricted Funds for programs administered by the Department. The Department shall return any funds transferred within the fiscal biennium.

10. INSURANCE

	2018-19	**2019-20**
Restricted Funds	20,145,900	20,300,800
Federal Funds	703,500	-0-
TOTAL	20,849,400	20,300,800

TOTAL - PUBLIC PROTECTION CABINET

	2018-19	**2019-20**
General Fund	7,074,100	7,178,100
Restricted Funds	115,788,600	114,937,800
Federal Funds	860,700	157,200
TOTAL	123,723,400	122,273,100

M. TOURISM, ARTS AND HERITAGE CABINET

Budget Units

1. SECRETARY

	2018-19	**2019-20**
General Fund	3,158,700	3,213,700
Restricted Funds	14,703,200	14,703,200
TOTAL	17,861,900	17,916,900

2. ARTISANS CENTER

	2018-19	2019-20
General Fund	477,900	486,900
Restricted Funds	1,605,900	1,601,300
Road Fund	544,000	553,000
TOTAL	2,627,800	2,641,200

3. TOURISM

	2018-19	2019-20
General Fund	3,118,000	3,157,900
Restricted Funds	29,100	29,100
TOTAL	3,147,100	3,187,000

(1) Whitehaven Welcome Center: Included in the above General Fund appropriation is $130,000 in each fiscal year to support the Whitehaven Welcome Center.

4. PARKS

	2017-18	2018-19	2019-20
General Fund	8,831,600	46,549,700	48,111,500
Restricted Funds	-0-	51,840,600	51,840,600
TOTAL	8,831,600	98,390,300	99,952,100

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

(2) Debt Service: Included in the above General Fund appropriation is $424,500 in fiscal year 2018-2019 and $1,273,500 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(3) Capitol Annex Cafeteria: Included in the above General Fund appropriation is $234,400 in each fiscal year to support the Capitol Annex cafeteria operated by the Department of Parks.

5. HORSE PARK COMMISSION

	2018-19	2019-20
General Fund	1,673,700	1,708,100
Restricted Funds	10,880,000	11,084,400
TOTAL	12,553,700	12,792,500

6. STATE FAIR BOARD

	2018-19	2019-20
General Fund	4,214,000	4,730,900
Restricted Funds	47,212,100	47,207,100
TOTAL	51,426,100	51,938,000

(1) Debt Service: Included in the above General Fund appropriation is $142,500 in fiscal year 2018-2019 and $617,000 in fiscal year 2019-2020 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

7. FISH AND WILDLIFE RESOURCES

	2018-19	2019-20
Restricted Funds	42,071,700	42,599,400
Federal Funds	18,880,200	19,030,900
TOTAL	60,951,900	61,630,300

(1) Fish and Wildlife Resources Peace Officers' Stipend: Included in the above Restricted Funds appropriation is sufficient funding for a $4,000 annual training incentive stipend for Fish and Wildlife Resources conservation officers from the Fish and Game Fund.

(2) Fees-in-Lieu-of Stream Mitigation Projects: Fees-in-Lieu-of Stream Mitigation project resources shall be available statewide, to all 120 counties, subject to federal and state regulatory requirements.

(3) Fees-in-Lieu-of Stream Mitigation Reporting: The Department of Fish and Wildlife Resources shall develop a report of all projects managed by the Fees-in-Lieu-of Stream Mitigation Program. The Department shall present this report to the Interim Joint Committee on Tourism, Small Business, and Information Technology by August 1 of each year.

8. HISTORICAL SOCIETY

	2018-19	2019-20
General Fund	5,893,700	5,952,400
Restricted Funds	457,800	457,800
Federal Funds	180,000	170,000
TOTAL	6,531,500	6,580,200

9. ARTS COUNCIL

	2018-19	2019-20
General Fund	1,708,700	1,728,900
Restricted Funds	151,600	151,600
Federal Funds	708,500	708,500
TOTAL	2,568,800	2,589,000

10. HERITAGE COUNCIL

	2018-19	2019-20
General Fund	715,900	719,000
Restricted Funds	278,700	278,700
Federal Funds	863,800	863,800
TOTAL	1,858,400	1,861,500

11. KENTUCKY CENTER FOR THE ARTS

	2018-19	2019-20
General Fund	558,300	558,300

TOTAL - TOURISM, ARTS AND HERITAGE CABINET

	2017-18	2018-19	2019-20
General Fund	8,831,600	68,068,600	70,367,600
Restricted Funds	-0-	169,230,700	169,953,200
Federal Funds	-0-	20,632,500	20,773,200
Road Fund	-0-	544,000	553,000

TOTAL	8,831,600	258,475,800	261,647,000

N. BUDGET RESERVE TRUST FUND

Budget Units

1. BUDGET RESERVE TRUST FUND

	2018-19	2019-20
General Fund	87,414,100	208,761,200

PART II

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 2018-2020 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, 2018, 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, 2018; (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, 2018. Notwithstanding the criteria set forth in this subsection, the disposition of 2018-2020 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 identification of specific projects in a variety of areas of the state government cannot be ascertained with absolute certainty at this time, amounts are appropriated for specific purposes to projects which are not individually identified in this Act in the following areas: Kentucky Infrastructure Authority Water and Sewer projects; Repair of State-Owned Dams; Guaranteed Energy Savings Performance Contract projects; Wetland and Stream Mitigation projects; Flood Control projects; Bond-funded and Restricted Fund maintenance pools; Postsecondary Education pools; and Commonwealth Office of Technology Infrastructure Upgrades. Notwithstanding any statute to the contrary, projects estimated to cost over $1,000,000 and equipment estimated to cost over $200,000 shall be reported to the Capital Projects and Bond Oversight Committee.

(5) **Capital Construction and Equipment Purchase Contingency Account:** If funds in the Capital Construction and Equipment Purchase Contingency Account are not sufficient, then expenditures of the fund are to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

(6) **Emergency Repair, Maintenance, and Replacement Account:** If funds in the Emergency Repair, Maintenance, and Replacement Account are not sufficient, then expenditures of the fund are to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

A. GENERAL GOVERNMENT

Budget Units	**2018-19**	**2019-20**

1. DEPARTMENT OF VETERANS' AFFAIRS

001. Nurse Call System			
	Investment Income	1,550,000	-0-
002. Maintenance Pool - 2018-2020			
	Investment Income	400,000	400,000

003. Construct Bowling Green Veterans' Center Reauthorization ($19,500,000 Federal Funds and $10,500,000 Bond Funds)

(1) Reauthorization: The above project from 2017 Ky. Acts ch. 194, sec. 1 shall be reauthorized for the 2018-2020 fiscal biennium.

2. KENTUCKY INFRASTRUCTURE AUTHORITY

001. KIA Fund A - Federally Assisted Wastewater Program - 2018-2020		
Federal Funds	17,005,000	17,005,000
Bond Funds	3,401,000	3,401,000
Agency Bonds	30,000,000	-0-
TOTAL	50,406,000	20,406,000

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

002. KIA Fund F - Drinking Water Revolving Loan Program - 2018-2020		
Federal Funds	12,941,000	12,941,000
Bond Funds	2,588,000	2,588,000
Agency Bonds	30,000,000	-0-
TOTAL	45,529,000	15,529,000

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

3. MILITARY AFFAIRS

001. Construct Two AC 130 Hangars Bluegrass Station		
Other Funds	21,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

002.	Construct Industrial Building at Bluegrass Station		
	Other Funds	15,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.		
003.	Construct Multi-purpose Building Bluegrass Station		
	Other Funds	15,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.		
004.	Bluegrass Station Facility Maintenance Pool - 2018-2020		
	Restricted Funds	6,000,000	6,000,000
005.	Armory Modernization Pool - 2018-2020		
	Federal Funds	6,000,000	-0-
	Bond Funds	2,000,000	-0-
	TOTAL	8,000,000	-0-
006.	Construct Response Group Building KyANG Phase 1		
	Federal Funds	7,200,000	-0-
007.	Construct WHFRTC Qualification Training Range		
	Federal Funds	6,515,000	-0-
008.	Maintenance Pool - 2018-2020		
	Investment Income	1,000,000	1,000,000
009.	Install Solar Panels at Armories Statewide		
	Restricted Funds	413,000	-0-
	Federal Funds	1,238,000	-0-
	TOTAL	1,651,000	-0-
010.	Construct Addition Armory 4 Frankfort		
	Restricted Funds	300,000	-0-
	Federal Funds	902,000	-0-
	TOTAL	1,202,000	-0-
011.	Demolish Combined Support Maintenance Building		

	Federal Funds	825,000	-0-

012. Construct Structural Repairs Harrodsburg Armory Reauthorization ($330,000 Restricted Funds, $330,000 Federal Funds)

013. Construct Structural Repairs Walton Armory Reauthorization ($330,000 Restricted Funds, $330,000 Federal Funds)

014. Construct Building 352 - Bluegrass Station Reauthorization ($7,000,000 Other Funds)

4. ATTORNEY GENERAL

001. Franklin County - Lease

5. UNIFIED PROSECUTORIAL SYSTEM

a. Commonwealth's Attorneys

001. Jefferson County - Lease

6. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

a. Nursing

001. Jefferson County - Lease

7. KENTUCKY RIVER AUTHORITY

001. Design and Repair Lock and Dam 5

Restricted Funds	1,000,000	2,250,000

002. Design and Repair Dam 7 - Additional Reauthorization ($3,081,000 Agency Bonds)

Restricted Funds	779,000	-0-

003. Design and Repair Dam 6 - Additional Reauthorization ($2,299,000 Agency Bonds)

Restricted Funds	301,000	-0-

8. SCHOOL FACILITIES CONSTRUCTION COMMISSION

001. Offers of Assistance - 2016-2018

Bond Funds	58,000,000	-0-

002. School Facilities Construction Commission Reauthorization ($91,400,000 Bond Funds)

003. Special Offers of Assistance - 2018-2020			
Bond Funds		15,263,000	-0-
9. TEACHERS' RETIREMENT SYSTEM			
001. Pension Management System Modifications			
Restricted Funds		4,000,000	1,000,000

B. ECONOMIC DEVELOPMENT CABINET

(1) Economic Development Bond Issues: Before any economic development bonds are issued, the proposed bond issue shall be approved by the Secretary of the Finance and Administration Cabinet and the State Property and Buildings Commission under KRS 56.440 to 56.590. In addition to the terms and conditions of KRS 154.12-100, administration of the Economic Development Bond Program by the Secretary of the Cabinet for Economic Development is subject to the following guideline: project selection shall be documented when presented to the Secretary of the Finance and Administration Cabinet. Included in the documentation shall be the rationale for selection and expected economic development impact.

(2) Use of New Economy Funds: Notwithstanding KRS 154.12-100, 154.12-278(4) and (5), and 154.20-035, the Secretary of the Cabinet for Economic Development may use funds appropriated in the Economic Development Bond Program, High-Tech Construction/Investment Pool, and the Kentucky Economic Development Finance Authority Loan Pool interchangeably for economic development projects.

(3) Economic Development Projects: The Cabinet for Economic Development may use unobligated or uncommitted bonds that have been previously authorized in 2014 Ky. Acts ch. 117, Pt. II, B., 1. and 2016 Ky. Acts ch. 149, Pt. II, B., 1. for economic development projects in the 2018-2020 fiscal biennium.

C. DEPARTMENT OF EDUCATION

Budget Units	**2018-19**	**2019-20**
1. OPERATIONS AND SUPPORT SERVICES		
001. Maintenance Pool - 2018-2020		

	Investment Income	675,000	675,000
	D. EDUCATION AND WORKFORCE DEVELOPMENT CABINET		
Budget Units		**2018-19**	**2019-20**
1.	**GENERAL ADMINISTRATION AND PROGRAM SUPPORT**		
	001. Maintenance Pool - 2018-2020		
	Investment Income	400,000	400,000
2.	**KENTUCKY EDUCATIONAL TELEVISION**		
	001. Transmitter and Repack		
	Bond Funds	2,100,000	-0-
	002. Maintenance Pool - 2018-2020		
	Investment Income	300,000	300,000
3.	**LIBRARIES AND ARCHIVES**		
	a. General Operations		
	001. Franklin County - Lease		
4.	**EMPLOYMENT AND TRAINING**		
	001. Replace Unemployment Insurance System		
	Restricted Funds	5,440,000	5,000,000
	002. Hardin County - Lease		
	003. Kenton County - Lease		
	E. ENERGY AND ENVIRONMENT CABINET		
Budget Units		**2018-19**	**2019-20**
1.	**SECRETARY**		
	001. Maintenance Pool - 2018-2020		
	Investment Income	200,000	200,000
2.	**ENVIRONMENTAL PROTECTION**		
	001. State-Owned Dam Repair - 2018-2020		
	Bond Funds	10,000,000	-0-

F. FINANCE AND ADMINISTRATION CABINET

Budget Units	2018-19	2019-20
1. FACILITIES AND SUPPORT SERVICES		
001. L&N Building Security and Structural Upgrades		
Bond Funds	9,800,000	-0-
002. Maintenance Pool - 2018-2020		
Restricted Funds	2,000,000	2,000,000
Bond Funds	2,850,000	2,850,000
TOTAL	4,850,000	4,850,000
003. Upgrade Capitol Mechanical and Electrical System, Phase I		
Bond Funds	4,500,000	-0-
004. Emergency Generator Repair or Replacement, COT/CHR		
Bond Funds	2,600,000	-0-
005. Guaranteed Energy Savings Performance Contracts		
2. COMMONWEALTH OFFICE OF TECHNOLOGY		
(1) Transfer of Restricted Funds from Operating Budget: For the major equipment purchases displayed in this section funded from Restricted Funds, it is anticipated that these funds shall be transferred from the Operating Budget as funds are available and needed.		
001. Legacy System Retirement		
Bond Funds	10,000,000	10,000,000
002. Enterprise Infrastructure - 2018-2020		
Restricted Funds	4,000,000	4,000,000
003. Boone County - Lease		
004. Franklin County - Lease		
3. REVENUE		
001. Integrated Tax System		
Bond Funds	90,800,000	1,700,000

4.	**KENTUCKY LOTTERY CORPORATION**		
001.	IBM iSeries System Upgrades		
	Other Funds	-0-	2,400,000
002.	Data Processing, Telecommunications, and Related Equipment		
	Other Funds	-0-	1,000,000
003.	Enterprise Resource Planning Upgrade		
	Other Funds	700,000	-0-

G. HEALTH AND FAMILY SERVICES CABINET

Budget Units	**2018-19**	**2019-20**
1. **GENERAL ADMINISTRATION AND PROGRAM SUPPORT**		
001. Maintenance Pool - 2018-2020		
Bond Funds	2,375,000	2,375,000
002. Fayette County - Lease		
003. Clay County - Lease		
004. Greenup County - Lease		
005. Marshall County - Lease		
006. Muhlenberg County - Lease		
007. Perry County - Lease		
2. **HEALTH BENEFIT EXCHANGE**		
001. Franklin County - Lease		
3. **COMMISSION FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS**		
001. Jefferson County - Lease		
4. **BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES**		
001. HVAC System Replacement - Hazelwood		
Bond Funds	8,000,000	-0-

		002. Renovate/Replace Cottages - Oakwood, Phase I		
		Bond Funds	4,000,000	-0-
		003. Electrical and Telecommunications Upgrade - Western State Hospital, Phase II		
		Bond Funds	3,410,000	-0-
	5.	**PUBLIC HEALTH**		
		001. Scan and Image Historical Records		
		Restricted Funds	5,000,000	-0-
		002. Budget, Accounting, and Reporting System		
		Restricted Funds	4,220,000	-0-
		003. Vital Statistics Digitized System		
		Restricted Funds	2,700,000	-0-
		004. Electronic Health Record System		
		Restricted Funds	2,400,000	-0-
	6.	**INCOME SUPPORT**		
		001. Franklin County - Lease		
	7.	**COMMUNITY BASED SERVICES**		
		001. Boone County - Lease		
		002. Boyd County - Lease		
		003. Campbell County - Lease		
		004. Daviess County - Lease		
		005. Fayette County - Lease		
		006. Hardin County - Lease		
		007. Johnson County - Lease		
		008. Kenton County - Lease		
		009. Madison County - Lease		
		010. Shelby County - Lease		
		011. Warren County - Lease		

H. JUSTICE AND PUBLIC SAFETY CABINET

Budget Units	2018-19	2019-20
1. CRIMINAL JUSTICE TRAINING		
001. Maintenance Pool - 2018-2020		
Restricted Funds	3,559,000	3,000,000
2. JUVENILE JUSTICE		
001. Maintenance Pool - 2018-2020		
Investment Income	1,000,000	1,000,000
3. STATE POLICE		
001. Two-Way Radio System Replacement, Phase I		
Bond Funds	-0-	35,100,000
002. Laboratory Updates		
Restricted Funds	1,442,500	1,442,500
003. Maintenance Pool - 2018-2020		
Investment Income	750,000	750,000
4. CORRECTIONS		
a. Adult Correctional Institutions		
001. Maintenance Pool - 2018-2020		
Bond Funds	3,000,000	3,000,000
002. Replace Perimeter Fence, Kentucky State Reformatory		
Bond Funds	3,116,000	-0-

003. Demolish and Repair Tower Kentucky State Reformatory Reauthorization and Reallocation ($7,871,000 Bond Funds)

(1) Reauthorization and Reallocation: The above project is authorized from a reallocation of the projects set forth in 2016 Ky. Acts ch. 149, Part II, H., 4., a., 002. and 003..

b. Community Services and Local Facilities

001. Fayette County - Lease

5. PUBLIC ADVOCACY

001. Franklin County - Lease

002. Fayette County - Lease

I. LABOR CABINET

Budget Units	2018-19	2019-20
1. SECRETARY		
001. Claims Payment Management System		
Restricted Funds	1,418,000	1,042,000
002. Franklin County - Lease		
2. WORKERS' CLAIMS		
001. Franklin County - Lease		

J. POSTSECONDARY EDUCATION

Budget Units	2017-18	2018-19	2019-20
1. COUNCIL ON POSTSECONDARY EDUCATION			
001. Franklin County - Lease			
2. KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION			
001. Jefferson County - Lease			
3. EASTERN KENTUCKY UNIVERSITY			
001. Replace and Renovate Student Housing			
Other Funds	-0-	50,000,000	-0-
(1) Authorization: The above authorization is approved pursuant to KRS 45.763.			
002. Construct Regional Health Facility			
Federal Funds	-0-	15,000,000	-0-
003. Construct Alumni and Welcome Center			
Other Funds	-0-	13,000,000	-0-
004. Campus Data Network Pool			
Restricted Funds	-0-	5,000,000	5,000,000

005. Miscellaneous Maintenance Pool - 2018-2020			
Restricted Funds	-0-	5,000,000	5,000,000
006. Renovate Mechanical Systems Pool			
Restricted Funds	-0-	5,000,000	5,000,000
007. Academic Computing Pool			
Restricted Funds	-0-	4,000,000	4,000,000
008. Improve Campus Pedestrian, Parking, and Transport			
Restricted Funds	-0-	12,000,000	-0-
Agency Bonds	-0-	15,000,000	-0-
Other Funds	-0-	3,000,000	-0-
TOTAL	-0-	30,000,000	-0-
009. Upgrade and Improve Residence Halls			
Restricted Funds	-0-	5,000,000	3,000,000
010. Scientific and Research Equipment Pool			
Restricted Funds	-0-	3,000,000	-0-
Federal Funds	-0-	2,200,000	-0-
Other Funds	-0-	2,200,000	-0-
TOTAL	-0-	7,400,000	-0-
011. Administrative Computing Pool			
Restricted Funds	-0-	3,250,000	3,250,000
012. Aviation Acquisition			
Restricted Funds	-0-	5,000,000	-0-
013. Innovation and Commercialization Pool			
Restricted Funds	-0-	5,000,000	-0-
Other Funds	-0-	10,000,000	-0-
TOTAL	-0-	15,000,000	-0-
014. Repair/Replace Infrastructure/Building Systems			

Restricted Funds	-0-	5,000,000	-0-
015. Construct EKU Early Childhood Center			
Restricted Funds	-0-	4,200,000	-0-
016. Renovate Women's Softball and Soccer Complex			
Other Funds	-0-	3,000,000	-0-
017. Upgrade and Improve Athletics Facilities			
Restricted Funds	-0-	3,000,000	-0-
018. Construct Student Health Center			
Other Funds	-0-	2,705,000	-0-
019. Chemistry and Translational Research Pool			
Restricted Funds	-0-	675,000	-0-
Other Funds	-0-	350,000	-0-
TOTAL	-0-	1,025,000	-0-
020. Natural Areas Improvement Pool			
Restricted Funds	-0-	825,000	-0-
021. Guaranteed Energy Savings Performance Contracts			
022. Lease - Aviation			
023. New Housing Space - Lease			
024. Madison County - Student Housing - Lease			
025. Construct New Model Laboratory School			
Agency Bonds	-0-	45,000,000	-0-
026. Comprehensive Aviation Expansion			
Restricted Funds	-0-	10,000,000	-0-
027. Campus Infrastructure Upgrade			
Other Funds	-0-	35,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

028. Renovate Moore-Memorial-Roark Building

	Agency Bonds	-0-	40,000,000	-0-
029.	Renovate and Upgrade Heat Plant			
	Restricted Funds	-0-	5,500,000	-0-
030.	Upgrade Steam Lines			
	Other Funds	-0-	10,000,000	-0-
031.	Property Acquisitions Pool			
	Restricted Funds	-0-	3,000,000	-0-
	Other Funds	-0-	3,000,000	-0-
	TOTAL	-0-	6,000,000	-0-
032.	Madison County Land Lease			

4. KENTUCKY STATE UNIVERSITY

001.	Renovation and Renewal Education and General Projects Pool			
	Agency Bonds	-0-	5,950,000	-0-
002.	Replace Enterprise Resource Planning System			
	Restricted Funds	-0-	5,000,000	-0-
003.	Upgrade Information Technology Infrastructure 2018-2020			
	Restricted Funds	-0-	5,000,000	-0-
004.	Expand Campus Communications Infrastructure			
	Restricted Funds	-0-	2,354,000	-0-
005.	Repair Boilers and Aging Distribution Lines - Phase II			
	Agency Bonds	-0-	11,410,000	-0-
006.	Develop Campus Master Plan			
	Agency Bonds	-0-	250,000	-0-
007.	Emergency Security System			
	Restricted Funds	-0-	254,000	-0-

5. MOREHEAD STATE UNIVERSITY

001. Construct University Welcome Center/Alumni House

	Restricted Funds	-0-	1,927,000	-0-
	Other Funds	-0-	6,000,000	-0-
	TOTAL	-0-	7,927,000	-0-

002. Capital Renewal and Maintenance Pool E&G

Restricted Funds	-0-	3,100,000	3,100,000

003. Upgrade Instructional PCs/LANS/Peripherals

Restricted Funds	-0-	4,000,000	-0-

004. Renovate Howell-McDowell

Restricted Funds	-0-	3,985,000	-0-

005. Capital Renewal and Maintenance Pool - Auxiliary

Restricted Funds	-0-	3,961,000	-0-

006. Comply with ADA - E&G

Restricted Funds	-0-	3,837,000	-0-

007. Renovate Alumni Tower Ground Floor

Restricted Funds	-0-	3,812,000	-0-

008. Reconstruct Central Campus

Restricted Funds	-0-	3,075,000	-0-

009. Replace Exterior Precast Panels - Nunn Hall

Restricted Funds	-0-	3,075,000	-0-

010. Enhance Network/Infrastructure Resources - Additional Reauthorization ($8,945,000 Restricted Funds)

Restricted Funds	-0-	3,000,000	-0-

011. Upgrade Administrative Office Systems

Restricted Funds	-0-	3,000,000	-0-

012. Renovate Third Street Eats

Restricted Funds	-0-	2,982,000	-0-

013. Construct New Volleyball Facility - Phase 2

	Restricted Funds	-0-	2,761,000	-0-
014.	Upgrade Campus Fire and Security Systems			
	Restricted Funds	-0-	2,670,000	-0-
015.	Comply with ADA - Auxiliary			
	Restricted Funds	-0-	1,991,000	-0-
016.	Construct Kentucky Center for Traditional Music Phase II			
	Restricted Funds	-0-	1,975,000	-0-
017.	Water Plant Sediment Basin			
	Restricted Funds	-0-	1,880,000	-0-
018.	Replace Electrical Switchgear B			
	Restricted Funds	-0-	1,845,000	-0-
019.	Enhance Library Automation Resources			
	Restricted Funds	-0-	1,539,000	-0-
020.	Capital Renewal and Maintenance Pool - University Farm			
	Restricted Funds	-0-	1,209,000	-0-
021.	Replace Turf on Jacobs Field			
	Restricted Funds	-0-	1,060,000	-0-

022. Guaranteed Energy Savings Performance Contracts

023. Renovate Cartmell Residence Hall Reauthorization ($15,200,000 Agency Bonds)

6. MURRAY STATE UNIVERSITY

001. Construct Sorority Suites - Additional Reauthorization ($13,500,000 Other Funds)

Other Funds	-0-	19,700,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

002. Construct Residential Suite-Style Housing-Additional Reauthorization ($20,000,000 Other Funds)

Other Funds	-0-	13,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

003. Provide Alternate Dining Facility - Additional Reauthorization ($4,000,000 Other Funds)

Other Funds	-0-	8,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

004. Renovate Winslow Cafeteria

Restricted Funds	-0-	4,673,000	-0-

005. Replace Campus Communications Infrastructure

Restricted Funds	-0-	4,640,000	-0-

006. College of Science Instructional/Research Equipment Pool

Restricted Funds	-0-	3,500,000	-0-

007. Demolish Woods Hall

Restricted Funds	-0-	2,364,000	-0-

008. Renovate White Hall HVAC System

Restricted Funds	-0-	2,130,000	-0-

009. Install Solar Panels and/or Geothermal Power

Restricted Funds	-0-	2,054,000	-0-

010. Construct Student Meeting Buildings

Restricted Funds	-0-	2,000,000	-0-

011. Repairs of Biology Building

Restricted Funds	-0-	2,000,000	-0-

012. Renovate White Hall Interior

Restricted Funds	-0-	1,601,000	-0-

013. Install CFSB Center Generator

Restricted Funds	-0-	1,541,000	-0-

014. Replace CFSB Center Seating

Restricted Funds	-0-	1,541,000	-0-

015. Renovate Regents Hall Electrical System

Restricted Funds	-0-	1,486,000	-0-

016. Renovate White Hall Electrical System

Restricted Funds	-0-	1,373,000	-0-

017. Renovate Hart Hall Electrical System

Restricted Funds	-0-	1,321,000	-0-

018. Replace White Hall Domestic Water Piping

Restricted Funds	-0-	1,143,000	-0-

019. Agriculture Instructional Laboratory and Technology Equipment

Restricted Funds	-0-	800,000	-0-

020. Broadcasting Education Laboratory Equipment

Restricted Funds	-0-	225,000	-0-

021. Provide Bookstore - Additional Reauthorization ($8,000,000 Other Funds)

Other Funds	-0-	216,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

022. Renovate White Hall Reauthorization ($16,299,000 Agency Bonds)

023. Complete ADA Compliance Pool - Housing and Dining Reauthorization ($1,957,000 Agency Bonds)

024. Guaranteed Energy Savings Performance Contracts

025. Campus Electrical Grid Upgrade

Restricted Funds	-0-	17,000,000	-0-

026. Campus Steam Distribution System Replacement

Restricted Funds	-0-	8,000,000	-0-

027. Building Systems Pooled Projects Replacements/Repairs

Restricted Funds	-0-	7,000,000	-0-

7. NORTHERN KENTUCKY UNIVERSITY

001. Renovate Albright Health Center Phase II

Restricted Funds	10,500,000	-0-	-0-

	Other Funds	6,000,000	-0-	-0-
	TOTAL	16,500,000	-0-	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

002. Construct Basketball Practice Facility

Other Funds	-0-	16,000,000	-0-
TOTAL	-0-	16,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

003. Renew E&G Building Systems Projects Pool

Restricted Funds	-0-	20,000,000	-0-

004. Enhance Softball and Tennis Complex

Other Funds	-0-	6,500,000	-0-

005. Renovate/Expand Baseball Field

Other Funds	-0-	6,000,000	-0-

006. Renovate Brown Building

Restricted Funds	-0-	3,000,000	-0-
Other Funds	-0-	1,500,000	-0-
TOTAL	-0-	4,500,000	-0-

007. Replace Water and Sewer Mains

Restricted Funds	-0-	3,900,000	-0-

008. New Generation Digital Campus

Restricted Funds	-0-	3,000,000	-0-

009. Replace Underground Gas Mains

Restricted Funds	-0-	2,500,000	-0-

010. Replace Soccer Stadium Turf

Other Funds	-0-	1,000,000	-0-

011. Upgrade Infrastructure for Administrative Systems - Additional Reauthorization ($1,500,000 Restricted Funds)

Restricted Funds	-0-	500,000	-0-

012. Campus Telecommunications Upgrade Reauthorization ($1,500,000 Restricted Funds)

013. Enhance/Upgrade Cyber Security System Reauthorization ($1,500,000 Restricted Funds)

014. Scientific/Technology Equipment Pool Reauthorization ($5,000,000 Restricted Funds)

015. Upgrade Instructional Technology Pool Reauthorization ($3,500,000 Restricted Funds)

016. Academic and Office Space - Lease

017. Guaranteed Energy Savings Performance Contracts

018. Renew/Renovate Fine Arts Center Phase II

Restricted Funds	-0-	45,000,000	-0-
Other Funds	-0-	5,000,000	-0-
TOTAL	-0-	50,000,000	-0-

019. Renew Nunn Hall

Restricted Funds	-0-	12,000,000	-0-

020. Repair Structural Heaving Landrum/Fine Arts

Restricted Funds	-0-	7,000,000	-0-

021. Renovate Campbell Hall

Restricted Funds	-0-	6,000,000	-0-

022. Renovate/Replace/Expand Civic Center Building

Restricted Funds	-0-	6,000,000	-0-
Other Funds	-0-	6,000,000	-0-
TOTAL	-0-	12,000,000	-0-

023. Renew/Renovate Steely Library

Restricted Funds	-0-	37,000,000	-0-

024. Expand Herrmann Science Center			
Restricted Funds	-0-	92,000,000	-0-
025. Renew Kenton Garage			
Agency Bonds	-0-	2,400,000	-0-
Other Funds	-0-	2,400,000	-0-
TOTAL	-0-	4,800,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

026. Construct/Acquire New Residence Hall 2016-2018 - Additional Reauthorization ($28,500,000 Agency Bonds)

Agency Bonds	-0-	12,000,000	-0-
027. Reconstruct West Side Parking			
Agency Bonds	-0-	7,000,000	-0-
Other Funds	-0-	7,000,000	-0-
TOTAL	-0-	14,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

028. Construct Research/Innovation Building

Other Funds	-0-	30,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

8. UNIVERSITY OF KENTUCKY

001. Improve Clinical/Ambulatory Service Pool - Additional Reauthorization ($50,000,000 Restricted Funds)

Restricted Funds	-0-	50,000,000	-0-
Other Funds	-0-	50,000,000	-0-
TOTAL	-0-	100,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

002. Improve UK HealthCare Facilities

Restricted Funds	-0-	310,000,000	-0-

003. Construct Greek Housing			
Restricted Funds	-0-	36,000,000	-0-
Other Funds	-0-	36,000,000	-0-
TOTAL	-0-	72,000,000	-0-
004. Improve Memorial Coliseum			
Other Funds	-0-	30,000,000	-0-
005. Expand/Renovate/Improve Wildcat Coal Lodge			
Other Funds	-0-	21,000,000	-0-
006. Capital Renewal Maintenance Pool - 2018-2020			
Restricted Funds	-0-	20,000,000	-0-
007. Construct Agriculture Research Facility 1			
Restricted Funds	-0-	20,000,000	-0-
008. Construct/Expand/Renovate Ambulatory Care - UK HealthCare			
Restricted Funds	-0-	20,000,000	-0-
009. Expand/Improve Lexington Theological Seminary Facility			
Restricted Funds	-0-	20,000,000	-0-
010. Improve Building Systems - UK HealthCare - Good Samaritan			
Restricted Funds	-0-	20,000,000	-0-
011. Improve Center for Applied Energy Research Facilities			
Restricted Funds	-0-	20,000,000	-0-
012. Improve UK HealthCare IT Systems			
Restricted Funds	-0-	20,000,000	-0-
013. Improve Markey Cancer Center			
Restricted Funds	-0-	20,000,000	-0-
014. Improve Pence Hall			
Restricted Funds	-0-	20,000,000	-0-
015. Improve Moloney Building			

	Restricted Funds	-0-	17,000,000	-0-
016.	Renovate/Upgrade Academic Facility 1			
	Restricted Funds	-0-	16,000,000	-0-
017.	Renovate/Upgrade Academic Facility 2			
	Restricted Funds	-0-	16,000,000	-0-
018.	Acquire Data Center Hardware			
	Restricted Funds	-0-	15,000,000	-0-
019.	Construct Library Depository Facility			
	Restricted Funds	-0-	15,000,000	-0-
020.	Construct/Improve Clinical/Administrative Facilities - UK HealthCare			
	Restricted Funds	-0-	15,000,000	-0-
021.	Construct/Improve Recreation Quad			
	Restricted Funds	-0-	15,000,000	-0-
022.	Improve Life Safety			
	Restricted Funds	-0-	15,000,000	-0-
023.	Improve Spindletop Hall Facilities			
	Restricted Funds	-0-	15,000,000	-0-
024.	Improve Student Center Space 1			
	Restricted Funds	-0-	15,000,000	-0-
025.	Improve Student Center Space 2			
	Restricted Funds	-0-	15,000,000	-0-
026.	Upgrade Dining Facilities - Additional Reauthorization ($70,000,000 Other Funds)			
	Other Funds	-0-	15,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
027.	Design Library - Knowledge Center			
	Restricted Funds	-0-	14,000,000	-0-
028.	Improve Memorial Hall			

	Restricted Funds	-0-	13,000,000	-0-
029.	Expand Patterson Hall			
	Restricted Funds	-0-	12,000,000	-0-
030.	Expand/Renovate Storage Facility			
	Restricted Funds	-0-	12,000,000	-0-
031.	Improve Medical Center Library			
	Restricted Funds	-0-	12,000,000	-0-
032.	Improve Synthetic Field			
	Other Funds	-0-	12,000,000	-0-
033.	Renovate/Upgrade Medical Facility			
	Restricted Funds	-0-	12,000,000	-0-
034.	Construct Equine Campus - Phase II			
	Restricted Funds	-0-	11,000,000	-0-
035.	Renovate Frazee Hall			
	Restricted Funds	-0-	11,000,000	-0-
036.	Acquire Telemedicine/Virtual ICU			
	Restricted Funds	-0-	10,000,000	-0-
037.	Acquire/Improve Senior Center			
	Restricted Funds	-0-	10,000,000	-0-
038.	Acquire/Renovate Administrative Facility 1			
	Restricted Funds	-0-	10,000,000	-0-
039.	Acquire/Renovate Administrative Facility 2			
	Restricted Funds	-0-	10,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

040.	Acquire/Upgrade IT System - UK HealthCare			
	Restricted Funds	-0-	10,000,000	-0-
041.	Construct Agriculture Machine Research Laboratory			

Restricted Funds	-0-	10,000,000	-0-

042. Construct Agriculture Research Facility 2

Restricted Funds	-0-	10,000,000	-0-

043. Construct Childcare Center Facility

Restricted Funds	-0-	10,000,000	-0-

044. Construct Fit-Up Retail Space

Other Funds	-0-	10,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

045. Construct/Renovate Gymnastic Practice Facility

Other Funds	-0-	10,000,000	-0-

046. Decommission Facilities

Restricted Funds	-0-	10,000,000	-0-
Other Funds	-0-	20,000,000	-0-
TOTAL	-0-	30,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

047. Fit-Up Academic/Administrative Space 1

Restricted Funds	-0-	10,000,000	-0-

048. Fit-Up Academic/Administrative Space 2

Restricted Funds	-0-	10,000,000	-0-

049. Implement Patient Communication System - UK HealthCare

Restricted Funds	-0-	10,000,000	-0-

050. Improve Building Electrical Systems

Restricted Funds	-0-	10,000,000	-0-

051. Improve Dentistry Facility

Restricted Funds	-0-	10,000,000	-0-

052. Improve DLAR Facilities

Restricted Funds	-0-	10,000,000	-0-

053. Lease - Purchase Campus Infrastructure			
Restricted Funds	-0-	10,000,000	-0-
054. Lease - Purchase Campus IT Systems			
Restricted Funds	-0-	10,000,000	-0-
055. Renovate/Upgrade Academic/Administrative Space 1			
Restricted Funds	-0-	10,000,000	-0-
056. Renovate/Upgrade Academic/Administrative Space 2			
Restricted Funds	-0-	10,000,000	-0-
057. Renovate/Upgrade Academic/Administrative Space 3			
Restricted Funds	-0-	10,000,000	-0-
058. Renovate/Upgrade Academic/Administrative Space 4			
Restricted Funds	-0-	10,000,000	-0-
059. Renovate/Upgrade Academic/Administrative Space 5			
Restricted Funds	-0-	10,000,000	-0-
060. Construct/Renovate Space for Rifle Team			
Other Funds	-0-	9,000,000	-0-
061. Improve Carnahan House			
Restricted Funds	-0-	8,000,000	-0-
062. Lease - Purchase High Performance Computer			
Restricted Funds	-0-	7,000,000	-0-
063. Renovate Multi-Disciplinary Science Building			
Restricted Funds	-0-	7,000,000	-0-
064. Renovate Nursing Units - UK HealthCare			
Restricted Funds	-0-	7,000,000	-0-
065. Acquire/Renovate Golf Facility			
Other Funds	-0-	6,000,000	-0-
066. College of Medicine - Furnishings and Equipment Pool			

	Restricted Funds	-0-	6,000,000	-0-
067.	Construct Agriculture Showcase and Sales			
	Restricted Funds	-0-	6,000,000	-0-
068.	Construct Transit Center			
	Restricted Funds	-0-	6,000,000	-0-
069.	Expand Kentucky Geological Survey Well Sample and Core Repository			
	Restricted Funds	-0-	6,000,000	-0-
070.	Improve Anderson Tower			
	Restricted Funds	-0-	6,000,000	-0-
071.	Improve Athletics Facility 1			
	Other Funds	-0-	6,000,000	-0-
072.	Improve Football Stadium			
	Other Funds	-0-	6,000,000	-0-
073.	Improve Seaton Center			
	Restricted Funds	-0-	6,000,000	-0-
074.	Renovate Mineral Industries Building			
	Restricted Funds	-0-	6,000,000	-0-
075.	Upgrade/Expand Campus Security Platform			
	Restricted Funds	-0-	6,000,000	-0-
076.	Acquire Equipment/Furnishings Pool			
	Other Funds	-0-	5,000,000	-0-
077.	ADA Compliance Pool			
	Restricted Funds	-0-	5,000,000	-0-
078.	Construct Hospice Facility - UK HealthCare			
	Restricted Funds	-0-	5,000,000	-0-
079.	Construct and Fit-Up Retail Space			
	Other Funds	-0-	10,000,000	-0-

080. Construct/Improve Campus Recreation Field 1			
Restricted Funds	-0-	5,000,000	-0-
081. Construct/Improve Campus Recreation Field 2			
Restricted Funds	-0-	5,000,000	-0-
082. Construct/Improve Campus Recreation Field 3			
Restricted Funds	-0-	5,000,000	-0-
083. Improve Athletics Facility 2			
Other Funds	-0-	5,000,000	-0-
084. Improve Baseball Facility			
Other Funds	-0-	5,000,000	-0-
085. Improve Elevator Systems			
Restricted Funds	-0-	5,000,000	-0-
086. Improve Joe Craft Center			
Other Funds	-0-	5,000,000	-0-
087. Improve W.T. Young Facility			
Restricted Funds	-0-	5,000,000	-0-
088. Lease - Purchase Campus Call Center System			
Restricted Funds	-0-	5,000,000	-0-
089. Lease - Purchase Network Security			
Restricted Funds	-0-	5,000,000	-0-
090. Renovate King Library			
Restricted Funds	-0-	5,000,000	-0-
091. Renovate Nutter Facility			
Other Funds	-0-	5,000,000	-0-
092. Renovate Warehouse Space			
Restricted Funds	-0-	5,000,000	-0-
093. Expand/Improve Cooper House			

	Restricted Funds	-0-	4,000,000	-0-
094.	Improve Football Practice Facility			
	Other Funds	-0-	4,000,000	-0-
095.	Improve Sturgill Development Building			
	Restricted Funds	-0-	4,000,000	-0-
096.	Improve/Upgrade Campus Communications Infrastructure			
	Restricted Funds	-0-	4,000,000	-0-
097.	Repair/Replace Campus Cable Infrastructure			
	Restricted Funds	-0-	4,000,000	-0-
098.	Relocate Motor Pool			
	Restricted Funds	-0-	3,500,000	-0-
099.	Construct Cross Country Trail			
	Other Funds	-0-	3,000,000	-0-
100.	Improve Enterprise Networking 1			
	Restricted Funds	-0-	3,000,000	-0-
101.	Improve Enterprise Networking 2			
	Restricted Funds	-0-	3,000,000	-0-
102.	Improve UK Radio Communications System			
	Restricted Funds	-0-	3,000,000	-0-
103.	Lease - Purchase Voice Infrastructure			
	Restricted Funds	-0-	3,000,000	-0-
104.	Relocate/Replace Greenhouses			
	Restricted Funds	-0-	3,000,000	-0-
105.	Renovate Space for a Testing Center			
	Restricted Funds	-0-	3,000,000	-0-
106.	Renovate/Upgrade Athletics Playing Fields 1			
	Other Funds	-0-	3,000,000	-0-

107. Renovate/Upgrade Athletics Playing Fields 2			
Other Funds	-0-	3,000,000	-0-
108. Construct North Farm Agriculture Research Facility			
Restricted Funds	-0-	2,000,000	-0-
109. Improve Administrative and Support Space			
Restricted Funds	-0-	2,000,000	-0-
110. Improve Building Systems - UK HealthCare			
Restricted Funds	-0-	20,000,000	-0-
111. Purchase Transport Buses			
Restricted Funds	-0-	2,000,000	-0-
112. Renovate Dickey Hall			
Restricted Funds	-0-	2,000,000	-0-
113. Renovate Nursing Building			
Restricted Funds	-0-	2,000,000	-0-
114. Purchase Parking Access Equipment			
Restricted Funds	-0-	1,500,000	-0-
115. UK Mobile Communication Center			
Restricted Funds	-0-	400,000	-0-
116. Construct Student Housing Pool Reauthorization ($100,000,000 Other Funds, $50,000,000 Restricted Funds)			
Restricted Funds	-0-	50,000,000	-0-
Other Funds	-0-	100,000,000	-0-
TOTAL	-0-	150,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

117. Guaranteed Energy Savings Performance Contracts			
Restricted Funds	-0-	1,000,000	-0-
118. Guaranteed Energy Savings Performance Contracts - UK HealthCare			

	Restricted Funds	-0-	1,000,000	-0-

119. Lease - Administrative Space

120. Lease - College of Medicine 1

121. Lease - College of Medicine 2

122. Lease - College of Medicine 3

123. Lease - College of Medicine 4

124. Lease - College of Medicine 5

125. Lease - College of Medicine 6

126. Lease - Good Samaritan - UK HealthCare

127. Lease - Grant Projects 1

128. Lease - Grant Projects 2

129. Lease - Grant Projects 3

130. Lease - Health Affairs Office

131. Lease - Health Affairs Office 10

132. Lease - Health Affairs Office 11

133. Lease - Health Affairs Office 12

134. Lease - Health Affairs Office 13

135. Lease - Health Affairs Office 14

136. Lease - Health Affairs Office 15

137. Lease - Health Affairs Office 2

138. Lease - Health Affairs Office 3

139. Lease - Health Affairs Office 4

140. Lease - Health Affairs Office 5

141. Lease - Health Affairs Office 6

142. Lease - Health Affairs Office 7

143. Lease - Health Affairs Office 8

144. Lease - Health Affairs Office 9

145. Lease - Off Campus 1
146. Lease - Off Campus 2
147. Lease - Off Campus 3
148. Lease - Off Campus 4
149. Lease - Off Campus 5
150. Lease - Off Campus 6
151. Lease - Off Campus 7
152. Lease - Off Campus 8
153. Lease - Off Campus 9
154. Lease - Off Campus 10
155. Lease - Off Campus 11
156. Lease - Off Campus 12
157. Lease - Off Campus 13
158. Lease - Off Campus Athletics 1
159. Lease - Off Campus Athletics 2
160. Lease - Off Campus Housing 1
161. Lease - Off Campus Housing 2
162. Lease - Rural Health Expansion - Perry County
163. Lease - UK HealthCare Grant Project 1
164. Lease - UK HealthCare Grant Project 2
165. Lease - UK HealthCare Off Campus Facility 1
166. Lease - UK HealthCare Off Campus Facility 2
167. Lease - UK HealthCare Off Campus Facility 3
168. Lease - UK HealthCare Off Campus Facility 4
169. Lease - UK HealthCare Off Campus Facility 5
170. Lease - UK HealthCare Off Campus Facility 6
171. Lease - UK HealthCare Off Campus Facility 7

172. Lease - UK HealthCare Off Campus Facility 8

173. Lease - UK HealthCare Off Campus Facility 9

174. Lease - UK HealthCare Off Campus Facility 10

175. Lease - UK HealthCare Off Campus Facility 11

176. Lease - UK HealthCare Off Campus Facility 12

177. Renew/Modernize Facilities

Restricted Funds	-0-	125,000,000	-0-
Agency Bonds	-0-	125,000,000	-0-
TOTAL	-0-	250,000,000	-0-

178. Renovate/Upgrade HealthCare Facilities

Agency Bonds	-0-	75,000,000	-0-

179. Construct Digital Village Building #3

Restricted Funds	-0-	55,000,000	-0-
Other Funds	-0-	55,000,000	-0-
TOTAL	-0-	110,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

180. Construct Engineering Center Building

Restricted Funds	-0-	110,000,000	-0-

181. Construct Housing

Agency Bonds	-0-	50,000,000	-0-

182. Acquire/Renovate Housing

Restricted Funds	-0-	40,000,000	-0-
Other Funds	-0-	35,000,000	-0-
TOTAL	-0-	75,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

183. Renovate/Improve Housing

Agency Bonds	-0-	50,000,000	-0-

184. Renovate Chemistry/Physics Building			
Restricted Funds	-0-	54,000,000	-0-
185. Upgrade/Renovate/Expand Research Labs			
Restricted Funds	-0-	50,000,000	-0-
186. Construct Retail/Parking Facility 1			
Other Funds	-0-	75,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

187. Construct Tennis Facility			
Other Funds	-0-	35,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

188. Improve Funkhouser Building			
Restricted Funds	-0-	60,000,000	-0-
189. Repair/Upgrade/Expand Central Plants			
Restricted Funds	-0-	112,000,000	-0-
190. Improve McVey Hall			
Restricted Funds	-0-	35,000,000	-0-
191. Improve Barnhart Building			
Restricted Funds	-0-	34,000,000	-0-
192. Improve Jacobs Science Bldg.			
Restricted Funds	-0-	32,000,000	-0-
193. Expand/Improve Kastle Hall			
Restricted Funds	-0-	43,000,000	-0-
194. Renovate Campus Core Quadrangle Facilities			
Restricted Funds	-0-	52,000,000	-0-
195. Improve Reynolds Building 1			
Restricted Funds	-0-	52,000,000	-0-
Other Funds	-0-	52,000,000	-0-

	TOTAL	-0-	104,000,000	-0-

(1) Authorization: The above authorization is approved pursuant to KRS 45.763.

196.	Renovate Taylor Education Building			
	Restricted Funds	-0-	40,000,000	-0-
197.	Construct School of Music Instrumental Hall			
	Restricted Funds	-0-	30,000,000	-0-
198.	Expand/Improve Johnson Center			
	Restricted Funds	-0-	30,000,000	-0-
199.	Improve Grehan Building			
	Restricted Funds	-0-	23,000,000	-0-
200.	Improve Scovell Hall			
	Restricted Funds	-0-	40,000,000	-0-
201.	Research Equipment Replacement			
	Restricted Funds	-0-	30,000,000	-0-
202.	Acquire Land			
	Restricted Funds	-0-	50,000,000	-0-
203.	Construct New Alumni Center			
	Other Funds	-0-	38,000,000	-0-
204.	Improve Coldstream Research Campus			
	Restricted Funds	-0-	40,000,000	-0-
205.	Construct/Improve Facilities Office Building			
	Restricted Funds	-0-	55,000,000	-0-
206.	Construct Facilities Shops & Storage Facility			
	Restricted Funds	-0-	27,000,000	-0-
207.	Improve Campus Parking and Transportation System			
	Restricted Funds	-0-	50,000,000	-0-
	Other Funds	-0-	100,000,000	-0-

TOTAL	-0-	150,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

208. Construct Retail/Parking Facility 2

Other Funds	-0-	75,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

209. Improve Parking Garage 2

Restricted Funds	-0-	30,000,000	-0-

210. Improve Parking Garage 1

Restricted Funds	-0-	30,000,000	-0-

211. Improve Civil/Site Infrastructure

Restricted Funds	-0-	25,000,000	-0-
Other Funds	-0-	25,000,000	-0-
TOTAL	-0-	50,000,000	-0-

(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

212. Improve Electrical Infrastructure

Restricted Funds	-0-	28,000,000	-0-

213. Improve Mechanical Infrastructure

Restricted Funds	-0-	26,000,000	-0-

214. Improve Building Mechanical Systems

Restricted Funds	-0-	35,000,000	-0-

215. Repair Emergency Infrastructure/Bldg. Systems

Restricted Funds	-0-	25,000,000	-0-

216. Improve Building Shell Systems

Restricted Funds	-0-	40,000,000	-0-

217. Construct Police Headquarters

Restricted Funds	-0-	27,000,000	-0-

218. Renovate/Upgrade Academic/Administrative Space

	Restricted Funds	-0-	25,000,000	-0-
219.	Construct Research/Incubator Facility			
	Other Funds	-0-	15,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
220.	Construct/Improve Recreation Quad 2			
	Other Funds	-0-	15,000,000	-0-
(1)	**Authorization:** The above authorization is approved pursuant to KRS 45.763.			
221.	Construct/Relocate Data Center			
	Restricted Funds	-0-	40,000,000	-0-
222.	Improve Wildcat Coal Lodge			
	Other Funds	-0-	4,000,000	-0-
223.	Replace UKHC IT Systems 2 (Administrative)			
	Restricted Funds	-0-	70,000,000	-0-
224.	Replace UKHC IT Systems 1			
	Restricted Funds	-0-	280,000,000	-0-
225.	Improve IT Systems - UKHC			
	Restricted Funds	-0-	130,000,000	-0-
226.	Improve Good Samaritan Hospital Facilities			
	Restricted Funds	-0-	25,000,000	-0-
227.	Improve Parking Structures			
	Restricted Funds	-0-	25,000,000	-0-
228.	Implement Land Use Plan - UKHC			
	Restricted Funds	-0-	20,000,000	-0-
229.	Construct Data Center - UKHC			
	Restricted Funds	-0-	45,000,000	-0-
230.	Construct Ambulatory Facility - UKHC			
	Restricted Funds	-0-	50,000,000	-0-

231. Acquire Hospital Facility				
Restricted Funds	-0-	250,000,000	-0-
232. Renovate/Upgrade Hospital Facility				
Restricted Funds	-0-	50,000,000	-0-
233. Improve HealthCare IT Systems 1				
Restricted Funds	-0-	50,000,000	-0-
234. Acquire Medical Facility 1				
Restricted Funds	-0-	50,000,000	-0-
235. Acquire Medical Facility 2				
Restricted Funds	-0-	25,000,000	-0-
236. Renovate/Upgrade Medical Facility 1				
Restricted Funds	-0-	25,000,000	-0-
237. Improve HealthCare IT Systems 2				
Restricted Funds	-0-	30,000,000	-0-
238. University of Kentucky HealthCare Disparities Initiative				
Bond Funds	-0-	20,000,000	20,000,000
9. UNIVERSITY OF LOUISVILLE				
001. Public/Private Partnership Residence Hall				
Other Funds	-0-	51,000,000	-0-
(1) Authorization: The above authorization is approved pursuant to KRS 45.763.				
002. Construct Speed School Utility Infrastructure Upgrade				
Restricted Funds	-0-	20,000,000	-0-
003. Renovate Health Sciences Center Instructional and Student Services Space				
Restricted Funds	-0-	20,000,000	-0-
004. Renovate and Expand J.B. Speed Building				
Restricted Funds	-0-	18,700,000	-0-

005. Construct Television Broadcast and Production Studio				
	Other Funds	-0-	10,000,000	-0-
006. Improve Housing Facilities Pool				
	Restricted Funds	-0-	10,000,000	-0-
007. Renovate Chemistry Fume Hood Redesign - Phase II				
	Restricted Funds	-0-	9,750,000	-0-
008. Expand Jim Patterson Stadium				
	Other Funds	-0-	9,500,000	-0-
009. Purchase Networking System				
	Restricted Funds	-0-	8,000,000	-0-
010. Construct Athletics Office Building				
	Other Funds	-0-	7,500,000	-0-
011. Purchase Research Computing Infrastructure				
	Restricted Funds	-0-	7,000,000	-0-
012. Replace Papa John's Stadium Seats				
	Other Funds	-0-	5,460,000	-0-
013. Construct Belknap Stormwater Improvements				
	Restricted Funds	-0-	5,000,000	-0-
014. Regional Biocontainment Laboratory Pressurization Upgrade				
	Restricted Funds	-0-	5,000,000	-0-
015. Renovate Vivarium Facilities				
	Restricted Funds	-0-	5,000,000	-0-
016. Expand Auto Book Storage and Retrieval System				
	Restricted Funds	-0-	4,900,000	-0-
017. Purchase Content Management System				
	Restricted Funds	-0-	4,000,000	-0-
018. Renovate Parking Structures				

	Restricted Funds	-0-	3,600,000	-0-
019.	Purchase Fiber Instructure			
	Restricted Funds	-0-	3,500,000	-0-
020.	Purchase Security and Firewall Infrastructure			
	Restricted Funds	-0-	3,000,000	-0-
021.	Replace Parking Services Hardware and Software			
	Restricted Funds	-0-	2,600,000	-0-
022.	Renovate Flexner Way Mall			
	Restricted Funds	-0-	2,500,000	-0-
023.	Resurface and Repair Parking Lots			
	Restricted Funds	-0-	2,500,000	-0-
024.	Renovate Chemistry Teaching Laboratories and Auditorium			
	Restricted Funds	-0-	2,200,000	-0-
025.	Construct Belknap 3rd Street Improvements			
	Restricted Funds	-0-	2,180,000	-0-
026.	Purchase Computer Processing System and Storage			
	Restricted Funds	-0-	2,000,000	-0-
027.	Purchase Identity Management Solution			
	Restricted Funds	-0-	2,000,000	-0-
028.	Renovate Belknap Physical Plant Building			
	Restricted Funds	-0-	2,000,000	-0-
029.	Renovate College of Business Classrooms			
	Restricted Funds	-0-	2,000,000	-0-
030.	Renovate Kosair Charities Pediatric Center			
	Restricted Funds	-0-	2,000,000	-0-
031.	Replace Electronic Video Boards			
	Other Funds	-0-	2,000,000	-0-

032. Construct College of Business Courtyard and Café			
Restricted Funds	-0-	1,800,000	-0-
033. Construct Plant-Based Pharmaceutical Research Facility			
Restricted Funds	-0-	1,700,000	-0-
034. Construct Athletic Grounds Building			
Other Funds	-0-	1,550,000	-0-
035. Renovate Life Sciences Building Vivarium			
Restricted Funds	-0-	1,500,000	-0-
036. Renovate Miller Hall Infrastructure			
Restricted Funds	-0-	1,500,000	-0-
037. Renovate Threlkeld Hall Infrastructure			
Restricted Funds	-0-	1,500,000	-0-
038. New Football Practice Field Lighting			
Other Funds	-0-	1,330,000	-0-
039. Construct Belknap Century Corridor Improvement			
Restricted Funds	-0-	1,250,000	-0-
040. Replace Artificial Turf Field III			
Other Funds	-0-	1,250,000	-0-
041. Replace Artificial Turf Field IV			
Other Funds	-0-	1,250,000	-0-
042. Construct Artificial Turf Field for Intramurals			
Restricted Funds	-0-	1,215,000	-0-
043. Construct Athletic Equipment and Apparel Storage Facility			
Other Funds	-0-	1,200,000	-0-
044. Renovate College of Business Green Roof			
Restricted Funds	-0-	1,150,000	-0-
045. Academic Space 1 - Lease			

046. Academic Space 2 - Lease

047. Housing 1 - Lease

048. Housing 2 - Lease

049. Housing 3 - Lease

050. Housing 4 - Lease

051. Jefferson County - Clinic Space 1 - Lease

052. Jefferson County - Clinic Space 2 - Lease

053. Jefferson County - Clinic Space 3 - Lease

054. Clinic Space - State of Kentucky - Lease

055. Jefferson County - Office Space 1 - Lease

056. Jefferson County - Office Space 2 - Lease

057. Jefferson County - Office Space 3 - Lease

058. Jefferson County - Office Space 4 - Lease

059. Medical Center One - Lease

060. Medical Center One - 2 - Lease

061. Nucleus 1 Building - Lease

062. Nucleus 1 Building - 2 - Lease

063. Master of Fine Arts - Lease

064. University Pointe and Cardinal Towne - Lease

065. Arthur Street - Lease

066. Support Space 1 - Lease

067. Guaranteed Energy Savings Performance Contracts

068. Upgrade STEM Instruction Buildings

Restricted Funds	-0-	50,000,000	-0-

069. Renovation and Adaptation Projects for Various Buildings

Restricted Funds	-0-	50,000,000	-0-

070. Renovate School of Medicine Building 55A

	Restricted Funds	-0-	42,000,000	-0-
071.	Construct College of Business Building			
	Restricted Funds	-0-	120,000,000	-0-
072.	Renovate Natural Science Building			
	Restricted Funds	-0-	30,000,000	-0-
073.	Construct Institute for Product Realization			
	Other Funds	-0-	35,980,000	-0-
074.	Renovate Dental School Administrative Space			
	Restricted Funds	-0-	1,000,000	-0-
075.	Demolish and Replace Miller Resident Hall			
	Agency Bonds	-0-	70,600,000	-0-
076.	Construct Multidisciplinary Engineering Building #1			
	Restricted Funds	-0-	65,000,000	-0-
077.	Renovate and Expand Threlkeld Resident Hall			
	Agency Bonds	-0-	33,275,000	-0-
078.	Renovate Ekstrom Library			
	Restricted Funds	-0-	57,200,000	-0-
079.	Land Purchase			
	Restricted Funds	-0-	15,000,000	-0-
10.	**WESTERN KENTUCKY UNIVERSITY**			
001.	Renovate or Replace Garrett Conference Center			
	Restricted Funds	-0-	3,500,000	-0-
	Other Funds	-0-	35,000,000	-0-
	TOTAL	-0-	38,500,000	-0-
002.	Construct Indoor Athletic Training Facility			
	Other Funds	-0-	18,000,000	-0-
003.	Capital Renewal Pool - 2018-2020			

	Restricted Funds	-0-	10,000,000	-0-
004.	Renovate and Expand Clinical Education Complex			
	Other Funds	-0-	8,000,000	-0-
005.	Construct Football Pressbox			
	Other Funds	-0-	5,200,000	-0-
006.	Renovate Central Heat Plant			
	Restricted Funds	-0-	5,000,000	-0-
007.	Renovate South Campus			
	Restricted Funds	-0-	5,000,000	-0-
008.	Repair or Replace Roof at Center for Research and Development			
	Restricted Funds	-0-	5,100,000	-0-
009.	Upgrade IT Infrastructure			
	Restricted Funds	-0-	6,000,000	-0-
010.	Construct Track and Field Facilities Phase I			
	Other Funds	-0-	4,700,000	-0-
011.	Construct Baseball Grandstand			
	Other Funds	-0-	4,500,000	-0-
012.	Renovate and Improve Softball Complex			
	Other Funds	-0-	3,500,000	-0-
013.	Acquire Furnishings and Equipment for Diddle Arena			
	Other Funds	-0-	3,000,000	-0-
014.	Acquire Furnishings and Equipment Pool - 2018-2020			
	Restricted Funds	-0-	3,000,000	-0-
015.	Add Club Seating at Diddle Arena			
	Other Funds	-0-	3,000,000	-0-
016.	Hilltopper Hall Furnishings and Equipment			
	Other Funds	-0-	3,000,000	-0-

017. Renovate/Construct College Heights Foundation Building				
	Other Funds	-0-	3,000,000	-0-
018. Construct Science Gallery				
	Other Funds	-0-	2,500,000	-0-
019. Construct South Plaza				
	Other Funds	-0-	2,500,000	-0-
020. Renovate Free Stall Horse Barns				
	Restricted Funds	-0-	1,800,000	-0-
021. Construct Tertiary Data Center				
	Restricted Funds	-0-	1,500,000	-0-
022. Remove and Replace Student Housing at Farm				
	Other Funds	-0-	1,500,000	-0-
023. Renovate State and Normal Street Properties				
	Restricted Funds	-0-	1,500,000	-0-
024. Renovate Tate Page Hall				
	Restricted Funds	-0-	1,200,000	-0-
025. Renovate Grise Hall Restrooms, ADA				
	Restricted Funds	-0-	1,000,000	-0-
026. Renovate Jones Jaggers Interior				
	Restricted Funds	-0-	1,000,000	-0-
027. Alumni Center - Lease				
028. Nursing and Physical Therapy - Lease				
029. Parking Garage - Lease				
030. Guaranteed Energy Savings Performance Contracts				
031. Upgrade Underground Infrastructure				
	Restricted Funds	-0-	55,000,000	-0-
032. Renovate Helm/Cravens Library				

	Restricted Funds	-0-	68,300,000	-0-
033.	Improve Life Safety Pool/Academic Facilities			
	Restricted Funds	-0-	27,500,000	-0-
11.	**KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM**			
001.	Construct Technology Drive Campus Expansion - Ashland CTC			
	Restricted Funds	-0-	12,500,000	-0-
002.	Capital Renewal and Deferred Maintenance Pool - 2018-2020			
	Restricted Funds	-0-	5,000,000	5,000,000
003.	KCTCS Information Technology Infrastructure Upgrade			
	Restricted Funds	-0-	4,750,000	4,750,000
004.	Construct Advanced Manufacturing Center - Jefferson CTC, Downtown - Additional			
	Restricted Funds	-0-	5,000,000	-0-
005.	Construct Advanced Manufacturing Center - Bluegrass CTC, Danville			
	Restricted Funds	-0-	5,000,000	-0-
006.	KCTCS Equipment Pool - 2018-2020			
	Restricted Funds	-0-	5,000,000	-0-
007.	Renovate Facilities Maysville Campus			
	Restricted Funds	-0-	5,000,000	-0-
008.	Renovate Falkenstine - Southeast CTC, Cumberland			
	Restricted Funds	-0-	5,000,000	-0-
009.	Renovate Learning Resource Center, Ashland CTC			
	Restricted Funds	-0-	4,800,000	-0-
010.	Renovate Sullivan Technology Center - Henderson CC			
	Restricted Funds	-0-	4,600,000	-0-
011.	Construct Addition to Building 2 - Somerset CC South			
	Restricted Funds	-0-	4,500,000	-0-

012.	Renovate Administration Building Newtown Campus - Bluegrass CTC			
	Restricted Funds	-0-	4,500,000	-0-
013.	Replace HVAC System Phase I - Owensboro CTC			
	Restricted Funds	-0-	4,400,000	-0-
014.	Acquisition of KCTCS System Office Building			
	Restricted Funds	-0-	4,000,000	-0-
015.	Renovate Administration Building - Whitesburg - Southeast Kentucky CTC			
	Restricted Funds	-0-	3,800,000	-0-
016.	Renovate Auditorium Building- Hopkinsville CC			
	Restricted Funds	-0-	3,800,000	-0-
017.	Renovate Southeastern Campus - Owensboro CTC			
	Restricted Funds	-0-	3,700,000	-0-
018.	Renovate Dental Hygiene Clinic - Big Sandy CTC - Mayo Campus			
	Restricted Funds	-0-	3,000,000	-0-
019.	Renovate Technical Campus - Madisonville CC			
	Restricted Funds	-0-	3,000,000	-0-
020.	Renovations Main Campus - West Kentucky CTC			
	Restricted Funds	-0-	2,700,000	-0-
021.	Improve Parking Lots - Jefferson CTC			
	Restricted Funds	-0-	2,500,000	-0-
022.	Renovate Downtown Campus – Owensboro CTC			
	Restricted Funds	-0-	2,500,000	-0-
023.	Relocate Student Center - Henderson CC			
	Restricted Funds	-0-	2,200,000	-0-
024.	Replace HVAC Units - Somerset CC South Campus			
	Restricted Funds	-0-	2,200,000	-0-

025. Construct National Responder Preparedness Center Parking Lot -Fire Commission			
Restricted Funds	-0-	2,000,000	-0-
026. KCTCS CEMCS Upgrades Pool			
Restricted Funds	-0-	2,000,000	-0-
027. Repair/Replace Roofs - Hazard CTC			
Restricted Funds	-0-	2,000,000	-0-
028. Replace Meece HVAC System - Somerset CC - North Campus			
Restricted Funds	-0-	2,000,000	-0-
029. Stabilize Soil Technical Campus - Hazard CTC			
Restricted Funds	-0-	2,000,000	-0-
030. Upgrade HVAC Systems - Big Sandy CTC - Collegewide			
Restricted Funds	-0-	2,000,000	-0-
031. Replace Roofs - Big Sandy CTC - Collegewide			
Restricted Funds	-0-	1,700,000	-0-
032. Soil Stabilization Godbey - Southeast - Cumberland			
Restricted Funds	-0-	1,500,000	-0-
033. Upgrade Sprinkler Systems - West Kentucky CTC			
Restricted Funds	-0-	1,500,000	-0-
034. Upgrade Welding Shop - Big Sandy CTC - Mayo Campus			
Restricted Funds	-0-	1,500,000	-0-
035. Fire Commission Driver Simulator			
Restricted Funds	-0-	1,000,000	-0-
036. Fire Commission Fire Trucks			
Restricted Funds	-0-	600,000	-0-
037. Jefferson CTC - Bullitt County Campus - Lease			
038. Jefferson CTC - Jefferson County - Lease			

039. Jefferson CTC - Jefferson Education Center - Lease

040. KCTCS System Office - Lease

041. Maysville CTC - Rowan Campus - Lease

042. Maysville CTC - Rowan County - Lease

043. Guaranteed Energy Savings Performance Contracts

044. Improve Facilities - Bluegrass CTC, Winchester-Clark County Campus

Restricted Funds	-0-	8,000,000	-0-

K. PUBLIC PROTECTION CABINET

Budget Units	2018-19	2019-20
1. FINANCIAL INSTITUTIONS		
001. Franklin County - Lease		
2. HOUSING, BUILDINGS AND CONSTRUCTION		
001. Online Jurisdiction Program		
Restricted Funds	1,666,000	-0-
002. Franklin County - Lease		
3. INSURANCE		
001. Franklin County - Lease		

L. TOURISM, ARTS AND HERITAGE CABINET

Budget Units	2018-19	2019-20
1. PARKS		
001. Maintenance Pool - 2018-2020		
Bond Funds	10,000,000	10,000,000

002. Construct Lodge and/or Resort Facilities at Yatesville Lake

(1) Authorization: The above authorization is approved pursuant to KRS 45A.077.

003. Construct or Renovate Lodge Facilities at Natural Bridge

(1) Authorization: The above authorization is approved pursuant to KRS 45A.077.

004. Franklin County - Lease

2.	**HORSE PARK COMMISSION**		
	001. Campground Utility Infrastructure		
	Restricted Funds	1,500,000	-0-
	002. Maintenance Pool - 2018-2020		
	Investment Income	600,000	600,000
3.	**STATE FAIR BOARD**		
	001. Maintenance Pool - 2018-2020		
	Bond Funds	3,000,000	3,000,000
	002. Kentucky International Convention Center Roof Replacement		
	Bond Funds	5,000,000	-0-
	003. Construct Agri-Plex at Kentucky Exposition Center		
	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.		
	004. Construct Gate One Hotel at Kentucky Exposition Center		
	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.		
	005. Construct Hotel Development at Kentucky Exposition Center		
	(1) Authorization: The above authorization is approved pursuant to KRS 45.763.		
4.	**FISH AND WILDLIFE RESOURCES**		
	001. Fees-in-Lieu-of Stream Mitigation Projects Pool		
	Restricted Funds	20,000,000	20,000,000
5.	**KENTUCKY CENTER FOR THE ARTS**		
	001. Maintenance Pool - 2018-2020		
	Investment Income	160,000	160,000

PART III

GENERAL PROVISIONS

1. Funds Designations: Restricted Funds designated in the biennial budget bills are classified in the state financial records and reports as the Agency Revenue Fund, State Enterprise Funds (State Parks, State Fair Board, Insurance Administration, and Kentucky Horse Park),

Internal Services Funds (Fleet Management, Computer Services, Correctional Industries, Central Printing, Risk Management, and Property Management), and selected Fiduciary Funds (Other Expendable Trust Funds). Separate fund records and reports shall be maintained in a manner consistent with the branch budget bills.

The sources of Restricted Funds appropriations in this Act shall include all fees (which includes fees for room and board, athletics, and student activities) and rentals, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments, and other miscellaneous receipts produced or received by a budget unit, except as otherwise specifically provided, for the purposes, use, and benefit of the budget unit as authorized by law. Restricted Funds receipts shall be credited and allotted to the respective fund or account out of which a specified appropriation is made in this Act. All receipts of Restricted Funds shall be deposited in the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42, 45, and 48.

The sources of Federal Funds appropriations in this Act shall include federal subventions, grants, contracts, or other Federal Funds received, income from investments, other miscellaneous federal receipts received by a budget unit, and the Unemployment Compensation Fund, except as otherwise provided, for the purposes, use, and benefit of the budget unit as authorized by law. Federal Funds receipts shall be credited and allotted to the respective fund account out of which a specified appropriation is made in this Act. All Federal Funds receipts shall be deposited in the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42, 45, and 48.

2. **Expenditure of Excess Restricted Funds or Federal Funds Receipts:** If receipts received or credited to the Restricted Funds accounts or Federal Funds accounts of a budget unit during fiscal year 2018-2019 or fiscal year 2019-2020, and any balance forwarded to the credit of these same accounts from the previous fiscal year, exceed the appropriation made by a specific sum for these accounts of the budget unit as provided in Part I, Operating Budget, of this Act, for the fiscal year in which the excess occurs, the excess funds in the accounts of the budget unit

shall become available for expenditure for the purpose of the account during the fiscal year only upon compliance with the conditions and procedures specified in KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.730, and 48.800, and with the authorization of the State Budget Director and approval of the Secretary of the Finance and Administration Cabinet.

Prior to authorizing the appropriation of any excess, unbudgeted Restricted Funds pursuant to this section, the State Budget Director and the Secretary of the Finance and Administration Cabinet shall review the adequacy of the General Fund Surplus Account with respect to its availability to support authorized expenditures from the General Fund Surplus Account, known as Necessary Government Expenses. If General Fund Surplus Account moneys are determined by this review to be adequate to meet known or anticipated Necessary Government Expenses during fiscal year 2018-2019 or fiscal year 2019-2020, respectively, then the appropriation increase may be approved. If the review indicates that there are insufficient funds available or reasonably estimated to become available to the General Fund Surplus Account to meet known or projected Necessary Government Expenses for the fiscal years enumerated above, the State Budget Director and the Secretary of the Finance and Administration Cabinet may disapprove the request for additional Restricted Funds expenditure authority and may direct the excess Restricted Funds identified to the General Fund Surplus Account in order to meet Necessary Government Expense obligations. The results of any review shall be reported to the Interim Joint Committee on Appropriations and Revenue in accordance with KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.730, and 48.800.

Any request made by a budget unit pursuant to KRS 48.630 that relates to Restricted Funds or Federal Funds shall include documentation showing a comparative statement of revised estimated receipts by fund source and the proposed expenditures by proposed use, with the appropriated sums specified in the Budget of the Commonwealth, and statements which explain the cause, source, and use for any variances which may exist.

Each budget unit shall submit its reports in print and electronic format consistent with the Restricted Funds and Federal Funds records contained in the fiscal biennium 2018-2020 Branch

Budget Request Manual and according to the following schedule in each fiscal year: (a) on or before the beginning of each fiscal year; (b) on or before October 1; (c) on or before January 1; and (d) on or before April 1.

3. **Interim Appropriation Increases:** No appropriation from any fund source shall exceed the sum specified in this Act until the agency has documented the necessity, purpose, use, and source, and the documentation has been submitted to the Interim Joint Committee on Appropriations and Revenue for its review and action in accordance with KRS 48.630. Proposed revisions to an appropriation contained in the enacted Executive Budget or allotment of an unbudgeted appropriation shall conform to the conditions and procedures of KRS 48.630 and this Act.

Notwithstanding KRS 48.630(3), (4), and (5), any proposed and recommended actions to increase appropriations for funds specified in Section 2. of this Part shall be scheduled consistent with the timetable contained in that section in order to provide continuous and timely budget information.

4. **Revision of Appropriation Allotments:** Allotments within appropriated sums for the activities and purposes contained in the enacted Executive Budget shall conform to KRS 48.610 and may be revised pursuant to KRS 48.605 and this Act.

5. **Permitted Appropriation Obligations:** No state agency, cabinet, department, office, or program shall incur any obligation against the General Fund or Road Fund appropriations contained in this Act unless the obligation may be reasonably determined to have been contemplated in the enacted budget and is based upon supporting documentation considered by the General Assembly and legislative and executive records.

6. **Lapse of General Fund or Road Fund Appropriations Supplanted by Federal Funds:** Any General Fund or Road Fund appropriation made in anticipation of a lack, loss, or reduction of Federal Funds shall lapse to the General Fund or Road Fund Surplus Account, respectively, to the extent the Federal Funds otherwise become available.

7. **Federally Funded Agencies:** A state agency entitled to Federal Funds, which would

represent 100 percent of the cost of a program, shall conform to KRS 48.730.

8. Lapse of General Fund or Road Fund Excess Debt Service Appropriations: Pursuant to KRS 48.720, any excess General Fund or Road Fund debt service shall lapse to the respective surplus account unless otherwise directed in this Act.

9. Statutes in Conflict: All statutes and portions of statutes in conflict with any of the provisions of this Act, to the extent of the conflict, are suspended unless otherwise provided by this Act.

10. Construction of Budget Provisions on Statutory Budget Administration Powers and Duties: Nothing in this Act is to be construed as amending or altering Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the duties and powers of the Secretary of the Finance and Administration Cabinet except as otherwise provided in this Act.

11. Interpretation of Appropriations: All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which the appropriation may be expended shall be decided by the Secretary of the Finance and Administration Cabinet pursuant to KRS 48.500, and the decision of the Secretary of the Finance and Administration Cabinet shall be final and conclusive.

12. Publication of the Budget of the Commonwealth: The State Budget Director shall cause the Governor's Office for Policy and Management, within 60 days of adjournment of the 2018 Regular Session of the General Assembly, to publish a final enacted budget document, styled the Budget of the Commonwealth, based upon the Legislative Budget, Executive Budget, Transportation Cabinet Budget, and Judicial Budget as enacted by the 2018 Regular Session, as well as other Acts which contain appropriation provisions for the 2018-2020 fiscal biennium, and based upon supporting documentation and legislative records as considered by the 2018 Regular Session. This document shall include, for each agency and budget unit, a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by principal budget class, and any other fiscal data and commentary considered

necessary for budget execution by the Governor's Office for Policy and Management and oversight by the Interim Joint Committee on Appropriations and Revenue. The enacted Executive Budget and Transportation Cabinet Budget shall be revised or adjusted only upon approval by the Governor's Office for Policy and Management as provided in each Part of this Act and by KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810, and upon review and approval by the Interim Joint Committee on Appropriations and Revenue.

13. **State Financial Condition:** Pursuant to KRS 48.400, the State Budget Director shall monitor and report on the financial condition of the Commonwealth.

14. **Prorating Administrative Costs:** The Secretary of the Finance and Administration Cabinet is authorized to establish a system or formula or a combination of both for prorating the administrative costs of the Finance and Administration Cabinet, the Department of the Treasury, and the Office of the Attorney General relative to the administration of programs in which there is joint participation by the state and federal governments for the purpose of receiving the maximum amount of participation permitted under the appropriate federal laws and regulations governing the programs. The receipts and allotments under this section shall be reported to the Interim Joint Committee on Appropriations and Revenue prior to any transfer of funds.

15. **Construction of Budget Provisions Regarding Executive Reorganization Orders:** Nothing in this Act shall be construed to confirm or ratify, under KRS 12.027 or 12.028, any executive reorganization order unless the executive order was confirmed or ratified by appropriate amendment to the Kentucky Revised Statutes in another Act of the 2018 Regular Session of the General Assembly.

16. **Budget Planning Report:** By August 15, 2019, the State Budget Director, in conjunction with the Consensus Forecasting Group, shall provide to each branch of government, pursuant to KRS 48.120, a budget planning report.

17. **Tax Expenditure Revenue Loss Estimates:** By November 30, 2019, the Office of State Budget Director shall provide to each branch of government detailed estimates for the

General Fund and Road Fund for the current and next two fiscal years of the revenue loss resulting from tax expenditures. The Department of Revenue shall provide assistance and furnish data, which is not restricted by KRS 131.190. "Tax expenditure" as used in this section means an exemption, exclusion, or deduction from the base of a tax, a credit against the tax, a deferral of a tax, or a preferential tax rate. The estimates shall include for each tax expenditure the amount of revenue loss, a citation of the legal authority for the tax expenditure, the year in which it was enacted, and the tax year in which it became effective.

18. Duplicate Appropriations: Any appropriation item and sum in Parts I to X of this Act and in an appropriation provision in any Act of the 2018 Regular Session which constitutes a duplicate appropriation shall be governed by KRS 48.312.

19. 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.

20. Severability of Budget Provisions: Appropriation items and sums in Parts I to X of this Act shall conform to KRS 48.311. If any section, any subsection, or any provision is found by a court of competent jurisdiction in a final, unappealable order to be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions.

21. Unclaimed Lottery Prize Money: For fiscal year 2018-2019 and fiscal year 2019-2020, all unclaimed lottery prize money under KRS 154A.110(3) shall be credited to the Kentucky Educational Excellence Scholarship Reserve Account to be held as a subsidiary account within the Finance and Administration Cabinet for the purpose of funding the KEES Program as appropriated in this Act. If the Kentucky Higher Education Assistance Authority certifies to the State Budget Director that the appropriations in this Act for the KEES Program under the existing award schedule are insufficient to meet funds required for eligible applicants, then the State Budget Director shall provide the necessary allotment of funds in the balance of the KEES Reserve Account to fund the KEES Program. Actions taken under this section shall be reported to the Interim Joint Committee on Appropriations and Revenue on a timely basis.

22. Workers' Compensation: Notwithstanding KRS 342.340(1) and 803 KAR 25:021, Section 5, the Personnel Cabinet shall be exempt from procuring excess risk insurance in fiscal year 2018-2019 and fiscal year 2019-2020 for the Workers' Compensation Benefits and Reserve Program administered by the Cabinet.

23. Carry Forward and Undesignated General Fund and Road Fund Carry Forward: Notwithstanding KRS 48.700 and 48.705, and other Parts of this Act, the Secretary of the Finance and Administration Cabinet shall determine and certify, within 30 days of the close of fiscal year 2017-2018 and fiscal year 2018-2019, the actual amount of undesignated balance of the General Fund and the Road Fund for the year just ended. The amounts from the undesignated fiscal year 2017-2018 and fiscal year 2018-2019 General Fund and Road Fund balances that are designated and carried forward for budgeted purposes in the 2018-2020 fiscal biennium shall be determined by the State Budget Director during the close of the respective fiscal year and shall be reported to the Interim Joint Committee on Appropriations and Revenue within 30 days of the close of the fiscal year. Any General Fund undesignated balance in excess of the amount designated for budgeted purposes under this section shall be made available for the General Fund Surplus Expenditure Plan contained in Part VII of this Act unless otherwise provided in this Act. The Road Fund undesignated balance in excess of the amount designated for budgeted purposes under this section shall be made available for the Road Fund Surplus Expenditure Plan contained in Part IX of this Act unless otherwise provided in this Act.

24. Reallocation of Appropriations Among Budget Units: The Executive Branch shall operate within the appropriations authorized in this Act for each budget unit as prescribed by KRS 48.400 to 48.730, subject to the conditions and procedures stated in this section or other Parts of this Act.

The Secretary of a Cabinet, the Commissioner of the Department of Education, and other agency heads may request a reallocation among budget units under his or her administrative authority of up to ten percent of General Fund appropriations contained in Part I, Operating Budget, of this Act for fiscal years 2018-2019 and 2019-2020 for approval by the State Budget

Director. A request shall explain the need and use for the transfer authority under this section.

The amount of transfer of General Fund appropriations shall be separately recorded and reported in the system of financial accounts and reports provided in KRS Chapter 45.

The State Budget Director shall report a transfer made under this section, in writing, to the Interim Joint Committee on Appropriations and Revenue at least 30 days prior to the proposed transfer. The Committee shall review the transfer in the same manner and procedure as provided for an interim unbudgeted appropriation action under KRS 48.630.

25. Local School District Expenditure Flexibility: Notwithstanding KRS 160.470(6) or any statute to the contrary, during fiscal year 2018-2019 and fiscal year 2019-2020 local school districts may adopt and the Kentucky Board of Education may approve a working budget that includes a minimum reserve less than two percent of the total budget. The Kentucky Department of Education shall monitor the financial position of any district that receives approval for a working budget with a reserve of less than two percent and shall provide a financial report for those districts at each meeting of the Kentucky Board of Education.

26. Report on Local School District Administrative Expenditures: It is the intent of the General Assembly that, pursuant to its constitutional mandate to provide for an efficient system of common schools, local school districts shall reduce their administrative costs to the extent feasible in order to provide quality instruction for all students in the Commonwealth.

Each local school district shall submit a report to the Legislative Research Commission and the Department of Education no later than December 1 of each fiscal year, which shall include:

(1) All expenses charged to the Instruction (1XXX), Student Support Services (21XX), Instructional Staff Support Services (22XX), District Administrative Support Services (23XX), School Administrative Support Services (24XX), and Business Support Services (25XX) function codes in the "MUNIS Uniform Chart of Accounts" (revised effective July 1, 2017), delineated by the relevant subfunction codes, for the previous fiscal year;

(2) A comparison of the previous fiscal year's expenses, as detailed in subsection (1) of this section, with the same expenses in the preceding fiscal year;

(3) A detailed section explaining steps taken to reduce administrative expenditures while maintaining and expanding instructional expenditures; and

(4) A copy of the district's policy for maintaining a reserve fund balance in compliance with appropriate government and accounting standards.

The Department of Education shall submit a report to the Legislative Research Commission by December 31 of each fiscal year verifying the information submitted by local school districts in subsections (1) and (2) of this section.

27. Faculty Employment: Notwithstanding KRS 164.230 and 164.360, each Board of Regents or Board of Trustees of a state-funded university or the Kentucky Community and Technical College System may reduce the number of faculty, including tenured faculty, when the reduction is a result of the Board discontinuing or modifying an academic program upon determining that program changes are in the university's or college's best interest due to low enrollment, financial feasibility, budgetary constraints, or declaration of financial exigency.

Notwithstanding KRS 164.230 and 164.360, when a faculty reduction occurs pursuant to this section, the board shall provide ten days' notice in writing to the faculty member or members being removed as a result of the reduction stating the Board's reasoning. The provisions of this section supersede any and all policies governing the faculty employment approved by a Board of Regents or Board of Trustees.

28. Employee Layoffs, Furloughs, and Reduced Hours: Notwithstanding any statute to the contrary, the following process and procedure is established for July 1, 2018, through June 30, 2020, in the event that the Commonwealth or any agency determines that it is desirable for the Executive Branch to layoff, furlough, or reduce hours of employees:

(1) For the purposes of this section:

(a) "Appointing authority" means the agency head or any person whom he has authorized by law to designate to act on behalf of the agency with respect to employee appointments, position establishments, payroll documents, register requests, waiver requests, requests for certification, or other position actions;

(b) "Secretary" means the Secretary of the Personnel Cabinet as provided for in KRS 18A.015;

(c) "Furlough" or "reduction in hours" means the temporary reduction of hours an employee is scheduled to work by the appointing authority within a pay period;

(d) "Layoff" means discharge of employment subject to the rights contained in this section; and

(e) "Employees" includes all persons employed by the Executive Branch, including but not limited to employees of KRS Chapter 18A, KRS Chapter 16, KRS Chapter 156, the Kentucky Teachers' Retirement System, the Kentucky Higher Education Student Loan Corporation, the Kentucky Housing Corporation, and the Kentucky Lottery Corporation;

(2) An appointing authority has the authority to layoff or furlough employees or reduce hours of employment for any of the following reasons:

(a) Lack of funds or budgetary constraints;

(b) A reduction in the agency's spending authorization;

(c) Lack of work;

(d) Abolishment of a position; or

(e) Other material change in duties or organization;

(3) The appointing authority shall determine the job classifications affected and the number of employees laid-off in each classification and each county to which a layoff applies. In the same department or office, county, and job classification, interim and probationary employees shall be laid-off before any full-time or part-time employees with status are laid-off. For purposes of layoff, "probationary employee" does not include an employee with status serving a promotional probation;

(4) The Secretary shall approve all actions taken under subsection (2) of this section and no such layoff, furlough, or reduction of hours may begin until such approval has been granted. The appointing authority with the approval of the Secretary has the authority to determine the extent, effective dates, and length of any action taken under subsection (2) of this section;

(5) In determining the employees to be laid-off, the appointing authority shall consider all employees under the same appointing authority, within the job classification affected, and within the county affected. Consideration shall be given to the following relevant factors:

(a) Job performance evaluations;

(b) Seniority;

(c) Education, training, and experience; and

(d) Disciplinary record;

(6) Any employee whose position is subject to layoff, furlough, or reduction of hours shall be provided written notice containing the reason for the action as set forth in subsection (2) of this section at 15 days in advance of the effective date of the action;

(7) Any employee with status who is laid-off shall be eligible to apply as a reemployment applicant for positions with the same job classification from which he or she was laid-off, in the cabinet from which he or she was laid-off. For a period of two years, a reemployment applicant shall be hired before any applicant except another reemployment applicant with greater seniority who is on the same register. A reemployment applicant shall not be removed from any register except as provided by KRS 18A.032. When a reemployment applicant is removed from a register, he or she shall be notified in writing. A reemployment applicant who accepts any classified position, or who retires through the Kentucky Retirement Systems or Kentucky Teachers' Retirement System, shall cease to have eligibility rights as a reemployment applicant;

(8) With the approval of the Secretary, the Personnel Cabinet may place employees subject to a reduction in force;

(9) Furloughs or reduction of hours during a pay period shall not result in the loss of eligibility for any benefit otherwise due the employee;

(10) The Secretary shall have the authority to promulgate comprehensive administrative regulations governing this section; and

(11) A layoff, furlough, or reduction of hours implemented in accordance with this section shall not be considered a penalization of the employee for the purposes of KRS Chapters 16,

18A, and 156, and shall be appealable to the State Personnel Board, the Kentucky Technical Education Personnel Board, the Department of Kentucky State Police Personnel Board, or other applicable administrative body.

29. Appropriations Expenditure Purpose and Transfer Restrictions: Funds appropriated in this Act shall not be expended for any purpose not specifically authorized by the General Assembly in this Act nor shall funds appropriated in this Act be transferred to or between any cabinet, department, board, commission, institution, agency, or budget unit of state government unless specifically authorized by the General Assembly in this Act and KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810. Compliance with the provisions of this section shall be reviewed and determined by the Interim Joint Committee on Appropriations and Revenue.

30. Fiscal Year 2019-2020 Funds Expenditure Restriction: Except in the case of a declared emergency, the Governor, all agency heads, and all other constitutional officers shall not expend or encumber in the aggregate more that 55 percent of the funds appropriated by this Act during the first half of fiscal year 2019-2020.

31. Budget Implementation: The General Assembly directs that the Executive Branch shall carry out all appropriations and budgetary language provisions as contained in the State/Executive Budget. The Legislative Research Commission shall review quarterly expenditure data to determine if an agency is out of compliance with this directive. If the Legislative Research Commission suspects that any entity has acted in non-conformity with this section, the Legislative Research Commission may order an audit or review at the agency's expense. Such audit findings, reviews, and reports shall be subject to the Kentucky Open Records Law.

32. Information Technology: All authorized computer information technology projects shall submit a semiannual progress report to the Capital Projects and Bond Oversight Committee. The reporting process shall begin six months after the project is authorized and shall continue through completion of the project. The initial report shall establish a timeline for completion and

cash disbursement schedule. Each subsequent report shall update the timeline and budgetary status of the project and explain in detail any issues with completion date and funding.

33. Equipment Service Contracts and Energy Efficiency Measures: The General Assembly mandates that the Finance and Administration Cabinet review all equipment service contracts to maximize savings to the Commonwealth to strictly adhere to the provisions of KRS 56.722, 56.782, and 56.784 in maximizing the use of energy efficiency measures.

34. Debt Restructuring: Notwithstanding any other provision of the Kentucky Revised Statutes, no General Fund or Road Fund debt restructuring transactions shall be undertaken during the 2018-2020 fiscal biennium.

35. Effects of Subsequent Legislation: If any measure enacted during the 2018 Regular Session of the General Assembly subsequent to this Act contains an appropriation or is projected to increase or decrease General Fund revenues, the amount in the Budget Reserve Trust Fund shall be revised to accommodate the appropriation or the reduction or increase in projected revenues. Notwithstanding any provision of KRS 48.120(4) and (5) to the contrary, the official enacted revenue estimates of the Commonwealth described in KRS 48.120(5) shall be adjusted at the conclusion of the 2018 Regular Session of the General Assembly to incorporate any projected revenue increases or decreases that will occur as a result of actions taken by the General Assembly subsequent to the passage of this Act by both chambers.

36. Permitted Use of Water and Sewer Bond Funds: Notwithstanding Part II, (3) of this Act and any statute to the contrary, any balances remaining for either closed or open project grant agreements authorized pursuant to bond pools set forth in 2003 Ky. Acts ch. 156, Part II, A., 3., d. Water and Sewer Resources Development Fund for Tobacco Counties and e. Water and Sewer Resources Development Fund For Coal Producing Counties; 2005 Ky. Acts ch. 173, Part II, A., 3., 003. Infrastructure for Economic Development Fund for Coal-Producing Counties and 004. Infrastructure for Economic Development Fund for Tobacco Counties; 2006 Ky. Acts ch. 252, Part II, A., 2., 003. Infrastructure for Economic Development Fund for Non-Coal Producing Counties and 004. Infrastructure for Economic Development Fund for Coal-Producing Counties;

2008 Ky. Acts ch. 123, Section 3., 004. Infrastructure for Economic Development Fund for Coal-Producing Counties and 005. Infrastructure for Economic Development Fund for Non-Coal Producing Counties; and 2008 Ky. Acts ch. 174, Section 2.; and 2009 Ky. Acts ch. 87, Section 2. shall not lapse and shall remain to the credit of projects previously authorized by the General Assembly unless expressly reauthorized and reallocated by action of the General Assembly.

37. **Approval of State Aircraft Travel:** Notwithstanding KRS 44.060, 45.101, 174.508, and any other statute or administrative regulation to the contrary, the use of state aircraft by any secretary of any Executive Branch cabinet for out-of-state travel shall be approved by the Secretary of the Finance and Administration Cabinet. The Secretary of the Finance and Administration Cabinet shall only approve requests which document that the use of state aircraft is the lowest cost option as measured by both travel costs and travel time. The Secretary of the Finance and Administration Cabinet shall not designate approval authority for out-of-state travel on state aircraft by Executive Branch cabinet secretaries to any other person.

PART IV

STATE SALARY/COMPENSATION, BENEFIT, AND EMPLOYMENT POLICY

1. **Authorized Personnel Complement:** On July 1, 2018, and July 1, 2019, the Personnel Cabinet and the Office of State Budget Director shall establish a record for each budget unit of authorized permanent full-time and other positions based upon the enacted Executive Budget of the Commonwealth and any adjustments authorized by provisions in this Act. The total number of filled permanent full-time and all other positions shall not exceed the authorized complements pursuant to this section. An agency head may request an increase in the number of authorized positions to the State Budget Director. Upon approval, the Secretary of the Personnel Cabinet may authorize the employment of individuals in addition to the authorized complement. A report of the actions authorized in this section shall be provided to the Interim Joint Committee on Appropriations and Revenue on a monthly basis.

2. **Salary Adjustments:** Notwithstanding KRS 18A.355 and 156.808(6)(e) and (12), no increment is provided in either fiscal year on the base salary or wages of each eligible state

employee on their anniversary date.

3. **Employee Cross-Reference:** The Personnel Cabinet may permit married couples who are both eligible to participate in the state health insurance plan to be covered under one family health benefit plan.

4. **Full-Time Positions:** Notwithstanding KRS 18A.005(18)(a), full-time positions in the state parks, where the work assigned is dependent upon fluctuation in tourism, may be assigned work hours from 25 hours per week and remain in full-time positions.

5. **Employer Retirement Contribution Rates:** Pursuant to KRS 61.565 and 61.702, the employer contribution rates for Kentucky Employees Retirement Systems from July 1, 2018, through June 30, 2020, shall be 83.43 percent, consisting of 71.03 percent for pension and 12.40 percent for health insurance for nonhazardous duty employees and 36.85 percent, consisting of 34.39 percent for pension and 2.46 percent for health insurance for hazardous duty employees; for the same period the employer contribution for employees of the State Police Retirement System shall be 146.28 percent, consisting of 119.05 percent for pension and 27.23 percent for health insurance. The rates above apply to wages and salaries earned for work performed during the described period regardless of when the employee is paid for the time worked.

6. **Issuance of Paychecks to State Employees:** Notwithstanding 101 KAR 2:095, Section 10, the state payroll that would normally be scheduled to be paid on June 30, 2019, and June 30, 2020, shall not be issued prior to July 1, 2019, and July 1, 2020.

7. **Health Care Spending Account:** Notwithstanding KRS 18A.2254(2)(a) and (b), if a public employee waives coverage provided by his or her employer under the Public Employee Health Insurance Program, the employer shall forward a monthly amount to be determined by the Secretary of the Personnel Cabinet for that employee as an employer contribution to a health reimbursement account or a health flexible spending account, but not less than $175 per month, subject to any conditions or limitations imposed by the Secretary of the Personnel Cabinet to comply with applicable federal law. The administrative fees associated with a health reimbursement account or health flexible spending account shall be an authorized expense to be

charged to the Public Employee Health Insurance Trust Fund.

8. State Group Health Insurance Plan – Plan Year Closure: Notwithstanding KRS 18A.2254, Plan Years 2010, 2011, 2012, 2013, 2014, and 2015 shall be considered closed as of June 30, 2018, and all balances from those Plan Years shall be transferred to Plan Year 2016. All other income and expenses attributable to the closed Plan Years shall be deposited in or charged to the Plan Year 2016 account after that date.

9. State Group Health Insurance Plan – Transfer Between Plan Years: Notwithstanding KRS 18A.2254, the Secretary of the Finance and Administration Cabinet and the Secretary of the Personnel Cabinet are authorized to use the excess funds from Plan Year 2016, Plan Year 2017, and Plan Year 2018 or any combination thereof to satisfy claims or expenses in Plan Year 2019 and Plan Year 2020.

10. Turnover Savings Reporting: The Secretary of the Personnel Cabinet shall submit a monthly report to the Interim Joint Committee on Appropriations and Revenue listing, for each appropriation unit, the number of Personnel Target or Current Authorized Personnel (CAP), the amount allocated for budgeted positions, the fund source, and the amount of savings resulting from vacant positions. The Personnel Target or CAP reporting shall include any modifications since enactment of the biennial budget. Reporting shall begin on August 15, 2018, with each report reflecting activity of the previous month and being due the following 15th.

PART V

FUNDS TRANSFER

The General Assembly finds that the financial condition of state government requires the following action.

Notwithstanding the statutes or requirements of the Restricted Funds enumerated below, there is transferred to the General Fund the following amounts in fiscal year 2018-2019 and fiscal year 2019-2020:

	2017-18	2018-19	2019-20
A. GENERAL GOVERNMENT			

1.	**Secretary of State**			
	Agency Revenue Fund	-0-	1,500,000	1,500,000
2.	**School Facilities Construction Commission**			
	Agency Revenue Fund	-0-	26,000,000	-0-
	(KRS 157.618)			

B. ENERGY AND ENVIRONMENT CABINET

1.	**Secretary**			
	Kentucky Pride Trust Fund	-0-	2,006,300	2,006,300
	(KRS 224.43-505(2)(a)3.)			

Notwithstanding 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	-0-	11,500,000	11,500,000
	(KRS 224.60-130, 224.60-140, 224.60-145, and 224.60-150)			
3.	**Environmental Protection**			
	Waste Tire Trust Fund	-0-	3,000,000	3,000,000
	(KRS 224.50-880)			
4.	**Kentucky Nature Preserves Commission**			
	Kentucky Heritage Land			
	Conservation Fund	-0-	2,500,000	2,500,000
	(KRS 146.570)			

C. FINANCE AND ADMINISTRATION CABINET

1.	**General Administration**			
	Other Expendable Trust Fund	-0-	75,000,000	75,000,000
	(KRS 42.205)			

These funds transfers to the General Fund partially support employer retirement

contributions.

2. Commonwealth Office of Technology

Computer Services Fund	2,800,000	2,800,000	2,800,000
(KRS 45.253)			

D. HEALTH AND FAMILY SERVICES CABINET

1. General Administration and Program Support

Malt Beverage Education Fund	-0-	500,000	500,000

E. PERSONNEL CABINET

1. General Operations

Agency Revenue Fund	-0-	2,689,000	2,693,800

These funds transfers to the General Fund support General Fund debt service on bonds for the new Personnel/Payroll system.

2. General Operations

Enterprise Fund	-0-	135,140,500	175,364,400
(KRS 18A.2254(3))			

These funds transfers to the General Fund partially support employer retirement contributions.

F. POSTSECONDARY EDUCATION

1. Kentucky Community and Technical College System

Other Special Revenue Fund	-0-	2,000,000	2,000,000
(KRS 95A.262(14))			

G. PUBLIC PROTECTION CABINET

1. Financial Institutions

Agency Revenue Fund	-0-	3,000,000	3,000,000
(KRS 286.1-485)			

2. Insurance

Agency Revenue Fund	-0-	20,000,000	20,000,000
(KRS 304.2-300 and 304.2-400)			

H. TOURISM, ARTS AND HERITAGE CABINET

1. Secretary

Other Special Revenue Fund	-0-	1,000,000	-0-
TOTAL - FUNDS TRANSFER	2,800,000	288,635,800	301,864,500

PART VI

GENERAL FUND BUDGET REDUCTION PLAN

Pursuant to KRS 48.130 and 48.600, a General Fund Budget Reduction Plan is enacted for state government in the event of an actual or projected revenue shortfall in General Fund revenue receipts, excluding Tobacco Settlement – Phase I receipts, of $11,005,900,000 in fiscal year 2018-2019 and $11,290,000,000 in fiscal year 2019-2020, as determined by KRS 48.120 and modified by related Acts and actions of the General Assembly in an extraordinary or regular session. Notwithstanding KRS 48.130, direct services, obligations essential to the minimum level of constitutional functions, and other items that may be specified in this Act, are exempt from the requirements of this Plan. Each branch head shall prepare a specific plan to address the proportionate share of the General Fund revenue shortfall applicable to the respective branch. No budget revision action shall be taken by a branch head in excess of the actual or projected revenue shortfall.

The Governor, Constitutional Officers, the Chief Justice, and the Legislative Research Commission shall direct and implement reductions in allotments and appropriations only for their respective branch budget units as may be necessary, as well as take other measures which shall be consistent with the provisions of this Part and biennial branch budget bills.

Notwithstanding KRS 48.130(4)(a) and (b), in the event of a revenue shortfall of five percent or less, General Fund budget reduction actions shall be implemented in the following sequence:

(1) The Local Government Economic Assistance and the Local Government Economic

Development Funds shall be adjusted by the Secretary of the Finance and Administration Cabinet to equal revised estimates of receipts pursuant to KRS 42.4582 as modified by the provisions of this Act;

(2) Transfers of excess unappropriated Restricted Funds, notwithstanding any statutes to the contrary, other than fiduciary funds, to the General Fund shall be applied as determined by the head of each branch for its respective budget units. No transfers to the General Fund shall be made from the following:

(a) Local Government Economic Assistance and Local Government Economic Development Funds;

(b) Unexpended debt service from the Tobacco-Settlement Phase I Funds, including but not limited to unexpended debt service and the Tobacco Unbudgeted Interest Income-Rural Development Trust Fund, in either fiscal year;

(c) Multi-County Coal Severance Fund; and

(d) The Kentucky Permanent Pension Fund;

(3) Unexpended debt service;

(4) Any unanticipated Phase I Master Settlement Agreement revenues in both fiscal years shall be appropriated according to Part X of this Act and shall not be transferred to the General Fund;

(5) Use of the unappropriated balance of the General Fund surplus shall be applied;

(6) Any language provision that expresses legislative intent regarding a specific appropriation shall not be reduced by a greater percentage than the reduction to the General Fund appropriation for that budget unit;

(7) Reduce General Fund appropriations in Executive Branch agencies' operating budget units by a sufficient amount to balance either fiscal year. No reductions of General Fund appropriations shall be made from the Local Government Economic Assistance Fund or the Local Government Economic Development Fund;

(8) Notwithstanding subsection (7) of this Part, no reductions shall be made to the

Constitutional Officers or their offices, Commonwealth's Attorneys or their offices, or County Attorneys or their offices. The Governor may request their participation in a budget reduction; however, the level of participation shall be at the discretion of the Constitutional Officer or the Prosecutors Advisory Council, and shall not exceed the actual percentage of revenue shortfall;

(9) Excess General Fund appropriations which accrue as a result of personnel vacancies and turnover, and reduced requirements for operating expenses, grants, and capital outlay shall be determined and applied by the heads of the executive, judicial, and legislative departments of state government for their respective branches. The branch heads shall certify the available amounts which shall be applied to budget units within the respective branches and shall promptly transmit the certification to the Secretary of the Finance and Administration Cabinet and the Legislative Research Commission. The Secretary of the Finance and Administration Cabinet shall execute the certified actions as transmitted by the branch heads.

Branch heads shall take care, by their respective actions, to protect, preserve, and advance the fundamental health, safety, legal and social welfare, and educational well-being of the citizens of the Commonwealth;

(10) Funds available in the Budget Reserve Trust Fund shall be applied in an amount not to exceed 25 percent of the Trust Fund balance in fiscal year 2018-2019 and 50 percent in fiscal year 2019-2020; and

(11) Pursuant to KRS 48.130 and 48.600, if the actions contained in subsections (1) to (10) of this Part are insufficient to eliminate an actual or projected General Fund revenue shortfall, then the Governor is empowered and directed to take necessary actions with respect to the Executive Branch budget units to balance the budget by such actions conforming with the criteria expressed in this Part.

PART VII

GENERAL FUND SURPLUS EXPENDITURE PLAN

(1) Notwithstanding KRS 48.130(7), 48.140(3), 48.700, and 48.705, there is established a plan for the expenditure of General Fund surplus moneys pursuant to a General Fund Surplus

Expenditure Plan contained in this Part for fiscal years 2018-2019 and 2019-2020. Pursuant to the enactment of the Surplus Expenditure Plan, General Fund moneys made available for the General Fund Surplus Expenditure Plan pursuant to Part III, General Provisions, Section 23, of this Act are appropriated to the following:

(a) Authorized expenditures without a sum-specific appropriation amount, known as Necessary Government Expenses, including but not limited to Emergency Orders formally declared by the Governor in an Executive Order;

(b) For the surplus moneys from fiscal year 2017-2018, to the Kentucky Retirement Systems to be applied to the unfunded pension liability of the Kentucky Employees Retirement System nonhazardous pension fund; and

(c) For the surplus moneys from fiscal year 2018-2019:

1. The Teachers' Retirement System in an amount up to $70,000,000 to be applied to the Medical Insurance Fund; and

2. The remaining amount to the Kentucky Retirement Systems to be applied to the unfunded pension liability of the Kentucky Employees Retirement System nonhazardous pension fund.

(2) The Secretary of the Finance and Administration Cabinet shall determine, within 30 days after the close of fiscal year 2017-2018, based on the official financial records of the Commonwealth, the amount of actual General Fund undesignated fund balance for the General Fund Surplus Account that may be available for expenditure pursuant to the Plan in fiscal year 2018-2019. The Secretary of the Finance and Administration Cabinet shall certify the amount of actual General Fund undesignated fund balance available for expenditure to the Legislative Research Commission.

(3) The Secretary of the Finance and Administration Cabinet shall determine, within 30 days after the close of fiscal year 2018-2019, based on the official financial records of the Commonwealth, the amount of actual General Fund undesignated fund balance for the General Fund Surplus Account that may be available for expenditure pursuant to the Plan in fiscal year

2019-2020. The Secretary of the Finance and Administration Cabinet shall certify the amount of actual General Fund undesignated fund balance available for expenditure to the Legislative Research Commission.

PART VIII

ROAD FUND BUDGET REDUCTION PLAN

There is established a Road Fund Budget Reduction Plan for fiscal year 2018-2019 and fiscal year 2019-2020. Notwithstanding KRS 48.130(1) and (3) relating to statutory appropriation adjustments related to the revenue sharing of motor fuels taxes, in the event of an actual or projected revenue shortfall in Road Fund revenue receipts of $1,505,300,000 in fiscal year 2018-2019 and $1,508,500,000 in fiscal year 2019-2020 as determined by KRS 48.120 and modified by related Acts and actions of the General Assembly in an extraordinary or regular session, the Governor shall implement sufficient reductions as may be required to protect the highest possible level of service.

PART IX

ROAD FUND SURPLUS EXPENDITURE PLAN

Notwithstanding KRS 48.110, 48.140, and 48.710, there is established a plan for the expenditure of the Road Fund Surplus Account. All moneys in the Road Fund Surplus Account shall be appropriated to the State Construction Account within the Highways budget unit and utilized to support projects in the 2018-2020 Biennial Highway Construction Program.

PART X

PHASE I TOBACCO SETTLEMENT

(1) **General Purpose:** This Part prescribes the policy implementing aspects of the national settlement agreement between the tobacco industry and the collective states as described in KRS 248.701 to 248.727. In furtherance of that agreement, the General Assembly recognizes that the Commonwealth of Kentucky is a party to the Phase I Master Settlement Agreement (MSA) between the Participating Tobacco Manufacturers and 46 Settling States which provides reimbursement to states for smoking-related expenditures made over time.

(2) **State's MSA Share:** The Commonwealth's share of the MSA is equal to 1.7611586 percent of the total settlement amount. Payments under the MSA are made to the states annually in April of each year.

(3) **MSA Payment Amount Variables:** The total settlement amount to be distributed on each payment date is subject to change pursuant to several variables provided in the MSA, including inflation adjustments, volume adjustments, previously settled states adjustments, and the nonparticipating manufacturers adjustment.

(4) **Distinct Identity of MSA Payment Deposits:** The General Assembly has determined that it shall be the policy of the Commonwealth that all Phase I Tobacco Settlement payments shall be deposited to the credit of the General Fund and shall maintain a distinct identity as Phase I Tobacco Settlement payments that shall not lapse to the credit of the General Fund surplus but shall continue forward from each fiscal year to the next fiscal year to the extent that any balance is unexpended.

(5) **MSA Payment Estimates and Adjustments:** Based on the official estimates of the Consensus Forecasting Group, the amount of MSA payments expected to be received in fiscal year 2017-2018 is $114,600,000, in fiscal year 2018-2019 is $119,500,000, and in fiscal year 2019-2020 is $118,100,000. It is recognized that payments to be received by the Commonwealth are estimated and are subject to change. If MSA payments received are less than the official estimates, appropriation reductions shall be applied as follows: after exempting appropriations for debt service and the Department of Revenue, 50 percent to the Agricultural Development Fund, 30 percent to the Early Childhood Development Fund, and 20 percent to the Health Care Improvement Fund. If MSA payments received exceed the official estimates, appropriation increases shall be applied as follows: after exempting appropriations for debt service and the Department of Revenue, 50 percent to the Agricultural Development Fund, 30 percent to the Early Childhood Development Fund, and 20 percent to the Health Care Improvement Fund.

a. **State Enforcement:** Notwithstanding KRS 248.654 and 248.703(4), a total of $250,000 of the MSA payments received in each fiscal year of the 2018-2020 biennium is

appropriated to the Finance and Administration Cabinet, Department of Revenue for the state's enforcement of noncompliant nonparticipating manufacturers.

b. Debt Service: Notwithstanding KRS 248.654 and 248.703(4), $28,974,900 in MSA payments in fiscal year 2018-2019 and $31,878,700 in MSA payments in fiscal year 2019-2020 are appropriated to the Finance and Administration Cabinet, Debt Service budget unit.

c. Agricultural Development Initiatives: Notwithstanding KRS 248.654 and 248.703(4), $44,810,600 in MSA payments in fiscal year 2018-2019 and $42,636,600 in MSA payments in fiscal year 2019-2020 are appropriated to the Kentucky Agricultural Development Fund to be used for agricultural development initiatives as specified in this Part.

d. Early Childhood Development Initiatives: Notwithstanding KRS 248.654, $28,891,900 in MSA payments in fiscal year 2018-2019 and $27,930,800 in MSA payments in fiscal year 2019-2020 are appropriated to the Early Childhood Development Initiatives as specified in this Part.

e. Health Care Initiatives: Notwithstanding KRS 164.476, 248.654, and 304.17B-003(5), MSA payments in the amounts of $18,604,000 in fiscal year 2018-2019 and $17,391,400 in fiscal year 2019-2020 are appropriated to the Health Care Improvement Fund for health care initiatives as specified in this Part.

(6) MSA Lapse – Fiscal Year 2017-2018: The Consensus Forecasting Group increased the fiscal year 2017-2018 Phase I Master Settlement Agreement revenues by $21,800,000 to $114,600,000. There is $2,025,600 in actual receipts from fiscal year 2015-2016 and $6,415,600 in actual receipts from fiscal year 2016-2017 that remain unappropriated. Notwithstanding KRS 248.703(6), the total of $8,441,200 representing unanticipated MSA receipts in fiscal year 2015-2016 and fiscal year 2016-2017 shall lapse to the General Fund. If MSA receipts in fiscal year 2017-2018 are greater than $92,800,000, but less than $114,600,000, notwithstanding KRS 248.703(6), the amount above $92,800,000 shall lapse to the General Fund. If MSA receipts in fiscal year 2017-2018 are greater than $114,600,000, notwithstanding KRS 248.703(6), a total of $21,800,000 shall lapse to the General Fund and the amount of fiscal year 2017-2018 MSA

receipts above $114,600,000 shall not lapse to the General Fund but shall be appropriated in accordance with Part X, (5) of this Act.

(7) MSA Adjustments: In the event of an actual or projected revenue shortfall in the General Fund revenue receipts, excluding Phase I MSA revenues, in fiscal years 2017-2018, 2018-2019, and 2019-2020, in accordance with this Part and Part VI, General Fund Budget Reduction Plan, of this Act, no transfers shall be made to the General Fund from unexpended debt service from Phase I MSA revenues or from unanticipated Phase I MSA revenues. Unexpended debt service in fiscal years 2017-2018, 2018-2019, and 2019-2020, shall be appropriated in accordance with Part X, B., 1., a., (3) of this Act. Unanticipated Phase I MSA revenues in fiscal years 2018-2019 and 2019-2020 shall be appropriated in accordance with Part X, (5) of this Act.

A. STATE ENFORCEMENT

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 248.654 and 248.703(4), appropriations for state enforcement shall be as follows:

1. FINANCE AND ADMINISTRATION CABINET

Budget Unit	**2018-19**	**2019-20**
a. Revenue	250,000	250,000

B. DEBT SERVICE

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 248.654 and 248.703(4), appropriations for debt service shall be as follows:

1. FINANCE AND ADMINISTRATION CABINET

Budget Unit	**2018-19**	**2019-20**
a. Debt Service	28,974,900	31,878,700

(1) Debt Service: To the extent that revenues sufficient to support the required debt service appropriations are received from the Tobacco Settlement Program, those revenues shall

be made available from those accounts to the appropriate account of the General Fund. All necessary debt service amounts shall be appropriated from the General Fund and shall be fully paid regardless of whether there is a sufficient amount available to be transferred from tobacco-supported funding program accounts to other accounts of the General Fund.

(2) General Fund (Tobacco) Debt Service Lapse: Notwithstanding Part X, (4) of this Act, $2,065,000 in fiscal year 2017-2018, $2,031,400 in fiscal year 2018-2019, and $1,987,500 in fiscal year 2019-2020 shall lapse to the General Fund.

(3) Appropriation of Unexpended Tobacco Debt Service: Any unexpended balance from fiscal year 2017-2018, fiscal year 2018-2019, or fiscal year 2019-2020 General Fund (Tobacco) debt service appropriation in the Finance and Administration Cabinet, Debt Service budget unit, shall continue and be appropriated to the Governor's Office of Agricultural Policy.

C. AGRICULTURAL DEVELOPMENT APPROPRIATIONS

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 248.654 and 248.703(4), appropriations for Agricultural Development shall be as follows:

1. GENERAL GOVERNMENT

Budget Unit	**2018-19**	**2019-20**
a. Governor's Office of Agricultural Policy	40,553,300	38,379,300

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

(2) Counties Account: Notwithstanding KRS 248.703(1), included in the above General Fund (Tobacco) appropriation is $16,869,000 in fiscal year 2018-2019 and $15,841,300 in fiscal year 2019-2020 for the counties account as specified in KRS 248.703(1)(a).

(3) Directive for Fiscal Year 2018-2019 and Fiscal Year 2019-2020 General Fund

(Tobacco) Appropriations: Notwithstanding KRS 248.709 and 248.727, included in the above General Fund (Tobacco) appropriation is $7,000,000 in fiscal year 2018-2019 and $6,000,000 in fiscal year 2019-2020 to be used for capital improvements to the agricultural event space and other facilities at the Kentucky State Fair and Exposition Center. The grant process for the proposed projects shall require the State Fair Board to submit an application to the Agricultural Development Board. The application shall be subject to the review, approval, and evaluation criteria established by the Agricultural Development Board. Any grants approved by the Agricultural Development Board to the State Fair Board shall not require a match by the applicant. The highest priority and the purpose of grants approved shall be for projects related to deferred maintenance, renovation, and remodeling of event space primarily used for animal and other agricultural-related events or the demolition of unusable facilities. New construction projects dedicated primarily to agricultural events at the Kentucky State Fair and Exposition Center may be considered by the Agricultural Development Board if there are unused appropriations remaining after grant funds have been approved for maintenance, renovation, remodeling, and demolition projects, which shall have the highest priority among the projects considered. If the total grant funds awarded to the State Fair Board are less than the General Fund (Tobacco) appropriation of $13,000,000 reserved in the 2018-2020 fiscal biennium for the State Fair Board, any uncommitted or unobligated appropriations shall not be approved by the Agricultural Development Board for any other project until appropriated by the General Assembly.

2. DEPARTMENT OF AGRICULTURE

Budget Unit	**2018-19**	**2019-20**
a. Agriculture	500,000	500,000

(1) Farms to Food Banks: Included in the above General Fund (Tobacco) appropriation is $500,000 in each fiscal year to support the Farms to Food Banks Program to benefit both Kentucky farmers and the needy by providing fresh, locally grown produce to food pantries.

3. ENERGY AND ENVIRONMENT CABINET

Budget Unit	2018-19	2019-20
a. Natural Resources	3,757,300	3,757,300

(1) Environmental Stewardship Program: Included in the above General Fund (Tobacco) appropriation is $2,500,000 in each fiscal year for the Environmental Stewardship Program.

(2) Conservation District Local Aid: Included in the above General Fund (Tobacco) appropriation is $907,300 in each fiscal year for the Division of Conservation to provide direct local aid to local conservation districts.

(3) Match for Conservation Program: Included in the above General Fund (Tobacco) appropriation is $350,000 in each fiscal year to provide the nonfederal match for a federal conservation program.

TOTAL - AGRICULTURAL APPROPRIATIONS	44,810,600	42,636,600

D. EARLY CHILDHOOD DEVELOPMENT

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 248.654, appropriations for Early Childhood Development shall be as follows:

1. GENERAL GOVERNMENT

Budget Unit	2018-19	2019-20
a. Office of the Governor	2,050,000	2,050,000

(1) Governor's Office for Early Childhood Development: Included in the above General Fund (Tobacco) appropriation is $2,050,000 in each fiscal year for the Early Childhood Advisory Council.

2. CABINET FOR HEALTH AND FAMILY SERVICES

Budget Units	2018-19	2019-20
a. Community Based Services	13,211,100	12,250,000

(1) Early Childhood Development Program: Included in the above General Fund

(Tobacco) appropriation is $10,711,100 in fiscal year 2018-2019 and $9,750,000 in fiscal year 2019-2020 for the Early Childhood Development Program.

(2) Early Childhood Adoption and Foster Care Supports: Included in the above General Fund (Tobacco) appropriation is $2,500,000 in each fiscal year for the Early Childhood Adoption and Foster Care Supports Program.

b. Public Health	12,130,000	12,130,000

(1) HANDS Program, Healthy Start, Folic Acid Program, Early Childhood Mental Health, and Early Childhood Oral Health: Included in the above General Fund (Tobacco) appropriation is $9,000,000 in each fiscal year for the Health Access Nurturing Development Services (HANDS) Program, $1,000,000 in each fiscal year for Healthy Start initiatives, $80,000 in each fiscal year for the Folic Acid Program, $1,000,000 in each fiscal year for Early Childhood Mental Health, and $1,050,000 in each fiscal year for Early Childhood Oral Health.

c. Behavioral Health, Developmental and Intellectual Disabilities Services	1,500,800	1,500,800

(1) Substance Abuse Prevention and Treatment: Included in the above General Fund (Tobacco) appropriation is $1,500,800 in each fiscal year for substance abuse prevention and treatment for pregnant women with a history of substance abuse problems.

TOTAL - EARLY CHILDHOOD APPROPRIATIONS	28,891,900	27,930,800

E. HEALTH CARE IMPROVEMENT APPROPRIATIONS

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

Notwithstanding KRS 164.476, 248.654, and 304.17B-003(5), appropriations for health care improvement shall be as follows:

1. CABINET FOR HEALTH AND FAMILY SERVICES

Budget Unit	**2018-19**	**2019-20**
a. Public Health	3,773,000	3,342,100

(1) Smoking Cessation Program: Included in the above General Fund (Tobacco)

appropriation is $3,773,000 in fiscal year 2018-2019 and $3,342,100 in fiscal year 2019-2020 for Smoking Cessation.

2. JUSTICE AND PUBLIC SAFETY CABINET

Budget Unit	**2018-19**	**2019-20**
a. Justice Administration	7,831,000	7,362,800

(1) Office of Drug Control Policy: Included in the above General Fund (Tobacco) appropriation is $7,831,000 in fiscal year 2018-2019 and $7,362,800 in fiscal year 2019-2020 for the Office of Drug Control Policy to support opioid prevention, treatment, and recovery initiatives.

3. POSTSECONDARY EDUCATION

Budget Unit	**2018-19**	**2019-20**
a. Council on Postsecondary Education	7,000,000	6,686,500

(1) Cancer Research and Screening: Included in the above General Fund (Tobacco) appropriation is $7,000,000 in fiscal year 2018-2019 and $6,686,500 in fiscal year 2019-2020 for cancer research and screening. The appropriation each fiscal year shall be equally shared between the University of Kentucky and the University of Louisville.

TOTAL - HEALTH CARE	18,604,000	17,391,400
TOTAL - PHASE I TOBACCO SETTLEMENT FUNDING PROGRAM	121,531,400	120,087,500

PART XI

STATE/EXECUTIVE BRANCH BUDGET SUMMARY

OPERATING BUDGET

	2017-18	**2018-19**	**2019-20**
General Fund (Tobacco)	-0-	121,531,400	120,087,500
General Fund	26,771,800	11,097,295,200	11,327,342,700
Restricted Funds	-0-	8,463,848,900	8,745,114,900

Federal Funds	-0-	12,764,790,800	13,138,845,700
Road Fund	-0-	110,543,900	112,085,400
SUBTOTAL	26,771,800	32,558,010,200	33,443,476,200

CAPITAL PROJECTS BUDGET

	2017-18	**2018-19**	**2019-20**
Restricted Funds	10,500,000	5,485,467,500	83,834,500
Federal Funds	-0-	69,826,000	29,946,000
Bond Funds	-0-	275,803,000	94,014,000
Agency Bonds	-0-	602,885,000	-0-
Investment Income	-0-	7,035,000	5,485,000
Other Funds	6,000,000	1,440,691,000	3,400,000
SUBTOTAL	16,500,000	7,881,707,500	216,679,500

TOTAL - STATE/EXECUTIVE BUDGET

	2017-18	**2018-19**	**2019-20**
General Fund (Tobacco)	-0-	121,531,400	120,087,500
General Fund	26,771,800	11,097,295,200	11,327,342,700
Restricted Funds	10,500,000	13,949,316,400	8,828,949,400
Federal Funds	-0-	12,834,616,800	13,168,791,700
Road Fund	-0-	110,543,900	112,085,400
Bond Funds	-0-	275,803,000	94,014,000
Agency Bonds	-0-	602,885,000	-0-
Investment Income	-0-	7,035,000	5,485,000
Other Funds	6,000,000	1,440,691,000	3,400,000
TOTAL FUNDS	43,271,800	40,439,717,700	33,660,155,700".

Senate Members	House Members
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The above-named members, in separate votes by house, all concur in the provisions of this report.

DATE

_____

For Clerk's Use:

Adopted: _____

Repassage Vote: _____