

In response to the COVID19 situation the Administration has recommended that the Pessimistic revenue forecast be used rather than the original CFG General Fund estimates. The State Budget Director has also recommended that all salary increases be eliminated and that the SEEK base appropriation be held at \$4,000.

The Free Conference Committee concurs with the Governor's original budget recommendations with the following exceptions:

Appropriates funds for FY 20 and FY 21.

## **A. GENERAL GOVERNMENT**

### **Office of the Governor**

Removes \$185,000 of General Fund in FY 21 for the Office of Minority Empowerment.

Removes \$171,500 of General Fund in FY 21 to the Commission on Military Affairs to support the Base Re-alignment and Closure (BRAC) consulting contract.

Removes \$359,600 of General Fund in FY 21 for two positions in the Lieutenant Governor's office.

Adds language to provide no salary increment for the Governor or Lieutenant Governor.

### **Office of State Budget Director**

Adds language requiring OSBD to provide the methodology, assumptions, data, and all other related materials used to project biennial offender population forecasts to the Interim Joint Committee on Appropriations and Revenue by November 1, 2021.

Adds language requiring OSBD to 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, 2021.

Adds language requiring OSBD to provide a report to the Interim Joint Committee on Appropriations and Revenue detailing the anticipated costs of increasing the existing Facilities Security rate to \$36 per hour for every participating state-operated building by September 15, 2020.

### **Department of Veterans' Affairs**

Authorizes an additional \$3.1 million Restricted Funds in FY 21 to fill nursing positions.

Removes the Governor's language and corresponding General Fund amounts and restores language from the 2018-2020 budget bill regarding the debt service on bonds for the construction of the Bowling Green Veterans Center. The language stipulates that bonds may not be sold until federal funds are available to support construction. If bonds are sold, the required debt service shall be deemed a necessary government expense.

Adds language requiring an 80% occupancy rate among the four existing Veterans' Centers before the General Assembly will consider funding future projects and states the General Assembly's intent for a future veterans' center to be located in Magoffin County.

Restores language to direct General Fund support of \$93,700 in FY 21 to the Brain Injury Alliance of Kentucky and the Epilepsy Foundation of Kentuckiana.

Restores language to direct General Fund support of \$187,500 in FY 21 to Veterans' Service Organizations.

### **Governor's Office of Agricultural Policy**

Removes language regarding the principal limit for the Kentucky Agricultural Finance Corporation.

Adds language to restrict use of the remaining funds from the \$13 million General Fund (Tobacco) appropriated to the State Fair Board in the 2018-2020 biennial budget.

### **Kentucky Infrastructure Authority**

Reduces \$370,000 in General Fund in FY 21 from administrative support of coal severance programs.

Removes language related to administrative fees on infrastructure for economic development fund projects and includes the language in the 2020 Revenue Bill.

### **Military Affairs**

Adds \$10 million Restricted Funds replacement to meet contractual obligations of the Central Consolidated Clothing Distribution Facility.

Restores language identifying \$335,000 of General Fund in FY 21 for the Bluegrass Challenge Academy, and \$335,000 of General Fund in FY 21 for the Appalachian Youth Challenge Academy.

### **Commission on Human Rights**

Removes \$100,300 of General Fund in FY 21 for filling vacant positions.

Removes \$200,000 of General Fund in FY 21 for a reinvestment in the Commission on Human Rights.

### **Commission on Women**

Removes \$357,500 of General Fund to provide funding for the Commission on Women and redistributes that amount to provide additional funding for Domestic Violence Shelters, Rape Crisis Centers, and Children's Advocacy Centers.

### **Department for Local Government**

Removes \$1 million of General Fund support for equal pay audits.

Restores language to direct General Fund support of \$1.9 million in FY 21 for the Joint Funding Administration Program to support Area Development Districts.

Restores language directing \$257,800 to the May Kendall Homes and Gateway Juvenile Diversion program.

Restores language outlining a formula for allocating Area Development District funding.

### **Local Government Economic Assistance Fund (LGEAF)**

Reduces General Fund support by \$13.4 million.

Adds language to exclude coal impact counties from distributions, and instead directs coal severance taxes only to coal producing counties and cities.

Adds language exempting local governments from a statutory requirement to expend funds on the Coal Haul Roads.

### **Local Government Economic Development Fund (LGEDF)**

Increases General Fund support by \$12.8 million.

Restores language to direct all coal severance funds to single county accounts.

Restores language to allow local governments to expend funds at the discretion of the State Representative, State Senator, and County Judge Executive.

Removes General Fund support of \$370,000 for the Kentucky Infrastructure Authority to administer coal severance programs.

Directs \$1 million of coal severance tax revenues to the General Fund.

### **Area Development Fund**

Restores language to provide flexibility to the Area Development Districts to request approval to transfer funding between the Area Development Fund and the Joint Funding Agreement Program.

### **Executive Branch Ethics Commission**

Restores language to require all penalties collected or received by the commission to be credited to a restricted fund, and notes that these funds shall not lapse and shall carry forward.

### **Secretary of State**

Adds language to provide no salary increment for the Secretary of State.

Reduces dependency on General Fund by funding the Secretary of State through Restricted Funds and increases Restricted Funds by \$2,496,400 in FY 21.

### **Attorney General**

Restores language to allow the Attorney General to present proposals to state agencies identifying legal services that can be provided by the Office of the Attorney General instead of through personal service contracts.

Maintains statutory \$4,000 stipend and reduces Restricted Funds by \$22,800 in FY 21 to conform.

Modifies Purdue Pharma settlement language to identify that allotted funds are lawfully received.

Adds debt service for a \$2 million General Fund bond project for technology equipment and software.

Adds language to direct the Attorney General and the Commissioner of the Kentucky State Police to identify a pathway for consolidation of the state's electronic crimes labs.

Adds language to provide no salary increment for the Attorney General.

Adds \$5,000 of General Fund in FY 21 for operations.

### **Unified Prosecutorial System**

Adds language requiring the Prosecutors Advisory Council to develop a proposed salary scale for the employees of the Unified Prosecutorial System to be submitted to the Interim Joint Committee on Appropriations and Revenue by August 1, 2020 and approved by the General Assembly.

### **Commonwealth's Attorneys**

Removes \$3 million of General Fund for additional positions for Commonwealth's Attorneys.

Adds language to provide no salary increment for the Commonwealth's Attorneys in FY 21.

Restores language from the 2018-2020 budget bill identifying \$387,700 in General Fund in FY 21 for the Rocket Docket Program to the Commonwealth's Attorneys

### **County Attorneys**

Removes \$840,000 in additional operating funding for County Attorneys in FY 21.

Adds language to provide no salary increment for the County Attorneys in FY 21.

Restores language from the 2018-2020 budget bill identifying \$549,800 General Fund in FY 21 for the Rocket Docket Program to County Attorneys.

Restores notwithstanding language from the 2018-2020 budget bill to reduce the monthly

expense allowance to \$400 for County Attorneys.

### **Treasury**

Removes \$35,500 of General Fund in FY 21 for operations.

Adds language to provide no salary increment for the Treasurer.

### **Agriculture**

Restores language to identify \$300,000 of General Fund in FY 21 for County Fair Grants program.

Adds language to restrict the use of the \$500,000 of General Fund (Tobacco) appropriated to the Department of Agriculture for the Farms to Food Banks Program.

Adds \$753,700 of General Fund in FY 21 for operations.

Adds language to provide no salary increment for the Commissioner of Agriculture.

### **Auditor of Public Accounts**

Provides \$2.0 million of General Fund in FY 21 for additional personnel.

Removes language regarding charges for Federal, State, and Local Audits.

Adds \$7,400 of General Fund in FY 21 for operations.

Adds language to provide no salary increment for the Auditor of Public Accounts.

### **Personnel Board**

Moves language regarding the Personnel Board Operating Assessment to the 2020 Revenue Bill.

### **Kentucky Retirement Systems**

Adds \$384,000 in General Fund support in FY 21 to be applied to the unfunded pension liability of the State Police Retirement System pension fund.

### **Occupational and Professional Boards and Commissions**

Eliminates funds transfers from the Occupational and Professional Boards and Commissions, totaling \$6.65 million in FY 21.

### **Kentucky River Authority**

Removes language related to the water withdrawal fee and includes the language in the 2020 Revenue Bill.

### **School Facilities Construction Commission**

Reduces bond funds for Normal Offers of Assistance to \$58 million.

Reduces expected Normal Offers of Assistance for the next biennium to \$58 million.

Adds \$47.5 million in bond funds for Special Offers of Assistance to four schools at the top of the KFICS List.

Authorizes additional Restricted Funds transfer of \$2.9 million in FY 21.

### **Teachers' Retirement System**

Restores language to require that retirees will continue to be part of the Kentucky Employees' Health Plan and that their premiums will continue to reflect the current premium structure.

Restores language to ensure that current TRS members' contributions toward retiree medical insurance will not increase.

Adds language to require the amount in excess of the actuarially determined contribution for

the medical insurance trust fund to be carried forward and applied to the FY 22 actuarially determined contribution.

Adds language to reiterate that there is no dependent subsidy after Plan Year 2020.

### **Judgments**

Amends payment of judgments language to suspend NGE spending authority for judgments and provides that amounts required in excess of the appropriation shall be paid first from funds available to the respective department or agency and then by appropriation to the Finance and Administration Cabinet in the following biennium.

### **Kentucky Communications Network Authority**

Adds language to provide that KCNA shall not charge state agencies more than what is currently being charged for broadband services.

Adds language to line item \$22,535,608 in FY 21 for network Availability Payments.

Adds language to line item \$8,025,800 in FY 21 for network contractual costs.

Adds language to give KCNA authority to sell all or parts of the network.

## **B. ECONOMIC DEVELOPMENT CABINET**

Restores language to allow Restricted Funds to be expended for Bluegrass State Skills Corporation training grants.

Includes language that restricts the salary of any executive officer to not greater than the salary of the Governor.

Provides General Fund support of \$1.0 million in FY 21 for Bluegrass State Skills Corporation to make training grants to Ford Motor Company and adds supporting language.

Removes General Fund support of \$400,000 in FY 21 for the Louisville Waterfront Development Corporation.

Removes General Fund support of \$2.0 million in FY 21 for the Economic Development Venture Fund.

Removes bond authority and associated debt service of \$1.5 million in FY 21 for \$35.0 million in bond funds for the University of Louisville hospital.

Removes Economic Development Bond Issues and Use of New Economy Funds language.

## **C. DEPARTMENT OF EDUCATION**

### **Support Education Excellence in Kentucky (SEEK)**

Decreases the SEEK per-pupil base guarantee to \$4,000 in FY 21.

Adds language to identify the limited proficiency in English allocation within the SEEK formula.

Directs all SEEK surplus funds in FY 20 to lapse to the General Fund.

Removes the \$2,000 salary supplement for classroom teachers.

Removes funds for EKU's Model Laboratory School from SEEK in accordance with HB 366.

Equalizes all school district facility nickels levied as of January 1, 2020, up to three nickels

- This equalizes 33 new districts at 25% in FY 21, with the intent to fully equalize them in the next biennium.

Restores language to clarify that hold-harmless districts will not take a pro rata reduction in case of a SEEK shortfall.

Restores and clarifies language to mandate that all education funds for the National Guard Youth Challenge programs flows through the Department for Military Affairs.

Consolidates all funds for Career & Technical Education in the Learning & Results Services budget unit.

### **Operations & Support Services**

Eliminates General Fund support of \$1.8 million in FY 21 for Dataseam.

Restores language identifying funds for the following programs:

- Blind/Deaf Residential Travel
- School Food Services
- Advanced Placement and International Baccalaureate Exam fees for students on free or reduced lunch
- KFICS List

Adds language to streamline the process for school districts to modify their district facility plans to meet the requirements of Senate Bill 1.

### **Learning & Results Services**

Adds General Fund support of \$17.2 million in FY 21 for past due local district health insurance and removes the language requiring school districts to be responsible for shortfalls for health insurance.

Amends language to limit the administrative costs of the Kentucky Center for School Safety.

Restores language to identify funds for Kentucky School for the Blind and Kentucky School for the Deaf.

Identifies funds for Career and Technical Education, adds General Fund support of \$200,000 in FY 21 to the LAVEC funding pool, and allows local centers that also enroll students at state-operated centers in different time zones to be included as a LAVEC.

Restores language to allow for the reappointment of members to the Advisory Council for Gifted and Talented Education to serve up to five consecutive terms and allow a member of the Kentucky Association for Gifted Education to be a voting member.

Adds General Fund support of \$9.4 million in FY 21 for school-based mental health services providers and adds language to clarify the requirements for school districts to receive reimbursement.

- This includes pension and health insurance costs.
- The Kentucky Center for School Safety and the State School Security Marshal will collaborate to determine how to distribute the funds in accordance with SB 1 (2019) and SB 8 (2020).

Adds language to clarify the redistribution of resources among programs provides funding for the school-based mental health services providers.

Restores language to identify funding for the "LARS List" programs and adds General Fund support in FY 21 to the following programs:

- \$250,000 from lottery proceeds for the JAG program.
- \$250,000 for the Kentucky Alliance of Boys & Girls Clubs.
- Additional \$250,000 for Teach for America.
- Additional \$156,200 for Visually Impaired Preschool Services.

Removes General Fund support of \$1.4 million in FY 21 from the "LARS List" for the following programs:

- Elementary Arts and Humanities
- Kentucky Academy for Equity in Teaching

Removes General Fund support of \$11 million for textbooks.

Removes General Fund support of \$5 million in FY 21 for preschool in disadvantaged areas.

Adds language regarding school districts assuming control of state Area Technology Centers, to clarify funding levels and personnel protections.

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

### **General Administration and Program Support**

Reduces General Fund (Tobacco) by \$650,000 in FY 21 for the Early Childhood Advisory Council.

Adds language to identify \$1.8 million in FY 21 for the Governor's Scholars Program.

Adds \$175,000 and adds language to identify total funding of \$362,700 in FY 21 for the Governor's School for Entrepreneurs.

Adds language to identify \$1.2 million in General Fund in FY 21 to replace Federal Funds to sustain the State Longitudinal Database System in KYSTATS.

Removes \$250,000 in General Fund in FY 21 for the Family Scholar House.

Adds language to identify \$100,000 in General Fund in FY 21 for the Hope Center.

### **Kentucky Educational Television**

Removes debt service on \$1 million in bond funding for the KET Public Safety Emergency Warning and Alerting System.

### **Libraries and Archives - Direct Local Aid**

Removes \$2.5 million in General Fund for Per Capita Grants for FY 21.

Adds language to identify \$4.3 million in FY 21 for the Public Libraries Facilities Construction Fund.

### **Workforce Investment**

Forces a lapse of \$2 million from the Office of Adult Education in FY 20.

Restores language giving first right of refusal to Vocational Rehabilitation to operate cafeterias in the Transportation and Human Resources buildings in FY 21.

Adds language to identify \$18.4 million in FY 21 for the Office of Adult Education.

Adds language to identify \$581,100 in FY 21 for the Office of Employer and Apprenticeship Services and requires a report by December 1, 2020 detailing the use of these funds.

Adds \$575,000 in General Fund in FY 21 to maximize matching Federal Funds in Vocational Rehabilitation.

## **E. ENERGY AND ENVIRONMENT CABINET**

### **Secretary**

Appropriates the full amount of Volkswagen Settlement funds to be expended in FY 21. Language specifies \$8.5 million shall be used to partially support the purchase of new school buses, \$8.5 million to replace transit buses, \$3 million for light-duty zero-emission vehicle supply equipment, and up to \$278,500 for administrative costs. Purchases must meet the Consent Decree's necessary criteria and reduce NOx emissions.

### **Environmental Protection**

Increases Restricted Funds spending authority \$4.0 million in FY 21 for the Waste Tire Trust Fund and moves language to the revenue bill.

Eliminates the PSTEAF bond fund authorization of \$25 million in FY 21 and removes \$1.0 million of associated General Fund debt service appropriation.

Increases the PSTEAF Restricted Funds spending authority \$26.6 million in FY 21.

### **Natural Resources**

Reduces General Fund \$500,000 in FY 21 to provide funds for the Safety Steward and Investigator positions within the Kentucky Horse Racing Commission (Public Protection Cabinet).

Adds intent language to fund Mine Safety Specialists with coal severance tax dollars in the 2020-2024 biennium.

Adds language to prohibit any Mine Safety Specialist vacancies from being filled in the 2020-2022 biennium.

### **Kentucky Nature Preserves**

Restores Restricted Funds spending authority back to the FY 20 base amount.

### **Public Service Commission**

Adds language to allow unexpended Restricted Funds within the Siting Board to become available in the 2020-2022 biennium.

## **F. FINANCE AND ADMINISTRATION**

### **General Administration**

Restores language requiring annual reporting of permanently assigned vehicles within the state motor vehicle fleet and amends to include provisions for noncompliance.



Reduces General Fund appropriation in replacement of Restricted Fund supported vacancies by \$652,000 in FY 21.

**Controller**

Reduces General Fund appropriation in replacement of Restricted Fund supported vacancies by \$992,900 in FY 21.

**Inspector General**

Reduces General Fund appropriation in replacement of Restricted Fund supported vacancies by \$211,900 in FY 21.

**Debt Service**

Adds language to the General Fund (Tobacco) Debt Service lapse to specify the lapse shall be to the General Fund.

**Facilities and Support Services**

Reduces General Fund appropriation in replacement of Restricted Fund supported vacancies by \$2.6 million in FY 21.

**Commonwealth Office of Technology**

Restores language requiring annual reporting of computer services fund receipts.

Adds language to cap the rates COT may charge to 2020 levels.

Transfers \$14.0 million in FY 21 from the Computer Services Fund to the General Fund and reduces Restricted Fund spending authority by the same amount.

**Revenue**

Removes Insurance Surcharge Rate language.

Removes \$1.4 million of General Fund in FY 21 for Integrated Tax System Maintenance.

Removes \$1.5 million of General Fund in FY 21 for additional staff related to the revenue enhancement initiative.

Adds language to mirror Part X language regarding the \$250,000 of the Tobacco Settlement Payments appropriated to Revenue.

**Property Valuation Administrators**

Adds language to specify that PVAs shall get no increment.

**G. HEALTH AND FAMILY SERVICES CABINET**

**General Administration and Program Support**

Restores language prohibiting participants in the Kentucky Works Program from participating in the Human Services Transportation Delivery Program.

Restores language directing the Cabinet to fill all federally funded positions.

Adds language to require the Cabinet to issue a Request for Proposal to incorporate best practices in the system design for the KASPER capital project.

Adds language to identify \$50,000 in General Fund support for the operations of the Special Olympics Kentucky.

### **Medicaid Administration**

Restores language requiring Medicaid managed care organizations to collect Medicaid expenditure data.

### **Medicaid Benefits**

Restores language requiring Medicaid pharmacies to provide a 72-hour emergency supply of medicine if a recipient cannot provide the necessary co-pay.

Restores language prohibiting hospitals from billing a patient if a DSH payment has also been made.

Restores language to prevent providers from only posting that a provider tax was paid without also notifying the public that DSH payments were also received.

Restores language requiring the Department for Medicaid Services to submit a quarterly report to the Appropriations and Revenue Committee.

Restores language requiring Medicaid MCOs to submit quarterly reports to the Department for Medicaid Services.

Restores language to prohibit an acute care hospital from converting to a critical access hospital unless the hospital receives permission from the Kentucky State Office of Rural Health.

Restores language allowing an appeal for denial of service by a Medicaid MCO.

Adds language requiring the Department for Medicaid Services to submit a yearly report on the Medicaid prescription drug program to the Appropriations and Revenue Committee and the Medicaid Oversight and Advisory Committee.

Adds language identifying the funding for the Kentucky Children's Health Insurance Program.

Removes \$3.5 million in General Fund in FY 21 for Michelle P. and Supports for Community Waiver slots.

Adds language to require maintenance of the reimbursement rates for the Supports for Community Living waiver program at the upper payment limit in the event of a material change in federal funding.

Adds language directing the Department for Medicaid Services to develop and submit an application for a Section 1115 demonstration waiver to provide Medicaid coverage for substance use disorder treatment to individuals incarcerated for a conviction under KRS Chapter 218A.

### **Behavioral Health, Developmental and Intellectual Disabilities**

Provides \$500,000 in Tobacco Funds in FY 21 for the Kentucky Rural Mental Health and Suicide Prevention pilot program.

Provides \$900,000 in General Fund in FY 21 for the Healing Place to provide direct services to clients.

Reduces \$13.1 million in General Fund in FY 21 for retirement assistance to the Community Mental Health Centers.

### **Public Health**

Reduces General Fund (Tobacco) support for Smoking Cessation by \$958,000 in FY 21.

Includes language that requires continuing General Fund (Tobacco) reserves be used to fund the Folic Acid Program.

Reduces \$16.5 million in General Fund for retirement assistance in FY 21 to the Local and District Health Departments.

Includes language that requires Local and District Health Departments retain 90 percent of the fees collected for foundational services for the costs of operations, services and retirement contribution to the Kentucky Employees Retirement System.

Provides \$300,000 in FY 20 and \$1.9 million in FY 21 to support the Kentucky Poison Control Center and the COVID-19 Hotline.

Restores language to identify \$500,000 in FY 21 to support the Kentucky Colon Cancer Screening Program.

Restores language to identify \$2.5 million in FY 21 to support Kentucky Pediatric Cancer Research Center.

Adds language to identify \$2.5 million in General Fund to support the Kentucky Pediatric Cancer Research Trust Fund.

### **Family Resource Centers and Volunteer Services**

Adds language to identify funds transferred from the Department of Education.

### **Income Support**

Provides \$3.8 million in Federal Funds in FY 21 for staff vacancies.

### **Community Based Services**

Provides \$2.5 million in General Fund (Tobacco) in FY 21 to support Early Childhood Adoption and Foster Care.

Reduces \$1.7 million in General Fund in FY 21 for retirement assistance to the Domestic Violence Shelters, the Rape Crisis Centers, and the Child Advocacy Centers.

Restores language to identify \$500,000 of General Fund in FY 21 to support the Fostering Success Program.

Restores language to identify \$1.0 million of General Fund support in FY 21 for Relative Placement Support Benefits including start-up costs for placing children with non-parental relatives.

Increases General Fund support in the amount of \$250,000 in FY 21 to support the Domestic Violence Shelters.

Increases General Fund support in the amount of \$250,000 in FY 21 for the Rape Crisis Centers.

Restores language to identify \$550,000 in General Fund in FY 21 to support supplemental payments for dually-licensed pediatric facilities.

Restores language to identify \$50,000 in General Fund in FY 21 to support family counseling and trauma remediation services.

Removes \$1.0 million in General Fund in FY 21 for the Kentucky Coalition against Domestic Violence for batter intervention services.

Restores language to identify \$10.6 million in General Fund support in FY 21 to provide child care assistance to families at or below 160% of the federal poverty level as determined annually by HHS.

Provides \$500,000 in General Fund in FY 21 for the Child Advocacy Centers.

Removes \$7.0 million in General Fund in FY 21 for 100 Social Workers in Child Protective Services.

Provides \$1.0 million in General Fund in FY 21 to support the Family Scholar House.

Provides \$2.2 million in General Fund in FY 21 to support an increase in reimbursements provided to personal care homes.

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

### **Justice Administration**

Adds language requiring the CEO of Operation UNITE and the Secretary of the Justice and Public Safety Cabinet to report how previously-appropriated funds were expended in FY 20.

Removes \$3.4 million in FY 21 of General Fund (Tobacco) support for the Office of Drug Control Policy.

Restores language and identifies General Fund support of \$500,000 in FY 21 for the Access to Justice Program.

Restores language and identifies \$1.5 million in General Fund support in FY 21 for Court Appointed Special Advocate programs.

Adds language and provides \$350,000 in FY 21 in General Fund (Tobacco) to support the Restorative Justice program administered by the Volunteers of America.

### **Criminal Justice Training**

Amends language to identify a reduction in KLEFPF appropriation of \$9.6 million in FY 21.

Removes language authorizing a \$600 increase in the KLEFPF training incentive and expansion language to maintain the statutory \$4,000 incentive and reduces Restricted Funds by \$7.4 million in FY 21 to conform.

Adds language exempting the KLEFPF from Restricted Funds appropriation increases for purposes of providing training incentive payments.

Amends language to limit the Department's administrative reimbursements from the KLEFPF to \$30.1 million in FY 21 and requires the Department to report reimbursed expenditures to the Interim Joint Committee on Appropriations and Revenue.

Restores language disallowing the transfer of funds from the KLEFP Fund to the Department of Justice Administration to support the Criminal Justice Council.

### **State Police**

Amends language authorizing the State Police to receive necessary government expense funding during an emergency situation.

Removes KLEFPF training incentive language to maintain statutory \$4,000 stipend and reduces Restricted Funds by \$997,700 in FY 21 to conform.

Removes authority for State Police to utilize background check fees for general operations and administration.

Amends dispatcher training incentive language to properly identify telecommunicator.

Adds language and provides \$3 million in General Fund support in FY 21 for rapid DNA analysis.

Adds language and provides \$180,000 in General Fund support in FY 21 for service contracts for mass spectrometry instruments.

Includes language to suspend statute and disallow the adjustment of police officer salaries to the Consumer Price Index.

Provides \$700,000 in General Fund support in FY 21 for the Two Mass Spectrometry Instruments capital project in Part II.

## **Corrections**

### ***Corrections Management***

Removes language authorizing appropriations adjustments between the Adult Correctional Institutions and Community Services and Local Facilities appropriation units.

Includes language requiring the Department to continuously monitor bed utilization within various facilities and to provide a quarterly report of the average occupancy rates for each facility type to the Legislative Research Commission.

### ***Adult Correctional Institutions***

Restores necessary government expense language within Adult Correctional Institutions in the event that operational costs exceed appropriated funds.

Provides language identifying the General Assembly's intent for the Department to solicit inpatient/residential treatment services, job training to justice-involved individuals to reduce recidivism while promoting public safety, and mirrors language from within CHFS requiring the submission of an application for a Medicaid waiver.

### ***Community Services and Local Facilities***

Restores language to require that the Office of State Budget Director supply information related to state inmate projections to the Interim Joint Committee on Appropriations and Revenue.

Restores language to require that the Office of State Budget Director supply information relating to the calculation of costs avoided as a result of previous legislative actions of the General Assembly.

### ***Local Jail Support***

Restores the distribution formula for the Local Corrections Assistance Fund to support county jail operations to include an equal share of a portion of the funds to each county.

Restores language identifying General Fund support of \$860,000 in FY 21 to provide \$20,000 annually to counties with a life safety or closed jail.

Restores language to identify General Fund in the amount of \$1.6 million in FY 21 for medical services to support county jails.

Includes language identifying that it is the intent of the General Assembly to incentivize county jails to provide evidence-based programming to state inmates.

### **Public Advocacy**

Restores language to reference statutory name for the Department of Public Advocacy.

## **I. LABOR CABINET**

### **Secretary**

Removes funding for Restricted Funds vacancies in the amount of \$2.4 million in FY 21.

### **Workplace Standards**

Removes funding for General Fund vacancies and additional positions in the amount of \$380,000 in FY 21.

Removes the funding for Restricted Funds vacancies in the amount of \$1.5 million in FY 21.

Removes the funding for Federal Funds vacancies in the amount of \$680,000 in FY 21.

### **Workers' Compensation Funding Commission**

Removes funding for Restricted Funds vacancies and personnel transfers in the amount of \$4.0 million in FY 21.

## **J. PERSONNEL CABINET**

### **General Operations**

Reduces Restricted Fund appropriation by \$1.4 million in FY 21 for removal of vacancies.

Moves language regarding the Pro Rata Assessment to the 2020 Revenue Bill.

### **Workers' Compensation**

Reduces Restricted Fund appropriation by \$165,000 in FY 21 for removal of vacancies.

Transfers an additional \$500,000 in FY 21 from the Workers' Compensation Reserve Fund to the General Fund.

## **K. POSTSECONDARY EDUCATION**

### **Council on Postsecondary Education**

Removes \$200 million in bond funds for the Resurgence Fund, as well as accompanying debt service.

Moves \$6 million in FY 21 for veterinary and optometry slots to KHEAA.

Adds General Fund (Tobacco) of \$958,000 in FY 21 for Cancer Research and Screening at UK and UofL.

Adds General Fund (Tobacco) of \$650,000 in FY 21 for spinal cord and head injury research at UK and UofL.

Restores language identifying funds for the Ovarian Cancer Screening Program at UK, and SREB dues.

Restores language to allow institutions more flexibility to refinance their debt obligations.

Restores language to clarify the redistribution of resources among programs.

Restores language to require the proceeds from property and equipment sales to be proportionally distributed to the source of their original purchase.

Adds language identifying funds for the SREB Doctoral Scholars program.

### **Kentucky Higher Education Assistance Authority**

Moves \$4.5 million in FY 21 from Work Ready Scholarships to Dual Credit Scholarships to align with HB 393, which unifies all career and technical education and general education dual credit scholarships under one program.

Add language regarding scholarship awards for students who are unable to complete a dual credit course due to the course delivery change caused by COVID-19.

Adds \$2.2 million in FY 21 to the Dual Credit Scholarship to increase the tuition rate ceiling to 40 percent of the KCTCS credit hour rate.

Removes \$3.1 million in funding for Teacher Scholarships and Teacher Loan Forgiveness Program.

Adds \$150,000 in FY 21 to the College Access Program.

Moves \$6 million in FY 21 for veterinary and optometry slots from CPE and adds language identifying the funds.

Directs the first \$3 million of excess lottery revenues to CAP and KTG, then any additional excess lottery revenue shall be held in a trust and agency account until appropriated by the General Assembly.

Restores language to clarify the redistribution of resources among programs.

### **Postsecondary Institutions Generally**

Removes \$18.7 million from the comprehensive institutions and KCTCS to assist with increased retirement costs.

Removes \$8.6 million in FY 21 from the postsecondary institutions.

Reinstates the statutory 2 percent stop-loss for FY 21 for the Performance Fund.

Amends language to identify specific Mandated Programs that are excluded from the Performance Funding pool.

Adds various university-funded capital projects at UK, UofL, Murray State, NKU, and WKU.

### **Eastern Kentucky University**

Adds \$2.5 million in FY 21 for Model Laboratory School.

Adds debt service on \$8 million in General Fund bonds in FY 21 for aviation program equipment and facilities.

### **Morehead State University**

Adds \$250,000 in FY 21 for installation of a Jet Propulsion Laboratory antenna.

### **Murray State University**

Accelerates repairs to the Biology Building into FY 20.

### **University of Kentucky**

Adds \$250,000 in FY 21 for the University Press of Kentucky and includes it in the Mandated Programs at UK.

Adds \$500,000 in lottery funds in FY 21 for the Supported Higher Education Project and includes it in the Mandated Programs at UK.

Adds \$100,000 in FY 21 for the Sports Medicine Research Institute.

Adds a \$28 million capital project to improve research facilities at the Sanders-Brown Center on Aging, and funds the project with half bond funds and half third-party funding, and adds language expressing intent to provide debt service in FY 22.

Transfers \$1.5 million in FY 21 from the Horse Racing Commission to the Equine Analytical Chemistry Lab.

### **University of Louisville**

Adds the Kentucky Autism Training Center to the Mandated Programs at UofL.

### **Western Kentucky University**

Adds \$237,400 in FY 21 for the Gatton Academy of Science and Mathematics.

### **KCTCS**

Maintains statutory \$4,000 stipend and reduces Restricted Funds authorization by \$2.2 million in FY 21 to conform.

Restores language to allow Guaranteed Energy Savings Performance Contracts to be executed at all KCTCS campuses.

### **Postsecondary Education Performance Fund**

Reinstates the statutory 2 percent stop-loss for FY 21.

Adds language clarifying that Mandated Programs as defined in the budget bill are not part of the Performance Fund model calculations.

## **L. PUBLIC PROTECTION CABINET**

### **Secretary**

Replaces \$680,000 of General Fund appropriation in FY 21 with Restricted Funds.

### **Kentucky Claims Commission**

Removes funding for General Fund vacancies in the amount of \$390,000 in FY 21.

### **Alcoholic Beverage Control**

Removes funding for Restricted Funds vacancies in the amount of \$420,000 in FY 21.

Increases the funds transfer \$400,000 in FY 21.

### **Kentucky Horse Racing Commission**

Replaces \$500,000 of General Fund appropriation in FY 21 with Restricted Funds.



Increases General Fund \$500,000 in FY 21 and adds language to support a Safety Steward and additional investigator positions.

Adds language to transfer \$1.5 million in Restricted Funds in FY 21 from the Equine Drug Research Council to the Equine Analytical Chemistry Lab at the University of Kentucky.

### **Housing, Buildings, and Construction**

Reduces the funding for Restricted Funds vacancies to \$150,000 in FY 21 and requires the funds to support Building Codes Field Inspector positions.

Adds language to allow local governments to review plans and provide inspections of school buildings at the discretion of local school districts.

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

### **Secretary**

Removes \$796,800 in FY 21 in Restricted Funds to support additional marketing resources.

Provides \$1.0 in FY 21 in Restricted Funds to support Tourism Grants for the Kentucky Mountain Regional Recreation Authority, Jacob Spears Licking River Water Trail, the Judge Joseph Holt House, EP Tom Sawyer Park Tennis/Pickleball Courts, and the Trail of Tears Pow Wow.

Adds language to identify \$100,000 in General Funds for FY 21 to support the Kentucky Center for African American Heritage.

### **Tourism**

Restores language to identify \$130,000 in General Funds for FY 21 to support the Whitehaven Welcome Center.

### **Parks**

Maintains statutory \$4,000 stipend and reduces Restricted Funds for FY 21 by \$26,000.

Adds language to include \$234,400 in General Funds for FY 21 to support the Capitol Annex Cafeteria.

### **Horse Park Commission**

Maintains statutory \$4,000 stipend and reduces Restricted Funds for FY 21 by \$3,600.

### **Fish and Wildlife Resources**

Maintains statutory \$4,000 stipend and reduces Restricted Funds for FY 21 by \$65,400.

Eliminates funds transfer of \$5.5 million in FY 21 from the Motorboat Registration Fee Account.

## **PART II - CAPITAL PROJECTS**

Lowers the debt template rate from 5% to 4.5% for all capital projects.

Removes Economic Development Bond Pool Projects.

## **PART III - GENERAL PROVISIONS**

Amends Expenditure of Excess Restricted Funds or Federal Funds Receipts.

Amends Interim Appropriation Increases.

Removes Construction of Budget Provisions on Statutory Budget Administration Powers and Duties.

Amends Interpretation of Appropriations.

Amends Tax Expenditure Revenue Loss Estimates.

Removes Premium and Retaliatory Taxes.

Removes Excess Lottery Revenue.

Adds Local School District Expenditure Flexibility.

Adds Appropriations Expenditure Purpose and Transfer Restrictions.

Adds Budget Implementation.

Adds Information Technology.

Adds Equipment Service Contracts and Energy Efficiency Measures.

Adds Debt Restructuring.

Adds Effects of Subsequent Legislation.

Adds Permitted Use of Water and Sewer Bond Funds.

Adds Approval of State Aircraft Travel.

Adds Jailer Canteen Accounts.

Adds Employee Layoffs, Furloughs, and Reduced Hours.

Adds COVID-19 Federal Funds.

#### **PART IV - STATE SALARY/COMPENSATION, BENEFIT, AND EMPLOYMENT POLICY**

Amends Authorized Personnel Complement.

Amends Salary Increment.

Removes Monthly Per Employee Health Insurance Benefits Assessment.

Amends Employer Retirement Contribution Rates.

Amends Health Care Spending Account.

Removes Quasi Employer Contribution Rates.

Removes Amended Employer Retirement Contributions.

Adds Full-Time Work Schedules.

#### **PART V - FUNDS TRANSFERS**

Adds \$1.0 million funds transfer from Department for Local Government.

Removes funds transfers from Occupational and Professional Boards totaling \$6.65 million.

Adds \$2.9 million funds transfer from the School Facilities Construction Commission to partially support the costs for local school districts to meet the requirements of KRS 158.162(3) (d).

Reduces funds transfer from PSTEAF by \$25 million.

Adds \$14.04 million funds transfer from the Commonwealth Office of Technology.

Increases funds transfer from Workers' Compensation Benefits and Reserve by \$500,000.

Increases funds transfer from the Alcoholic Beverage Control by \$400,000.

Removes \$5.5 million funds transfer from Fish and Wildlife Resources.

#### **PART VI - GENERAL FUND BUDGET REDUCTION PLAN**

Amends the plan.

#### **PART VII - GENERAL FUND SURPLUS EXPENDITURE PLAN**

Amends the plan.

#### **PART VIII - ROAD FUND BUDGET REDUCTION PLAN**

Amends the plan.

#### **PART X - PHASE I TOBACCO SETTLEMENT**

Adds language to preserve any unused General Fund (Tobacco) dollars from the \$13 million reserved in the current biennium for the State Fair Board.

Restricts the use of the General Fund (Tobacco) appropriation to KDA for the Farm to Food Banks Program to purchases of produce grown by Kentucky farmers.

Reduces the General Fund (Tobacco) appropriation to the Education and Workforce Development Cabinet (Early Childhood Advisory Council) by \$650,000 in FY 21. Continuing appropriation reserves are available to maintain the current spending level.

Provides \$2.5 million in FY 21 for Early Childhood Adoption and Foster Care Supports.

Directs the Department for Public Health to utilize their General Fund (Tobacco) continuing appropriation reserves to support the folic acid program in FY 21.

Provides \$500,000 in FY 21 for the Rural Mental Health and Suicide Prevention pilot program and directs the Department for Behavioral Health, Developmental and Intellectual Disabilities, to apply for a federal grant under the current farm bill.

Reduces the General Fund (Tobacco) appropriation to the Office of Drug Control Policy by \$3.35 million in FY 21. Continuing appropriation reserves are available to maintain the current spending level.

Reduces the General Fund (Tobacco) appropriation to the Department for Public Health for the smoking cessation program by \$958,000 in FY 21. Continuing appropriation reserves are available to maintain the current spending level.

Increases the General Fund (Tobacco) appropriation to CPE by \$958,000 in FY 21 for the UK/UL cancer research and screening program.

Provides \$650,000 in FY 21 for spinal cord and head injury collaborative research program at UK and UL.

Provides \$350,000 in FY 21 for the Restorative Justice Program.