

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC INVESTIGATION INTO)
MILBURN WATER DISTRICT TO)
DETERMINE THE FEASIBILITY OF)
MERGER WITH A PROXIMATE UTILITY) CASE NO. 2021-00341
PURSUANT TO KRS 74.361 OR)
ABANDONMENT PURSUANT TO KRS)
278.020(6), KRS 278.021)

**JOINT MOTION FOR EXTENSION OF TIME TO RESPOND
TO COMMISSION STAFF’S MERGER FEASIBILITY REPORT**

Pursuant to 807 KAR 5:001, Section 5(1), Graves County Water District (“Graves District”) and Milburn Water District (“Milburn District”) (collectively “the Districts”), by counsel, jointly move for an additional sixty (60) days in which to submit comments on Commission Staff’s merger feasibility report. In support of their motion, the Districts state:

1. On March 31, 2022, the Commission initiated this proceeding to investigate the feasibility of merging Milburn District with “a proximate utility.”¹
2. On August 30, 2022, the Commission identified Graves District as a potential candidate for such merger and ordered that Graves District be made a party to this proceeding to allow the Commission “to more thoroughly investigate the possibility of merging the two districts.”² It further noted its need for “studies, investigations, facts, historical data, and projects as may be required for the Commission to make an informed and proper decision regarding such merger.”³

¹ Order of March 31, 2022 at 1.
² Order of August 30, 2022 at 2.
³ *Id.*

3. On May 31, 2024, Commission Staff issued its merger feasibility report in which it recommended that “the Commission initiate the necessary actions to effect a merger of Milburn District into [sic] Graves District.”⁴ In its Notice of Filing, Commission Staff states: “Milburn District and Graves District are required to file written comments regarding the findings of Commission Staff no later than 14 days from the date of the report.”⁵

4. The board of commissioners of neither water district has had the opportunity to meet and discuss the report’s findings and recommendation. The next regular meeting of the Graves District Board of Commissioners is June 25, 2024. Milburn District’s Board of Commissioners is not scheduled to meet until June 13, 2024.

5. If Commission Staff’s recommendation is implemented, it will significantly affect the Districts’ operations, finances, and relationships with their customers. In light of the report’s potential impact, the board of commissioners of each water district require adequate time to review the merger feasibility report’s findings and recommendations and prepare a thorough and complete response. A hasty, ill-considered response will not aid the Commission in its decision in this matter and could very well lead to an unnecessary and wasteful expenditure of the Commission’s and the Districts’ resources. As Commission Staff has had 21 months in which to review the merger feasibility question and prepare its report, fourteen days is an insufficient and unreasonably short period of time to review and respond to that report’s findings and recommendation.

⁴ Report at 2.

⁵ The Commission has not issued an order directing any time period in which comments on the Commission Staff Report should be filed. As the Commission acts and speaks only through its Orders, *Union Light, Heat & Power Co. v. Public Service Commission*, 271 S.W.2d 361, 365 (Ky. 1954) (“the commission, like a court, acts and speaks only through its written orders”), it is unclear whether the directive contained in the Commission Staff’s Notice of Filing has any legal effect. In an abundance of caution and out of their great respect for the Commission, the District have filed this Motion.

/s/Glenn D. Denton

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CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that this document was submitted electronically to the Public Service Commission on June 13, 2024 and that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding.

/s/Glenn D. Denton

Counsel for Graves County Water District

Exhibit 1

**Senate Bill 91 (Final Version)
2024 Regular Session
Kentucky General Assembly**

1 AN ACT providing funding and establishing conditions for state government
2 agencies and institutions, making an appropriation therefor, and declaring an emergency.

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

4 ➔Section 1. 2024 Regular Session HB 1/VO, Section 1, subsection (14), at page
5 2, is amended to read as follows:

6 (14) \$1,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority
7 budget unit to be distributed to the City of Albany to support reduction ~~of land~~ water
8 loss;

9 ➔Section 2. 2024 Regular Session HB 1/VO, Section 1, subsection (23), at page
10 3, is amended to read as follows:

11 (23) \$1,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority
12 budget unit to be distributed to the ***Powell Valley Water District***~~[City of Powell Valley]~~
13 for water and sewer expansion near the Red River Gorge;

14 ➔Section 3. 2024 Regular Session HB 1/VO, Section 1, subsection (24), at page
15 3, is amended to read as follows:

16 (24) \$2,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority
17 budget unit to be distributed to the ***Beech Fork Water Commission***~~[City of Beach Fork]~~
18 for water and sewer expansion near the Red River Gorge;

19 ➔Section 4. 2024 Regular Session HB 1/VO, Section 1, subsection (35), at page
20 5, is amended to read as follows:

21 (35) \$8,500,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority
22 budget unit to be distributed to the Woodford County Fiscal Court to support a
23 wastewater project ***in the community of Millville*** in conjunction with the ***City of***
24 ***Frankfort***~~[Frankfort Plant Board];~~

25 ➔Section 5. 2024 Regular Session HB 1/VO, Section 1, subsection (44), at page
26 6, is amended to read as follows:

27 (44) \$7,000,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority

1 budget unit to be distributed to the City of Georgetown for various **water and** wastewater
 2 infrastructure projects for Georgetown Municipal Water and Sewer Service;

3 ➔Section 6. 2024 Regular Session HB 1/VO, Section 1, subsection (45), at page
 4 6, is amended to read as follows:

5 (45) \$50,000,000 in each fiscal year to the Department for Local Government
 6 budget unit to be distributed to Louisville Metro Government **and allocated at the sole**
 7 **discretion of its Economic Development Department** for the revitalization of downtown
 8 Louisville to include these projects:

- 9 (a) The Belvedere;
- 10 (b) Community Care Campus;
- 11 (c) LOUMED Campus;
- 12 (d) Louisville Gardens;
- 13 (e) Downtown Vacant **Buildings**~~[Lot]~~ Revitalization; and
- 14 (f) Butchertown Sports District;

15 ➔Section 7. 2024 Regular Session HB 1/VO, Section 1, subsection (52), at page
 16 7, is amended to read as follows:

17 (52) **\$1,000,000**~~[\$2,000,000]~~ in fiscal year 2024-2025 **and \$500,000 in fiscal year**
 18 **2025-2026** to the **Attorney General**~~[Department for Local Government]~~ budget unit to
 19 ~~be distributed to the City of Paducah to~~ **create an electric reliability defense**
 20 **program**~~[support the Build Ready Grant for the City of Paducah Infrastructure project];~~

21 ➔Section 8. 2024 Regular Session HB 1/VO, Section 1, subsection (53), at page
 22 7, is amended to read as follows:

23 (53) \$500,000 in fiscal year 2024-2025 to the Department for Local Government
 24 budget unit to be distributed to the **City of Kevil**~~[Kevil Rural Fire Department]~~ to support
 25 upgrades and enhancements for the Kevil Fire Station;

26 ➔Section 9. 2024 Regular Session HB 1/VO, Section 1, subsection (95), at page
 27 12, is amended to read as follows:

1 (95) \$850,000 in fiscal year 2024-2025 to the *Department of Parks*~~[Department~~
2 ~~for Local Government]~~ budget unit ~~[to be distributed to the City of Perryville]~~for the
3 restoration of the Dye House on the grounds of the Perryville Battlefield *State Historic*
4 *Site*;

5 →Section 10. 2024 Regular Session HB 1/VO, Section 1, subsection (100), at
6 page 12, is amended to read as follows:

7 (100)\$1,000,000 in fiscal year 2024-2025 to the Department for Local Government
8 budget unit to be distributed to the *Lincoln High School Historical Foundation in*
9 *Paducah*~~[Lincoln County Fiscal Court]~~ for *a civic center*~~[the Lincoln Civic Center]~~
10 project;

11 →Section 11. 2024 Regular Session HB 1/VO, Section 1, subsection (101), at
12 page 12, is amended to read as follows:

13 (101)\$1,000,000 in fiscal year 2024-2025 to the Department for Local Government
14 budget unit to be distributed to the *City of Elizabethtown*~~[Hardin County Fiscal Court]~~
15 for the Elizabethtown Parks and Trails Conservancy;

16 →Section 12. 2024 Regular Session HB 1/VO, Section 1, subsection (106), at
17 page 13, is amended to read as follows:

18 (106)\$8,000,000 in fiscal year 2024-2025 and \$500,000 in fiscal year 2025-2026 to
19 the Department for Local Government budget unit to be distributed to the *Center for*
20 *Rural Development*~~[Lake Cumberland Area Development District]~~ for a regional training
21 center *in collaboration with the Lake Cumberland Area Development District*;

22 →Section 13. 2024 Regular Session HB 1/VO, Section 1, subsection (122), at
23 page 14, is amended to read as follows:

24 (122)\$100,000 in each fiscal year to the Department for Local Government budget
25 unit to be distributed to *The Nest in Lexington*~~[the Fayette County Fiscal Court]~~ to
26 support *operations*~~[The Nest in Lexington]~~;

27 →Section 14. 2024 Regular Session HB 1/VO, Section 1, subsection (130), at

1 page 15, is amended to read as follows:

2 (130)\$1,250,000 in fiscal year 2024-2025 to the Department for Local Government
3 budget unit to be distributed to the City of Booneville for land acquisition and
4 renovations~~[city renovations]~~;

5 ➔Section 15. 2024 Regular Session HB 1/VO, Section 1, subsection (131), at
6 page 15, is amended to read as follows:

7 (131)\$1,250,000 in fiscal year 2024-2025 to the Department for Local Government
8 budget unit to be distributed to the Owsley County Fiscal Court for land acquisition,
9 reclamation, and renovations;

10 ➔Section 16. 2024 Regular Session HB 1/VO, Section 1, subsection (132), at
11 page 15, is amended to read as follows:

12 (132)\$500,000 in fiscal year 2024-2025 to the Department for Local Government
13 budget unit to be distributed to the City of Booneville~~[Owsley County Fiscal Court]~~ for a
14 home development~~[homeless]~~ initiative;

15 ➔Section 17. 2024 Regular Session HB 1/VO, Section 1, subsection (134), at
16 page 16, is amended to read as follows:

17 (134)\$3,500,000 in fiscal year 2024-2025 to the Department for Local Government
18 budget unit to be distributed to the City of Corbin for land acquisition, construction, and
19 renovations for a tourism initiative;

20 ➔Section 18. 2024 Regular Session HB 1/VO, Section 1, subsection (137), at
21 page 16, is amended to read as follows:

22 (137)\$8,500,000 in fiscal year 2024-2025 to the Department for Local Government
23 budget unit to be distributed to the Knox County Fiscal Court for land acquisition and
24 renovations for a new county administrative office~~[a new County Administrative~~
25 ~~Office]~~;

26 ➔Section 19. 2024 Regular Session HB 1/VO, Section 1, subsection (139), at
27 page 16, is amended to read as follows:

1 (139)\$4,000,000 in fiscal year 2024-2025 to the Department for Local Government
2 budget unit to be distributed to the Clay County Fiscal Court for construction of
3 **multipurpose buildings and renovations**~~[a Multi-Purpose Building];~~

4 ➔Section 20. 2024 Regular Session HB 1/VO, Section 1, subsection (140), at
5 page 16, is amended to read as follows:

6 (140)\$10,000,000 in fiscal year 2024-2025 to the Department for Local
7 Government budget unit to be distributed to ICC for **land acquisition, construction, and**
8 **joint projects for** various economic development projects;

9 ➔Section 21. 2024 Regular Session HB 1/VO, Section 1, subsection (146), at
10 page 17, is amended to read as follows:

11 (146)\$1,500,000 in fiscal year 2024-2025 to the Department for Local Government
12 budget unit to be distributed to **Shaping**~~[Save]~~ Our Appalachian Region for remote talent
13 attraction;

14 ➔Section 22. 2024 Regular Session HB 1/VO, Section 1, subsection (152), at
15 page 17, is amended to read as follows:

16 (152)\$11,250,000 in fiscal year 2024-2025 to the Department for Local
17 Government budget unit to be distributed to the City of Frankfort to support construction
18 of the Frankfort Convention Center subject to **a dollar-for-dollar match**~~[funding the~~
19 ~~project balance of \$22,500,000];~~

20 ➔Section 23. 2024 Regular Session HB 1/VO, Section 1, subsection (160), at
21 page 18, is amended to read as follows:

22 (160)\$200,000,000 in fiscal year 2023-2024 to the **Cabinet for Economic**
23 **Development**~~[Department of Agriculture]~~ budget unit to support matching funds under
24 the Government Resources Accelerating Needed Transformation Program **of 2024. Of**
25 **this amount, \$4,000,000 shall be distributed to Grant Ready Kentucky.** Notwithstanding
26 KRS 147A.158(3)(b), no more than \$2,000,000 in fiscal year 2023-2024 shall be used for
27 administrative expenses. Notwithstanding KRS 45.229, these funds shall not lapse and

1 shall carry forward;

2 →Section 24. 2024 Regular Session HB 1/VO, Section 1, subsection (172), at
3 page 20, is amended to read as follows:

4 (172)\$50,000,000 in each fiscal year to the Economic Development budget unit to
5 support approved mega-development projects of at least \$10,000,000, with an exception
6 for certain economic development projects as recommended by the Cabinet based on
7 unique conditions of the county where the project may occur, including but not limited to
8 the population, per capita income, or county wages that are lower than the median for the
9 state. *These funds may be used to provide loans with the ability for forgiveness upon*
10 *approval by the Secretary to support infrastructure and access to power. The Cabinet*
11 *shall develop the terms and conditions of the loans and shall include requirements*
12 *related to increased economic development;*

13 →Section 25. 2024 Regular Session HB 1/VO, Section 1, subsection (173), at
14 page 20, is amended to read as follows:

15 (173)\$50,000,000 in fiscal year 2024-2025 to the Economic Development budget
16 unit to support the Kentucky Economic Development Finance Authority Loan Pool. The
17 appropriation contained in this subsection shall be used to provide funding to Hardin and
18 Warren Counties, communities experiencing significant economic development growth
19 due to announced projects with investments exceeding \$2,000,000,000 for supporting
20 critical infrastructure improvements, such as water and sewer requirements, for continued
21 economic development. Assistance may be in the form of a loan with the ability for
22 forgiveness due to meeting negotiated requirements related to increased economic
23 development for the community. *Of this amount, \$20,000,000 shall be allocated to the*
24 *Intermodal Transportation Authority project at the Kentucky Transpark;*

25 →Section 26. 2024 Regular Session HB 1/VO, Section 1, subsection (190), at
26 page 23, is amended to read as follows:

27 (190)\$1,500,000 in ~~each~~ fiscal year *2024-2025 and \$1,000,000 in fiscal year*

1 2025-2026 to the Department for Behavioral Health, Developmental, and Intellectual
 2 Disabilities budget unit to be distributed to Mountain Comprehensive Health
 3 Corporation~~[Letcher County Fiscal Court]~~ for the Transitioning from Recovery to
 4 Society program;

5 ➔Section 27. 2024 Regular Session HB 1/VO, Section 1, subsection (198), at
 6 page 24, is amended to read as follows:

7 (198) \$4,000,000~~[\$5,000,000]~~ in fiscal year 2024-2025 to the Department for
 8 Community Based Services budget unit to support campus completion for the Harbor
 9 House of Louisville;

10 ➔Section 28. 2024 Regular Session HB 1/VO, Section 1, subsection (215), at
 11 page 26, is amended to read as follows:

12 (215) \$18,000,000 in each fiscal year to the Kentucky Horse Park Commission
 13 budget unit for facility upgrades to be allocated as follows:

- 14 (a) \$2,500,000 for the renovation of the restaurant;
- 15 (b) \$15,000,000 for the replacement of competition barns and stalls;
- 16 (c) \$7,000,000 for the renovation of entertainment pavilions;
- 17 (d) \$5,000,000 for the replacement of campground sites and bathhouse;
- 18 (e) \$1,500,000 for a maintenance pool; and
- 19 (f) \$5,000,000~~[\$5,000,000]~~ for the renovation of the International Museum of the
 20 Horse;

21 ➔Section 29. 2024 Regular Session HB 1/VO, Section 1, subsection (218), at
 22 page 26, is amended to read as follows:

23 (218) \$200,000 in fiscal year 2024-2025 to the Secretary budget unit in the Tourism,
 24 Arts and Heritage Cabinet to be distributed to the Muhlenberg County Tourism
 25 Commission to support tourism~~[provide matching funds to purchase playground~~
 26 ~~equipment at Lake Malone State Park]~~;

27 ➔Section 30. 2024 Regular Session HB 1/VO, Section 1, subsection (224), at

1 page 27, is amended to read as follows:

2 (224)\$3,500,000 in fiscal year 2023-2024 to the General Administration and
3 Support budget unit in the Kentucky Transportation Cabinet to be distributed to the
4 Paducah-McCracken Riverport Authority to support the Riverport West project.
5 **Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward to**
6 **fiscal year 2024-2025;**

7 ➔Section 31. 2024 Regular Session HB 1/VO, Section 1, subsection (225), at
8 page 27, is amended to read as follows:

9 (225)\$7,500,000 in each fiscal year to the General Administration and Support
10 budget unit in the Kentucky Transportation Cabinet to improve public riverports within
11 Kentucky. **Of this amount, \$250,000 in each fiscal year shall be distributed to the West**
12 **Kentucky Regional Riverport Authority to support predevelopment archaeological**
13 **activities. In addition, each**~~Each~~ existing public riverport shall receive \$750,000 in
14 each fiscal year for construction and maintenance as authorized by KRS 65.520 and for
15 eligible use as described in KRS 174.210(3), and no local match shall be required. Any
16 remaining balance shall be distributed at the Transportation Cabinet Secretary's discretion
17 and may be disbursed to riverport authorities for existing and developing riverports.
18 Notwithstanding KRS 45.229, any portion of these funds that have not been expended by
19 the end of fiscal year 2024-2025 shall not lapse and shall carry forward into fiscal year
20 2025-2026;

21 ➔Section 32. 2024 Regular Session HB 1/VO, Section 1, subsection (233), at
22 page 30, is amended to read as follows:

23 (233)\$5,000,000 in fiscal year 2024-2025 to the Emergency and Targeted
24 Investment Fund established by KRS 157.618, **The School Facilities Construction**
25 **Commission shall grant priority to schools with structural failures and no bonding**
26 **capacity;**~~and~~

27 ➔Section 33. 2024 Regular Session HB 1/VO, Section 1, subsection (234), at

1 page 30, is amended to read as follows:

2 (234) \$2,000,000 in fiscal year 2024-2025 to the Department for Local Government
3 budget unit to be distributed to the Edmonson County Fiscal Court to provide an
4 emergency infrastructure grant. This grant will require a local match of at least
5 \$1,000,000; ~~and~~

6 (235) \$1,000,000 in fiscal year 2024-2025 to the Department for Local
7 Government budget unit to be distributed to the City of London to support construction
8 of the London City Plaza project; and

9 (236) \$1,000,000 in fiscal year 2024-2025 to the University of Kentucky budget
10 unit to support immune dysregulation research.

11 ➔ Section 34. 2024 Regular Session HB 6/VO in Part, Part I, A., 4., (2)
12 Congressional Medal of Honor Recipients - Travel and Per Diem, at page 4, is amended
13 to read as follows:

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

19 ➔ Section 35. 2024 Regular Session HB 6/VO in Part, Part I, A., 6., (1) Kentucky
20 National Guard, at page 8, is amended to read as follows:

21 (1) **Kentucky National Guard:** Included in the above General Fund
22 appropriation is \$4,500,000 in each fiscal year to be expended, subject to the conditions
23 and procedures provided in this Act, which are required as a result of the Governor's
24 declaration of emergency pursuant to KRS Chapter 39A, and the Governor's call of the
25 Kentucky National Guard to active duty when an emergency or exigent situation has been
26 declared to exist by the Governor. Notwithstanding KRS 45.229, any portion of the
27 \$4,500,000 not expended shall lapse to the Budget Reserve Trust Fund Account (KRS

1 48.705) at the end of each fiscal year. In the event that costs for Governor-declared
 2 emergencies or the Governor's call of the Kentucky National Guard for emergencies or
 3 exigent situations exceed \$4,500,000 annually, up to \$50,000,000~~[\$25,000,000]~~ shall be
 4 deemed necessary government expenses and shall be paid from the General Fund Surplus
 5 Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

6 →Section 36. 2024 Regular Session HB 6/VO in Part, Part I, A., 6., (2) Disaster
 7 or Emergency Aid Funds, at pages 8 to 9, is amended to read as follows:

8 **(2) Disaster or Emergency Aid Funds:** Subject to the conditions and procedures
 9 in this Act, in the event of a presidentially declared disaster or emergency, the
 10 Department of Military Affairs may request from the Finance and Administration
 11 Cabinet, as a necessary government expense, up to \$75,000,000 in fiscal year 2023-2024,
 12 \$25,000,000~~[\$50,000,000]~~ in fiscal year 2024-2025, and \$25,000,000~~[\$50,000,000]~~ in
 13 fiscal year 2025-2026 from the General Fund to be used as required to match federal aid
 14 for which the state would be eligible. These necessary funds shall be made available from
 15 the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund
 16 Account (KRS 48.705).

17 →Section 37. 2024 Regular Session HB 6/VO in Part, Part I, A., 19., a., (7)
 18 Employment of Family Members, at page 24, is amended to read as follows:

19 ~~[(7) **Employment of Family Members:** Notwithstanding 65.003(3)(c), no~~
 20 ~~Commonwealth's Attorney shall hire a family member, as defined as a spouse, parent,~~
 21 ~~sibling, child, mother in law, father in law, son in law, daughter in law, grandparent, or~~
 22 ~~grandchild on or after the effective date of this Act.]~~

23 →Section 38. 2024 Regular Session HB 6/VO in Part, Part I, A., 19., b., (8)
 24 Employment of Family Members, at page 26, is amended to read as follows:

25 ~~[(8) **Employment of Family Members:** Notwithstanding 65.003(3)(c), no County~~
 26 ~~Attorney shall hire a family member, as defined as a spouse, parent, sibling, child,~~
 27 ~~mother in law, father in law, son in law, daughter in law, grandparent, or grandchild on~~

1 ~~or after the effective date of this Act.]~~

2 ➔Section 39. 2024 Regular Session HB 6/VO in Part, Part I, A., 27., (4)
3 Secondary Area Technology Center Renovation Pool - 2025-2026, at page 41, is
4 amended to read as follows:

5 **(4) Secondary Area Technology Center Renovation Pool - 2025-2026:** A local
6 school district that owns a secondary area technology center shall be eligible to receive a
7 grant of up to ~~\$7,500,000~~ **\$10,000,000** to support renovation costs in fiscal year 2025-
8 2026. The School Facilities Construction Commission shall develop criteria for the
9 districts to receive funding, which shall include enrollment in job creation training
10 programs, bonding capacity, and a needs-based local match. The Commission shall show
11 preference to applications from regions projected to experience rapid growth due to
12 economic development. No award shall be made to any local school district which has
13 received an award from the Local Area Vocational Education Center Pool since fiscal
14 year 2020-2021.

15 **Included in the Secondary Area Technology Center Renovation Pool is an**
16 **allocation of \$600,000 to the Floyd County Area Technology Center to support**
17 **engineering, design, and rehabilitation costs. Of this amount, \$100,000 shall be used**
18 **for the design, and \$500,000 shall be used for sewer, water, and electric.**

19 ➔Section 40. 2024 Regular Session HB 6/VO in Part, Part I, C., 1., (22) Property
20 Assessment Growth Relief, at page 60, is amended to read as follows:

21 **(22) Property Assessment Growth Relief: (a) In addition to the support**
22 **provided by KRS 157.360(17), a district shall qualify for supplemental property**
23 **assessment growth relief in fiscal year 2024-2025 if sufficient funds exist within the**
24 **SEEK budget unit and all of the following conditions are met:**

25 **1. The district qualifies for an assessment adjustment in accordance with KRS**
26 **157.360(17) in fiscal year 2023-2024 and fiscal year 2024-2025;**

27 **2. The district levied a tax rate of four percent or greater in fiscal year 2024-**

1 2025; and

2 3. The district experienced a cumulative rate of growth in real estate values
 3 from fiscal year 2022-2023 to fiscal year 2024-2025 in excess of 14.4 percent.

4 (b) A district shall qualify for supplemental relief in fiscal year 2025-2026 if
 5 sufficient funds exist within the SEEK budget unit and all of the following conditions
 6 are met:

7 1. The district qualifies for an assessment adjustment in accordance with KRS
 8 157.360(17) in fiscal year 2024-2025 and fiscal year 2025-2026;

9 2. The district levied a tax rate of four percent or greater in fiscal year 2025-
 10 2026; and

11 3. The district experienced a cumulative rate of growth in real estate values
 12 from fiscal year 2022-2023 to fiscal year 2025-2026 in excess of 25.8 percent.

13 (c) The Kentucky Department of Education shall use the available funds to
 14 adjust the assessment for qualifying districts in each fiscal year to provide real estate
 15 growth relief. ~~[Notwithstanding KRS 157.360(17), the Department of Education shall~~
 16 ~~value real estate for the purposes of calculating the state portion of local effort required to~~
 17 ~~participate in the SEEK Program as the lesser of the current year assessment or the prior~~
 18 ~~year assessment increased by four percent, plus the value of current year new property.~~
 19 ~~For purposes of calculating the adjusted prior year assessment, the value of current new~~
 20 ~~year property may not exceed 110 percent of the value of the prior year's valuation of~~
 21 ~~existing property. Authorization to use the prior year assessment, as adjusted, shall be~~
 22 ~~subject to available funds.]~~

23 ➔Section 41. 2024 Regular Session HB 6/VO in Part, Part I, C., 3., (5) Center for
 24 School Safety, at pages 66 to 67, is amended to read as follows:

25 **(5) Center for School Safety:** Included in the above General Fund appropriation
 26 is \$15,000,000 in each fiscal year for the Center for School Safety. Notwithstanding KRS
 27 158.446, the Center for School Safety shall allot these moneys for the purposes described

1 in KRS 158.440, 158.441, 158.4415, 158.4416, 158.442, 158.445, and 158.446 at both
2 public and private school buildings, campuses, grounds, recreational areas, or athletic
3 fields, except that no more than ~~\$2,000,000~~~~[\$1,500,000]~~ in each fiscal year may be
4 retained for operating and administrative purposes. The Center for School Safety shall
5 research and evaluate commercial software solutions available to improve school safety.
6 Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose
7 shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705). Mandated reports
8 shall be submitted pursuant to Part III, 24. of this Act.

9 ➔Section 42. 2024 Regular Session HB 6/VO in Part, Part I, G., 8., (16) Foster
10 Home Rate Equity, at page 116, is amended to read as follows:

11 **(16) Foster Home Rate Equity:** Included in the above appropriations is
12 \$10,600,000 in Restricted Funds and \$2,400,000 in Federal Funds in each fiscal year to
13 support an increase in the ~~[DCBS]~~ foster care rate per diems~~[diem]~~ and to align the rates
14 to be more equitable with the Private Child Caring and Private Child Placing agency rate
15 per diems]. Mandated reports shall be submitted pursuant to Part III, 24. of this Act.

16 ➔Section 43. 2024 Regular Session HB 6/VO in Part, Part I, J., 1., (12)
17 Postbaccalaureate Initiatives, at page 150, is amended to read as follows:

18 **(12) Postbaccalaureate Initiatives:** Included in the above General Fund
19 appropriation is \$2,000,000 in fiscal year 2023-2024 to contract with an outside entity to
20 conduct a study on the postbaccalaureate initiatives of each of the comprehensive
21 universities. The study shall be prioritized according to 2024 Regular Session SJR 170.
22 Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward to fiscal
23 year 2024-2025. Any unexpended funds at the conclusion of the study may be used for
24 administrative expenses. Mandated reports shall be submitted pursuant to Part III, 24. of
25 this Act.

26 ➔Section 44. 2024 Regular Session HB 6/VO in Part, Part I, J., 1., (13) Immunity
27 for Postsecondary Institutions, at pages 150 to 151, is amended to read as follows:

1 **(13) Immunity for Postsecondary Institutions:** Notwithstanding any statute to
2 the contrary, a public postsecondary institution, including any affiliated corporation, its
3 officers, employees, and agents, shall be immune from all claims, including class action
4 claims for damages, a declaratory judgment, and equitable relief based on an act or
5 omission if:

6 (a) The claim arises out of or in connection with tuition paid to the public
7 postsecondary institution for an academic term that included the months of March, April,
8 and May 2020;

9 (b) The claim alleges losses or damages arising from an act or omission by the
10 public postsecondary institution during or in response to the COVID-19 emergency; ***and***

11 (c) The alleged act or omission of the public postsecondary institution was related
12 to protecting public health and safety interests in response to the COVID-19 emergency
13 in compliance with federal, state, or local guidance, including but not limited to:

14 1. Transition to online or otherwise remote instruction;

15 2. Pause or modification to instruction available through the institution of higher
16 education;

17 3. Closure of, or modification to, operation of on-campus facilities of the public
18 postsecondary institution; or

19 4. The public postsecondary institution offered online and otherwise remote
20 learning options that allowed students to complete the coursework in the academic term
21 that included the months of March, April, and May 2020 and receive academic credit.

22 ➔Section 45. 2024 Regular Session HB 6/VO in Part, Part I, J., 1., (14) Simmons
23 College, at page 151, is amended to read as follows:

24 **(14) Simmons College:** Included in the above Federal Funds appropriation is
25 \$1,280,200 in fiscal year 2023-2024 from the State Fiscal Recovery Fund of the
26 American Rescue Plan Act of 2021 to support ***infrastructure planning and facility***
27 ***acquisition for student residential housing, an onsite tutoring/study facility, and***

1 development and designs for capital improvements to support academic program
2 expansion [the Teacher Education Initiative and public health initiatives].

3 ➔Section 46. 2024 Regular Session HB 6/VO in Part, Part I, K., 10. Claims and
4 Appeals, at pages 173 to 174, is amended to read as follows:

5 **10. CLAIMS AND APPEALS**

	2023-24	2024-25	2025-26
6 General Fund	1,000,000	2,215,700	2,246,800
7 Restricted Funds	-0-	1,317,200	1,317,300
8 Federal Funds	-0-	768,100	769,100
9 TOTAL	1,000,000	4,301,000	4,333,200

11 **(1) Crime Victims' Compensation Fund:** Included in the above General Fund
12 appropriation is \$1,000,000 in fiscal years 2023-2024, 2024-2025, and 2025-2026 to
13 support the Crime Victims' Compensation Fund. Notwithstanding KRS 45.229, any
14 portion of General Fund not expended for this purpose shall lapse to the Budget Reserve
15 Trust Fund Account (KRS 48.705). Mandated reports shall be submitted pursuant to Part
16 III, 24. of this Act.

17 **(2) Additional Personnel:** Included in the above Federal Funds appropriation is
18 \$104,100 in fiscal year 2024-2025 and \$105,100 in fiscal year 2025-2026 to support
19 additional personnel. Mandated reports shall be submitted pursuant to Part III, 24. of this
20 Act.

21 **(3) Administrative Expenses and Claims: Notwithstanding KRS 304.2-400(2),**
22 **excess Restricted Funds from the Department of Insurance shall be transferred to the**
23 **Crime Victims' Compensation Fund and made available to support administrative**
24 **expenses and claims.**

25 ➔Section 47. 2024 Regular Session HB 6/VO in Part, Part I, L., 1., (5) Southern
26 Kentucky Tourism Initiative, at page 175, is amended to read as follows:

27 **(5) Southern Kentucky Tourism Initiative:** Included in the above Restricted

1 Funds appropriation is \$500,000 in fiscal year 2024-2025 to support the
2 Southern~~[Southeast]~~ Kentucky Chamber of Commerce for the Southern Kentucky
3 Tourism Initiative. Mandated reports shall be submitted pursuant to Part III, 24. of this
4 Act.

5 ➔Section 48. 2024 Regular Session HB 6/VO in Part, Part I, L., 6., (5) State Fair
6 Board Property Improvements, at pages 178 to 179, is amended to read as follows:

7 (5) **State Fair Board Property Improvements:** Notwithstanding any statute to
8 the contrary, the State Fair Board shall give preference~~[offer a right of first refusal]~~ to
9 Kentucky businesses ~~**[with which the Board has existing relationships]**~~ ~~[before~~
10 ~~offering partnership opportunities to other businesses]~~ to make improvements to State
11 Fair Board properties for hotel development~~[redevelopment]~~. The Board shall
12 recommend the participation of Kentucky-based businesses ~~**[with which it has existing~~
13 ~~relationships]**~~ and shall also recommend the participation of other Kentucky-based
14 businesses offering solutions to accomplish the goal of improving hotel
15 development~~[redevelopment]~~. For the purposes of this subsection, "Kentucky-based
16 business" means a business that has employees working in Kentucky and that operates a
17 principle executive office in Kentucky from which those employees, other offices, and
18 affiliated entities are directed and controlled.

19 ➔Section 49. 2024 Regular Session HB 6/VO in Part, Part I, L., 6., (6) Kentucky
20 Exposition Center Redevelopment Plan - Phase II, at page 179, is amended to read as
21 follows:

22 (6) **Kentucky Exposition Center Redevelopment Plan - Phase II:** The General
23 Assembly recognizes the need to secure the future of Kentucky State Fair Board
24 properties. To address this need, the project authorization set out in Part II, Capital
25 Projects Budget, of this Act is contingent on the State Fair Board's submission and
26 approval by the General Assembly via joint resolution of a comprehensive statewide
27 proposal regarding improvements to the properties. The proposal shall include the

1 following:

2 (a) Recommendations for private and/or local government partnerships. In
3 developing its proposal regarding private partnerships, the Board shall give
4 preference ~~[offer a right of first refusal]~~ to Kentucky-based businesses with which it has
5 existing relationships and shall also recommend the participation of other Kentucky-
6 based businesses offering solutions to accomplish the goal of improving Board
7 properties. For the purposes of this paragraph, "Kentucky-based business" means a
8 business that has employees working in Kentucky and that operates a principle executive
9 office in Kentucky from which those employees, other offices, and affiliated entities are
10 directed and controlled;

11 (b) Detailed financial information regarding return on investment resulting from
12 partnerships; and

13 (c) A 50 percent match of the state contribution from private and/or local
14 government partners.

15 The proposal may also include a plan of action regarding disposal of property to
16 local governments. The State Fair Board shall develop the proposal and present it to the
17 Interim Joint Committee on Appropriations and Revenue by December 1, 2024.

18 ➔Section 50. 2024 Regular Session HB 6/VO in Part, Part II, I., (1)
19 Postsecondary Education Asset Preservation Pool, at page 199, is amended to read as
20 follows:

21 **(1) Postsecondary Education Asset Preservation Pool:** The Postsecondary
22 Education Asset Preservation Pool provides funding for individual asset preservation,
23 renovation, and maintenance projects at Kentucky's public postsecondary institutions in
24 Education, General, and state-owned and operated residential housing facilities, for fixed
25 asset pedestrian and student parking areas, and for the razing of university-owned
26 buildings. For fiscal years 2024-2025 and 2025-2026, each project for research
27 institutions shall be matched at 25 percent from funds provided by each research

1 institution. Capital projects as defined in KRS 45.750(1)(f) are hereby authorized from
2 these funds or combination of funds thereof and shall be reported to the Capital Projects
3 and Bond Oversight Committee.

4 ➔Section 51. 2024 Regular Session HB 6/VO in Part, Part II, I., 7., 002.
5 Renew/Renovate Steely Library, at page 205, is amended to read as follows:

6 **002.** Renew/Renovate Landrum Academic Center~~[Steely Library]~~

7	Bond Funds	49,000,000	-0-
8	Other Funds	3,000,000	-0-
9	TOTAL	52,000,000	-0-

10 ➔Section 52. 2024 Regular Session HB 265/VO, Part I, A., 1., (5) Riverport
11 Improvements, at page 3, is amended to read as follows:

12 **(5) Riverport Improvements:** Included in the above General Fund appropriation
13 is \$500,000 in each fiscal year to the Riverport Financial Assistance Trust Fund (KRS
14 174.210)~~[improve public riverports within Kentucky. The Secretary of the Transportation~~
15 ~~Cabinet, in conjunction with the Kentucky Water Transportation Advisory Board, shall~~
16 ~~determine how the funds are distributed].~~ Notwithstanding KRS 45.229, any portion of
17 General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund
18 Account (KRS 48.705). Mandated reports shall be submitted pursuant to Part I, A., 1., (4)
19 of this Act.

20 ➔Section 53. 2024 Regular Session HB 265/VO, Part I, A., 8., (6) Vision Testing,
21 at page 14, is amended to read as follows:

22 **(6) Vision Testing:** Notwithstanding KRS 186.577, prior to January 1, 2025, an
23 individual applying for ~~renewal of~~ an operator's license renewal or instruction permit
24 renewal shall not be required to submit to a test of visual acuity and visual field. The
25 Transportation Cabinet may establish a pilot project to allow for the voluntary vision
26 testing upon renewal at regional driver licensing offices.

27 ➔Section 54. There is hereby appropriated additional Other Funds in the amount

1 of \$16,000,000 in fiscal year 2024-2025 to the Northern Kentucky University budget unit
2 for the Expand/Renovate Soccer Complex capital project.

3 ➔Section 55. Pursuant to KRS 141.020(2)(a)2.d., the appropriation in this section
4 is supported solely by funds from the Budget Reserve Trust Fund Account (KRS 48.705)
5 and shall not be identified as GF appropriations when certifying the reduction conditions
6 pursuant to KRS 141.020(2)(a)5. and (d)2. to 5.

7 There is hereby appropriated General Fund moneys from the Budget Reserve Trust
8 Fund Account (KRS 48.705) in the amount of \$150,000,000 in fiscal year 2023-2024 to
9 the Department of Highways budget unit to be allocated to the 2024-2026 Biennial
10 Highway Construction Plan project number 2-1088.52, contingent upon award of a
11 federal Multimodal Project Discretionary Grant for this project.

12 ➔Section 56. Pursuant to KRS 141.020(2)(a)2.d., the appropriation in this section
13 is supported solely by funds from the Budget Reserve Trust Fund Account (KRS 48.705)
14 and shall not be identified as GF appropriations when certifying the reduction conditions
15 pursuant to KRS 141.020(2)(a)5. and (d)2. to 5.

16 There is hereby appropriated General Fund moneys from the Budget Reserve Trust
17 Fund Account (KRS 48.705) in the amount of \$150,000,000 in fiscal year 2023-2024 to
18 the Department of Highways budget unit to be allocated to the 2024-2026 Biennial
19 Highway Construction Plan project number 10-169.10, contingent upon award of a
20 federal Multimodal Project Discretionary Grant for this project.

21 ➔Section 57. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
22 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
23 amount of \$2,969,200 in fiscal year 2024-2025 and \$3,956,800 in fiscal year 2025-2026
24 to the Public Health budget unit to support the costs of workforce and operations for the
25 local health departments.

26 ➔Section 58. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
27 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the

1 amount of \$500,000 in fiscal year 2024-2025 to the Department for Local Government
2 budget unit to be distributed to the Lee County Fiscal Court to support a public safety
3 initiative.

4 ➔Section 59. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
5 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
6 amount of \$1,500,000 in fiscal year 2024-2025 to the Attorney General budget unit to
7 create an electric reliability defense program.

8 ➔Section 60. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
9 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
10 amount of \$300,000 in fiscal year 2024-2025 to the Council on Postsecondary Education
11 budget unit to support a grant match for the National Stem Cell Foundation.

12 ➔Section 61. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
13 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) as a
14 one-time allocation in the amount of \$5,000,000 in each fiscal year to the University of
15 Kentucky budget unit to support cancer research at the Markey Cancer Center, including
16 but not limited to ovarian cancer research.

17 ➔Section 62. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
18 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
19 amount of \$5,000,000 in fiscal year 2024-2025 to the Department for Local Government
20 budget unit to be distributed to the Carlisle County Fiscal Court to support the Carlisle
21 County Water District in providing water treatment and water lines to schools in the
22 county.

23 ➔Section 63. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
24 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
25 amount of \$5,000,000 in fiscal year 2024-2025 to the Department for Local Government
26 budget unit to be distributed to the Pleasure Ridge Park Fire District to support a capital
27 construction project.

1 ➔Section 64. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
2 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
3 amount of \$5,000,000 in fiscal year 2025-2026 to the Department of Agriculture budget
4 unit to support economic development initiatives within the agriculture industry. The
5 funding is contingent on the Commissioner of Agriculture's submission and approval by
6 the General Assembly via joint resolution of a comprehensive proposal regarding
7 agriculture economic development initiatives. The proposal shall be submitted to the
8 Interim Joint Committee on Appropriations and Revenue by December 1, 2024.

9 ➔Section 65. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
10 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) as a
11 one-time allocation in the amount of \$905,800 in fiscal year 2024-2025 and \$1,596,800
12 in fiscal year 2025-2026 to the Justice Administration budget unit to support the loss of
13 federal funds for the Court-Appointed Special Advocate (CASA) funding programs.

14 ➔Section 66. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
15 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
16 amount of \$250,000 in fiscal year 2024-2025 to the Department for Local Government
17 budget unit to be distributed to the Daviess County Fiscal Court to support sewer
18 compliance for the City of Whitesville.

19 ➔Section 67. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
20 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
21 amount of \$1,200,000 in fiscal year 2023-2024 to the Department for Local Government
22 budget unit to be distributed to the Daviess County Fiscal Court to support water project
23 cost overruns. Notwithstanding KRS 45.229, these funds shall not lapse and shall carry
24 forward.

25 ➔Section 68. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
26 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
27 amount of \$250,000 in fiscal year 2025-2026 to the Department for Local Government

1 budget unit to be distributed to the Union County Fiscal Court to support water line
2 installation and repairs for the City of Sturgis.

3 ➔Section 69. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
4 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
5 amount of \$800,000 in fiscal year 2024-2025 to the Kentucky Infrastructure Authority
6 budget unit to support a statewide comprehensive plan for water management services
7 provided by the Area Development Districts and maintenance of the Water Resource
8 Information System.

9 ➔Section 70. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
10 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) as a
11 one-time allocation in the amount of \$600,000 in each fiscal year to the Behavioral
12 Health, Developmental, and Intellectual Disabilities budget unit to support direct services
13 provided to clients by The Healing Place.

14 ➔Section 71. Pursuant to KRS 141.020(2)(a)2.d., there is hereby appropriated
15 General Fund moneys from the Budget Reserve Trust Fund Account (KRS 48.705) in the
16 amount of \$15,000,000 in each fiscal year to the Economic Development budget unit to
17 support approved mega-development projects of at least \$10,000,000, with an exception
18 for certain economic development projects as recommended by the Cabinet based on
19 unique conditions of the county where the project may occur, including but not limited to
20 the population, per capita income, or county wages that are lower than the median for the
21 state. The funds may be used to provide loans with the ability for forgiveness upon
22 approval by the Secretary to support infrastructure and access to power. The Cabinet shall
23 develop the terms and conditions of the loans and shall include requirements related to
24 increased economic development.

25 ➔Section 72. Notwithstanding KRS 39A.303(6), from the appropriation set out in
26 2022 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 6, there is hereby appropriated Restricted
27 Funds from the East Kentucky State Aid Funding for Emergencies (EKSAFE) Fund

1 established in KRS 39A.303 in the amount of \$28,725,000 in fiscal year 2024-2025 to the
2 Military Affairs budget unit to be used for the advancement of moneys to city and county
3 governments experiencing strained fiscal liquidity while awaiting reimbursement from
4 federal emergency management assistance or insurance claims related to the impact of
5 the Presidential Declaration of a Major Disaster, designated FEMA-4663-DR.

6 ➔Section 73. If a recipient of moneys from the East Kentucky State Aid Funding
7 for Emergencies (EKSAFE) Fund under Section 72 of this Act subsequently receives
8 moneys from any other source, the recipient shall reimburse the Commonwealth for the
9 amount of moneys received from the EKSAFE Fund. All moneys reimbursed to the
10 Commonwealth shall be deposited into the Budget Reserve Trust Fund account
11 established in KRS 48.705 within 30 days. The moneys appropriated in Section 72 of this
12 Act shall not lapse and shall carry forward until June 30, 2026. If the moneys are not
13 encumbered by June 30, 2026, the moneys shall be returned to the Commonwealth and
14 shall be deposited into the Budget Reserve Trust Fund account established in KRS 48.705
15 within 30 days.

16 **[➔Section 74. Notwithstanding KRS 45.255(8), there is hereby appropriated
17 Restricted Funds from the Kentucky Contribution Trust Fund established in KRS 45.255
18 in the amount of \$7,227,500 in fiscal year 2024-2025 to the Military Affairs budget unit
19 to be used for the advancement of moneys to city and county governments experiencing
20 strained fiscal liquidity while awaiting reimbursement from federal emergency
21 management assistance or insurance claims related to the impact of the Presidential
22 Declaration of a Major Disaster, designated FEMA-4663-DR.]**

23 ➔Section 75. If a recipient of moneys from the Kentucky Contribution Trust
24 Fund under Section 74 of this Act subsequently receives moneys from any other source,
25 the recipient shall reimburse the Commonwealth for the amount of the moneys received
26 from the Kentucky Contribution Trust Fund. All moneys reimbursed to the
27 Commonwealth shall be deposited into the Budget Reserve Trust Fund account

1 established in KRS 48.705 within 30 days. The moneys appropriated in Section 74 of this
2 Act shall not lapse and shall carry forward until June 30, 2026. If the moneys are not
3 encumbered by June 30, 2026, the moneys shall be returned to the Commonwealth and
4 shall be deposited into the Budget Reserve Trust Fund account established in KRS 48.705
5 within 30 days.

6 ➔Section 76. The Council on Postsecondary Education shall submit a report to
7 the Interim Joint Committee on Appropriations and Revenue by December 1, 2024,
8 detailing all programs administered by the Council. The report shall include a description
9 of each program, program expenditures, and statutory references if applicable.

10 ➔Section 77. A local governmental agency may request participation in a
11 governmental services program through the Department of Corrections to provide
12 inmates the opportunity to learn job skills. At the discretion of the warden of the facility,
13 the local government shall be responsible for all costs, including but not limited to
14 supervision, transportation, training, and meals but shall not be required to pay labor
15 costs.

16 ➔Section 78. KRS 45A.100 is amended to read as follows:

17 (1) Procurements may be made in accordance with small purchase administrative
18 regulations promulgated by the secretary of the Finance and Administration
19 Cabinet, pursuant to KRS Chapter 13A, as follows:

20 (a) Up to ten thousand dollars (\$10,000) per project for construction and one
21 thousand dollars (\$1,000) for purchases by any state governmental body,
22 except for those state administrative bodies specified in paragraph (b) of this
23 subsection; and

24 (b) Up to one hundred~~forty~~ thousand dollars (\$100,000)~~(\$40,000)~~ per project
25 for construction or purchases by the Finance and Administration Cabinet,
26 state institutions of higher education, and the legislative branch of
27 government.

1 (2) Procurement requirements shall not be artificially divided so as to constitute a small
2 purchase under this section. Reverse auctions may be used for small purchase
3 procurements. At least every two (2) years, the secretary shall review the prevailing
4 costs of labor and materials and may make recommendations to the next regular
5 session of the General Assembly for the revision of the then current maximum
6 small purchase amount as justified by intervening changes in the cost of labor and
7 materials.

8 (3) The secretary of the Finance and Administration Cabinet may grant to any state
9 agency with a justifiable need a delegation of small purchasing authority which
10 exceeds the agency's small purchase limit provided in subsection (1) of this section.
11 Delegations of small purchasing authority shall be granted or revoked by the
12 secretary of the Finance and Administration Cabinet, in accordance with
13 administrative regulations promulgated by the cabinet pursuant to KRS Chapter
14 13A. These administrative regulations shall establish, at a minimum, the criteria for
15 granting and revoking delegations of small purchasing authority, including the
16 requesting agency's past compliance with purchasing regulations, the level of
17 training of the agency's purchasing staff, and the extent to which the agency utilizes
18 the Kentucky Automated Purchasing System. The administrative regulations may
19 permit the secretary of the Finance and Administration Cabinet to delegate small
20 purchase procurements up to the maximum amount specified in subsection (1)(b) of
21 this section.

22 ➔Section 79. KRS 45A.190 is amended to read as follows:

23 (1) As used in this section, "agency contract administrator" means the state agency
24 employee responsible for the administration of a contract.

25 (2) When a construction contract is awarded in an amount in excess of one
26 hundred~~forty~~ thousand dollars (\$100,000)~~(\$40,000)~~, the following bonds shall
27 be furnished to the Commonwealth, and shall be binding on the parties upon the

1 award of the contract:

2 (a) A performance bond satisfactory to the Commonwealth executed by a surety
3 company authorized to do business in this Commonwealth, or otherwise
4 supplied, satisfactory to the Commonwealth, in an amount equal to one
5 hundred percent (100%) of the contract price as it may be increased; and

6 (b) A payment bond satisfactory to the Commonwealth executed by a surety
7 company authorized to do business in the Commonwealth, or otherwise
8 supplied, satisfactory to the Commonwealth, for the protection of all persons
9 supplying labor and material to the contractor or his subcontractors, for the
10 performance of the work provided for in the contract. The bond shall be in an
11 amount equal to one hundred percent (100%) of the original contract price.

12 (3) When any contract in an amount in excess of one hundred~~forty~~ thousand dollars
13 ~~(\$100,000)~~~~(\$40,000)~~ for commodities, supplies, equipment, or services of any
14 kind, or when a contract for construction services costing one hundred~~forty~~
15 thousand dollars ~~(\$100,000)~~~~(\$40,000)~~ or less is proposed for presentation to
16 vendors or contractors, the agency contract administrator shall evaluate whether a
17 performance bond should be required in the procurement document, and make his
18 recommendation to the purchasing agency. The agency contract administrator shall
19 note the reason that a performance bond is or is not recommended and his notation
20 shall be a part of the permanent record relating to the contract. If a performance
21 bond is required, the requirement shall be included in the invitation to bid, request
22 for proposal, or other procurement document. The agency contract administrator
23 shall make audits of the performance of contracts upon completion of one-third
24 (1/3) of the contract and upon completion of two-thirds (2/3) of the contract. For
25 contracts taking longer than one (1) year to complete, audits of performance shall
26 be conducted at least annually. Before a vendor is released from a performance
27 bond, the agency contract administrator shall review the audits of performance,

1 make a final performance review, and promptly determine whether, in his or her
2 opinion, the vendor has fully complied with the terms of the contract. The opinion
3 of the agency contract administrator shall be made in writing or electronically, set
4 forth the reasons for his or her opinion regarding compliance or noncompliance,
5 and be signed by the agency contract administrator. This opinion may have an
6 electronic signature. The using agency head shall, after consideration of the
7 performance audits, the final performance review, and the opinion of the agency
8 contract administrator regarding compliance or noncompliance, determine whether
9 to recommend to the purchasing agency that the performance bond be released or
10 whether a claim should be made against the performance bond. This determination
11 of the using agency head shall be in writing, signed by the using agency head, and
12 forwarded to the purchasing agency. This determination may have an electronic
13 signature and be transmitted electronically. If the recommendation of the using
14 agency is not followed by the purchasing agency, the purchasing agency shall place
15 a statement in the file explaining why it is not followed.

16 (4) Nothing in this section shall be construed to limit the authority of the
17 Commonwealth to require a performance bond or other security in addition to those
18 bonds, or in circumstances other than specified in subsection (2) or (3) of this
19 section.

20 ➔Section 80. KRS 56.491 is amended to read as follows:

21 (1) No state agency shall have power or authority to make plans and specifications,
22 provide public notice of invitations for bids, let contracts, or incur any financing
23 commitments, either in the way of a charge against public funds or in the way of
24 negotiations for issuance of revenue bonds, for any capital construction projects
25 involving the improvement of lands or the construction, alteration, reconstruction,
26 or major repair of any building or other structure, or sewage disposal or water
27 supply system, requiring the expenditure of more than five~~two~~ hundred ~~fifty~~

1 thousand dollars (\$500,000)~~(\$250,000)~~ without first securing the approval of the
2 Finance and Administration Cabinet.

3 (2) The state agency seeking the approval shall submit to the Finance and
4 Administration Cabinet a general description of the proposed project, with the
5 detailed information the cabinet may require. Review of construction plans for
6 conformance with the Uniform State Building Code shall be conducted by the
7 Department of Housing, Buildings and Construction. The Finance and
8 Administration Cabinet shall not approve any project requiring its approval in any
9 instance if it finds that: the project is not needed; the proposed method of financing
10 is not sound; the project will exceed the amount of the funds available therefor; the
11 work contemplated will be insufficient to accomplish the purpose of the project; or
12 after providing for the ordinary recurring expenses of government and debt service
13 and for payments under existing allotments for extraordinary expenses and capital
14 outlay, cash will not be available in the State Treasury to promptly pay for the work
15 during the biennium, or except as provided in subsection (5) of this section, that the
16 work is to be done by employees of the agency.

17 (3) The finding of the Finance and Administration Cabinet shall be final, except in
18 cases where the issuance and sale of bonds is proposed, in which cases the cabinet
19 shall submit its findings to the commission for final approval, modification, or
20 disapproval.

21 (4) Any capital construction project, the total cost of completion of which the Finance
22 and Administration Cabinet determines will exceed five~~two~~ hundred ~~fifty~~
23 thousand dollars (\$500,000)~~(\$250,000)~~, shall be contracted for on a competitive
24 bid basis, and the execution of the contracts shall be approved and authorized by the
25 cabinet. When a capital construction project has been approved as provided in this
26 section, in whole or in part, the cabinet shall prepare the plans and specifications,
27 provide public notice of invitations for bids, award the contracts, supervise the

1 construction, and handle the financial negotiations on behalf of the requesting state
2 agency; or with prior written approval, the cabinet may authorize a state agency to
3 do so with delegated authority of the cabinet.

4 (5) A capital construction project, the total cost of completion of which the Finance and
5 Administration Cabinet determines will not exceed five~~two~~ hundred~~—fifty~~
6 thousand dollars (\$500,000)~~(\$250,000)~~, may be performed by the employees of
7 the requesting agency or by individuals hired specifically for the project who shall
8 be exempt from the requirements of KRS Chapter 18A, if the project is approved
9 and authorized by the cabinet. Necessary materials and supplies shall be procured in
10 accordance with the standard purchasing procedures and policies of the cabinet as
11 defined in KRS Chapter 45A.

12 (6) This section shall not apply to capital outlays to the Department of Highways for
13 roads and bridges.

14 (7) This section shall not apply to capital outlays by the Justice and Public Safety
15 Cabinet for repair, maintenance, improvement, or expansion of present correctional
16 facilities on which projects inmates are used. Any capital construction project to be
17 performed by the Justice and Public Safety Cabinet shall be approved and
18 authorized by the Finance and Administration Cabinet.

19 (8) This section shall not apply to surveys capable of being performed by employees of
20 the Department of Fish and Wildlife Resources. Boundary surveys or surveys
21 involving property lines shall be performed by or under the supervision of an
22 employee possessing a professional land surveyor license.

23 ➔Section 81. Whereas the provisions of this Act provide ongoing support for
24 state government agencies and their functions, an emergency is declared to exist, and this
25 Act takes effect upon its passage and approval by the Governor or upon its otherwise
26 becoming a law.