

**HOUSE BUDGET REPORT  
HB 380/GA**

**2006 SESSION OF THE GENERAL ASSEMBLY**

**HB 380/HCS  
ADDENDUM**

**Legislative Research Commission  
Office of Budget Review**

**March 7, 2006**

**THIS PAGE INTENTIONALLY LEFT BLANK**

**Table of Contents  
HB 380/HCS Addendum**

<b>General Fund Budget Summary</b>	<b>001</b>
<b>Other Budgetary Resources</b>	<b>003</b>
<b>Budget Lapses and Other Savings</b>	<b>005</b>
<b>Fund Transfers</b>	<b>007</b>
<b>State and Branch Summaries</b>	<b>015</b>
<b>State Bond Projects</b>	<b>027</b>
<b>Part II - Capital Projects Budget</b>	<b>035</b>
<b>Part II - Capital Budget Coal Severance Tax Projects</b>	<b>043</b>
<b>Part III -General Provisions</b>	<b>095</b>

**GOVERNMENT OPERATIONS:**

<b>Homeland Security</b>	<b>111</b>
<b>Governor's Office of Agricultural Policy</b>	<b>135</b>
<b>Governor's Office for Local Development</b>	<b>141</b>
<b>Special Funds</b>	<b>169</b>
<b>Teachers' Retirement System</b>	<b>179</b>

**COMMERCE:**

<b>Historical Society</b>	<b>191</b>
<b>Arts Council</b>	<b>197</b>

**DEPARTMENT OF EDUCATION:**

<b>Operations and Support Services</b>	<b>207</b>
<b>SEEK</b>	<b>217</b>

**ENVIRONMENTAL AND PUBLIC PROTECTION CABINET:**

<b>Kentucky Nature Preserves Commission</b>	<b>235</b>
<b>Petroleum Storage Tank Environmental Assurance Fund</b>	<b>237</b>

**HEALTH AND FAMILY SERVICES CABINET:**

<b>Public Health</b>	<b>249</b>
<b>Health Policy</b>	<b>261</b>
<b>Community Based Services</b>	<b>263</b>

**POSTSECONDARY EDUCATION:**

<b>Council on Postsecondary Education</b>	<b>281</b>
<b>Eastern Kentucky University</b>	<b>299</b>
<b>Morehead State University</b>	<b>305</b>
<b>Murray State University</b>	<b>315</b>
<b>Kentucky Community and Technical College System</b>	<b>323</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

**HOUSE BUDGET REPORT**  
**2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**GENERAL FUND BUDGET SUMMARY**

RS06 GF Budget Summary Sheets HOUSE GA.xls  
3/8/2006  
5:14 PM

	FY 2004-2005	FY 2005-2006			FY 2006-2007			FY 2007-2008		
	Actual	Branch	House	Difference	Branch	House	Difference	Branch	House	Difference
<b>RESOURCES</b>										
Undesignated Balance	249,475,000	468,879,400	468,879,400		527,915,500	518,512,800	(9,402,700)	285,240,300	376,693,400	91,453,100
Continued Appropriations Reserve										
Branch Regular	26,485,200	41,957,300	41,957,300		20,528,300	23,792,300	3,264,000	14,878,800	15,206,100	327,300
Tobacco Settlement	42,947,500	30,664,100	30,664,100		12,305,200	39,305,200	27,000,000	9,508,700	32,508,700	23,000,000
Budget Reserve Trust	50,764,800	28,764,800	28,764,800		119,015,100	119,015,100		119,015,100	154,015,100	35,000,000
Reserve Subtotal	120,197,500	101,386,200	101,386,200		151,848,600	182,112,600	30,264,000	143,402,600	201,729,900	58,327,300
Revenue										
Consensus Revenue Estimate	7,645,046,000	8,216,200,000	8,216,200,000		8,341,200,000	8,341,200,000		8,675,700,000	8,675,700,000	
Tobacco Settlement	112,242,000	91,300,000	91,300,000		88,800,000	88,800,000		94,000,000	94,000,000	
Revenue Measures					4,430,000	4,430,000		(1,780,000)	(1,780,000)	
Revenue Subtotal	7,757,288,000	8,307,500,000	8,307,500,000		8,434,430,000	8,434,430,000		8,767,920,000	8,767,920,000	
Existing Fund Transfers	154,011,100	211,197,100	211,197,100							
Fund Transfers (HB 380)		59,308,700	57,719,200	(1,589,500)	104,596,800	115,813,700	11,216,900	64,869,500	72,647,500	7,778,000
Other Resources					18,474,800	74,224,300	55,749,500	42,696,000	105,622,400	62,926,400
Reconcile Resources to Controller	500									
<b>TOTAL RESOURCES</b>	<b>8,280,972,100</b>	<b>9,148,271,400</b>	<b>9,146,681,900</b>	(1,589,500)	<b>9,237,265,700</b>	<b>9,325,093,400</b>	87,827,700	<b>9,304,128,400</b>	<b>9,524,613,200</b>	220,484,800
<b>APPROPRIATIONS</b>										
Executive Budget (HB 380)										
Regular Operating	7,288,300,200	7,994,729,800	7,994,729,800		8,409,665,700	8,399,080,000	(10,585,700)	8,798,699,800	8,990,018,400	191,318,600
Mandated Allotments (NGE)	17,275,200	15,000,000	15,000,000							
General Fund Current Year		89,702,200	87,298,200	(2,404,000)						
Other - Dedicated Revenues		28,122,400	28,122,400							
Budget Reserve Trust / Surplus Plan	(22,000,000)	90,250,300	90,250,300			35,000,000	35,000,000		(60,000,000)	(60,000,000)
Phase I Tobacco Settlement	108,800,000	91,300,000	91,300,000		88,800,000	88,800,000		94,000,000	94,000,000	
Return of partial litigation proceeds to GOAP		27,000,000	27,000,000							
Capital	38,325,000	6,140,700	6,140,700		1,200,000	3,030,000	1,830,000	1,400,000	3,050,000	1,650,000
Executive Subtotal	7,430,700,400	8,342,245,400	8,339,841,400	(2,404,000)	8,499,665,700	8,525,910,000	26,244,300	8,894,099,800	9,027,068,400	132,968,600
Continued General Fund	(15,666,100)	14,260,400	10,996,400	(3,264,000)	4,120,700	4,997,400	876,700	3,167,600	5,554,900	2,387,300
Continued Tobacco	12,283,400	18,358,900	(8,641,100)	(27,000,000)	2,796,500	6,796,500	4,000,000	9,508,700	12,508,700	3,000,000
Continued Budget Reserve Trust	22,000,000	(90,250,300)	(90,250,300)			(35,000,000)	(35,000,000)		60,000,000	60,000,000
Total Executive	7,449,317,700	8,284,614,400	8,251,946,400	(32,668,000)	8,506,582,900	8,502,703,900	(3,879,000)	8,906,776,100	9,105,132,000	198,355,900
Legislative Budget (HB 381)										
Regular Operating	40,939,400	41,370,500	41,370,500		46,788,800	46,788,800		50,182,200	50,182,200	
Continued	(271,100)	5,040,700	5,040,700		1,528,800	1,528,800		(240,800)	(240,800)	
Total Legislative	40,668,300	46,411,200	46,411,200		48,317,600	48,317,600		49,941,400	49,941,400	
Judicial Budget (HB 382)										
Regular Operating	220,255,500	232,613,900	232,613,900		268,722,300	244,588,600	(24,133,700)	304,031,600	280,211,400	(23,820,200)
Continued	465,000	2,127,900	2,127,900			2,060,000	2,060,000		3,907,700	3,907,700
Total Judicial	220,720,500	234,741,800	234,741,800		268,722,300	246,648,600	(22,073,700)	304,031,600	284,119,100	(19,912,500)
Special Bills		428,000	10,645,200	10,217,200						
Appropriations Subtotal	7,710,706,500	8,566,195,400	8,543,744,600	(22,450,800)	8,823,622,800	8,797,670,100	(25,952,700)	9,260,749,100	9,439,192,500	178,443,400
Budget Lapse / Savings		(97,688,100)	(97,688,100)		(15,000,000)	(51,000,000)	(36,000,000)	(20,000,000)	(36,000,000)	(16,000,000)
<b>TOTAL APPROPRIATIONS</b>	<b>7,710,706,500</b>	<b>8,468,507,300</b>	<b>8,446,056,500</b>	(22,450,800)	<b>8,808,622,800</b>	<b>8,746,670,100</b>	(61,952,700)	<b>9,240,749,100</b>	<b>9,403,192,500</b>	162,443,400
<b>BALANCE</b>	<b>570,265,600</b>	<b>679,764,100</b>	<b>700,625,400</b>	20,861,300	<b>428,642,900</b>	<b>578,423,300</b>	149,780,400	<b>63,379,300</b>	<b>121,420,700</b>	58,041,400
Continued Appropriations Reserve										
Branch Regular	41,957,300	20,528,300	23,792,300	3,264,000	14,878,800	15,206,100	327,300	11,952,000	5,984,300	(5,967,700)
Tobacco Settlement	30,664,100	12,305,200	39,305,200	27,000,000	9,508,700	32,508,700	23,000,000	20,000,000	20,000,000	
Budget Reserve Trust	28,764,800	119,015,100	119,015,100		119,015,100	154,015,100	35,000,000	119,015,100	94,015,100	(25,000,000)
Total Reserve	101,386,200	151,848,600	182,112,600	30,264,000	143,402,600	201,729,900	58,327,300	130,967,100	119,999,400	(10,967,700)
<b>UNDESIGNATED BALANCE</b>	<b>468,879,400</b>	<b>527,915,500</b>	<b>518,512,800</b>	(9,402,700)	<b>285,240,300</b>	<b>376,693,400</b>	91,453,100	<b>(67,587,800)</b>	<b>1,421,300</b>	69,009,100

**THIS PAGE INTENTIONALLY LEFT BLANK**

HOUSE BUDGET REPORT  
2006 REGULAR SESSION OF THE GENERAL ASSEMBLY  
OTHER BUDGETARY RESOURCES

TABLE I - OTHER BUDGETARY RESOURCES Source	FY 2005-2006			FY 2006-2007			FY 2007-2008		
	Branch	House	Difference	Branch	House	Difference	Branch	House	Difference
Public Service Commission Adjustment				1,224,800	1,624,800	400,000	2,006,000	2,006,000	
Revenue Collections				4,800,000	4,800,000		9,600,000	9,600,000	
Abandoned Property - Sale of Aged Securities				6,000,000	6,000,000		17,500,000	17,500,000	
Employee Choice Increased Economic Activity				6,450,000		(6,450,000)	13,590,000		(13,590,000)
Economic Development Growth Impact					6,450,000	6,450,000		13,590,000	13,590,000
Revenue Enhancement Initiative					20,349,500	20,349,500		42,926,400	42,926,400
Voluntary Assignment of Non-participating Manufacturers Escrow Funds					35,000,000	35,000,000		20,000,000	20,000,000
<b>Total Other Budgetary Resources</b>				<b>18,474,800</b>	<b>74,224,300</b>	<b>55,749,500</b>	<b>42,696,000</b>	<b>105,622,400</b>	<b>62,926,400</b>

TABLE II - REVENUE MEASURES Source	FY 2005-2006			FY 2006-2007			FY 2007-2008		
	Branch	House	Difference	Branch	House	Difference	Branch	House	Difference
Small Business AMC Relief				(3,170,000)	(3,170,000)		(9,680,000)	(9,680,000)	
Continuation of Revenue Measures				7,600,000	7,600,000		7,900,000	7,900,000	
<b>Total Revenue Measures</b>				<b>4,430,000</b>	<b>4,430,000</b>		<b>(1,780,000)</b>	<b>(1,780,000)</b>	
<b>TOTAL TABLES I AND II</b>				<b>22,904,800</b>	<b>78,654,300</b>	<b>55,749,500</b>	<b>40,916,000</b>	<b>103,842,400</b>	<b>62,926,400</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

**HOUSE BUDGET REPORT**  
**2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**BUDGET LAPSES AND OTHER SAVINGS**

	FY 2005-2006			FY 2006-2007			FY 2007-2008		
	Branch	House	Difference	Branch	House	Difference	Branch	House	Difference
<b>Budget Lapses</b>									
Debt Service - Finance	(40,605,400)	(40,605,400)	-						
Debt Service - SFCC	(19,616,000)	(19,616,000)	-						
Double budgeting of local education projects	(4,500,000)	(4,500,000)	-						
Public Service Commission Lapse					(1,000,000)	(1,000,000)		(1,000,000)	(1,000,000)
<b>Total Budget Lapse</b>	<b>(64,721,400)</b>	<b>(64,721,400)</b>	<b>-</b>	<b>-</b>	<b>(1,000,000)</b>	<b>(1,000,000)</b>	<b>-</b>	<b>(1,000,000)</b>	<b>(1,000,000)</b>
<b>Other Savings</b>									
General Fund Base Deductions	(32,966,700)	(32,966,700)	-						
Finance Debt Service surplus bond proceed replacement				(15,000,000)	(15,000,000)	-			
Efficiencies					(35,000,000)	(35,000,000)	(20,000,000)	(35,000,000)	(15,000,000)
<b>Total Other Savings</b>	<b>(32,966,700)</b>	<b>(32,966,700)</b>	<b>-</b>	<b>(15,000,000)</b>	<b>(50,000,000)</b>	<b>(35,000,000)</b>	<b>(20,000,000)</b>	<b>(35,000,000)</b>	<b>(15,000,000)</b>
<b>Total Budget Lapse / Savings</b>	<b>(97,688,100)</b>	<b>(97,688,100)</b>	<b>-</b>	<b>(15,000,000)</b>	<b>(51,000,000)</b>	<b>(36,000,000)</b>	<b>(20,000,000)</b>	<b>(36,000,000)</b>	<b>(16,000,000)</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

**HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**FUND TRANSFERS PART V**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>General Government</b>									
<b>Office of the Governor</b>									
Agency Revenue Fund	5,600	5,600							
Other Special Revenue Fund	25,200	25,200							
<b>Office of State Budget Director</b>									
Agency Revenue Fund	75,400	75,400							
<b>Homeland Security</b>									
Agency Revenue Fund (KRS 65.7631)	351,400		(351,400)						
<b>Department of Veterans' Affairs</b>									
Agency Revenue Fund	1,756,100		(1,756,100)						
<b>Military Affairs</b>									
Agency Revenue Fund	300,000	300,000		400,000	4,900,000	4,500,000	300,000	300,000	
<b>Commission on Women</b>									
Agency Revenue Fund	1,800	1,800							
<b>Governor's Office for Local Development</b>									
Agency Revenue Fund	1,817,800	1,817,800							
<b>Local Government Economic Development Fund</b>									
Multi-County Fund (KRS 42.4588)				7,450,000	7,450,000		7,450,000	8,614,000	1,164,000
<b>Secretary of State</b>									
Agency Revenue Fund	350,000	350,000		900,000	900,000		900,000	900,000	
<b>Attorney General</b>									
Agency Revenue Fund	521,200	521,200							
<b>Treasury</b>									
Agency Revenue Fund	92,900	92,900							
<b>Accountancy</b>									
Agency Revenue Fund (KRS 325.250)	20,000		(20,000)						
<b>Chiropractic Examiners</b>									
Agency Revenue Fund	20,000		(20,000)						

**HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**FUND TRANSFERS PART V**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>Dentistry</b>									
Agency Revenue Fund (KRS 313.350(1))	30,000		(30,000)						
<b>Embalmers and Funeral Directors</b>									
Agency Revenue Fund (KRS 316.125 and 316.210)	5,000		(5,000)						
<b>Examiners and Registration of Landscape Architects</b>									
Agency Revenue Fund (KRS 323A.060(2))	5,000		(5,000)						
<b>Examiners of Psychology</b>									
Agency Revenue Fund (KRS 319.131)	50,000		(50,000)						
<b>Licensed Professional Counselors</b>									
Agency Revenue Fund (KRS 335.520(1) and (2))	50,000		(50,000)						
<b>Licensure for Occupational Therapy</b>									
Agency Revenue Fund	25,000		(25,000)						
<b>Licensure for Massage Therapy</b>									
Agency Revenue Fund (KRS 309.356(1))	50,000		(50,000)						
<b>Licensure for Professional Engineers and Land Surveyors</b>									
Agency Revenue Fund (KRS 322.420)	50,000		(50,000)						
<b>Medical Licensure</b>									
Agency Revenue Fund (KRS 311.610)	20,000		(20,000)						
<b>Nursing</b>									
Agency Revenue Fund (KRS 314.161)	50,000		(50,000)						
<b>Pharmacy</b>									
Agency Revenue Fund (KRS 315.195)	20,000		(20,000)						
<b>Podiatry</b>									
Agency Revenue Fund (KRS 311.450(3))	7,000		(7,000)						

**HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**FUND TRANSFERS PART V**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>Real Estate Appraisers</b>									
Agency Revenue Fund (KRS 324A.065(4))	10,000		(10,000)						
<b>Real Estate Commission</b>									
Agency Revenue Fund (KRS 324.286 and 324.410)	50,000		(50,000)						
<b>Registration for Professional Geologists</b>									
Agency Revenue Fund (KRS 322A.050)	35,000		(35,000)						
<b>Social Work</b>									
Agency Revenue Fund (KRS 335.140)	20,000		(20,000)						
<b>Veterinary Examiners</b>									
Agency Revenue Fund (KRS 321.320)	45,000		(45,000)						
<b>Emergency Medical Services</b>									
Agency Revenue Fund (KRS 311A.145(2))	82,500	162,500	80,000						
<b>Commerce Cabinet</b>									
<b>Secretary</b>									
Agency Revenue Fund	190,700	190,700							
<b>Artisans Center</b>									
Other Special Revenue Fund	307,100	307,100							
<b>Energy Policy</b>									
Agency Revenue Fund (KRS 132.020(5))	506,300	506,300							
<b>Tourism</b>									
Agency Revenue Fund	204,000	204,000							
<b>Horse Park Commission</b>									
Kentucky Horse Park Fund	40,800	40,800							
<b>State Fair Board</b>									
State Fair Board Fund	234,000	234,000							
<b>Historical Society</b>									
Agency Revenue Fund	120,000	120,000							

**HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**FUND TRANSFERS PART V**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>Arts Council</b>									
Agency Revenue Fund (KRS 153.220(8))	20,000	20,000							
<b>Economic Development Cabinet</b>									
<b>Secretary</b>									
Agency Revenue Fund	200,000	200,000							
<b>Financial Incentives</b>									
Kentucky Economic Development Finance Authority (KRS 154.20-010 to 154.20-150)							700,000	700,000	
<b>Department of Education</b>									
<b>Operations and Support Services</b>									
Agency Revenue Fund	150,000	150,000							
<b>Department of Education</b>									
School Districts Flexible Spending Account Expendable Trust Fund	7,000,000	7,000,000		12,000,000	12,000,000		12,000,000	12,000,000	
<b>Education Cabinet</b>									
<b>General Administration and Program Support</b>									
Agency Revenue Fund	53,000	53,000		75,000	75,000		89,600	89,600	
<b>Career and Technical Education</b>									
Agency Revenue Fund	656,800	656,800							
<b>Environmental and Public Protection Cabinet</b>									
<b>Natural Resources</b>									
Agency Revenue Fund (KRS 149.280(2) and 149.670)	247,900	247,900							
<b>Public Protection Commissioner</b>									
Agency Revenue Fund	400,000	400,000		175,000	175,000		150,000	150,000	
<b>Petroleum Storage Tank Environmental Assurance Fund</b>									
Insurance Administration Fund (KRS 224.60-140, 224.60-145 and 224.60-150)	626,500	626,500		41,997,300	41,997,300		17,564,100	17,564,100	
<b>Alcoholic Beverage Control</b>									
Agency Revenue Fund (KRS 243.025)	3,011,700	3,011,700		836,200	836,200		457,600	457,600	

**HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**FUND TRANSFERS PART V**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>Charitable Gaming</b>									
Agency Revenue Fund (KRS 238.570(2))	1,100,000	1,100,000							
<b>Financial Institutions</b>									
Agency Revenue Fund (KRS 287.485)	3,295,100	3,295,100		1,851,300	1,851,300		1,900,900	1,900,900	
<b>Insurance</b>									
Agency Revenue Fund (KRS 304.2-300, 304.2-400 and 304.2-440)	8,659,700	8,659,700		9,000,000	9,000,000		10,750,000	10,750,000	
<b>Environmental and Public Protection</b>									
Kentucky Pride Trust Fund (KRS 224.43-505(1))				18,000,000	18,000,000				
Kentucky Pride Trust Fund Pursuant to KRS 224.43-505(2)(a)5., these funds transfers to the General Fund support the General Fund debt service on the bonds sold as appropriated by 2003 Ky. Acts ch. 156, Part II, Capital Project Budget, A. Government Operations, 3. Kentucky Infrastructure Authority, c. Kentucky Pride Fund Projects.				2,006,300	2,006,300		2,006,300	2,006,300	
<b>Finance and Administration Cabinet</b>									
<b>General Administration</b>									
Agency Revenue Fund	58,800	58,800			3,779,800	3,779,800		3,784,800	3,784,800
<b>Controller</b>									
Agency Revenue Fund	1,200,000	1,200,000			204,300	204,300		215,800	215,800
<b>Facilities and Support Services</b>									
Agency Revenue Fund	232,500	232,500			200,800	200,800		583,400	583,400
<b>Commonwealth Office of Technology</b>									
Agency Revenue Fund								1,000,000	1,000,000
<b>Revenue</b>									
Agency Revenue Fund (KRS 45.238(3), 132.320(3), 134.400, 160.6154(2) and 365.390(2))	1,000,000	1,000,000							

**HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**FUND TRANSFERS PART V**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>Finance and Administration</b>									
Capital Construction and Equipment Purchase Contingency Fund (KRS 45.770)				2,000,000	2,000,000				
Capital Construction Investment Income (KRS 42.500)				5,000,000	6,200,000	1,200,000	5,000,000	5,330,000	330,000
Statewide Deferred Maintenance Fund (KRS 45.782)					332,000	332,000			
Capital Construction Emergency Repair and Maintenance Fund (KRS 45.780)					1,000,000	1,000,000			
<b>Health and Family Services Cabinet</b>									
<b>General Administration and Program Support</b>									
Agency Revenue Fund (KRS 212.025(2))	5,723,000	5,723,000							
Malt Beverage Education Fund	350,000	350,000		350,000	350,000		350,000	350,000	
<b>Children with Special Health Care Needs</b>									
Agency Revenue Fund (KRS 212.025(2))	500	500							
<b>Public Health</b>									
Agency Revenue Fund (KRS 194A.050(4), 211.350(7), 211.848(2), 212.025(2), 213.141(3), 217.125(2), 219.071 and 221.020(2))	4,657,000	4,657,000		542,800	542,800		483,000	483,000	
<b>Health Policy</b>									
Agency Revenue Fund (KRS 212.025(2))	351,700	351,700							
<b>Human Support Services</b>									
Agency Revenue Fund (KRS 212.025(2))	156,500	156,500							
<b>Ombudsman</b>									
Agency Revenue Fund (KRS 212.025(2))	1,600	1,600							

**HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**FUND TRANSFERS PART V**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>Disability Determination Services</b>									
Agency Revenue Fund (KRS 212.025(2))	2,400	2,400							
<b>Justice and Public Safety Cabinet</b>									
<b>Justice Administration</b>									
Agency Revenue Fund	109,100	109,100							
<b>Criminal Justice Training</b>									
Kentucky Law Enforcement Foundation Program Fund (KRS 15.430)							2,000,000	2,000,000	
<b>Juvenile Justice</b>									
Agency Revenue Fund	6,520,000	6,520,000							
<b>Community Services and Local Facilities</b>									
Agency Revenue Fund	80,100	80,100							
<b>Public Advocacy</b>									
Agency Revenue Fund (KRS 31.211(8) and 189A.050(3)(f))	162,700	162,700							
<b>Personnel</b>									
<b>General Operations</b>									
Flexible Spending Account (KRS 18A.225(2)(g))	323,000	323,000		1,000,000	1,000,000		1,000,000	1,000,000	
Other Special Revenue Fund	333,300	333,300							
Agency Revenue Fund (KRS 18A.225(2)(g))	922,500	922,500							
<b>Workers' Compensation Benefits and Reserve</b>									
Risk Management Fund (KRS 18A.375(3))	3,028,500	4,028,500	1,000,000						
<b>Postsecondary Education</b>									
<b>Council on Postsecondary Education</b>									
Agency Revenue Fund	300,000	300,000							

**HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**FUND TRANSFERS PART V**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>Kentucky Higher Education Assistance Authority</b>									
Osteopathic Medicine Scholarship Trust Fund (KRS 164.7891(11))	390,000	390,000							
Osteopathic Medicine Repayment Fund (KRS 164.7891(11))	440,000	440,000		350,000	350,000				
<b>Kentucky Community and Technical College System</b>									
Firefighters Foundation Program Fund (KRS 95A.220)							2,000,000	2,000,000	
<b>Transportation Cabinet</b>									
<b>Aviation</b>									
Kentucky Aviation Economic Development Fund  Notwithstanding KRS 183.525(5), these funds transfers to the General Fund support the General Fund debt service on the bonds sold as appropriated by 2005 Ky. Acts ch. 173, Part II, Capital Projects Budget, C., 1., 002.				468,000	468,000		468,000	468,000	
<b>Vehicle Regulation</b>									
Agency Revenue Fund				194,900	194,900				
<b>TOTAL TRANSFERS</b>	<b>59,308,700</b>	<b>57,719,200</b>	<b>(1,589,500)</b>	<b>104,596,800</b>	<b>115,813,700</b>	<b>11,216,900</b>	<b>64,869,500</b>	<b>72,647,500</b>	<b>7,778,000</b>

## Commonwealth of Kentucky

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	91,875,900	91,875,900		88,800,000	88,800,000		94,000,000	94,000,000	
General Fund	8,307,933,600	8,332,529,600	24,596,000	8,725,176,800	8,690,457,400	(34,719,400)	9,152,913,600	9,320,412,000	167,498,400
Restricted Funds	4,545,689,300	4,547,365,400	1,676,100	4,868,065,800	4,866,489,200	(1,576,600)	4,741,508,900	4,743,903,100	2,394,200
Federal Funds	7,450,302,700	7,450,302,700		7,188,730,200	7,180,657,700	(8,072,500)	7,351,884,000	7,347,712,400	(4,171,600)
Road Fund	1,192,540,000	1,192,540,000		1,214,333,900	1,214,893,800	559,900	1,232,819,400	1,234,136,900	1,317,500
Highway Bond	462,552,500	462,552,500		75,000,000	75,000,000				
<b>Regular Total Funds</b>	<b>22,050,894,000</b>	<b>22,077,166,100</b>	<b>26,272,100</b>	<b>22,160,106,700</b>	<b>22,116,298,100</b>	<b>(43,808,600)</b>	<b>22,573,125,900</b>	<b>22,740,164,400</b>	<b>167,038,500</b>
Use of Continuing	39,787,700	9,523,700	(30,264,000)	8,064,000	15,000,700	6,936,700	12,817,500	22,112,500	9,295,000
<b>TOTAL FUNDS</b>	<b>22,090,681,700</b>	<b>22,086,689,800</b>	<b>(3,991,900)</b>	<b>22,168,170,700</b>	<b>22,131,298,800</b>	<b>(36,871,900)</b>	<b>22,585,943,400</b>	<b>22,762,276,900</b>	<b>176,333,500</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	4,862,944,200	4,862,864,200	(80,000)	5,073,403,900	5,054,178,700	(19,225,200)	5,255,367,300	5,246,057,800	(9,309,500)
Operating Expenses	2,279,533,800	2,276,554,800	(2,979,000)	2,408,326,700	2,412,120,600	3,793,900	2,522,548,900	2,563,275,100	40,726,200
Grants, Loans, Benefits	12,366,273,200	12,363,584,200	(2,689,000)	12,497,566,500	12,484,499,100	(13,067,400)	12,925,721,500	13,066,958,100	141,236,600
Debt Service	646,477,600	646,477,600		739,233,200	735,645,800	(3,587,400)	779,770,900	783,618,600	3,847,700
Capital Outlay	178,374,100	178,374,100		175,836,600	172,410,600	(3,426,000)	172,401,100	168,879,100	(3,522,000)
Construction	1,757,078,800	1,758,834,900	1,756,100	1,273,803,800	1,272,444,000	(1,359,800)	930,133,700	933,488,200	3,354,500
<b>TOTAL EXPENDITURES</b>	<b>22,090,681,700</b>	<b>22,086,689,800</b>	<b>(3,991,900)</b>	<b>22,168,170,700</b>	<b>22,131,298,800</b>	<b>(36,871,900)</b>	<b>22,585,943,400</b>	<b>22,762,276,900</b>	<b>176,333,500</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund (Tobacco)	91,875,900	91,875,900		88,800,000	84,800,000	(4,000,000)	92,129,900	89,129,900	(3,000,000)
General Fund	8,218,231,400	8,245,231,400	27,000,000	8,260,545,800	8,219,120,100	(41,425,700)	8,275,655,300	8,221,870,200	(53,785,100)
Restricted Funds	4,537,667,400	4,537,065,400	(602,000)	4,345,935,500	4,347,651,100	1,715,600	4,359,808,800	4,361,490,000	1,681,200
Federal Funds	7,175,776,500	7,175,776,500		6,841,289,200	6,822,844,800	(18,444,400)	6,826,725,900	6,808,225,000	(18,500,900)
Road Fund	1,179,734,300	1,179,734,300		1,176,450,100	1,179,950,100	3,500,000	1,184,875,400	1,188,375,400	3,500,000
Highway Bond	462,552,500	462,552,500							
<b>Regular Total Funds</b>	<b>21,665,838,000</b>	<b>21,692,236,000</b>	<b>26,398,000</b>	<b>20,713,020,600</b>	<b>20,654,366,100</b>	<b>(58,654,500)</b>	<b>20,739,195,300</b>	<b>20,669,090,500</b>	<b>(70,104,800)</b>
Use of Continuing	39,787,700	9,523,700	(30,264,000)	8,064,000	15,000,700	6,936,700	12,817,500	22,112,500	9,295,000
<b>TOTAL BASE LEVEL</b>	<b>21,705,625,700</b>	<b>21,701,759,700</b>	<b>(3,866,000)</b>	<b>20,721,084,600</b>	<b>20,669,366,800</b>	<b>(51,717,800)</b>	<b>20,752,012,800</b>	<b>20,691,203,000</b>	<b>(60,809,800)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund (Tobacco)					4,000,000	4,000,000	1,870,100	4,870,100	3,000,000
General Fund	89,702,200	87,298,200	(2,404,000)	464,631,000	471,337,300	6,706,300	877,258,300	1,098,541,800	221,283,500
Restricted Funds	8,021,900	10,300,000	2,278,100	522,130,300	518,838,100	(3,292,200)	381,700,100	382,413,100	713,000
Federal Funds	274,526,200	274,526,200		347,441,000	357,812,900	10,371,900	525,158,100	539,487,400	14,329,300
Road Fund	12,805,700	12,805,700		37,883,800	34,943,700	(2,940,100)	47,944,000	45,761,500	(2,182,500)
Highway Bond				75,000,000	75,000,000				
<b>TOTAL ADDITIONAL</b>	<b>385,056,000</b>	<b>384,930,100</b>	<b>(125,900)</b>	<b>1,447,086,100</b>	<b>1,461,932,000</b>	<b>14,845,900</b>	<b>1,833,930,600</b>	<b>2,071,073,900</b>	<b>237,143,300</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

Commonwealth of Kentucky

Capital Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund				1,200,000	3,030,000	1,830,000	1,400,000	3,050,000	1,650,000
Restricted Funds		4,320,000	4,320,000	1,472,110,000	1,620,185,401	148,075,400	38,550,000	56,663,600	18,113,600
Federal Funds				178,982,000	176,082,000	(2,900,000)	16,190,000	22,190,000	6,000,000
Road Fund				10,285,000	10,285,000		6,795,000	6,795,000	
Bond Funds				652,595,000	1,257,531,000	604,936,000	5,000,000		(5,000,000)
Agency Bonds				205,132,000	470,532,000	265,400,000			
Capital Construction Surplus				4,107,000	4,107,000		1,045,000	1,045,000	
Investment Income				12,100,000	10,900,000	(1,200,000)	11,140,000	10,810,000	(330,000)
Other Funds				89,140,000	193,741,000	104,601,000	11,970,000	17,868,000	5,898,000
Deferred Maintenance				332,000		(332,000)			
Emergency Repair Maintenance and Replacement				2,200,000	1,700,000	(500,000)			
<b>TOTAL CAPITAL</b>		<b>4,320,000</b>	<b>4,320,000</b>	<b>2,628,183,001</b>	<b>3,748,093,402</b>	<b>1,119,910,401</b>	<b>92,090,000</b>	<b>118,421,600</b>	<b>26,331,600</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## Executive Branch

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	91,875,900	91,875,900		88,800,000	88,800,000		94,000,000	94,000,000	
General Fund	8,033,860,100	8,058,456,100	24,596,000	8,409,665,700	8,399,080,000	(10,585,700)	8,798,699,800	8,990,018,400	191,318,600
Restricted Funds	4,526,961,700	4,528,637,800	1,676,100	4,848,515,600	4,844,639,000	(3,876,600)	4,721,532,800	4,721,627,000	94,200
Federal Funds	7,447,266,000	7,447,266,000		7,186,960,300	7,178,887,800	(8,072,500)	7,350,452,500	7,346,280,900	(4,171,600)
Road Fund	1,192,540,000	1,192,540,000		1,214,333,900	1,214,893,800	559,900	1,232,819,400	1,234,136,900	1,317,500
Highway Bond	462,552,500	462,552,500		75,000,000	75,000,000				
<b>Regular Total Funds</b>	<b>21,755,056,200</b>	<b>21,781,328,300</b>	<b>26,272,100</b>	<b>21,823,275,500</b>	<b>21,801,300,600</b>	<b>(21,974,900)</b>	<b>22,197,504,500</b>	<b>22,386,063,200</b>	<b>188,558,700</b>
Use of Continuing	32,619,100	2,355,100	(30,264,000)	6,917,200	11,793,900	4,876,700	12,676,300	18,063,600	5,387,300
<b>TOTAL FUNDS</b>	<b>21,787,675,300</b>	<b>21,783,683,400</b>	<b>(3,991,900)</b>	<b>21,830,192,700</b>	<b>21,813,094,500</b>	<b>(17,098,200)</b>	<b>22,210,180,800</b>	<b>22,404,126,800</b>	<b>193,946,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	4,655,099,200	4,655,019,200	(80,000)	4,844,695,200	4,843,263,500	(1,431,700)	5,008,813,900	5,015,828,200	7,014,300
Operating Expenses	2,186,011,700	2,183,032,700	(2,979,000)	2,302,951,700	2,308,675,800	5,724,100	2,398,118,600	2,440,123,500	42,004,900
Grants, Loans, Benefits	12,366,273,200	12,363,584,200	(2,689,000)	12,497,566,500	12,484,499,100	(13,067,400)	12,925,721,500	13,066,958,100	141,236,600
Debt Service	646,477,600	646,477,600		739,233,200	735,645,800	(3,587,400)	779,770,900	783,618,600	3,847,700
Capital Outlay	176,734,800	176,734,800		171,942,300	168,566,300	(3,376,000)	167,622,200	164,110,200	(3,512,000)
Construction	1,757,078,800	1,758,834,900	1,756,100	1,273,803,800	1,272,444,000	(1,359,800)	930,133,700	933,488,200	3,354,500
<b>TOTAL EXPENDITURES</b>	<b>21,787,675,300</b>	<b>21,783,683,400</b>	<b>(3,991,900)</b>	<b>21,830,192,700</b>	<b>21,813,094,500</b>	<b>(17,098,200)</b>	<b>22,210,180,800</b>	<b>22,404,126,800</b>	<b>193,946,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund (Tobacco)	91,875,900	91,875,900		88,800,000	84,800,000	(4,000,000)	92,129,900	89,129,900	(3,000,000)
General Fund	7,944,157,900	7,971,157,900	27,000,000	7,982,061,000	7,942,695,300	(39,365,700)	7,970,415,200	7,920,537,800	(49,877,400)
Restricted Funds	4,518,939,800	4,518,337,800	(602,000)	4,328,706,300	4,330,421,900	1,715,600	4,343,216,600	4,344,897,800	1,681,200
Federal Funds	7,172,739,800	7,172,739,800		6,839,654,800	6,821,210,400	(18,444,400)	6,825,456,700	6,806,955,800	(18,500,900)
Road Fund	1,179,734,300	1,179,734,300		1,176,450,100	1,179,950,100	3,500,000	1,184,875,400	1,188,375,400	3,500,000
Highway Bond	462,552,500	462,552,500							
<b>Regular Total Funds</b>	<b>21,370,000,200</b>	<b>21,396,398,200</b>	<b>26,398,000</b>	<b>20,415,672,200</b>	<b>20,359,077,700</b>	<b>(56,594,500)</b>	<b>20,416,093,800</b>	<b>20,349,896,700</b>	<b>(66,197,100)</b>
Use of Continuing	32,619,100	2,355,100	(30,264,000)	6,917,200	11,793,900	4,876,700	12,676,300	18,063,600	5,387,300
<b>TOTAL BASE LEVEL</b>	<b>21,402,619,300</b>	<b>21,398,753,300</b>	<b>(3,866,000)</b>	<b>20,422,589,400</b>	<b>20,370,871,600</b>	<b>(51,717,800)</b>	<b>20,428,770,100</b>	<b>20,367,960,300</b>	<b>(60,809,800)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund (Tobacco)					4,000,000	4,000,000	1,870,100	4,870,100	3,000,000
General Fund	89,702,200	87,298,200	(2,404,000)	427,604,700	456,384,700	28,780,000	828,284,600	1,069,480,600	241,196,000
Restricted Funds	8,021,900	10,300,000	2,278,100	519,809,300	514,217,100	(5,592,200)	378,316,200	376,729,200	(1,587,000)
Federal Funds	274,526,200	274,526,200		347,305,500	357,677,400	10,371,900	524,995,800	539,325,100	14,329,300
Road Fund	12,805,700	12,805,700		37,883,800	34,943,700	(2,940,100)	47,944,000	45,761,500	(2,182,500)
Highway Bond				75,000,000	75,000,000				
<b>TOTAL ADDITIONAL</b>	<b>385,056,000</b>	<b>384,930,100</b>	<b>(125,900)</b>	<b>1,407,603,300</b>	<b>1,442,222,900</b>	<b>34,619,600</b>	<b>1,781,410,700</b>	<b>2,036,166,500</b>	<b>254,755,800</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## Executive Branch

## Capital Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund				1,200,000	3,030,000	1,830,000	1,400,000	3,050,000	1,650,000
Restricted Funds	4,320,000		4,320,000	1,472,110,000	1,620,185,401	148,075,400	38,550,000	56,663,600	18,113,600
Federal Funds				178,982,000	176,082,000	(2,900,000)	16,190,000	22,190,000	6,000,000
Road Fund				10,285,000	10,285,000		6,795,000	6,795,000	
Bond Funds				652,595,000	1,257,531,000	604,936,000	5,000,000		(5,000,000)
Agency Bonds				205,132,000	470,532,000	265,400,000			
Capital Construction Surplus				4,107,000	4,107,000		1,045,000	1,045,000	
Investment Income				12,100,000	10,900,000	(1,200,000)	11,140,000	10,810,000	(330,000)
Other Funds				89,140,000	193,741,000	104,601,000	11,970,000	17,868,000	5,898,000
Deferred Maintenance				332,000		(332,000)			
Emergency Repair Maintenance and Replacement				2,200,000	1,700,000	(500,000)			
<b>TOTAL CAPITAL</b>		<b>4,320,000</b>	<b>4,320,000</b>	<b>2,628,183,001</b>	<b>3,748,093,401</b>	<b>1,119,910,401</b>	<b>92,090,000</b>	<b>118,421,600</b>	<b>26,331,600</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## Judicial Branch

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	232,703,000	232,703,000		268,722,300	244,588,600	(24,133,700)	304,031,600	280,211,400	(23,820,200)
Restricted Funds	18,463,000	18,463,000		19,480,600	21,780,600	2,300,000	19,785,100	22,085,100	2,300,000
Federal Funds	3,036,700	3,036,700		1,769,900	1,769,900		1,431,500	1,431,500	
<b>Regular Total Funds</b>	<b>254,202,700</b>	<b>254,202,700</b>		<b>289,972,800</b>	<b>268,139,100</b>	<b>(21,833,700)</b>	<b>325,248,200</b>	<b>303,728,000</b>	<b>(21,520,200)</b>
Use of Continuing	2,127,900	2,127,900			2,060,000	2,060,000		3,907,700	3,907,700
<b>TOTAL FUNDS</b>	<b>256,330,600</b>	<b>256,330,600</b>		<b>289,972,800</b>	<b>270,199,100</b>	<b>(19,773,700)</b>	<b>325,248,200</b>	<b>307,635,700</b>	<b>(17,612,500)</b>

**II. EXPENDITURE CATEGORY**

Personnel Costs	170,446,000	170,446,000		190,997,700	173,204,200	(17,793,500)	205,285,300	188,961,500	(16,323,800)
Operating Expenses	84,522,800	84,522,800		97,200,800	95,270,600	(1,930,200)	115,474,000	114,195,300	(1,278,700)
Capital Outlay	1,361,800	1,361,800		1,774,300	1,724,300	(50,000)	4,488,900	4,478,900	(10,000)
<b>TOTAL EXPENDITURES</b>	<b>256,330,600</b>	<b>256,330,600</b>		<b>289,972,800</b>	<b>270,199,100</b>	<b>(19,773,700)</b>	<b>325,248,200</b>	<b>307,635,700</b>	<b>(17,612,500)</b>

**III. BASE LEVEL BUDGET BY FUND SOURCE**

General Fund	232,703,000	232,703,000		231,696,000	229,636,000	(2,060,000)	255,057,900	251,150,200	(3,907,700)
Restricted Funds	18,463,000	18,463,000		17,159,600	17,159,600		16,401,200	16,401,200	
Federal Funds	3,036,700	3,036,700		1,634,400	1,634,400		1,269,200	1,269,200	
<b>Regular Total Funds</b>	<b>254,202,700</b>	<b>254,202,700</b>		<b>250,490,000</b>	<b>248,430,000</b>	<b>(2,060,000)</b>	<b>272,728,300</b>	<b>268,820,600</b>	<b>(3,907,700)</b>
Use of Continuing	2,127,900	2,127,900			2,060,000	2,060,000		3,907,700	3,907,700
<b>TOTAL BASE LEVEL</b>	<b>256,330,600</b>	<b>256,330,600</b>		<b>250,490,000</b>	<b>250,490,000</b>		<b>272,728,300</b>	<b>272,728,300</b>	

**IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE**

General Fund				37,026,300	14,952,600	(22,073,700)	48,973,700	29,061,200	(19,912,500)
Restricted Funds				2,321,000	4,621,000	2,300,000	3,383,900	5,683,900	2,300,000
Federal Funds				135,500	135,500		162,300	162,300	
<b>TOTAL ADDITIONAL</b>				<b>39,482,800</b>	<b>19,709,100</b>	<b>(19,773,700)</b>	<b>52,519,900</b>	<b>34,907,400</b>	<b>(17,612,500)</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## Legislative Branch

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	41,370,500	41,370,500		46,788,800	46,788,800		50,182,200	50,182,200	
Restricted Funds	264,600	264,600		69,600	69,600		191,000	191,000	
<b>Regular Total Funds</b>	<b>41,635,100</b>	<b>41,635,100</b>		<b>46,858,400</b>	<b>46,858,400</b>		<b>50,373,200</b>	<b>50,373,200</b>	
Use of Continuing	5,040,700	5,040,700		1,146,800	1,146,800		141,200	141,200	
<b>TOTAL FUNDS</b>	<b>46,675,800</b>	<b>46,675,800</b>		<b>48,005,200</b>	<b>48,005,200</b>		<b>50,514,400</b>	<b>50,514,400</b>	

**II. EXPENDITURE CATEGORY**

Personnel Costs	37,399,000	37,399,000		37,711,000	37,711,000		41,268,100	41,268,100	
Operating Expenses	8,999,300	8,999,300		8,174,200	8,174,200		8,956,300	8,956,300	
Capital Outlay	277,500	277,500		2,120,000	2,120,000		290,000	290,000	
<b>TOTAL EXPENDITURES</b>	<b>46,675,800</b>	<b>46,675,800</b>		<b>48,005,200</b>	<b>48,005,200</b>		<b>50,514,400</b>	<b>50,514,400</b>	

**III. BASE LEVEL BUDGET BY FUND SOURCE**

General Fund	41,370,500	41,370,500		46,788,800	46,788,800		50,182,200	50,182,200	
Restricted Funds	264,600	264,600		69,600	69,600		191,000	191,000	
<b>Regular Total Funds</b>	<b>41,635,100</b>	<b>41,635,100</b>		<b>46,858,400</b>	<b>46,858,400</b>		<b>50,373,200</b>	<b>50,373,200</b>	
Use of Continuing	5,040,700	5,040,700		1,146,800	1,146,800		141,200	141,200	
<b>TOTAL BASE LEVEL</b>	<b>46,675,800</b>	<b>46,675,800</b>		<b>48,005,200</b>	<b>48,005,200</b>		<b>50,514,400</b>	<b>50,514,400</b>	

**THIS PAGE INTENTIONALLY LEFT BLANK**

**HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY**  
**FB 2004-06 BOND PROJECT RECORD**

3/8/2006 5:03:06 PM

	Biennial Project Scope (bond terms noted)								FY 2007 Appropriated Debt Service		FY 2008 Appropriated Debt Service	
	Branch				House				Branch	House	Branch	House
	Term	FY 2007	FY 2008	TOTAL	Term	FY 2007	FY 2008	TOTAL				
<b>Bond Funds</b>		<b>652,595,000</b>	<b>5,000,000</b>	<b>657,595,000</b>		<b>1,257,531,000</b>	<b>1,257,531,000</b>	<b>1,257,531,000</b>	<b>1,688,000</b>	<b>1,925,000</b>	<b>65,753,000</b>	<b>71,019,000</b>
<b>General Government</b>		<b>113,000,000</b>		<b>113,000,000</b>		<b>338,366,000</b>		<b>338,366,000</b>	<b>1,688,000</b>	<b>1,925,000</b>	<b>9,658,000</b>	<b>17,727,000</b>
<b>Kentucky Infrastructure Authority</b>												
KIA Fund A - Federally Assisted Wastewater Program-Matching Funds	20	4,000,000		4,000,000		4,000,000		4,000,000			376,000 *	188,000
KIA Fund F - Drinking Water Revolving Loan Program-Matching Funds	20	4,000,000		4,000,000		4,000,000		4,000,000			376,000 *	188,000
KIA Water and Sewer Bond Pool					20	75,000,000		75,000,000				3,492,000
KIA Water and Sewer Bond Pool - Coal Producing Counties					20	50,000,000		50,000,000				2,328,000
<b>Military Affairs</b>												
Acquire Land for Wendell H. Ford Training Center	20					4,500,000		4,500,000		211,000		422,000 *
<b>Governors Office for Local Development</b>												
Aviation Museum of Kentucky - Design and Construction	20					606,000		606,000				31,000
Capital Improvements for Actor's Theatre of Louisville	20					900,000		900,000				45,000
City of Covington - West Covington Firestation Land Acquisition	20					300,000		300,000				17,000
City of Providence Sewer Line Expansion	20					950,000		950,000				47,000
City of Winchester Community Center Phase II Construction	20					1,400,000		1,400,000				68,000
Community Ventures In Fayette Co. - Land Acquisition	20					650,000		650,000				33,000
Daviess County Fiscal Court - Renovate Juvenile Detention Center	20					500,000		500,000		26,000		52,000 *
Fairdale Community Center	20					300,000		300,000				17,000
Farnsley/Moremen Landing and Home Restoration	20					260,000		260,000				15,000
GOLD-Community Economic Grant Program	20	5,000,000		5,000,000							468,000 *	
Jefferson County Center for Women and Families Construction	20					1,000,000		1,000,000				49,000
Lyon County Fiscal Court - Eddyville Sewer & Water Project	20					500,000		500,000				26,000
Lyon County Fiscal Court - Kuttawa Sewer & Water Project	20					500,000		500,000				26,000
Marshall County Fiscal Court Water Lines	20					1,000,000		1,000,000				49,000
Marshall Riverport Authority at Calvert City	20					2,000,000		2,000,000				96,000
Owenton/Owen County Natural Gas Line Project	20					5,000,000		5,000,000				234,000

\* - Denotes Full-year debt service

Boxed dollar amounts in project lines signify a change from prior version. Bond terms only displayed if changed from previous version.

Biennial Project Scope (bond terms noted)							FY 2007 Appropriated Debt Service		FY 2008 Appropriated Debt Service	
Branch				House			Branch	House	Branch	House
Term	FY 2007	FY 2008	TOTAL	Term	FY 2007	FY 2008				
				20	6,000,000		6,000,000			281,000
				20	4,500,000		4,500,000			211,000
				20	1,000,000		1,000,000			49,000
				20	1,000,000		1,000,000			49,000
<b>Agriculture</b>										
				7	5,000,000		5,000,000			460,000
<b>Kentucky River Authority</b>										
				20	17,500,000		17,500,000			815,000
<b>School Facilities Construction Commission</b>										
				20	50,000,000		50,000,000			2,110,000
	20	100,000,000	100,000,000		100,000,000		100,000,000	1,688,000	1,688,000	8,438,000 *
<b>Commerce</b>		<b>45,008,000</b>	<b>45,008,000</b>		<b>69,127,000</b>		<b>69,127,000</b>			<b>4,202,000</b>
<b>Parks</b>										
	20	1,000,000	1,000,000		1,000,000		1,000,000		98,000 *	49,000
				20	2,000,000		2,000,000			96,000
				20	2,500,000		2,500,000			119,000
				20	2,500,000		2,500,000			119,000
				20	1,200,000		1,200,000			58,000
	20	8,000,000	8,000,000		8,000,000		8,000,000		746,000 *	373,000
				20	2,000,000		2,000,000			96,000
<b>Horse Park Commission</b>										
	20	34,820,000	34,820,000		36,500,000		36,500,000		3,243,000 *	3,399,000 *
<b>State Fair Board</b>										
	20	1,188,000	1,188,000		1,250,000		1,250,000		115,000 *	61,000
				20	2,000,000		2,000,000			96,000
<b>Historical Society</b>										
				10	7,260,000		7,260,000			1,012,000 *
				20	1,900,000		1,900,000			91,000
				20	400,000		400,000			22,000
				20	617,000		617,000			32,000

\* - Denotes Full-year debt service

Boxed dollar amounts in project lines signify a change from prior version. Bond terms only displayed if changed from previous version.

Biennial Project Scope (bond terms noted)								FY 2007 Appropriated Debt Service		FY 2008 Appropriated Debt Service		
Branch				House				Branch	House	Branch	House	
Term	FY 2007	FY 2008	TOTAL	Term	FY 2007	FY 2008	TOTAL					
<b>Economic Development</b>			<b>30,000,000</b>				<b>112,500,000</b>				<b>2,982,000</b>	<b>5,333,000</b>
<b>Secretary</b>												
	20	20,000,000	20,000,000		20,000,000		20,000,000			2,051,000 *	1,026,000	
<b>Financial Incentives</b>												
	20	10,000,000	10,000,000		17,500,000		17,500,000			931,000 *	815,000	
	20				75,000,000		75,000,000				3,492,000	
<b>Department of Education</b>			<b>37,350,000</b>				<b>88,650,000</b>				<b>5,201,000</b>	<b>8,730,000</b>
<b>Operation and Support Services</b>												
				5	50,000,000		50,000,000				6,069,000	
				10	8,900,000		8,900,000				620,000	
	10	6,250,000	6,250,000		3,250,000		3,250,000			872,000 *	229,000	
	10	15,000,000	15,000,000		15,000,000		15,000,000			2,088,000 *	1,044,000	
	10	16,100,000	16,100,000							2,241,000 *		
	20				1,500,000		1,500,000				72,000	
	10				10,000,000		10,000,000				696,000	
<b>Education Cabinet</b>					<b>23,762,000</b>		<b>23,762,000</b>				<b>2,283,000</b>	
<b>Kentucky Education Television</b>												
				5	15,707,000		15,707,000				1,907,000	
<b>Libraries and Archives</b>												
	20				8,055,000		8,055,000				376,000	
<b>Environmental and Public Protection</b>			<b>25,000,000</b>				<b>30,000,000</b>				<b>3,479,000</b>	<b>1,974,000</b>
<b>Nature Preserves Commission</b>												
	20				5,000,000		5,000,000				234,000	
	10	25,000,000	25,000,000		25,000,000		25,000,000			3,479,000 *	1,740,000	
<b>Finance and Administration</b>			<b>135,208,000</b>	<b>5,000,000</b>	<b>140,208,000</b>		<b>66,192,000</b>				<b>15,193,000</b>	<b>4,153,000</b>
<b>General Administration</b>												
	20	75,000,000	75,000,000							6,984,000 *		

\* - Denotes Full-year debt service

Boxed dollar amounts in project lines signify a change from prior version. Bond terms only displayed if changed from previous version.

Biennial Project Scope (bond terms noted)								FY 2007 Appropriated Debt Service		FY 2008 Appropriated Debt Service	
Branch				House				Branch	House	Branch	House
Term	FY 2007	FY 2008	TOTAL	Term	FY 2007	FY 2008	TOTAL				
<b>Facilities and Support Services</b>											
Capital Plaza Tower-Design Renovation Project	20	4,942,000	4,942,000		4,942,000		4,942,000			463,000 *	232,000
Renovate State Office Building Phase II	20	12,699,000	12,699,000		13,600,000		13,600,000			1,183,000 *	634,000
Statewide Repair, Maintenance and Replacement Pool	10	5,000,000	5,000,000	10,000,000	10,000,000		10,000,000			1,391,000 *	696,000
<b>Commonwealth Office of Technology</b>											
Data Center Readiness	20	1,317,000	1,317,000		1,400,000		1,400,000			127,000 *	68,000
Public Safety Commission Infrastructure - KEWS-Phase II	10	13,000,000	13,000,000		13,000,000		13,000,000			1,810,000 *	905,000
<b>Revenue</b>											
Implement a Comprehensive Tax System	10	23,250,000	23,250,000		23,250,000		23,250,000			3,235,000 *	1,618,000
<b>Health and Family Services</b>		<b>5,146,000</b>	<b>5,146,000</b>	<b>20,265,000</b>	<b>20,265,000</b>					<b>632,000</b>	<b>1,021,000</b>
<b>General Administration</b>											
TWIST Re-Write-Phase II	10	3,134,000	3,134,000		3,134,000		3,134,000			440,000 *	220,000
<b>Public Health</b>											
Local and District Health Department Construction Pool				20	10,000,000		10,000,000				466,000
<b>Mental Health and Mental Retardation Services</b>											
Oakwood-Replace Chilliers	20	2,012,000	2,012,000		2,131,000		2,131,000			192,000 *	101,000
<b>Community Based Services</b>											
Home of the Innocents				20	5,000,000		5,000,000				234,000
<b>Justice and Public Safety</b>		<b>1,607,000</b>	<b>1,607,000</b>	<b>2,297,000</b>	<b>2,297,000</b>					<b>154,000</b>	<b>113,000</b>
<b>Juvenile Justice</b>											
Gateway Juvenile Diversion Center Renovation Project				20	600,000		600,000				31,000
Renovate Lonnie Watson Building - KCIW	20	1,607,000	1,607,000		1,697,000		1,697,000			154,000 *	82,000
<b>Postsecondary Education</b>		<b>260,276,000</b>	<b>260,276,000</b>	<b>506,372,000</b>	<b>506,372,000</b>					<b>24,252,000</b>	<b>24,062,000</b>
<b>Council on Postsecondary Education</b>											
Postsecondary Education Institutions-Capital Renewal Pool	20	13,000,000	13,000,000		13,927,000		13,927,000			1,211,000 *	649,000
Postsecondary Education Institutions-Technology & Equipment Pool				7	10,000,000		10,000,000				917,000
<b>Eastern Kentucky University</b>											
Construct Science Building				20	54,108,000		54,108,000				2,519,000
Dairy Research Farm-Meadowbrook	20	5,121,000	5,121,000		5,300,000		5,300,000			479,000 *	248,000

\* - Denotes Full-year debt service

Boxed dollar amounts in project lines signify a change from prior version. Bond terms only displayed if changed from previous version.

Biennial Project Scope (bond terms noted)								FY 2007 Appropriated Debt Service		FY 2008 Appropriated Debt Service	
Branch				House				Branch	House	Branch	House
Term	FY 2007	FY 2008	TOTAL	Term	FY 2007	FY 2008	TOTAL				
<b>Kentucky State University</b>											
	Expand and Renovate Betty White Nursing Building			20	4,900,000		4,900,000				230,000
	Hathaway Hall Renovation, Phase III			20	4,707,000		4,707,000			441,000 *	231,000
<b>Morehead State University</b>											
	Business Continuance Datacenter - Collaborative with NKU			20	2,500,000		2,500,000				119,000
	Construct Center for Health, Education and Research			20	15,000,000		15,000,000			1,398,000 *	1,071,000
	Space Science Center			20	3,400,000		3,400,000				160,000
<b>Murray State University</b>											
	Construct New Science Complex, Phase III			20	15,000,000		15,000,000				699,000
<b>Northern Kentucky University</b>											
	Construct Center for Informatics			20	35,500,000		35,500,000				1,653,000
	Renovate Old Science Building			20	14,192,000		14,192,000			1,322,000 *	
<b>University of Kentucky</b>											
	Biological/Pharmaceutical Complex-Phase II			20	75,968,000		75,968,000			7,075,000 *	3,720,000
	Livestock Disease Diagnostic Center, Phase II			20	13,500,000		13,500,000				629,000
<b>University of Louisville</b>											
	Health Sciences Center Research Facility-Phase IV			20	65,997,000		65,997,000			6,146,000 *	3,245,000
<b>Western Kentucky University</b>											
	Construct Materials Characterization Center/ICSET-Ph II			20	4,311,000		4,311,000			405,000 *	211,000
	Construct a College of Education Building			20	35,000,000		35,000,000				1,630,000
	Renovate Science Campus-Phase III			20	6,700,000		6,700,000			626,000 *	420,000
	Replace Ford College of Business-Grise Hall, Phase I			20	5,800,000		5,800,000				272,000
<b>Kentucky Community and Technical College System</b>											
	Advanced Technology Center - Owensboro CTC			20	14,055,000		14,055,000				655,000
	Big Sandy CTC - Design New Facility			20	1,500,000		1,500,000				72,000
	Carrollton County Campus - Design - Jefferson CTC			20	500,000		500,000				26,000
	Construct Central Regional Postsecondary Ed Center Phase II - Elizabethtown CTC			20	19,400,000		19,400,000				904,000
	Construct Science/Allied Health Bldg - JCTC			20	25,557,000		25,557,000				1,190,000
	Emerging Tech Center West Ky Comm & Tech			20	15,473,000		15,473,000			1,441,000 *	770,000
	Energy and Advanced Technology Center - Madisonville CC			20	4,000,000		4,000,000				188,000
	Gateway CTC - Construct Mt. Zion Campus-Phase II			20	26,607,000		26,607,000			2,478,000 *	

\* - Denotes Full-year debt service

Boxed dollar amounts in project lines signify a change from prior version. Bond terms only displayed if changed from previous version.

Biennial Project Scope (bond terms noted)								FY 2007 Appropriated Debt Service		FY 2008 Appropriated Debt Service	
Branch				House				Branch	House	Branch	House
Term	FY 2007	FY 2008	TOTAL	Term	FY 2007	FY 2008	TOTAL				
Gateway CTC - Design Mt. Zion Campus-Phase II				20	1,000,000		1,000,000				49,000
Licking Valley Campus, Phase II - Maysville CTC				20	1,000,000		1,000,000				49,000
Rowan County Campus - Planning and Design - Maysville CTC				20	1,500,000		1,500,000				72,000
Somerset CC Laurel-Construct Allied Health/Tech Ed Bldg	20	13,200,000	13,200,000		13,815,000		13,815,000			1,230,000 *	644,000
Tech Drive Campus, Phase III - Ashland CTC				20	17,600,000		17,600,000				820,000
<b>Agency Bonds</b>		<b>205,132,000</b>	<b>205,132,000</b>		<b>470,532,000</b>		<b>470,532,000</b>			<b>19,105,000</b>	<b>43,846,000</b>
<b>General Government</b>					<b>5,000,000</b>		<b>5,000,000</b>				<b>468,000</b>
Kentucky River Authority KRA - Lock 3				20	5,000,000		5,000,000				468,000 *
<b>Postsecondary Education</b>		<b>205,132,000</b>	<b>205,132,000</b>		<b>465,532,000</b>		<b>465,532,000</b>			<b>19,105,000</b>	<b>43,378,000</b>
<b>Eastern Kentucky University</b>											
New Student Housing	20	9,961,000	9,961,000		10,520,000		10,520,000			928,000 *	980,000 *
<b>Kentucky State University</b>											
Construct New Residence Hall (Privatized)				20	20,000,000		20,000,000				1,863,000 *
Construct Parking Structure				20	7,000,000		7,000,000				654,000 *
<b>Morehead State University</b>											
Construct Student Recreation Center				20	17,000,000		17,000,000				1,584,000 *
Renovate Student Housing Facilities				20	10,000,000		10,000,000				931,000 *
<b>Murray State University</b>											
New Residential College	20	12,106,000	12,106,000		13,077,000		13,077,000			1,128,000 *	1,218,000 *
Renovate Curris Center and T-Room				20	750,000		750,000				75,000 *
Replace Franklin Hall				20	13,077,000		13,077,000				1,218,000 *
<b>Northern Kentucky University</b>											
Construct Parking Garage # 3				20	15,400,000		15,400,000				1,434,000 *
Construct Parking Garage # 4				20	9,200,000		9,200,000				858,000 *
Construct Student Housing				20	23,000,000		23,000,000				2,142,000 *
Expand Norse Commons				20	1,400,000		1,400,000				135,000 *
Student Union Building	20	17,360,000	17,360,000		17,360,000		17,360,000			1,617,000 *	1,617,000 *
<b>University of Kentucky</b>											
Construct Patient Care Facility, Phase II - Hospital	20	130,000,000	130,000,000		150,000,000		150,000,000			12,106,000 *	13,968,000 *

\* - Denotes Full-year debt service

Boxed dollar amounts in project lines signify a change from prior version. Bond terms only displayed if changed from previous version.

Biennial Project Scope (bond terms noted)							FY 2007 Appropriated Debt Service		FY 2008 Appropriated Debt Service		
Branch				House			Branch	House	Branch	House	
Term	FY 2007	FY 2008	TOTAL	Term	FY 2007	FY 2008	TOTAL				
				20	7,013,000		7,013,000				655,000 *
				20	3,010,000		3,010,000				284,000 *
<b>University of Louisville</b>											
				20	16,140,000		16,140,000				1,503,000 *
				20	11,549,000		11,549,000			1,076,000 *	1,211,000 *
				20	26,113,000		26,113,000				2,432,000 *
				20	33,172,000		33,172,000				3,090,000 *
				20	19,800,000		19,800,000				1,844,000 *
<b>Western Kentucky University</b>											
				20	4,000,000		4,000,000				376,000 *
				20	10,000,000		10,000,000				931,000 *
				20	24,156,000		24,156,000			2,250,000 *	2,375,000 *

<b>Road Fund Bonds</b>		<b>75,000,000</b>	<b>75,000,000</b>	<b>75,000,000</b>	<b>75,000,000</b>			<b>6,984,000</b>	<b>6,984,000</b>
<b>Transportation</b>		<b>75,000,000</b>	<b>75,000,000</b>	<b>75,000,000</b>	<b>75,000,000</b>			<b>6,984,000</b>	<b>6,984,000</b>
<b>Revenue Sharing</b>									
Highway Bonds-County and Municipal	20	75,000,000	75,000,000	75,000,000	75,000,000			6,984,000 *	6,984,000 *

## Summary

<b>Bond Funds</b>	<b>652,595,000</b>	<b>5,000,000</b>	<b>657,595,000</b>	<b>1,257,531,000</b>	<b>1,257,531,000</b>	<b>1,688,000</b>	<b>1,925,000</b>	<b>65,753,000</b>	<b>71,019,000</b>
<b>Agency Bonds</b>	<b>205,132,000</b>		<b>205,132,000</b>	<b>470,532,000</b>	<b>470,532,000</b>			<b>19,105,000</b>	<b>43,846,000</b>
<b>Road Fund Bonds</b>	<b>75,000,000</b>		<b>75,000,000</b>	<b>75,000,000</b>	<b>75,000,000</b>			<b>6,984,000</b>	<b>6,984,000</b>
<b>Totals</b>	<b>932,727,000</b>	<b>5,000,000</b>	<b>937,727,000</b>	<b>1,803,063,000</b>	<b>1,803,063,000</b>	<b>1,688,000</b>	<b>1,925,000</b>	<b>91,842,000</b>	<b>121,849,000</b>

Note 1: The bonds proposed for the High Tech Construction and High Tech Investment Bond Pool within the Office of the Secretary, Cabinet for Economic Development are assumed to be taxable.

Note 2: Included in the Transportation Cabinet's budget is a Federal Fund appropriation in the amount of \$34,963,000 in fiscal year 2006-2007 and fiscal year 2007-2008 for debt service on GARVEE bonds. The debt service will generate approximately \$290 million in Bond Funds.

\* - Denotes Full-year debt service

Boxed dollar amounts in project lines signify a change from prior version. Bond terms only displayed if changed from previous version.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:03 PM

**Part II - Capital Projects Budget**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill, Part II, Capital Projects Budget, includes the following directives:

(1) **Capital Construction Fund Appropriations and Reauthorizations:** Moneys in the Capital Construction Fund are appropriated for the following capital projects subject to the conditions and procedures in this Act. Items listed without appropriated amounts are previously authorized for which no additional amount is required. These items are listed in order to continue their current authorization into the 2006-2008 fiscal biennium. Unless otherwise specified, reauthorized projects shall conform to the original authorization enacted by the General Assembly.

(2) **Expiration of Existing Line-Item Capital Construction Projects:** All appropriations to existing line-item capital construction projects expire on June 30, 2006, unless reauthorized in this Act with the following exceptions: (a) A construction contract for the project shall have been awarded by June 30, 2006; (b) Permanent financing or a short-term line of credit sufficient to cover the total authorized project scope shall have been obtained in the case of projects authorized for bonds, provided that the authorized project completes an initial draw on the line of credit within the biennium immediately subsequent to the original authorization; and (c) Grant or loan agreements, if applicable, shall have been finalized and properly signed by all necessary parties. Notwithstanding the criteria set forth in this section, the disposition of 2004-2006 biennium nonstatutory appropriated maintenance pools funded from Capital Construction Investment Income shall remain subject to the provisions of KRS 45.770(4)(c).

(3) **New Bond Projects:** Bond projects authorized for the first time in this Part which have debt service supported by state General Fund appropriations are authorized in the first year of the biennium. Debt service has been included effective July 1, 2007, for all new bond projects.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:03 PM

**Part II - Capital Projects Budget**

(4) **Bond Proceeds Investment Income:** Investment income earned from bond proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage rebates and penalties and excess bond proceeds upon the completion of a bond-financed capital project may be used to pay debt service according to the Internal Revenue Service Code and accompanying regulations. Notwithstanding KRS 48.010(13)(b), 48.720, or any section of this Act, any funds appropriated but not required to pay debt service because of this fund source substitution shall be credited to the Statewide Deferred Maintenance Fund account each year. Unneeded debt service resulting from any other circumstance shall lapse in accordance with KRS 48.010(13)(b), 48.720, and other provisions of this Act except for the following: if the fund balance in the Emergency Repair, Maintenance, and Replacement Fund falls below \$5,000,000 in fiscal year 2006-2007, any debt service lapse necessary to bring the fund balance to \$5,000,000 in that fiscal year shall be credited to the Emergency Repair, Maintenance, and Replacement Fund. No transfer to the Emergency Repair, Maintenance, and Replacement Fund, or the Statewide Deferred Maintenance Pool account, shall be made based on the above provisions if the lapse from other General Fund accounts is insufficient to meet appropriations approved in other Parts of this Act.

(5) **Appropriations for Projects Not Line-Itemized:** Inasmuch as the identification of specific projects in a variety of areas of the state government cannot be ascertained with absolute certainty at this time, amounts are appropriated for specific purposes to projects which are not individually identified in this Act in the following areas: Kentucky Infrastructure Authority Water and Sewer Projects; Repair of State-Owned Dams; Land Acquisition; Property Demolition; Guaranteed Energy Savings projects; Wetland and Stream Mitigation; Phase I Tobacco Settlement Agricultural Development Initiative; Economic Development projects which shall include authorization for the High-Tech Construction Pool and the High-Tech Investment Pool; Infrastructure projects; the Capital Renewal and Maintenance Bond Pool; Heritage Land Conservation projects; Flood Control projects; the Parks Renovation Pool; the

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:03 PM

**Part II - Capital Projects Budget**

Statewide Repair, Maintenance, and Replacement Pool; and University Major Items of Equipment Pools. Any projects estimated to cost over \$400,000 and equipment estimated to cost over \$100,000 shall be reported to the Capital Projects and Bond Oversight Committee. All moneys transferred to the Finance and Administration Cabinet for capital construction from any appropriations, including income from investments, shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Finance and Administration Cabinet for capital construction.

(6) **Jefferson County Medical Society:** Notwithstanding KRS Chapter 45A or any other statute or provision of the law to the contrary, the Commonwealth releases the Medical Foundation of the Jefferson County Medical Society from its Promissory Note dated June 15, 1979, in the principal amount of \$110,000.

(7) **Executive Mansion Restoration:** In accordance with the process involved in previous renovations of the Executive Mansion and notwithstanding KRS 11.027, 41.290, 56.491, and 337.505 to 337.550, KRS Chapter 45A, or any other provision of law to the contrary, the Finance and Administration Cabinet is authorized to enter into an agreement with the Governor's Mansion Preservation Foundation (the foundation) concerning the renovation of the Executive Mansion. All design drawings for the renovation shall be inspected and approved by the Division of Historic Properties for the purpose of ensuring that the work and materials are consistent with the principles of historic preservation and in compliance with all applicable codes and regulations. All work shall be conducted under the supervision of the Finance and Administration Cabinet's Division of Historic Properties, and all such work shall become the property of the Commonwealth. The foundation shall have the authority to select contractors and service providers and to enter into contracts to purchase or receive donations of goods, materials, and services necessary to the renovation; provided, however, that payment and performance bonds in an amount deemed by the Secretary of the Finance and Administration Cabinet to be

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:03 PM

**Part II - Capital Projects Budget**

appropriate for the protection of the Commonwealth's interest therein shall be provided with respect to work performed on the Executive Mansion.

**HOUSE REPORT**

The House concurs with the Branch, Part II, Capital Projects, with the following changes:

**2) Expiration of Existing Line-Item Capital Construction Projects:** All appropriations to existing line-item capital construction projects expire on June 30, 2006, unless reauthorized in this Act with the following exceptions: (a) A construction contract for the project shall have been awarded by June 30, 2006; (b) Permanent financing or a short-term line of credit sufficient to cover the total authorized project scope shall have been obtained in the case of projects authorized for bonds, provided that the authorized project completes an initial draw on the line of credit within the biennium immediately subsequent to the original authorization; (c) Grant or loan agreements, if applicable, shall have been finalized and properly signed by all necessary parties. Notwithstanding the criteria set forth in this section, the disposition of 2004-2006 biennium nonstatutory appropriated maintenance pools funded from Capital Construction Investment Income shall remain subject to the provisions of KRS 45.770(4)(c); and (d) Any capital construction project authorized pursuant to actions approved by the 2005 General Assembly in House Joint Resolution 92 (2005 Ky. Acts ch. 170, Vol. Ia, Part II Coal Severance Tax Projects), unless otherwise provided for in this Act, is deemed to be reauthorized up to the total amount of receipts allocated to the single county account at the end of fiscal year 2005-2006. Notwithstanding the criteria set forth in this section, the disposition of 2004-2006 biennium nonstatutory appropriated maintenance pools funded from Capital Construction Investment Income shall remain subject to the provisions of KRS 45.770(4)(c) and (d).

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:03 PM

**Part II - Capital Projects Budget**

(3) **New Bond Projects:** Bond projects authorized for the first time in this Part which have debt service supported by state General Fund appropriations are authorized in the first year of the biennium. Debt service has been included effective August 1, 2006, for two projects, Acquire Land for the Wendell H. Ford Training Center and the Daviess County Fiscal Court Renovation of Juvenile Detention Center. Debt Service has been included effective February 1, 2007, for the Horse Park Indoor Arena and the African-American Museum. The sale of all other bonds to finance the remaining projects shall occur after August 1, 2007.

(5) **Appropriations for Projects Not Line-Itemized:** Inasmuch as the identification of specific projects in a variety of areas of the state government cannot be ascertained with absolute certainty at this time, amounts are appropriated for specific purposes to projects which are not individually identified in this Act in the following areas: Kentucky Infrastructure Authority Water and Sewer Projects; Repair of State-Owned Dams; Land Acquisition; Property Demolition; Guaranteed Energy Savings projects; Wetland and Stream Mitigation; Phase I Tobacco Settlement Agricultural Development Initiative; Economic Development projects which shall include authorization for the High-Tech Construction Pool and the High-Tech Investment Pool; Infrastructure projects; the Capital Renewal and Maintenance Bond Pool; Heritage Land Conservation projects; Flood Control projects; the Parks Renovation Pool; the Statewide Repair, Maintenance, and Replacement Pool; the Education Technology Pool; the Postsecondary Education Institutions Technology & Equipment Pool; and the Local District Health Departments Construction Pool; and University Major Items of Equipment Pools. Any projects estimated to cost over \$400,000 and equipment estimated to cost over \$100,000 shall be reported to the Capital Projects and Bond Oversight Committee. All moneys transferred to the Finance and Administration Cabinet for capital

**Fiscal Biennium 2006-2008**  
**Budget Modification Report**

03/08/06 3:03 PM

**Part II - Capital Projects Budget**

construction from any appropriations, including income from investments, shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Finance and Administration Cabinet for capital construction.

(8) **Louisville Arena:** (a) The Louisville Arena economic development grant shall pay a portion of the cost to construct the Louisville Arena, a public project intended for multiple uses as a public recreational, cultural, and sports facility. In the interest of the public good, the appropriation for the Louisville Arena set out below under C. Economic Development Cabinet 2. Financial Incentives 002. is contingent upon the Louisville Arena Authority, Inc. being established pursuant to KRS Chapter 58 as an instrumentality or agent of the Louisville/Jefferson County Metro Government, a political subdivision of the Commonwealth, and that all Louisville Arena Authority, Inc. business shall be conducted in accordance with the Louisville/Jefferson County Metro Government Procurement Procedures and the Ethics Code and Ethics Commission.

(b) The \$75,000,000 economic development grant shall be contingent upon construction of the arena on the site known as the Water Company site, and the execution of contracts or memorandum of understanding by the Louisville Arena Authority, Inc. and applicable parties to ensure the following:

1. Kentucky State Fair Board - The Kentucky State Fair Board shall be the sole, independent managing agent for the Louisville Arena and shall have complete authority over the day-to-day operations, including but not limited to event attractions, scheduling, and coordination between the facilities and venues, in accordance with general guidelines established or mutually modified by the parties. Any negative financial impact to Kentucky State Fair Board operations resulting in the movement of business from current facilities to the new arena shall be reimbursed to the Kentucky State Fair Board; and

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:03 PM

**Part II - Capital Projects Budget**

2. University of Louisville - The University shall control all revenue generated by suite rental and club seating, and shall have complete authority over scheduling of University events and the determination of naming rights.

(c) Debt issued by the Louisville Arena Authority, Inc. shall not constitute a debt of the Commonwealth or a pledge of the faith and credit of the Commonwealth. Nor shall any debt issued by the entity be deemed, directly or indirectly, to be a moral obligation of the Commonwealth. In no case shall the Commonwealth pay for any construction cost overruns or operating costs associated with the Louisville Arena.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

County	Project Title	Fund Source	FY 2006-07	FY 2007-08
<b>Bell</b>				
	Bell County Fiscal Court - Frakes Senior Citizens - Operations	Restricted Funds	2,500	0
	Bell County Fiscal Court - Bell County Public Library - Furnishing and Equipment	Restricted Funds	20,000	20,000
	Bell County Fiscal Court - Red Bird Senior Citizens - Operations	Restricted Funds	2,500	0
	Bell County Fiscal Court - Bell County Senior Citizens - Operations	Restricted Funds	5,000	5,000
	Bell County Fiscal Court - Bell County Homeless and Housing Council - Operations	Restricted Funds	7,500	7,500
	Bell County Fiscal Court - Middlesboro Little League and Tee Ball - Equipment and/or Field Improvement	Restricted Funds	5,000	0
	Bell County Fiscal Court - Bell County Little League - Equipment and/or Field Improvements	Restricted Funds	5,000	0
	Bell County Fiscal Court - County Clerk - Equipment	Restricted Funds	5,000	0
	Bell County Fiscal Court - Projects and/or Equipment	Restricted Funds	350,000	450,000
	Bell County Fiscal Court - Two New Ambulances	Restricted Funds	80,000	80,000
	City of Middlesboro - Police Department and/or Equipment	Restricted Funds	25,000	0
	Pineville Board of Education - Projects	Restricted Funds	10,000	0
	Bell County Board of Education - Projects	Restricted Funds	5,000	0
	Bell County Board of Education - Bell County High School - Agriculture Advancement Council for a No-Till Seeder	Restricted Funds	5,000	0
	City of Pineville - Fire Department - Equipment	Restricted Funds	0	5,000
	City of Pineville - Projects and/or Equipment	Restricted Funds	30,000	0
	Bell County Fiscal Court - The Lighthouse Mission - Operations	Restricted Funds	15,000	15,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

County	Project Title	Fund Source	FY 2006-07	FY 2007-08
	City of Middlesboro - Fire Department - Turn Out Gear	Restricted Funds	25,000	0
	City of Middlesboro - Project and/or Equipment	Restricted Funds	25,000	25,000
	Bell County Fiscal Court - Bell County Volunteer Fire Department - Construction of New Building at Arjay	Restricted Funds	25,000	0
	Bell County Fiscal Court - Bell County Industrial Foundation - Completion of Infrastructure	Restricted Funds	125,000	125,000
	Bell County Fiscal Court - Bell County Sheriff Department - Vehicles	Restricted Funds	25,000	25,000
	Bell County Fiscal Court - Bell County Rescue Squad - Operations	Restricted Funds	10,000	0
	Middlesboro Board of Education - Projects	Restricted Funds	10,000	0
<i>County Total</i>			<i>817,500</i>	<i>757,500</i>
<hr/>				
<b>Boyd</b>				
	Boyd County Fiscal Court - Fannin Park - Improvements	Restricted Funds	0	10,000
	Boyd County Fiscal Court - Fair - Building and Ground Improvements	Restricted Funds	0	10,000
	City of Catlettsburg - Infastructure and Other Improvements	Restricted Funds	0	26,004
	Boyd County Board of Education - Facility Improvements and Upgrades - Boyd County Soccer Complex - Lights, Fencing and Other Related Enhancements and Improvements	Restricted Funds	80,000	0
	Boyd County Fiscal Court - Fraley Fields - Improvements	Restricted Funds	0	10,000
	Ashland Independent Board of Education - Facility Upgrades and Improvements	Restricted Funds	40,000	40,000
	Fairview Board of Education - Facility Upgrades and Improvements	Restricted Funds	40,000	40,000
<i>County Total</i>			<i>160,000</i>	<i>136,004</i>

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
<b>Breathitt</b>				
	Buckhorn Water District - Water Line Extensions on Bowlings Creek Road and Bushes Branch Road	Restricted Funds	241,050	0
	Breathitt County Water District - Canoe Water Line	Restricted Funds	241,050	0
	Breathitt County Board of Education - Drain Tile for Landfill Between Breathitt County High School and Highway 15	Restricted Funds	0	200,000
	City of Jackson - Doughitt Park	Restricted Funds	50,000	0
	Breathitt County Board of Education - Purchasing, Remodeling and Improving Property of Montessori School Currently Owned by Buckhorn Childrens Home	Restricted Funds	300,000	0
	Breathitt County Fiscal Court - Hazard Community College/Lees College Campus - Breathitt County Intergenerational Center	Restricted Funds	0	500,000
<i>County Total</i>			<u>832,100</u>	<u>700,000</u>
<b>Butler</b>				
	Butler County Fiscal Court - Audio Speaker System for Butler County Courthouse	Restricted Funds	4,000	0
	Butler County Fiscal Court - Boys and Girls Youth Program	Restricted Funds	3,500	0
<i>County Total</i>			<u>7,500</u>	<u>0</u>
<b>Carter</b>				
	Carter County Fiscal Court - Olive Hill Fire Department - Equipment and Operations	Restricted Funds	10,000	10,000
	Carter County Fiscal Court - Repair Affair Grayson - Equipment and Supplies	Restricted Funds	3,000	3,000
	Carter County Fiscal Court - Webbville Fire Department - Operations and Equipment	Restricted Funds	3,000	3,000
	Carter County Fiscal Court - Search and Rescue - Operations and Equipment	Restricted Funds	2,500	2,500

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Carter County Fiscal Court - Carter County Recreation - Park Development	Restricted Funds	20,000	10,000
	City of Olive Hill - Downtown Beautification - Brown Park - Sidewalk and Lighting - Improvements	Restricted Funds	25,000	25,000
	Carter County Fiscal Court - Hitchins Fire Department - Equipment and Operations	Restricted Funds	10,000	10,000
	City of Grayson - Downtown Beautification - Sidewalk and Lighting - Improvements	Restricted Funds	15,000	15,000
	Carter County Fiscal Court - Olive Hill Fire Department - Equipment and Operations	Restricted Funds	8,333	8,333
	Carter County Fiscal Court - Grayson Fire Department - Equipment and Operations	Restricted Funds	10,000	10,000
	Carter County Board of Education - East Carter High School - Tennis Courts	Restricted Funds	0	40,000
	Carter County Fiscal Court - Grahn Fire Department - Equipment and Operations	Restricted Funds	10,000	10,000
	Carter County Board of Education - West Carter Middle School - Soccer Field Lights	Restricted Funds	15,000	0
	Carter County Fiscal Court - Carter City Fire Department - Equipment and Operations	Restricted Funds	10,000	10,000
	Carter County Fiscal Court - Veterans Association - Main Street Park Project	Restricted Funds	20,000	20,000
	City of Olive Hill - Olive Hill Historical Society - High School Restoration Project	Restricted Funds	20,000	20,000
	Carter County Fiscal Court - Grahn Community Center - Operating Costs	Restricted Funds	3,000	3,000
<i>County Total</i>			<i>184,833</i>	<i>199,833</i>
<b>Christian</b>				
	Christian County Fiscal Court - New Salvation Army Building	Restricted Funds	151,841	0
<i>County Total</i>			<i>151,841</i>	<i>0</i>

**Clay**

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Clay County Fiscal Court - Administrative Building - Debt Repayment	Restricted Funds	220,000	0
	Clay County Fiscal Court - Community Wellness Program - Laurel Creek	Restricted Funds	11,110	0
	Clay County Fiscal Court - B-School - Renovations and Park	Restricted Funds	25,000	0
	Clay County Fiscal Court - Purchase Property for Parking Lot	Restricted Funds	30,000	60,000
	Clay County Board of Education - High School Wellness Center	Restricted Funds	0	174,300
	Clay County Fiscal Court - Veterans Memorial Monument	Restricted Funds	15,000	0
<i>County Total</i>			<i>301,110</i>	<i>234,300</i>
<b>Crittenden</b>				
	Crittenden County Fiscal Court - Clement Mineral Museum - Renovation and Repair	Restricted Funds	20,000	0
	Crittenden County Fiscal Court - Crittenden County Emergency Services Building - Property Purchase and Construction	Restricted Funds	150,000	0
	Crittenden County Fiscal Court - Senior Citizens Center - Expansion	Restricted Funds	65,000	0
	Crittenden County Fiscal Court - Crittenden County Animal Shelter - Construction	Restricted Funds	40,000	0
	Crittenden County Fiscal Court - Crittenden County Emergency Services Building Property Purchase and Construction	Restricted Funds	225,000	0
<i>County Total</i>			<i>500,000</i>	<i>0</i>
<b>Daviess</b>				
	Daviess County Fiscal Court - Economic Development Incentives	Restricted Funds	50,000	0
	Daviess County Fiscal Court - Highway 144 Road Project	Restricted Funds	300,000	0
	Daviess County Fiscal Court - Broadband Initiatives	Restricted Funds	100,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
<i>County Total</i>			<i>450,000</i>	<i>0</i>
<b>Elliott</b>				
	Elliott County Board of Education - Lakeside Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	10,000	10,000
	Elliott County Board of Education - Athletic Facility Improvements and Upgrades, Ground Improvements, Wellness Equipment and other Related Athletic Department Enhancements	Restricted Funds	20,000	20,000
	Elliott County Fiscal Court - 504 Volunteer Fire Department - Equipment, Building and Ground Improvements, and Other Enhancements	Restricted Funds	10,000	15,000
	Elliott County Board of Education - Building and Ground Improvements, Program, Curriculum, Enhancements and other Upgrades	Restricted Funds	20,000	25,000
	City of Sandy Hook - Downtown Beautification, Building Purchase, Sidewalk, Street Repairs and other Upgrades and Improvements	Restricted Funds	25,000	25,000
	Elliott County Board of Education - Isonville Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	10,000	10,000
	Elliott County Board of Education - Sandy Hook Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	10,000	10,000
	Elliott County Board of Education - Elliott County Public Library - Equipment, Materials, Program Enhancements, Operations and other Library Improvements	Restricted Funds	20,000	20,000
	Elliott County Fiscal Court - Elliott County Fire and Rescue - Equipment, Building and Ground Improvements, and Other Enhancements	Restricted Funds	10,000	15,000
	Elliott County Fiscal Court - New Ambulance - Elliott County Ambulance Service	Restricted Funds	30,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Elliott County Fiscal Court - Isonville Volunteer Fire Department - Equipment, Building and Ground Improvements, and other Enhancements	Restricted Funds	10,000	15,000
	Elliott County Fiscal Court - Laurel Gorge Cultural and Heritage Center - Facility and Ground Improvements, Equipment, Materials, Operations and other Upgrades	Restricted Funds	20,000	20,000
<i>County Total</i>			<i>195,000</i>	<i>185,000</i>
<b>Floyd</b>				
	Floyd County Board of Education - Betsy Layne High School - Academic and Athletic Program/Athletic Teams - Equipment and Educational Support	Restricted Funds	0	50,000
	Floyd County Fiscal Court - Elkhorn Park - Educational Program	Restricted Funds	10,000	20,000
	Floyd County Fiscal Court- Maytown Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
	Floyd County Fiscal Court - Prestonsburg Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
	Floyd County Fiscal Court - Wheelwright Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
	Floyd County Fiscal Court - Wayland Historical Society - Land Purchase - East Kentucky Hall of Fame	Restricted Funds	100,000	0
	Floyd County Fiscal Court - Garrett Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
	Floyd County Fiscal Court - David Area Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
	Floyd County Fiscal Court - Left Beaver Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
	Floyd County Fiscal Court - Martin Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
	Floyd County Fiscal Court - Allen Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
	Floyd County Fiscal Court - Mountain Arts Center - Equipment Upgrades/Projects	Restricted Funds	0	50,000
	Floyd County Fiscal Court - Floyd County Head Start Program - Computers and Technical Support	Restricted Funds	50,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Floyd County Fiscal Court	Jailer - Vehicle	Restricted Funds	0	30,000
Floyd County Fiscal Court	Disabled American Veterans Post 5839 - Equipment and Improvements	Restricted Funds	6,666	6,666
Floyd County Fiscal Court	Coroner - Vehicle	Restricted Funds	0	30,000
Floyd County Fiscal Court	Mud Creek Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
Floyd County Fiscal Court	Middle Creek Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
Floyd County Fiscal Court	Disabled American Veterans Post 169 - Equipment and Improvements	Restricted Funds	6,666	6,666
Floyd County Fiscal Court	Appalachian Regional Health Care - Facility Upgrades and Construction - Regional, Technology and Business Center	Restricted Funds	100,000	0
Floyd County Fiscal Court	Mountain Comprehensive Care - Lane House - Alcohol and Drug Abuse Education	Restricted Funds	25,000	0
KCTCS	Big Sandy Community and Technical College - Scholarship Fund for Students and Textbooks	Restricted Funds	0	40,000
City of Allen	Ball Park - Improvements	Restricted Funds	20,000	0
Floyd County Fiscal Court	Toler Creek Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
Floyd County Fiscal Court	Mountain Top Recreational - Construction	Restricted Funds	0	100,000
Floyd County Board of Education	Prestonsburg High School - Academic and Athletic Program/Athletic Teams - Equipment and Educational Support	Restricted Funds	0	50,000
Floyd County Fiscal Court	Betsy Layne Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
Floyd County Fiscal Court	Sheriff's Department - Vehicle	Restricted Funds	0	30,000
Floyd County Board of Education	Allen Central High School - Academic and Athletic Program/Athletic Teams - Equipment and Educational Support	Restricted Funds	0	50,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Floyd County	Floyd County Fiscal Court - Jenny Wiley Outdoor Theatre - Upgrades and Improvements	Restricted Funds	20,000	0
Floyd County	Floyd County Fiscal Court- Hope in the Mountains - Drug Rehabilitation	Restricted Funds	25,000	10,000
Floyd County	Floyd County Fiscal Court - LINKS - Housing and Facility Construction	Restricted Funds	25,000	0
Floyd County	Floyd County Fiscal Court - Drift Park - Improvements	Restricted Funds	30,000	70,000
Floyd County	Floyd County Fiscal Court - Wayland Area Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
Floyd County	Floyd County Fiscal Court - Comb's Airport - Runway and Safety Improvements	Restricted Funds	50,000	0
Floyd County	Floyd County Fiscal Court - Cow Creek Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
Floyd County	Floyd County Fiscal Court - BookMobile - Vehicle	Restricted Funds	0	75,000
Floyd County	Floyd County Fiscal Court - Auxier Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
Floyd County	Floyd County Fiscal Court - Disabled American Veterans Post 18 - Equipment and Improvements	Restricted Funds	6,666	6,666
Floyd County	Floyd County Fiscal Court - Senior Citizens Center - Operating	Restricted Funds	70,000	70,000
Floyd County	Floyd County Fiscal Court - Southeast Floyd Fire Department - Equipment/Operations	Restricted Funds	2,600	2,600
Floyd County	Floyd County Board of Education - South Floyd High School - Academic and Athletic Program/Athletic Teams - Equipment and Educational Support	Restricted Funds	0	50,000
Floyd County	Floyd County Fiscal Court - Vehicle for Drug Enforcement	Restricted Funds	0	30,000
<i>County Total</i>			<i>586,598</i>	<i>816,598</i>
<b>Greenup</b>				
Greenup County	Raceland - Worthington Independent Board of Education - Campbell Elementary School - Distance Learning Technology Equipment	Restricted Funds	3,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Greenup County	Fiscal Court - Engineering Study of Poplar Highlands Sewer Upgrades	Restricted Funds	0	25,000
City of Wurtland	- Walking/Running Track at Wurtland Elementary and Wurtland Middle School and Chinn Street Lift Station Rehab	Restricted Funds	20,000	0
Greenup County	Fiscal Court - Welcome Area US 23 Near Grant Bridge at Fullerton/South Portsmouth - Construction	Restricted Funds	0	40,000
Greenup County	Fiscal Court - Greenup Senior Citizens Center - Improvements and Operating Expenses	Restricted Funds	10,000	0
Russell Independent Board of Education	- Russell - McDowell Intermediate School - Physical Fitness Equipment/Mats and Hand Holds	Restricted Funds	3,000	0
Greenup County Board of Education	- Greenup County High School - Software, Printed Material and Equipment for Remediation in Reading and Math	Restricted Funds	3,000	0
City of Flatwoods	- Espy Lane Project - Upgrade Espy Lane Pump Station and Lines	Restricted Funds	20,000	0
Raceland-Worthington Independent Board of Education	- Raceland - Worthington High School ( and Junior High School) - Main Curtain and Valance for Stage Area for New Performing Arts Center	Restricted Funds	6,000	0
Greenup County Board of Education	- Wurtland Elementary School - Walking/Running Track	Restricted Funds	3,000	0
Raceland - Worthington Independent Board of Education	- Worthington Elementary School - Distance Learning Technology Equipment	Restricted Funds	3,000	0
City of Flatwoods	- Senior/Community Center - Equipment	Restricted Funds	1,000	0
Russell Independent Board of Education	- Russell High School - Graphic Calculators, Digital Cameras, Data Projector and Digital Micro Pipets	Restricted Funds	3,000	0
Greenup County Board of Education	- McKell Elementary School - Audio Equipment for Stage/Gym for Arts and Humanities	Restricted Funds	3,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Russell Independent Board of Education - Russell Middle School - Audiovisual Equipment	Restricted Funds	3,000	0
	Greenup County Fiscal Court - Greenup Riverfront - Improvements	Restricted Funds	9,000	0
	City of Bellefonte - Storm/Sanitary Sewer/ Runoff Remediation	Restricted Funds	20,000	0
	Greenup County Board of Education - Argillite Elementary School - Interactive White Boards, LCD Projector, and Stand	Restricted Funds	3,000	0
	Greenup County Board of Education - McKell Middle School - Calculators, Math Manipulators and Hardware	Restricted Funds	3,000	0
	Greenup County Fiscal Court - Guardrail for Route 7	Restricted Funds	25,000	0
	Greenup County Fiscal Court - South Shore - Meals on Wheels	Restricted Funds	1,000	0
	Greenup County Board of Education - Greysbranch Elementary School - Interactive White Boards for Every Grade Level	Restricted Funds	3,000	0
	City of Worthington - (SX21089004) Sulfur Dioxide Drive - Drain for Sewer Treatment Plant	Restricted Funds	2,000	0
	City of Worthington - Parks, Sidewalk and Water/Sewer Improvements	Restricted Funds	18,000	0
	City of Russell - (SX21089014) Manhole Rehab Project	Restricted Funds	7,000	0
	City of Russell - Sidewalks on Seaton Drive (to be used for local match)	Restricted Funds	13,000	0
	City of Raceland - Franklin Avenue - Rogers Avenue Rehabilitation (SX21089030)	Restricted Funds	18,000	0
	Greenup County Fiscal Court - Greenup County Humane Society	Restricted Funds	1,000	0
	Greenbo Lake State Resort Park - Commerce Cabinet - Cabins and Cottages - Construction	Restricted Funds	0	110,000
	Russell Independent Board of Education - Russell Area Technology Center - Instructor Monitoring Software	Restricted Funds	3,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	City of Flatwoods - Babe Ruth League - Equipment	Restricted Funds	1,000	0
	City of South Shore - Quilt Festival Promotion and Marketing Materials and Equipment	Restricted Funds	1,000	0
	Greenup County Fiscal Court - Old Fashioned Days Promotion and Marketing Materials and Equipment	Restricted Funds	1,000	0
	City of Greenup - Bathrooms in Greenup Park - Improvements	Restricted Funds	15,000	0
	Russell Independent Board of Education - Russell Primary School - Poster Machine, Cold Laminator and Risograph	Restricted Funds	3,000	0
	Greenup County Board of Education - Greenup County Area Technology Center - Interactive White Boards and Projectors	Restricted Funds	3,000	0
	City of South Shore - Resurface Tennis Courts and Basketball Courts - Renovate Park and Bathrooms	Restricted Funds	20,000	0
	City of Raceland - Park Improvments, Community/Senior Center and Technology Center	Restricted Funds	2,000	0
	City of Greenup - Sidewalks and Lights	Restricted Funds	20,000	0
<i>County Total</i>			<i>273,000</i>	<i>175,000</i>
<b>Hancock</b>				
	Hancock County Fiscal Court - Hawesville Fire Hydrants	Restricted Funds	25,000	0
	Hancock County Fiscal Court - Waitman Station Loop	Restricted Funds	50,000	0
	Hancock County Fiscal Court - Rapp Lane Line Extension	Restricted Funds	25,000	0
	Hancock County Fiscal Court - Highway 334 Line Extension	Restricted Funds	25,000	0
	Hancock County Fiscal Court - Highway 69 Pump Station	Restricted Funds	70,378	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Hancock County	Fiscal Court - Highway 1389 Line Replacement	Restricted Funds	0	50,000
<i>County Total</i>			<i>195,378</i>	<i>50,000</i>
<b>Harlan</b>				
Harlan County	Fiscal Court - Harlan Shrines' Park - Improvements	Restricted Funds	0	10,000
Harlan County	Fiscal Court - Bledsoe Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Greenhills Water District	- Equipment	Restricted Funds	0	75,000
City of Wallins	- Projects and Equipment	Restricted Funds	30,000	30,000
Harlan County	Fiscal Court - Harlan Little League - Operations and Maintenance	Restricted Funds	5,000	5,000
Harlan County	Fiscal Court - Detention Center - Construction and Debt Reduction	Restricted Funds	250,000	250,000
Harlan County	Fiscal Court - Harlan County Committee on Aging, Inc. - Complete Renovation	Restricted Funds	0	125,000
Harlan County	Fiscal Court - Cawood Water District Water Line - Expansion to Smith Area	Restricted Funds	200,000	200,000
Harlan County	Fiscal Court - Coxton Park - Renovation and Improvements	Restricted Funds	10,000	0
Harlan County	Fiscal Court - Cawood Ledford Boys and Girls Club - Operations and Equipment	Restricted Funds	30,000	30,000
Harlan County	Fiscal Court - Putney Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County	Fiscal Court - Upper Cloverfork Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County	Fiscal Court - Smith Park - Improvements	Restricted Funds	0	5,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Harlan County Fiscal Court	Harlan County Fiscal Court - Coldiron Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Harlan County Road Department - Equipment	Restricted Funds	0	125,000
Harlan County Fiscal Court	Harlan County Fiscal Court - Evarts Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Mountain Comprehensive Health Corporation - Improvements	Restricted Funds	250,000	0
Harlan County Fiscal Court	Harlan County Fiscal Court - Cloverfork Rescue Squad - Operations and Equipment	Restricted Funds	0	10,000
Harlan County Fiscal Court	Harlan County Fiscal Court - Harlan Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Cumberland Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Benham Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Loyall Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Cloverfork Volunteer Fire Department - Purchase Fire Truck	Restricted Funds	0	30,000
City of Harlan	City of Harlan - Harlan City Rural Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Wallins Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Lynch Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Sunshine Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Harlan County Fiscal Court - Black Mountain Utilities - Water Line Extension	Restricted Funds	300,000	300,000
Harlan County Fiscal Court	Harlan County Fiscal Court - Martins Fork Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Harlan County Fiscal Court	Lower Cloverfork Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Yocum Creek Volunteer Fire Department - Operations and Equipment	Restricted Funds	8,666	8,666
Harlan County Fiscal Court	Southeast Kentucky Rehabilitation Industry - Building and Roof - Repair	Restricted Funds	250,000	0
Kentucky Fish and Wildlife	Two ATV Safety Vehicles and Operations for Harlan County ATV Trails	Restricted Funds	100,000	75,000
City of Evarts	Safety Equipment for ATV Park	Restricted Funds	90,000	0
City of Evarts	Land Acquisition and Building for Fire Department - Construction	Restricted Funds	40,000	0
City of Benham	Operations, Projects and Equipment	Restricted Funds	30,000	30,000
City of Harlan	Harlan Revitalization	Restricted Funds	50,000	25,000
City of Cumberland	Tri-City Heritage Development Corporation Operations	Restricted Funds	0	15,000
City of Cumberland	Projects and Equipment	Restricted Funds	30,000	30,000
City of Cumberland	Water Line Extension - Cumberland to Letcher County Line	Restricted Funds	500,000	0
Harlan County Fiscal Court	Southeast Education Foundation - Benham Inn, Portal 31, Coal Mine Museum - Pay off Debt	Restricted Funds	325,000	0
City of Benham	Water Tank	Restricted Funds	250,000	0
City of Evarts	Projects and/or Equipment	Restricted Funds	30,000	30,000
Harlan County Board of Education	Improvements	Restricted Funds	0	100,000
Harlan Independent Board of Education	Harlan Independent Schools - Improvements	Restricted Funds	0	100,000
Harlan County Fiscal Court	Green Hills Community Center and Park - Improvements	Restricted Funds	20,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Harlan County Fiscal Court	Pathfork Park - Improvements	Restricted Funds	10,000	0
Harlan County Fiscal Court	Hope Drug Center - Operations and Equipment	Restricted Funds	100,000	29,000
Harlan County Fiscal Court	Sheriff's Department - Cops in School	Restricted Funds	25,000	25,000
Harlan County Fiscal Court	Evarts Depot - Restoration	Restricted Funds	0	57,000
City of Evarts	Land Acquisition and Building for RV Park - Construction	Restricted Funds	0	50,000
Harlan County Fiscal Court	Tri-City Rescue Squad - Operations and Equipment	Restricted Funds	0	10,000
Harlan County Fiscal Court	Harlan Rescue Squad - Operations and Equipment	Restricted Funds	0	10,000
Harlan County Fiscal Court	Tri-City Little League - Operations and Equipment	Restricted Funds	0	15,000
Harlan County Fiscal Court	Coldiron Fire Station and Park - Equipment and Operations	Restricted Funds	60,000	0
City of Lynch	Projects and Equipment	Restricted Funds	30,000	30,000
City of Lynch	Splash PAD Project	Restricted Funds	0	60,000
City of Lynch	Water Plant Rehabilitation	Restricted Funds	100,000	0
City of Lynch	Sewer Line Replacement Project	Restricted Funds	0	130,000
Green Hills Water District	Water System Improvements	Restricted Funds	200,000	0
City of Evarts	Four-Wheeler Park for Promotional Costs and Ancillary	Restricted Funds	0	100,000
Harlan County Fiscal Court	Camp Blanton - Renovation	Restricted Funds	84,000	0
<i>County Total</i>			<u>3,537,656</u>	<u>2,254,656</u>

**Henderson**

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Henderson County	Fiscal Court - Reed Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
City of Corydon	- Demolish and Removal of Buildings - Health and Safety Reasons	Restricted Funds	25,000	0
Henderson County	Water District - Cheatham Road/William Keene Road Extension	Restricted Funds	26,000	0
Henderson County	Fiscal Court - Poole Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
Henderson County	Water District - Henderson County Water - Old US 60 Main Replacement	Restricted Funds	125,000	0
Henderson County	Water District - Henderson and Webster Company Interconnection	Restricted Funds	75,000	0
Henderson County	Fiscal Court - Henderson County Fair Grounds-Park Equipment and Improvements	Restricted Funds	45,000	0
Henderson County	Fiscal Court - Henderson County Fair Grounds - Concrete Areas Around Buildings/Bathrooms	Restricted Funds	20,000	0
Henderson County	Fiscal Court - Robards Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
Henderson County	Fiscal Court - Star Industrial Park-Entrance and Site Work - Clearing of Trees and Reseeding	Restricted Funds	40,000	0
Henderson County	Fiscal Court - Paving of Newly Constructed Connector Road at Riverport	Restricted Funds	40,000	0
Henderson County	Fiscal Court - Baskett Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
Henderson County	Fiscal Court - Henderson County Fair Grounds-Infrastructure for Walking Track and Paving	Restricted Funds	55,000	0
Henderson County	Fiscal Court - Cairo Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

County	Project Title	Fund Source	FY 2006-07	FY 2007-08
	Henderson County Fiscal Court - Corydon Civil Defense Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
	Henderson County Fiscal Court - Star Industrial Park - Site Adjacent to Columbia Sportswear - Grading and Site Work for Entrance	Restricted Funds	45,000	0
	Henderson County Fiscal Court - Hebbardsville Area Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
	Henderson County Fiscal Court - Smith Mills Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
	Henderson County Fiscal Court - Henderson City - County Rescue Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
	Henderson County Fiscal Court - Niagara Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
	Henderson County Water District - J. Gibson Hugh Sights - Rock Springs Roads Water Line Extension	Restricted Funds	136,000	0
	Henderson County Fiscal Court - Public Library - Repair and Renovation	Restricted Funds	250,000	0
	Henderson County Fiscal Court - Zion Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
	Henderson County Fiscal Court - Spottsville Volunteer Fire Department - Fire Fighting Equipment	Restricted Funds	10,000	0
	City of Robards - Infrastructure Needs	Restricted Funds	20,000	0
<i>County Total</i>			<i>1,022,000</i>	<i>0</i>

**Hopkins**

	Hopkins County Fiscal Court - Dawson Springs Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
--	--	------------------	--------	---

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
City of Madisonville	Hopkins County Public Library - Renovation Project	Restricted Funds	100,000	0
Hopkins County Fiscal Court	Hopkins County Public Works Department - Equipment and Vehicle Upgrades	Restricted Funds	200,000	0
Hopkins County Fiscal Court	Charleston Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
Hopkins County Fiscal Court	St. Charles Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
Hopkins County Fiscal Court	Anton Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
Hopkins County Fiscal Court	Earlington Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
City of Dawson Springs	Warning Sirens - Equipment	Restricted Funds	14,000	0
City of Nebo	Warning Sirens - Equipment	Restricted Funds	14,000	0
City of St. Charles	Warning Sirens - Equipment	Restricted Funds	14,000	0
Hopkins County Fiscal Court	Hopkins County Emergency Management (EMA) - Equipment Upgrades	Restricted Funds	50,000	0
Hopkins County Fiscal Court	South Hopkins Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
City of Madisonville Community College	Technology Upgrades and Workforce Development Programs	Restricted Funds	200,000	0
Hopkins County Fiscal Court	Nebo Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
Hopkins County Fiscal Court	Area Two Dive Search, Rescue and Recovery Team - Equipment and Upgrades	Restricted Funds	90,000	0
Hopkins County Fiscal Court	Nortonville Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
City of Madisonville	Warning Sirens - Equipment	Restricted Funds	14,000	0
City of Earlington	Warning Sirens - Equipment	Restricted Funds	14,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Hopkins County Fiscal Court - Richland Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
	City of Hanson - Warning Sirens - Equipment	Restricted Funds	14,000	0
	Hopkins County Fiscal Court - Grapevine Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
	City of Nortonville - Warning Sirens - Equipment	Restricted Funds	14,000	0
	City of White Plains - Warning Sirens - Equipment	Restricted Funds	14,000	0
	City of Madisonville - Warning Sirens - Equipment	Restricted Funds	14,000	0
	Hopkins County Fiscal Court - White Plains Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
	Hopkins County Fiscal Court - Rosenwalk - Smith Multicultural Center - Maintenance and Repairs	Restricted Funds	100,000	0
	Hopkins County Fiscal Court - Economic Development/Land Acquisition & Infrastructure	Restricted Funds	394,450	0
	Hopkins County Fiscal Court - Humane Society - Equipment and Upgrades	Restricted Funds	50,000	0
	Hopkins County Fiscal Court - Center for Cultural and Professional Development - Construction and Maintenance	Restricted Funds	40,000	0
	Hopkins County Fiscal Court - Hanson Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
	Hopkins County Fiscal Court - Mortons Gap Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
	Hopkins County Fiscal Court - Manitou Volunteer Fire Department - Equipment	Restricted Funds	10,000	0
	City of Mortons Gap - Warning Sirens - Equipment	Restricted Funds	14,000	0
	Hopkins County Board of Education - School Resource Officer	Restricted Funds	70,000	0
<i>County Total</i>			<u>1,574,450</u>	<u>0</u>

**Jackson**

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Jackson County	Jackson County Fiscal Court - Water Lines - Sand Spring Road 3/10 Mile South Jackson County - 4 Families	Restricted Funds	30,000	0
Jackson County	Jackson County Fiscal Court - Maintenance Vehicles - Improvements	Restricted Funds	0	25,135
Jackson County	Jackson County Fiscal Court - Sheriff Department - Vehicle	Restricted Funds	0	30,000
Jackson County	Jackson County Fiscal Court - Pond Creek Fire Department - Equipment	Restricted Funds	2,442	0
Jackson County	Jackson County Fiscal Court - Gray Hawk Fire Department - Equipment	Restricted Funds	2,442	0
Jackson County	Jackson County Fiscal Court - McKee Fire Department - Equipment	Restricted Funds	2,442	0
Jackson County	Jackson County Fiscal Court - Sand Gap Fire Department - Equipment	Restricted Funds	2,442	0
<i>County Total</i>			<u>39,768</u>	<u>55,135</u>
<b>Johnson</b>				
Johnson County	Johnson County Fiscal Court - Senior Citizens Center - Improvements	Restricted Funds	25,000	25,000
Johnson County	Johnson County Board of Education - Public Schools - Youth Activities Facility - Construction	Restricted Funds	50,000	50,000
Johnson County	Johnson County Fiscal Court - Volunteer Fire Departments - Equipment and Operations	Restricted Funds	35,000	35,000
Johnson County	Johnson County Fiscal Court - Courthouse - Debt Reduction	Restricted Funds	250,000	250,000
Paintsville	Paintsville Independent Board of Education - City Schools - Youth Activites Facility - Construction	Restricted Funds	50,000	50,000
Johnson County	Johnson County Fiscal Court - Courthouse - Maintenance and Repair	Restricted Funds	25,000	0
<i>County Total</i>			<u>435,000</u>	<u>410,000</u>

**Knott**

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Knott County Fiscal Court	Clear Creek - Water Distribution	Restricted Funds	250,000	250,000
Knott County Fiscal Court	Knott County Emergency Rescue Squad - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Carr Creek Fire Department - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Fisty Fire Department - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Hall's Branch and Perkins Madden Road - Water Line Extension	Restricted Funds	500,000	0
Knott County Fiscal Court	Lotts Creek Fire Department - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Jones Fork Fire Department - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Red Fox Fire Department - Construction	Restricted Funds	100,000	0
Knott County Fiscal Court	Knott County Football Field - Rubberizing Track Service	Restricted Funds	45,000	0
Knott County Fiscal Court	County Clerk's Office - Equipment	Restricted Funds	35,000	35,000
Knott County Fiscal Court	Knott County Sheriff's Office - Equipment	Restricted Funds	100,000	0
Knott County Fiscal Court	Lower Mill Creek - Water Distribution	Restricted Funds	250,000	250,000
Knott County Fiscal Court	Montgomery to Soft Shell Exit - Water Distribution Project	Restricted Funds	100,000	0
Knott County Fiscal Court	Knott County Football Field - Turf Solution	Restricted Funds	10,438	0
Knott County Fiscal Court	Pippa Passes Fire Department - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Senior Citizens Center - Improvements	Restricted Funds	75,000	75,000
Knott County Fiscal Court	Tourism - ATV and Horse Trail	Restricted Funds	175,000	15,000
Knott County Fiscal Court	ATV Training Center and Trails - Develop and Construct	Restricted Funds	25,000	50,000
Knott County Fiscal Court	Ball Creek Water Project - Fire Hydrants	Restricted Funds	110,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Knott County Fiscal Court	Lotts Creek School - Athletic Field lighting	Restricted Funds	50,000	25,000
Knott County Fiscal Court	Knott County Football Field - Fence Around the Field	Restricted Funds	8,300	0
Knott County Fiscal Court	Jamestown Village and Highway 81 Water Line - WRIS Project No. WX21119225	Restricted Funds	300,000	0
Knott County Fiscal Court	Ball Creek Fire Department - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Carr Creek - Water Treatment Plant	Restricted Funds	500,000	500,000
Knott County Fiscal Court	Red Fox Park - Operation, Maintenance and Improvements	Restricted Funds	5,000	5,000
Knott County Fiscal Court	Martin Branch - Water Project	Restricted Funds	250,000	0
Knott County Fiscal Court	Hindman Park - Operation, Maintenance and Improvements	Restricted Funds	5,000	5,000
Knott County Fiscal Court	Hindman Fire Department - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Ball Creek Park - Operation, Maintenance and Improvements	Restricted Funds	5,000	5,000
Knott County Fiscal Court	Jones Fork Park - Operation, Maintenance and Improvements	Restricted Funds	5,000	5,000
Knott County Fiscal Court	Beaver Creek Park - Operation, Maintenance and Improvements	Restricted Funds	5,000	5,000
Knott County Fiscal Court	Kite Park - Operation, Maintenance and Improvements	Restricted Funds	5,000	5,000
Knott County Fiscal Court	Dry Creek Park - Operation, Maintenance and Improvements	Restricted Funds	5,000	5,000
Knott County Fiscal Court	Knott County Youth Foundation - Operating and Equipment	Restricted Funds	20,000	20,000
Knott County Fiscal Court	Knott County Courthouse - Renovation	Restricted Funds	200,000	200,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Knott County Fiscal Court	Amphitheater - Construction	Restricted Funds	50,000	200,000
Knott County Fiscal Court	Kite/Topmost Fire Department - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Vicco/Sassafrass Fire Department - Equipment	Restricted Funds	25,000	25,000
Knott County Fiscal Court	Adult Wellness Complex - Bond Payment	Restricted Funds	1,000,000	1,000,000
Knott County Fiscal Court	Red Fox Fire Department - Purchase Property	Restricted Funds	100,000	0
Knott County Fiscal Court	Mousie Community - Fifteen Fire Hydrants	Restricted Funds	33,000	0
Knott County Fiscal Court	Purchase of Caney Elementary - Community Center	Restricted Funds	250,000	0
Knott County Fiscal Court	School of Crafts - Ceramic Department - Construction	Restricted Funds	250,000	0
Knott County Fiscal Court	Hindman Sidewalk Pedestrian - Bridge Project	Restricted Funds	100,000	0
Knott County Fiscal Court	Purchase of Beckham Combs Elementary - Community Center	Restricted Funds	250,000	0
Knott County Fiscal Court	Purchase of Old Knott County Food Store - Community Center	Restricted Funds	100,000	0
Knott County Fiscal Court	Purchase Property for Economic Development - Robert and Maggie Gambill Property	Restricted Funds	525,000	0
Knott County Fiscal Court	Carr Creek - Phase III Water Line Project	Restricted Funds	350,000	0
<i>County Total</i>			<i>6,396,738</i>	<i>2,905,000</i>
<b>Knox</b>				
City of Barbourville	Veterans VFW 69 - Equipment	Restricted Funds	5,000	0
Knox County Fiscal Court	Knox County Attorney's Office UNITE - Equipment	Restricted Funds	20,000	0
Knox County Board of Education	Knox Central Currency Bank - Equipment	Restricted Funds	5,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Knox County Fiscal Court - Moments with the Master Ministry - Equipment	Restricted Funds	5,000	0
	City of Corbin - Police Car	Restricted Funds	35,000	0
	City of Corbin - Senior Citizens - Equipment	Restricted Funds	5,000	0
	Barbourville Independent Board of Education - Barbourville Tiger School Bank - Equipment	Restricted Funds	5,000	0
	Knox County Fiscal Court - Woodbine Subdivision Station Volunteer Fire Department - Equipment	Restricted Funds	0	20,000
	Knox County Fiscal Court - Poplar Creek Volunteer Fire Department - Equipment	Restricted Funds	0	20,000
	Knox County Board of Education - TV 4 - Equipment	Restricted Funds	20,000	0
	Knox County Fiscal Court - Knox County Library - Equipment	Restricted Funds	5,000	0
	Knox County Board of Education - Dewitt School Repairs - Construction	Restricted Funds	0	100,000
	Knox County Fiscal Court - Bounty for Beaver Control - Equipment	Restricted Funds	10,000	0
	Knox County Fiscal Court - Artemus Volunteer Fire Department - Equipment	Restricted Funds	0	20,000
	City of Barbourville - Senior Citizens - Equipment	Restricted Funds	5,000	0
	Knox County Fiscal Court - West Knox Volunteer Fire Department - Equipment	Restricted Funds	0	20,000
	Knox County Fiscal Court - Bailey Volunteer Fire Department - Equipment	Restricted Funds	0	20,000
	Knox County Fiscal Court - Richland Volunteer Fire Department - Equipment	Restricted Funds	0	20,000
	Knox County Fiscal Court - East Knox Volunteer Fire Department - Equipment	Restricted Funds	0	20,000
	Knox County Fiscal Court - Stinking Creek Volunteer Fire Department - Equipment	Restricted Funds	0	20,000
	Knox County Board of Education - Athletic Field House - Construction	Restricted Funds	50,000	0
	Barbourville Independent Board of Education - Equipment	Restricted Funds	20,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Knox County Board of Education - Lynn Camp Wildcat Bank - Equipment	Restricted Funds	5,000	0
	Knox County Fiscal Court - Lend - A - Hand Center - Equipment	Restricted Funds	5,000	0
	Knox County Fiscal Court - K.C.E.O.C. Emergency Fund Service - Equipment	Restricted Funds	10,000	0
	Knox County Fiscal Court - Sheriff - Equipment	Restricted Funds	50,000	0
	City of Barbourville - God's Food Pantry - Equipment	Restricted Funds	15,000	0
	City of Barbourville - Tourism Club Kio -Equipment	Restricted Funds	5,000	0
	City of Barbourville - Police Department - Equipment	Restricted Funds	20,000	0
	City of Barbourville - Fire Department - Equipment	Restricted Funds	20,000	0
<i>County Total</i>			<i>320,000</i>	<i>260,000</i>
<b>Laurel</b>				
	Laurel County Fiscal Court - Health Department - Community Walking Track Equipment	Restricted Funds	20,000	0
	Laurel County Fiscal Court - Library - Supplies	Restricted Funds	5,000	5,000
	Laurel County Fiscal Court - Keavy Fire Department - Equipment	Restricted Funds	5,000	7,764
	Laurel County Fiscal Court - Veterans Memorial - Improvements	Restricted Funds	25,000	0
	Laurel County Fiscal Court - Laurel County Fire Department - Equipment	Restricted Funds	5,000	7,764
	Laurel County Fiscal Court - Lily Fire Department - Equipment	Restricted Funds	5,000	7,764
	Laurel County Fiscal Court - McWhorter Fire Department - Equipment	Restricted Funds	5,000	7,764
	Laurel County Fiscal Court - Bush Fire Department - Equipment	Restricted Funds	5,000	7,764
	Laurel County Fiscal Court - Laurel County Rescue Squad - Equipment	Restricted Funds	6,530	7,764

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Laurel County Fiscal Court	Swiss Colony Fire Department - Equipment	Restricted Funds	5,000	7,764
Laurel County Fiscal Court	Bald Rock Fire Department - Equipment	Restricted Funds	5,000	7,764
Laurel County Fiscal Court	Crossroads Fire Department - Equipment	Restricted Funds	5,000	7,764
Laurel County Fiscal Court	Campground Fire Department - Equipment	Restricted Funds	5,000	7,764
Laurel County Fiscal Court	Seniors - Equipment and Supplies	Restricted Funds	25,300	10,000
Laurel County Fiscal Court	East Bernstadt Fire Department - Equipment	Restricted Funds	5,000	7,764
<i>County Total</i>			<i>131,830</i>	<i>100,407</i>

**Lawrence**

Lawrence County Fiscal Court	Louisa #1 Fire Department - Equipment and Improvements	Restricted Funds	0	10,000
Lawrence County Board of Education	Lawrence County Career Tech Program - Jr. Coal Academy - Program Equipment, Materials, Curriculum and Training Enhancements - Other Improvements Related to Jr. Coal Academy	Restricted Funds	100,000	100,000
Lawrence County Fiscal Court	Fallsburg Fire Department - Equipment and Improvements	Restricted Funds	0	10,000
Lawrence County Fiscal Court	Cherryville Fire Department - Equipment and Improvements	Restricted Funds	0	10,000
Lawrence County Fiscal Court	Lowmansville Fire Department - Equipment and Improvements	Restricted Funds	0	10,000
Lawrence County Fiscal Court	Stella Moore Recreational Complex - Facility and Ground Improvements, Equipment and other Enhancements	Restricted Funds	50,000	0
Lawrence County Fiscal Court	Webbville Fire Department - Equipment and Improvements	Restricted Funds	0	10,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

County	Project Title	Fund Source	FY 2006-07	FY 2007-08
Lawrence County Fiscal Court	Louisa #2 Fire Department - Equipment and Improvements	Restricted Funds	0	10,000
Lawrence County Fiscal Court	Lawrence County Community Center - Facility and Ground Improvements, Related Upgrades and Enhancements at the Community Center	Restricted Funds	50,000	25,000
Lawrence County Fiscal Court	Blaine Fire Department - Equipment and Improvements	Restricted Funds	0	10,000
Lawrence County Fiscal Court	Pleasant Ridge Park - Various Park Improvements	Restricted Funds	75,000	75,000
Lawrence County Board of Education	Facility Improvements and Upgrades - New Floor and Lights - Lawrence County High School Gymnasium	Restricted Funds	150,000	0
Lawrence County Fiscal Court	Lawrence County Industrial Park - Various Industrial Park Improvements and Upgrades	Restricted Funds	50,000	75,000
Lawrence County Board of Education	Blaine Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program, Enhancements, and other Physical Fitness and Playground Equipment Upgrades	Restricted Funds	25,000	0
City of Louisa	Lawrence County Public Library - Technology Upgrades, Construction, Library Enhancements and Improvements	Restricted Funds	50,000	29,000
Lawrence County Board of Education	Fallsburg Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	25,000	0
Lawrence County Board of Education	Louisa Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	25,000	0
Lawrence County Fiscal Court	Blaine City Park - Various Construction, Equipment and Ground Improvements	Restricted Funds	15,000	0
City of Louisa	Downtown Beautification, Building, Sidewalk and Street Improvements, Infastructure, City Park and City Pool Upgrades and Any Other Enhancements	Restricted Funds	34,000	50,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
<i>County Total</i>			<i>649,000</i>	<i>424,000</i>
<b>Lee</b>				
	Lee County Fiscal Court - Lee County Garage - Remodeling	Restricted Funds	0	250,000
	Lee County Fiscal Court - Volunteer Fire Department - Equipment	Restricted Funds	50,000	0
	Lee County Fiscal Court - Museum, Veterans' Wing - Improvements	Restricted Funds	40,000	0
	Lee County Fiscal Court - Park - Improvements	Restricted Funds	50,000	0
	Lee County Fiscal Court - Senior Citizens - Equipment	Restricted Funds	0	47,000
	Lee County Fiscal Court - Happy Top Development	Restricted Funds	150,000	0
	Lee County Fiscal Court - Ambulance Service - Equipment	Restricted Funds	100,000	0
<i>County Total</i>			<i>390,000</i>	<i>297,000</i>
<b>Leslie</b>				
	Leslie County Fiscal Court - Cutshin Fire and Rescue Volunteer Fire Department	Restricted Funds	10,000	20,000
	Hyden Leslie Water District - Water Line Extension - Water Plant Expansion	Restricted Funds	0	200,000
	Leslie County Board of Education - Technology Infrastructure and Student Lab Computers	Restricted Funds	100,000	100,000
	Leslie County Fiscal Court - Stinnett Community Center - Community Development Project	Restricted Funds	150,000	0
	Leslie County Fiscal Court - Beechfork Community Center - Equipment, Operations and Property Acquisition	Restricted Funds	180,000	0
	Leslie County Board of Education - Student Bus Loading Canopy	Restricted Funds	0	100,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Leslie County Fiscal Court - Hyden Volunteer Fire Department	Restricted Funds	10,000	20,000
	City of Hyden - Pedway Project	Restricted Funds	100,000	0
	Leslie County Fiscal Court - Stinnett Fire and Rescue Volunteer Fire Department	Restricted Funds	10,000	20,000
	Leslie County Fiscal Court - Jail Bond Debt (Principal)	Restricted Funds	0	500,000
	Leslie County Fiscal Court - Wooten Fire and Rescue Volunteer Fire Department	Restricted Funds	10,000	20,000
	Leslie County Board of Education - Beechfork Community Center - Property Acquisition	Restricted Funds	320,000	0
	Leslie County Fiscal Court - Thousandsticks Fire and Rescue Volunteer Fire Department	Restricted Funds	10,000	20,000
	Leslie County Fiscal Court - Redbird Fire Department	Restricted Funds	10,000	0
	Leslie County Fiscal Court - Coon Creek Volunteer Fire Department	Restricted Funds	10,000	20,000
	Leslie County Board of Education - Leslie County High School Band	Restricted Funds	10,000	0
	Leslie County Fiscal Court - Debt Service for Refunding Bond Series 2003	Restricted Funds	113,650	0
	Leslie County Fiscal Court - Leslie County Food Pantry	Restricted Funds	10,000	0
	Leslie County Fiscal Court - Transportation - County Roads - Equipment	Restricted Funds	400,000	611,441
	Leslie County Fiscal Court - Clerks Office - Equipment	Restricted Funds	20,000	0
	Leslie County Fiscal Court - Creek Operations	Restricted Funds	100,000	0
	Leslie County Fiscal Court - E911 Center - New Facility - Construction	Restricted Funds	500,000	0
	Leslie County Fiscal Court - Drug Awareness Program	Restricted Funds	10,000	10,000
	Leslie County Fiscal Court - RV Park - Improvements	Restricted Funds	75,000	0
	Kentucky River ADD - Past Dues	Restricted Funds	53,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Leslie County Fiscal Court - Community Development Center - Operations	Restricted Funds	74,000	80,000
	Leslie County Fiscal Court - E911- Operations	Restricted Funds	200,000	200,000
	Leslie County Fiscal Court - Leslie County Humane Society - Operations	Restricted Funds	10,000	0
<i>County Total</i>			<u>2,495,650</u>	<u>1,921,441</u>

**Letcher**

	Letcher County Fiscal Court - Letcher County PVA Office - Equipment	Restricted Funds	10,000	0
	City of Jenkins - Old Jenkins High School Renovation Project - Improvements	Restricted Funds	300,000	0
	City of Jenkins - Cumberland Mountain Arts and Crafts Council Project - Construction	Restricted Funds	100,000	0
	City of Whitesburg - Easta Craft Conway Center - Improvements - Operations	Restricted Funds	100,000	100,000
	City of Whitesburg - Whitesburg Wastewater Plant	Restricted Funds	500,000	0
	Letcher County Fiscal Court - Gordon Community Park - Improvements	Restricted Funds	35,000	0
	Letcher County Fiscal Court - Jenkins Volunteer Fire Department - Equipment	Restricted Funds	20,000	0
	Letcher County Fiscal Court - Neon Volunteer Fire Department - Equipment	Restricted Funds	20,000	0
	Letcher County Fiscal Court - Letcher County Parks - Improvements	Restricted Funds	100,000	100,000
	Letcher County Fiscal Court - Mayking Volunteer Fire Department - Equipment	Restricted Funds	20,000	0
	Letcher County Fiscal Court - Whitesburg Volunteer Fire Department - Equipment	Restricted Funds	20,000	0
	Letcher County Fiscal Court - Letcher Volunteer Fire Department - Equipment	Restricted Funds	20,000	0
	Letcher County Fiscal Court - Cumberland River Volunteer Fire Department - Equipment	Restricted Funds	20,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Letcher County Fiscal Court	Colson Volunteer Fire Department - Equipment	Restricted Funds	20,000	0
Letcher County Fiscal Court	Sandlick Volunteer Fire Department - Equipment	Restricted Funds	20,000	0
Letcher County Fiscal Court	Gordon Volunteer Fire Department - Equipment	Restricted Funds	20,000	0
Letcher County Fiscal Court	S.E.C.C. Economic Development Project - Economic Development Coordinator - Southeast Community Technical College	Restricted Funds	75,000	75,000
Letcher County Fiscal Court	Gordon Fire Department - Vehicle	Restricted Funds	100,000	0
Letcher County Fiscal Court	Kingscreek Volunteer Fire Department - Equipment	Restricted Funds	20,000	0
Letcher County Fiscal Court	Dry Fork Sewer Extension	Restricted Funds	0	400,000
City of Jenkins	Jenkins Water Line - Replacement	Restricted Funds	100,000	0
Letcher County Fiscal Court	McRoberts Community Center - Construction	Restricted Funds	115,000	0
Letcher County Fiscal Court	Sandlick Community Park - Improvements	Restricted Funds	0	25,000
City of Neon	Neon/Haymond Sewer Project	Restricted Funds	500,000	0
Letcher County Fiscal Court	Partridge Community Park - Improvements	Restricted Funds	0	25,000
Letcher County Fiscal Court	Thornton Community Park - Improvements	Restricted Funds	0	25,000
Letcher County Fiscal Court	Letcher County Sheriffs Department - Equipment	Restricted Funds	70,000	0
Letcher County Fiscal Court	Letcher County Clerk Office - Equipment	Restricted Funds	30,000	0
Letcher County Fiscal Court	Neon Library - Construction	Restricted Funds	200,000	0
Letcher County Fiscal Court	Neon Volunteer Fire Department - New Regional Training Center	Restricted Funds	200,000	200,000
Letcher County Fiscal Court	Letcher County Recreation Park - Improvements	Restricted Funds	0	125,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Letcher County Fiscal Court	Highway 1181/Highway 15 (Smoot Creek) Water Line Extension	Restricted Funds	0	300,000
Letcher County Fiscal Court	Kingscreek Community Center - Equipment	Restricted Funds	10,000	10,000
Letcher County Fiscal Court	Cram Creek Water Extension	Restricted Funds	400,000	0
Letcher County Fiscal Court	Cumberland River Water Project	Restricted Funds	0	600,000
Letcher County Fiscal Court	ATV Trail Development Fund - Tourism Development	Restricted Funds	100,000	0
Letcher County Fiscal Court	Hemphill Community Center - Equipment	Restricted Funds	10,000	10,000
Letcher County Fiscal Court	Mountain Water District - Booker Branch Water Project	Restricted Funds	100,000	0
<i>County Total</i>			<i>3,355,000</i>	<i>1,995,000</i>

**Magoffin**

Magoffin County Fiscal Court	Magoffin County Sheriff's Office - Vehicle and Safety Equipment	Restricted Funds	15,200	60,000
Magoffin County Fiscal Court	Middle Fork Fire Department - Equipment	Restricted Funds	35,000	35,000
Magoffin County Fiscal Court	Lloyd M. Hall Community Center - Operations	Restricted Funds	50,000	50,000
Magoffin County Fiscal Court	Teen Center - Operations	Restricted Funds	15,000	15,000
Magoffin County Fiscal Court	Reach - Operations	Restricted Funds	15,000	15,000
Magoffin County Fiscal Court	Park Board Improvements - Pool and Canopy - Construction	Restricted Funds	125,000	125,000
Magoffin County Fiscal Court	City Hall - Restoration	Restricted Funds	100,000	100,000
Magoffin County Fiscal Court	Northern Magoffin Volunteer Fire Department - Safety Equipment	Restricted Funds	10,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

County	Project Title	Fund Source	FY 2006-07	FY 2007-08
	Magoffin County Fiscal Court - Northern Magoffin County Fire Department - Minnie Pumper Truck	Restricted Funds	0	100,000
	Magoffin County Fiscal Court - Magoffin County Rescue Squad - Equipment and Operations	Restricted Funds	75,000	75,000
	Magoffin County Fiscal Court - Bloomington Fire Department - Equipment	Restricted Funds	35,000	35,000
	Magoffin County Fiscal Court - Northern Magoffin Fire Department - Equipment	Restricted Funds	35,000	35,000
	Magoffin County Fiscal Court - Sayersville Fire Department - Equipment	Restricted Funds	35,000	35,000
	Magoffin County Fiscal Court - Royalton Fire Department - Equipment	Restricted Funds	35,000	35,000
<i>County Total</i>			580,200	715,000

**Martin**

	Martin County Fiscal Court - Pigeon Roost Park - Improvements	Restricted Funds	50,000	0
	Martin County Board of Education - Youth Activities Facility - Construction	Restricted Funds	250,000	0
	Martin County Board of Education - Family Resource Centers - Improvements	Restricted Funds	60,000	0
	Martin County Fiscal Court - Ray Fields Park - Renovation of Swimming Pool	Restricted Funds	100,000	0
	Martin County Fiscal Court - Fire Hydrants	Restricted Funds	50,000	0
	Martin County Fiscal Court - Technology Building - Construction	Restricted Funds	3,500,000	0
	Martin County Fiscal Court - Courthouse - Renovation	Restricted Funds	150,000	0
	Martin County Fiscal Court - Mountain Scenic Overlook - Construction	Restricted Funds	75,000	0
	Martin County Fiscal Court - Public Library - Rufus Reed - Improvements	Restricted Funds	25,000	0
	Martin County Fiscal Court - Wolfe Creek Substance Abuse Center for Women - Improvements	Restricted Funds	200,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Martin County Fiscal Court - Warfield Park - Improvements	Restricted Funds	25,000	0
	Martin County Fiscal Court - Inez Park - Improvements	Restricted Funds	25,000	0
	Martin County Fiscal Court - Public Library - Automation	Restricted Funds	50,000	0
	Martin County Fiscal Court - Sheriff Offices - Vehicles	Restricted Funds	100,000	0
	Martin County Fiscal Court - Roy F. Collier Community Center - Operations Grant	Restricted Funds	250,000	0
	Martin County Fiscal Court - New Warfield Firehouse - Construction	Restricted Funds	75,000	0
<i>County Total</i>			<i>4,985,000</i>	<i>0</i>
<b>McCreary</b>				
	McCreary County Fiscal Court - Feasibility Study - Cumberland Falls	Restricted Funds	0	25,000
	McCreary County Fiscal Court - Senior Citizens Building - Improvements	Restricted Funds	50,000	0
	McCreary County Industrial Development Authority - Industrial Equipment and Development	Restricted Funds	35,000	35,000
	McCreary County Fiscal Court - Park Site Development	Restricted Funds	101,300	89,700
<i>County Total</i>			<i>186,300</i>	<i>149,700</i>
<b>McLean</b>				
	McLean County Fiscal Court - Southeast District Fire Station - Building Expansion	Restricted Funds	23,379	0
	McLean County Fiscal Court - Water Extension - Knuckles 431 Water Extension	Restricted Funds	0	40,000
	McLean County Fiscal Court - Water Extension - Adams School House Road	Restricted Funds	0	20,000
	McLean County Fiscal Court - Water Extension - Beech Grove	Restricted Funds	0	75,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
McLean County Fiscal Court	Parks Board	Restricted Funds	0	50,000
McLean County Fiscal Court	Broad Band	Restricted Funds	0	100,000
McLean County Fiscal Court	Fire Hydrants	Restricted Funds	0	19,362
<i>County Total</i>			<u>23,379</u>	<u>304,362</u>

**Menifee**

Menifee County Fiscal Court	Animal Shelter - Equipment and Operating	Restricted Funds	0	17,000
Menifee County Board of Education	Botts Elementary - Playground Equipment	Restricted Funds	15,000	0
Menifee County Fiscal Court	Public Library - Parking Lot Addition	Restricted Funds	0	20,000
Menifee County Fiscal Court	Emergency Rescue Squad - Equipment and Operations	Restricted Funds	0	5,000
Menifee County Fiscal Court	Park - Improvements	Restricted Funds	0	5,000
Menifee County Board of Education	Baseball Field - Improvements	Restricted Funds	0	20,000
Menifee County Board of Education	Menifee County Middle School - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Equipment Upgrades	Restricted Funds	5,000	0
Menifee County Fiscal Court	Food Pantry - Operations	Restricted Funds	5,000	0
Menifee County Fiscal Court	Sheriffs Office - Equipment	Restricted Funds	15,000	0
Menifee County Board of Education	Menifee County High School - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Equipment Upgrades	Restricted Funds	5,000	0
Menifee County Fiscal Court	Public Library - 50/50 Match Automated Upgrade Grant	Restricted Funds	0	10,000
Menifee County Fiscal Court	Chamber of Commerce - Tourism Promotions	Restricted Funds	0	2,500

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Menifee County Board of Education - Botts Elementary School - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	5,000	0
	City of Frenchburg - Pedestrian Walkway - Front of Menifee County High School	Restricted Funds	20,000	0
	Menifee County Board of Education - Menifee County Middle School - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	5,000	0
	City of Frenchburg - Feasibility Study for Horse Trail Development Around Cave Run Lake and/or Trail Development at Murder Branch	Restricted Funds	15,000	0
	Menifee County Board of Education - Frenchburg Elementary School - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	5,000	0
<i>County Total</i>			<i>95,000</i>	<i>79,500</i>

**Morgan**

	Morgan County Board of Education - Morgan County High School - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Equipment Upgrades	Restricted Funds	5,000	0
	Morgan County Fiscal Court - Sheriff's Department - Equipment	Restricted Funds	0	15,000
	Morgan County Board of Education - Morgan Middle School - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Equipment Upgrades	Restricted Funds	5,000	0
	Morgan County Fiscal Court - Saddle Club for Cave Run Lake Horse Trail Development - Regional, Technology and Business Center	Restricted Funds	5,000	5,000
	Morgan County Board of Education - West Liberty Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	5,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Morgan County	Fiscal Court - Caney Valley Fire Department - Equipment, Operating and Improvements - Regional, Technology and Business Center	Restricted Funds	5,000	0
Morgan County	Board of Education - Wrigley Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	5,000	0
Morgan County	Board of Education - Alternative School Program	Restricted Funds	50,000	50,000
Morgan County	Fiscal Court - Crockett Fire Department - Equipment, Operating and Improvements - Regional, Technology and Business Center	Restricted Funds	5,000	0
Morgan County	Fiscal Court - Peddler Gap Fire Department - Equipment, Operating and Improvements - Regional, Technology and Business Center	Restricted Funds	5,000	0
Morgan County	Fiscal Court - Blackwater Fire Department - Equipment, Operating and Improvements - Regional, Technology and Business Center	Restricted Funds	5,000	0
Morgan County	Fiscal Court - Public Library - Maintenance, Equipment and Upgrades	Restricted Funds	10,000	10,000
Morgan County	Fiscal Court - Appalachian Regional Hospital - Diabetes Program	Restricted Funds	25,000	25,000
Morgan County	Fiscal Court - East Kentucky ATV Association - Equipment and Trail Improvements - Regional, Technology and Business Center	Restricted Funds	10,000	0
Morgan County	Fiscal Court - White Oak Fire Department - Equipment, Operating and Improvements - Regional, Technology and Business Center	Restricted Funds	5,000	0
Morgan County	Board of Education - High School - Track and Practice Field - Improvements	Restricted Funds	60,000	0
Morgan County	Board of Education - Ezel Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	5,000	0
Morgan County	Board of Education - Canel City Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	5,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Morgan County Board of Education - Morgan County High School - Day Treatment Drug Program	Restricted Funds	10,000	25,000
	Morgan County Board of Education - Football Field - Renovate Dressing Facilities	Restricted Funds	18,000	0
	Morgan County Fiscal Court - Helping Hands Animal Shelter - Building and Land Acquisition - Regional, Technology and Business Center	Restricted Funds	10,000	0
	Morgan County Fiscal Court - Food Pantry - Regional, Technology and Business Center - Operations	Restricted Funds	5,000	5,000
	Morgan County Fiscal Court - Feasibility Study for the Morgan County Saddle Club for Horse Trail Development Around Cave Run Lake	Restricted Funds	15,000	0
	Morgan County Board of Education - High School - Football Field - Improvements	Restricted Funds	20,000	0
	Morgan County Fiscal Court - WPA Museum - Operating and Maintenance - Regional, Technology and Business Center	Restricted Funds	0	5,000
	Morgan County Board of Education - East Valley Elementary - Facility and Ground Improvements, Technology Upgrades, Curriculum, Program and Other Enhancements, Physical Fitness and Playground Equipment Upgrades	Restricted Funds	5,000	0
	Morgan County Fiscal Court - Disabled American Vets - Operating Expenses - Regional, Technology and Business Center	Restricted Funds	5,000	5,000
	Morgan County Fiscal Court - Oral Health Screening for Elderly with UK - Regional, Technology and Business Center	Restricted Funds	0	25,000
	Morgan County Fiscal Court - Senior Citizens - Operations - Regional, Technology and Business Center	Restricted Funds	5,000	5,000
	Morgan County Board of Education - High School - Concession Stand - Equipment and Improvements	Restricted Funds	10,000	0
<i>County Total</i>			<i>318,000</i>	<i>175,000</i>

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

County	Project Title	Fund Source	FY 2006-07	FY 2007-08
<b>Muhlenberg</b>				
	Muhlenberg County Fiscal Court - Board of Health - Construction of Wellness Center - located at the intersection of Cleaton Rd. and US 62 North or on the West Side of US 62 N Approx. 1/2 Mile N of Northern City Limit of Powderly	Restricted Funds	1,000,000	0
	Muhlenberg County Water District #1 - Replacement of Water Lines	Restricted Funds	25,212	0
	City of Drakesboro - Brown Field Remediation Project, to Locate Fire Station on Old Aluminum Smelter Facility	Restricted Funds	215,000	0
	Muhlenberg County Fiscal Court - Muhlenberg Economic Enterprises Inc. (Industrial Board) to Operate Industrial Recruitment Program for Economic Development of Muhlenberg County	Restricted Funds	250,000	0
	City of Bremen - Community Center Repair	Restricted Funds	10,000	0
<i>County Total</i>			<i>1,500,212</i>	<i>0</i>
<b>Ohio</b>				
	Ohio County Fiscal Court - 911 Equipment (Workstation and Radios)	Restricted Funds	45,000	0
	Ohio County Fiscal Court - Road Department - De-icer Equipment	Restricted Funds	25,000	0
	Ohio County Fiscal Court - Seniors - Vehicle	Restricted Funds	59,000	0
	Ohio County Fiscal Court - Sports Complex - Improvements	Restricted Funds	50,000	0
	Ohio County Fiscal Court - Seven Community Weather Sirens	Restricted Funds	110,000	0
	Ohio County Fiscal Court - Repair 2 Bridges - Hamlin Chapel Road #C-285	Restricted Funds	35,000	0
	Ohio County Fiscal Court - Bluegrass Crossings Industrial Park - Infrastructure	Restricted Funds	424,000	0
	Ohio County Fiscal Court - Broadband Infrastructure	Restricted Funds	200,000	0
	Ohio County Fiscal Court - Road Department - Backhoe	Restricted Funds	70,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Ohio County Fiscal Court - Airport Water Line with Hydrant	Restricted Funds	48,000	0
	Ohio County Fiscal Court - Ambulance - Vehicle	Restricted Funds	65,000	0
	Ohio County Fiscal Court - Eight Welcome Ohio County Signs	Restricted Funds	10,000	0
<i>County Total</i>			<i>1,141,000</i>	<i>0</i>
<b>Owsley</b>				
	Owsley County Fiscal Court - Three Forks Regional Jail - Maintenance and Expenses	Restricted Funds	50,000	50,000
	Owsley County Fiscal Court - Senior Citizens Center - Repairs	Restricted Funds	50,000	0
	Owsley County Fiscal Court - Industrial Loan for Spec Building in Industrial Park - Paying Interest on Building	Restricted Funds	16,126	0
	Owsley County Fiscal Court - Industrial Authority - Operating Expenses	Restricted Funds	0	29,365
	Owsley County Fiscal Court - Library - Construction	Restricted Funds	82,261	125,000
	Owsley County Fiscal Court - Island City Fire Department - Equipment	Restricted Funds	10,000	10,000
	Owsley County Fiscal Court - Cemetery - Cleanup Costs	Restricted Funds	0	15,000
	Owsley County Fiscal Court - Booneville City Fire Department - Equipment	Restricted Funds	10,000	10,000
	City of Booneville - Match Money for Police Cruiser	Restricted Funds	8,000	0
	Owsley County Fiscal Court - Vincent Fire Department - Equipment	Restricted Funds	10,000	10,000
<i>County Total</i>			<i>236,387</i>	<i>249,365</i>
<b>Perry</b>				
	Perry County Fiscal Court - Challenger Center - Operations and Expense	Restricted Funds	100,000	100,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Hazard Independent School Board - Expense	Restricted Funds	100,000	50,000
	Perry County Fiscal Court - Lotts Creek Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
	Perry County Fiscal Court - Joshua's Dream - Drug Rehabilitation	Restricted Funds	150,000	0
	Perry County Fiscal Court - Economic Development and Tourism Initiative - Operations and Expense	Restricted Funds	100,000	300,000
	Perry County Fiscal Court - Regional Jail - Operations and Expense	Restricted Funds	250,000	0
	Perry County Board of Education - Perry County Schools - Expense and Air Conditioning for High School Gym	Restricted Funds	150,000	150,000
	Perry County Fiscal Court - Troublesome Creek Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
	City of Hazard - Equipment Fund	Restricted Funds	250,000	0
	City of Buckhorn - Buckhorn Lake - Economic Development Fund	Restricted Funds	150,000	0
	Perry County Fiscal Court - University of Kentucky for Rural Health Indigent Primary School - Operations and Expense	Restricted Funds	250,000	0
	Perry County Fiscal Court - University Center of the Mountains - Operations and Expense	Restricted Funds	0	500,000
	Perry County Fiscal Court - Senior Citizens - Wellness Center	Restricted Funds	0	230,000
	Perry County Fiscal Court - Avawam Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
	Perry County Fiscal Court - Leatherwood Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
	Perry County Fiscal Court - Sewer Treatment - Pilot Project Hiner Sewer	Restricted Funds	100,000	50,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Perry County	Fiscal Court - Senior Citizens - Sustenance Fund and New Building Expense	Restricted Funds	20,000	20,000
Perry County	Fiscal Court - Cornettsville Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
Perry County	Fiscal Court - Sheriff - Operating Expense to Combat Drugs	Restricted Funds	250,000	0
Perry County	Fiscal Court - Jakes Branch Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
Perry County	Fiscal Court - Vicco Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
Perry County	Fiscal Court - Viper Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
Perry County	Fiscal Court - Civil War Reenactment - Tourism Fund	Restricted Funds	10,000	10,000
Perry County	Fiscal Court - Fisty Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
Perry County	Fiscal Court - Krypton Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
Perry County	Fiscal Court - Clerk's Office - Virtual Court House Modernization	Restricted Funds	50,000	0
Perry County	Fiscal Court - Park - Expansion and Maintenance	Restricted Funds	200,000	0
Perry County	Fiscal Court - South Perry Water Line - Expansion Phase II and Phase III	Restricted Funds	400,000	356,000
Perry County	Fiscal Court - Buckhorn Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
Perry County	Fiscal Court - Grapevine Chavies Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
City of Buckhorn	- Sewer and Water - Operations and Expense	Restricted Funds	200,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Perry County	Fiscal Court - Lost Creek Volunteer Fire Department - Operations and Equipment	Restricted Funds	5,384	5,384
<i>County Total</i>			<i>2,799,992</i>	<i>1,835,992</i>
<b>Pike</b>				
Pike County	Board of Education - Robinson Creek - Operating	Restricted Funds	4,522	0
Mountain Water District	- Water Plant Expansion	Restricted Funds	1,000,000	0
Pike County	Fiscal Court - Big Sandy Child Advocacy Center	Restricted Funds	25,000	25,000
Pike County	Fiscal Court - Blackberry Senior Citizens Program - Construction, Operating and Improvements	Restricted Funds	50,000	0
Pike County	Fiscal Court - City of Elkhorn City - Housing Development Corporation	Restricted Funds	100,000	0
Pike County	Fiscal Court - Big Creek Fire Department - Operations	Restricted Funds	50,000	0
City of Pikeville	- Domestic Violence Center	Restricted Funds	75,000	75,000
Pike County	Fiscal Court - East Kentucky Expo Center	Restricted Funds	100,000	0
Pike County	Fiscal Court - Elkhorn City Renaissance Program - Equipment, Operating and Improvements	Restricted Funds	20,000	0
Pike County	Fiscal Court - Elkhorn City Art Center	Restricted Funds	100,000	0
Pike County	School Board - Belfry - Athletic Complex - Equipment, Operating and Improvements	Restricted Funds	25,000	25,000
Mountain Water District	- Smith Fork Sewer Project	Restricted Funds	0	1,400,000
Pike County	Board of Education - Belfry Middle School - Operating	Restricted Funds	3,561	0
Pike County	Board of Education - Elkhorn City Elementary - Operating	Restricted Funds	9,893	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Pike County Board of Education	- Runyon Elementary School - Operating	Restricted Funds	4,070	0
Pike County Board of Education	- Feds Creek - Operating	Restricted Funds	7,123	0
City of Pikeville	- Pike/Floyd Sewer Project	Restricted Funds	300,000	0
Pike County Fiscal Court	- Elkhorn City Water Lines - Repair, Replace & Restore - Equipment, Operating, and Improvements	Restricted Funds	200,000	0
Pike County Fiscal Court	- Elkhorn City Railroad Museum - Equipment, Operating and Improvements	Restricted Funds	5,000	0
Pike County Fiscal Court	- Long Fork Community Center - Construction, Equipment and Operating Costs	Restricted Funds	50,000	150,000
Pike County Fiscal Court	- Feds Creek Fire Department - Equipment, Operating and Improvements	Restricted Funds	50,000	0
Pike County Board of Education	- Belfrey YSC - Operating	Restricted Funds	4,296	0
Pike County Board of Education	- Blackberry Elementary School - Operating	Restricted Funds	1,639	0
Pike County Board of Education	- Southside Elementary School - Operating	Restricted Funds	4,975	0
Pike County Board of Education	- Johns Creek - Operating	Restricted Funds	3,844	0
Pike County Board of Education	- Shelby Valley - Operating	Restricted Funds	4,296	0
Pike County Fiscal Court	- Belfry Fire Department - Equipment, Operating and Improvements	Restricted Funds	50,000	0
Pike County Board of Education	-Majestic Elementary School - Operating	Restricted Funds	6,162	0
Pike County Board of Education	- Dorton Elementary School - Operating	Restricted Funds	3,957	0
Pike County Board of Education	-GF Johnson - Operating	Restricted Funds	2,657	0
Pike County Board of Education	- Bevins Elementary School - Operating	Restricted Funds	1,752	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Pike County	Pike County Board of Education - Pike Central High School - Athletic Complex - Equipment, Operating and Improvements	Restricted Funds	25,000	25,000
Pike County	Pike County Board of Education - Shelby Valley High School - Athletic Field - Improvements	Restricted Funds	100,000	0
Pike County	Pike County Fiscal Court - Old Pond Fire Department	Restricted Funds	25,000	0
Pike County	Pike County Board of Education - Kimper Elementary School - Operating	Restricted Funds	1,865	0
Pike County	Pike County Fiscal Court - Hatfield McCoy Trail Development Fund - Tourism Development	Restricted Funds	100,000	0
Pike County	Pike County Fiscal Court - Ferrells Creek Fire Department - Operating and Improvements	Restricted Funds	50,000	0
Pike County	Pike County Fiscal Court - Pike County DAV/VFW - Operating and Improvements	Restricted Funds	50,000	50,000
Pike County	Pike County Fiscal Court - Pike County Fire Departments - Equipment, Operating and Improvements	Restricted Funds	100,000	100,000
Pike County	Pike County Fiscal Court - Pike County Jail - Improvements	Restricted Funds	250,000	250,000
Pike County	Pike County Fiscal Court - Pike County Recreational Department	Restricted Funds	240,000	240,000
Pike County	Pike County Fiscal Court - Senior Citizens Program - Equipment, Operating and Improvements	Restricted Funds	100,000	0
Pike County	Pike County Fiscal Court - Open Fork Community Center - Equipment, Operating and Improvements	Restricted Funds	50,000	0
Pike County	Pike County Board of Education - Pike Central - Operating	Restricted Funds	5,031	0
City of Pikeville	Marion Branch Economic Development - Construction	Restricted Funds	500,000	500,000
Pike County	Pike County Board of Education - Phelps YSC - Operating	Restricted Funds	8,140	0
Pike County	Pike County Board of Education - Virgie Middle School - Operating	Restricted Funds	2,261	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY  
Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
Pike County	Pike County Fiscal Court - Hatfield Fire Department - Equipment, Operating and Improvements	Restricted Funds	0	50,000
Pike County	Pike County Board of Education - Mullins - Operating	Restricted Funds	2,940	0
Pike County	Pike County Board of Education - Phelps Elementary School - Operating	Restricted Funds	4,918	0
Pike County	Pike County School Board - Phelps High School - Phelps History Center - Equipment, Operating and Improvements	Restricted Funds	35,000	35,000
Pike County	Pike County Board of Education - Phelps High School - Athletic Field - Improvements	Restricted Funds	100,000	0
Mountain Water District	Mountain Water District - Elkhorn Creek Water	Restricted Funds	0	300,000
Pike County	Pike County Fiscal Court - Elkhorn City Heritage Council	Restricted Funds	5,000	5,000
Pike County	Pike County Board of Education - East Ridge YSC - Operating	Restricted Funds	7,688	0
Pike County	Pike County Fiscal Court - HOPE, Inc. (3 Centers) - Equipment, Operating and Improvements	Restricted Funds	75,000	75,000
City of Pikeville	City of Pikeville - Humane Society - Operating	Restricted Funds	100,000	0
Pike County	Pike County Fiscal Court - Johns Creek Community Center - Improvements	Restricted Funds	15,000	0
Pike County	Pike County Fiscal Court - Phelps Fire Department - Building Expansion	Restricted Funds	30,000	0
City of Pikeville	City of Pikeville - Bob Amos Park - Sidewalks and Improvements	Restricted Funds	100,000	100,000
Pike County	Pike County Fiscal Court - Lower Johns Creek Fire Department - Equipment	Restricted Funds	0	25,000
Mountain Water District	Mountain Water District - Forest Hill Sewer Phase II	Restricted Funds	1,280,000	0
Mountain Water District	Mountain Water District - Justiceville / Garden Village Sewer / Shelby Phase IV	Restricted Funds	0	1,000,000
Mountain Water District	Mountain Water District - LMI Connections Water Project	Restricted Funds	400,000	0
Mountain Water District	Mountain Water District - Millard Water Main Replacement	Restricted Funds	0	400,000

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Pike County Board of Education - Millard Middle School - Operating	Restricted Funds	4,409	0
	Pike County Fiscal Court - Hellier Veterans Center - Improvements	Restricted Funds	20,000	0
	Pike County Fiscal Court - Kimper Fire Department - New Trucks	Restricted Funds	150,000	0
	Pike County Fiscal Court - KY HOPE - Equipment, Operating and Improvements	Restricted Funds	80,000	80,000
	City of Pikeville - Big Sandy Heritage Center	Restricted Funds	25,000	25,000
<i>County Total</i>			<i>6,305,002</i>	<i>4,935,000</i>
<b>Rockcastle</b>				
	Rockcastle County Fiscal Court - Livingston Fire Department - Equipment	Restricted Funds	10,000	7,500
	City of Mt. Vernon - Reconstruct Sidewalk/Lovell Lane	Restricted Funds	40,000	0
	Rockcastle County Fiscal Court - Rockcastle Fire Department - Equipment	Restricted Funds	10,000	7,500
	Rockcastle County Fiscal Court - Brindle Ridge Fire Department - Equipment	Restricted Funds	10,000	7,500
	Rockcastle County Fiscal Court - Kentucky Music Museum and Hall of Fame - Improvements	Restricted Funds	150,000	93,800
	Rockcastle County Fiscal Court - Mt. Vernon Fire Department - Equipment	Restricted Funds	10,000	7,500
	Rockcastle County Fiscal Court - Broadhead Fire Department - Equipment	Restricted Funds	10,000	7,500
	Rockcastle County Fiscal Court - Quail Fire Department - Equipment	Restricted Funds	10,000	7,500
<i>County Total</i>			<i>250,000</i>	<i>138,800</i>
<b>Union</b>				
	Union County Fiscal Court - Downtown Morganfield Park	Restricted Funds	50,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Union County Fiscal Court - Public Library - To Purchase Book Cases, Tables and Chairs, Computer Desks, and Other Expenses to Complete Interior	Restricted Funds	150,000	0
	Union County Fiscal Court - Sturgis Amphitheater - Sound Equipment, Roof Upgrade, and Seating Refurbishing	Restricted Funds	50,000	0
	Union County Fiscal Court - Uniontown Park	Restricted Funds	25,000	0
	City of Sturgis - Rest Home - Window Replacement, Tile, and Other Needed Furnishings	Restricted Funds	50,000	0
	Union County Fiscal Court - Union County YMCA - Upgrades of Heating, Air, Sidewalks, Emergency Lighting, Restrooms and Rehabilitation of the Interior and Exterior of the Building	Restricted Funds	75,000	0
	Union County Fiscal Court - Van for Senior Services	Restricted Funds	30,000	0
	Union County Fiscal Court - Sturgis Airport - Dump Truck with Snow Removal Equipment and other Equipment	Restricted Funds	84,000	0
	Union County Fiscal Court - Union County Correctional Facility - Interest on Bond Payments	Restricted Funds	450,000	450,000
	Union County Fiscal Court - Elkwood Public Golf Course - Equipment to Maintain Fairways and Greens, Paving of Cart Path and Other Needs of the Golf Course Including but not Limited to the Pro Golf Shop	Restricted Funds	75,000	0
<i>County Total</i>			<i>1,039,000</i>	<i>450,000</i>

**Webster**

	Webster County Fiscal Court - Blackford Bridge Park and Building	Restricted Funds	50,000	0
	City of Wheatcroft - Fire Department Building	Restricted Funds	50,000	0
	City of Dixon - Lighting for City Park Soccer Field	Restricted Funds	40,000	0
	Webster County Water District - Equipment	Restricted Funds	250,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Webster County Fiscal Court - Debt Service to KIA - Dixon Sewer	Restricted Funds	250,000	250,000
	City of Providence - Debt Service to KIA - Water and Sewer Plant	Restricted Funds	250,000	250,000
	Webster County Industrial Development Authority - Revolving Loan Fund	Restricted Funds	250,000	250,000
	City of Dixon - First Response Truck	Restricted Funds	75,000	0
	Webster County Industrial Development Authority - Recruitment	Restricted Funds	300,000	0
	City of Wheatcroft - City Park Improvements and Equipment	Restricted Funds	0	25,000
	City of Sebree - Economic Development Building and Repair	Restricted Funds	0	100,000
	City of Providence - Fire Station Repair	Restricted Funds	50,000	0
	Webster County Fiscal Court - Providence/Webster County Airport Board - Hanger Building and Repairs to Airport	Restricted Funds	0	70,000
	City of Slaughters - Water Line Improvements -Fire Hydrants	Restricted Funds	20,000	0
<i>County Total</i>			<i>1,585,000</i>	<i>945,000</i>
<b>Whitley</b>				
	Whitley County Fiscal Court - Purchase Equipment for Vegetation Control of Sensitive Areas	Restricted Funds	0	10,000
	Whitley County Fiscal Court - Historical Society - Improvements	Restricted Funds	10,000	0
	Whitley County Fiscal Court - Library - Books and Technology Upgrade	Restricted Funds	0	30,000
	Whitley County Fiscal Court - Senior Citizens - Service Upgrade	Restricted Funds	0	20,000
	Whitley County Fiscal Court - Sheriff's Department - Lease and Principle for Two Police Cars	Restricted Funds	0	64,000
	Whitley County Fiscal Court - Jail - Reopening and Startup Expense	Restricted Funds	200,000	0

**HOUSE BUDGET REPORT - 2006 REGULAR SESSSION OF THE GENERAL ASSEMBLY**  
**Part II. Capital Budget - M. Coal Severance Tax Projects**

<b>County</b>	<b>Project Title</b>	<b>Fund Source</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>
	Whitley County Fiscal Court - Corbin Police Department - One Police Cruiser	Restricted Funds	0	35,000
<i>County Total</i>			<i>210,000</i>	<i>159,000</i>
<i>Grand Total</i>			<i>46,256,424</i>	<i>24,013,593</i>

**THIS PAGE INTENTIONALLY LEFT BLANK**

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

**BRANCH BUDGET**

The State Executive Branch Budget Bill, Part III, General Provisions, includes the following directives:

**1. Funds Designations and Sources:** Restricted Funds designated in the biennial budget bills are classified in the state financial records and reports as the Agency Revenue Fund, State Enterprise Funds (State Parks, State Fair Board, Insurance Administration, and Kentucky Horse Park), Internal Services Funds (Fleet Management, Computer Services, Correctional Industries, Central Printing, Risk Management, and Property Management), and selected Fiduciary Funds (Other Expendable Trust Funds). Separate funds records and reports shall be maintained in a manner consistent with the branch budget bills.

The sources of Restricted Funds appropriations in this Act shall include all fees (which includes fees for room and board, athletics, and student activities) and rentals, admittances, sales, bond proceeds, licenses collected by law, gifts, subventions, contributions, income from investments, and other miscellaneous receipts produced or received by a budget unit, except as otherwise specifically provided, for the purposes, use, and benefit of the budget unit as authorized by law. Restricted Funds receipts shall be credited and allotted to the respective fund or account out of which a specified appropriation is made in this Act. All receipts of Restricted Funds shall be deposited in the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42, 45, and 48.

The sources of Federal Funds appropriations in this Act shall include federal subventions, grants, contracts, or other Federal Funds received, income from investments, and other miscellaneous federal receipts received by a budget unit, the Unemployment Compensation Fund, except as otherwise provided, for the purposes, use, and benefit of the budget unit as authorized by law. Federal Funds receipts shall be credited and allotted to the respective fund account out of which a specified appropriation is made in this Act. All Federal Funds receipts shall be deposited in the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42, 45, and 48.

**2. Expenditure of Excess Restricted Funds or Federal Funds Receipts:** If receipts received or credited to the Restricted Funds accounts or Federal Funds accounts of a budget unit during fiscal year 2006-2007 or fiscal year 2007-2008, and any balance forwarded to the credit of these same accounts from the previous fiscal year, exceed the appropriation made by specific sum for these accounts of the budget unit as provided in Part I, Operating Budget, of this Act, for the fiscal year in which the excess occurs, the excess funds in the accounts of the budget unit shall become available for expenditure for the purpose of the account during the fiscal year only upon compliance with the conditions and procedures specified in KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810 and this Act, and with the authorization of the State Budget Director and approval of the Secretary of the Finance and Administration Cabinet.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

Prior to authorizing the appropriation of any excess, unbudgeted Restricted Funds pursuant to this section, the State Budget Director and the Secretary of the Finance and Administration Cabinet shall review the adequacy of the General Fund Surplus Account with respect to its availability to support Necessary Government Expenses. In the event that General Fund Surplus Account moneys are determined by this review to be adequate to meet known or anticipated Necessary Government Expenses during fiscal year 2006-2007 or fiscal year 2007-2008, respectively, then the appropriation increase may be approved. In the event that the review indicates that there are insufficient funds available or reasonably estimated to become available to the General Fund Surplus Account to meet known or projected Necessary Government Expenses for the fiscal years enumerated above, the State Budget Director, with the concurrence of the Secretary of the Finance and Administration Cabinet, may disapprove the request for additional Restricted Funds expenditure authority and may direct the excess Restricted Funds identified to the General Fund Surplus Account in order to meet Necessary Government Expense obligations. The results of any review shall be reported to the Interim Joint Committee on Appropriations and Revenue in accordance with KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810.

Any request made by a budget unit pursuant to KRS 48.630 that relates to Restricted Funds or Federal Funds shall include documentation showing a comparative statement of revised estimated receipts by fund source and the proposed expenditures by proposed use, with the appropriated sums specified in the Budget of the Commonwealth, and statements which explain the cause, source, and use for any variances which may exist.

Each budget unit shall submit its reports in print and electronic format consistent with the Restricted Funds and Federal Funds records contained in the fiscal biennium 2006-2008 Branch Budget Request Manual and according to the following schedule in each fiscal year: (a) On or before the beginning of each fiscal year; (b) On or before October 1; (c) On or before January 1; and (d) On or before April 1.

**3. Interim Appropriation Increases:** No appropriation from any fund source shall exceed the sum specified in this Act until the agency has documented the necessity, purpose, use, and source, and the documentation has been submitted to the Interim Joint Committee on Appropriations and Revenue for its review and action in accordance with KRS 48.630. Proposed revisions to an appropriation contained in the enacted State/Executive Budget or allotment of an unbudgeted appropriation shall conform to the conditions and procedures of KRS 48.630 and this Act.

**Fiscal Biennium 2006-2008**  
**Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

Notwithstanding KRS 48.630(3), (4), and (5), any proposed and recommended actions to increase appropriations for funds specified in Section 2 of this Part shall be scheduled consistent with the timetable contained in that section in order to provide continuous and timely budget information.

**4. Revision of Appropriation Allotments:** Allotments within appropriated sums for the activities and purposes contained in the enacted State/Executive Budget shall conform to KRS 48.610 and may be revised pursuant to KRS 48.605 and this Act.

**5. Appropriations Expenditure Purpose and Transfer Restrictions:** Funds appropriated in this Act shall not be expended for any purpose not specifically authorized by the General Assembly in this Act nor shall funds appropriated in this Act be transferred to or between any cabinet, department, board, commission, institution, agency, or budget unit of state government unless specifically authorized by the General Assembly in this Act and the provisions of KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810. Compliance with the provisions of this section shall be reviewed and determined by the Interim Joint Committee on Appropriations and Revenue.

**6. Permitted Appropriation Obligations:** No state agency, cabinet, department, office, or program shall incur any obligation against the General Fund or Road Fund appropriations contained in this Act unless the obligation may be reasonably determined to have been contemplated in the enacted budget and is based upon supporting documentation considered by the General Assembly, legislative and executive records, and the statutory budget memorandum.

**7. Lapse of General Fund or Road Fund Appropriations Supplanted by Federal Funds:** Any General Fund or Road Fund appropriation made in anticipation of a lack, loss, or reduction of Federal Funds shall lapse to the General Fund or Road Fund Surplus Account, respectively, to the extent the Federal Funds otherwise become available.

**8. Federally Funded Agencies:** A state agency entitled to Federal Funds, which would represent 100 percent of the cost of a program, shall conform to KRS 48.730.

**9. Lapse of General Fund or Road Fund Excess Debt Service Appropriations:** Pursuant to KRS 48.720, any excess General Fund or Road Fund debt service shall lapse to the respective surplus account unless otherwise directed in this Act.

**10. Continuing Appropriations:** All statutes and portions of statutes in conflict with any of the provisions of this Act, to the extent of the conflict, are suspended unless otherwise provided by this Act.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

**11. Construction of Budget Provisions on Statutory Budget Administration Powers and Duties:** Nothing in this Act is to be construed as amending or altering the provisions of Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the duties and powers of the Secretary of the Finance and Administration Cabinet except as otherwise provided in this Act.

**12. Interpretation of Appropriations:** All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which the appropriation may be expended shall be decided by the Secretary of the Finance and Administration Cabinet pursuant to KRS 48.500, and the decision of the Secretary of the Finance and Administration Cabinet shall be final and conclusive.

**13. Publication of the Budget of the Commonwealth:** The State Budget Director shall cause the Governor's Office for Policy and Management, within 60 days of adjournment of the 2006 Regular Session of the General Assembly, to publish a final enacted budget document, styled the Budget of the Commonwealth, based upon the Legislative Budget, State/Executive Budget, and Judicial Budget as enacted by the 2006 Regular Session, as well as other Acts which contain appropriation provisions for the 2006-2008 fiscal biennium, and based upon supporting documentation and legislative records as considered by the 2006 Regular Session, and the statutory budget memorandum. This document shall include, for each agency and budget unit, a consolidated budget summary statement of available regular and continuing appropriated revenue by fund source, corresponding appropriation allocations by program or subprogram as appropriate, budget expenditures by principal budget class and for the State/Executive Budget, and any other fiscal data and commentary considered necessary for budget execution by the Governor's Office for Policy and Management and oversight by the Interim Joint Committee on Appropriations and Revenue. The enacted State/Executive Budget shall be revised or adjusted only upon approval by the Governor's Office for Policy and Management as provided in each Part of this Act and by KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810, and upon review and action by the Interim Joint Committee on Appropriations and Revenue.

**14. State Financial Condition:** Pursuant to KRS 48.400, the State Budget Director shall monitor and report on the financial condition of the Commonwealth.

**15. Prorating Administrative Costs:** The Secretary of the Finance and Administration Cabinet is authorized to establish a system or formula or a combination of both for prorating the administrative costs of the Finance and Administration Cabinet, the Department of Treasury, and the Office of the Attorney General relative to the administration of programs in which there is joint participation by the state and federal governments for the purpose of receiving the maximum amount of participation permitted under the appropriate

**Fiscal Biennium 2006-2008**  
**Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

federal laws and regulations governing the programs. The receipts and allotments under this section shall be reported to the Interim Joint Committee on Appropriations and Revenue prior to any transfer of funds.

**16. Construction of Budget Provisions Regarding Executive Reorganization Orders:** Nothing in this Act shall be construed to confirm or ratify, under KRS 12.027 or 12.028, any executive reorganization order unless the executive order was confirmed or ratified by appropriate amendment to the Kentucky Revised Statutes in another Act of the 2006 Regular Session of the General Assembly. If any executive reorganization order issued from sine die adjournment of the 2005 Regular Session to sine die adjournment of the 2006 Regular Session was not confirmed by the 2006 Regular Session of the General Assembly, the Secretary of the Finance and Administration Cabinet shall, in consultation with agency heads and with notification to the Legislative Research Commission, transfer the balance of funds for any affected program or function for fiscal year 2005-2006 and any related appropriations and funds for each of the next two fiscal years from the budget unit in which the program or function was placed by the executive reorganization order to the budget unit in which the program or function resided prior to the reorganization action or in which it was placed by action of the 2006 Regular Session of the General Assembly.

**17. Budget Planning Report:** By August 15, 2007, the State Budget Director, in conjunction with the Consensus Forecasting Group, shall provide to each branch of government, pursuant to KRS 48.117, a budget planning report.

**18. Tax Expenditure Revenue Loss Estimates:** By October 15, 2007, the Office of State Budget Director shall provide to each branch of government detailed estimates for the General Fund and Road Fund for the current and next two fiscal years of the revenue loss effected by tax expenditures. The Department of Revenue shall provide assistance and furnish data which is not restricted by KRS 131.190. "Tax expenditure" means an exemption, exclusion, or deduction from the base of a tax, a credit against the tax, a deferral of a tax, or a preferential tax rate. The estimates shall include for each tax expenditure the amount of revenue loss, a citation of the legal authority for the tax expenditure, the year in which it was enacted, and the tax year in which it became effective.

**19. Duplicate Appropriations:** Any appropriation item and sum in Parts I to X of this Act and in an appropriation provision in any Act of the 2006 Regular Session which constitutes a duplicate appropriation shall be governed by KRS 48.312.

**20. Priority of Individual Appropriations:** KRS 48.313 shall control when a total or subtotal figure in this Act conflicts with the sum of the appropriations of which it consists.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

- 21. Severability of Budget Provisions:** Appropriation items and sums in Parts I to X of this Act shall conform to KRS 48.311. If any section, any subsection, or any provision is found by a court of competent jurisdiction in a final, unappealable order to be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions.
- 22. Unclaimed Lottery Prize Money:** For fiscal year 2006-2007 and fiscal year 2007-2008, all unclaimed lottery prize money under KRS 154A.110(3) shall be credited to the Kentucky Excellence in Education Scholarship (KEES) Reserve Account within the Finance and Administration Cabinet for the purpose of funding the KEES Program as appropriated in this Act. If the Kentucky Higher Education Assistance Authority certifies to the State Budget Director that the appropriations in this Act for the KEES Program under the existing award schedule are insufficient to meet funds required for eligible applicants, then the State Budget Director shall provide the necessary allotment of funds in the balance of the Subsidiary Account to fund the KEES Program. Actions taken under this section shall be reported to the Interim Joint Committee on Appropriations and Revenue on a timely basis.
- 23. Sales and Use Tax Collection and Remittance Compensation:** Notwithstanding KRS 139.570, for the periods after June 30, 2006, the total reimbursement allowed per taxpayer in any month shall not exceed \$1,500. Notwithstanding KRS 139.240, 139.250, or 139.700, after the effective date of this Act, separate permit numbers for a taxpayer with different business locations shall not be issued.
- 24. Abandoned Property Held by Financial Institutions:** Notwithstanding KRS 393.060, the dormancy period for property held or owing by a banking or financial institution, other than traveler's checks, shall be three years rather than seven years.
- 25. Sale of Abandoned Property by Treasury Department:** Pursuant to KRS 393.125, the department, within three years of the receipt of abandoned property that are securities, shall sell the securities. Unclaimed securities received by the department before June 30, 2004, shall be sold by June 30, 2007, with the receipts, net of estimated claims to be paid, available for appropriation to the General Fund. Unclaimed securities received by the department after June 30, 2004, and on or before June 30, 2005, shall be sold by June 30, 2008, with the receipts, net of estimated claims to be paid, available for appropriation to the General Fund.
- 26. Premium and Retaliatory Taxes:** Notwithstanding KRS 304.17B-021(4)(d), premium taxes collected under KRS Chapter 136 from any insurer and retaliatory taxes collected under KRS 304.3-270 from any insurer shall be credited to the General Fund.
- 27. Reallocation of Appropriations Among Budget Units:** The Executive Branch shall implement appropriate actions necessary to operate within the appropriations authorized in this Act. The General Assembly recognizes that Executive Branch agency heads may

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

determine it to be necessary to modify the actual budget unit expenditure totals within each cabinet and agency in order to manage within the available resources provided in this Act in order to execute prescribed administrative and program directives. Notwithstanding KRS 48.140(7), the Secretary of any cabinet, the Commissioner of the Department of Education, and other agency heads are authorized to request revisions or reallocations in appropriation authority among budget units under their administrative authority for the purpose of implementing this Act. Prior to requesting any reallocation between appropriation units, the Secretary of any cabinet, the Commissioner of the Department of Education, and other agency heads shall submit a request to the Office of State Budget Director to transfer General Fund and Restricted Funds appropriation authority within their respective cabinet or agency. Such requests shall specify the need for the transfer of the authority. Any transfers made within the respective cabinet or agency under this section for any cabinet, agency, or the Department of Education shall result in no change to the total amounts appropriated. Any transfers made within the respective cabinet or agency under this section shall be made pursuant to KRS 48.500 and shall be reported, in writing, to the Interim Joint Committee on Appropriations and Revenue.

**28. Undesignated General Fund and Road Fund Carry Forward:** Notwithstanding KRS 48.700 and 48.705 and other Parts of this Act, the Secretary of the Finance and Administration Cabinet shall determine and certify, within 30 days of the close of fiscal year 2006-2007, the actual amount of undesignated balance of the General Fund and the Road Fund for the year just ended. The amounts from the undesignated fiscal year 2006-2007 General Fund and Road Fund balances that are designated and carried forward for budgeted purposes in the 2006-2008 fiscal biennium shall be determined by the State Budget Director during the close of the respective fiscal year and shall be reported to the Interim Joint Committee on Appropriations and Revenue within 30 days of the close of the fiscal year. The General Fund undesignated balance in excess of the amount designated for budgeted purposes under this section shall be made available for the General Fund Surplus Expenditure Plan contained in Part VII of this Act unless otherwise provided in this Act. The Road Fund undesignated balance in excess of the amount designated for budgeted purposes under this section shall be made available for the Road Fund Surplus Expenditure Plan contained in Part IX of this Act unless otherwise provided in this Act.

**29. Workers' Compensation Surety Bond:** Notwithstanding KRS 342.340(1) or any other provision of law, public sector self-insured employers are not required to deposit funds as security, indemnity, or bond to secure the payment of compensation liabilities, provided that each public sector employer has the authority to impose taxes in an amount sufficient to recoup payments of compensation liabilities as they are incurred.

**HOUSE REPORT**

The House concurs with the Branch with the following changes.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

The House makes the following language changes to the State/Executive Branch Budget Bill, Part III, General Provisions.

Provision number 27, **Reallocation of Appropriations Among Budget Units**, has been removed.

Provision number 28, **Undesignated General Fund and Road Fund Carry Forward**, has been renumbered to number 27.

Provision number 29, **Workers' Compensation Surety Bond**, has been renumbered to number 28. The language in this provision is also changed to "Notwithstanding KRS 342.340(1) or any other provision of law, public sector self-insured employers are not required to deposit funds as security, indemnity, or bond to secure the payment of compensation liabilities, provided that each public sector employer has the authority to impose taxes or raise tuition in an amount sufficient to recoup payments of compensation liabilities as they are incurred.

**29. Reduction In State Utility Costs:** The Finance and Administration Cabinet is hereby directed to continue to review current practices to reduce energy costs to achieve a government-wide savings of total utility costs. The Cabinet is empowered to utilize expertise in the Department of Natural Resources, the Public Service Commission, and other agencies to accomplish this goal.

**30. Cellular Telephones/Electronic Devices:** By 90 days after the effective date of this Act, the Secretary of the Finance and Administration Cabinet shall review the use of cellular telephones and other types of electronic communication devices and issue guidelines to state agencies specifying criteria to document the need for such equipment. A copy of the guidelines shall be transmitted to the Interim Joint Committee on Appropriations and Revenue at the time of issuance.

**31. Printing:** The General Assembly declares that the financial condition of the Commonwealth requires that the Secretary of the Finance and Administration Cabinet shall review all state printing, including publications and the associated cost of storage, distribution, and advertising and direct all state agencies to use Internet and other electronic technology to provide public access to the fullest extent possible in order to reduce costs.

**32. Travel Expenditures:** All state agencies shall continue to monitor all travel expenditures and shall utilize state parks or other state facilities to the fullest extent feasible. The Secretary of the Finance and Administration Cabinet shall review all out-of-state travel requests for three or more state employees to attend the same destination or event and shall approve the requests if deemed necessary.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

**33. Horse Cave Repertory Theatre:** The Horse Cave Repertory Theatre located in Hart County, Kentucky is named and designated as the official state repertory theatre.

**34. Tobacco Research Trust Fund:** Notwithstanding KRS 248.540 and 248.550, the Tobacco Research Trust Fund shall be credited with a minimum of \$3,140,000 annually regardless of whether the revenues received under KRS 248.540(1) are sufficient to generate this amount. If the revenues provided for in KRS 248.540(1) are not sufficient to ensure the prescribed funding level, the difference shall be deposited in the Tobacco Research Trust Fund from the General Fund.

**35. Fiscal Year 2007-2008 Funds Expenditure Restriction:** Except in the case of a declared emergency, the Governor, all agency heads, and all other constitutional officers shall not expend or encumber in the aggregate more than 55 percent of the funds appropriated by this Act during the first half of fiscal year 2007-2008.

**36. Comprehensive Study of Capital Cases in Kentucky** The Legislative Research Commission shall conduct a comprehensive statewide study of Kentucky capital cases. The study shall include the following issues.

- (a) The cost to the Commonwealth to administer the death penalty since enactment of the sentence in 1976, including, but not limited to the prosecution, defense, judicial, and correctional costs for all cases for which the death penalty was or could have been imposed;
- (b) The timeliness, or lack thereof, in the implementation of the death penalty;
- (c) The effectiveness of the assistance of counsel for the defendant;
- (d) Evidentiary issues involving informants, testimony in such cases, and confessions;
- (e) Resources available to both the prosecution and defense legal teams;
- (f) The role of prosecutorial discretion in seeking the death penalty;
- (g) The potential appointment of a state independent review team to evaluate guidelines and procedures, and assess the socioeconomic characteristics of those receiving the death penalty;
- (h) Issues of jury selection, instruction, and education; and
- (i) Access to DNA evidence.

The Legislative Research Commission shall transmit the results of the study to the Interim Joint Committee on Judiciary no later than January 1, 2007.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:35 PM

**Part III - General Provisions**

**37. Appropriation of Budget Reserve Trust Fund:** Pursuant to KRS 48.705, \$80,000,000 from the Budget Reserve Trust Fund is available in fiscal year 2007-2008 to be appropriated by the General Assembly in this Act.

**38. Economic Development Study:** The Legislative Research Commission is directed to evaluate Kentucky's economic development incentive programs. The findings shall be reported to the Legislative Research Commission no later than December 1, 2006. The Legislative Research Commission may retain a consultant. Provisions of this subsection to the contrary notwithstanding, the Legislative Research Commission shall have the authority to assign the responsibilities for the issues identified in this subsection to an interim joint committee or subcommittee thereof, and to designate a study completion date.

**39. Kentucky Wine and Vine Fest:** The Kentucky Wine and Vine Fest of Nicholasville, Kentucky, is named and designated as the official state wine festival.

**40. Civil War Reenactors:** Notwithstanding KRS 38.440, Civil War reenactors may associate, drill, and parade with firearms and/or swords without permission from the Governor before, during, and after Civil War reenactments and events.

**41. Voluntary Assignment of Escrow Payments:** Funds totaling \$35,000,000 in fiscal year 2006-2007 and \$20,000,000 in fiscal year 2007-2008 from the voluntary assignment of escrow payments by nonparticipating manufacturers shall be appropriated to the Budget Reserve Trust Fund.

**42. General Fund Expenditure Reductions Through Efficiencies:** The Executive Office of the Governor shall reduce General Fund expenditures appropriated in this Act by \$35,000,000 in fiscal year 2006-2007 and by \$15,000,000 in fiscal year 2007-2008, by continuing to reduce waste, fraud, and abuse, and by creating additional savings through increased efficiencies. The biennial savings are in addition to the revenue measures directed by the Executive Branch.

**43. Taxation of Small Wineries:** Notwithstanding KRS 241.010(45) and KRS 243.884(2), small wineries producing wines in an amount not to exceed fifty thousand (50,000) gallons per year from grapes, other fruit or honey shall not be subject to the tax imposed by KRS 243.884.

## **A - General Government**

**THIS PAGE INTENTIONALLY LEFT BLANK**

## A - General Government

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	24,541,400	24,541,400		21,469,800	17,469,800	(4,000,000)	23,065,100	20,065,100	(3,000,000)
General Fund	520,889,700	545,389,700	24,500,000	539,831,000	558,336,900	18,505,900	553,592,600	596,805,500	43,212,900
Restricted Funds	124,003,300	125,679,400	1,676,100	129,594,200	127,752,100	(1,842,100)	127,786,900	130,556,800	2,769,900
Federal Funds	265,750,400	265,750,400		225,524,800	226,224,800	700,000	221,595,900	222,295,900	700,000
Road Fund	600,000	600,000		600,000	250,000	(350,000)	600,000	250,000	(350,000)
<b>Regular Total Funds</b>	<b>935,784,800</b>	<b>961,960,900</b>	<b>26,176,100</b>	<b>917,019,800</b>	<b>930,033,600</b>	<b>13,013,800</b>	<b>926,640,500</b>	<b>969,973,300</b>	<b>43,332,800</b>
Use of Continuing	6,575,000	(20,425,000)	(27,000,000)	2,796,500	6,796,500	4,000,000	9,508,700	12,508,700	3,000,000
<b>TOTAL FUNDS</b>	<b>942,359,800</b>	<b>941,535,900</b>	<b>(823,900)</b>	<b>919,816,300</b>	<b>936,830,100</b>	<b>17,013,800</b>	<b>936,149,200</b>	<b>982,482,000</b>	<b>46,332,800</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	243,312,900	243,232,900	(80,000)	238,510,200	235,912,900	(2,597,300)	243,471,100	242,590,200	(880,900)
Operating Expenses	67,151,700	64,151,700	(3,000,000)	59,687,000	59,992,000	305,000	59,639,700	60,669,200	1,029,500
Grants, Loans, Benefits	534,160,800	534,660,800	500,000	504,824,100	527,740,400	22,916,300	513,830,700	551,205,100	37,374,400
Debt Service	92,212,700	92,212,700		108,267,900	108,504,900	237,000	114,865,600	123,402,600	8,537,000
Capital Outlay	1,092,000	1,092,000		907,100	1,179,900	272,800	842,100	1,114,900	272,800
Construction	4,429,700	6,185,800	1,756,100	7,620,000	3,500,000	(4,120,000)	3,500,000	3,500,000	
<b>TOTAL EXPENDITURES</b>	<b>942,359,800</b>	<b>941,535,900</b>	<b>(823,900)</b>	<b>919,816,300</b>	<b>936,830,100</b>	<b>17,013,800</b>	<b>936,149,200</b>	<b>982,482,000</b>	<b>46,332,800</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund (Tobacco)	24,541,400	24,541,400		21,469,800	17,469,800	(4,000,000)	21,195,000	18,195,000	(3,000,000)
General Fund	517,788,700	544,788,700	27,000,000	505,893,200	506,275,300	382,100	507,215,200	511,124,100	3,908,900
Restricted Funds	122,648,300	122,648,300		121,672,600	122,497,400	824,800	122,795,300	123,976,100	1,180,800
Federal Funds	265,624,300	265,624,300		212,082,200	212,782,200	700,000	212,506,100	213,206,100	700,000
Road Fund	600,000	600,000		600,000	250,000	(350,000)	600,000	250,000	(350,000)
<b>Regular Total Funds</b>	<b>931,202,700</b>	<b>958,202,700</b>	<b>27,000,000</b>	<b>861,717,800</b>	<b>859,274,700</b>	<b>(2,443,100)</b>	<b>864,311,600</b>	<b>866,751,300</b>	<b>2,439,700</b>
Use of Continuing	6,575,000	(20,425,000)	(27,000,000)	2,796,500	6,796,500	4,000,000	9,508,700	12,508,700	3,000,000
<b>TOTAL BASE LEVEL</b>	<b>937,777,700</b>	<b>937,777,700</b>		<b>864,514,300</b>	<b>866,071,200</b>	<b>1,556,900</b>	<b>873,820,300</b>	<b>879,260,000</b>	<b>5,439,700</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund (Tobacco)							1,870,100	1,870,100	
General Fund	3,101,000	601,000	(2,500,000)	33,937,800	52,061,600	18,123,800	46,377,400	85,681,400	39,304,000
Restricted Funds	1,355,000	3,031,100	1,676,100	7,921,600	5,254,700	(2,666,900)	4,991,600	6,580,700	1,589,100
Federal Funds	126,100	126,100		13,442,600	13,442,600		9,089,800	9,089,800	
<b>TOTAL ADDITIONAL</b>	<b>4,582,100</b>	<b>3,758,200</b>	<b>(823,900)</b>	<b>55,302,000</b>	<b>70,758,900</b>	<b>15,456,900</b>	<b>62,328,900</b>	<b>103,222,000</b>	<b>40,893,100</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## A - General Government

## Capital Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund				1,200,000	1,595,000	395,000	1,400,000	3,050,000	1,650,000
Restricted Funds				31,995,000	23,375,000	(8,620,000)	3,700,000	3,700,000	
Federal Funds				59,125,000	59,125,000		11,900,000	17,900,000	6,000,000
Bond Funds				113,000,000	338,366,000	225,366,000			
Agency Bonds					5,000,000	5,000,000			
Capital Construction Surplus				431,000	431,000		141,000	141,000	
Investment Income				1,960,000	1,960,000		1,960,000	1,960,000	
Emergency Repair Maintenance and Replacement				500,000		(500,000)			
<b>TOTAL CAPITAL</b>				<b>208,211,000</b>	<b>429,852,000</b>	<b>221,641,000</b>	<b>19,101,000</b>	<b>26,751,000</b>	<b>7,650,000</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## A - General Government

## Operating Budget

## Homeland Security

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	350,000	350,000		350,000		(350,000)	350,000		(350,000)
Restricted Funds	440,000	440,000		440,000	440,000		440,000	440,000	
Federal Funds	40,000,000	40,000,000		40,000,000	40,700,000	700,000	40,000,000	40,700,000	700,000
Road Fund	350,000	350,000		350,000		(350,000)	350,000		(350,000)
<b>Regular Total Funds</b>	<b>41,140,000</b>	<b>41,140,000</b>		<b>41,140,000</b>	<b>41,140,000</b>		<b>41,140,000</b>	<b>41,140,000</b>	
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>41,140,000</b>	<b>41,140,000</b>		<b>41,140,000</b>	<b>41,140,000</b>		<b>41,140,000</b>	<b>41,140,000</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	1,954,100	1,954,100		1,969,900	1,969,900		1,990,700	1,990,700	
Operating Expenses	631,300	631,300		656,300	656,300		656,300	656,300	
Grants, Loans, Benefits	38,554,600	38,554,600		38,513,800	38,513,800		38,493,000	38,493,000	
<b>TOTAL EXPENDITURES</b>	<b>41,140,000</b>	<b>41,140,000</b>		<b>41,140,000</b>	<b>41,140,000</b>		<b>41,140,000</b>	<b>41,140,000</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	350,000	350,000		350,000		(350,000)	350,000		(350,000)
Restricted Funds	440,000	440,000		361,100	361,100		359,000	359,000	
Federal Funds	40,000,000	40,000,000		39,690,800	40,390,800	700,000	39,672,100	40,372,100	700,000
Road Fund	350,000	350,000		350,000		(350,000)	350,000		(350,000)
<b>Regular Total Funds</b>	<b>41,140,000</b>	<b>41,140,000</b>		<b>40,751,900</b>	<b>40,751,900</b>		<b>40,731,100</b>	<b>40,731,100</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>41,140,000</b>	<b>41,140,000</b>		<b>40,751,900</b>	<b>40,751,900</b>		<b>40,731,100</b>	<b>40,731,100</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds				78,900	78,900		81,000	81,000	
Federal Funds				309,200	309,200		327,900	327,900	
<b>TOTAL ADDITIONAL</b>				<b>388,100</b>	<b>388,100</b>		<b>408,900</b>	<b>408,900</b>	
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 GB Homeland Security</b>									
ABR0940002 Provides funding for five (5) vacant positions.									
Federal Funds				309,200	309,200		327,900	327,900	
<b>Project Total</b>				<b>309,200</b>	<b>309,200</b>		<b>327,900</b>	<b>327,900</b>	
<b>2 NEW Homeland Security - CMRS</b>									
ABR0940005 Provide funding for one (1) GIS position.									
Restricted Funds				53,900	53,900		56,000	56,000	
<b>Project Total</b>				<b>53,900</b>	<b>53,900</b>		<b>56,000</b>	<b>56,000</b>	

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## A - General Government

## Operating Budget

## Homeland Security

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>3 NEW Homeland Security - CMRS</b>									
ABR0940007 Provide funding to purchase computer equipment and training to support the new position.									
Restricted Funds				25,000	25,000		25,000	25,000	
<b>Project Total</b>				<b>25,000</b>	<b>25,000</b>		<b>25,000</b>	<b>25,000</b>	
<b>TOTAL ADDITIONAL</b>				<b>388,100</b>	<b>388,100</b>		<b>408,900</b>	<b>408,900</b>	

**TRANSFERS TO THE GENERAL FUND**

## Homeland Security

Agency Revenue Fund (KRS 65.7631)	351,400	(351,400)
<b>TOTAL</b>	<b>351,400</b>	<b>(351,400)</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from the Commercial Mobile Radio Service Emergency Telecommunications Board located in the Office of Homeland Security, Restricted Funds of \$351,400 in fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes funding in the base for the defined calculations. Additional funding for other initiatives also provided for in the base includes Federal Funds for five (5) vacant positions in the Office of Homeland Security in the amount of \$309,200 in fiscal year 2006-2007, and \$327,900 in fiscal year 2007-2008. Also included are Restricted Funds for the Commercial Mobile Radio Service Emergency Telecommunications Board (CMRS) for one (1) Geoprocessing Specialist in the amount of \$53,900 in fiscal year 2006-2007, and \$56,000 in fiscal year 2007-2008, and to purchase Geographical Information Systems testing equipment in the amount of \$25,000 in fiscal year 2006-2007, and \$25,000 in fiscal year 2007-2008.

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House does not provide General Fund support totaling \$350,000 and Road Fund support totaling \$350,000 in each fiscal year. The House provides \$700,000 in Federal Funds in each year to support agency operations.

The House amends the State/Executive Branch Budget Bill, Part V, Fund Transfer, and does not provide for a \$351,400 Restricted Fund transfer to the General Fund in fiscal year 2005-2006 for the Commercial Mobil Radio Service Emergency Telecommunications Board of Kentucky.

The House amends the State/Executive Branch Bill, Part I, Operating Budget, to include the following language provisions:

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

**"Commercial Mobile Radio Service Emergency Telecommunications Board of Kentucky - Public Safety Answering Points:** Notwithstanding KRS 65.7631, not more than ten percent of the total monthly revenues deposited into the CMRS Fund shall be disbursed or reserved for disbursement by the CMRS Board to provide direct grants to Public Safety Answering Points (PSAPs) or matching money. The CMRS Board shall provide grants for the establishment and improvement of E911 services in the Commonwealth; for incentives to create more efficient delivery of E911 services by local governments; and for improvement of 911 infrastructure by wireless carriers. Notwithstanding KRS 65.7631(2) and (3), after the above ten percent and the disbursement in KRS 65.7631(1), 80 percent of the balance of funds deposited into the CMRS fund shall be distributed to PSAPs eligible to receive disbursement from the fund according to KRS 65.7631(2)(a) and (b) and the balance distributed pursuant to KRS 65.7631(3)."

**"Commercial Mobile Radio Service Emergency Telecommunications Board of Kentucky - Enhanced Landline 911 Services:** Six million dollars of the state and local portion of funds distributed by the Kentucky Office of Homeland Security to qualified local and state entities shall be designated for use by the Commercial Mobile Radio Service Emergency Telecommunications Board of Kentucky in federal fiscal year 2006-2007 and federal fiscal year 2007-2008. These funds shall be available to the Commercial Mobile Radio Service Emergency Telecommunications Board of Kentucky for the awarding of grants for enhanced landline 911 services to counties where the service is currently not deployed. Counties interested in receiving funds from this account shall make application to the Commercial Mobile Radio Service Emergency Telecommunications Board of Kentucky for available funds. As a condition for grant receipt, the Commercial Mobile Radio Service Emergency Telecommunications Board of Kentucky may require the applying county to adopt a 911 ordinance, with a minimum monthly fee charged to customers. The listed applications meeting the established guidelines as set forth in the FY 2007 Homeland Security Grant Program Guidance and Application Kit issued by the United States Department of Homeland Security and deemed qualified and permissible by federal regulations, shall receive funding. These qualified applications receiving priority shall be paid from the state allocation rather than from the total funding allocation provided to Kentucky by the United States Department of Homeland Security. Funding for approved applications shall carry forward into the state fiscal year 2007-2008, if drawdowns are delayed due to the specific allocation of funds or the expenditure of such funds."

**"Monthly Reporting Requirements:** The Kentucky Office of Homeland Security shall report monthly to the Interim Joint Committee on Appropriations and Revenue all approved applications for Homeland Security grants. The report shall include information regarding the types of grants, requesting entities, amounts requested and approved, and detailed descriptions of the grants. The Office of Homeland Security shall also provide a listing of disapproved applications that includes the amounts requested and reasons for denying the applications."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

**"Grant Recipient Reporting Requirements:** All local government entities and state agencies that receive any grant funding for homeland security purposes from federal grants shall report to the Office of Homeland Security on July 1 of each year. This report shall include information regarding the types of grants, requesting entities, amounts requested and approved, and detailed descriptions of the grants. The Kentucky Office of Homeland Security shall compile and present the information in its annual report along with the grants that are approved for funding by the Office. This annual report shall be submitted to the Legislative Research Commission prior to January 1 of each year."

**"Homeland Security Grants - Priority Listing:** The Kentucky Office of Homeland Security shall set aside from the statewide and local portion of funds distributed to qualified local and state entities, \$9,917,107 for the local share and \$1,715,000 for the statewide share in federal fiscal year 2006-2007 and federal fiscal year 2007-2008 to be dedicated to the applicants listed below. Those listed applicants meeting the established guidelines as set forth in the FY 2007 and FY 2008 Homeland Security Grant Program Guidance and Application Kit, issued by the United States Department of Homeland Security and permissible by federal regulations, shall take priority in receiving funds over other approved applicants not identified in the list below. Qualified applications receiving priority shall be paid from the state allocation rather than from the total allocation provided to Kentucky by the United States Department of Homeland Security. Funding for approved applications shall carry forward into the state fiscal year 2007-2008 and state fiscal year 2008-2009, if drawdowns are delayed due to the specific allocation of funds or the expenditure of such funds.

**LOCAL SHARE**

**Bath County**

Bath County Fiscal Court  
Personal Protective Equipment

**Bell County**

Bell County Fiscal Court Dispatch Console and Requery Repeaters

**Bourbon County**

City of Paris  
Other Authorized Equipment  
Bourbon County Fiscal Court  
Physical Security Enhancement Equipment

**Boyd County**

Ashland Fire Department

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Explosive Device Mitigation and Remediation Equipment  
Boyd County Sheriff's Office  
    CBRNE Incident Response Vehicle  
Ashland Police Department  
    CBRNE Incident Response Vehicle  
Ashland Fire Department  
    Information Technology  
Boyd County Fiscal Court  
Boyd County Board of Education  
Boyd County High School  
Boyd County Middle School  
Cannonsburg Elementary School  
Catlettsburg Elementary School  
Ponderosa Elementary School  
Summit Elementary School  
    Medical Supplies and Limited Types of Pharmaceuticals  
    Physical Security Enhancement Equipment  
    Detection Equipment  
    Terrorism Incident Prevention Equipment

**Bracken County**

Bracken County Fiscal Court  
    CBRNE Operational and Search and Rescue Equipment  
Brooksville Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment  
Augusta Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment  
Germantown Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

**Breckinridge County**

Hardinsburg Fire Department

Personal Protective Equipment

Harned Fire Department

Personal Protective Equipment

Irvington Fire Department

Personal Protective Equipment

Cloverport Fire Department

Personal Protective Equipment

Cloverport (Area) Fire Department

Personal Protective Equipment

McQuady Fire Department

Personal Protective Equipment

McDaniels Fire Department

Personal Protective Equipment

Custer Fire Department

Personal Protective Equipment

Stephensport Fire Department

Personal Protective Equipment

Webster Fire Department

Personal Protective Equipment

**Bullitt County**

Southeast Bullitt Fire and Rescue

Personal Protective Equipment

**Caldwell County**

City of Princeton

Detection Equipment-Non CBRNE

Information Technology

Interoperable Communications Equipment

City of Fredonia

Detection Equipment-Non CBRNE

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Information Technology  
Interoperable Communications Equipment

**Clark County**

Clark County Fiscal Court  
Information Technology  
Clark County Fiscal Court  
Physical Security Enhancement Equipment

**Crittenden County**

Crittenden County Fiscal Court  
Information Technology  
Interoperable Communications Equipment  
City of Marion  
Information Technology  
Interoperable Communications Equipment

**Elliott County**

Elliott County Fiscal Court  
Elliott County Board of Education  
Elliott County High School  
Isonville Elementary School  
Lakeside Elementary School  
Sandy Hook Elementary School  
Medical Supplies and Limited Types of Pharmaceuticals  
Physical Security Enhancement Equipment  
Detection Equipment  
Terrorism Incident Prevention Equipment

**Fayette County**

Fayette County Urban Police Department  
Interoperable Communications Equipment

**Fleming County**

Fleming County Fiscal Court  
CBRNE Operational and Search and Rescue Equipment

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

- Ewing Volunteer Fire Department
  - CBRNE Operational and Search and Rescue Equipment
  - Power Equipment
- Muses Mill Volunteer Fire Department
  - CBRNE Operational and Search and Rescue Equipment
  - Power Equipment
- Hillsboro Volunteer Fire Department
  - CBRNE Operational and Search and Rescue Equipment
  - Power Equipment
- Mount Carmel Volunteer Fire Department
  - CBRNE Operational and Search and Rescue Equipment
  - Power Equipment
- Flemingsburg Volunteer Fire Department
  - CBRNE Operational and Search and Rescue Equipment
  - Power Equipment
- Tilton Volunteer Fire Department
  - CBRNE Operational and Search and Rescue Equipment
  - Power Equipment

**Floyd County**

- Floyd County Fiscal Court
- Left Beaver Fire and Rescue
  - Interoperable Communications Equipment
- Prestonsburg Fire Department
  - Interoperable Communications Equipment
- Martin Police Department
  - Interoperable Communications Equipment

**Gallatin County**

- Gallatin County Fiscal Court
- Gallatin County Sheriff's Office
  - Interoperable Communications Equipment
  - Information Technology

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

**Garrard County**

- Garrard County Fiscal Court
- Garrard County Fire Department (District 1)
- Garrard County Sheriff's Office
- Cartersville Fire Department
- Paint Lick Fire Department
- Buckeye Fire Department
- Camp Dick Fire Department
- Lancaster City Police Department
  - Personal Protective Equipment
  - Interoperable Communications Equipment

**Grant County**

- Grant County Fiscal Court
- Grant County Sheriff's Office
  - Interoperable Communications Equipment

**Graves County**

- Graves County Schools
  - Medical Supplies and Limited Types of Pharmaceuticals
- Graves County Fiscal Court
  - Interoperable Communications Equipment
- Graves County Fiscal Court
  - Power Equipment
- Graves County Fiscal Court
  - CBRNE Incident Response Vehicle

**Green County**

- Green County Fiscal Court
  - Personal Protective Equipment

**Greenup County**

- Greenup County Fiscal Court
  - Personal Protective Equipment
  - Interoperable Communications Equipment

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Physical Security Enhancement Equipment  
CBRNE Incident Response Vehicles

City of Worthington

Physical Security Enhancement Equipment

City of Greenup

Personal Protective Equipment

City of Flatwoods

Personal Protective Equipment

City of Raceland

Personal Protective Equipment

City of South Shore

Physical Security Enhancement Equipment

City of Wurtland

Physical Security Enhancement Equipment

**Hancock County**

Lewisport Fire Department

Personal Protective Equipment

Hawesville Fire Department

Personal Protective Equipment

South Hancock Fire Department

Personal Protective Equipment

Dukes Fire Department

Personal Protective Equipment

Hancock Rescue Squad

Personal Protective Equipment

Knottsville Fire Department

Personal Protective Equipment

Yelvington Fire Department

Personal Protective Equipment

**Hardin County**

Lebanon Junction Fire Department

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Personal Protective Equipment  
Hardin County Sheriff's Office and Fire Departments  
Interoperable Communications Equipment

**Harlan County**

Harlan County Fiscal Court  
Interoperable Communications Equipment  
CBRNE Incident Response Vehicles  
CBRNE Operational and Search and Rescue Equipment  
Harlan County Sheriff's Office  
Harlan County Volunteer Fire Department  
Operational Equipment

**Harrison County**

Harrison County Fiscal Court  
Information Technology  
Terrorism Incident Prevention Equipment  
Cynthiana Police Department  
Physical Security Enhancement Equipment  
Information Technology

**Henderson County**

Henderson Fiscal Court  
Information Technology  
Interoperable Communications Equipment  
Physical Security Enhancement Equipment  
City of Henderson  
Power Equipment  
CBRNE Operational and Search and Rescue Equipment  
Interoperable Communications Equipment  
Personal Protective Equipment  
Explosive Device Mitigation and Remediation Equipment  
Information Technology

**Henry County**

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Henry County

    CBRNE Incident Response Vehicle

**Jackson County**

Owsley County Fiscal Court

    Detection Equipment-Non CBRNE

**Jefferson County**

Louisville Metro Police Department

    CBRNE Operational and Search and Rescue Equipment

    Terrorism Incident Prevention Equipment

    Detection Equipment

**Jessamine County**

Jessamine County Fiscal Court

Jessamine County Board of Education

East Jessamine High School

West Jessamine High School

East Jessamine Middle School

West Jessamine Middle School

Jessamine County Career and Technical School

Warner Elementary School

Nicholasville Elementary School

Brookside Elementary School

Rosenwald Elementary School

Wilmore Elementary School

Jessamine County Central Office

    Medical Supplies and Limited Types of Pharmaceuticals

    Physical Security Enhancement Equipment

    Detection Equipment

    Terrorism Incident Prevention Equipment

Jessamine County Fiscal Court

Wilmore Police Department

Jessamine County Fire Department

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

- Power Equipment
- Other Authorized Equipment
- Personal Protective Equipment
- Explosive Device Mitigation and Remediation Equipment

**Johnson County**

- Johnson County Fiscal Court
  - Personal Protective Equipment
- Johnson County Fiscal Court
  - CBRNE Operational and Search and Rescue Equipment
- Johnson County Fiscal Court
  - Decontamination Equipment
- Johnson County Fiscal Court
  - Power Equipment
- Johnson County Fiscal Court
  - Interoperable Communications Equipment

**Kenton County**

- City of Covington
  - CBRNE Prevention and Response Watercraft
- Kenton County Fiscal Court
  - Power Equipment
  - CBRNE Incident Response Vehicle
  - Personal Protective Equipment
  - Information Technology
- City of Edgewood
  - Physical Security Enhancement Equipment
  - Interoperable Communications Equipment

**Knott County**

- Knott County Fiscal Court
- Knott County Board of Education
- Beaver Creek Elementary School
- Carr Creek Elementary School

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Cordia School  
Emmalena School  
Hindman Elementary School  
Jones Fork Elementary School  
Knott County Central  
    Physical Security Enhancement Equipment  
    Detection Equipment  
    Terrorism Incident Prevention Equipment  
    Medical Supplies and Limited Types of Pharmaceuticals

**Knox County**

Knox County Fiscal Court  
    Agricultural Terrorism Prevention, Response, and Mitigation Equipment

**Laurel County**

Laurel County Fiscal Court  
    Detection Equipment-Non CBRNE

**Lawrence County**

Lawrence County Fiscal Court  
Lawrence County Board of Education  
Lawrence County High School  
Louisa Middle School  
New Middle School  
Louisa Elementary School  
Blaine Elementary School  
Fallisburg Elementary School  
    Physical Security Enhancement Equipment  
    Detection Equipment  
    Terrorism Incident Prevention Equipment  
    Medical Supplies and Limited Types of Pharmaceuticals

**Leslie County**

Leslie County Fiscal Court  
    Interoperable Communications Equipment

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

**Livingston County**

Livingston County Fiscal Court  
Information Technology  
Interoperable Communications Equipment

**Lyon County**

Lyon County Fiscal Court  
CBRNE Incident Response Vehicle  
Power Equipment  
CBRNE Logistical Support Equipment  
CBRNE Operational and Search and Rescue Equipment  
Medical Equipment

**Madison County**

Madison County Fiscal Court  
Red Lick Fire Department  
Waco Fire Department  
Kirksville Fire Department  
Personal Protective Equipment  
Interoperable Communications Equipment  
Madison County Fiscal Court  
Madison County Board of Education  
Madison Central High School  
Madison Southern High School  
Clark Moores Middle School  
Foley Middle School  
Madison Middle School  
Bellevue Elementary School  
Daniel Boone Elementary School  
Kingston Elementary School  
Kirksville Elementary School  
Kit Carson Elementary School  
Mayfield Elementary School

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Silver Creek Elementary School  
Waco Elementary School  
White Hall Elementary School  
Shannon Johnson Elementary School  
    Medical Supplies and Limited Types of Pharmaceuticals  
    Physical Security Enhancement Equipment  
    Detection Equipment  
    Terrorism Incident Prevention Equipment

**Magoffin County**

Magoffin County Fiscal Court  
Magoffin County High School  
Harold Whittaker Middle School  
    Physical Security Enhancement Equipment

**Marshall County**

Marshall County Fiscal Court  
    CBRNE Incident Response Vehicle  
    Power Equipment  
    CBRNE Logistical Support Equipment  
    CBRNE Operational and Search and Rescue Equipment

**Martin County**

Martin County Fiscal Court  
Martin County Fire Department  
    Personal Protective Equipment

**Mason County**

Mason County Fiscal Court  
    CBRNE Operational and Search and Rescue Equipment  
May's Lick Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment  
Dover Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Power Equipment  
Fern Leaf Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment  
Sardis Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment  
Washington/Maysville Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment  
Orangeburg Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment  
Lewisburg Volunteer Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment  
Maysville Fire Department  
    CBRNE Operational and Search and Rescue Equipment  
    Power Equipment  
Area Regional (Region 8) HazMat and WMD Response Team - Maysville  
    CBRNE Incident Response Vehicle  
    Personal Protective Equipment  
    Medical Supplies and Limited Types of Pharmaceuticals  
    Personal Protective Equipment

**McCracken County**

McCracken County/City of Paducah  
    Information Technology  
    Interoperable Communications Equipment

**McCreary County**

McCreary County Fiscal Court  
    Physical Security Enhancement Equipment

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Agricultural Terrorism Prevention, Response and Mitigation Equipment

**Menifee County**

Menifee County Board of Education  
Menifee County High School  
Menifee County Middle School  
Botts Elementary School  
Menifee County Elementary School  
    Medical Supplies and Limited Types of Pharmaceuticals  
    Physical Security Enhancement Equipment  
    Detection Equipment  
    Terrorism Incident Prevention Equipment  
Menifee County Sheriff's Department  
    CBRNE Incident Response Vehicle  
Menifee County Fiscal Court  
    Power Equipment  
    Physical Security Enhancement Equipment  
    CBRNE Incident Response Vehicles

**Metcalfe County**

Metcalfe County Fiscal Court  
    Personal Protective Equipment

**Monroe County**

Monroe County Fiscal Court  
    Personal Protective Equipment

**Montgomery County**

City of Mount Sterling  
    Agricultural Terrorism Prevention, Response and Mitigation Equipment  
    Information Technology  
    Physical Security Enhancement Equipment

**Morgan County**

Morgan County Board of Education  
Morgan County High School

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Morgan County Middle School  
Cannel City Elementary School  
East Valley Elementary School  
Ezel Elementary School  
West Liberty Elementary School  
Wrigley Elementary School  
Medical Supplies and Limited Types of Pharmaceuticals  
Physical Security Enhancement Equipment  
Detection Equipment  
Terrorism Incident Prevention Equipment

**Muhlenberg County**

Muhlenberg County Board of Education  
Physical Security Enhancement Equipment  
Medical Supplies and Limited Types of Pharmaceuticals  
City of Greenville  
Personal Protective Equipment  
Medical Supplies and Limited Types of Pharmaceuticals  
Interoperable Communications Equipment

**Nicholas County**

Nicholas County Fiscal Court  
Personal Protective Equipment

**Owen County**

Owen County Fiscal Court  
CBRNE Incident Response Vehicles  
Interoperable Communications Equipment  
Information Technology  
Physical Security Enhancement Equipment

**Owsley County**

Owsley County Fiscal Court  
Detection Equipment-Non CBRNE

**Pike County**

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

- City of Pikeville
  - Personal Protective Equipment
- Pike County Fiscal Court
  - Personal Protective Equipment
  - CBRNE Incident Response Vehicles
- City of Elkhorn City
  - Personal Protective Equipment
- Pike County Fire Department
  - Personal Protective Equipment
  - Operational Equipment

**Pulaski County**

- Pulaski County Emergency Management Service
  - Interoperable Communications Equipment
- Pulaski County Emergency Management Services
  - CBRNE Operational and Search and Rescue Equipment

**Rowan County**

- Rowan County Fiscal Court
- Rowan County Board of Education
- Rowan County High School
- Rowan County Middle School
- Clearfield Elementary School
- Morehead Grade School
- Rodburn Elementary School
- Tilden Hogge Elementary School
  - Medical Supplies and Limited Types of Pharmaceuticals
  - Physical Security Enhancement Equipment
  - Detection Equipment
  - Terrorism Incident Prevention Equipment

**Union County**

- Morganfield Rescue Squad
  - CBRNE Incident Response Vehicles

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

**Warren County**

Warren County Fiscal Court  
Warren County Board of Education  
Greenwood High School  
Warren East High School  
Drakes Creek Middle School  
Moss Middle School  
Warren East Middle School  
New Alvaton Elementary School  
Dishman McGinnis Elementary School  
Parker Bennett Curry Elementary School  
T. C. Cherry Elementary School  
W. R. McNeill Elementary School  
Potter Gray Elementary School  
Bristow Elementary School  
Cumberland Trace Elementary School  
Lost River Elementary School  
Natcher Elementary School  
North Warren Elementary School  
Oakland Elementary School  
Richardsville Elementary School  
Rich Pond Elementary School  
Rockfield Elementary School  
Warren Elementary School  
Briarwood Elementary School  
    Medical Supplies and Limited Types of Pharmaceuticals  
    Physical Security Enhancement Equipment  
    Detection Equipment  
    Terrorism Incident Prevention Equipment

**Whitley County**

Whitley County Fire Department

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

- Other Authorized Equipment
- Whitley County Fiscal Court
  - CBRNE Incident Response Vehicles
  - Physical Security Enhancement Equipment
  - Agricultural Terrorism Prevention, Response and Mitigation Equipment
- Whitley County Fiscal Court
- Oak Grove Volunteer Fire Department
- Woodbine Volunteer Fire Department
- Three Point Volunteer Fire Department
- Rockholds Volunteer Fire Department
- Emlyn Volunteer Fire Department
- Pleasant View Volunteer Fire Department
- South Whitley Volunteer Fire Department
- Patterson Volunteer Fire Department
  - Personal Protective Equipment
  - Interoperable Communications Equipment

**Wolfe County**

- Wolfe County Board of Education
- Wolfe County High School
- Wolfe County Middle School
- Campton Elementary School
- Red River Valley Elementary School
- Rogers Elementary School
  - Medical Supplies and Limited Types of Pharmaceuticals
  - Physical Security Enhancement Equipment
  - Detection Equipment
  - Terrorism Incident Prevention Equipment

**STATEWIDE SHARE**

- Kentucky State University

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:09 PM

**Homeland Security**

Agricultural Terrorism Prevention, Response and Mitigation Equipment  
Detection Equipment

Western Kentucky University - Statewide Meteorological Warning System  
Operational Search and Rescue Equipment  
Information Technology

Northern Kentucky University - Disaster Business Recovery Systems  
Power Equipment  
Information Technology  
Communications Equipment  
Logistical Support Equipment

University of Kentucky - Technology Systems Emergency Backup  
Information Technology  
Power Equipment"

## A - General Government

## Operating Budget

## Governor's Office of Agricultural Policy

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	24,541,400	24,541,400		21,469,800	17,469,800	(4,000,000)	23,065,100	20,065,100	(3,000,000)
General Fund	1,000,000	28,000,000	27,000,000		6,000,000	6,000,000			
Restricted Funds	515,600	515,600		545,800	545,800		570,000	570,000	
<b>Regular Total Funds</b>	<b>26,057,000</b>	<b>53,057,000</b>	<b>27,000,000</b>	<b>22,015,600</b>	<b>24,015,600</b>	<b>2,000,000</b>	<b>23,635,100</b>	<b>20,635,100</b>	<b>(3,000,000)</b>
Use of Continuing	5,252,400	(21,747,600)	(27,000,000)	2,796,500	6,796,500	4,000,000	9,508,700	12,508,700	3,000,000
<b>TOTAL FUNDS</b>	<b>31,309,400</b>	<b>31,309,400</b>		<b>24,812,100</b>	<b>30,812,100</b>	<b>6,000,000</b>	<b>33,143,800</b>	<b>33,143,800</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	1,107,100	1,107,100		1,149,300	1,149,300		1,177,400	1,177,400	
Operating Expenses	201,300	201,300		201,300	201,300		201,300	201,300	
Grants, Loans, Benefits	30,001,000	30,001,000		23,461,500	29,461,500	6,000,000	31,765,100	31,765,100	
<b>TOTAL EXPENDITURES</b>	<b>31,309,400</b>	<b>31,309,400</b>		<b>24,812,100</b>	<b>30,812,100</b>	<b>6,000,000</b>	<b>33,143,800</b>	<b>33,143,800</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund (Tobacco)	24,541,400	24,541,400		21,469,800	17,469,800	(4,000,000)	21,195,000	18,195,000	(3,000,000)
General Fund	1,000,000	28,000,000	27,000,000						
Restricted Funds	515,600	515,600		545,800	545,800		515,600	515,600	
<b>Regular Total Funds</b>	<b>26,057,000</b>	<b>53,057,000</b>	<b>27,000,000</b>	<b>22,015,600</b>	<b>18,015,600</b>	<b>(4,000,000)</b>	<b>21,710,600</b>	<b>18,710,600</b>	<b>(3,000,000)</b>
Use of Continuing	5,252,400	(21,747,600)	(27,000,000)	2,796,500	6,796,500	4,000,000	9,508,700	12,508,700	3,000,000
<b>TOTAL BASE LEVEL</b>	<b>31,309,400</b>	<b>31,309,400</b>		<b>24,812,100</b>	<b>24,812,100</b>		<b>31,219,300</b>	<b>31,219,300</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund (Tobacco)							1,870,100	1,870,100	
General Fund					6,000,000	6,000,000			
Restricted Funds							54,400	54,400	
<b>TOTAL ADDITIONAL</b>					<b>6,000,000</b>	<b>6,000,000</b>	<b>1,924,500</b>	<b>1,924,500</b>	
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 CONT Governors Office of Agricultural Policy</b>									
ABR0890002 Provide funding to support an increase in Tobacco Fund grants.									
General Fund (Tobacco)							1,870,100	1,870,100	
Restricted Funds							54,400	54,400	
<b>Project Total</b>							<b>1,924,500</b>	<b>1,924,500</b>	

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## A - General Government

## Operating Budget

## Governor's Office of Agricultural Policy

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>2 CONT Fund Reduction Restoration</b>									
ABR0890003 Restoration of funds.									
General Fund					6,000,000	6,000,000			
<b>Project Total</b>					<b>6,000,000</b>	<b>6,000,000</b>			
<b>TOTAL ADDITIONAL</b>					<b>6,000,000</b>	<b>6,000,000</b>	<b>1,924,500</b>	<b>1,924,500</b>	

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:08 PM

**Governor's Office of Agriculture Policy**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part X, Phase I Tobacco Settlement, includes the following language provisions:

**"Agricultural Development Initiatives:** Fifty percent of the MSA payments, less the above enforcement appropriations, received in fiscal year 2006-2007, estimated to be \$44,312,500, and in fiscal year 2007-2008, estimated to be \$46,912,500, is appropriated to the Kentucky Agricultural Development Fund to be used for agricultural development initiatives."

**"MSA Appropriation Adjustment:** The Consensus Forecasting Group reduced the fiscal year 2005-2006 Phase I Master Settlement Agreement revenue forecast from the enacted estimate of \$108,600,000 to \$91,300,000, a reduction of \$17,300,000. The revenue estimate reduction was based on the high probability of an adjustment for nonparticipating manufacturers. To accommodate this reduction in estimated revenues, the following fiscal year 2005-2006 appropriations are hereby reduced in accordance with 2005 Ky. Acts ch. 173, Part X, (5)."

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

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that directs:

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

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:08 PM

**Governor's Office of Agriculture Policy**

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

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes new funding initiatives above the base and defined calculations, in the amount of amount of \$1,870,100 in General Fund (Tobacco) and Restricted Funds of \$54,400 in fiscal year 2007-2008 for an increase in the grants. Additional funding adjustments in fiscal year 2005-2006 includes a reduction in the General Fund by \$898,000 for debt service on the \$17,000,000 Bond Funds, allocated to the Kentucky Agriculture Finance Corporation enacted in House Bill 267. These funds are no longer required due to recent litigation.

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House provides an additional \$6,000,000 in General Fund for fiscal year 2006-2007 for the restoration of funds reduced unproportionally rather than the prorata share provided for in KRS 248.654 resulting from the reduced Consensus Forecasting Group estimates in fiscal year 2005-2006.

The House did not provide \$4,000,000 in fiscal year 2006-2007 and \$3,000,000 in fiscal year 2007-2008 of General Fund Tobacco Fund dollars in Part I and Part X that and were appropriated in the Environmental Stewardship Program.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

**"Partial Phase II Litigation Proceeds :** Notwithstanding KRS 45.229, General Fund dollars of \$27,000,000 representing Partial Phase II Litigation proceeds that were appropriated in fiscal year 2005-2006 pursuant to 2005 House Bill 267 (2005 Ky. Acts ch. 173, Part X, Phase I Tobacco Settlement, B.3.a.(4)), shall not lapse in fiscal year 2006-2007 and fiscal year 2007-2008. To the extent possible, all General Fund dollars shall be expended from the account prior to the expenditure of Tobacco Fund dollars."

**"Restoration of Funds:** Notwithstanding KRS 45.229, General Fund dollars of \$6,000,000 representing the restoration of funds, shall not lapse in fiscal year 2006-2007 and fiscal year 2007-2008. Included in the above General Fund appropriation in fiscal year 2006-2007 is an additional \$6,000,000 for the restoration of funds resulting from the Master Settlement Agreement appropriation adjustment resulting from the reduced Consensus Forecasting Group estimates in fiscal year 2005-2006."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:08 PM

**Governor's Office of Agriculture Policy**

The House amends the State/Executive Branch Budget Bill, Part X, Operating Budget, to include the following language provision:

**"Partial Phase II Litigation Proceeds:** Notwithstanding KRS 45.229, General Fund dollars of \$27,000,000 representing Partial Phase II Litigation proceeds that were appropriated in fiscal year 2005-2006 pursuant to 2005 House Bill 267 (2005 Ky. Acts ch. 173, Part X, Phase I Tobacco Settlement, B.3.a.(4)), shall not lapse in fiscal year 2006-2007 and fiscal year 2007-2008. To the extent possible, all General Fund dollars shall be expended from the account prior to the expenditure of Tobacco Fund dollars."

**"Kentucky Tobacco Settlement Trust Corporation:** The Governor's Office of Agricultural Policy shall provide and make available the funds necessary for the Kentucky Tobacco Settlement Trust Corporation to carry out the provisions of the Phase II Amnesty Payment Program established in Part XXI. General Fund and/or General Fund (Tobacco) continuing appropriations from the Governor's Office of Agricultural Policy shall be the source of funds provided to the Kentucky Tobacco Settlement Trust Corporation."

**THIS PAGE INTENTIONALLY LEFT BLANK**

## A - General Government

## Operating Budget

## Governor's Office for Local Development

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	13,072,300	13,572,300	500,000	11,973,500	20,639,100	8,665,600	12,593,400	15,600,400	3,007,000
Restricted Funds	1,758,700	1,758,700		1,785,600	2,585,600	800,000	1,785,600	2,085,600	300,000
Federal Funds	52,430,800	52,430,800		55,564,200	55,564,200		55,564,200	55,564,200	
<b>Regular Total Funds</b>	<b>67,261,800</b>	<b>67,761,800</b>	<b>500,000</b>	<b>69,323,300</b>	<b>78,788,900</b>	<b>9,465,600</b>	<b>69,943,200</b>	<b>73,250,200</b>	<b>3,307,000</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>67,261,800</b>	<b>67,761,800</b>	<b>500,000</b>	<b>69,323,300</b>	<b>78,788,900</b>	<b>9,465,600</b>	<b>69,943,200</b>	<b>73,250,200</b>	<b>3,307,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	5,429,200	5,429,200		5,762,500	5,762,500		5,912,300	5,912,300	
Operating Expenses	983,500	983,500		1,051,400	1,051,400		1,053,500	1,053,500	
Grants, Loans, Benefits	60,849,100	61,349,100	500,000	62,509,400	71,949,000	9,439,600	62,509,400	64,889,400	2,380,000
Debt Service					26,000	26,000	468,000	1,395,000	927,000
<b>TOTAL EXPENDITURES</b>	<b>67,261,800</b>	<b>67,761,800</b>	<b>500,000</b>	<b>69,323,300</b>	<b>78,788,900</b>	<b>9,465,600</b>	<b>69,943,200</b>	<b>73,250,200</b>	<b>3,307,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	13,072,300	13,072,300		11,715,600	11,715,600		11,813,000	11,813,000	
Restricted Funds	1,758,700	1,758,700		1,758,700	1,758,700		1,758,700	1,758,700	
Federal Funds	52,430,800	52,430,800		52,430,800	52,430,800		52,430,800	52,430,800	
<b>Regular Total Funds</b>	<b>67,261,800</b>	<b>67,261,800</b>		<b>65,905,100</b>	<b>65,905,100</b>		<b>66,002,500</b>	<b>66,002,500</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>67,261,800</b>	<b>67,261,800</b>		<b>65,905,100</b>	<b>65,905,100</b>		<b>66,002,500</b>	<b>66,002,500</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund		500,000	500,000	257,900	8,923,500	8,665,600	780,400	3,787,400	3,007,000
Restricted Funds				26,900	826,900	800,000	26,900	326,900	300,000
Federal Funds				3,133,400	3,133,400		3,133,400	3,133,400	
<b>TOTAL ADDITIONAL</b>		<b>500,000</b>	<b>500,000</b>	<b>3,418,200</b>	<b>12,883,800</b>	<b>9,465,600</b>	<b>3,940,700</b>	<b>7,247,700</b>	<b>3,307,000</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW Debt Service</b>									
ABR112A0010	Provide debt service for \$5 million Bond Funds for the Community Economic Growth Grant Program.								
General Fund							468,000		(468,000)
<b>Project Total</b>							<b>468,000</b>		<b>(468,000)</b>
<b>2 EXPA GOLD- Kentucky Community Development Office</b>									
ABR112A0008	Provide additional funds for operating expenses.								
General Fund				38,700	38,700		46,900	46,900	
<b>Project Total</b>				<b>38,700</b>	<b>38,700</b>		<b>46,900</b>	<b>46,900</b>	

## A - General Government

## Operating Budget

## Governor's Office for Local Development

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>3 EXPA GOLD- Office of Financial Management &amp; Administration</b>									
ABR112A0005 Provide additional funds for operating expenses.									
General Fund				32,500	32,500		39,400	39,400	
<b>Project Total</b>				<b>32,500</b>	<b>32,500</b>		<b>39,400</b>	<b>39,400</b>	
<b>4 EXPA GOLD- Commissioners Office</b>									
ABR112A0003 Provide additional funds for operating expenses.									
General Fund				48,200	48,200		58,400	58,400	
<b>Project Total</b>				<b>48,200</b>	<b>48,200</b>		<b>58,400</b>	<b>58,400</b>	
<b>5 EXPA GOLD- Office of Field Services</b>									
ABR112A0006 Provide additional funds for operating expenses.									
General Fund				66,000	66,000		79,900	79,900	
<b>Project Total</b>				<b>66,000</b>	<b>66,000</b>		<b>79,900</b>	<b>79,900</b>	
<b>6 EXPA GOLD- Office of Grants</b>									
ABR112A0004 General Fund for additional operating , Agency Revenues for Body Armor Program, Federal Funds for CDBG program.									
General Fund				72,500	72,500		87,800	87,800	
Restricted Funds				26,900	26,900		26,900	26,900	
Federal Funds				3,133,400	3,133,400		3,133,400	3,133,400	
<b>Project Total</b>				<b>3,232,800</b>	<b>3,232,800</b>		<b>3,248,100</b>	<b>3,248,100</b>	
<b>7 NEW Gateway Regional Arts Center</b>									
ABR112A0024 Provide General Fund support for the operations of the Gateway Regional Arts Center.									
General Fund					50,000	50,000		50,000	50,000
<b>Project Total</b>					<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>
<b>8 CONT Joint Funding Agreement</b>									
ABR112A0025 Provide additional General Fund support for administration of the Area Development Districts.									
General Fund					500,000	500,000		500,000	500,000
<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>		<b>500,000</b>	<b>500,000</b>
<b>9 NEW Debt Service - Owenton/Owen County Natural Gas Line Capital Project.</b>									
ABR112A0026 Provide General Fund debt service for \$5.0 million Bond project, the Owenton/Owen Co. Natural Gas Line.									
General Fund								234,000	234,000
<b>Project Total</b>								<b>234,000</b>	<b>234,000</b>

## A - General Government

## Operating Budget

## Governor's Office for Local Development

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>10</b>	<b>NEW</b>	<b>Allen County Youth Inc. Girls Softball</b>								
	ABR112A0027	Provide General Fund support.								
	General Fund					20,000	20,000			
	<b>Project Total</b>					<b>20,000</b>	<b>20,000</b>			
<b>11</b>	<b>NEW</b>	<b>Allen County Schools - Allen Co. Intermediate Center Playground</b>								
	ABR112A0028	Provide General Fund support for construction and equipment for a playground.								
	General Fund					150,000	150,000			
	<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>			
<b>12</b>	<b>NEW</b>	<b>12 Multi-County Regional Industrial Park Authorities</b>								
	ABR112A0029	Provide Restricted Funds to be divided equally among the 12 multi-co. regional industrial park authorities for maint marketing, insurance. Funds from LGEDF Multi-Co. Fund.								
	Restricted Funds					300,000	300,000		300,000	300,000
	<b>Project Total</b>					<b>300,000</b>	<b>300,000</b>		<b>300,000</b>	<b>300,000</b>
<b>13</b>	<b>NEW</b>	<b>Debt Service- City of Winchester Community Center</b>								
	ABR112A0030	Provide debt service on the City of Winchester Community Center (\$1.4 million Bond Funds).								
	General Fund								68,000	68,000
	<b>Project Total</b>								<b>68,000</b>	<b>68,000</b>
<b>14</b>	<b>NEW</b>	<b>Buckhorn Childrens Home</b>								
	ABR112A0031	Provide Restricted Funds from the LGEDF Multi-Co. Fund for a grant.								
	Restricted Funds					500,000	500,000			
	<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>			
<b>15</b>	<b>NEW</b>	<b>Woodford County Fiscal Court - Falling Springs Recreational Center</b>								
	ABR112A0032	Provide General Fund grant								
	General Fund		500,000	500,000						
	<b>Project Total</b>		<b>500,000</b>	<b>500,000</b>						
<b>16</b>	<b>NEW</b>	<b>Hopkins County Fiscal Court - Completion of city building and senior citizens building in White Plains</b>								
	ABR112A0033	Provide General Fund grant								
	General Fund					200,000	200,000			
	<b>Project Total</b>					<b>200,000</b>	<b>200,000</b>			

## A - General Government

## Operating Budget

## Governor's Office for Local Development

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>17</b>	<b>NEW</b>	<b>Debt Service for Union County Jail</b>								
ABR112A0034		Provide General Fund debt service for \$6,000,000 Bond Fund								
General Fund									281,000	281,000
<b>Project Total</b>									<b>281,000</b>	<b>281,000</b>
<b>18</b>	<b>NEW</b>	<b>Move Nicholas Hildreth School to Blue Licks State Park</b>								
ABR112A0035		Provide General Fund grant								
General Fund						60,000	60,000			
<b>Project Total</b>						<b>60,000</b>	<b>60,000</b>			
<b>19</b>	<b>NEW</b>	<b>Caldwell County Fiscal Court - County Jail Expansion</b>								
ABR112A0036		Provide General Fund grant								
General Fund									250,000	250,000
<b>Project Total</b>									<b>250,000</b>	<b>250,000</b>
<b>20</b>	<b>NEW</b>	<b>Debt Service for Community Ventures in Fayette County, Third Street land acquisition</b>								
ABR112A0037		Provide General Fund debt service for \$650,000 Bond Fund								
General Fund									33,000	33,000
<b>Project Total</b>									<b>33,000</b>	<b>33,000</b>
<b>21</b>	<b>NEW</b>	<b>Fayette County Urban Government - Frederick Douglas Community Learning Center</b>								
ABR112A0038		Provide General Fund grant								
General Fund						300,000	300,000			
<b>Project Total</b>						<b>300,000</b>	<b>300,000</b>			
<b>22</b>	<b>NEW</b>	<b>Jessamine County Fiscal Court - Building Restoration in Nicholasville</b>								
ABR112A0039		Provide General Fund grant								
General Fund						300,000	300,000			
<b>Project Total</b>						<b>300,000</b>	<b>300,000</b>			
<b>23</b>	<b>NEW</b>	<b>City of Nicholasville - Skate Park Construction</b>								
ABR112A0040		Provide General Fund grant								
General Fund						200,000	200,000			
<b>Project Total</b>						<b>200,000</b>	<b>200,000</b>			
<b>24</b>	<b>NEW</b>	<b>Bracken County Health Department</b>								
ABR112A0041		Provide General Fund grant								
General Fund						100,000	100,000			
<b>Project Total</b>						<b>100,000</b>	<b>100,000</b>			

## A - General Government

## Operating Budget

## Governor's Office for Local Development

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>25</b>	<b>NEW</b>	<b>Lewisburg Fire Department - New Building</b>								
	ABR112A0042	Provide General Fund grant								
	General Fund								300,000	300,000
	<b>Project Total</b>								<b>300,000</b>	<b>300,000</b>
<b>26</b>	<b>NEW</b>	<b>Chamber of Commerce/Vision 2015 Northern Kentucky Encyclopedia</b>								
	ABR112A0043	Provide General Fund grant								
	General Fund					100,000	100,000			
	<b>Project Total</b>					<b>100,000</b>	<b>100,000</b>			
<b>27</b>	<b>NEW</b>	<b>Marshall County - Marshall River Port Authority at Calvert City - Infrastructure</b>								
	ABR112A0044	Provide General Fund debt service for \$2,000,000 Bond Fund								
	General Fund								96,000	96,000
	<b>Project Total</b>								<b>96,000</b>	<b>96,000</b>
<b>28</b>	<b>NEW</b>	<b>Marshall County Fiscal Court - Water Lines</b>								
	ABR112A0045	Provide General Fund debt service for \$1,000,000 Bond Fund								
	General Fund								49,000	49,000
	<b>Project Total</b>								<b>49,000</b>	<b>49,000</b>
<b>29</b>	<b>NEW</b>	<b>Lyon County Fiscal Court - Kuttawa Sewer and Water Project</b>								
	ABR112A0046	Provide General Fund debt service for \$500,000								
	General Fund								26,000	26,000
	<b>Project Total</b>								<b>26,000</b>	<b>26,000</b>
<b>30</b>	<b>NEW</b>	<b>Lyon County Fiscal Court - Eddyville Sewer and Water Project</b>								
	ABR112A0047	Provide General Fund debt service for \$500,000 bond								
	General Fund								26,000	26,000
	<b>Project Total</b>								<b>26,000</b>	<b>26,000</b>
<b>31</b>	<b>NEW</b>	<b>Shively City Hall</b>								
	ABR112A0048	Provide General Fund grant								
	General Fund					19,500	19,500			
	<b>Project Total</b>					<b>19,500</b>	<b>19,500</b>			
<b>32</b>	<b>NEW</b>	<b>Shively Park Walking Path</b>								
	ABR112A0049	Provide General Fund grant								
	General Fund					142,600	142,600			
	<b>Project Total</b>					<b>142,600</b>	<b>142,600</b>			

## A - General Government

## Operating Budget

## Governor's Office for Local Development

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>33</b>	<b>NEW</b>	<b>Scott County Fiscal Court - Buffalo Park Improvement and Infrastructure</b>								
ABR112A0050	Provide General Fund grant									
	General Fund					150,000	150,000			
	<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>			
<b>34</b>	<b>NEW</b>	<b>Hardin County Fiscal Court - Rineyville Community Park</b>								
ABR112A0051	Provide General Fund grant									
	General Fund					100,000	100,000		100,000	100,000
	<b>Project Total</b>					<b>100,000</b>	<b>100,000</b>		<b>100,000</b>	<b>100,000</b>
<b>35</b>	<b>NEW</b>	<b>Jefferson County - Center for Women and Families</b>								
ABR112A0052	Provide General Fund debt service for \$1,000,000 bond									
	General Fund								49,000	49,000
	<b>Project Total</b>								<b>49,000</b>	<b>49,000</b>
<b>36</b>	<b>NEW</b>	<b>Jefferson County - Fairdale Community Center</b>								
ABR112A0053	Provide General Fund debt service for \$300,000 bond									
	General Fund								17,000	17,000
	<b>Project Total</b>								<b>17,000</b>	<b>17,000</b>
<b>37</b>	<b>NEW</b>	<b>Jefferson County - Farnsley/Moremen Landing Home</b>								
ABR112A0054	Provide General Fund debt service for \$260,000 bond									
	General Fund								15,000	15,000
	<b>Project Total</b>								<b>15,000</b>	<b>15,000</b>
<b>38</b>	<b>NEW</b>	<b>Jefferson County - Renovation of Portland Museum</b>								
ABR112A0055	Provide General Fund grant									
	General Fund					150,000	150,000			
	<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>			
<b>39</b>	<b>NEW</b>	<b>Jefferson County - Capital Improvements for Actors Theatre of Louisville</b>								
ABR112A0056	Provide General Fund debt service for \$900,000 bond									
	General Fund								45,000	45,000
	<b>Project Total</b>								<b>45,000</b>	<b>45,000</b>
<b>40</b>	<b>NEW</b>	<b>Madison County Hospice</b>								
ABR112A0057	Provide General Fund grant									
	General Fund					400,000	400,000			
	<b>Project Total</b>					<b>400,000</b>	<b>400,000</b>			

## A - General Government

## Operating Budget

## Governor's Office for Local Development

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>41</b>	<b>NEW</b>	<b>Greenup County - Raceland Worthington Arts Center</b>								
	ABR112A0058	Provide General Fund grant								
	General Fund					250,000	250,000			
	<b>Project Total</b>					<b>250,000</b>	<b>250,000</b>			
<b>42</b>	<b>NEW</b>	<b>City of Bowling Green - Bowling Green Chamber Orchestra (Personnel)</b>								
	ABR112A0059	Provide General Fund grant								
	General Fund					10,000	10,000		10,000	10,000
	<b>Project Total</b>					<b>10,000</b>	<b>10,000</b>		<b>10,000</b>	<b>10,000</b>
<b>43</b>	<b>NEW</b>	<b>Warren County - Lost River Gateway Visitors Center</b>								
	ABR112A0060	Provide General Fund grant								
	General Fund					75,000	75,000		100,000	100,000
	<b>Project Total</b>					<b>75,000</b>	<b>75,000</b>		<b>100,000</b>	<b>100,000</b>
<b>44</b>	<b>NEW</b>	<b>Warren County - Transpark - Rail Spur</b>								
	ABR112A0061	Provide General Fund debt service for \$4,500,000								
	General Fund								211,000	211,000
	<b>Project Total</b>								<b>211,000</b>	<b>211,000</b>
<b>45</b>	<b>NEW</b>	<b>Louisville Metro Government - Louisville Central Community Centers - Job Readiness Skills for Disadvantaged Adults</b>								
	ABR112A0062	Provide General Fund grant								
	General Fund					50,000	50,000			
	<b>Project Total</b>					<b>50,000</b>	<b>50,000</b>			
<b>46</b>	<b>NEW</b>	<b>City of Covington - Timesstar Commons - Planning</b>								
	ABR112A0063	Provide General Fund grant								
	General Fund					250,000	250,000			
	<b>Project Total</b>					<b>250,000</b>	<b>250,000</b>			
<b>47</b>	<b>NEW</b>	<b>City of Covington - West Covington Firestation Property Acquisition</b>								
	ABR112A0064	Provide General Fund debt service for \$300,000 bond								
	General Fund								17,000	17,000
	<b>Project Total</b>								<b>17,000</b>	<b>17,000</b>
<b>48</b>	<b>NEW</b>	<b>City of Park Hills in Northern Kentucky for Site Preparation and Sidewalk Construction</b>								
	ABR112A0065	Provide General Fund grant								
	General Fund					250,000	250,000			
	<b>Project Total</b>					<b>250,000</b>	<b>250,000</b>			

## A - General Government

## Operating Budget

## Governor's Office for Local Development

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>49</b>	<b>NEW</b>	<b>City of Park Hills in Northern Kentucky for Thermo-Imaging Camera for Fire Department</b>								
	ABR112A0066	Provide General Fund grant								
	General Fund					12,500	12,500			
	<b>Project Total</b>					<b>12,500</b>	<b>12,500</b>			
<b>50</b>	<b>NEW</b>	<b>City of Owensboro - Owensboro River Park Center</b>								
	ABR112A0067	Provide General Fund grant								
	General Fund					250,000	250,000		250,000	250,000
	<b>Project Total</b>					<b>250,000</b>	<b>250,000</b>		<b>250,000</b>	<b>250,000</b>
<b>51</b>	<b>NEW</b>	<b>City of Jeffersontown - Jeffersontown Library Branch - Computer and Books</b>								
	ABR112A0068	Provide General Fund grant								
	General Fund					25,000	25,000			
	<b>Project Total</b>					<b>25,000</b>	<b>25,000</b>			
<b>52</b>	<b>NEW</b>	<b>City of Jeffersontown - Jefferson County Youth Leagues Infrastructure Improvement</b>								
	ABR112A0069	Provide General Fund grant								
	General Fund					25,000	25,000			
	<b>Project Total</b>					<b>25,000</b>	<b>25,000</b>			
<b>53</b>	<b>NEW</b>	<b>City of Jeffersontown - Jeffersontown Area Ministries</b>								
	ABR112A0070	Provide General Fund grant								
	General Fund					20,000	20,000		20,000	20,000
	<b>Project Total</b>					<b>20,000</b>	<b>20,000</b>		<b>20,000</b>	<b>20,000</b>
<b>54</b>	<b>NEW</b>	<b>Graves County - Sidewalk Improvements, Park Development, Soccer Field Debt Retirement</b>								
	ABR112A0071	Provide General Fund grant								
	General Fund					300,000	300,000			
	<b>Project Total</b>					<b>300,000</b>	<b>300,000</b>			
<b>55</b>	<b>NEW</b>	<b>Daviess County Fiscal Court - Juvenile Detention Center</b>								
	ABR112A0072	Provide General Fund debt service for \$500,000 bond								
	General Fund					26,000	26,000		52,000	52,000
	<b>Project Total</b>					<b>26,000</b>	<b>26,000</b>		<b>52,000</b>	<b>52,000</b>
<b>56</b>	<b>NEW</b>	<b>Rowan County Fiscal Court - Rowan County Economic Development Office Design</b>								
	ABR112A0073	Provide General Fund grant								
	General Fund					150,000	150,000			
	<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>			

## A - General Government

## Operating Budget

## Governor's Office for Local Development

			Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference		
<b>57 NEW</b>	<b>Wolfe County Fiscal Court - Lee City Fire Station Land and Building</b>										
ABR112A0074	Provide General Fund grant										
General Fund					80,000	80,000					
<b>Project Total</b>					<b>80,000</b>	<b>80,000</b>					
<b>58 NEW</b>	<b>Pulaski County Fiscal Court - Parks and Recreation Development</b>										
ABR112A0075	Provide General Fund grant										
General Fund					400,000	400,000					
<b>Project Total</b>					<b>400,000</b>	<b>400,000</b>					
<b>59 NEW</b>	<b>Buckhorn Childrens Foundation</b>										
ABR112A0076	Provide General Fund grant										
General Fund					500,000	500,000					
<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>					
<b>60 NEW</b>	<b>Elliot County Fiscal Court - Recreational Complex</b>										
ABR112A0077	Provide General Fund grant										
General Fund					500,000	500,000					
<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>					
<b>61 NEW</b>	<b>Woodford County Fiscal Court - Economic Development Authority for the Midway Industrial Park</b>										
ABR112A0078	Provide General Fund debt service for \$1,000,000 bond										
General Fund								49,000	49,000		
<b>Project Total</b>								<b>49,000</b>	<b>49,000</b>		
<b>62 NEW</b>	<b>Woodford County Fiscal Court - Senior Citizens Center Renovation</b>										
ABR112A0079	Provide General Fund debt service for \$1,000,000 bond										
General Fund								49,000	49,000		
<b>Project Total</b>								<b>49,000</b>	<b>49,000</b>		
<b>63 NEW</b>	<b>City of Pineville - Pineville Public Library Furnishings</b>										
ABR112A0080	Provide General Fund grant										
General Fund					100,000	100,000					
<b>Project Total</b>					<b>100,000</b>	<b>100,000</b>					
<b>64 NEW</b>	<b>City of Providence - Sewer Line Expansion</b>										
ABR112A0081	Provide General Fund debt service for \$950,000 bond										
General Fund								47,000	47,000		
<b>Project Total</b>								<b>47,000</b>	<b>47,000</b>		

## A - General Government

## Operating Budget

## Governor's Office for Local Development

			Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference		
<b>65 NEW</b>	<b>McLean County Fiscal Court - Planning and Design of the Myer Creek Agricultural Complex</b>										
ABR112A0082	Provide General Fund grant										
General Fund					250,000	250,000					
<b>Project Total</b>					<b>250,000</b>	<b>250,000</b>					
<b>66 NEW</b>	<b>McLean County Fiscal Court - Planning and Design of the Public Library</b>										
ABR112A0083	Provide General Fund grant										
General Fund					100,000	100,000					
<b>Project Total</b>					<b>100,000</b>	<b>100,000</b>					
<b>67 NEW</b>	<b>Fayette County - Aviation Museum of Kentucky - Design and Construction</b>										
ABR112A0084	Provide General Fund debt service for \$606,000 bond										
General Fund								31,000	31,000		
<b>Project Total</b>								<b>31,000</b>	<b>31,000</b>		
<b>68 NEW</b>	<b>Fayette County - Central Kentucky Blood Center Equipment</b>										
ABR112A0085	Provide General Fund grant										
General Fund					500,000	500,000					
<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>					
<b>69 NEW</b>	<b>Jackson County Fiscal Court - Land Acquisition and Development for Flat Lick Falls Recreational Park</b>										
ABR112A0086	Provide General Fund grant										
General Fund					250,000	250,000					
<b>Project Total</b>					<b>250,000</b>	<b>250,000</b>					
<b>70 NEW</b>	<b>City of McKee - Roadside Park Enhancements</b>										
ABR112A0087	Provide General Fund grant										
General Fund					150,000	150,000					
<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>					
<b>71 NEW</b>	<b>Lincoln County Fiscal Court - First Southern Veterans Park</b>										
ABR112A0088	Provide General Fund grant.										
General Fund					500,000	500,000					
<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>					
<b>72 NEW</b>	<b>Jefferson County - Farnsley/Moreman Landing</b>										
ABR112A0089	Provide General Fund Grant										
General Fund					150,000	150,000					
<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>					

## A - General Government

## Operating Budget

## Governor's Office for Local Development

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>73 NEW</b>	<b>City of Ludlow - Municipal Meeting Center</b>								
ABR112A0090	Provide General Fund Grant								
General Fund					225,000	225,000			
<b>Project Total</b>					<b>225,000</b>	<b>225,000</b>			
<b>74 NEW</b>	<b>City of Princeton - Phase II Streetscape</b>								
ABR112A0091	Provide General Fund grant								
General Fund								250,000	250,000
<b>Project Total</b>								<b>250,000</b>	<b>250,000</b>
<b>75 NEW</b>	<b>Crittenden County Fiscal Court - New Jail Property Purchase and Site Prep.</b>								
ABR112A0092	Provide General Fund grant								
General Fund					225,000	225,000			
<b>Project Total</b>					<b>225,000</b>	<b>225,000</b>			
<b>76 NEW</b>	<b>Muhlenberg County Fiscal Court - Muhlenberg Co. Agricultural Center</b>								
ABR112A0093	Provide General Fund grant								
General Fund					100,000	100,000			
<b>Project Total</b>					<b>100,000</b>	<b>100,000</b>			
<b>77 NEW</b>	<b>University of Kentucky College of Agriculture - Small Wineries Assistance</b>								
ABR112A0094	Provide General Fund grant								
General Fund								250,000	250,000
<b>Project Total</b>								<b>250,000</b>	<b>250,000</b>
<b>TOTAL ADDITIONAL</b>		<b>500,000</b>	<b>500,000</b>	<b>3,418,200</b>	<b>12,883,800</b>	<b>9,465,600</b>	<b>3,940,700</b>	<b>7,247,700</b>	<b>3,307,000</b>

**TRANSFERS TO THE GENERAL FUND**

## Governor's Office for Local Development

Agency Revenue Fund 1,817,800 1,817,800

**TOTAL 1,817,800 1,817,800**

## A - General Government

## Capital Budget

## Governor's Office for Local Development

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund				800,000	800,000		800,000	800,000	
Restricted Funds				700,000	700,000		700,000	700,000	
Bond Funds				5,000,000	28,366,000	23,366,000			
Investment Income				500,000	500,000		500,000	500,000	
<b>TOTAL CAPITAL</b>				<b>7,000,000</b>	<b>30,366,000</b>	<b>23,366,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	
<b>II. CAPITAL PROJECTS</b>									
<b>1</b>	<b>Community Economic Growth Grant Program</b>								
	PRJ112A1393								
Bond Funds				5,000,000		(5,000,000)			
<b>Project Total</b>				<b>5,000,000</b>		<b>(5,000,000)</b>			
<b>2</b>	<b>Flood Control Matching Fund/State Owned Dam Repair Pool</b>								
	PRJ112A1387								
General Fund				800,000	800,000		800,000	800,000	
Restricted Funds				700,000	700,000		700,000	700,000	
Investment Income				500,000	500,000		500,000	500,000	
<b>Project Total</b>				<b>2,000,000</b>	<b>2,000,000</b>		<b>2,000,000</b>	<b>2,000,000</b>	
<b>3</b>	<b>Owenton/Owen County Natural Gas Line</b>								
	PRJ112A1397								
Bond Funds					5,000,000	5,000,000			
<b>Project Total</b>					<b>5,000,000</b>	<b>5,000,000</b>			
<b>4</b>	<b>City of Winchester Community Center</b>								
	PRJ112A1399								
Bond Funds					1,400,000	1,400,000			
<b>Project Total</b>					<b>1,400,000</b>	<b>1,400,000</b>			
<b>5</b>	<b>Union County Fiscal Court - Union County Jail</b>								
	PRJ112A1401								
Bond Funds					6,000,000	6,000,000			
<b>Project Total</b>					<b>6,000,000</b>	<b>6,000,000</b>			
<b>6</b>	<b>Fayette County Urban Government Community Ventures - Third Street Land Acquisition</b>								
	PRJ112A1403								
Bond Funds					650,000	650,000			
<b>Project Total</b>					<b>650,000</b>	<b>650,000</b>			

## A - General Government

## Capital Budget

## Governor's Office for Local Development

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>7</b>	<b>Marshall County - Marshall River Port Authority at Calvert City - Infrastructure</b>								
PRJ112A1405									
Bond Funds					2,000,000	2,000,000			
<b>Project Total</b>					<b>2,000,000</b>	<b>2,000,000</b>			
<b>8</b>	<b>Marshall County Fiscal Court - Water Lines</b>								
PRJ112A1407									
Bond Funds					1,000,000	1,000,000			
<b>Project Total</b>					<b>1,000,000</b>	<b>1,000,000</b>			
<b>9</b>	<b>Lyon County Fiscal Court - Kuttawa Sewer and Water Project</b>								
PRJ112A1409									
Bond Funds					500,000	500,000			
<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>			
<b>10</b>	<b>Lyon County Fiscal Court - Eddyville Sewer and Water Project</b>								
PRJ112A1411									
Bond Funds					500,000	500,000			
<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>			
<b>11</b>	<b>Jefferson County - Center for Women and Families Capital Construction</b>								
PRJ112A1413									
Bond Funds					1,000,000	1,000,000			
<b>Project Total</b>					<b>1,000,000</b>	<b>1,000,000</b>			
<b>12</b>	<b>Jefferson County - Fairdale Community Center</b>								
PRJ112A1415									
Bond Funds					300,000	300,000			
<b>Project Total</b>					<b>300,000</b>	<b>300,000</b>			
<b>13</b>	<b>Jefferson County - Farnsley/Moremen Landing</b>								
PRJ112A1417									
Bond Funds					260,000	260,000			
<b>Project Total</b>					<b>260,000</b>	<b>260,000</b>			
<b>14</b>	<b>Jefferson County - Capital Improvements for Actors Theatre of Louisville</b>								
PRJ112A1419									
Bond Funds					900,000	900,000			
<b>Project Total</b>					<b>900,000</b>	<b>900,000</b>			



## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## A - General Government

## Capital Budget

## Governor's Office for Local Development

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>23</b>									
<b>Leslie Co - 6 Volunteer Fire Dept - Equip &amp; Oper (reauthorize/reallocate)</b>									
PRJ112A1395									
General Fund									
<b>Project Total</b>									
<b>TOTAL CAPITAL</b>				<b>7,000,000</b>	<b>30,366,000</b>	<b>23,366,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes transfers from the Office of the Commissioner, Restricted Funds of \$296,200 and from the Office of Financial Management, Restricted Funds of \$1,521,600 in fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

**"Flood Control Matching Fund Project Review:** The Governor's Office for Local Development shall transmit a copy of the application for a flood-related project to be funded from the flood control matching fund to the Environmental and Public Protection Cabinet with a request for a review of the project pursuant to KRS Chapter 151."

**"Community Economic Growth Grant Program:** Included in the above General Fund appropriation is \$468,000 in fiscal year 2007-2008 to provide new debt service for the Community Economic Development Program as set forth in Part II, Capital Projects Budget, of this Act. The grant program is created to assist counties, cities, local health departments, special districts, or local school districts with funding of projects that will enhance the economic development of their community.

The Community Economic Growth Grant Program shall be administered by the Governor's Office for Local Development and maintained in the State Treasury. The department may receive state appropriations, gifts, grants, and federal funds that shall be disbursed by the State Treasurer upon the warrant of the Commissioner of the Governor's Office for Local Development.

Notwithstanding KRS 45.229, any funds remaining at the end of a fiscal year shall not lapse and shall be available for expenditure in the subsequent fiscal year.

Moneys in the fund shall be used for capital projects that contribute to community or industrial development in the Commonwealth. Capital projects eligible for financing out of the fund may include but not be limited to:

- (a) The construction, reconstruction, renovation, and maintenance of buildings and other improvements to real estate and the architectural, engineering, legal, and other expenses required;
- (b) The acquisition of real property and interests in real property;

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

- (c) The purchase of major equipment;
- (d) Industrial site development projects, including land reclamation, clearing, grading, draining, landscaping, and construction of walkways and fences;
- (e) The extension, installation, and upgrading of water, gas, sewer, and electrical utilities to public facilities and industrial sites;
- (f) To match or use in combination with funds obtained from other sources for an eligible capital improvement project.

Any county, city, local health department, special district, or local school district governing body shall submit proposals through its Area Development District for consideration by the Commissioner of the Governor's Office for Local Development. The Area Development District shall review each proposal and forward the proposal to the Commissioner of the Governor's Office for Local Development for final consideration and action.

Project proposals shall include: a detailed description of the project; a statement of the public benefit derived from the project; design plans and specifications, if applicable; an itemized estimate of the cost of the project; source of other funds or in-kind match; and other information that the Governor's Office for Local Development may require.

Annually, by October 1 each year, the Commissioner of the Governor's Office for Local Development shall report on this program to the Interim Joint Committee on Appropriations and Revenue."

The State/Executive Branch Budget Bill, Part I, Operating Budget provides General Fund appropriation of \$468,000 in fiscal year 2007-2008 for debt service on \$5,000,000 Bond Funds for the Community Economic Development Growth Grant Program in the Capital Budget; General Fund appropriation of \$257,900 in fiscal year 2006-2007 and \$312,400 in fiscal year 2007-2008 for additional operating funds; Restricted Funds of \$26,900 in each fiscal year for the Body Armor Program; and Federal Funds of \$3,133,400 in each fiscal year for the Community Development Block Grant.

Included in the Baseline Budget of the State/Executive Branch Budget Bill, Part I, Operating Budget is General Fund appropriation of \$250,000 each fiscal year for the River Park Center in Owensboro, \$100,000 each fiscal year for the Richmond Arts Center, \$1.0 million each fiscal year for the Trover Clinic (these funds were derived from coal severance revenues), \$95,500 each fiscal year for the Chase Municipal Law Center, \$2.0 million each fiscal year for the Renaissance Kentucky Cities program.

Also provided in the State/Executive Branch Budget Bill, Part I, Operating Budget is General Fund appropriation of \$669,700 in fiscal year 2006-2007 and \$728,000 in fiscal year 2007-2008, derived from coal severance revenues, for the administrative costs associated with managing the Local Government Economic Development Fund (LGEDF) single county grants.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House provides additional General Fund and Restricted Funds support as indicated below in the additional language provisions.

The House does not provide funding for the Community Economic Growth Grant Program.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

**"Owenton/Owen County Natural Gas Line Project:** Included in the above General Fund appropriation is \$234,000 in fiscal year 2007-2008 to provide new debt service for the Owenton/Owen County Natural Gas Line Project as set forth in Part II, Capital Projects Budget, of this Act."

**"Richmond Arts Council:** Included in the above General Fund appropriation is \$100,000 in fiscal year 2006-2007 and \$100,000 in fiscal year 2007-2008 for a grant to the Richmond Arts Council."

**"Knott County Art Center:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2006-2007 and \$250,000 in fiscal year 2007-2008 for a grant to the Knott County Art Center."

**"Chase Municipal Law Center:** Included in the above General Fund appropriation is \$95,500 in fiscal year 2006-2007 and \$95,500 in fiscal year 2007-2008 for a grant to the Chase Municipal Law Center at Northern Kentucky University."

**"Renaissance on Main:** Included in the above General Fund appropriation is \$2,000,000 in fiscal year 2006-2007 and \$2,000,000 in fiscal year 2007-2008 for the Renaissance on Main Program."

**"Gateway Regional Center for the Arts:** Included in the above General Fund appropriation is \$50,000 in fiscal year 2006-2007 and \$50,000 in fiscal year 2007-2008 for the Gateway Regional Center for the Arts."

**"Allen County Schools - Allen County Intermediate Center:** Included in the above General Fund appropriation is \$150,000 in fiscal year 2006-2007 for the construction of a playground and recreation facility, including equipment purchase, for the Allen County Schools, Allen County Intermediate Center."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**"Allen County - Youth Inc. and Girls Softball:** Included in the above General Fund appropriation is \$20,000 in fiscal year 2006-2007 for improvements to the facilities of the Allen County Youth Inc. and Girls Softball."

**"Support of the 12 Multicounty Regional Industrial Park Authorities:** Included in the above Restricted Funds appropriation is \$300,000 in fiscal year 2006-2007 and \$300,000 in fiscal year 2007-2008 in support of the 12 multicounty regional industrial park authorities. Funds shall be distributed equally to the 12 multicounty regional industrial park authorities for marketing and maintenance of the industrial parks and the procurement of property and casualty insurance on the parks."

**"City of Winchester Community Center:** Included in the above General Fund appropriation is \$68,000 in fiscal year 2007-2008 to provide debt service for the City of Winchester Community Center project, as set forth in Part II, Capital Projects Budget, of this Act."

**"Buckhorn Children's Home:** Included in the above Restricted Funds appropriation is \$500,000 in fiscal year 2006-2007 for a grant to the Buckhorn Children's Home."

**"Prior Year Funded Community Development Projects:** Notwithstanding any statutory provision or agreement between a state agency and any local government to the contrary, any fund balance remaining in any Community Development Project appropriated in 2000 Ky. Acts ch. 549, Part II, Section R, remain authorized and shall be retained by the local entity and expended in a manner consistent with the intent and purpose of the appropriation. The Secretary of the Finance and Administration Cabinet, pursuant to KRS 48.500, shall make any determination necessary to effect this provision."

**"Cemetery Preservation Fund:** Included in the above Restricted Funds appropriation is \$25,000 in fiscal year 2006-2007 and \$25,000 in fiscal year 2007-2008 for the Fayette County African Cemetery #2 and \$25,000 in fiscal year 2006-2007 and \$25,000 in fiscal year 2007-2008 for the Fayette County Cove Haven Cemetery. The Fayette County African Cemetery #2 and the Fayette County Cove Haven Cemetery shall provide an in-kind match."

**"Debt Service - Union County Jail:** Included in the above General Fund appropriation is \$281,000 in fiscal year 2007-2008 for debt service to support \$6,000,000 Bond Funds for the Union County Fiscal Court - Union County Jail, as set forth in Part II, Capital Projects Budget, of this Act."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**"Debt Service - Fayette County Urban County Government Community Ventures - Third Street Land Acquisition:** Included in the above General Fund appropriation is \$33,000 in fiscal year 2007-2008 for debt service to support \$650,000 Bond Funds for the Fayette County Urban County Government Community Ventures for Third Street Land Acquisition, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Marshall County - Marshall River Port Authority at Calvert City Infrastructure:** Included in the above General Fund appropriation is \$96,000 in fiscal year 2007-2008 for debt service to support \$2,000,000 Bond Funds for the Marshall County - Marshall River Port Authority at Calvert City Infrastructure, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Marshall County Fiscal Court - Water Lines:** Included in the above General Fund appropriation is \$49,000 in fiscal year 2007-2008 for debt service to support \$1,000,000 Bond Funds for the Marshall County Fiscal Court for water lines , as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Lyon County Fiscal Court - Kuttawa Sewer and Water Project:** Included in the above General Fund appropriation is \$26,000 in fiscal year 2007-2008 for debt service to support \$500,000 Bond Funds for the Lyon County Fiscal Court for the Kuttawa Sewer and Water Project, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Lyon County Fiscal Court - Eddyville Sewer and Water Project:** Included in the above General Fund appropriation is \$26,000 in fiscal year 2007-2008 for debt service to support \$500,000 Bond Funds for the Lyon County Fiscal Court for the Eddyville Sewer and Water Project, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Jefferson County - Center for Women and Families Capital Construction:** Included in the above General Fund appropriation is \$49,000 in fiscal year 2007-2008 for debt service to support \$1,000,000 Bond Funds for the Jefferson County - Center for Women and Families for Capital Construction, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Jefferson County - Fairdale Community Center:** Included in the above General Fund appropriation is \$17,000 in fiscal year 2007-2008 for debt service to support \$300,000 Bond Funds for the Jefferson County - Fairdale Community Center, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Jefferson County - Farnsley/Moreman Landing:** Included in the above General Fund appropriation is \$15,000 in fiscal year 2007-2008 for debt service to support \$260,000 Bond Funds for the Jefferson County - Farnsley/Moreman Landing project,

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

as set forth in Part II, Capital Projects Budget, of this Act. The project shall provide \$130,000 for Chapel Restoration and \$130,000 for Aydelott-Rosenberger House project. Included in the above appropriation is \$150,000 of General Fund support for this project in fiscal year 2006-2007."

**"Debt Service - Jefferson County - Capital Improvements for Actors Theatre of Louisville:** Included in the above General Fund appropriation is \$45,000 in fiscal year 2007-2008 for debt service to support \$900,000 Bond Funds for Capital Improvements for Actors Theatre of Louisville, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Warren County Fiscal Court - Transpark - Rail Spur:** Included in the above General Fund appropriation is \$211,000 in fiscal year 2007-2008 for debt service to support \$4,500,000 Bond Funds for the Warren County Fiscal Court - Transpark - Rail Spur, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - City of Covington - West Covington Fire Station Property Acquisition:** Included in the above General Fund appropriation is \$17,000 in fiscal year 2007-2008 for debt service to support \$300,000 Bond Funds for the City of Covington - West Covington Fire Station Property Acquisition, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Daviess County Fiscal Court - Juvenile Detention Center:** Included in the above General Fund appropriation is \$26,000 in fiscal year 2006-2007 and \$52,000 in fiscal year 2007-2008 for debt service to support \$500,000 Bond Funds for the Daviess County Fiscal Court for the renovation and reopening of a Juvenile Detention Center, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Woodford County Fiscal Court - Economic Development Authority for the Midway Industrial Park:** Included in the above General Fund appropriation is \$49,000 in fiscal year 2007-2008 for debt service to support \$1,000,000 Bond Funds for the Woodford County Fiscal Court - Economic Development Authority for the Midway Industrial Park, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Woodford County Fiscal Court - Senior Citizens Center Renovation:** Included in the above General Fund appropriation is \$49,000 in fiscal year 2007-2008 for debt service to support \$1,000,000 Bond Funds for the Woodford County Fiscal Court - Senior Citizens Center Renovation, as set forth in Part II, Capital Projects Budget, of this Act."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**"Debt Service - City of Providence - Sewer Line Expansion:** Included in the above General Fund appropriation is \$47,000 in fiscal year 2007-2008 for debt service to support \$950,000 Bond Funds for the City of Providence for Sewer Line Expansion, as set forth in Part II, Capital Projects Budget, of this Act."

**"Debt Service - Fayette County - Aviation Museum of Kentucky - Design and Construction:** Included in the above General Fund appropriation is \$31,000 in fiscal year 2007-2008 for debt service to support \$606,000 Bond Funds for the Fayette County - Aviation Museum of Kentucky - Design and Construction, as set forth in Part II, Capital Projects Budget, of this Act."

**"Woodford County Fiscal Court - Falling Springs Recreational Center:** Included in the above General Fund appropriation is \$500,000 in fiscal year 2005-2006 for a grant to Woodford County Fiscal Court for the Falling Springs Recreational Center."

**"Hopkins County Fiscal Court - Completion of City Building and Senior Citizens Building in White Plains:** Included in the above General Fund appropriation is \$200,000 in fiscal year 2006-2007 for a grant to Hopkins County Fiscal Court for the completion of a City Building and Senior Citizens Building in White Plains."

**"Nicholas Hildreth School - Move to Blue Lick State Park:** Included in the above General Fund appropriation is \$60,000 in fiscal year 2006-2007 for a grant to move Nicholas Hildreth School to Blue Lick State Park."

**"Caldwell County Fiscal Court - County Jail Expansion:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2007-2008 for a grant to Caldwell County Fiscal Court for County Jail Expansion."

**"Lexington-Fayette Urban County Government - Frederick Douglas Community Learning Center:** Included in the above General Fund appropriation is \$300,000 in fiscal year 2006-2007 for a grant to the Lexington-Fayette Urban County Government for the Frederick Douglas Community Learning Center."

**"Jessamine County Fiscal Court - Building Restoration in Nicholasville:** Included in the above General Fund appropriation is \$300,000 in fiscal year 2006-2007 for a grant to Jessamine County Fiscal Court for building restoration in Nicholasville."

**"City of Nicholasville - Skate Park Construction:** Included in the above General Fund appropriation is \$200,000 in fiscal year 2006-2007 for a grant to the City of Nicholasville for skate park construction."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**"Bracken County Health Department:** Included in the above General Fund appropriation is \$100,000 in fiscal year 2006-2007 for a grant to Bracken County Health Department."

**"Lewisburg Fire Department - New Building:** Included in the above General Fund appropriation is \$300,000 in fiscal year 2007-2008 for a grant to Lewisburg Fire Department - New Building."

**"Chamber of Commerce/Vision 2015 Northern Kentucky Encyclopedia:** Included in the above General Fund appropriation is \$100,000 in fiscal year 2006-2007 for a grant to Chamber of Commerce/Vision 2015 Northern Kentucky Encyclopedia."

**"Shivley City Hall:** Included in the above General Fund appropriation is \$19,500 in fiscal year 2006-2007 for a grant to the City of Shivley for operating expenses."

**"Shivley Park Walking Path:** Included in the above General Fund appropriation is \$142,600 in fiscal year 2006-2007 for a grant to the City of Shively for the Shively Park Walking Path."

**"Scott County Fiscal Court - Buffalo Park Improvement and Infrastructure:** Included in the above General Fund appropriation is \$150,000 in fiscal year 2006-2007 for a grant to Scott County Fiscal Court for the Buffalo Park Improvement and Infrastructure."

**"Hardin County Fiscal Court - Rineyville Community Park:** Included in the above General Fund appropriation is \$100,000 in fiscal year 2006-2007 and \$100,000 in fiscal year 2007-2008 for a grant to Hardin County Fiscal Court for the Rineyville Community Park."

**"Jefferson County - Renovation of the Portland Museum:** Included in the above General Fund appropriation is \$150,000 in fiscal year 2006-2007 for a grant to Louisville Metro Government for the renovation of the Portland Museum."

**"Madison County Hospice:** Included in the above General Fund appropriation is \$400,000 in fiscal year 2006-2007 for a grant to Madison County Hospice."

**"Greenup County - Raceland Worthington Arts Center:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2006-2007 for a grant to Greenup County for the Raceland Worthington Arts Center."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**"City of Bowling Green - Bowling Green Chamber Orchestra (Personnel):** Included in the above General Fund appropriation is \$10,000 in fiscal year 2006-2007 and \$10,000 in fiscal year 2007-2008 for a grant to the City of Bowling Green for the Bowling Green Chamber Orchestra for personnel."

**"Warren County - Lost River Gateway Visitors Center:** Included in the above General Fund appropriation is \$75,000 in fiscal year 2006-2007 and \$100,000 in fiscal year 2007-2008 for a grant to Warren County for the Lost River Gateway Visitors Center."

**"Louisville Central Community Centers - Job Readiness Skills for Disadvantaged Adults:** Included in the above General Fund appropriation is \$50,000 in fiscal year 2006-2007 for a grant to Louisville Metro Government for the Louisville Central Community Centers Job Readiness Skills for Disadvantaged Adults program."

**"City of Covington - Timestar Commons - Planning:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2006-2007 for a grant to the City of Covington for Timestar Commons planning."

**"City of Park Hills in Northern Kentucky for Site Preparation and Sidewalk Construction:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2006-2007 for a grant to the City of Park Hill in Northern Kentucky for Site Preparation and Sidewalk Construction."

**"City of Park Hills in Northern Kentucky for Thermoimaging Camera for Fire Department:** Included in the above General Fund appropriation is \$12,500 in fiscal year 2006-2007 for a grant to the City of Park Hills in Northern Kentucky for a thermoimaging camera."

**"City of Owensboro - Owensboro River Park Center:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2006-2007 and \$250,000 in fiscal year 2007-2008 for a grant to the City of Owensboro for the Owensboro River Park Center."

**"City of Jeffersontown - Jeffersontown Library Branch - Computer and Books:** Included in the above General Fund appropriation is \$25,000 in fiscal year 2006-2007 for a grant to the City of Jeffersontown for the Jeffersontown Library Branch for a computer and books."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**"City of Jeffersontown - Jefferson County Youth Leagues Infrastructure Improvement:** Included in the above General Fund appropriation is \$25,000 in fiscal year 2006-2007 for a grant to the City of Jeffersontown for the Jefferson County Youth Leagues for infrastructure improvements."

**"City of Jeffersontown - Jeffersontown Area Ministries:** Included in the above General Fund appropriation is \$20,000 in fiscal year 2006-2007 and \$20,000 in fiscal year 2007-2008 for a grant to the City of Jeffersontown for Jeffersontown Area Ministries."

**"Graves County - Sidewalk Improvements, Park Development, Soccer Field Debt Service:** Included in the above General Fund appropriation is \$300,000 in fiscal year 2006-2007 for a grant to Graves County for sidewalk improvements, park development, and soccer field debt service."

**"Rowan County Fiscal Court - Rowan County Economic Development Office Design:** Included in the above General Fund appropriation is \$150,000 in fiscal year 2006-2007 for a grant to Rowan County Fiscal Court for the Rowan County Economic Development Office design."

**"Wolfe County Fiscal Court - Hazel Green Fire Department for Lee City Expansion for Land and Building:** Included in the above General Fund appropriation is \$80,000 in fiscal year 2006-2007 for a grant to Wolfe County Fiscal Court for the Hazel Green Fire Department for Lee City Expansion to be used for land and building."

**"Pulaski County Fiscal Court - Parks and Recreation Development:** Included in the above General Fund appropriation is \$400,000 in fiscal year 2006-2007 for a grant to Pulaski County Fiscal Court for parks and recreation development."

**"Buckhorn Children's Foundation:** Included in the above General Fund appropriation is \$500,000 in fiscal year 2006-2007 for a grant to the Buckhorn Children's Foundation."

**"Elliott County Fiscal Court - Recreational Complex:** Included in the above General Fund appropriation is \$500,000 in fiscal year 2006-2007 for a grant to Elliott County Fiscal Court for a recreational complex."

**"City of Pineville - Pineville Public Library Furnishings:** Included in the above General Fund appropriation is \$100,000 in fiscal year 2006-2007 for a grant to the City of Pineville for the Pineville Public Library furnishings."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**"McLean County Fiscal Court - Planning and Design of the Myer Creek Agricultural Complex:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2006-2007 for a grant to McLean County Fiscal Court for planning and design of the Myer Creek Agricultural Complex."

**"McLean County Fiscal Court - Planning and Design of the Public Library:** Included in the above General Fund appropriation is \$100,000 in fiscal year 2006-2007 for a grant to McLean County Fiscal Court for the planning and design of a public library."

**"Fayette County - Central Kentucky Blood Center Equipment:** Included in the above General Fund appropriation is \$500,000 in fiscal year 2006-2007 for a grant to Lexington-Fayette Urban County Government for the Central Kentucky Blood Center equipment purchase."

**"Jackson County Fiscal Court - Land Acquisition and Development for Flat Lick Falls Recreational Park:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2006-2007 for a grant to Jackson County Fiscal Court for land acquisition and development for Flat Lick Falls Recreational Park."

**"City of McKee - Roadside Park Enhancements:** Included in the above General Fund appropriation is \$150,000 in fiscal year 2006-2007 for a grant to the City of McKee for enhancements to the roadside park."

**"Lincoln County Fiscal Court - First Southern Veterans Park:** Included in the above General Fund appropriation is \$500,000 in fiscal year 2006-2007 for a grant to Lincoln County Fiscal Court for the First Southern Veterans Park."

**"City of Ludlow - Municipal Meeting Center:** Included in the above General Fund appropriation is \$225,000 in fiscal year 2006-2007 for a grant to the City of Ludlow for Phases I through III of the upgrade and renovation of the Municipal Meeting Center."

**"City of Princeton - Phase II Streetscape:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2007-2008 for a grant to the City of Princeton for Phase II of the streetscape project."

**"Crittenden County Fiscal Court - New Jail Property Purchase and Site Prep:** Included in the above General Fund appropriation is \$225,000 in fiscal year 2006-2007 for a grant to the Crittenden County Fiscal Court for the purchase of property and site preparation for a new full service jail."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:07 PM

**Local Government**

**"Muhlenberg County Fiscal Court - Muhlenberg County Agricultural Center:** Included in the above General Fund appropriation is \$100,000 in fiscal year 2006-2007 for a grant to the Muhlenberg County Fiscal Court for the Muhlenberg County Agricultural Center."

**"University of Kentucky College of Agriculture - Small Wineries Assistance:** Included in the above General Fund appropriation is \$250,000 in fiscal year 2007-2008 for a grant to the University of Kentucky College of Agriculture to assist small wineries as defined in KRS 241.010."

The House does not include the language provision relating to the Community Economic Growth Grant Program.

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, by not providing for the Community Economic Growth Grant Program.

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include funding for the Owenton/Owen Owen County Natural Gas Line, City of Winchester Community Center, Union County Fiscal Court - Union County Jail, Fayette County Urban Government Community Ventures - Third Street Land Acquisition, Marshall County - Marshall River Port Authority at Calvert City Infrastructure, Marshall County Fiscal Court - Water Lines, Lyon County Fiscal Court - Kuttawa Sewer and Water Project, Lyon County Fiscal Court - Eddyville Sewer and Water Project, Jefferson County - Center for Women and Families Capital Construction, Jefferson County - Fairdale Community Center, Jefferson County - Farnsley/Moremen Landing, Jefferson County - Capital Improvements for Actors Theatre of Louisville, Warren County Fiscal Court - Transpark - Rail Spur, City of Covington - West Covington Fire Station Property Acquisition, Daviess County Fiscal Court - Owensboro Jail Renovation, Woodford County Fiscal Court - Economic Development Authority for the Midway Industrial Park, Woodford county Fiscal Court - Senior Citizens Center Renovation, City of Providence - Sewer Line Expansion, and Fayette County - Aviation Museum of Kentucky - Design and Construction.

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## A - General Government

## Operating Budget

## Special Funds

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	97,794,800	97,794,800		95,062,100	101,062,100	6,000,000	94,370,500	103,206,500	8,836,000
<b>Regular Total Funds</b>	<b>97,794,800</b>	<b>97,794,800</b>		<b>95,062,100</b>	<b>101,062,100</b>	<b>6,000,000</b>	<b>94,370,500</b>	<b>103,206,500</b>	<b>8,836,000</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>97,794,800</b>	<b>97,794,800</b>		<b>95,062,100</b>	<b>101,062,100</b>	<b>6,000,000</b>	<b>94,370,500</b>	<b>103,206,500</b>	<b>8,836,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Grants, Loans, Benefits	97,794,800	97,794,800		95,062,100	101,062,100	6,000,000	94,370,500	103,206,500	8,836,000
<b>TOTAL EXPENDITURES</b>	<b>97,794,800</b>	<b>97,794,800</b>		<b>95,062,100</b>	<b>101,062,100</b>	<b>6,000,000</b>	<b>94,370,500</b>	<b>103,206,500</b>	<b>8,836,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	97,794,800	97,794,800		95,062,100	101,062,100	6,000,000	94,370,500	103,206,500	8,836,000
<b>Regular Total Funds</b>	<b>97,794,800</b>	<b>97,794,800</b>		<b>95,062,100</b>	<b>101,062,100</b>	<b>6,000,000</b>	<b>94,370,500</b>	<b>103,206,500</b>	<b>8,836,000</b>
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>97,794,800</b>	<b>97,794,800</b>		<b>95,062,100</b>	<b>101,062,100</b>	<b>6,000,000</b>	<b>94,370,500</b>	<b>103,206,500</b>	<b>8,836,000</b>
<b>VI. EXPENDITURES BY UNIT</b>									
<b>Local Government Economic Assistance Fund</b>									
General Fund	52,131,000	52,131,000		52,535,600	52,535,600		51,593,100	51,593,100	
<b>Local Government Economic Development Fund</b>									
General Fund	44,854,100	44,854,100		41,716,800	47,716,800	6,000,000	41,967,700	50,803,700	8,836,000
<b>Area Development Fund</b>									
General Fund	809,700	809,700		809,700	809,700		809,700	809,700	
<b>TOTAL</b>	<b>97,794,800</b>	<b>97,794,800</b>		<b>95,062,100</b>	<b>101,062,100</b>	<b>6,000,000</b>	<b>94,370,500</b>	<b>103,206,500</b>	<b>8,836,000</b>
<b>TRANSFERS TO THE GENERAL FUND</b>									
<b>Local Government Economic Development Fund</b>									
Multi-County Fund (KRS 42.4588)				7,450,000	7,450,000		7,450,000	8,614,000	1,164,000
<b>TOTAL</b>				<b>7,450,000</b>	<b>7,450,000</b>		<b>7,450,000</b>	<b>8,614,000</b>	<b>1,164,000</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:11 PM

**Local Government - Special Funds**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from the Local Government Economic Development Fund, Multi-County Fund, in the amount of \$7,450,000 in each fiscal year for debt service on prior year Infrastructure for Economic Development Fund for Coal Producing Counties Bond Funded projects.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

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

**"Trover Clinic Grant:** Notwithstanding KRS 42.4582 and 42.4585, the quarterly calculation and transfer of the funds shall be made only after each quarterly installment of the annual appropriation of \$1,000,000 in fiscal year 2006-2007 and \$1,000,000 in fiscal year 2007-2008 has been credited to the Trover Clinic Grant within the Governor's Office for Local Development."

**"Community Development Office:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$669,700 in fiscal year 2006-2007 and \$728,000 in fiscal year 2007-2008 is appropriated as General Fund moneys to the Community Development Office in the Governor's Office for Local Development."

**"Kentucky Infrastructure Authority:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$370,000 in fiscal year 2006-2007 and \$311,700 in fiscal year 2007-2008 is appropriated as General Fund moneys to the Kentucky Infrastructure Authority."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:11 PM

**Local Government - Special Funds**

**"Need-Based Scholarship Fund:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$5,000,000 in fiscal year 2006-2007 and \$5,000,000 in fiscal year 2007-2008 is appropriated as General Fund moneys to the Kentucky Higher Education Assistance Authority."

**"Tourism Marketing Program:** Notwithstanding KRS 42.4588, \$1,000,000 in fiscal year 2006-2007 and \$1,000,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Tourism Marketing Program within the Commerce Cabinet."

**"Read to Achieve:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$8,000,000 in fiscal year 2006-2007 and \$8,000,000 in fiscal year 2007-2008 is appropriated as General Fund moneys to the Read to Achieve Program within the Department of Education."

**"Drug Courts:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$1,000,000 in fiscal year 2006-2007 and \$1,000,000 in fiscal year 2007-2008 is appropriated as General Fund moneys to the Drug Courts Program in the Office of Drug Control Policy, Justice Administration budget unit. Notwithstanding KRS 42.4588, \$1,000,000 in fiscal year 2006-2007 and \$1,000,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Drug Court Program in the Office of Drug Control Policy, Justice Administration budget unit."

**"Kentucky Wood Products Competitiveness Corporation:** Notwithstanding KRS 42.4586, no funds shall be transferred to the Secondary Wood Products Development Fund."

**"Kentucky Workers' Compensation Funding Commission:** Notwithstanding KRS 342.122(1)(c), no General Fund appropriation is provided to the Kentucky Workers' Compensation Funding Commission in fiscal year 2006-2007 and fiscal year 2007-2008.

**"Energy Research and Development Fund:** Notwithstanding KRS 42.4588, \$3,500,000 in fiscal year 2006-2007 and \$3,500,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund to the Office for Energy Policy

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:11 PM

**Local Government - Special Funds**

within the Commerce Cabinet as General Fund moneys. These funds shall be used for clean coal and new combustion technology research projects and shall be targeted solely to Kentucky's Local Government Economic Development Fund-eligible counties."

**"School Facilities Construction Commission:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund in fiscal year 2006-2007 shall be made only after funds totaling \$4,617,900, and in fiscal year 2007-2008 shall be made only after funds totaling \$4,617,900, is appropriated as General Fund moneys to the School Facilities Construction Commission to provide debt service to support previously authorized bonds."

**"Kentucky Infrastructure Authority:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$4,091,900 in fiscal year 2006-2007 and \$4,091,900 in fiscal year 2007-2008 is appropriated as General Fund moneys to the Finance and Administration Cabinet, Debt Service budget unit to provide General Fund debt service to support previously authorized bonds for the Water and Sewer Resources Development Fund for Coal Producing Counties."

**"KIA Infrastructure for Economic Development Fund for Coal-Producing Counties:** Notwithstanding KRS 42.4588, funds totaling \$7,450,000 in fiscal year 2006-2007 and \$7,450,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the General Fund to be used by the Finance and Administration Cabinet Debt Service budget unit to support previously authorized bonds for the Infrastructure for Economic Development Fund for Coal-Producing Counties, Bond Pool."

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

**"Flood Matching/State Owned Dam Repair Pool:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$800,000 in fiscal year 2006-2007 and \$800,000 in fiscal year 2007-2008 is appropriated as General Fund moneys to the Governor's Office for Local Development.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:11 PM

**Local Government - Special Funds**

Notwithstanding KRS 42.4588, \$700,000 in fiscal year 2006-2007 and \$700,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Flood Matching/State Owned Dam Repair Pool within the Governor's Office for Local Development."

**"Osteopathic Medicine Scholarship Program:** The transfer of moneys from the General Fund to the Local Government Economic Development Fund shall be made after the transfer to the Osteopathic Medicine Scholarship Program has been made pursuant to KRS 164.7891(11) and (12) in the amount of \$1,024,300 in fiscal year 2006-2007 and \$1,024,300 in fiscal year 2007-2008, within the Kentucky Higher Education Assistance Authority."

**"Operation Unite:** Notwithstanding KRS 42.4588, funds totaling \$1,500,000 in fiscal year 2006-2007 and \$1,500,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Office of Drug Control Policy for Operation Unite in relation to the Federal Task Force on Drug Abuse."

**"Mining Engineering Scholarship Program:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$200,000 in fiscal year 2006-2007 and \$200,000 in fiscal year 2007-2008 is appropriated as General Fund moneys to the University of Kentucky for the Mining Engineering Scholarship Program."

**"404 Permitting Program:** Notwithstanding KRS 42.4588, \$300,000 in fiscal year 2006-2007 and \$300,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Funds to the U.S. Clean Water Act section for 404 Permitting Program Environmental and Public Protection Cabinet, Division of Water. These funds will only be made available after the Commonwealth assumes primacy over the 404 Permitting Program."

**"Wildlife/Elk Herd Interpretive Center:** Notwithstanding KRS 42.4588, \$3,000,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Department of Fish and Wildlife Resources for the Wildlife/Elk Herd Interpretive Center as set forth in Part II, Capital Projects Budget, of this Act."

**"School Technology:** Notwithstanding 42.4588, \$5,000,000 in fiscal year 2006-2007 and \$5,000,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Office of Operations and Support Services within the Department of Education for school technology purposes."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:11 PM

**Local Government - Special Funds**

**"Parameters for County Flexibility:** Notwithstanding KRS 42.4588(2), Local Government Economic Development Fund allocations may be used to support the nonrecurring investments in public health and safety, economic development, public infrastructure, information technology development and access, and public water and wastewater development with the concurrence of both the respective fiscal court and the Governor's Office for Local Development or the Kentucky Infrastructure Authority, as appropriate."

**"Appropriation Limit:** Notwithstanding KRS 48.185, funds appropriated from the General Fund for the Area Development Fund shall be limited to these amounts."

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House reduces General Fund support totaling \$4,000,000 in fiscal year 2006-2007 and \$8,000,000 in fiscal year 2007-2008 for the Read to Achieve Program.

The House reduces General Fund support totaling \$1,000,000, in each fiscal year, for the Drug Courts.

The House provides General Fund debt service support totaling \$1,164,000 in fiscal year 2007-2008 for the current budget, KIA Infrastructure for Economic Development Fund - Coal Producing Counties Bond Funded Projects, and the House provides \$1,164,000 in fiscal year 2007-2008 from the Multi-County Fund for the same purpose.

The House does not provide General Fund support for the Needs Based Scholarship Fund.

The House provides General Fund support totaling \$4,000,000 in each fiscal year for the Legislative Scholarship Program Fund.

The House provides, from the Multi-County Fund, \$500,000 in fiscal year 2006-2007 for the Buckhorn Children's Home.

The House provides, from the Multi-County Fund, \$300,000 in each fiscal year, for the 12 Multi-County Regional Industrial Park Authorities to be divided equally.

The House provides, from the Multi-County Fund, \$500,000 in each fiscal year, for the Kentucky Coal Academy Program.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:11 PM

**Local Government - Special Funds**

The House increases funding from the Multi-County Fund by \$300,000 in fiscal year 2006-2007 and \$800,000 in fiscal year 2007-2008 for the Drug Courts.

The House does not provide funding for the Wildlife/Elk Herd Interpretive Center.

The House reduces funding from the Multi-County Fund by a total of \$750,000 in each fiscal year for Operation Unite.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision changes:

**" Tourism Marketing Program:** Notwithstanding KRS 42.4588, \$1,000,000 in fiscal year 2006-2007 and \$1,000,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Tourism Marketing Program within the Commerce Cabinet. Fees for professional artists and entertainers performing on the Kentucky Music Trail shall be paid from the Tourism Marketing Program."

**"Read to Achieve:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$4,000,000 in fiscal year 2006-2007 is appropriated as General Fund moneys to the Read to Achieve Program within the Department of Education.

**"Drug Courts:** Notwithstanding KRS 42.4588, \$1,300,000 in fiscal year 2006-2007 and \$1,800,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Drug Court Program in the Office of Drug Control Policy, Justice Administration budget unit."

**"Energy Research and Development Fund:** Notwithstanding KRS 42.4588, \$3,500,000 in fiscal year 2006-2007 and \$3,500,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund to the Office of Energy Policy within the Commerce Cabinet as General Fund moneys. These funds shall be used for research projects relating to clean coal, new combustion technology, and the development of alternative transportation fuels produced by processes that convert coal or biomass resources or extract oil from oil shale and shall be targeted solely to Kentucky's Local Government Economic Development Fund-eligible counties. The Office of Energy Policy shall coordinate its efforts with those of Kentucky's universities in order to maximize

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:11 PM

**Local Government - Special Funds**

Kentucky's opportunities for federal funding and receive research grants and awards from federal and other sources of funding for the development of clean coal technology, coal-to-liquid-fuel conversion, alternate transportation fuels, and biomass energy resources."

**"Operation Unite:** Notwithstanding KRS 42.4588, funds totaling \$750,000 in fiscal year 2006-2007 and \$750,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Office of Drug Control Policy for Operation Unite in relation to the Federal Task Force on Drug Abuse."

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

**" Legislative Scholarship Program:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$4,000,000 in fiscal year 2006-2007 and \$4,000,000 in fiscal year 2007-2008 is appropriated as General Fund moneys to the Council on Postsecondary Education."

**"Kentucky Coal Academy:** Notwithstanding KRS 42.4588, funds totaling \$500,000 in fiscal year 2006-2007 and \$500,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Kentucky Community and Technical College System for developing curriculum and training programs for the Kentucky Coal Academy."

**"Support of the 12 Multicounty Regional Industrial Park Authorities:** Notwithstanding KRS 42.4588, funds totaling \$300,000 in fiscal year 2006-2007 and \$300,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Governor's Office for Local Development to be distributed equally to the 12 multicounty regional industrial park authorities located in coal counties to be used for marketing and maintenance of the industrial parks and for procurement of property and casualty insurance on the parks. The Cabinet for Economic Development is directed to evaluate the ongoing marketing, maintenance, and insurance needs of multicounty regional industrial parks and make necessary expenditures from the Multi-County Fund to ensure viability of these parks."

**"Coal Severance Tax Receipts:** The appropriations of severance tax receipts made in this Act shall not lapse but shall be carried forward at the end of each fiscal year."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:11 PM

**Local Government - Special Funds**

**"Buckhorn Children's Home:** Notwithstanding KRS 42.4588, funds totaling \$500,000 in fiscal year 2006-2007 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Governor's Office for Local Development to be distributed as a grant to the Buckhorn Children's Home."

**"Infrastructure for Economic Development Fund for Coal Producing Counties:** Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$1,164,000 in fiscal year 2007-2008 is appropriated as General Fund moneys to the Kentucky Infrastructure Authority for debt service on \$50,000,000 Bond Funds for the Infrastructure for Economic Development Fund for Coal-Producing Counties."

**"Industrial Park Priority:** Notwithstanding KRS 42.4588(2), any county that is providing at least \$1,000,000 from their Local Government Economic Development Fund, Single County Account for an industrial park project, shall be given higher priority when applying for Local Government Economic Development Fund, Multi-County Fund dollars for the same project."

Notwithstanding KRS 42.4588, funds totaling \$1,164,000 in fiscal year 2007-2008 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Kentucky Infrastructure Authority for debt service on \$50,000,000 Bond Funds for the Infrastructure for Economic Development Fund for Coal-Producing Counties."

The House amends the State/Executive Branch Budget Bill, Part V, Funds Transfer, to include \$1,164,000 from the Multi-County Fund for the debt service on the HB 380, KIA Infrastructure for Economic Development Fund - Coal Producing Counties Bond Funded Projects.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to remove the following language provisions pertaining to Need-Based Scholarship Fund and the Wildlife/Elk Herd Interpretive Center.

**THIS PAGE INTENTIONALLY LEFT BLANK**

## A - General Government

## Operating Budget

## Teachers' Retirement System

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	130,799,600	130,799,600		157,326,100	157,326,100		163,323,100	183,323,100	20,000,000
Restricted Funds	8,613,500	8,613,500		9,409,300	9,409,300		10,361,500	10,361,500	
<b>Regular Total Funds</b>	<b>139,413,100</b>	<b>139,413,100</b>		<b>166,735,400</b>	<b>166,735,400</b>		<b>173,684,600</b>	<b>193,684,600</b>	<b>20,000,000</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>139,413,100</b>	<b>139,413,100</b>		<b>166,735,400</b>	<b>166,735,400</b>		<b>173,684,600</b>	<b>193,684,600</b>	<b>20,000,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	7,188,100	7,188,100		7,983,900	7,983,900		8,936,100	8,936,100	
Operating Expenses	1,296,700	1,296,700		1,296,700	1,296,700		1,296,700	1,296,700	
Grants, Loans, Benefits	130,799,600	130,799,600		157,326,100	157,326,100		163,323,100	183,323,100	20,000,000
Capital Outlay	128,700	128,700		128,700	128,700		128,700	128,700	
<b>TOTAL EXPENDITURES</b>	<b>139,413,100</b>	<b>139,413,100</b>		<b>166,735,400</b>	<b>166,735,400</b>		<b>173,684,600</b>	<b>193,684,600</b>	<b>20,000,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	130,799,600	130,799,600		130,428,400	130,428,400		132,158,400	132,158,400	
Restricted Funds	8,613,500	8,613,500		9,409,300	9,409,300		10,361,500	10,361,500	
<b>Regular Total Funds</b>	<b>139,413,100</b>	<b>139,413,100</b>		<b>139,837,700</b>	<b>139,837,700</b>		<b>142,519,900</b>	<b>142,519,900</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>139,413,100</b>	<b>139,413,100</b>		<b>139,837,700</b>	<b>139,837,700</b>		<b>142,519,900</b>	<b>142,519,900</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				26,897,700	26,897,700		31,164,700	51,164,700	20,000,000
<b>TOTAL ADDITIONAL</b>				<b>26,897,700</b>	<b>26,897,700</b>		<b>31,164,700</b>	<b>51,164,700</b>	<b>20,000,000</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 GB</b>	<b>Teachers' Retirement System - 2006-2008 COLA</b>								
ABR5600003	Provide funds for a Targeted Ad Hoc COLA. HOUSE: Provide for an additional 0.8% and 0.6% Cost of Living Adjustment for Retirees.								
General Fund				4,312,800	4,312,800		7,865,100	7,865,100	
<b>Project Total</b>				<b>4,312,800</b>	<b>4,312,800</b>		<b>7,865,100</b>	<b>7,865,100</b>	
<b>2 GB</b>	<b>Teachers' Retirement System - Medical Insurance Subsidy</b>								
ABR5600009	Provide funds for subsidy for retirees under the age of 65 choosing couple, family or parent plus health insurance coverage.								
General Fund				8,262,300	8,262,300		9,116,400	9,116,400	
<b>Project Total</b>				<b>8,262,300</b>	<b>8,262,300</b>		<b>9,116,400</b>	<b>9,116,400</b>	

## A - General Government

## Operating Budget

## Teachers' Retirement System

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>3</b>	<b>GB</b>	<b>Teachers' Retirement System - Supplemental Health Insurance</b>								
ABR5600010	Provide funds for members over the age of 65 choosing couple, family or parent plus health insurance coverage.									
General Fund					50,000	50,000		50,000	50,000	
<b>Project Total</b>					<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>	
<b>4</b>	<b>GB</b>	<b>Teachers' Retirement System - Medical Insurance Fund Stabilization</b>								
ABR5600007	Provide funds to cover the cost of health insurance for members.									
General Fund					8,793,000	8,793,000		14,133,200	14,133,200	
<b>Project Total</b>					<b>8,793,000</b>	<b>8,793,000</b>		<b>14,133,200</b>	<b>14,133,200</b>	
<b>5</b>	<b>GB</b>	<b>Teachers' Retirement System - State Fund Shortage - FY 2004</b>								
ABR5600011	Provide funds for shortfall in the retirement match in fiscal year 2004.									
General Fund					3,650,800	3,650,800				
<b>Project Total</b>					<b>3,650,800</b>	<b>3,650,800</b>				
<b>6</b>	<b>GB</b>	<b>Teachers' Retirement System - Medical Insurance Subsidy</b>								
ABR5600012	Provide funds for shortfall in the subsidy for retirees under age 65 choosing family, parent plus, or couple health insurance plans. Shortfall was for the 2004-2006 fiscal biennium.									
General Fund					1,828,800	1,828,800				
<b>Project Total</b>					<b>1,828,800</b>	<b>1,828,800</b>				
<b>7</b>	<b>GB</b>	<b>Teachers' Retirement System - Supplemental Funding</b>								
ABR5600013	Provide funds to supplement pension system.									
General Fund									20,000,000	20,000,000
<b>Project Total</b>									<b>20,000,000</b>	<b>20,000,000</b>
<b>TOTAL ADDITIONAL</b>					<b>26,897,700</b>	<b>26,897,700</b>		<b>31,164,700</b>	<b>51,164,700</b>	<b>20,000,000</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:31 PM

**Teachers' Retirement System**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

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

**"Administrative Costs:** In accordance with KRS 161.420, in each fiscal year an amount not greater than four percent of the receipts of the state accumulation fund shall be set aside into the expense fund or expended for the administration of the retirement system. No General Fund moneys are provided in fiscal year 2006-2007 or fiscal year 2007-2008 for the cost of administration."

**"Amortization of Sick Leave:** Included in the above General Fund appropriation is \$4,293,800 in fiscal year 2006-2007 and \$9,211,000 in fiscal year 2007-2008 to provide the cost of amortizing the requirements of KRS 161.155 (sick leave) for members retiring during the 2006-2008 fiscal biennium."

**"Highly Skilled Educators' Retirement Benefits:** Salary supplements received by persons selected as highly skilled educators on or after July 1, 2000, shall not be included in the total salary compensation for any retirement benefits to which the employee may be entitled."

**"Targeted Ad Hoc Cost-of-Living Increase for Retirees:** Included in the above General Fund appropriation is \$4,312,800 in fiscal year 2006-2007 and \$7,865,100 in fiscal year 2007-2008 to enable cost-of-living adjustments effective July 1, 2006, to the annuities of those retirees most negatively affected by increases in the Consumer Price Index since their dates of retirement. The Teachers' Retirement System is authorized to devise a policy for calculation and distribution of the cost-of-living adjustments that takes into account the relative needs of those persons retired for the longest periods of time as well as the most effective and efficient administrative procedure for effecting the adjustments."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:31 PM

**Teachers' Retirement System**

**"Supplemental Health Insurance Funding:** Included in the above General Fund appropriation is \$50,000 in each fiscal year to enable the retirement system to provide a subsidy for those retired state members over age 65 that insure their spouses under age 65 through the state health insurance plan. The amount of the subsidy for those over age 65 shall not exceed the amount of the subsidy for members under age 65 that choose couple, family, or parent plus coverage."

**"State Medical Insurance Fund Stabilization Contribution:** Notwithstanding KRS 161.420 and 161.550, included in the above General Fund appropriation is \$8,793,000 in fiscal year 2006-2007 and \$14,133,200 in fiscal year 2007-2008 to amortize the cost of the State Medical Insurance Fund Stabilization Contribution."

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House does not concur with the following language provision:

**"Targeted Ad Hoc Cost-of-Living Increase for Retirees:** Included in the above General Fund appropriation is \$4,312,800 in fiscal year 2006-2007 and \$7,865,100 in fiscal year 2007-2008 to enable cost-of-living adjustments effective July 1, 2006, to the annuities of those retirees most negatively affected by increases in the Consumer Price Index since their dates of retirement. The Teachers' Retirement System is authorized to devise a policy for calculation and distribution of the cost-of-living adjustments that takes into account the relative needs of those persons retired for the longest periods of time as well as the most effective and efficient administrative procedure for effecting the adjustments."

The House provides General Fund support totaling \$20,000,000 in fiscal year 2007-2008 to supplement the Kentucky Teachers' Retirement System pension fund.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to amend the following language provision:

**"Supplemental Health Insurance Funding:** Notwithstanding KRS 161.675(4)(a) included in the above General Fund appropriation is \$50,000 in each fiscal year to enable the retirement system to provide a subsidy from July 1, 2006, through December 31, 2007, for those retired state members over age 65 that insure their spouses under age 65 through the state health insurance plan. The amount of

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:31 PM

**Teachers' Retirement System**

the subsidy for those over age 65 shall not exceed the amount of the subsidy for members under age 65 that choose couple, family, or parent plus coverage. The spousal subsidy is not subject to KRS 161.714."

**"State Medical Insurance Fund Stabilization Contribution:** Notwithstanding KRS 161.420 and 161.550, a portion of the state employer contribution in a sufficient amount shall be allocated to the Teachers' Retirement System Medical Insurance Fund instead of the State Accumulation Fund. Also included in the above General Fund appropriation is \$14,133,200 in fiscal year 2007-2008 to amortize the cost of the State Medical Insurance Fund Stabilization Contribution with the remainder to be amortized under the schedule set forth in KRS 161.553."

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

**"Dependent Subsidy for Retirees under age 65:** Notwithstanding KRS 161.675(4)(a), from July 1, 2006, through December 31, 2007, for all retirees under the age of 65 who participate in the Kentucky Group Health Insurance Program through the Kentucky Teachers' Retirement System, the Kentucky Teachers' Retirement System shall pay the same dependent subsidy that Executive Branch agencies pay for their active employees who have similar coverage. The dependent subsidy is not subject to KRS 161.714."

**"Cost-of-Living Increase for Retirees:** Included in the above General Fund appropriation is \$4,312,800 in fiscal year 2006-2007 and \$7,865,100 in fiscal year 2007-2008 to provide, when combined with the annual one and one-half percent retirement allowance increase as provided for under KRS 161.620, a total increase in retirement allowances of eligible system members and beneficiaries of two and three-tenths percent in fiscal year 2006-2007 and an additional two and one-tenths in fiscal year 2007-2008."

**"Ad Hoc State Contribution:** Included in the above General Fund appropriation is \$12,974,100 in fiscal year 2006-2007 and \$29,444,100 in fiscal year 2007-2008 for an ad hoc contribution to the State Accumulation Fund."

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include reauthorization of \$2,000,000 in Restricted Funds for the KTRS Pension Management System.

**A - General Government****Capital Budget****Teachers' Retirement System**

Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference

**I. CAPITAL PROJECT RECAP BY FUND SOURCE**

Restricted Funds

**TOTAL CAPITAL****II. CAPITAL PROJECTS****1 KTRS Pension Management System (Reauthorization - \$2,000,000 Restricted Funds)**

PRJ5601461

Restricted Funds

**Project Total****TOTAL CAPITAL**

## **B - Commerce Cabinet**

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## B - Commerce Cabinet

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	56,306,300	56,381,300	75,000	56,205,300	58,284,300	2,079,000	59,037,000	66,562,000	7,525,000
Restricted Funds	143,246,500	143,246,500		146,096,400	146,096,400		149,829,700	149,829,700	
Federal Funds	16,448,300	16,448,300		14,754,200	14,864,800	110,600	14,279,900	14,406,700	126,800
<b>Regular Total Funds</b>	<b>216,001,100</b>	<b>216,076,100</b>	<b>75,000</b>	<b>217,055,900</b>	<b>219,245,500</b>	<b>2,189,600</b>	<b>223,146,600</b>	<b>230,798,400</b>	<b>7,651,800</b>
Use of Continuing	99,100	99,100							
<b>TOTAL FUNDS</b>	<b>216,100,200</b>	<b>216,175,200</b>	<b>75,000</b>	<b>217,055,900</b>	<b>219,245,500</b>	<b>2,189,600</b>	<b>223,146,600</b>	<b>230,798,400</b>	<b>7,651,800</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	122,950,400	122,950,400		125,036,600	125,286,600	250,000	128,119,800	128,369,800	250,000
Operating Expenses	59,614,000	59,614,000		59,469,300	59,769,300	300,000	59,491,200	59,491,200	
Grants, Loans, Benefits	26,048,500	26,123,500	75,000	26,266,800	27,781,400	1,514,600	24,901,900	30,882,700	5,980,800
Debt Service	4,012,900	4,012,900		4,322,100	4,322,100		8,626,400	10,047,400	1,421,000
Capital Outlay	2,714,400	2,714,400		1,961,100	2,086,100	125,000	2,007,300	2,007,300	
Construction	760,000	760,000							
<b>TOTAL EXPENDITURES</b>	<b>216,100,200</b>	<b>216,175,200</b>	<b>75,000</b>	<b>217,055,900</b>	<b>219,245,500</b>	<b>2,189,600</b>	<b>223,146,600</b>	<b>230,798,400</b>	<b>7,651,800</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	56,306,300	56,306,300		54,770,100	54,770,100		54,821,000	54,821,000	
Restricted Funds	143,031,100	143,031,100		144,464,000	144,464,000		148,060,900	148,060,900	
Federal Funds	16,448,300	16,448,300		14,210,200	14,320,800	110,600	13,701,700	13,828,500	126,800
<b>Regular Total Funds</b>	<b>215,785,700</b>	<b>215,785,700</b>		<b>213,444,300</b>	<b>213,554,900</b>	<b>110,600</b>	<b>216,583,600</b>	<b>216,710,400</b>	<b>126,800</b>
Use of Continuing	99,100	99,100							
<b>TOTAL BASE LEVEL</b>	<b>215,884,800</b>	<b>215,884,800</b>		<b>213,444,300</b>	<b>213,554,900</b>	<b>110,600</b>	<b>216,583,600</b>	<b>216,710,400</b>	<b>126,800</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund		75,000	75,000	1,435,200	3,514,200	2,079,000	4,216,000	11,741,000	7,525,000
Restricted Funds	215,400	215,400		1,632,400	1,632,400		1,768,800	1,768,800	
Federal Funds				544,000	544,000		578,200	578,200	
<b>TOTAL ADDITIONAL</b>	<b>215,400</b>	<b>290,400</b>	<b>75,000</b>	<b>3,611,600</b>	<b>5,690,600</b>	<b>2,079,000</b>	<b>6,563,000</b>	<b>14,088,000</b>	<b>7,525,000</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## B - Commerce Cabinet

## Capital Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund					125,000	125,000			
Restricted Funds				9,870,000	16,570,000	6,700,000	17,100,000	11,200,000	(5,900,000)
Federal Funds				750,000	750,000				
Bond Funds				45,008,000	69,127,000	24,119,000			
Capital Construction Surplus				238,000	238,000				
Investment Income				3,475,000	3,475,000		4,725,000	4,725,000	
Other Funds				34,680,000	34,680,000				
<b>TOTAL CAPITAL</b>				<b>94,021,000</b>	<b>124,965,000</b>	<b>30,944,000</b>	<b>21,825,000</b>	<b>15,925,000</b>	<b>(5,900,000)</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## B - Commerce Cabinet

## Operating Budget

## Historical Society

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	6,001,100	6,076,100	75,000	6,762,800	6,852,800	90,000	6,013,500	7,200,500	1,187,000
Restricted Funds	664,500	664,500		760,900	760,900		819,600	819,600	
Federal Funds	1,225,000	1,225,000		893,600	1,004,200	110,600	390,000	516,800	126,800
<b>Regular Total Funds</b>	<b>7,890,600</b>	<b>7,965,600</b>	<b>75,000</b>	<b>8,417,300</b>	<b>8,617,900</b>	<b>200,600</b>	<b>7,223,100</b>	<b>8,536,900</b>	<b>1,313,800</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>7,890,600</b>	<b>7,965,600</b>	<b>75,000</b>	<b>8,417,300</b>	<b>8,617,900</b>	<b>200,600</b>	<b>7,223,100</b>	<b>8,536,900</b>	<b>1,313,800</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	3,754,300	3,754,300		3,780,900	3,780,900		3,825,800	3,825,800	
Operating Expenses	3,190,900	3,190,900		3,026,400	3,026,400		2,997,300	2,997,300	
Grants, Loans, Benefits	945,400	1,020,400	75,000	1,610,000	1,810,600	200,600	400,000	556,800	156,800
Debt Service								1,157,000	1,157,000
<b>TOTAL EXPENDITURES</b>	<b>7,890,600</b>	<b>7,965,600</b>	<b>75,000</b>	<b>8,417,300</b>	<b>8,617,900</b>	<b>200,600</b>	<b>7,223,100</b>	<b>8,536,900</b>	<b>1,313,800</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	6,001,100	6,001,100		6,012,800	6,012,800		6,013,500	6,013,500	
Restricted Funds	664,500	664,500		760,900	760,900		819,600	819,600	
Federal Funds	1,225,000	1,225,000		893,600	1,004,200	110,600	390,000	516,800	126,800
<b>Regular Total Funds</b>	<b>7,890,600</b>	<b>7,890,600</b>		<b>7,667,300</b>	<b>7,777,900</b>	<b>110,600</b>	<b>7,223,100</b>	<b>7,349,900</b>	<b>126,800</b>
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>7,890,600</b>	<b>7,890,600</b>		<b>7,667,300</b>	<b>7,777,900</b>	<b>110,600</b>	<b>7,223,100</b>	<b>7,349,900</b>	<b>126,800</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund		75,000	75,000	750,000	840,000	90,000		1,187,000	1,187,000
<b>TOTAL ADDITIONAL</b>		<b>75,000</b>	<b>75,000</b>	<b>750,000</b>	<b>840,000</b>	<b>90,000</b>		<b>1,187,000</b>	<b>1,187,000</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>3 GB</b>	<b>Historical Society - Oral History</b>								
ABR5500002	Provide funds to match a \$3.5 million federal grant to the City of Hodgenville for the Abraham Lincoln Bicentennial celebration.								
General Fund				750,000	750,000				
<b>Project Total</b>				<b>750,000</b>	<b>750,000</b>				
<b>4 NEW</b>	<b>Debt Service</b>								
ABR5500005	Provide debt service to support \$7,260,000 in Bond Funds to further the construction of the African-American Museum in Louisville.								
General Fund								1,012,000	1,012,000
<b>Project Total</b>								<b>1,012,000</b>	<b>1,012,000</b>

**B - Commerce Cabinet****Operating Budget****Historical Society**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>5 CONT Ron Spriggs Tuskegee Airmen</b>									
ABR5500006 Provide support for operating cost and an exhibit for the Ron Spriggs Tuskegee Airmen Exhibit.									
General Fund					40,000	40,000		30,000	30,000
<b>Project Total</b>					<b>40,000</b>	<b>40,000</b>		<b>30,000</b>	<b>30,000</b>
<b>6 NEW Camp Nelson Civil War Park</b>									
ABR5500007 Provide debt service to support a grant totaling \$400,000 for the Camp Nelson Civil War Park.									
General Fund								22,000	22,000
<b>Project Total</b>								<b>22,000</b>	<b>22,000</b>
<b>7 NEW Perryville Battlefield</b>									
ABR5500008 Provide support for the 2006 reenactment and debt service for \$617,000 in grant funds for acquisition and renovation of the property at Perryville Battlefield.									
General Fund		75,000	75,000					32,000	32,000
<b>Project Total</b>		<b>75,000</b>	<b>75,000</b>					<b>32,000</b>	<b>32,000</b>
<b>8 NEW Battle of Richmond Association</b>									
ABR5500009 Provide debt service to support \$1.9 million in grant funds for land acquisition and building restoration.									
General Fund								91,000	91,000
<b>Project Total</b>								<b>91,000</b>	<b>91,000</b>
<b>9 NEW Bluegrass Heritage Museum</b>									
ABR5500010 Provide support for a major equipment purchase.									
General Fund					50,000	50,000			
<b>Project Total</b>					<b>50,000</b>	<b>50,000</b>			
<b>TOTAL ADDITIONAL</b>		<b>75,000</b>	<b>75,000</b>	<b>750,000</b>	<b>840,000</b>	<b>90,000</b>		<b>1,187,000</b>	<b>1,187,000</b>

**TRANSFERS TO THE GENERAL FUND****Historical Society**

Agency Revenue Fund	120,000	120,000
<b>TOTAL</b>	<b>120,000</b>	<b>120,000</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:13 PM

**Kentucky Historical Society**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from the Historical Society, Restricted Funds of \$120,000 in fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes a language provision that directs:

**"Abraham Lincoln Bicentennial Commission:** Included in the above General Fund appropriation is \$750,000 in fiscal year 2006-2007 to provide a grant for the Abraham Lincoln Bicentennial Commission."

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

**"Abraham Lincoln Bicentennial Commission:** Included in the above General Fund appropriation is \$750,000 in fiscal year 2006-2007 to provide a grant for the City of Hodgenville to match Federal Funds."

**"Tuskegee Airmen Exhibit:** Included in the above General Fund appropriation is \$40,000 in fiscal year 2006-2007 and \$30,000 in fiscal year 2007-2008 for the Ron Spriggs Tuskegee Airmen Exhibit."

**"Bluegrass Heritage Museum:** Included in the above General Fund appropriation is \$50,000 in fiscal year 2006-2007 for the Bluegrass Heritage Museum."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:13 PM

**Kentucky Historical Society**

**"Perryville Battlefield:** Included in the above General Fund appropriation is \$75,000 in fiscal year 2005-2006 for the 2006 reenactment of the Battle at Perryville."

**"Debt Service:** Included in the above General Fund appropriation is \$1,157,000 in fiscal year 2007-2008 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act."

The House adds Part Part II, Capital Projects Budget, language provision as follows:

"The distribution of these funds is contingent upon a memorandum of agreement that requires the African-American Museum/African-American Foundation to forgo all future transportation dollars awarded under the 2003 Record of Decision designated for the African-American Museum/African-American Foundation for up to an amount not to exceed \$7,260,000. The future federal dollars shall remain in the Transportation Cabinet for expenditure on other eligible projects."

**B - Commerce Cabinet****Capital Budget****Historical Society**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Bond Funds					10,177,000	10,177,000			
Capital Construction Surplus				238,000	238,000				
<b>TOTAL CAPITAL</b>				<b>238,000</b>	<b>10,415,000</b>	<b>10,177,000</b>			
<b>II. CAPITAL PROJECTS</b>									
<b>2</b>	<b>Kentucky History Center Security Upgrades</b>								
PRJ5501455									
Capital Construction Surplus				238,000	238,000				
<b>Project Total</b>				<b>238,000</b>	<b>238,000</b>				
<b>4</b>	<b>African-American Museum - Louisville</b>								
PRJ5501458									
Bond Funds					7,260,000	7,260,000			
<b>Project Total</b>					<b>7,260,000</b>	<b>7,260,000</b>			
<b>5</b>	<b>Camp Nelson Civil War Park</b>								
PRJ5501460									
Bond Funds					400,000	400,000			
<b>Project Total</b>					<b>400,000</b>	<b>400,000</b>			
<b>6</b>	<b>Perryville Battlefield</b>								
PRJ5501462									
Bond Funds					617,000	617,000			
<b>Project Total</b>					<b>617,000</b>	<b>617,000</b>			
<b>7</b>	<b>Battle of Richmond Association</b>								
PRJ5501464									
Bond Funds					1,900,000	1,900,000			
<b>Project Total</b>					<b>1,900,000</b>	<b>1,900,000</b>			
<b>TOTAL CAPITAL</b>				<b>238,000</b>	<b>10,415,000</b>	<b>10,177,000</b>			

**THIS PAGE INTENTIONALLY LEFT BLANK**

**B - Commerce Cabinet****Operating Budget****Arts Council**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	4,126,700	4,126,700		4,668,400	4,801,400	133,000	4,049,500	9,182,500	5,133,000
Restricted Funds	438,900	438,900		441,900	441,900		452,700	452,700	
Federal Funds	777,800	777,800		744,900	744,900		740,000	740,000	
<b>Regular Total Funds</b>	<b>5,343,400</b>	<b>5,343,400</b>		<b>5,855,200</b>	<b>5,988,200</b>	<b>133,000</b>	<b>5,242,200</b>	<b>10,375,200</b>	<b>5,133,000</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>5,343,400</b>	<b>5,343,400</b>		<b>5,855,200</b>	<b>5,988,200</b>	<b>133,000</b>	<b>5,242,200</b>	<b>10,375,200</b>	<b>5,133,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	1,113,500	1,113,500		1,057,500	1,057,500		1,063,800	1,063,800	
Operating Expenses	806,700	806,700		780,300	780,300		779,200	779,200	
Grants, Loans, Benefits	3,423,200	3,423,200		4,017,400	4,150,400	133,000	3,399,200	8,532,200	5,133,000
<b>TOTAL EXPENDITURES</b>	<b>5,343,400</b>	<b>5,343,400</b>		<b>5,855,200</b>	<b>5,988,200</b>	<b>133,000</b>	<b>5,242,200</b>	<b>10,375,200</b>	<b>5,133,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	4,126,700	4,126,700		4,070,200	4,070,200		4,049,500	4,049,500	
Restricted Funds	438,900	438,900		441,900	441,900		452,700	452,700	
Federal Funds	777,800	777,800		744,900	744,900		740,000	740,000	
<b>Regular Total Funds</b>	<b>5,343,400</b>	<b>5,343,400</b>		<b>5,257,000</b>	<b>5,257,000</b>		<b>5,242,200</b>	<b>5,242,200</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>5,343,400</b>	<b>5,343,400</b>		<b>5,257,000</b>	<b>5,257,000</b>		<b>5,242,200</b>	<b>5,242,200</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				598,200	731,200	133,000		5,133,000	5,133,000
<b>TOTAL ADDITIONAL</b>				<b>598,200</b>	<b>731,200</b>	<b>133,000</b>		<b>5,133,000</b>	<b>5,133,000</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>6 NEW Arts Council</b>									
ABR5290006	Provide funds for the Partnership of Creative Economies to be matched by the Louisville Metro Government and private donations.								
General Fund				598,200	598,200				
<b>Project Total</b>				<b>598,200</b>	<b>598,200</b>				
<b>7 CONT Arts Council - Operating Support</b>									
ABR5290007	Restore funding to the Arts Council.								
General Fund					133,000	133,000		133,000	133,000
<b>Project Total</b>					<b>133,000</b>	<b>133,000</b>		<b>133,000</b>	<b>133,000</b>

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

**B - Commerce Cabinet****Operating Budget****Arts Council**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>8 NEW State Infrastructure Funding for Performing Arts Centers</b>									
ABR5290008 Provide support to establish state infrastructure funding for performing arts centers.									
General Fund								5,000,000	5,000,000
<b>Project Total</b>								<b>5,000,000</b>	<b>5,000,000</b>
<b>TOTAL ADDITIONAL</b>				<b>598,200</b>	<b>731,200</b>	<b>133,000</b>		<b>5,133,000</b>	<b>5,133,000</b>

**TRANSFERS TO THE GENERAL FUND****Arts Council**

Agency Revenue Fund (KRS 153.220(8))	20,000	20,000
---	--------	--------

<b>TOTAL</b>	<b>20,000</b>	<b>20,000</b>
--------------	---------------	---------------

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:12 PM

**Kentucky Arts Council**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from the Arts Council, Restricted Funds of \$20,000 in fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

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

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

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House increases General Fund support totaling \$133,000 in each fiscal year for operating cost.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

**"Regional Performing Arts Centers Performance and Education Fund:** Included in the above General Fund appropriation is \$5,000,000 in fiscal year 2007-2008 to establish the Performing Arts Centers Performance and Education Fund. Regional Performing

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:12 PM

**Kentucky Arts Council**

Arts Centers shall be eligible to apply for grants for performance and educational programming. The Arts Council shall develop a grant application process and an organization applying for grant funds shall, at a minimum:

- (a) Be a non-profit organization or a public college or university;
- (b) Have as a primary purpose the presentation of the arts rather than producing the arts;
- (c) Have available for presentation a facility with a seating capacity of 450 or more;
- (d) Be a member of the Kentucky Arts Presenters Network;
- (e) Have a plan for providing educational programs to schools and the community;
- (f) Have at least one full-time paid staff member;
- (g) Be an organization that performs its own productions or has a partnership with an established organization that provides the productions; and
- (h) Be an organization that either currently provides performance and educational programming or that demonstrates that it will be able to begin performance and educational programming within one year of application.

The application shall also contain a planning component that includes measurable goals and objectives, financial reporting procedures, and evaluation procedures. Funds shall not be expended for capital purposes and, if the Arts Council requires a local match, an in-kind match that includes volunteer service shall be permitted.

**D - Department of Education**

**THIS PAGE INTENTIONALLY LEFT BLANK**

## D - Department of Education

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	1,888,400	1,888,400		1,388,400	1,388,400		1,508,400	1,508,400	
General Fund	3,385,590,700	3,385,590,700		3,555,007,600	3,505,550,100	(49,457,500)	3,752,161,200	3,831,389,600	79,228,400
Restricted Funds	4,943,400	4,943,400		9,831,300	9,831,300		9,831,300	9,831,300	
Federal Funds	687,250,500	687,250,500		687,646,900	687,646,900		687,371,400	687,371,400	
<b>Regular Total Funds</b>	<b>4,079,673,000</b>	<b>4,079,673,000</b>		<b>4,253,874,200</b>	<b>4,204,416,700</b>	<b>(49,457,500)</b>	<b>4,450,872,300</b>	<b>4,530,100,700</b>	<b>79,228,400</b>
Use of Continuing	7,300,600	7,300,600							
<b>TOTAL FUNDS</b>	<b>4,086,973,600</b>	<b>4,086,973,600</b>		<b>4,253,874,200</b>	<b>4,204,416,700</b>	<b>(49,457,500)</b>	<b>4,450,872,300</b>	<b>4,530,100,700</b>	<b>79,228,400</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	61,918,700	61,918,700		62,609,900	62,609,900		63,411,700	63,411,700	
Operating Expenses	18,671,200	18,671,200		24,646,600	24,646,600		34,589,300	34,589,300	
Grants, Loans, Benefits	4,006,383,700	4,006,383,700		4,166,617,700	4,117,160,200	(49,457,500)	4,347,670,300	4,423,369,700	75,699,400
Debt Service							5,201,000	8,730,000	3,529,000
<b>TOTAL EXPENDITURES</b>	<b>4,086,973,600</b>	<b>4,086,973,600</b>		<b>4,253,874,200</b>	<b>4,204,416,700</b>	<b>(49,457,500)</b>	<b>4,450,872,300</b>	<b>4,530,100,700</b>	<b>79,228,400</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund (Tobacco)	1,888,400	1,888,400		1,388,400	1,388,400		1,508,400	1,508,400	
General Fund	3,385,590,700	3,385,590,700		3,389,445,400	3,383,712,600	(5,732,800)	3,390,468,700	3,386,468,700	(4,000,000)
Restricted Funds	4,943,400	4,943,400		4,787,900	4,787,900		4,785,000	4,785,000	
Federal Funds	687,250,500	687,250,500		687,646,900	687,646,900		687,371,400	687,371,400	
<b>Regular Total Funds</b>	<b>4,079,673,000</b>	<b>4,079,673,000</b>		<b>4,083,268,600</b>	<b>4,077,535,800</b>	<b>(5,732,800)</b>	<b>4,084,133,500</b>	<b>4,080,133,500</b>	<b>(4,000,000)</b>
Use of Continuing	7,300,600	7,300,600							
<b>TOTAL BASE LEVEL</b>	<b>4,086,973,600</b>	<b>4,086,973,600</b>		<b>4,083,268,600</b>	<b>4,077,535,800</b>	<b>(5,732,800)</b>	<b>4,084,133,500</b>	<b>4,080,133,500</b>	<b>(4,000,000)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				165,562,200	121,837,500	(43,724,700)	361,692,500	444,920,900	83,228,400
Restricted Funds				5,043,400	5,043,400		5,046,300	5,046,300	
<b>TOTAL ADDITIONAL</b>				<b>170,605,600</b>	<b>126,880,900</b>	<b>(43,724,700)</b>	<b>366,738,800</b>	<b>449,967,200</b>	<b>83,228,400</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## D - Department of Education

## Capital Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Bond Funds				37,350,000	88,650,000	51,300,000			
Investment Income				675,000	675,000		675,000	675,000	
<b>TOTAL CAPITAL</b>				<b>38,025,000</b>	<b>89,325,000</b>	<b>51,300,000</b>	<b>675,000</b>	<b>675,000</b>	

**THIS PAGE INTENTIONALLY LEFT BLANK**

## D - Department of Education

## Operating Budget

## Operations and Support Services

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	31,391,500	31,391,500		37,125,500	37,125,500		52,577,400	56,106,400	3,529,000
Restricted Funds	2,322,200	2,322,200		7,210,100	7,210,100		7,210,100	7,210,100	
Federal Funds	8,527,800	8,527,800		8,527,800	8,527,800		8,527,800	8,527,800	
<b>Regular Total Funds</b>	<b>42,241,500</b>	<b>42,241,500</b>		<b>52,863,400</b>	<b>52,863,400</b>		<b>68,315,300</b>	<b>71,844,300</b>	<b>3,529,000</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>42,241,500</b>	<b>42,241,500</b>		<b>52,863,400</b>	<b>52,863,400</b>		<b>68,315,300</b>	<b>71,844,300</b>	<b>3,529,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	9,759,600	9,759,600		10,088,100	10,088,100		10,337,400	10,337,400	
Operating Expenses	4,254,100	4,254,100		9,547,500	9,547,500		19,549,100	19,549,100	
Grants, Loans, Benefits	28,227,800	28,227,800		33,227,800	33,227,800		33,227,800	33,227,800	
Debt Service							5,201,000	8,730,000	3,529,000
<b>TOTAL EXPENDITURES</b>	<b>42,241,500</b>	<b>42,241,500</b>		<b>52,863,400</b>	<b>52,863,400</b>		<b>68,315,300</b>	<b>71,844,300</b>	<b>3,529,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	31,391,500	31,391,500		31,825,500	31,825,500		32,076,400	32,076,400	
Restricted Funds	2,322,200	2,322,200		2,166,700	2,166,700		2,163,800	2,163,800	
Federal Funds	8,527,800	8,527,800		8,527,800	8,527,800		8,527,800	8,527,800	
<b>Regular Total Funds</b>	<b>42,241,500</b>	<b>42,241,500</b>		<b>42,520,000</b>	<b>42,520,000</b>		<b>42,768,000</b>	<b>42,768,000</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>42,241,500</b>	<b>42,241,500</b>		<b>42,520,000</b>	<b>42,520,000</b>		<b>42,768,000</b>	<b>42,768,000</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				5,300,000	5,300,000		20,501,000	24,030,000	3,529,000
Restricted Funds				5,043,400	5,043,400		5,046,300	5,046,300	
<b>TOTAL ADDITIONAL</b>				<b>10,343,400</b>	<b>10,343,400</b>		<b>25,547,300</b>	<b>29,076,300</b>	<b>3,529,000</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1</b>	<b>EXPA</b>	<b>Operations and Support Services - Education Technology</b>							
ABR540B0005	Provide coal severance funds for education technology for coal producing counties.								
Restricted Funds				5,000,000	5,000,000		5,000,000	5,000,000	
<b>Project Total</b>				<b>5,000,000</b>	<b>5,000,000</b>		<b>5,000,000</b>	<b>5,000,000</b>	
<b>2</b>	<b>GB</b>	<b>Operations and Support Services - Administrative Services</b>							
ABR540B0003	Provide funds for one (1) vacant Administrative Specialist position.								
Restricted Funds				43,400	43,400		46,300	46,300	
<b>Project Total</b>				<b>43,400</b>	<b>43,400</b>		<b>46,300</b>	<b>46,300</b>	

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## D - Department of Education

## Operating Budget

## Operations and Support Services

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>3 NEW Operations and Support Services - IT Capital Projects</b>									
ABR540B0009 Provide funds for operational components of recommended information technology projects.									
General Fund				5,300,000	5,300,000		15,300,000	15,300,000	
<b>Project Total</b>				<b>5,300,000</b>	<b>5,300,000</b>		<b>15,300,000</b>	<b>15,300,000</b>	
<b>4 NEW Debt Service</b>									
ABR540B0008 Provide General Fund debt service for \$37.35M for Capital Projects. HOUSE: Provide half year debt service in FY 2007-08 for \$87.15M for IT capital projects and \$1.5M project for the Rockcastle County Vocational and Technical School.									
General Fund							5,201,000	8,730,000	3,529,000
<b>Project Total</b>							<b>5,201,000</b>	<b>8,730,000</b>	<b>3,529,000</b>
<b>TOTAL ADDITIONAL</b>				<b>10,343,400</b>	<b>10,343,400</b>		<b>25,547,300</b>	<b>29,076,300</b>	<b>3,529,000</b>

**TRANSFERS TO THE GENERAL FUND****Operations and Support Services**

Agency Revenue Fund	150,000	150,000
<b>TOTAL</b>	<b>150,000</b>	<b>150,000</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:32 PM

**Operations and Support Services**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from Operations and Support Services, Restricted Funds of \$150,000 in fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

**"Teachers' Retirement System Employer Match:** Included in the above General Fund appropriation is \$2,705,600 in fiscal year 2006-2007 and \$2,840,900 in fiscal year 2007-2008 to enable the Department of Education to provide the employer match for the teacher retirement contribution for qualified employees as provided by KRS 161.550."

**"Debt Service:** Included in the above General Fund appropriation is \$5,201,000 in fiscal year 2007-2008 to provide for debt service for new bonds as set forth in Part II, Capital Projects Budget, of this Act."

**"School Technology in Coal Counties:** Included in the above Restricted Funds appropriation is \$5,000,000 in each fiscal year from the Local Government Economic Development Multi-County Fund for the purpose of enhancing education technology in local school districts within coal-producing counties."

**"Management Assistance Program:** Included in the above General Fund appropriation is \$200,000 in each fiscal year for the Management Assistance Program."

The State/Executive Branch Budget Bill, Part II, Capital Projects Budget, includes a language provision as follows:

"P-16 Education IT Integration Initiative"

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:32 PM

**Operations and Support Services**

"The Commissioner of the Department of Education, the Secretary of the Education Cabinet, the President of the Council on Postsecondary Education, and the Executive Director of the Education Professional Standards Board shall submit a coordinated plan for the expenditure of these funds to the State Budget Director and the Secretary of the Finance and Administration Cabinet for approval prior to the expenditure of these funds. The approved plan shall be provided to the Interim Joint Committee on Appropriations and Revenue."

The State/Executive Branch Budget Bill provides General Fund resources of \$5,300,000 in fiscal year 2006-2007 and \$15,300,000 in fiscal year 2007-2008 for operational support of the three capital projects identified in Part II, Capital Projects Budget, of this Act.

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House does not provide General Fund support for debt service for the P-16 Education IT Integration Initiative.

The House provides a reduced level of General Fund support for debt service for the Knowledge Management Portal as set forth in Part II of this act.

The House provides General Fund support totaling \$8,730,000 for debt service for new bonds as set forth in Part II of this act.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to amend the following language provisions.

**"Debt Service:** Included in the above General Fund appropriation is \$8,730,000 in fiscal year 2007-2008 to provide for debt service for new bonds as set forth in Part II, Capital Projects Budget, of this Act. Included in the \$8,730,000 is \$620,000 in fiscal year 2007-2008 to provide debt service for new bonds for a high-speed education telecommunications network that supports a set of seamless P-16 management, instructional, and research applications. The network shall consist of 100 MBPS to at least 40 percent of Kentucky's local school districts and at least ten MBPS to the remaining local school districts. Included in the \$8,730,000 is \$696,000 in fiscal year 2007-2008 to provide debt service for a functionally robust and modern system to ensure the efficient collection and management of student information, including a unique student identifier, at the school, district, and state levels. Included in the \$8,730,000 is \$1,044,000 in fiscal year 2007-2008 to provide debt service for a Web-based, on-line testing program that provides a quicker return of test results, student accountability, and assessment integration into teaching and learning situations on a real-time basis. Included in the \$8,730,000 is \$229,000 in fiscal year 2007-2008 to provide debt service for a knowledge management portal that will provide K-

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:32 PM

**Operations and Support Services**

12 public educators with intuitive access to indexed, aligned, and well-organized Web-based instructional resources such as units of study that connect curriculum, instruction, and assessment with other data generated by schools and the Kentucky Department of Education. Included in the \$8,730,000 is \$6,069,000 in fiscal year 2007-2008 to provide debt service for the purchase of modern workstations, stationary or mobile, for public K-12 schools to support advanced instructional activities, including on-line learning and Internet 2 instructional activities. The Kentucky Board of Education shall approve a plan for distribution of the workstations. Included in the \$8,730,000 is \$72,000 in fiscal year 2007-2008 to provide debt service for the Rockcastle County Vocational and Technical Center."

**"School Technology in Coal Counties:** Included in the above Restricted Funds appropriation is \$5,000,000 in each fiscal year from the Local Government Economic Development Multi-County Fund for the purpose of enhancing education technology in local school districts within coal-producing counties. The Commissioner of the Department of Education is authorized to use up to \$1,000,000 of the above \$5,000,000 appropriation in each fiscal year to make offers of assistance to qualifying local school districts in coal-producing counties to fund technology projects; to be eligible for these offers of assistance, local school districts may be required to provide a match of not more than two to one from any of their other funding sources. The Commissioner of the Department of Education shall use \$2,500,000 of the above \$5,000,000 appropriation in each fiscal year to be distributed as grants to school districts in coal-producing counties for grid computing projects in accordance with KRS 158.807. The Commissioner of the Department of Education shall distribute the remainder of the above \$5,000,000 appropriation to coal-producing counties in a manner consistent with distributions to local school districts from the Kentucky Education Technology System; these funds shall be in addition to any regular distribution to coal-producing counties from the Kentucky Education Technology System."

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision.

**"Education Technology Program:** Included in the above General Fund appropriation is \$19,500,000 in each fiscal year for the Education Technology Program."

**"Local Taxes:** Any school district board of education that has not, as of the effective date of this Act:

- (1) Levied the tax authorized by KRS 160.613 or 160.614; or
- (2) Levied the tax authorized by KRS 160.613 or 160.614 at the maximum rate permitted by 160.613;

**Fiscal Biennium 2006-2008**  
**Budget Modification Report**

03/08/06 3:32 PM

**Operations and Support Services**

may levy the tax, or may increase the rate of the tax to the maximum rate permitted by KRS 160.613 by complying with the notice and hearing requirements set forth in KRS 160.603. Any rate levied or increased pursuant to the authority granted by this section shall not be subject to recall under KRS 160.597. Any tax imposed or rate increased pursuant to this section shall become effective not less than forty-five (45) days nor more than ninety (90) days after its passage. The provisions of this section shall apply through December 31, 2006."

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to not provide Bond Funds totaling \$16,100,000 for the P-16 Education IT Integration Initiative.

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to provide a reduced level of Bond Funds totaling \$3,250,000 for the Knowledge Management Portal.

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include Bond Funds totaling \$50,000,000 for the Education Technology Pool.

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include Bond Funds totaling \$10,000,000 for the Student Information System.

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include Bond Funds totaling \$8,900,000 for the Kentucky Education Network.

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include Bond Funds totaling \$1,500,000 for the Rockcastle County Vocational and Technical Center.

The House adds in Part II, Capital Budget, a language provision as follows:

"Kentucky Education Network"

"The Secretary of the Education Cabinet, the Commissioner of the Department of Education, the President of the Council on Postsecondary Education, the Secretary of the Finance and Administration Cabinet, and the Executive Director of the Education Professional Standards Board shall submit a coordinated implementation plan with timelines and regular progress reports to the

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:32 PM

**Operations and Support Services**

Interim Joint Committee on Appropriations and Revenue. All expenditures shall require the prior approval of the Secretary of the Finance and Administration Cabinet."

**THIS PAGE INTENTIONALLY LEFT BLANK**

## D - Department of Education

## Capital Budget

## Operations and Support Services

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Bond Funds				37,350,000	88,650,000	51,300,000			
Investment Income				675,000	675,000		675,000	675,000	
<b>TOTAL CAPITAL</b>				<b>38,025,000</b>	<b>89,325,000</b>	<b>51,300,000</b>	<b>675,000</b>	<b>675,000</b>	
<b>II. CAPITAL PROJECTS</b>									
<b>1</b>	<b>Maintenance Pool</b>								
PRJ540B1450									
Investment Income				675,000	675,000		675,000	675,000	
<b>Project Total</b>				<b>675,000</b>	<b>675,000</b>		<b>675,000</b>	<b>675,000</b>	
<b>2</b>	<b>On-Line Assessment</b>								
PRJ540B1453									
Bond Funds				15,000,000	15,000,000				
<b>Project Total</b>				<b>15,000,000</b>	<b>15,000,000</b>				
<b>3</b>	<b>Knowledge Management Portal</b>								
PRJ540B1451									
Bond Funds				6,250,000	3,250,000	(3,000,000)			
<b>Project Total</b>				<b>6,250,000</b>	<b>3,250,000</b>	<b>(3,000,000)</b>			
<b>4</b>	<b>P-16 Education IT Integration Initiative</b>								
PRJ540B1454									
Bond Funds				16,100,000		(16,100,000)			
<b>Project Total</b>				<b>16,100,000</b>		<b>(16,100,000)</b>			
<b>5</b>	<b>Education Technology Pool</b>								
PRJ540B1456									
Bond Funds					50,000,000	50,000,000			
<b>Project Total</b>					<b>50,000,000</b>	<b>50,000,000</b>			
<b>6</b>	<b>Rockcastle County Vocational and Technical Center</b>								
PRJ540B1458									
Bond Funds					1,500,000	1,500,000			
<b>Project Total</b>					<b>1,500,000</b>	<b>1,500,000</b>			

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## D - Department of Education

## Capital Budget

## Operations and Support Services

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>7</b>	<b>Student Information System</b>								
PRJ540B1452									
Bond Funds					10,000,000	10,000,000			
<b>Project Total</b>					<b>10,000,000</b>	<b>10,000,000</b>			
<b>8</b>	<b>Kentucky Education Network</b>								
PRJ540B1460									
Bond Funds					8,900,000	8,900,000			
<b>Project Total</b>					<b>8,900,000</b>	<b>8,900,000</b>			
<b>TOTAL CAPITAL</b>				<b>38,025,000</b>	<b>89,325,000</b>	<b>51,300,000</b>	<b>675,000</b>	<b>675,000</b>	

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## D - Department of Education

## Operating Budget

## Support Education Excellence in Kentucky (SEEK)

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	2,594,892,700	2,594,892,700		2,680,435,400	2,680,910,200	474,800	2,815,817,700	2,951,824,200	136,006,500
<b>Regular Total Funds</b>	<b>2,594,892,700</b>	<b>2,594,892,700</b>		<b>2,680,435,400</b>	<b>2,680,910,200</b>	<b>474,800</b>	<b>2,815,817,700</b>	<b>2,951,824,200</b>	<b>136,006,500</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>2,594,892,700</b>	<b>2,594,892,700</b>		<b>2,680,435,400</b>	<b>2,680,910,200</b>	<b>474,800</b>	<b>2,815,817,700</b>	<b>2,951,824,200</b>	<b>136,006,500</b>
<b>II. EXPENDITURE CATEGORY</b>									
Grants, Loans, Benefits	2,594,892,700	2,594,892,700		2,680,435,400	2,680,910,200	474,800	2,815,817,700	2,951,824,200	136,006,500
<b>TOTAL EXPENDITURES</b>	<b>2,594,892,700</b>	<b>2,594,892,700</b>		<b>2,680,435,400</b>	<b>2,680,910,200</b>	<b>474,800</b>	<b>2,815,817,700</b>	<b>2,951,824,200</b>	<b>136,006,500</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	2,594,892,700	2,594,892,700		2,594,892,700	2,594,892,700		2,594,892,700	2,594,892,700	
<b>Regular Total Funds</b>	<b>2,594,892,700</b>	<b>2,594,892,700</b>		<b>2,594,892,700</b>	<b>2,594,892,700</b>		<b>2,594,892,700</b>	<b>2,594,892,700</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>2,594,892,700</b>	<b>2,594,892,700</b>		<b>2,594,892,700</b>	<b>2,594,892,700</b>		<b>2,594,892,700</b>	<b>2,594,892,700</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				85,542,700	86,017,500	474,800	220,925,000	356,931,500	136,006,500
<b>TOTAL ADDITIONAL</b>				<b>85,542,700</b>	<b>86,017,500</b>	<b>474,800</b>	<b>220,925,000</b>	<b>356,931,500</b>	<b>136,006,500</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 GB SEEK - Base Funding</b>									
ABR540S0025	Provide funds for base increase in SEEK exclusive of additional professional development and instructional days. HOUSE: Provide additional funds for certified compensation, classified compensation, Kindergarten funding and for the SEEK Base.								
General Fund				41,571,600	52,403,300	10,831,700	114,037,200	273,266,200	159,229,000
<b>Project Total</b>				<b>41,571,600</b>	<b>52,403,300</b>	<b>10,831,700</b>	<b>114,037,200</b>	<b>273,266,200</b>	<b>159,229,000</b>
<b>2 GB SEEK - Tier I</b>									
ABR540S0026	Provide funds for Tier I program based on equalization level of \$637,000 and projected ADA. HOUSE: Provide additional Tier I funding.								
General Fund				11,852,900	11,971,600	118,700	10,380,500	18,562,100	8,181,600
<b>Project Total</b>				<b>11,852,900</b>	<b>11,971,600</b>	<b>118,700</b>	<b>10,380,500</b>	<b>18,562,100</b>	<b>8,181,600</b>
<b>3 GB SEEK - Equalized Facility Programs</b>									
ABR540S0027	Provide funds for FSPK, Equalized Growth Nickel, Retroactive Equalized Facility Funding and Equalized Facility Funding. HOUSE: Provide additional facility funding in FY 2007-08.								
General Fund				8,146,000	8,146,000		2,931,900	5,551,000	2,619,100
<b>Project Total</b>				<b>8,146,000</b>	<b>8,146,000</b>		<b>2,931,900</b>	<b>5,551,000</b>	<b>2,619,100</b>

## D - Department of Education

## Operating Budget

## Support Education Excellence in Kentucky (SEEK)

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>4</b>	<b>GB</b>	<b>SEEK - KTRS Match</b>								
ABR540S0028	Provide funds for KTRS match for local school district certified staff. HOUSE: Provide additional funding based on additional salary compensation plan.									
General Fund					11,949,400	11,949,400		22,607,400	36,047,800	13,440,400
<b>Project Total</b>					<b>11,949,400</b>	<b>11,949,400</b>		<b>22,607,400</b>	<b>36,047,800</b>	<b>13,440,400</b>
<b>5</b>	<b>GB</b>	<b>SEEK - Secondary Vocational Education</b>								
ABR540S0029	Provide funds for ongoing operating costs for vocational programs.									
General Fund					351,200	351,200		858,400	858,400	
<b>Project Total</b>					<b>351,200</b>	<b>351,200</b>		<b>858,400</b>	<b>858,400</b>	
<b>6</b>	<b>EXPA</b>	<b>SEEK - Instructional and Professional Development Days</b>								
ABR540S0003	Provide funds to add one (1) prof. dev. day in FY 2007 and two (2) instructional days in FY 2008. HOUSE: Does not provide funding for additional days.									
General Fund					10,921,600		(10,921,600)	49,359,600		(49,359,600)
<b>Project Total</b>					<b>10,921,600</b>		<b>(10,921,600)</b>	<b>49,359,600</b>		<b>(49,359,600)</b>
<b>7</b>	<b>EXPA</b>	<b>SEEK - Incentive Compensation</b>								
ABR540S0006	Provide funds in second year of the biennium to provide for the enhanced compensation initiative for districts with approved plan.									
General Fund								20,000,000	20,000,000	
<b>Project Total</b>								<b>20,000,000</b>	<b>20,000,000</b>	
<b>8</b>	<b>GB</b>	<b>SEEK - Vocational Education</b>								
ABR540S0005	Provide funds for the Office of Career and Technical Education request for operation of Warren, Pulaski, and Butler County Area Technology Centers.									
General Fund					750,000	750,000		750,000	750,000	
<b>Project Total</b>					<b>750,000</b>	<b>750,000</b>		<b>750,000</b>	<b>750,000</b>	
<b>9</b>	<b>EXPA</b>	<b>SEEK - Facility Matching Grant</b>								
ABR540S0031	Provide funds for match for local funds for Performing Arts Center in school district 231.									
General Fund						200,000	200,000			
<b>Project Total</b>						<b>200,000</b>	<b>200,000</b>			
<b>10</b>	<b>EXPA</b>	<b>SEEK - National Board Certified Teachers Program</b>								
ABR540S0032	Provide funds for projected growth in number of national board certified teachers receiving stipends.									
General Fund						246,000	246,000		646,000	646,000
<b>Project Total</b>						<b>246,000</b>	<b>246,000</b>		<b>646,000</b>	<b>646,000</b>

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## D - Department of Education

## Operating Budget

## Support Education Excellence in Kentucky (SEEK)

			Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference		
<b>11 GB</b>	<b>SEEK - Limited English Proficiency</b>										
ABR540S0002	Provide funds to districts to support services to students with limited English proficiency.										
General Fund								1,250,000	1,250,000		
<b>Project Total</b>								<b>1,250,000</b>	<b>1,250,000</b>		
<b>TOTAL ADDITIONAL</b>				<b>85,542,700</b>	<b>86,017,500</b>	<b>474,800</b>	<b>220,925,000</b>	<b>356,931,500</b>	<b>136,006,500</b>		

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:33 PM

**Support Education Excellence in Kentucky**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill provides a SEEK per pupil guarantee (including \$100 capital outlay) of \$3,505 in fiscal year 2006-2007 and \$3,669 in fiscal year 2007-2008 based on a projected average daily attendance (ADA) totaling 587,132 students in fiscal year 2006-2007 and 591,302 students in fiscal year 2007-2008.

The State/Executive Branch Budget Bill incorporates a consensus estimate reached by the Kentucky Department of Education and the Office of State Budget Director projecting a statewide assessed valuation of \$243,109,658,300 in fiscal year 2006-2007 and \$257,198,013,100 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill incorporates an amount of \$637,000 as 150% of the statewide average per pupil assessment in each fiscal year of the biennium for programs eligible for equalization (Tier I component of SEEK, Facilities Support Program of Kentucky, Equalized Growth Nickel, Retroactive Equalized Facility Funding, and Equalized Facility Funding).

The State/Executive Branch Budget Bill continues the modified hold-harmless guarantee in fiscal biennium 2006-2008 which provides that every local school district will receive at least the same amount of SEEK state funding per pupil as was received in fiscal year 1991-1992.

The State/Executive Branch Budget Bill includes the continuation of the factor (.15) to be applied to the SEEK base per pupil guarantee to determine the "at-risk" funds to be included in the SEEK funding formula in fiscal biennium 2006-2008.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

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

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:33 PM

**Support Education Excellence in Kentucky**

**"Base SEEK Allotments:** The above appropriation includes \$2,088,307,900 in fiscal year 2006-2007 and \$2,195,862,700 in fiscal year 2007-2008 for the base SEEK Program as defined by KRS 157.360. Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. Notwithstanding KRS 157.360(2)(c), included in the appropriation for the base SEEK Program is \$211,953,500 in fiscal year 2006-2007 and \$211,953,500 in fiscal year 2007-2008 for pupil transportation."

**"Tier I Component:** Included in the above appropriation is \$157,502,200 in fiscal year 2006-2007 and \$156,029,800 in fiscal year 2007-2008 for the Tier I component as established by KRS 157.440."

**"Vocational Transportation:** Included in the above appropriation is \$2,416,900 in fiscal year 2006-2007 and \$2,416,900 in fiscal year 2007-2008 for vocational transportation."

**"Secondary Vocational Education:** Included in the above appropriation is \$23,053,800 in fiscal year 2006-2007 and \$23,561,000 in fiscal year 2007-2008 to provide secondary vocational education in state-operated vocational schools."

**"Teachers' Retirement System Employer Match:** Included in the above appropriation is \$320,449,700 in fiscal year 2006-2007 and \$336,773,800 in fiscal year 2007-2008 to enable local school districts to provide the employer match for qualified employees as provided for by KRS 161.550. Included within the above appropriation is \$2,317,300 in fiscal year 2007-2008 for the employer match associated with the enhanced professional compensation program."

**"Salary Supplements for Nationally Certified Teachers:** Notwithstanding KRS 157.395, included in the above appropriation is \$1,858,000 in fiscal year 2006-2007 and \$1,858,000 in fiscal year 2007-2008 for the purpose of providing salary supplements for teachers attaining certification by the National Board for Professional Teaching Standards."

**"Allocation of SEEK Funds:** Notwithstanding KRS 157.360(2)(c), the above appropriation to the base SEEK Program is intended to provide a base guarantee of \$3,505 per student in average daily attendance in fiscal year 2006-2007 and \$3,669 per student in average daily attendance in fiscal year 2007-2008 as well as to meet the other requirements of KRS 157.360.

Nothing in this Act shall be construed as prohibiting the contracting out of pupil transportation services.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:33 PM

**Support Education Excellence in Kentucky**

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

**"Local School District Certified and Classified Employee Pay Policy:** Notwithstanding KRS 157.420, during fiscal year 2006-2007, local school districts shall provide all certified and classified staff a salary or compensation increase of not less than two percent and, during fiscal year 2007-2008, local school districts shall provide all certified and classified staff a salary or compensation increase of not less than two percent. The above pay increases in fiscal year 2006-2007 and fiscal year 2007-2008 shall be in addition to the normal rank and step increase attained by certified personnel employed by local school districts. Included in the above appropriation in fiscal year 2007-2008 is \$17,682,700 to implement an enhanced professional compensation program. Notwithstanding KRS 157.075, these funds shall be distributed on a per pupil basis to local school districts which have submitted a professional compensation enhancement plan that has been developed with postsecondary education technical assistance and which will assist in addressing needs identified in the district or school's scholastic audit if relevant and which is approved by the Commissioner of the Department of Education in accordance with KRS 157.075 and 702 KAR 3:310. Also included in the above appropriation is \$9,656,200 in fiscal year 2006-2007 and \$35,210,000 in fiscal year 2007-2008 to extend the school term in fiscal year 2006-2007 by one professional development day for classroom teachers as defined by the Commissioner of the Department of Education, and to extend the school term in fiscal year 2007-2008 by an additional two instructional days. Local boards of education that have, during or prior to the 2005-2006 school term, exercised the authority granted under KRS 158.070 to extend the school terms beyond 185 days, may expend the additional funds made available to them for the additional professional development and instructional days provided in the above appropriation for other purposes so long as the resulting school term is equal to at least 188 days."

**"Final SEEK Calculation:** Notwithstanding KRS 157.410, on or before March 1 of each year, the chief state school officer shall determine the exact amount of the public common school fund to which each district is entitled and the remainder of the amount due

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:33 PM

**Support Education Excellence in Kentucky**

each district for the year shall be distributed in equal installments beginning the first month after completion of final calculation and for each successive month thereafter."

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

**"Facilities Support Program of Kentucky/Equalized Nickel Levies:** Included in the above appropriation is \$67,749,100 in fiscal year 2006-2007 and \$63,970,600 in fiscal year 2007-2008 to provide facilities equalization funding pursuant to KRS 157.440 and 157.620. Included in the above appropriation is \$12,177,600 in fiscal year 2006-2007 and \$11,134,200 in fiscal year 2007-2008 to provide facilities equalization funding pursuant to KRS 157.440, 157.620, and 157.621(2) and (3) for local school districts which have: (a) Levied the additional tax pursuant to KRS 157.621 for debt service and new facilities as of fiscal year 2003-2004; (b) Levied the five cents under the provisions of KRS 157.440; (c) Met the growth requirements in KRS 157.621(2) in fiscal year 2004-2005; and (d) Levied an additional nickel tax pursuant to KRS 157.621 in addition to (a) and (b) of this section."

**"Retroactive Equalized Facility Funding:** Included in the above appropriation is \$2,302,600 in fiscal year 2006-2007 and \$2,076,400 in fiscal year 2007-2008 to provide equalized facility funding to districts meeting the following eligibility requirements: A local board of education that levied a tax rate subject to recall in fiscal year during or prior to fiscal year 2003-2004 in addition to the five cents levied pursuant to KRS 157.440(1)(b) and that committed the receipts to debt service, new facilities, or major renovations of existing facilities shall be eligible for equalization funds from the state at 150 percent of the statewide average per pupil assessment. The equalization funds shall be used as provided in KRS 157.440(1)(b)."

**"Equalized Facility Funding:** Included in the above General Fund appropriation is \$4,617,600 in fiscal year 2006-2007 and \$4,451,600 in fiscal year 2007-2008 to provide equalized facility funding to districts meeting the following eligibility requirements: (a) The board of education has levied at least a ten cent equivalent tax rate for building purposes or has debt service of at least a ten cent equivalent tax rate as of February 24, 2005; (b) The district has not received equalized growth facility funding as a result of 2005 Ky. Acts ch. 173, Part I, D. Department of Education, 4. Support Education Excellence in Kentucky (SEEK) Program; and (c) The district has received approval by the Commissioner of Education. Eligible districts shall receive equalization funds from the state at 150 percent of the statewide average per pupil assessment, and these funds shall be used as provided in KRS 157.440(1)(b)."

**"School Employee Flexible Spending Account Funds Transfer:** Any funds remaining in flexible spending accounts of employees of local school districts for calendar year 2006 and calendar year 2007 shall be transferred to the credit of the General Fund."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:33 PM

**Support Education Excellence in Kentucky**

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House provides additional General Fund support totaling \$24,000,000 in fiscal year 2007-2008 for an additional 1% salary increase for certified staff, including associated retirement match.

The House provides additional General Fund support totaling \$72,000,000 in fiscal year 2007-2008 for a salary equity pool for certified staff, including associated retirement match.

The House provides additional General Fund support totaling \$27,000,000 in fiscal year 2007-2008 for additional salary increases for classified staff.

The House provides additional General Fund support totaling \$26,600,000 in fiscal year 2007-2008 for an additional 1% increase in the SEEK per pupil base.

The House provides for a factor of 0.075 in fiscal year 2006-2007 and 0.096 in fiscal year 2007-2008 to be applied to the SEEK base per pupil guarantee to determine the limited English proficiency funds to be included in the SEEK funding formula. The House provides additional General Fund support totaling \$1,250,000 in fiscal year 2007-2008 for the increase in the factor for limited English proficiency.

The House does not concur with language requiring an additional professional development day in each year of the biennium and two additional instructional days in fiscal year 2007-2008. The House does not provide General Fund support totaling \$49,359,600 in fiscal year 2007-2008 for the additional professional development and instructional days.

The House provides additional General Fund support totaling \$246,000 in fiscal year 2006-2007 and \$646,000 in fiscal year 2007-2008 for projected growth in the number of teachers receiving stipends after attaining National Board Certification.

The State/Executive Branch Budget Bill provides a SEEK per pupil guarantee (including \$100 capital outlay) of \$3,508 in fiscal year 2006-2007 and \$3,789 in fiscal year 2007-2008 based on a projected average daily attendance (ADA) totaling 586,979 students in fiscal year 2006-2007 and 597,952 students in fiscal year 2007-2008.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:33 PM

**Support Education Excellence in Kentucky**

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to amend the following language provisions.

**"Base SEEK Allotments:** The above appropriation includes \$2,089,483,300 in fiscal year 2006-2007 and \$2,311,596,500 in fiscal year 2007-2008 for the base SEEK Program as defined by KRS 157.360. Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. Notwithstanding KRS 157.360(2)(c), included in the appropriation for the base SEEK Program is \$211,953,500 in fiscal year 2006-2007 and \$211,953,500 in fiscal year 2007-2008 for pupil transportation."

**"Tier I Component:** Included in the above appropriation is \$157,620,900 in fiscal year 2006-2007 and \$164,211,400 in fiscal year 2007-2008 for the Tier I component as established by KRS 157.440."

**"Teachers' Retirement System Employer Match:** Included in the above appropriation is \$319,184,300 in fiscal year 2006-2007 and \$345,600,000 in fiscal year 2007-2008 to enable local school districts to provide the employer match for qualified employees as provided for by KRS 161.550. Included within the above appropriation is \$2,317,300 in fiscal year 2007-2008 for the employer match associated with the enhanced professional compensation program."

**"Salary Supplements for Nationally Certified Teachers:** Notwithstanding KRS 157.395, included in the above appropriation is \$2,104,000 in fiscal year 2006-2007 and \$2,504,000 in fiscal year 2007-2008 for the purpose of providing salary supplements for teachers attaining certification by the National Board for Professional Teaching Standards."

**"Allocation of SEEK Funds:** Notwithstanding KRS 157.360(2)(c), the above appropriation to the base SEEK Program is intended to provide a base guarantee of \$3,508 per student in average daily attendance in fiscal year 2006-2007 and \$3,789 per student in average daily attendance in fiscal year 2007-2008 as well as to meet the other requirements of KRS 157.360.

Nothing in this Act shall be construed as prohibiting the contracting out of pupil transportation services.

Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. The total appropriation for the SEEK Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 to 157.440. If the required expenditures exceed these estimates, the Secretary of the Finance and Administration Cabinet, upon the written request of the Commissioner of Education and with approval of the Governor, may increase the appropriation by

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:33 PM

**Support Education Excellence in Kentucky**

such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the cited sections of the Kentucky Revised Statutes, but any increase of the total appropriation to the SEEK Program is subject to Part III, General Provisions, of this Act, and the provisions of KRS Chapter 48. If funds appropriated to the SEEK Program are insufficient to provide the amount of money required under KRS 157.310 to 157.440, allotments to local school districts may be reduced in accordance with KRS 157.430."

**"Local School District Certified and Classified Employee Pay Policy:** Notwithstanding KRS 157.420, during fiscal year 2006-2007, local school districts shall provide all certified staff a salary or compensation increase of not less than two percent and, during fiscal year 2007-2008, local school districts shall provide all certified staff a salary or compensation increase of not less than three thousand dollars, with the exception of those school districts that have been designated as hold harmless districts with regard to the Support Education Excellence in Kentucky program in two of the past three years. Districts with this designation shall provide a salary increase to certified staff of not less than fifteen hundred dollars. The salary increases in fiscal year 2006-2007 and fiscal year 2007-2008 for certified staff shall be in addition to the normal rank and step increase attained by certified personnel employed by local school districts. During fiscal year 2006-2007, local school districts shall provide all classified staff a salary increase of two percent and, during fiscal year 2007-2008, local school districts shall provide all classified staff a salary increase of five percent. In fiscal year 2007-2008, no classified staff member shall receive a salary increase in excess of \$2,500. Classified staff employed by a local board of education that work less than full-time shall receive a pro rata share of the salary increase based on terms of their employment. The above increase in fiscal year 2006-2007 and fiscal year 2007-2008 for classified staff shall be in addition to a normal step increase or any increase that might result from assuming new duties or obtaining additional qualifications.

Included in the above General Fund appropriation is \$17,682,700 in fiscal year 2007-2008 for differentiated compensation programs that provide teacher compensation above the single salary schedule in local school districts. Each school district shall be entitled to access the fund for differentiated compensation provided the requirements of KRS 157.075 and 702 KAR 3:310 are met and the district has a plan which has been approved by the commissioner of education. Allocations to a school district will be based on the cost of the approved plan. The plan must contain evidence of significant involvement by the teacher organization representing the largest number of teachers in the district.

Differentiated compensation plans shall have one or more of the following purposes:

- (a) To recruit and retain teachers in critical shortage areas;
- (b) To assist in reducing the number of emergency certified teachers employed in the district;
- (c) To recruit and retain highly skilled teachers to serve in difficult assignments and hard to fill positions;

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:33 PM

**Support Education Excellence in Kentucky**

- (d) To provide career advancement opportunities for classroom teachers who voluntarily participate; or
- (e) To reward teachers for increasing their skills, knowledge, and instructional leadership capabilities within the school or district.

Differentiated compensation plans shall align with the greatest needs of the district as determined by a needs assessment of the students, needs identified in a district or school scholastic audit, or the comprehensive school improvement plan.

Differentiated compensation plans are to be developed with appropriate technical assistance and with third party analysis to determine the most effective use of differentiated compensation funds. School districts may enter into partnerships with state universities, employ consultants, or contract with private entities for technical assistance and evaluation. Compensation in local school districts shall be distributed in a fair and equitable manner and resources shall be used in accordance with the approved plan."

**"Facilities Support Program of Kentucky/Equalized Nickel Levies:** Included in the above appropriation is \$67,749,200 in fiscal year 2006-2007 and \$65,688,100 in fiscal year 2007-2008 to provide facilities equalization funding pursuant to KRS 157.440 and 157.620. Included in the above appropriation is \$12,177,600 in fiscal year 2006-2007 and \$11,884,800 in fiscal year 2007-2008 to provide facilities equalization funding pursuant to KRS 157.440, 157.620, and 157.621(2) and (3) for local school districts which have: (a) Levied the additional tax pursuant to KRS 157.621 for debt service and new facilities as of fiscal year 2003-2004; (b) Levied the five cents under the provisions of KRS 157.440; (c) Met the growth requirements in KRS 157.621(2) in fiscal year 2004-2005; and (d) Levied an additional nickel tax pursuant to KRS 157.621 in addition to (a) and (b) of this section."

**"Retroactive Equalized Facility Funding:** Included in the above appropriation is \$2,302,500 in fiscal year 2006-2007 and \$2,136,200 in fiscal year 2007-2008 to provide equalized facility funding to districts meeting the following eligibility requirements: A local board of education that levied a tax rate subject to recall in fiscal year during or prior to fiscal year 2003-2004 in addition to the five cents levied pursuant to KRS 157.440(1)(b) and that committed the receipts to debt service, new facilities, or major renovations of existing facilities shall be eligible for equalization funds from the state at 150 percent of the statewide average per pupil assessment. The equalization funds shall be used as provided in KRS 157.440(1)(b)."

**"Equalized Facility Funding:** Included in the above General Fund appropriation is \$4,617,700 in fiscal year 2006-2007 and \$4,542,600 in fiscal year 2007-2008 to provide equalized facility funding to districts meeting the following eligibility requirements: (a) The board of education has levied at least a ten cent equivalent tax rate for building purposes or has debt service of at least a ten cent equivalent tax rate as of February 24, 2005; (b) The district has not received equalized growth facility funding as a result of 2005

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:33 PM

**Support Education Excellence in Kentucky**

Ky. Acts ch. 173, Part I, D. Department of Education, 4. Support Education Excellence in Kentucky (SEEK) Program; and (c) The district has received approval by the Commissioner of Education. Eligible districts shall receive equalization funds from the state at 150 percent of the statewide average per pupil assessment, and these funds shall be used as provided in KRS 157.440(1)(b)."

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions.

**"Facility Matching Grant:** Included in the above General Fund appropriation is \$200,000 in fiscal year 2006-2007 for a matching grant to complete a performing arts center in school district 231."

**"Local Revenue:** For calendar year 2006 and calendar year 2007, a district board of education may levy a general rate that will produce revenue from real property, exclusive of revenue from new property, that is up to four percent over the amount of revenue produced by the compensating tax rate as defined in KRS 132.010."

**F - Environmental and Public Protection Cabinet**

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## F - Environmental and Public Protection Cabinet

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	23,982,600	23,982,600		18,692,700	22,692,700	4,000,000	20,496,000	23,496,000	3,000,000
General Fund	81,765,400	81,786,400	21,000	98,598,800	98,248,800	(350,000)	109,547,500	107,692,500	(1,855,000)
Restricted Funds	429,852,100	429,852,100		430,126,400	430,193,300	66,900	424,806,500	424,874,300	67,800
Federal Funds	72,551,500	72,551,500		74,763,800	74,763,800		75,575,500	75,575,500	
<b>Regular Total Funds</b>	<b>608,151,600</b>	<b>608,172,600</b>	<b>21,000</b>	<b>622,181,700</b>	<b>625,898,600</b>	<b>3,716,900</b>	<b>630,425,500</b>	<b>631,638,300</b>	<b>1,212,800</b>
Use of Continuing	8,140,600	8,140,600		44,000	44,000		44,000	44,000	
<b>TOTAL FUNDS</b>	<b>616,292,200</b>	<b>616,313,200</b>	<b>21,000</b>	<b>622,225,700</b>	<b>625,942,600</b>	<b>3,716,900</b>	<b>630,469,500</b>	<b>631,682,300</b>	<b>1,212,800</b>

**II. EXPENDITURE CATEGORY**

Personnel Costs	210,482,500	210,482,500		226,175,200	225,892,100	(283,100)	230,171,800	229,889,600	(282,200)
Operating Expenses	190,835,200	190,856,200	21,000	204,792,600	204,792,600		203,925,100	203,925,100	
Grants, Loans, Benefits	181,713,100	181,713,100		167,684,100	171,684,100	4,000,000	174,545,200	177,545,200	3,000,000
Debt Service	589,000	589,000		589,000	589,000		4,068,000	2,563,000	(1,505,000)
Capital Outlay	21,895,100	21,895,100		10,484,800	10,484,800		5,759,400	5,759,400	
Construction	10,777,300	10,777,300		12,500,000	12,500,000		12,000,000	12,000,000	
<b>TOTAL EXPENDITURES</b>	<b>616,292,200</b>	<b>616,313,200</b>	<b>21,000</b>	<b>622,225,700</b>	<b>625,942,600</b>	<b>3,716,900</b>	<b>630,469,500</b>	<b>631,682,300</b>	<b>1,212,800</b>

**III. BASE LEVEL BUDGET BY FUND SOURCE**

General Fund (Tobacco)	23,982,600	23,982,600		18,692,700	18,692,700		20,496,000	20,496,000	
General Fund	81,765,400	81,765,400		88,462,600	87,962,600	(500,000)	88,766,400	88,266,400	(500,000)
Restricted Funds	429,852,100	429,852,100		414,425,000	414,425,000		411,766,800	411,766,800	
Federal Funds	72,551,500	72,551,500		71,318,900	71,318,900		71,955,300	71,955,300	
<b>Regular Total Funds</b>	<b>608,151,600</b>	<b>608,151,600</b>		<b>592,899,200</b>	<b>592,399,200</b>	<b>(500,000)</b>	<b>592,984,500</b>	<b>592,484,500</b>	<b>(500,000)</b>
Use of Continuing	8,140,600	8,140,600		44,000	44,000		44,000	44,000	
<b>TOTAL BASE LEVEL</b>	<b>616,292,200</b>	<b>616,292,200</b>		<b>592,943,200</b>	<b>592,443,200</b>	<b>(500,000)</b>	<b>593,028,500</b>	<b>592,528,500</b>	<b>(500,000)</b>

**IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE**

General Fund (Tobacco)					4,000,000	4,000,000		3,000,000	3,000,000
General Fund		21,000	21,000	10,136,200	10,286,200	150,000	20,781,100	19,426,100	(1,355,000)
Restricted Funds				15,701,400	15,768,300	66,900	13,039,700	13,107,500	67,800
Federal Funds				3,444,900	3,444,900		3,620,200	3,620,200	
<b>TOTAL ADDITIONAL</b>		<b>21,000</b>	<b>21,000</b>	<b>29,282,500</b>	<b>33,499,400</b>	<b>4,216,900</b>	<b>37,441,000</b>	<b>39,153,800</b>	<b>1,712,800</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## F - Environmental and Public Protection Cabinet

## Capital Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund									
Restricted Funds				6,100,000	6,100,000		5,600,000	5,600,000	
Federal Funds				1,000,000	1,000,000		1,000,000	1,000,000	
Bond Funds				25,000,000	30,000,000	5,000,000			
Investment Income				200,000	200,000		200,000	200,000	
<b>TOTAL CAPITAL</b>				<b>32,300,000</b>	<b>37,300,000</b>	<b>5,000,000</b>	<b>6,800,000</b>	<b>6,800,000</b>	

**THIS PAGE INTENTIONALLY LEFT BLANK**

## F - Environmental and Public Protection Cabinet

## Operating Budget

## Kentucky Nature Preserves Commission

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	1,007,600	1,007,600		1,091,500	1,241,500	150,000	1,091,500	1,241,500	150,000
Restricted Funds	353,100	353,100		378,900	378,900		402,800	402,800	
Federal Funds	150,400	150,400		55,000	55,000		55,000	55,000	
<b>Regular Total Funds</b>	<b>1,511,100</b>	<b>1,511,100</b>		<b>1,525,400</b>	<b>1,675,400</b>	<b>150,000</b>	<b>1,549,300</b>	<b>1,699,300</b>	<b>150,000</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>1,511,100</b>	<b>1,511,100</b>		<b>1,525,400</b>	<b>1,675,400</b>	<b>150,000</b>	<b>1,549,300</b>	<b>1,699,300</b>	<b>150,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	1,211,500	1,211,500		1,249,800	1,399,800	150,000	1,273,700	1,423,700	150,000
Operating Expenses	218,600	218,600		217,300	217,300		217,300	217,300	
Grants, Loans, Benefits	36,000	36,000		32,000	32,000		32,000	32,000	
Capital Outlay				26,300	26,300		26,300	26,300	
Construction	45,000	45,000							
<b>TOTAL EXPENDITURES</b>	<b>1,511,100</b>	<b>1,511,100</b>		<b>1,525,400</b>	<b>1,675,400</b>	<b>150,000</b>	<b>1,549,300</b>	<b>1,699,300</b>	<b>150,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	1,007,600	1,007,600		1,091,500	1,091,500		1,091,500	1,091,500	
Restricted Funds	353,100	353,100		378,900	378,900		402,800	402,800	
Federal Funds	150,400	150,400		55,000	55,000		55,000	55,000	
<b>Regular Total Funds</b>	<b>1,511,100</b>	<b>1,511,100</b>		<b>1,525,400</b>	<b>1,525,400</b>		<b>1,549,300</b>	<b>1,549,300</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>1,511,100</b>	<b>1,511,100</b>		<b>1,525,400</b>	<b>1,525,400</b>		<b>1,549,300</b>	<b>1,549,300</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund					150,000	150,000		150,000	150,000
<b>TOTAL ADDITIONAL</b>					<b>150,000</b>	<b>150,000</b>		<b>150,000</b>	<b>150,000</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 GB</b>	<b>Kentucky Nature Preserves Commission</b>								
ABR3750001	Provide funds to support one (1) full-time botanist position.								
General Fund					150,000	150,000		150,000	150,000
<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>		<b>150,000</b>	<b>150,000</b>
<b>TOTAL ADDITIONAL</b>					<b>150,000</b>	<b>150,000</b>		<b>150,000</b>	<b>150,000</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:15 PM

**Kentucky Nature Preserves Commission**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State /Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

**HOUSE REPORT**

The House concurs with the Branch with the following change: Provides additional General Fund appropriation of \$150,000 in each year of the biennium to fill one (1) full-time vacant botanist position.

## F - Environmental and Public Protection Cabinet

## Operating Budget

## Petroleum Storage Tank Environmental Assurance Fund

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund							3,479,000	1,740,000	(1,739,000)
Restricted Funds	29,069,400	29,069,400		29,164,500	29,164,500		29,277,700	29,277,700	
<b>Regular Total Funds</b>	<b>29,069,400</b>	<b>29,069,400</b>		<b>29,164,500</b>	<b>29,164,500</b>		<b>32,756,700</b>	<b>31,017,700</b>	<b>(1,739,000)</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>29,069,400</b>	<b>29,069,400</b>		<b>29,164,500</b>	<b>29,164,500</b>		<b>32,756,700</b>	<b>31,017,700</b>	<b>(1,739,000)</b>

**II. EXPENDITURE CATEGORY**

Personnel Costs	3,215,700	3,215,700		3,317,600	3,317,600		3,430,400	3,430,400	
Operating Expenses	25,353,700	25,353,700		25,346,900	25,346,900		25,347,300	25,347,300	
Debt Service							3,479,000	1,740,000	(1,739,000)
Construction	500,000	500,000		500,000	500,000		500,000	500,000	
<b>TOTAL EXPENDITURES</b>	<b>29,069,400</b>	<b>29,069,400</b>		<b>29,164,500</b>	<b>29,164,500</b>		<b>32,756,700</b>	<b>31,017,700</b>	<b>(1,739,000)</b>

**III. BASE LEVEL BUDGET BY FUND SOURCE**

Restricted Funds	29,069,400	29,069,400		29,164,500	29,164,500		29,277,700	29,277,700	
<b>Regular Total Funds</b>	<b>29,069,400</b>	<b>29,069,400</b>		<b>29,164,500</b>	<b>29,164,500</b>		<b>29,277,700</b>	<b>29,277,700</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>29,069,400</b>	<b>29,069,400</b>		<b>29,164,500</b>	<b>29,164,500</b>		<b>29,277,700</b>	<b>29,277,700</b>	

**IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE**

General Fund							3,479,000	1,740,000	(1,739,000)
<b>TOTAL ADDITIONAL</b>							<b>3,479,000</b>	<b>1,740,000</b>	<b>(1,739,000)</b>

**V. ADDITIONAL BUDGET ITEMS****14 NEW Debt Service**

ABR590P0001 Provide funds to pay debt service for \$25 million bond.

General Fund							3,479,000	1,740,000	(1,739,000)
<b>Project Total</b>							<b>3,479,000</b>	<b>1,740,000</b>	<b>(1,739,000)</b>
<b>TOTAL ADDITIONAL</b>							<b>3,479,000</b>	<b>1,740,000</b>	<b>(1,739,000)</b>

**TRANSFERS TO THE GENERAL FUND****Petroleum Storage Tank Environmental Assurance Fund**

Insurance Administration Fund (KRS 224.60-140, 224.60-145 and 224.60-150)	626,500	626,500		41,997,300	41,997,300		17,564,100	17,564,100	
--	---------	---------	--	------------	------------	--	------------	------------	--

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## F - Environmental and Public Protection Cabinet

## Operating Budget

## Petroleum Storage Tank Environmental Assurance Fund

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>TOTAL</b>	<b>626,500</b>	<b>626,500</b>		<b>41,997,300</b>	<b>41,997,300</b>		<b>17,564,100</b>	<b>17,564,100</b>	

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:16 PM

**Petroleum Storage Tank Environmental Assurance Fund**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State /Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from Petroleum Storage Tank Environmental Assurance Fund, Restricted Funds of \$625,500 in fiscal year 2005-2006, \$41,997,300 in fiscal year 2006-2007, and \$17,564,100 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

**"Debt Service:** Included in the above General Fund appropriation in fiscal year 2007-2008 is \$3,479,000 for debt service for new bonds as set forth in Part II, Capital Projects Budget, of this Act. Included in the above Restricted Funds appropriation in fiscal year 2006-2007 is \$25,000,000 for underground storage tank fund payments from new bonds as set forth in Part II, Capital Projects Budget, of this Act."

**"Financial Responsibility Account:** Any Restricted Funds receipts generated by the Petroleum Storage Tank Assurance Fund in fiscal year 2006-2007 in excess of the amounts appropriated above shall be allocated to the Financial Responsibility Account to help ensure that the agency meets its reserve balance requirements in fiscal year 2007-2008."

**HOUSE REPORT**

The House concurs with the Branch with the following change:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"Included in the above General Fund appropriation is \$1,740,000 in fiscal year 2007-2008 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act."

**THIS PAGE INTENTIONALLY LEFT BLANK**

## F - Environmental and Public Protection Cabinet

## Capital Budget

## Petroleum Storage Tank Environmental Assurance Fund

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Bond Funds				25,000,000	25,000,000				
<b>TOTAL CAPITAL</b>				<b>25,000,000</b>	<b>25,000,000</b>				
<b>II. CAPITAL PROJECTS</b>									
<b>1</b>	<b>Petroleum Storage Tank Env Assurance Fund</b>								
PRJ590P0001									
Bond Funds				25,000,000	25,000,000				
<b>Project Total</b>				<b>25,000,000</b>	<b>25,000,000</b>				
<b>TOTAL CAPITAL</b>				<b>25,000,000</b>	<b>25,000,000</b>				

**THIS PAGE INTENTIONALLY LEFT BLANK**

## **H - Health and Family Services Cabinet**

**THIS PAGE INTENTIONALLY LEFT BLANK**

## H - Health and Family Services Cabinet

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	24,957,300	24,957,300		22,183,400	22,183,400		23,393,500	23,393,500	
General Fund	1,645,829,500	1,645,829,500		1,690,857,300	1,705,297,600	14,440,300	1,757,951,400	1,767,858,700	9,907,300
Restricted Funds	839,050,000	839,050,000		829,515,600	829,515,600		840,161,600	840,161,600	
Federal Funds	4,094,269,600	4,094,269,600		4,024,853,000	4,015,240,600	(9,612,400)	4,133,978,600	4,128,216,300	(5,762,300)
<b>Regular Total Funds</b>	<b>6,604,106,400</b>	<b>6,604,106,400</b>		<b>6,567,409,300</b>	<b>6,572,237,200</b>	<b>4,827,900</b>	<b>6,755,485,100</b>	<b>6,759,630,100</b>	<b>4,145,000</b>
Use of Continuing	2,828,000	(436,000)	(3,264,000)		876,700	876,700		2,387,300	2,387,300
<b>TOTAL FUNDS</b>	<b>6,606,934,400</b>	<b>6,603,670,400</b>	<b>(3,264,000)</b>	<b>6,567,409,300</b>	<b>6,573,113,900</b>	<b>5,704,600</b>	<b>6,755,485,100</b>	<b>6,762,017,400</b>	<b>6,532,300</b>

**II. EXPENDITURE CATEGORY**

Personnel Costs	650,262,400	650,262,400		635,081,600	635,081,600		629,327,200	629,327,200	
Operating Expenses	130,449,900	130,449,900		124,752,400	124,852,400	100,000	127,130,200	127,180,200	50,000
Grants, Loans, Benefits	5,826,026,800	5,822,762,800	(3,264,000)	5,807,380,000	5,812,984,600	5,604,600	5,998,200,400	6,004,293,700	6,093,300
Debt Service							632,000	1,021,000	389,000
Capital Outlay	195,300	195,300		195,300	195,300		195,300	195,300	
<b>TOTAL EXPENDITURES</b>	<b>6,606,934,400</b>	<b>6,603,670,400</b>	<b>(3,264,000)</b>	<b>6,567,409,300</b>	<b>6,573,113,900</b>	<b>5,704,600</b>	<b>6,755,485,100</b>	<b>6,762,017,400</b>	<b>6,532,300</b>

**III. BASE LEVEL BUDGET BY FUND SOURCE**

General Fund (Tobacco)	24,957,300	24,957,300		22,183,400	22,183,400		23,393,500	23,393,500	
General Fund	1,560,529,500	1,560,529,500		1,554,697,500	1,536,434,000	(18,263,500)	1,551,498,700	1,518,572,700	(32,926,000)
Restricted Funds	833,478,100	833,478,100		816,980,600	816,580,600	(400,000)	829,639,500	829,239,500	(400,000)
Federal Funds	3,849,955,400	3,849,955,400		3,805,417,700	3,786,162,700	(19,255,000)	3,789,233,100	3,769,905,400	(19,327,700)
<b>Regular Total Funds</b>	<b>6,268,920,300</b>	<b>6,268,920,300</b>		<b>6,199,279,200</b>	<b>6,161,360,700</b>	<b>(37,918,500)</b>	<b>6,193,764,800</b>	<b>6,141,111,100</b>	<b>(52,653,700)</b>
Use of Continuing	2,828,000	(436,000)	(3,264,000)		876,700	876,700		2,387,300	2,387,300
<b>TOTAL BASE LEVEL</b>	<b>6,271,748,300</b>	<b>6,268,484,300</b>	<b>(3,264,000)</b>	<b>6,199,279,200</b>	<b>6,162,237,400</b>	<b>(37,041,800)</b>	<b>6,193,764,800</b>	<b>6,143,498,400</b>	<b>(50,266,400)</b>

**IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE**

General Fund	85,300,000	85,300,000		136,159,800	168,863,600	32,703,800	206,452,700	249,286,000	42,833,300
Restricted Funds	5,571,900	5,571,900		12,535,000	12,935,000	400,000	10,522,100	10,922,100	400,000
Federal Funds	244,314,200	244,314,200		219,435,300	229,077,900	9,642,600	344,745,500	358,310,900	13,565,400
<b>TOTAL ADDITIONAL</b>	<b>335,186,100</b>	<b>335,186,100</b>		<b>368,130,100</b>	<b>410,876,500</b>	<b>42,746,400</b>	<b>561,720,300</b>	<b>618,519,000</b>	<b>56,798,700</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## H - Health and Family Services Cabinet

## Capital Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund									
Restricted Funds					400,000	400,000			
Federal Funds				3,534,000	3,134,000	(400,000)			
Bond Funds				5,146,000	20,265,000	15,119,000			
Capital Construction Surplus				700,000	700,000				
Investment Income				1,500,000	1,500,000		1,500,000	1,500,000	
<b>TOTAL CAPITAL</b>				<b>10,880,000</b>	<b>25,999,000</b>	<b>15,119,000</b>	<b>1,500,000</b>	<b>1,500,000</b>	

**THIS PAGE INTENTIONALLY LEFT BLANK**

## H - Health and Family Services Cabinet

## Operating Budget

## Public Health

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	16,495,800	16,495,800		14,000,900	14,000,900		14,721,100	14,721,100	
General Fund	65,946,900	65,946,900		64,882,700	70,309,700	5,427,000	67,131,000	73,733,000	6,602,000
Restricted Funds	71,297,500	71,297,500		71,482,700	71,482,700		71,599,000	71,599,000	
Federal Funds	168,481,700	168,481,700		169,426,000	169,426,000		169,878,400	169,878,400	
<b>Regular Total Funds</b>	<b>322,221,900</b>	<b>322,221,900</b>		<b>319,792,300</b>	<b>325,219,300</b>	<b>5,427,000</b>	<b>323,329,500</b>	<b>329,931,500</b>	<b>6,602,000</b>
Use of Continuing	2,651,900	2,651,900							
<b>TOTAL FUNDS</b>	<b>324,873,800</b>	<b>324,873,800</b>		<b>319,792,300</b>	<b>325,219,300</b>	<b>5,427,000</b>	<b>323,329,500</b>	<b>329,931,500</b>	<b>6,602,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	41,472,100	41,472,100		41,195,300	41,195,300		41,304,400	41,304,400	
Operating Expenses	18,084,000	18,084,000		18,199,700	18,249,700	50,000	18,217,300	18,217,300	
Grants, Loans, Benefits	265,317,700	265,317,700		260,397,300	265,774,300	5,377,000	263,807,800	269,943,800	6,136,000
Debt Service								466,000	466,000
<b>TOTAL EXPENDITURES</b>	<b>324,873,800</b>	<b>324,873,800</b>		<b>319,792,300</b>	<b>325,219,300</b>	<b>5,427,000</b>	<b>323,329,500</b>	<b>329,931,500</b>	<b>6,602,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund (Tobacco)	16,495,800	16,495,800		14,000,900	14,000,900		14,721,100	14,721,100	
General Fund	65,946,900	65,946,900		63,732,700	63,732,700		65,631,000	66,381,000	750,000
Restricted Funds	71,297,500	71,297,500		71,482,700	71,482,700		71,599,000	71,599,000	
Federal Funds	168,481,700	168,481,700		169,426,000	169,426,000		169,878,400	169,878,400	
<b>Regular Total Funds</b>	<b>322,221,900</b>	<b>322,221,900</b>		<b>318,642,300</b>	<b>318,642,300</b>		<b>321,829,500</b>	<b>322,579,500</b>	<b>750,000</b>
Use of Continuing	2,651,900	2,651,900							
<b>TOTAL BASE LEVEL</b>	<b>324,873,800</b>	<b>324,873,800</b>		<b>318,642,300</b>	<b>318,642,300</b>		<b>321,829,500</b>	<b>322,579,500</b>	<b>750,000</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				1,150,000	6,577,000	5,427,000	1,500,000	7,352,000	5,852,000
<b>TOTAL ADDITIONAL</b>				<b>1,150,000</b>	<b>6,577,000</b>	<b>5,427,000</b>	<b>1,500,000</b>	<b>7,352,000</b>	<b>5,852,000</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW Health Kentucky</b>									
ABR7280012	Provide General Fund for Health Kentucky Program.								
General Fund				150,000	150,000				
<b>Project Total</b>				<b>150,000</b>	<b>150,000</b>				
<b>2 NEW Gov. Council on Wellness &amp; Fitness</b>									
ABR7280013	Provide General Fund for a comprehensive statewide program to encourage children, adults and seniors to get active								
General Fund				1,000,000	1,000,000		1,500,000	1,500,000	
<b>Project Total</b>				<b>1,000,000</b>	<b>1,000,000</b>		<b>1,500,000</b>	<b>1,500,000</b>	

**H - Health and Family Services Cabinet****Operating Budget****Public Health**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>3 CONT Health Insurance Pool - Local and District Health Departments</b>									
ABR7280014 Redirect from Personnel Cabinet Pool to support Health Insurance cost for Local and District Health Departments.									
General Fund					2,174,000	2,174,000		2,174,000	2,174,000
<b>Project Total</b>					<b>2,174,000</b>	<b>2,174,000</b>		<b>2,174,000</b>	<b>2,174,000</b>
<b>4 CONT Ky AIDS Drug Assistance Program</b>									
ABR7280015 Provide General Fund to support increased operating cost.									
General Fund					70,000	70,000		70,000	70,000
<b>Project Total</b>					<b>70,000</b>	<b>70,000</b>		<b>70,000</b>	<b>70,000</b>
<b>5 NEW Diabetes Centers of Excellence</b>									
ABR7280016 Provide General Fund to establish 3 regional Diabetes Centers of Excellence through Local or District Health Departments to demonstrate the potential to reduce Medicaid expenditures.									
General Fund					750,000	750,000		750,000	750,000
<b>Project Total</b>					<b>750,000</b>	<b>750,000</b>		<b>750,000</b>	<b>750,000</b>
<b>7 CONT KY Poison Control Center</b>									
ABR7280017 Provide General Fund for additional operating cost									
General Fund					150,000	150,000		150,000	150,000
<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>		<b>150,000</b>	<b>150,000</b>
<b>8 CONT UK Center for Rural Health - KY Homeplace</b>									
ABR7280018 Provide General Fund for additional Operating cost									
General Fund					208,000	208,000		208,000	208,000
<b>Project Total</b>					<b>208,000</b>	<b>208,000</b>		<b>208,000</b>	<b>208,000</b>
<b>9 NEW Local and District Health Department Construction / Renovation Pool</b>									
ABR7280019 Debt service in FY 2007-2008 to support \$10,000,000 in new bonds for Local and District Health Department Construction/ Renovation Pool									
General Fund								466,000	466,000
<b>Project Total</b>								<b>466,000</b>	<b>466,000</b>
<b>10 NEW Healthcare Education and Registration Training</b>									
ABR7280020 Provide General Fund for operating assistance to HEART program in Western KY.									
General Fund					50,000	50,000		50,000	50,000
<b>Project Total</b>					<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>

## H - Health and Family Services Cabinet

## Operating Budget

## Public Health

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>11 NEW Community Health Clinic</b>									
ABR7280021 Provide General Fund for operational assistance to the Hardin and Larue County Community Health Clinic.									
General Fund					100,000	100,000		100,000	100,000
<b>Project Total</b>					<b>100,000</b>	<b>100,000</b>		<b>100,000</b>	<b>100,000</b>
<b>12 NEW Indigent Health Services</b>									
ABR7280022 Provide General Fund for equipment for the Glasgow Medical Center Indigent Health Services project.									
General Fund					25,000	25,000			
<b>Project Total</b>					<b>25,000</b>	<b>25,000</b>			
<b>13 NEW Liberty District Ralph Bunch Community Center</b>									
ABR7280023 Provide General Fund to purchase Diabetes, Hypertension and Cholesterol Screening equipment.									
General Fund					25,000	25,000			
<b>Project Total</b>					<b>25,000</b>	<b>25,000</b>			
<b>14 NEW Lead Poisoning Prevention</b>									
ABR7280024 Provide General Fund for operational cost of Lead Poisoning Prevention project.									
General Fund					50,000	50,000		50,000	50,000
<b>Project Total</b>					<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>
<b>15 NEW Epilepsy Foundation of Kentucky</b>									
ABR7280025 Provide General Fund for operating support.									
General Fund					100,000	100,000		100,000	100,000
<b>Project Total</b>					<b>100,000</b>	<b>100,000</b>		<b>100,000</b>	<b>100,000</b>
<b>16 NEW Lexington Hearing and Speech</b>									
ABR7280026 Provide General Fund for operating support.									
General Fund					50,000	50,000			
<b>Project Total</b>					<b>50,000</b>	<b>50,000</b>			
<b>17 CONT Saint Joseph Mobile Health Clinic</b>									
ABR7280028 Provide General Fund to assist with increased operating cost									
General Fund								34,000	34,000
<b>Project Total</b>								<b>34,000</b>	<b>34,000</b>

## H - Health and Family Services Cabinet

Operating Budget

## Public Health

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>18 NEW</b>	<b>KY Prescription Drug Patient Assistance Program</b>								
ABR7280029	Provide General Fund to establish statewide link for low-income individuals to obtain free prescriptions from pharmaceutical companies.								
General Fund					125,000	125,000		200,000	200,000
<b>Project Total</b>					<b>125,000</b>	<b>125,000</b>		<b>200,000</b>	<b>200,000</b>
<b>19 NEW</b>	<b>Mission Frankfort Clinic</b>								
ABR7280027	Provide General Fund for operating support.								
General Fund					50,000	50,000			
<b>Project Total</b>					<b>50,000</b>	<b>50,000</b>			
<b>20 NEW</b>	<b>Area Health Education Centers</b>								
ABR7280030	Provide General Fund to replace former federal grants.								
General Fund					1,500,000	1,500,000		1,500,000	1,500,000
<b>Project Total</b>					<b>1,500,000</b>	<b>1,500,000</b>		<b>1,500,000</b>	<b>1,500,000</b>
<b>TOTAL ADDITIONAL</b>				<b>1,150,000</b>	<b>6,577,000</b>	<b>5,427,000</b>	<b>1,500,000</b>	<b>7,352,000</b>	<b>5,852,000</b>

**TRANSFERS TO THE GENERAL FUND**

## Public Health

Agency Revenue Fund	4,657,000	4,657,000		542,800	542,800		483,000	483,000	
(KRS 194A.050(4), 211.350(7), 211.848(2), 212.025(2), 213.141(3), 217.125(2), 219.071 and 221.020(2))									
<b>TOTAL</b>	<b>4,657,000</b>	<b>4,657,000</b>		<b>542,800</b>	<b>542,800</b>		<b>483,000</b>	<b>483,000</b>	

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:47 PM

**Public Health**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from Public Health, Restricted Funds of \$4,657,000 in fiscal year 2005-2006, \$542,800 in fiscal year 2006-0207 and \$483,000 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

**"Health Kentucky:** Included in the above General Fund appropriation is \$150,000 in fiscal year 2006-2007 for Health Kentucky, Inc."

**"Tobacco Settlement Funds:** Included in the above General Fund (Tobacco) appropriation is \$7,149,800 in fiscal year 2006-2007 and \$7,599,900 in fiscal year 2007-2008 for the Health Access Nurturing Development Services Program; \$1,000,000 in fiscal year 2006-2007 and \$1,140,100 in fiscal year 2007-2008 for Healthy Start initiatives; \$1,750,000 in each fiscal year for Universal Children's Immunizations; \$400,000 in each fiscal year for the Folic Acid Program; \$775,000 in each fiscal year for Early Childhood Mental Health; \$210,500 in each fiscal year for Early Childhood Oral Health; \$2, 215,600 in fiscal year 2006-2007 and \$2,345,600 in fiscal year 2007-2008 for the Smoking Cessation Program; and \$500,000 in each fiscal year for the Kentucky Early Intervention Services First Steps Program."

**"Governor's Council on Wellness and Physical Activity:** Included in the above General Fund appropriation is \$1,000,000 in fiscal year 2006-2007 and \$1,500,000 in fiscal year 2007-2008 for the Governor's Council on Wellness and Physical Activity to develop and implement a statewide fitness program available to all Kentuckians that promotes fitness and wellness for persons of all ages and fitness levels."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:47 PM

**Public Health**

The State/Executive Branch Budget Bill, Part X, Phase I Tobacco Settlement includes language that directs the following reductions in the fiscal year 2005-06 appropriation to Public Health: HANDS - \$393,000, Healthy Start - \$50,000 Immunizations - \$250,000 and Smoking Cessation - \$184,200.

The State/Executive Branch Budget Bill, Part X, Phase I Tobacco Settlement includes language that directs:

**"HANDS Program, Healthy Start, Universal Children's Immunizations, Folic Acid Program, Early Childhood Mental Health, Early Childhood Oral Health, and Kentucky Early Intervention Services First Steps:** Included in the above General Fund (Tobacco) appropriation is \$7,149,800 in fiscal year 2006-2007 and \$7,599,900 in fiscal year 2007-2008 for the Health Access Nurturing Development Services (HANDS) Program; \$1,000,000 in fiscal year 2006-2007 and \$1,140,100 in fiscal year 2007-2008 for Healthy Start initiatives; \$1,750,000 in each fiscal year for Universal Children's Immunizations; \$400,000 in each fiscal year for the Folic Acid Program; \$775,000 in each fiscal year for Early Childhood Mental Health; \$210,500 in each fiscal year for Early Childhood Oral Health; and \$500,000 in each fiscal year for the Kentucky Early Intervention Services First Steps Program."

**"Smoking Cessation Program:** Included in the above General Fund (Tobacco) appropriation is \$2,215,600 in fiscal year 2006-2007 and \$2,345,600 in fiscal year 2007-2008 for the Smoking Cessation Program."

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The house amends the State/Executive Branch Budget Bill, Part I Operating Budget, to include the following language provisions.

**"Local and District Health Department Payments:** The Department for Public Health shall not impose a cap or other restriction on the number or amount of services that a Local or District Health Department may provide. The Department for Public Health shall submit all requests for payment for services provided to the Department for Medicaid Services that are submitted by a Local or District Health Department."

**"Medicaid State Match for Preventive Services Through Local and District Health Departments:** Included in the Medicaid Benefits appropriation is the total General Fund state matching dollars required in each fiscal year to fully support preventive health services provided to Medicaid recipients through Local and District Health Departments."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:47 PM

**Public Health**

**"Health Insurance for Local and District Health Departments:** Included in the above General Fund appropriation is \$6,174,000 each fiscal year to assist the Local and District Health Departments with the required increased employer contribution for employee health insurance. These funds shall be distributed to the Local and District Health Departments at least quarterly."

**"Kentucky AIDS Drug Assistance Program:** Included in the above General Fund appropriation is \$250,000 in each fiscal year for the Kentucky AIDS Drug Assistance Program (KADAP)."

**"Diabetes Services:** Included in the above General Fund appropriation is \$2,300,000 in fiscal year 2006-2007 and \$3,050,000 in fiscal year 2007-2008. for continuation of base services through Local or District Health Departments."

**"Diabetes Research Board:** Included in the above General Fund appropriation is \$200,000 in each fiscal year, which shall be allocated to the Diabetes Research Board."

**"Diabetes Centers of Excellence:** Included in the above General Fund appropriation is \$750,000 each fiscal year to establish three regional Diabetes Centers of Excellence. Services within the Centers will be based on the number of Medicaid recipients diagnosed with diabetes within the area. These centers shall be designed to provide education, intervention therapy, and case management services and shall demonstrate the effectiveness of this intervention with outcomes and reduced Medicaid expenditures for this disease."

**"Local and District Health Department Infrastructure Pool:** Included in the above General Fund appropriation is \$466,000 in fiscal year 2007-2008 to provide debt service to support \$10,000,000 in bonds for a Local and District Health Department Infrastructure Pool to be administered by the Department for Public Health to address a portion of the construction and renovation needs of the local public health agencies as set forth in Part II, Capital Projects Budget, of this Act. The Department for Public Health shall establish an application process to participate in this pool, and that process may require in-kind or matching funds from the local agency. No individual grant from this pool shall exceed \$750,000. If the amount of bond funds available from the pool is not sufficient to cover all applications, the department shall determine the distribution of pool assets."

**"Poison Control Center:** Additional support of \$150,000 is provided in the above General Fund appropriation in each fiscal year for the Poison Control Center to provide for increased operating costs since the program began."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:47 PM

**Public Health**

**"Lead Poisoning and Screening Program:** Included in the above General Fund appropriation is \$50,000 in each fiscal year for the Lead Poisoning and Screening Program. With these funds, the Department for Public Health shall review all federal Medicaid or Medicare compliance issues with respect to lead poisoning and screening and report its findings to the General Assembly. The report shall include a proposed plan of action to correct any deficiencies or areas where programs and services are offered or supported by the Cabinet and are not in compliance with federal requirements related to lead poisoning and screening."

**"Kentucky Prescription Drug Patient Assistance Program:** Included in the above General Fund appropriation is \$125,000 in fiscal year 2006-2007 and \$200,000 in fiscal year 2007-2008 to establish the Kentucky Prescription Drug Patient Assistance Program to create a statewide network to link low-income Kentuckians with prescription drug patient assistance programs offered by pharmaceutical companies and to provide assistance in obtaining and completing the required documents. The Department may contract with the University of Kentucky, local health departments, or other organizations to develop a network and provide this assistance."

**"Area Health Education Centers:** Included in the above General Fund appropriation is \$1,500,000 in fiscal year 2006-2007 and \$1,500,000 in fiscal year 2007-2008 to support the Area Health Education Centers. The Cabinet for Health and Family Services shall contract with the University of Louisville and the University of Kentucky to provide the required support and the amount of that contract shall be in addition to any other appropriations received by the universities and shall not become part of the universities' base budgets for purposes of the Council on Postsecondary Education funding formula."

The House also provides additional General Fund support for the following items:

1. UK Center for Rural Health - KY Homeplace \$208,000 in 2006-2007 and \$208,000 in 2007-2008;
2. Health Education and Registration Training \$50,000 in 2006-2007 and \$50,000 in 2007-2008;
3. Community Health Clinic \$100,000 in 2006-2007 and \$100,000 in 2007-2008;
4. Indigent Health Services \$25,000 in 2006-2007;
5. Liberty District Ralph Bunch Community Center \$25,000 in 2006-2007;
6. Epilepsy Foundation of Kentucky \$100,000 in 2006-2007 and \$100,000 in 2007-2008;
7. Lexington Hearing and Speech Center \$50,000 in 2006-2007;
8. Saint Joseph's Mobile Health Clinic \$34,000 in 2007-2008;
9. Mission Frankfort Clinic \$50,000 in 2006-2007; and

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:47 PM

**Public Health**

The House amends the State/Executive Branch Budget Bill, Part II Capital Budget, to include the \$10,000,000 Bond Funds in fiscal year 2006-2007 for the Local and District Health Department Construction Pool.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**H - Health and Family Services Cabinet****Capital Budget****Public Health**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Bond Funds					10,000,000	10,000,000			
<b>TOTAL CAPITAL</b>					<b>10,000,000</b>	<b>10,000,000</b>			
<b>II. CAPITAL PROJECTS</b>									
<b>1</b>	<b>Local and District Health Department Construction Pool</b>								
PRJ7281132									
Bond Funds					10,000,000	10,000,000			
<b>Project Total</b>					<b>10,000,000</b>	<b>10,000,000</b>			
<b>TOTAL CAPITAL</b>					<b>10,000,000</b>	<b>10,000,000</b>			

**THIS PAGE INTENTIONALLY LEFT BLANK**

## H - Health and Family Services Cabinet

## Operating Budget

## Health Policy

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	632,700	632,700		636,000	636,000		625,600	625,600	
Restricted Funds	579,500	579,500		605,700	605,700		622,400	622,400	
<b>Regular Total Funds</b>	<b>1,212,200</b>	<b>1,212,200</b>		<b>1,241,700</b>	<b>1,241,700</b>		<b>1,248,000</b>	<b>1,248,000</b>	
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>1,212,200</b>	<b>1,212,200</b>		<b>1,241,700</b>	<b>1,241,700</b>		<b>1,248,000</b>	<b>1,248,000</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	1,172,200	1,172,200		1,196,700	1,196,700		1,203,000	1,203,000	
Operating Expenses	40,000	40,000		45,000	45,000		45,000	45,000	
<b>TOTAL EXPENDITURES</b>	<b>1,212,200</b>	<b>1,212,200</b>		<b>1,241,700</b>	<b>1,241,700</b>		<b>1,248,000</b>	<b>1,248,000</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	632,700	632,700		636,000	636,000		625,600	625,600	
Restricted Funds	579,500	579,500		250,500	250,500		250,500	250,500	
<b>Regular Total Funds</b>	<b>1,212,200</b>	<b>1,212,200</b>		<b>886,500</b>	<b>886,500</b>		<b>876,100</b>	<b>876,100</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>1,212,200</b>	<b>1,212,200</b>		<b>886,500</b>	<b>886,500</b>		<b>876,100</b>	<b>876,100</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds				355,200	355,200		371,900	371,900	
<b>TOTAL ADDITIONAL</b>				<b>355,200</b>	<b>355,200</b>		<b>371,900</b>	<b>371,900</b>	
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 EXPA CHFS Health Policy -Staffing</b>									
ABR7240001 Provide Restricted Funds to support 1 vacant position and 3 additional staff positions.									
Restricted Funds				355,200	355,200		371,900	371,900	
<b>Project Total</b>				<b>355,200</b>	<b>355,200</b>		<b>371,900</b>	<b>371,900</b>	
<b>TOTAL ADDITIONAL</b>				<b>355,200</b>	<b>355,200</b>		<b>371,900</b>	<b>371,900</b>	
<b>TRANSFERS TO THE GENERAL FUND</b>									
<b>Health Policy</b>									
Agency Revenue Fund (KRS 212.025(2))	351,700	351,700							
<b>TOTAL</b>	<b>351,700</b>	<b>351,700</b>							

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:50 PM

**Office of Health Policy**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from Health Policy, Restricted Funds of \$351,700 in fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget, Restricted Funds, includes a projected increase in receipts as a result of a revised method of determining the fee for CON applications.

**HOUSE REPORT**

The House concurs with the Branch with the following change:

The House adds the following Part I, Operating Budget, language provision relating to Certificate of Need:

**"Voluntary Relinquishment of a Certificate of Need or Licensure:** Notwithstanding KRS 216B.061, following the voluntary closure of a health care facility, revocation of a certificate of need, or the revocation of licensure, the beds, equipment, and services provided by the closed facility shall be reserved for applications for any certificate of need to reestablish the same services, in whole or part, in the same county as the closed health facility."

## H - Health and Family Services Cabinet

## Operating Budget

## Community Based Services

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	7,259,400	7,259,400		6,970,400	6,970,400		7,420,400	7,420,400	
General Fund	307,125,300	307,125,300		314,483,500	323,748,800	9,265,300	331,009,300	332,753,300	1,744,000
Restricted Funds	122,699,400	122,699,400		133,505,800	133,505,800		136,301,300	136,301,300	
Federal Funds	514,614,000	514,614,000		517,995,000	522,852,300	4,857,300	525,423,000	534,185,100	8,762,100
<b>Regular Total Funds</b>	<b>951,698,100</b>	<b>951,698,100</b>		<b>972,954,700</b>	<b>987,077,300</b>	<b>14,122,600</b>	<b>1,000,154,000</b>	<b>1,010,660,100</b>	<b>10,506,100</b>
Use of Continuing	127,400	127,400							
<b>TOTAL FUNDS</b>	<b>951,825,500</b>	<b>951,825,500</b>		<b>972,954,700</b>	<b>987,077,300</b>	<b>14,122,600</b>	<b>1,000,154,000</b>	<b>1,010,660,100</b>	<b>10,506,100</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	245,277,400	245,277,400		249,072,200	249,072,200		252,428,800	252,428,800	
Operating Expenses	44,006,300	44,006,300		41,483,700	41,483,700		41,510,400	41,510,400	
Grants, Loans, Benefits	662,541,800	662,541,800		682,398,800	696,521,400	14,122,600	706,214,800	716,486,900	10,272,100
Debt Service								234,000	234,000
<b>TOTAL EXPENDITURES</b>	<b>951,825,500</b>	<b>951,825,500</b>		<b>972,954,700</b>	<b>987,077,300</b>	<b>14,122,600</b>	<b>1,000,154,000</b>	<b>1,010,660,100</b>	<b>10,506,100</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund (Tobacco)	7,259,400	7,259,400		6,970,400	6,970,400		7,420,400	7,420,400	
General Fund	307,125,300	307,125,300		305,978,700	304,725,500	(1,253,200)	305,982,400	290,827,300	(15,155,100)
Restricted Funds	122,699,400	122,699,400		122,349,600	122,349,600		127,336,800	127,336,800	
Federal Funds	509,713,700	509,713,700		494,500,600	494,500,600		491,874,800	491,874,800	
<b>Regular Total Funds</b>	<b>946,797,800</b>	<b>946,797,800</b>		<b>929,799,300</b>	<b>928,546,100</b>	<b>(1,253,200)</b>	<b>932,614,400</b>	<b>917,459,300</b>	<b>(15,155,100)</b>
Use of Continuing	127,400	127,400							
<b>TOTAL BASE LEVEL</b>	<b>946,925,200</b>	<b>946,925,200</b>		<b>929,799,300</b>	<b>928,546,100</b>	<b>(1,253,200)</b>	<b>932,614,400</b>	<b>917,459,300</b>	<b>(15,155,100)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				8,504,800	19,023,300	10,518,500	25,026,900	41,926,000	16,899,100
Restricted Funds				11,156,200	11,156,200		8,964,500	8,964,500	
Federal Funds	4,900,300	4,900,300		23,494,400	28,351,700	4,857,300	33,548,200	42,310,300	8,762,100
<b>TOTAL ADDITIONAL</b>	<b>4,900,300</b>	<b>4,900,300</b>		<b>43,155,400</b>	<b>58,531,200</b>	<b>15,375,800</b>	<b>67,539,600</b>	<b>93,200,800</b>	<b>25,661,200</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>2 GB</b>	<b>Family &amp; Community Services</b>								
ABR7360006	Provide funds to support operating and grant expenses relating to adult and child protective services and Out-of-Ho-Care/Alternatives for Children.								
General Fund				7,699,900	7,699,900		23,590,900	23,590,900	
Restricted Funds				11,156,200	11,156,200		8,964,500	8,964,500	
Federal Funds	4,900,300	4,900,300		13,571,800	13,571,800		23,216,500	23,216,500	
<b>Project Total</b>	<b>4,900,300</b>	<b>4,900,300</b>		<b>32,427,900</b>	<b>32,427,900</b>		<b>55,771,900</b>	<b>55,771,900</b>	

## H - Health and Family Services Cabinet

## Operating Budget

## Community Based Services

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>5 EXPA State Supplementation</b>									
ABR7360007 Provide funds to support Cost of Living Adjustment for program recipients in FY 2007-08.									
General Fund							277,500	277,500	
<b>Project Total</b>							<b>277,500</b>	<b>277,500</b>	
<b>6 RRF Food Stamps</b>									
ABR7360003 Provide funds to continue the Electronic Benefits Transfer program.									
General Fund				804,900	804,900		1,158,500	1,158,500	
Federal Funds				465,600	465,600		766,800	766,800	
<b>Project Total</b>				<b>1,270,500</b>	<b>1,270,500</b>		<b>1,925,300</b>	<b>1,925,300</b>	
<b>11 GB Child Care</b>									
ABR7360005 Provide funds to support an additional 855 families in FY 2006-07 and 880 families in FY 2007-08.									
Federal Funds				3,757,000	3,757,000		3,864,900	3,864,900	
<b>Project Total</b>				<b>3,757,000</b>	<b>3,757,000</b>		<b>3,864,900</b>	<b>3,864,900</b>	
<b>12 GB Weatherization</b>									
ABR7360001 Provide funds to support 320 household weather repairs.									
Federal Funds				900,000	900,000		900,000	900,000	
<b>Project Total</b>				<b>900,000</b>	<b>900,000</b>		<b>900,000</b>	<b>900,000</b>	
<b>13 GB Low Income Home Energy Assistance Program (LIHEAP)</b>									
ABR7360004 Provide funds to support 32,600 additional low income households.									
Federal Funds				4,800,000	4,800,000		4,800,000	4,800,000	
<b>Project Total</b>				<b>4,800,000</b>	<b>4,800,000</b>		<b>4,800,000</b>	<b>4,800,000</b>	
<b>14 NEW Kentucky Baptist Childrens Homes Youth Support Center</b>									
ABR7360020 Provide funds to support operating costs in London, Ky.									
General Fund					150,000	150,000		150,000	150,000
<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>		<b>150,000</b>	<b>150,000</b>
<b>15 EXPA Save the Children Rural Literacy Program</b>									
ABR7360021 Provide funds to expand rural literacy programs to additional schools.									
General Fund					250,000	250,000		250,000	250,000
<b>Project Total</b>					<b>250,000</b>	<b>250,000</b>		<b>250,000</b>	<b>250,000</b>

## H - Health and Family Services Cabinet

## Operating Budget

## Community Based Services

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>16</b>	<b>NEW</b>	<b>Boys Haven Moms Mentoring Moms Program</b>								
	ABR7360022	Provide funds to establish a Moms Mentoring Moms Program.								
	General Fund					110,000	110,000		110,000	110,000
	<b>Project Total</b>					<b>110,000</b>	<b>110,000</b>		<b>110,000</b>	<b>110,000</b>
<b>17</b>	<b>NEW</b>	<b>Family Care Center of Lexington</b>								
	ABR7360023	Provide funds to support a technology upgrade.								
	General Fund					27,100	27,100			
	<b>Project Total</b>					<b>27,100</b>	<b>27,100</b>			
<b>18</b>	<b>CONT</b>	<b>Foster Youth Transitional Assistance</b>								
	ABR7360024	Provide funds to expand foster youth transitional assistance.								
	General Fund					1,000,000	1,000,000		1,000,000	1,000,000
	<b>Project Total</b>					<b>1,000,000</b>	<b>1,000,000</b>		<b>1,000,000</b>	<b>1,000,000</b>
<b>19</b>	<b>CONT</b>	<b>Protection and Permanency Staff Technology Improvements</b>								
	ABR7360025	Provide funds to purchase computers, digital cameras and printers.								
	General Fund					1,253,200	1,253,200		1,008,300	1,008,300
	Federal Funds					323,200	323,200		291,700	291,700
	<b>Project Total</b>					<b>1,576,400</b>	<b>1,576,400</b>		<b>1,300,000</b>	<b>1,300,000</b>
<b>20</b>	<b>CONT</b>	<b>Foster Parent and Adoption Assistance Rate Increases</b>								
	ABR7360026	Provide funds to support a \$3 per day rate increase in FY 2006-07 and an additional \$2 per day rate increase in FY 2007-08 for foster parents and adoption assistance.								
	General Fund					4,844,500	4,844,500		8,944,600	8,944,600
	Federal Funds					3,989,300	3,989,300		7,487,600	7,487,600
	<b>Project Total</b>					<b>8,833,800</b>	<b>8,833,800</b>		<b>16,432,200</b>	<b>16,432,200</b>
<b>21</b>	<b>CONT</b>	<b>Private Child Care Rate Increases</b>								
	ABR7360027	Provide funds to support a \$3 per day rate increase in FY 2006-07 and an additional \$2 per day rate increase in FY 2007-08 for private child care providers.								
	General Fund					1,922,500	1,922,500		4,161,800	4,161,800
	Federal Funds					363,200	363,200		786,200	786,200
	<b>Project Total</b>					<b>2,285,700</b>	<b>2,285,700</b>		<b>4,948,000</b>	<b>4,948,000</b>

## H - Health and Family Services Cabinet

## Operating Budget

## Community Based Services

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>22 NEW Performance Incentives for Hard to Place Youth</b>									
ABR7360029 Establish a pool to reward private child care providers with incentives to serve hard to place youth.									
General Fund					961,200	961,200		1,040,400	1,040,400
Federal Funds					181,600	181,600		196,600	196,600
<b>Project Total</b>					<b>1,142,800</b>	<b>1,142,800</b>		<b>1,237,000</b>	<b>1,237,000</b>
<b>23 NEW Debt Service</b>									
ABR7360028 Provide funds to support debt service for \$5,000,000 in new bonds for Home of the Innocents Phase II of the Childrens Village project contingent upon Lou. Metro Govmt. contributing an additional \$5,000,000.									
General Fund								234,000	234,000
<b>Project Total</b>								<b>234,000</b>	<b>234,000</b>
<b>TOTAL ADDITIONAL</b>	<b>4,900,300</b>	<b>4,900,300</b>		<b>43,155,400</b>	<b>58,531,200</b>	<b>15,375,800</b>	<b>67,539,600</b>	<b>93,200,800</b>	<b>25,661,200</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:49 PM

**Community Based Services**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes additional funding support as follows:

1) \$4,900,300 in Federal Funds in fiscal year 2005-2006; \$7,699,900 in General Fund support, \$11,156,200 in Restricted Funds and \$13,571,800 in Federal Funds in fiscal year 2006-2007, and \$23,590,900 in General Fund support, \$8,964,500 in Restricted Funds and \$23,216,500 in Federal Funds in fiscal year 2007-2008 to continue current adult and child protective services. Included in these amounts are increases totaling \$4,900,300 in fiscal year 2005-2006, \$28,674,500 in fiscal year 2006-2007 and \$50,254,400 in fiscal year 2007-2008 to continue current services in Alternatives for Children/Out-of-Home Care and support an increased number of court-committed children in the care of the Cabinet; 2) \$804,900 in General Fund support and \$465,600 in Federal Funds in fiscal year 2006-2007 and \$1,158,500 in General Fund support and \$766,800 in Federal Funds in fiscal year 2007-2008 to replace Restricted Funds and continue the Food Stamps Electronic Benefits Transfer program; 3) Federal Funds totaling \$3,757,000 in fiscal year 2006-2007 and \$3,864,900 in fiscal year 2007-2008 to support an increased number of child care recipients; 4) Federal Funds totaling \$900,000 in each year of fiscal years 2006-2007 and 2007-2008 to expand the Weatherization program; and, 5) Federal Funds totaling \$4.8 million in each year of fiscal years 2006-2007 and 2007-2008 to expand the Low Income Home Energy Assistance Program (LIHEAP).

The State/Executive Branch Budget Bill, Part I, Operating Budget includes the following language provisions that direct:

**"Tobacco Settlement Funds:** Included in the above General Fund (Tobacco) appropriation is \$6,970,400 in fiscal year 2006-2007 and \$7,420,400 in fiscal year 2007-2008 for the Early Childhood Development Program."

**"Out-of-Home Care:** Included in the above General Fund appropriation is \$7,383,000 in fiscal year 2006-2007 and \$22,962,600 in fiscal year 2007-2008 which is necessary to support and sustain the increased number of court-committed children in the care of the Cabinet."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:49 PM

**Community Based Services**

**"Criminal Background Investigation Fee Establishment:** The Secretary of the Cabinet for Health and Family Services may promulgate administrative regulations necessary to prescribe criminal background investigation fee amounts which are reflected in the Restricted Funds appropriation above."

**"Department for Community Based Services Modernization:** Savings generated through efficiencies achieved from the modernization and streamlining of the Department for Community Based Services shall be redirected to other areas within the Department for Community Based Services to enhance adult protection services and family based services, to accommodate increased numbers of children in care, and to offset reductions in available federal funding."

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part X, Phase I Tobacco Settlement includes a language provision that directs:

**"Early Childhood Development Program:** Included in the above General Fund (Tobacco) appropriation is \$6,970,400 in fiscal year 2006-2007 and \$7,420,400 in fiscal year 2007-2008 for the Early Childhood Development Program."

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House redirects base General Fund support by \$1,253,200 in fiscal year 2006-2007 and \$15,155,100 in fiscal year 2007-2008 and provides additional Federal Funds for the following items:

1. \$1,253,200 in General Fund support and \$323,200 in Federal Funds in fiscal year 2006-2007 and \$1,008,300 in General Fund support and \$291,700 in Federal Funds in fiscal year 2007-2008 for Protection and Permanency Staff Technology Improvements;
2. \$8,944,600 in General Fund support and \$7,487,600 in Federal Funds to increase Foster Parent and Adoption Assistance reimbursement rates by \$5 per day in fiscal year 2007-2008; and,
3. \$5,202,200 in General Fund support and \$982,800 in Federal Funds to increase Private Child Care Agencies' reimbursement rates by \$5 per day in fiscal year 2007-2008.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:49 PM

**Community Based Services**

The House provides additional funding support for the following items:

1. \$150,000 in General Fund support in each fiscal year for the Kentucky Baptist Youth Support Center;
2. \$250,000 in General Fund support in each fiscal year to expand the Save the Children Rural Literacy Program;
3. \$110,000 in each fiscal year for the Boys Haven Moms Mentoring Moms program;
4. \$27,100 in General Fund support in fiscal year 2006-2007 for the Family Care Center in Lexington;
5. \$1,000,000 in each fiscal year for Foster Youth Transitional Assistance;
6. \$4,844,500 in General Fund support and \$3,989,300 in Federal Funds to increase Foster Parent and Adoption Assistance reimbursement rates by \$3 per day in fiscal year 2006-2007;
7. \$2,883,700 in General Fund support and \$544,800 in Federal Funds to increase Private Child Care Agencies' reimbursement rates by \$3 per day in fiscal year 2006-2007; and,
8. \$234,000 in General Fund support in fiscal year 2007-2008 for debt service for new bonds totaling \$5,000,000 for a grant to Louisville Metro Government for Phase II of the Children's Village project at Home of the Innocents contingent upon Louisville Metro Government's provision of equalizing funds totaling \$5,000,000 prior to Home of the Innocents proceeding with this project.

The House adds the following Part I, Operating Budget, language provisions:

**"Protection and Permanency Staff Technology Improvements:** Included in the above appropriation is \$1,008,300 in General Fund support and \$291,700 in Federal Funds in each fiscal year to provide technology improvements for each Adult Protection and Child Protection Services staff, including but not limited to new laptop or desktop computers. In addition, included in the above appropriation is \$244,900 in General Fund support and \$31,500 in Federal Funds in fiscal year 2006-2007 to provide digital cameras for each Adult Protection and Child Protection Services staff and a printer for each investigative team in each local office to assist in documenting abuse investigations."

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:49 PM

**Community Based Services**

**"Foster Parent and Adoption Assistance Rate Increases:** Included in the above appropriation to increase Foster Parent and Adoption Assistance daily reimbursement rates is \$4,844,500 in General Fund moneys and \$3,989,300 in Federal Funds for \$3 per day in fiscal year 2006-2007 and \$8,944,600 in General Fund moneys and \$7,487,600 in Federal Funds for an additional \$2 per day in fiscal year 2007-2008."

**"Private Child Care Provider Rate Increases:** Included in the above appropriation to increase Private Child Care Provider reimbursement rates is \$1,922,500 in General Fund moneys and \$363,200 in Federal Funds for \$2 per day in fiscal year 2006-2007 and \$4,161,800 in General Fund moneys and \$786,200 in Federal Funds for an additional \$2 per day in fiscal year 2007-2008."

**"Performance Incentives for Hard to Place Youth:** Included in the above appropriation is \$961,200 in General Fund moneys and \$181,600 in Federal Funds in fiscal year 2006-2007 and \$1,040,400 in General Fund moneys and \$196,600 in Federal Funds in fiscal year 2007-2008 to create a pool to serve hard to place youth by providing performance incentives to private child care providers."

**"Foster Youth Transitional Assistance:** Included in the above General Fund appropriation is \$1,000,000 in each fiscal year to provide assistance grants or vouchers to current or former foster youth ages 18 through 23. The maximum total of grants or vouchers per youth shall be \$7,500 in any one fiscal year for working youth. Youth may be eligible for an additional grant totaling \$2,500 per year while attending a community college or four year college or university. Grants or vouchers from this program shall be utilized by the youth for transitional assistance into independence, including but not limited to housing, clothing, transportation, tuition, medical and dental services, and other expenses for the youth for the transition that the cabinet authorizes. The Cabinet for Health and Family Services shall promulgate administrative regulations, in accordance with KRS Chapter 13A, to implement this program no later than October 1, 2006. Notwithstanding KRS 45.229, any General Fund moneys for this purpose unexpended in fiscal year 2006-2007 shall not lapse but shall carry forward into fiscal year 2007-2008 for the same purpose."

**"Home of the Innocents:** Included in the above General Fund appropriation is \$234,000 in fiscal year 2007-2008 for debt service to support new bonds for Phase II of the Children's Village as set forth in Part II, Capital Projects Budget, of this Act. Bond issuance shall be contingent upon the Louisville Metro Government's provision of equalizing funds totaling \$5,000,000 before the Home of the Innocents may proceed with the project."

The House adds the following Part II, Capital Budget, project:

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 3:49 PM

**Community Based Services**

"Home of the Innocents - Phase II Children's Village

Bond Funds            5,000,000    -0-

**Bond Issuance Contingency:** Bond issuance shall be contingent upon the Louisville Metro Government's provision of equalizing funds totaling \$5,000,000 before the Home of the Innocents may proceed with the project."

**THIS PAGE INTENTIONALLY LEFT BLANK**

**H - Health and Family Services Cabinet****Capital Budget****Community Based Services**

Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference

**I. CAPITAL PROJECT RECAP BY FUND SOURCE**

General Fund

Bond Funds

5,000,000 5,000,000

**TOTAL CAPITAL****5,000,000 5,000,000****II. CAPITAL PROJECTS****2 Kenton Co. - Lease**

PRJ7362507

General Fund

**Project Total****3 Warren Co. - Lease**

PRJ7362508

General Fund

**Project Total****4 Campbell Co. - Lease**

PRJ7362509

General Fund

**Project Total****5 Hardin Co. - Lease**

PRJ7362510

General Fund

**Project Total****6 Kenton Co. - Lease - Madison Ave**

PRJ7362511

General Fund

**Project Total****7 Fayette Co. - Lease**

PRJ7362512

General Fund

**Project Total**



## **K - Postsecondary Education**

**THIS PAGE INTENTIONALLY LEFT BLANK**

## K - Postsecondary Education

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	5,952,700	5,952,700		5,231,200	5,231,200		5,591,200	5,591,200	
General Fund	1,244,460,400	1,244,460,400		1,277,491,800	1,278,453,300	961,500	1,311,808,300	1,361,284,600	49,476,300
Restricted Funds	2,427,310,100	2,427,310,100		2,590,413,000	2,590,608,600	195,600	2,747,723,400	2,747,583,500	(139,900)
Federal Funds	634,820,500	634,820,500		666,153,400	666,153,400		702,228,800	702,228,800	
<b>Regular Total Funds</b>	<b>4,312,543,700</b>	<b>4,312,543,700</b>		<b>4,539,289,400</b>	<b>4,540,446,500</b>	<b>1,157,100</b>	<b>4,767,351,700</b>	<b>4,816,688,100</b>	<b>49,336,400</b>
Use of Continuing	420,100	420,100							
<b>TOTAL FUNDS</b>	<b>4,312,963,800</b>	<b>4,312,963,800</b>		<b>4,539,289,400</b>	<b>4,540,446,500</b>	<b>1,157,100</b>	<b>4,767,351,700</b>	<b>4,816,688,100</b>	<b>49,336,400</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	2,227,702,700	2,227,702,700		2,344,185,600	2,344,185,600		2,455,612,900	2,455,612,900	
Operating Expenses	1,239,972,200	1,239,972,200		1,322,933,600	1,326,691,500	3,757,900	1,403,045,000	1,443,277,200	40,232,200
Grants, Loans, Benefits	643,101,700	643,101,700		670,843,900	668,243,100	(2,600,800)	705,524,300	713,902,500	8,378,200
Debt Service	74,396,000	74,396,000		72,473,800	72,473,800		73,777,500	74,503,500	726,000
Capital Outlay	127,521,200	127,521,200		128,852,500	128,852,500		129,392,000	129,392,000	
Construction	270,000	270,000							
<b>TOTAL EXPENDITURES</b>	<b>4,312,963,800</b>	<b>4,312,963,800</b>		<b>4,539,289,400</b>	<b>4,540,446,500</b>	<b>1,157,100</b>	<b>4,767,351,700</b>	<b>4,816,688,100</b>	<b>49,336,400</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund (Tobacco)	5,952,700	5,952,700		5,231,200	5,231,200		5,591,200	5,591,200	
General Fund	1,244,460,400	1,244,460,400		1,244,805,000	1,243,805,000	(1,000,000)	1,226,543,700	1,225,543,700	(1,000,000)
Restricted Funds	2,427,310,100	2,427,310,100		2,438,673,200	2,438,368,800	(304,400)	2,442,733,300	2,442,093,400	(639,900)
Federal Funds	634,820,500	634,820,500		631,606,600	631,606,600		631,303,300	631,303,300	
<b>Regular Total Funds</b>	<b>4,312,543,700</b>	<b>4,312,543,700</b>		<b>4,320,316,000</b>	<b>4,319,011,600</b>	<b>(1,304,400)</b>	<b>4,306,171,500</b>	<b>4,304,531,600</b>	<b>(1,639,900)</b>
Use of Continuing	420,100	420,100							
<b>TOTAL BASE LEVEL</b>	<b>4,312,963,800</b>	<b>4,312,963,800</b>		<b>4,320,316,000</b>	<b>4,319,011,600</b>	<b>(1,304,400)</b>	<b>4,306,171,500</b>	<b>4,304,531,600</b>	<b>(1,639,900)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				32,686,800	34,648,300	1,961,500	85,264,600	135,740,900	50,476,300
Restricted Funds				151,739,800	152,239,800	500,000	304,990,100	305,490,100	500,000
Federal Funds				34,546,800	34,546,800		70,925,500	70,925,500	
<b>TOTAL ADDITIONAL</b>				<b>218,973,400</b>	<b>221,434,900</b>	<b>2,461,500</b>	<b>461,180,200</b>	<b>512,156,500</b>	<b>50,976,300</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## K - Postsecondary Education

## Capital Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund					1,310,000	1,310,000			
Restricted Funds		4,320,000	4,320,000	1,418,445,000	1,521,784,000	103,339,000	8,050,000	8,050,000	
Federal Funds				95,667,000	93,167,000	(2,500,000)	3,290,000	3,290,000	
Bond Funds				260,276,000	506,372,000	246,096,000			
Agency Bonds				205,132,000	465,532,000	260,400,000			
Other Funds				33,710,000	138,311,000	104,601,000	8,970,000	14,868,000	5,898,000
<b>TOTAL CAPITAL</b>		<b>4,320,000</b>	<b>4,320,000</b>	<b>2,013,230,000</b>	<b>2,726,476,000</b>	<b>713,246,000</b>	<b>20,310,000</b>	<b>26,208,000</b>	<b>5,898,000</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

**K - Postsecondary Education****Operating Budget****Council on Postsecondary Education**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund (Tobacco)	5,052,700	5,052,700		4,431,200	4,431,200		4,691,200	4,691,200	
General Fund	51,425,400	51,425,400		58,698,200	59,301,800	603,600	99,129,700	111,473,800	12,344,100
Restricted Funds	6,710,500	6,710,500		6,610,700	6,306,300	(304,400)	6,527,900	5,888,000	(639,900)
Federal Funds	19,099,400	19,099,400		19,099,400	19,099,400		19,099,400	19,099,400	
<b>Regular Total Funds</b>	<b>82,288,000</b>	<b>82,288,000</b>		<b>88,839,500</b>	<b>89,138,700</b>	<b>299,200</b>	<b>129,448,200</b>	<b>141,152,400</b>	<b>11,704,200</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>82,288,000</b>	<b>82,288,000</b>		<b>88,839,500</b>	<b>89,138,700</b>	<b>299,200</b>	<b>129,448,200</b>	<b>141,152,400</b>	<b>11,704,200</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	15,572,700	15,572,700		15,607,000	15,607,000		15,923,900	15,923,900	
Operating Expenses	6,087,000	6,087,000		7,119,900	6,119,900	(1,000,000)	7,425,600	5,425,600	(2,000,000)
Grants, Loans, Benefits	60,200,200	60,200,200		66,000,600	67,299,800	1,299,200	81,734,700	94,712,900	12,978,200
Debt Service							24,252,000	24,978,000	726,000
Capital Outlay	158,100	158,100		112,000	112,000		112,000	112,000	
Construction	270,000	270,000							
<b>TOTAL EXPENDITURES</b>	<b>82,288,000</b>	<b>82,288,000</b>		<b>88,839,500</b>	<b>89,138,700</b>	<b>299,200</b>	<b>129,448,200</b>	<b>141,152,400</b>	<b>11,704,200</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund (Tobacco)	5,052,700	5,052,700		4,431,200	4,431,200		4,691,200	4,691,200	
General Fund	51,425,400	51,425,400		51,711,400	50,711,400	(1,000,000)	51,755,400	50,755,400	(1,000,000)
Restricted Funds	6,710,500	6,710,500		6,610,700	6,306,300	(304,400)	6,527,900	5,888,000	(639,900)
Federal Funds	19,099,400	19,099,400		19,099,400	19,099,400		19,099,400	19,099,400	
<b>Regular Total Funds</b>	<b>82,288,000</b>	<b>82,288,000</b>		<b>81,852,700</b>	<b>80,548,300</b>	<b>(1,304,400)</b>	<b>82,073,900</b>	<b>80,434,000</b>	<b>(1,639,900)</b>
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>82,288,000</b>	<b>82,288,000</b>		<b>81,852,700</b>	<b>80,548,300</b>	<b>(1,304,400)</b>	<b>82,073,900</b>	<b>80,434,000</b>	<b>(1,639,900)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				6,986,800	8,590,400	1,603,600	47,374,300	60,718,400	13,344,100
<b>TOTAL ADDITIONAL</b>				<b>6,986,800</b>	<b>8,590,400</b>	<b>1,603,600</b>	<b>47,374,300</b>	<b>60,718,400</b>	<b>13,344,100</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1</b>	<b>EXPA</b>	<b>Council on Postsecondary Education - Kentucky Adult Education</b>							
ABR4150015	Provide funds for the program in each year of the biennium at a reduced level.								
General Fund				1,000,000	1,000,000		3,000,000	3,000,000	
<b>Project Total</b>				<b>1,000,000</b>	<b>1,000,000</b>		<b>3,000,000</b>	<b>3,000,000</b>	

**K - Postsecondary Education****Operating Budget****Council on Postsecondary Education**

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>2</b>	<b>NEW</b>	<b>Council on Postsecondary Education - Performance Funding</b>								
	ABR4150035	Provide funding for program in FY 2008.								
	General Fund							1,000,000	1,000,000	
	<b>Project Total</b>							<b>1,000,000</b>	<b>1,000,000</b>	
<b>3</b>	<b>GB</b>	<b>Council on Postsecondary Education - Kentucky Virtual Library - Electronic Library Databases</b>								
	ABR4150031	Provide funds in FY 2008.								
	General Fund							350,000	350,000	
	<b>Project Total</b>							<b>350,000</b>	<b>350,000</b>	
<b>4</b>	<b>GB</b>	<b>Council on Postsecondary Education - Inter-Library Loan - Courier Services</b>								
	ABR4150033	Provide funds to restore the courier service to FY 2000-2001 levels.								
	General Fund				85,000	85,000		85,000	85,000	
	<b>Project Total</b>				<b>85,000</b>	<b>85,000</b>		<b>85,000</b>	<b>85,000</b>	
<b>5</b>	<b>RRF</b>	<b>Council on Postsecondary Education - Contract Spaces - Restricted Fund Replacement</b>								
	ABR4150001	Provide additional General Fund in each year of the biennium over the agency request. HOUSE: Provides no funds f this request.								
	General Fund				304,400		(304,400)	639,900		(639,900)
	<b>Project Total</b>				<b>304,400</b>		<b>(304,400)</b>	<b>639,900</b>		<b>(639,900)</b>
<b>6</b>	<b>GB</b>	<b>Council on Postsecondary Education - Contract Spaces</b>								
	ABR4150002	Provides funding for contract spaces in each year of the biennium.								
	General Fund				282,400	282,400		282,400	282,400	
	<b>Project Total</b>				<b>282,400</b>	<b>282,400</b>		<b>282,400</b>	<b>282,400</b>	
<b>7</b>	<b>GB</b>	<b>Council on Postsecondary Education - Technology Initiative Trust Fund - Kentucky Postsecondary Education Network (KPEN)</b>								
	ABR4150009	Provide funds for a basic level of support of the network.								
	General Fund				700,000	700,000		700,000	700,000	
	<b>Project Total</b>				<b>700,000</b>	<b>700,000</b>		<b>700,000</b>	<b>700,000</b>	
<b>8</b>	<b>NEW</b>	<b>Council on Postsecondary Education - Regional Stewardship Trust Fund</b>								
	ABR4150014	Provide funds for initiatives of the Trust Fund.								
	General Fund				1,200,000		(1,200,000)	3,600,000	4,800,000	1,200,000
	<b>Project Total</b>				<b>1,200,000</b>		<b>(1,200,000)</b>	<b>3,600,000</b>	<b>4,800,000</b>	<b>1,200,000</b>

**K - Postsecondary Education****Operating Budget****Council on Postsecondary Education**

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>9</b>	<b>NEW</b>	<b>Council on Postsecondary Education - Research Support Trust Fund</b>								
	ABR4150018	Provide funds for existing and new trust funds and funding programs.								
	General Fund				1,500,000	1,500,000		9,000,000	9,000,000	
	<b>Project Total</b>				<b>1,500,000</b>	<b>1,500,000</b>		<b>9,000,000</b>	<b>9,000,000</b>	
<b>10</b>	<b>GB</b>	<b>Council on Postsecondary Education - Minority Student College Preparation Program</b>								
	ABR4150005	Provide funds for the program.								
	General Fund				67,500	67,500		67,500	67,500	
	<b>Project Total</b>				<b>67,500</b>	<b>67,500</b>		<b>67,500</b>	<b>67,500</b>	
<b>11</b>	<b>GB</b>	<b>Council on Postsecondary Education - SREB Doctoral Scholars</b>								
	ABR4150007	Provide funds to fully support the 15 students in the program.								
	General Fund				45,000	45,000		45,000	45,000	
	<b>Project Total</b>				<b>45,000</b>	<b>45,000</b>		<b>45,000</b>	<b>45,000</b>	
<b>12</b>	<b>NEW</b>	<b>Council on Postsecondary Education - Workforce Development Trust Fund</b>								
	ABR4150029	Provide funds for existing and new trust funds and funding programs.								
	General Fund				300,000	300,000		1,200,000	1,200,000	
	<b>Project Total</b>				<b>300,000</b>	<b>300,000</b>		<b>1,200,000</b>	<b>1,200,000</b>	
<b>13</b>	<b>NEW</b>	<b>Council on Postsecondary Education - Debt Service - Physical Facilities Fund</b>								
	ABR4150034	Provide funds for debt service for Bond funded capital projects.								
	General Fund							24,252,000	24,061,500	(190,500)
	<b>Project Total</b>							<b>24,252,000</b>	<b>24,061,500</b>	<b>(190,500)</b>
<b>14</b>	<b>NEW</b>	<b>Council on Postsecondary Education - Principal Leadership Institute</b>								
	ABR4150036	Provide funding in FY 2008 at a reduced level for those Kentucky universities with education leadership programs improve the next generation of public school principals. HOUSE: Provides a reduced funding level for this program.								
	General Fund							1,000,000	500,000	(500,000)
	<b>Project Total</b>							<b>1,000,000</b>	<b>500,000</b>	<b>(500,000)</b>
<b>15</b>	<b>NEW</b>	<b>Council on Postsecondary Education - K-12 Professional Development</b>								
	ABR4150039	Provide funds to enhance professional development for certified staff in local school districts. HOUSE: Does not provide funds for this program.								
	General Fund				500,000		(500,000)	500,000		(500,000)
	<b>Project Total</b>				<b>500,000</b>		<b>(500,000)</b>	<b>500,000</b>		<b>(500,000)</b>

**K - Postsecondary Education****Operating Budget****Council on Postsecondary Education**

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>16</b>	<b>NEW</b>	<b>Rural Kentucky Retention and Affordability Trust Fund</b>								
ABR4150053		Provide funds for EKU, MoSU, Big Sandy CTC, Ashland CTC, Hazard CTC, and Southeast CTC retention and affordability initiatives.								
General Fund									10,000,000	10,000,000
<b>Project Total</b>									<b>10,000,000</b>	<b>10,000,000</b>
<b>17</b>	<b>NEW</b>	<b>Legislative Scholarship Program</b>								
ABR4150054		Provides funds for scholarships to students that graduated from a high school in a coal producing county								
General Fund						4,000,000	4,000,000		4,000,000	4,000,000
<b>Project Total</b>						<b>4,000,000</b>	<b>4,000,000</b>		<b>4,000,000</b>	<b>4,000,000</b>
<b>18</b>	<b>NEW</b>	<b>Council on Postsecondary Education - P-16 Engineering Pipeline</b>								
ABR4150017		Provide funding for the for pre-engineering curricula in select middle and high schools to ensure an adequate number of students enroll in engineering programs. HOUSE: Provides funding at a reduced level for this program.								
General Fund					350,000	225,000	(125,000)	350,000	225,000	(125,000)
<b>Project Total</b>					<b>350,000</b>	<b>225,000</b>	<b>(125,000)</b>	<b>350,000</b>	<b>225,000</b>	<b>(125,000)</b>
<b>19</b>	<b>NEW</b>	<b>Council on Postsecondary Education - Technology Initiative Trust Fund</b>								
ABR4150023		Provides funding to participate in the National Center for Public Policy in Higher Eds Measuring Up 2008 Learnin Grade. HOUSE: Does not provide funding for this program.								
General Fund								150,000		(150,000)
<b>Project Total</b>								<b>150,000</b>		<b>(150,000)</b>
<b>20</b>	<b>EXPA</b>	<b>Council on Postsecondary Education - Technology Initiative Trust Fund - Faculty Development</b>								
ABR4150021		Provide funds in each year of the biennium to allow accessibility awareness and training to faculty.								
General Fund					35,500	35,500		35,500	35,500	
<b>Project Total</b>					<b>35,500</b>	<b>35,500</b>		<b>35,500</b>	<b>35,500</b>	
<b>21</b>	<b>NEW</b>	<b>Council on Postsecondary Education - Technology Initiative Trust Fund - Academic Innovation &amp; Collaborative Grants</b>								
ABR4150025		Provides funding to encourage proposals designed to stimulate partnerships among postsecondary institutions to develop or expand programs for workforce needs. HOUSE: Does not provide funding for this program.								
General Fund					80,000		(80,000)	250,000		(250,000)
<b>Project Total</b>					<b>80,000</b>		<b>(80,000)</b>	<b>250,000</b>		<b>(250,000)</b>
<b>22</b>	<b>NEW</b>	<b>Council on Postsecondary Education - Technology Initiative Trust Fund - Collaborative Public Health Initiatives</b>								
ABR4150026		Provides funding in each year of the biennium to modernize the public health curricula at the four public health programs/schools (UK, UofL, EKU and WKU). HOUSE: Does not provide funding for this program.								
General Fund					87,000		(87,000)	150,000		(150,000)
<b>Project Total</b>					<b>87,000</b>		<b>(87,000)</b>	<b>150,000</b>		<b>(150,000)</b>

**K - Postsecondary Education****Operating Budget****Council on Postsecondary Education**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>23 NEW</b>	<b>Council on Postsecondary Education - Technology Initiative Trust Fund - College Access Initiative</b>								
ABR4150024	Provides funding in each year of the biennium for a campaign to increase education attainment levels. HOUSE: Provides a reduced level of funding for this program.								
General Fund				450,000	350,000	(100,000)	717,000	450,000	(267,000)
<b>Project Total</b>				<b>450,000</b>	<b>350,000</b>	<b>(100,000)</b>	<b>717,000</b>	<b>450,000</b>	<b>(267,000)</b>
<b>24 NEW</b>	<b>Council on Postsecondary Education - Debt Service - Information Technology &amp; Equipment Acquisitions</b>								
ABR4150022	Provide funds for Information Technology and Equipment bond issue of \$10 million								
General Fund								916,500	916,500
<b>Project Total</b>								<b>916,500</b>	<b>916,500</b>
<b>TOTAL ADDITIONAL</b>				<b>6,986,800</b>	<b>8,590,400</b>	<b>1,603,600</b>	<b>47,374,300</b>	<b>60,718,400</b>	<b>13,344,100</b>

**TRANSFERS TO THE GENERAL FUND****Council on Postsecondary Education**

Agency Revenue Fund	300,000	300,000
<b>TOTAL</b>	<b>300,000</b>	<b>300,000</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in fiscal biennium 2006-2008 based upon extending the reduced fiscal year 2005-2006 funding level as revised by the Governor's fiscal year 2005-2006 Budget Stability Initiative. This initiative is projected to contribute \$142,500,000 to the General Fund during fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

**"Debt Service:** Included in the above General Fund appropriation for the Physical Facilities Fund is \$24,252,000 in fiscal year 2007-2008 for debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act, for Postsecondary Education institutions."

**"Carry Forward of General Fund Appropriation Balance:** Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2005-2006 and fiscal year 2006-2007 to the Adult Education and Literacy Funding Program shall not lapse and shall carry forward.

"Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2005-2006 and fiscal year 2006-2007 to the Science and Technology Funding Program shall not lapse and shall carry forward."

**"Strategic Investment and Incentive Trust Funds Interest Income:** Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917, 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, interest earnings in the amount of \$393,900 in fiscal year 2006-2007 and \$393,900 in fiscal year 2007-2008 shall be transferred from Strategic Investment and Incentive Trust Fund accounts included under these statutes to Agency Revenue accounts within the Council on Postsecondary Education budget unit in the following amounts and for the following specified purposes: \$105,500 in each year of the biennium for the Minority Student College Preparation Program; \$188,400 in each year of the biennium for the Southern Regional Board Doctoral Scholars Program; and \$100,000 in each year of the biennium for the P-16 Council/Early Math Testing Programs."

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

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

**"Kentucky Science and Technology Corporation:** Notwithstanding KRS 154.12-278(3)(j), the Kentucky Science and Technology Corporation shall submit an annual plan detailing the annual allocation of funds from the Science and Technology Funding Program, excluding funds for the Knowledge-Based Economy Academic Programs, for review and approval by the Council on Postsecondary Education and the Commissioner for the Department of Commercialization and Innovation within the Cabinet for Economic Development, prior to the Council on Postsecondary Education executing a contract with the Corporation to administer Science and Technology Funding programs."

**"Ovarian Cancer:** Notwithstanding KRS 164.476, General Fund (Tobacco) dollars in the amount of \$633,500 in fiscal year 2006-2007 and \$670,600 in fiscal year 2007-2008 shall be allotted from the Lung Cancer Research Fund to the Ovarian Cancer Screening Outreach Program at the University of Kentucky."

The State/Executive Branch Budget Bill, Part II, Capital Projects Budget includes a language provision as follows:

**"Postsecondary Education Capital Renewal and Maintenance Pool Match:** The Capital Renewal and Maintenance Pool provides funding for individual projects at Kentucky's public postsecondary institutions to upgrade and replace building systems and infrastructure in education and general facilities. The individual projects funded from this pool shall be recommended by the Council on Postsecondary Education to the Secretary of the Finance and Administration Cabinet from the project listings previously identified by the Council. The Council shall determine the allocation of the Capital Renewal and Maintenance Pool among the postsecondary education institutions and report that allocation to the Secretary of the Finance and Administration Cabinet and the Legislative Research Commission's Capital Projects and Bond Oversight Committee. The Bond Funds in this pool shall be matched with the institutions' Restricted Funds at varying levels as determined by the Council on Postsecondary Education."

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy addresses increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from the Council on Postsecondary Education, Restricted Funds of \$300,000 in fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part X, General Fund - Phase I Tobacco Settlement Funds, D. Health Care Improvement Appropriations includes \$4,431,200 in fiscal year 2006-2007 and \$4,691,200 in fiscal year 2007-2008 and a language provision as follows:

**Fiscal Biennium 2006-2008**  
**Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

**"Ovarian Cancer Screening:** Notwithstanding KRS 164.476, General Fund (Tobacco) dollars in the amount of \$633,500 in fiscal year 2006-2007 and \$670,600 in fiscal year 2007-2008 shall be allotted from the Lung Cancer Research Fund to the Ovarian Cancer Screening Outreach Program at the University of Kentucky."

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House provides General Fund in the amount of \$24,061,500 in fiscal year 2007-2008 for debt service to support bonds for the institutions' bond fund capital projects as set forth in Part II, Capital Projects Budget.

The House provides General Fund in the amount of \$916,500 in fiscal year 2007-2008 for debt service to support bonds for Information Technology and Equipment Acquisitions.

The House provides General Fund (Tobacco) in the amount of \$775,000 in fiscal year 2006-2007 and \$775,000 in fiscal year 2007-2008 for Ovarian Cancer Screening.

The House does not provide General Fund support for replacement of restricted funds for the Contract Spaces program.

The House does not provide General Fund support for the Regional Stewardship Trust Fund in fiscal year 2006-2007 and provides additional General Fund of \$1,200,000 in fiscal year 2007-2008 for the program for a total of \$4,800,000 in fiscal year 2007-2008.

The House provides General Fund support in the amount of \$500,000 in fiscal year 2007-2008 for the Principal Leadership Institute.

The House does not provide General Fund support for the K-12 Professional Development in fiscal year 2006-2007 and in fiscal year 2007-2008.

The House provides General Fund support of \$10,000,000 in fiscal year 2006-2007 for the Rural Retention and Affordability Trust Fund.

The House provides General Fund support in the amount of 4,000,000 in fiscal year 2006-2007 and \$4,000,000 in fiscal year 2007-2008 for the Legislative Scholarship Program.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

The House provides General Fund support in the amount of \$225,000 in fiscal year 2006-2007 and \$225,000 in fiscal year 2007-2008 for the P-16 Engineering Pipeline.

The House does not provide General Fund support for the Technology Initiative Trust Fund, National Center for Public Policy in Higher Education's Measuring Up 2008 Learning Grade in fiscal year 2007-2008.

The House does not provide General Fund support for the Technology Initiative Trust Fund, Academic Innovation & Collaborative Grants in fiscal year 2006-2007 and in fiscal year 2007-2008.

The House does not provide General Fund support for the Technology Initiative Trust Fund, Collaborative Public Health Initiatives in fiscal year 2006-2007 and in fiscal year 2007-2008.

The House provides General Fund support in the amount of \$350,000 in fiscal year 2006-2007 and \$450,000 in fiscal year 2007-2008 for the Technology Initiative Trust Fund, College Access Initiative.

The House provides General Fund support for debt service in the amount of \$916,500 in fiscal year 2007-2008 for Information Technology and Equipment Acquisitions.

The House amends the State/Executive Branch Budget, Part I, Operating Budget to include the following language provisions:

**"Kentucky Science and Technology Corporation:** - Notwithstanding KRS 164.6017(2), the Kentucky Science and Technology Corporation shall administer the Rural Renovation, the Research and Development, and the Commercialization and Innovation Funds."

**"Rural Kentucky Retention and Affordability Fund: Rural Kentucky Retention and Affordability Trust Fund:** There is established the Rural Kentucky Retention and Affordability Trust Fund. The Trust Fund will provide targeted funding to selected universities and community and technical colleges to enroll, retain, and graduate at-risk, low-income students and to improve the overall level of educational attainment. Universities and community and technical colleges selected are those with services areas that include the most significant low-income populations and the lowest college-going rates in the Commonwealth. Activities supported by the Trust Funds include, but are not limited to, the following:

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

- a. Partnership programs between P-12 teachers and university faculty to improve teacher training techniques and facilitate continuous improvement in curriculum alignment;
- b. Partnership programs with KCTCS to streamline transition of students into baccalaureate-level programs;
- c. Assessment to ensure accountability of targeted retention and affordability initiatives by measuring student retention, graduation and college-going rates of at-risk populations.; and,
- d. Development of recruitment program enhancements targeted to low-income students, their parents, teachers ,and schools.

Representatives from Morehead State University, Eastern Kentucky University, the Council for Postsecondary Education, and the Kentucky Community and Technical College System shall cooperatively develop guidelines and procedures for the distribution and use of the Trust Funds. The guidelines and procedures shall be developed and approved by the Council on Postsecondary Education no later than January 15, 2007, and presented to the Interim Joint Committee on Appropriations and Revenue no later than February 15, 2007. An annual report shall be provided to the Council on Postsecondary Education no later than July 15, 2008. The annual report shall document such outcomes measures as the number and county of residence of students enrolled through this program, retention and graduation rates, and results of any other initiatives funded through the Trust Fund.

Included in the above appropriation to the Trust Fund is \$10,000,000 in General Fund in fiscal year 2007-2008. These funds are distributed as follows: \$3,500,000 to Morehead State University, \$3,500,000 to Eastern Kentucky University, and \$3,000,000 to the Kentucky Community and Technical College System. Eligible institutions in the Kentucky Community and Technical College System are Ashland Community and Technical College; Big Sandy Community and Technical College; Hazard Community and Technical College; Maysville Community and Technical College; Somerset Community College; and Southeast Community and Technical College

Notwithstanding KRS 45.229, funds appropriated to the Rural Kentucky Retention and Affordability Trust Fund shall not lapse but shall carry forward at the end of the fiscal year."

**"Regional Stewardship Funding Program:** Included in the above General Fund appropriation is \$4.8 million in fiscal year 2007-2008 for the Regional Stewardship Funding Program. The funds will be allocated among the six public comprehensive universities in equal amounts of \$800,000 per institution. Funds will be used for Regional Stewardship priorities related to collaboration with public elementary and secondary schools and regional economic development initiatives. Allocated funds will be distributed upon submission and approval of a strategic plan which determines stewardship priorities. Each institution shall submit a strategic plan for

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

stewardship activities in priority areas. to the Council on Postsecondary Education by close of business January 1, 2007. Within 30 days of receipt of the proposals, The Council on Postsecondary Education shall advise the institutions of any non-compliance or non-conformity and shall work with the institution to help them qualify for the grant. Once distributed, these funds will become recurring to the institutions. Each institution shall submit an annual report to the Council on Postsecondary Education and to Interim Joint Appropriations and Revenue Committee by September 1 of each year. The report should include descriptions of stewardship initiatives implemented, use of funds for each initiative, and outcomes of the initiatives."

**"Legislative Scholarship Program:** Included in the above appropriation is \$4,000,000 in General Fund in each fiscal year for the Legislative Scholarship Program. This program provides financial assistance and support to eligible students from coal-producing counties. For purposes of the program, an eligible student is defined as any student who has graduated from a high school located in a coal producing county. An eligible postsecondary institution is defined as any Kentucky public or private university, community or technical college or any out-of-state institution which participates in a reciprocal tuition agreement with Kentucky.

All scholarship awards will be made annually, for two semesters, on a first-come, first-served basis. Eligible students attending any eligible Kentucky postsecondary institution on a full-time or part-time basis may be awarded up to \$1,000 per fall/spring semester if enrolled at a community or technical institution, \$1,500 per fall/spring semester if enrolled as an undergraduate student at a four-year institution, and \$2,500 per fall/spring semester if enrolled as a graduate or professional student. The award will not exceed the student's total cost of tuition calculated after the application of any need-based federal or state aid accepted by the student. These funds are payable to the postsecondary institution for credit to the account of the student. To receive funding for a subsequent semester after meeting the eligibility requirements, the student must remain in good academic standing with the postsecondary institution in which she or he is enrolled. If academic standing is not maintained, funding will not be extended for a second semester and the student shall be ineligible to apply in future years until appropriate academic standing is attained.

If funds are available, the oversight Board may elect to consider proposals each biennium from the eligible institutions to fund student success initiatives designed to improve recruitment, retention, and graduation rates of students residing in coal-producing counties. Availability of funding for student support initiatives will be determined annually by the oversight Board based on the annual balance of the scholarship fund.

A Legislative Scholarship Program Oversight Board is hereby established. The Board shall establish the standards and processes for the Legislative Scholarship Program. The Board shall be composed of eleven members appointed as follows. The Senate Majority

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

Leader shall appoint three members of the Senate, two from the majority party and one from the minority party. The House Majority Leader shall appoint three members of the House of Representatives, two from the majority party and one from the minority party. All members of the General Assembly appointed to this Board must represent coal producing counties. The President of the Council on Postsecondary Education shall appoint the presidents of the two public postsecondary comprehensive universities which have the greatest number of coal producing counties in their service areas, one president of a public postsecondary institution which serves all regions of the Commonwealth and one president of a private postsecondary institution which has its main campus located in a coal producing county. The Commissioner of Education shall appoint one public school superintendent from a coal producing county. All members shall serve a four-year term. All university or college presidents appointed to the board may appoint a designee to serve on their behalf.

The Board shall select an Education Cooperative to administer the program and to provide staff assistance to the Board. Board members shall receive no compensation for their service other than reimbursement for reasonable expenses. The Board shall approve reasonable administrative costs for the Education Cooperative selected to administer the program.

Notwithstanding KRS 45.229, funds appropriated to the Legislative Scholarship Program shall not lapse but shall carry forward at the end of the fiscal year."

**"Postsecondary Education Employment Status:** Notwithstanding KRS 164.225, 164.360, and 164.830, the appointment of a relative to the governing board of a public postsecondary education institution, as defined in KRS 164.001, shall not affect the employment status of any related person employed at least 36 months prior to the appointment of the relative."

The House Amends the State/Executive Branch Budget Bill, Part II, Capital Budget to include the following projects funded with Bond Funds totaling \$506,372,000 and Agency Bonds totaling \$465,533,000. Included in the CPE's General Fund appropriation is \$24,061,500 in fiscal year 2007-2008 for debt service on the Bond Fund projects.

<b>Bond Fund - Institution/Project</b>	<b>Scope</b>	<b>Debt Service</b>
<b>Council on Postsecondary Education</b>		
Capital Renewal Pool	13,927,000	649,000

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

Technology and Equipment Pool 10,000,000 917,000

**Eastern Kentucky University**

Construct Science Building 54,108,000 2,519,000

EKU/UK Dairy Research Project (Meadowbrook Farm) 5,300,000 248,000

**Kentucky State University**

Expand and Renovate Betty White Nursing Building 4,900,000 230,000

Renovate Hathaway Hall, Phase III 4,920,000 231,000

**Morehead State University**

Business Continuance Datacenter - Collaborative with  
NKU 2,500,000 119,000

Center for Health, Education & Research 23,000,000 1,071,000

Space Science Center 3,400,000 160,000

**Murray State University**

Construct New Science Complex, Phase III 15,000,000 699,000

**Northern Kentucky University**

Construct Center for Informatics 35,500,000 1,653,000

**University of Kentucky**

Livestock Disease Diagnostic Center 13,500,000 629,000

UK Biological/Pharmaceutical Complex, Phase II 79,892,000 3,720,000

**University of Louisville**

Health Science Center Research Facility, Phase IV 69,680,000 3,245,000

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

**Western Kentucky University**

Renovate Science Campus, Phase III	9,000,000	420,000
Construct Materials Characterization Center/ICSET, Phase II	4,500,000	211,000
Construct College of Education Building	35,000,000	1,630,000
Replace Ford College of Business - Grise Hall, Phase I	5,800,000	272,000

**Kentucky Community and Technical College System**

Construct Science/Allied Health Bldg - JCTC	25,557,000	1,343,500
Construct Tech Drive Campus, Phase III - Ashland CTC	17,600,000	689,000
Construct Central Regional Postsecondary Ed Center Phase II - Elizabethtown CTC	19,400,000	904,000
Construct Emerging Technology Center - West KY CTC	16,518,000	770,000
Construct Allied Health/Technology Education Building -Somerset CC - Laurel Campus	13,815,000	644,000
Design Advanced Manufacturing Technology Center - Gateway CTC	1,000,000	49,000
Licking Valley Campus, Phase II - Maysville CTC	1,000,000	49,000
Energy and Advanced Technology Center - Madisonville CC	4,000,000	188,000
Carrollton County Campus - Design - Jeffersson CTC	500,000	24,000
Big Sandy CTC - Design New Facility	1,500,000	72,000
Rowan County Campus - Planning and Design - Maysville CTC	1,500,000	72,000
Advanced Technology Center - Owensboro CTC	14,055,000	655,000

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

<b>Agency Bond Projects</b>	<b><u>Scope</u></b>
<b>Eastern Kentucky Univeristy</b>	
Construct New Student Housing	10,520,000
<b>Kentucky State University</b>	
Construct Parking Structure	7,000,000
Construct New Residence Hall	20,000,000
<b>Morehead State University</b>	
Construct Student Recreation Center	17,000,000
Renovate Student Housing Facility	10,000,000
<b>Murray State University</b>	
Construct New Residential College - Richmond Hall	13,077,000
Replace Franklin Hall	13,077,000
Renovate Curris Center T'Room	750,000
<b>Northern Kentucky University</b>	
Construct Student Housing	23,000,000
Construct New Student Union	17,360,000
Construct Parking Garage #3	15,400,000
Construct Parking Garage #4	9,200,000
Expand Norse Commons	1,400,000
<b>University of Kentucky</b>	
Construct Patient Care Facility Phase II	150,000,000
Renovate Blazer Hall Cafeteria	3,010,000
Install HVAC in Keeneland Hall	7,013,000

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:39 PM

**Council on Postsecondary Education**

**University of Louisville**

Construct Center for Predictive Medicine	13,000,000
Construct Health Science Center Parking Structure II	26,113,000
Cnstruct Residence Hall - 500 Bed	33,172,000
Construct Basketball Practice Facility	16,140,000
Renovate Medical Dental Research Building, Phase IV	19,800,000

**Western Kentucky University**

Renovate Academic/Athletic #2	25,500,000
Acquire Property and Construct Parking	4,000,000
Expand Preston Center	10,000,000

**K - Postsecondary Education****Capital Budget****Council on Postsecondary Education**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Restricted Funds				15,350,000	15,350,000				
Bond Funds				13,000,000	23,927,000	10,927,000			
<b>TOTAL CAPITAL</b>				<b>28,350,000</b>	<b>39,277,000</b>	<b>10,927,000</b>			
<b>II. CAPITAL PROJECTS</b>									
<b>1</b>	<b>Capital Renewal and Maintenance Pool</b>								
PRJ4151600									
Bond Funds				13,000,000	13,927,000	927,000			
<b>Project Total</b>				<b>13,000,000</b>	<b>13,927,000</b>	<b>927,000</b>			
<b>2</b>	<b>Purchase KYVU/KYVL Electronic Data Bases</b>								
PRJ4151590									
Restricted Funds				7,000,000	7,000,000				
<b>Project Total</b>				<b>7,000,000</b>	<b>7,000,000</b>				
<b>3</b>	<b>Purchase KYVL Integrated Library System</b>								
PRJ4151591									
Restricted Funds				4,000,000	4,000,000				
<b>Project Total</b>				<b>4,000,000</b>	<b>4,000,000</b>				
<b>4</b>	<b>Purchase Interactive Television (ITV) System</b>								
PRJ4151595									
Restricted Funds				800,000	800,000				
<b>Project Total</b>				<b>800,000</b>	<b>800,000</b>				
<b>5</b>	<b>Purchase KYVU Centralized Hosting License</b>								
PRJ4151589									
Restricted Funds				750,000	750,000				
<b>Project Total</b>				<b>750,000</b>	<b>750,000</b>				
<b>6</b>	<b>Purchase KYVL Interlibrary Loan System</b>								
PRJ4151588									
Restricted Funds				700,000	700,000				
<b>Project Total</b>				<b>700,000</b>	<b>700,000</b>				

**K - Postsecondary Education****Capital Budget****Council on Postsecondary Education**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>7</b>	<b>Purchase KYVL Reference Desk Software</b>								
PR,J4151593									
Restricted Funds				600,000	600,000				
<b>Project Total</b>				<b>600,000</b>	<b>600,000</b>				
<b>8</b>	<b>KYVU/KYVL Statewide Software Licenses Pool</b>								
PR,J4151599									
Restricted Funds				500,000	500,000				
<b>Project Total</b>				<b>500,000</b>	<b>500,000</b>				
<b>9</b>	<b>Purchase Postsecondary Ed. Video Conf. System</b>								
PR,J4151596									
Restricted Funds				500,000	500,000				
<b>Project Total</b>				<b>500,000</b>	<b>500,000</b>				
<b>10</b>	<b>Install Website ADA Compliance Restructuring</b>								
PR,J4151592									
Restricted Funds				500,000	500,000				
<b>Project Total</b>				<b>500,000</b>	<b>500,000</b>				
<b>11</b>	<b>Council on Postsecondary Education Lease</b>								
PR,J4151604									
Restricted Funds									
<b>Project Total</b>									
<b>12</b>	<b>Information Technology &amp; Equipment Acquisitions</b>								
PR,J4151607									
Bond Funds					10,000,000	10,000,000			
<b>Project Total</b>					<b>10,000,000</b>	<b>10,000,000</b>			
<b>TOTAL CAPITAL</b>				<b>28,350,000</b>	<b>39,277,000</b>	<b>10,927,000</b>			

## K - Postsecondary Education

## Operating Budget

## Eastern Kentucky University

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	77,470,800	77,470,800		77,881,200	78,374,000	492,800	75,963,700	77,180,200	1,216,500
Restricted Funds	128,912,300	128,912,300		139,565,300	139,565,300		144,065,300	144,065,300	
Federal Funds	57,172,800	57,172,800		57,172,800	57,172,800		57,172,800	57,172,800	
<b>Regular Total Funds</b>	<b>263,555,900</b>	<b>263,555,900</b>		<b>274,619,300</b>	<b>275,112,100</b>	<b>492,800</b>	<b>277,201,800</b>	<b>278,418,300</b>	<b>1,216,500</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>263,555,900</b>	<b>263,555,900</b>		<b>274,619,300</b>	<b>275,112,100</b>	<b>492,800</b>	<b>277,201,800</b>	<b>278,418,300</b>	<b>1,216,500</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	134,644,500	134,644,500		138,685,400	138,685,400		142,357,000	142,357,000	
Operating Expenses	125,063,400	125,063,400		132,903,700	133,396,500	492,800	134,376,000	135,592,500	1,216,500
Debt Service	3,848,000	3,848,000		3,030,200	3,030,200		468,800	468,800	
<b>TOTAL EXPENDITURES</b>	<b>263,555,900</b>	<b>263,555,900</b>		<b>274,619,300</b>	<b>275,112,100</b>	<b>492,800</b>	<b>277,201,800</b>	<b>278,418,300</b>	<b>1,216,500</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	77,470,800	77,470,800		76,653,000	76,653,000		74,091,600	74,091,600	
Restricted Funds	128,912,300	128,912,300		128,912,300	128,912,300		128,912,300	128,912,300	
Federal Funds	57,172,800	57,172,800		57,172,800	57,172,800		57,172,800	57,172,800	
<b>Regular Total Funds</b>	<b>263,555,900</b>	<b>263,555,900</b>		<b>262,738,100</b>	<b>262,738,100</b>		<b>260,176,700</b>	<b>260,176,700</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>263,555,900</b>	<b>263,555,900</b>		<b>262,738,100</b>	<b>262,738,100</b>		<b>260,176,700</b>	<b>260,176,700</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				1,228,200	1,721,000	492,800	1,872,100	3,088,600	1,216,500
Restricted Funds				10,653,000	10,653,000		15,153,000	15,153,000	
<b>TOTAL ADDITIONAL</b>				<b>11,881,200</b>	<b>12,374,000</b>	<b>492,800</b>	<b>17,025,100</b>	<b>18,241,600</b>	<b>1,216,500</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 GB</b>	<b>Eastern Kentucky University - Benchmark Funding</b>								
ABR4300001	Provide funds for a proportional and equity increase. HOUSE: Provides additional benchmark funding.								
General Fund				1,228,200	1,271,000	42,800	1,872,100	2,638,600	766,500
<b>Project Total</b>				<b>1,228,200</b>	<b>1,271,000</b>	<b>42,800</b>	<b>1,872,100</b>	<b>2,638,600</b>	<b>766,500</b>
<b>2 GB</b>	<b>Eastern Kentucky University - Growth in Federal and Restricted Funds</b>								
ABR4300004	Provide funds due to increase in enrollment, tuition and fees, grants, and contracts								
Restricted Funds				10,653,000	10,653,000		15,153,000	15,153,000	
<b>Project Total</b>				<b>10,653,000</b>	<b>10,653,000</b>		<b>15,153,000</b>	<b>15,153,000</b>	

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

**K - Postsecondary Education****Operating Budget****Eastern Kentucky University**

			Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference		
<b>4 NEW</b>	<b>Lancaster Campus</b>										
ABR4300012	Operating Expenses for the Lancaster Campus										
General Fund					450,000	450,000		450,000	450,000		
<b>Project Total</b>					<b>450,000</b>	<b>450,000</b>		<b>450,000</b>	<b>450,000</b>		
<b>TOTAL ADDITIONAL</b>				<b>11,881,200</b>	<b>12,374,000</b>	<b>492,800</b>	<b>17,025,100</b>	<b>18,241,600</b>	<b>1,216,500</b>		

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:40 PM

**Eastern Kentucky University**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill, Part I, Operating Budget includes \$1,228,200 in fiscal year 2006-2007 and \$1,872,100 in fiscal year 2007-2008 for benchmark funding.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes a language provision that directs:

**"Debt Service:** Included in the above General Fund appropriation is \$3,030,200 in fiscal year 2006-2007 and \$468,800 in fiscal year 2007-2008 for debt service for previously issued bonds."

**HOUSE REPORT**

The House concurs with the Branch with the following change:

The House provides an additional \$42,800 General Fund in fiscal year 2006-2007 and an additional \$766,500 General Fund in fiscal year 2007-2008 for benchmark funding.

**"Lancaster Campus :** Included in the above General Fund appropriation is \$450,000 in fiscal year 2006-2007 and \$450,000 in fiscal year 2007-2008 for operating expenses of the Lancaster Campus."

**THIS PAGE INTENTIONALLY LEFT BLANK**

## K - Postsecondary Education

## Capital Budget

## Eastern Kentucky University

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Restricted Funds				1,300,000	1,300,000		1,500,000	1,500,000	
Bond Funds				5,121,000	59,408,000	54,287,000			
Agency Bonds				9,961,000	10,520,000	559,000			
Other Funds				4,000,000	4,000,000				
<b>TOTAL CAPITAL</b>				<b>20,382,000</b>	<b>75,228,000</b>	<b>54,846,000</b>	<b>1,500,000</b>	<b>1,500,000</b>	
<b>II. CAPITAL PROJECTS</b>									
<b>1</b>	<b>EKU-UK Dairy Research Project (Meadowbrook Farm)</b>								
	PRJ4301619								
Bond Funds				5,121,000	5,300,000	179,000			
<b>Project Total</b>				<b>5,121,000</b>	<b>5,300,000</b>	<b>179,000</b>			
<b>2</b>	<b>Construct Science Building</b>								
	PRJ4302571								
Bond Funds					54,108,000	54,108,000			
<b>Project Total</b>					<b>54,108,000</b>	<b>54,108,000</b>			
<b>3</b>	<b>Arlington Renovation and Addition</b>								
	PRJ4302569								
Other Funds				4,000,000	4,000,000				
<b>Project Total</b>				<b>4,000,000</b>	<b>4,000,000</b>				
<b>4</b>	<b>Library Studio for Academic Creativity</b>								
	PRJ4301621								
Restricted Funds							1,500,000	1,500,000	
<b>Project Total</b>							<b>1,500,000</b>	<b>1,500,000</b>	
<b>5</b>	<b>Expand Indoor Tennis Facility - Additional</b>								
	PRJ4301607								
Restricted Funds				100,000	100,000				
<b>Project Total</b>				<b>100,000</b>	<b>100,000</b>				
<b>6</b>	<b>Expand and Renovate Presnell Building - Additional</b>								
	PRJ4301606								
Restricted Funds				1,200,000	1,200,000				
<b>Project Total</b>				<b>1,200,000</b>	<b>1,200,000</b>				

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

**K - Postsecondary Education****Capital Budget****Eastern Kentucky University**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>7</b>	<b>Construct New Student Housing</b>								
PRJ4301618									
Agency Bonds				9,961,000	10,520,000	559,000			
<b>Project Total</b>				<b>9,961,000</b>	<b>10,520,000</b>	<b>559,000</b>			
<b>8</b>	<b>Construct Guaranteed Energy Savings Performance</b>								
PRJ4301604									
Restricted Funds									
<b>Project Total</b>									
<b>TOTAL CAPITAL</b>				<b>20,382,000</b>	<b>75,228,000</b>	<b>54,846,000</b>	<b>1,500,000</b>	<b>1,500,000</b>	

## K - Postsecondary Education

## Operating Budget

## Morehead State University

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	44,839,500	44,839,500		45,441,700	45,962,600	520,900	44,843,600	45,740,500	896,900
Restricted Funds	58,868,500	58,868,500		62,467,400	62,467,400		62,754,000	62,754,000	
Federal Funds	54,914,900	54,914,900		51,201,000	51,201,000		50,897,700	50,897,700	
<b>Regular Total Funds</b>	<b>158,622,900</b>	<b>158,622,900</b>		<b>159,110,100</b>	<b>159,631,000</b>	<b>520,900</b>	<b>158,495,300</b>	<b>159,392,200</b>	<b>896,900</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>158,622,900</b>	<b>158,622,900</b>		<b>159,110,100</b>	<b>159,631,000</b>	<b>520,900</b>	<b>158,495,300</b>	<b>159,392,200</b>	<b>896,900</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	70,658,700	70,658,700		71,106,600	71,106,600		71,215,100	71,215,100	
Operating Expenses	23,746,900	23,746,900		23,003,300	23,524,200	520,900	22,992,200	23,889,100	896,900
Grants, Loans, Benefits	51,198,300	51,198,300		51,421,100	51,421,100		51,650,600	51,650,600	
Debt Service	4,565,600	4,565,600		4,721,600	4,721,600		3,807,600	3,807,600	
Capital Outlay	8,453,400	8,453,400		8,857,500	8,857,500		8,829,800	8,829,800	
<b>TOTAL EXPENDITURES</b>	<b>158,622,900</b>	<b>158,622,900</b>		<b>159,110,100</b>	<b>159,631,000</b>	<b>520,900</b>	<b>158,495,300</b>	<b>159,392,200</b>	<b>896,900</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	44,839,500	44,839,500		44,837,800	44,837,800		43,923,800	43,923,800	
Restricted Funds	58,868,500	58,868,500		62,467,400	62,467,400		62,754,000	62,754,000	
Federal Funds	54,914,900	54,914,900		51,201,000	51,201,000		50,897,700	50,897,700	
<b>Regular Total Funds</b>	<b>158,622,900</b>	<b>158,622,900</b>		<b>158,506,200</b>	<b>158,506,200</b>		<b>157,575,500</b>	<b>157,575,500</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>158,622,900</b>	<b>158,622,900</b>		<b>158,506,200</b>	<b>158,506,200</b>		<b>157,575,500</b>	<b>157,575,500</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				603,900	1,124,800	520,900	919,800	1,816,700	896,900
<b>TOTAL ADDITIONAL</b>				<b>603,900</b>	<b>1,124,800</b>	<b>520,900</b>	<b>919,800</b>	<b>1,816,700</b>	<b>896,900</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 GB</b>	<b>Morehead State University - Benchmark Funding</b>								
ABR4400001	Provide funds for a proportional and equity increase. HOUSE: Provides additional benchmark funding.								
General Fund				603,900	624,800	20,900	919,800	1,273,800	354,000
<b>Project Total</b>				<b>603,900</b>	<b>624,800</b>	<b>20,900</b>	<b>919,800</b>	<b>1,273,800</b>	<b>354,000</b>
<b>2 NEW</b>	<b>Innovation Commercialization Initiatives</b>								
ABR4400006	Provide funds for initiatives to stimulate new commercial ventures in the region								
General Fund					500,000	500,000		500,000	500,000
<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>		<b>500,000</b>	<b>500,000</b>

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

**K - Postsecondary Education****Operating Budget****Morehead State University**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>3 NEW Evening Child Care-Pilot Program</b>									
ABR4400007 Provides funds in fiscal year 2007-2008 for a pilot Evening Child Care Program									
General Fund								42,900	42,900
<b>Project Total</b>								<b>42,900</b>	<b>42,900</b>
<b>TOTAL ADDITIONAL</b>				<b>603,900</b>	<b>1,124,800</b>	<b>520,900</b>	<b>919,800</b>	<b>1,816,700</b>	<b>896,900</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:41 PM

**Morehead State University**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill, Part I, Operating Budget includes \$604,000 in fiscal year 2006-2007 and \$315,900 in fiscal year 2007-2008 for benchmark funding.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes a language provision that directs:

**"Debt Service:** Included in the above General Fund appropriation is \$1,409,500 in fiscal year 2006-2007 and \$495,500 in fiscal year 2007-2008 for debt service for previously issued bonds."

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House provides an additional \$20,900 General Fund in fiscal year 2006-2007 and an additional \$354,000 General Fund in fiscal year 2007-2008 for benchmark funding.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

**"Innovation Commercialization Initiatives:** Included in the above General Fund appropriation is \$500,000 in fiscal year 2006-2007 and \$500,000 in fiscal year 2007-2008 for initiatives to stimulate new commercial ventures in the region."

**"Evening Child Care-Pilot Program:** Included in the above General Fund appropriation is \$42,900 in fiscal year 2007-2008 for an Evening Child Care pilot program."

**THIS PAGE INTENTIONALLY LEFT BLANK**

## K - Postsecondary Education

## Capital Budget

## Morehead State University

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund					360,000	360,000			
Restricted Funds				60,529,000	61,598,000	1,069,000	4,850,000	4,850,000	
Federal Funds				18,215,000	13,215,000	(5,000,000)			
Bond Funds				15,000,000	28,900,000	13,900,000			
Agency Bonds					27,000,000	27,000,000			
<b>TOTAL CAPITAL</b>				<b>93,744,000</b>	<b>131,073,000</b>	<b>37,329,000</b>	<b>4,850,000</b>	<b>4,850,000</b>	
<b>II. CAPITAL PROJECTS</b>									
<b>1</b>	<b>Construct Center for Health, Education, and Research</b>								
PRJ4401694									
Federal Funds				5,000,000		(5,000,000)			
Bond Funds				15,000,000	23,000,000	8,000,000			
<b>Project Total</b>				<b>20,000,000</b>	<b>23,000,000</b>	<b>3,000,000</b>			
<b>2</b>	<b>Space Science Center, Completion</b>								
PRJ4402568									
Bond Funds					3,400,000	3,400,000			
<b>Project Total</b>					<b>3,400,000</b>	<b>3,400,000</b>			
<b>3</b>	<b>Business Continuance Datacenter - Planning and Design</b>								
PRJ4402564									
General Fund					360,000	360,000			
<b>Project Total</b>					<b>360,000</b>	<b>360,000</b>			
<b>4</b>	<b>Construct Business Continuance Datacenter</b>								
PRJ4402566									
Bond Funds					2,500,000	2,500,000			
<b>Project Total</b>					<b>2,500,000</b>	<b>2,500,000</b>			
<b>5</b>	<b>Construct Student Recreation Center</b>								
PRJ4402570									
Agency Bonds					17,000,000	17,000,000			
<b>Project Total</b>					<b>17,000,000</b>	<b>17,000,000</b>			

## K - Postsecondary Education

## Capital Budget

## Morehead State University

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>6</b>	<b>Renovate Student Housing Facilities</b>								
PRJ4402572									
Agency Bonds					10,000,000	10,000,000			
<b>Project Total</b>					<b>10,000,000</b>	<b>10,000,000</b>			
<b>7</b>	<b>Construct East Kentucky Animal Science Center</b>								
PRJ4401691									
Federal Funds				8,000,000	8,000,000				
<b>Project Total</b>				<b>8,000,000</b>	<b>8,000,000</b>				
<b>8</b>	<b>Construct Law Enforcement Complex</b>								
PRJ4401661									
Federal Funds				5,215,000	5,215,000				
<b>Project Total</b>				<b>5,215,000</b>	<b>5,215,000</b>				
<b>9</b>	<b>Capital Renewal and Maintenance Pool-Educational &amp;General</b>								
PRJ4401693									
Restricted Funds				3,480,000	3,480,000				
<b>Project Total</b>				<b>3,480,000</b>	<b>3,480,000</b>				
<b>10</b>	<b>Construct Molecular Biology Student Lab</b>								
PRJ4401700									
Restricted Funds				474,000	474,000				
<b>Project Total</b>				<b>474,000</b>	<b>474,000</b>				
<b>11</b>	<b>Major Item of Equipment Pool</b>								
PRJ4402562									
Restricted Funds				2,752,000	2,752,000		3,400,000	3,400,000	
<b>Project Total</b>				<b>2,752,000</b>	<b>2,752,000</b>		<b>3,400,000</b>	<b>3,400,000</b>	
<b>12</b>	<b>Renovate Button Auditorium</b>								
PRJ4401643									
Restricted Funds				3,000,000	3,000,000				
<b>Project Total</b>				<b>3,000,000</b>	<b>3,000,000</b>				
<b>13</b>	<b>Upgrade Instruct. PCs/LANS/Peripherals</b>								
PRJ4401655									
Restricted Funds				5,000,000	5,000,000				
<b>Project Total</b>				<b>5,000,000</b>	<b>5,000,000</b>				

**K - Postsecondary Education****Capital Budget****Morehead State University**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>14</b>	<b>Upgrade Administrative Office Systems</b>								
PRJ4401656									
Restricted Funds				2,500,000	2,500,000				
<b>Project Total</b>				<b>2,500,000</b>	<b>2,500,000</b>				
<b>15</b>	<b>Enhance Network/Infrastructure Resources</b>								
PRJ4401653									
Restricted Funds				4,750,000	4,750,000				
<b>Project Total</b>				<b>4,750,000</b>	<b>4,750,000</b>				
<b>16</b>	<b>Enhance Library Automation Resources</b>								
PRJ4401654									
Restricted Funds				670,000	670,000				
<b>Project Total</b>				<b>670,000</b>	<b>670,000</b>				
<b>17</b>	<b>Expand Student Wellness Center</b>								
PRJ4401649									
Restricted Funds				1,200,000	1,200,000				
<b>Project Total</b>				<b>1,200,000</b>	<b>1,200,000</b>				
<b>18</b>	<b>Renovate John Sonny Allen Field</b>								
PRJ4401659									
Restricted Funds				4,166,000	4,166,000				
<b>Project Total</b>				<b>4,166,000</b>	<b>4,166,000</b>				
<b>19</b>	<b>Construct Softball Facility/Lighting Project</b>								
PRJ4401697									
Restricted Funds				1,700,000	1,700,000				
<b>Project Total</b>				<b>1,700,000</b>	<b>1,700,000</b>				
<b>20</b>	<b>Renovate McClure Pool Area</b>								
PRJ4401698									
Restricted Funds				4,715,000	4,715,000				
<b>Project Total</b>				<b>4,715,000</b>	<b>4,715,000</b>				
<b>21</b>	<b>Reconstruct Central Campus</b>								
PRJ4401644									
Restricted Funds				780,000	780,000				
<b>Project Total</b>				<b>780,000</b>	<b>780,000</b>				

## K - Postsecondary Education

## Capital Budget

## Morehead State University

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>22</b>	<b>Expand Life Safety: Claypool-Young Building</b>								
PRJ4401639									
Restricted Funds				600,000	600,000				
<b>Project Total</b>				<b>600,000</b>	<b>600,000</b>				
<b>23</b>	<b>Acquire Land Related to Master Plan</b>								
PRJ4401646									
Restricted Funds				2,000,000	2,000,000				
<b>Project Total</b>				<b>2,000,000</b>	<b>2,000,000</b>				
<b>24</b>	<b>Replace Power Plant Pollution Control System</b>								
PRJ4401689									
Restricted Funds				3,540,000	3,540,000				
<b>Project Total</b>				<b>3,540,000</b>	<b>3,540,000</b>				
<b>25</b>	<b>Replace Boiler Tubes</b>								
PRJ4401690									
Restricted Funds				800,000	800,000				
<b>Project Total</b>				<b>800,000</b>	<b>800,000</b>				
<b>26</b>	<b>Renovate Jayne Stadium</b>								
PRJ4401695									
Restricted Funds				8,400,000	8,400,000				
<b>Project Total</b>				<b>8,400,000</b>	<b>8,400,000</b>				
<b>27</b>	<b>Capital Renewal and Maintenance Pool-Auxiliary</b>								
PRJ4401692									
Restricted Funds				1,618,000	1,618,000				
<b>Project Total</b>				<b>1,618,000</b>	<b>1,618,000</b>				
<b>28</b>	<b>Comply with ADA - Auxiliary</b>								
PRJ4401641									
Restricted Funds				600,000	600,000		600,000	600,000	
<b>Project Total</b>				<b>600,000</b>	<b>600,000</b>		<b>600,000</b>	<b>600,000</b>	
<b>29</b>	<b>Upgrade and Expand Distance Learning</b>								
PRJ4401657									
Restricted Funds				1,500,000	1,500,000				
<b>Project Total</b>				<b>1,500,000</b>	<b>1,500,000</b>				

**K - Postsecondary Education****Capital Budget****Morehead State University**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>30</b>	<b>Construct Kentucky Mountain Crafts Center</b>								
PRJ4401699									
Restricted Funds				5,434,000	5,434,000				
<b>Project Total</b>				<b>5,434,000</b>	<b>5,434,000</b>				
<b>31</b>	<b>Comply with ADA - Educational &amp; General</b>								
PRJ4401640									
Restricted Funds				850,000	850,000		850,000	850,000	
<b>Project Total</b>				<b>850,000</b>	<b>850,000</b>		<b>850,000</b>	<b>850,000</b>	
<b>32</b>	<b>Guaranteed Energy Savings Performance Contracts</b>								
PRJ4402561									
Restricted Funds									
<b>Project Total</b>									
<b>33</b>	<b>Construct Equine Hospital</b>								
PRJ4402574									
Restricted Funds					1,069,000	1,069,000			
<b>Project Total</b>					<b>1,069,000</b>	<b>1,069,000</b>			
<b>TOTAL CAPITAL</b>				<b>93,744,000</b>	<b>131,073,000</b>	<b>37,329,000</b>	<b>4,850,000</b>	<b>4,850,000</b>	

**THIS PAGE INTENTIONALLY LEFT BLANK**

## K - Postsecondary Education

## Operating Budget

## Murray State University

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	54,954,200	54,954,200		55,260,200	55,278,600	18,400	53,667,500	56,068,700	2,401,200
Restricted Funds	69,071,500	69,071,500		74,587,600	74,587,600		79,864,500	79,864,500	
Federal Funds	14,886,900	14,886,900		14,886,900	14,886,900		14,886,900	14,886,900	
<b>Regular Total Funds</b>	<b>138,912,600</b>	<b>138,912,600</b>		<b>144,734,700</b>	<b>144,753,100</b>	<b>18,400</b>	<b>148,418,900</b>	<b>150,820,100</b>	<b>2,401,200</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>138,912,600</b>	<b>138,912,600</b>		<b>144,734,700</b>	<b>144,753,100</b>	<b>18,400</b>	<b>148,418,900</b>	<b>150,820,100</b>	<b>2,401,200</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	86,752,100	86,752,100		90,263,600	90,263,600		92,133,000	92,133,000	
Operating Expenses	36,126,700	36,126,700		38,737,800	38,756,200	18,400	42,461,700	44,862,900	2,401,200
Grants, Loans, Benefits	6,682,900	6,682,900		6,682,900	6,682,900		6,682,900	6,682,900	
Debt Service	3,010,800	3,010,800		3,010,300	3,010,300		1,101,200	1,101,200	
Capital Outlay	6,340,100	6,340,100		6,040,100	6,040,100		6,040,100	6,040,100	
<b>TOTAL EXPENDITURES</b>	<b>138,912,600</b>	<b>138,912,600</b>		<b>144,734,700</b>	<b>144,753,100</b>	<b>18,400</b>	<b>148,418,900</b>	<b>150,820,100</b>	<b>2,401,200</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	54,954,200	54,954,200		54,653,700	54,653,700		52,744,600	52,744,600	
Restricted Funds	69,071,500	69,071,500		69,071,500	69,071,500		69,071,500	69,071,500	
Federal Funds	14,886,900	14,886,900		14,886,900	14,886,900		14,886,900	14,886,900	
<b>Regular Total Funds</b>	<b>138,912,600</b>	<b>138,912,600</b>		<b>138,612,100</b>	<b>138,612,100</b>		<b>136,703,000</b>	<b>136,703,000</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>138,912,600</b>	<b>138,912,600</b>		<b>138,612,100</b>	<b>138,612,100</b>		<b>136,703,000</b>	<b>136,703,000</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				606,500	624,900	18,400	922,900	3,324,100	2,401,200
Restricted Funds				5,516,100	5,516,100		10,793,000	10,793,000	
<b>TOTAL ADDITIONAL</b>				<b>6,122,600</b>	<b>6,141,000</b>	<b>18,400</b>	<b>11,715,900</b>	<b>14,117,100</b>	<b>2,401,200</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 GB</b>	<b>Murray State University - Benchmark Funding</b>								
ABR4450001	Provide funds for a proportional and equity increase. HOUSE: Provides additional benchmark funding.								
General Fund				606,500	624,900	18,400	922,900	1,324,100	401,200
<b>Project Total</b>				<b>606,500</b>	<b>624,900</b>	<b>18,400</b>	<b>922,900</b>	<b>1,324,100</b>	<b>401,200</b>
<b>2 NEW</b>	<b>Murray State University Business Plan</b>								
ABR4450007	Provide funds for business plan initiatives								
General Fund								2,000,000	2,000,000
<b>Project Total</b>								<b>2,000,000</b>	<b>2,000,000</b>

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

**K - Postsecondary Education****Operating Budget****Murray State University**

			Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
			Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>3</b>	<b>GB</b>	<b>Murray State University - Restricted Funds</b>									
	ABR4450005	Provide funds for increase in enrollment and tuition and fees				5,516,100	5,516,100		10,793,000	10,793,000	
		Restricted Funds									
		<b>Project Total</b>				<b>5,516,100</b>	<b>5,516,100</b>		<b>10,793,000</b>	<b>10,793,000</b>	
<b>TOTAL ADDITIONAL</b>						<b>6,122,600</b>	<b>6,141,000</b>	<b>18,400</b>	<b>11,715,900</b>	<b>14,117,100</b>	<b>2,401,200</b>

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:42 PM

**Murray State University**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill, Part I, Operating Budget includes \$606,500 in fiscal year 2006-2007 and \$316,400 in fiscal year 2007-2008 for benchmark funding.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes a language provision that directs:

**"Debt Service:** Included in the above General Fund appropriation is \$1,909,100 in fiscal year 2006-2007 for debt service for previously issued bonds."

**HOUSE REPORT**

The House concurs with the Branch with following changes:

The House provides an additional \$18,400 General Fund in fiscal year 2006-2007 and an additional \$401,200 General Fund in fiscal year 2007-2008 for benchmark funding.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

**"University Business Plan:** Included in the above General Fund appropriation is \$2,000,000 in fiscal year 2007-2008 for Murray State University to further the implementation of its Business Plan, Proposal for Performance. This appropriation will be expended in a manner to increase performance and productivity with four basic initiatives:

- a. Involvement in High Schools- Murray State University proposes to expand and enhance its "Roads Scholars" Program of placing professors in the schools to work with high school teachers and students;
- b. Academic Bridge Programs with High Schools-Expand cooperative efforts with local school districts of the "Bridge Programs" that brings high school students to Murray State University campuses to take dual credit courses;
- c. Connections with Community and Technical Colleges-Provide for student academic advisement for more effective and efficient transition to four-year university degree programs; and
- d. Student Retention and Graduation Initiative-Complete reorganization of the provision of student living and learning on campus, including the creation of eight new residential colleges with memberships of all students enrolled at the University. Other initiatives include involving activities for parents and extensive additional work requirements for professors in both academic and extracurricular responsibilities.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:42 PM

**Murray State University**

Murray State University shall provide to the Interim Joint Committee on Appropriations and Revenue and the Interim Joint Committee on Education of the General Assembly regular reports regarding the implementation of the Business Plan. In addition, the President of Murray State University shall report on progress toward:

- a. Greater efficiencies from cost reductions and cost avoidance, reorganization, and resource reallocation;
- b. Increased investment in academic and research priorities, including additional faculty;
- c. Increased recruitment, retention, and graduation of a highly qualified and diverse student body from Kentucky counties through increased outreach, financial aid, course offerings, and advising;
- d. Reorganized strategic planning and implementation process; and
- e. Increased external research and development funds earned."

**K - Postsecondary Education****Capital Budget****Murray State University**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund					150,000	150,000			
Restricted Funds				48,900,000	48,900,000				
Bond Funds					15,000,000	15,000,000			
Agency Bonds				12,106,000	26,904,000	14,798,000			
<b>TOTAL CAPITAL</b>				<b>61,006,000</b>	<b>90,954,000</b>	<b>29,948,000</b>			
<b>II. CAPITAL PROJECTS</b>									
<b>1</b>	<b>Construct New Science Complex - Phase III</b>								
	PRJ4451822								
Bond Funds					15,000,000	15,000,000			
<b>Project Total</b>					<b>15,000,000</b>	<b>15,000,000</b>			
<b>2</b>	<b>Residential College - Richmond Hall</b>								
	PRJ4451712								
Agency Bonds				12,106,000	13,077,000	971,000			
<b>Project Total</b>				<b>12,106,000</b>	<b>13,077,000</b>	<b>971,000</b>			
<b>3</b>	<b>Replace Franklin Hall</b>								
	PRJ4451719								
Agency Bonds					13,077,000	13,077,000			
<b>Project Total</b>					<b>13,077,000</b>	<b>13,077,000</b>			
<b>5</b>	<b>Renovate Curris Ctr T'Room</b>								
	PRJ4451807								
Agency Bonds					750,000	750,000			
<b>Project Total</b>					<b>750,000</b>	<b>750,000</b>			
<b>6</b>	<b>Renovate Butler Facility in Princeton</b>								
	PRJ4451832								
General Fund					150,000	150,000			
<b>Project Total</b>					<b>150,000</b>	<b>150,000</b>			
<b>8</b>	<b>Abate Asbestos: Housing &amp; Dining Pool</b>								
	PRJ4451814								
Restricted Funds				276,000	276,000				
<b>Project Total</b>				<b>276,000</b>	<b>276,000</b>				

**K - Postsecondary Education****Capital Budget****Murray State University**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>9</b>	<b>Administrative Enterprise Resource Planning System</b>								
PRJ4451805									
Restricted Funds				8,000,000	8,000,000				
<b>Project Total</b>				<b>8,000,000</b>	<b>8,000,000</b>				
<b>10</b>	<b>Campus Backbone 10 GigE Upgrade</b>								
PRJ4451806									
Restricted Funds				775,000	775,000				
<b>Project Total</b>				<b>775,000</b>	<b>775,000</b>				
<b>11</b>	<b>Complete Capital Renewal: Educational &amp; General Pool</b>								
PRJ4451815									
Restricted Funds				12,457,000	12,457,000				
<b>Project Total</b>				<b>12,457,000</b>	<b>12,457,000</b>				
<b>12</b>	<b>Complete Capital Renewal: Housing &amp; Dining Pool</b>								
PRJ4451816									
Restricted Funds				5,445,000	5,445,000				
<b>Project Total</b>				<b>5,445,000</b>	<b>5,445,000</b>				
<b>13</b>	<b>Complete Life Safety Projects: Educational &amp; General Pool</b>								
PRJ4451817									
Restricted Funds				590,000	590,000				
<b>Project Total</b>				<b>590,000</b>	<b>590,000</b>				
<b>14</b>	<b>Complete Life Safety Projects: Housing &amp; Dining Pool</b>								
PRJ4451818									
Restricted Funds				300,000	300,000				
<b>Project Total</b>				<b>300,000</b>	<b>300,000</b>				
<b>15</b>	<b>Complete ADA Compliance: Educational &amp; General Pool</b>								
PRJ4451811									
Restricted Funds				3,092,000	3,092,000				
<b>Project Total</b>				<b>3,092,000</b>	<b>3,092,000</b>				
<b>16</b>	<b>Complete ADA Compliance: Housing &amp; Dining Pool</b>								
PRJ4451812									
Restricted Funds				615,000	615,000				
<b>Project Total</b>				<b>615,000</b>	<b>615,000</b>				

**K - Postsecondary Education****Capital Budget****Murray State University**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>17</b>	<b>Construct Open-sided Stall Barn at Expo Center</b>								
PRJ4451810									
Restricted Funds				770,000	770,000				
<b>Project Total</b>				<b>770,000</b>	<b>770,000</b>				
<b>18</b>	<b>Acquire Land</b>								
PRJ4451721									
Restricted Funds				501,000	501,000				
<b>Project Total</b>				<b>501,000</b>	<b>501,000</b>				
<b>19</b>	<b>Renovate Ordway Hall</b>								
PRJ4451738									
Restricted Funds				3,962,000	3,962,000				
<b>Project Total</b>				<b>3,962,000</b>	<b>3,962,000</b>				
<b>20</b>	<b>Centralized Technology Refresh Program</b>								
PRJ4451799									
Restricted Funds				2,600,000	2,600,000				
<b>Project Total</b>				<b>2,600,000</b>	<b>2,600,000</b>				
<b>21</b>	<b>Renovate Wells Hall Interior</b>								
PRJ4451777									
Restricted Funds				500,000	500,000				
<b>Project Total</b>				<b>500,000</b>	<b>500,000</b>				
<b>22</b>	<b>Renovate Pogue Library</b>								
PRJ4451725									
Restricted Funds				4,000,000	4,000,000				
<b>Project Total</b>				<b>4,000,000</b>	<b>4,000,000</b>				
<b>23</b>	<b>Renovate White Hall HVAC System</b>								
PRJ4451707									
Restricted Funds				1,000,000	1,000,000				
<b>Project Total</b>				<b>1,000,000</b>	<b>1,000,000</b>				
<b>24</b>	<b>Renovate A. Carman Pavilion - Phase II</b>								
PRJ4451808									
Restricted Funds				500,000	500,000				
<b>Project Total</b>				<b>500,000</b>	<b>500,000</b>				

**K - Postsecondary Education****Capital Budget****Murray State University**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>25</b>	<b>Online Centralized Data Access / Warehouse</b>								
PRJ4451797									
Restricted Funds				520,000	520,000				
<b>Project Total</b>				<b>520,000</b>	<b>520,000</b>				
<b>26</b>	<b>Construct Public Safety Building</b>								
PRJ4451766									
Restricted Funds				500,000	500,000				
<b>Project Total</b>				<b>500,000</b>	<b>500,000</b>				
<b>27</b>	<b>Telephone Switching System</b>								
PRJ4451795									
Restricted Funds				1,975,000	1,975,000				
<b>Project Total</b>				<b>1,975,000</b>	<b>1,975,000</b>				
<b>28</b>	<b>Central Processing Computer System Upgrade</b>								
PRJ4451798									
Restricted Funds				522,000	522,000				
<b>Project Total</b>				<b>522,000</b>	<b>522,000</b>				
<b>29</b>	<b>Guaranteed Energy Savings Performance Contracts</b>								
PRJ4451826									
Bond Funds									
<b>Project Total</b>									
<b>TOTAL CAPITAL</b>				<b>61,006,000</b>	<b>90,954,000</b>	<b>29,948,000</b>			

## K - Postsecondary Education

## Operating Budget

## Kentucky Community and Technical College System

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	201,776,300	201,776,300		206,383,800	206,559,000	175,200	208,806,300	212,631,100	3,824,800
Restricted Funds	259,314,300	259,314,300		273,623,700	274,123,700	500,000	292,823,500	293,323,500	500,000
Federal Funds	137,323,700	137,323,700		144,916,100	144,916,100		153,070,400	153,070,400	
<b>Regular Total Funds</b>	<b>598,414,300</b>	<b>598,414,300</b>		<b>624,923,600</b>	<b>625,598,800</b>	<b>675,200</b>	<b>654,700,200</b>	<b>659,025,000</b>	<b>4,324,800</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>598,414,300</b>	<b>598,414,300</b>		<b>624,923,600</b>	<b>625,598,800</b>	<b>675,200</b>	<b>654,700,200</b>	<b>659,025,000</b>	<b>4,324,800</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	296,756,800	296,756,800		310,544,700	310,544,700		326,051,600	326,051,600	
Operating Expenses	132,369,900	132,369,900		137,396,300	138,071,500	675,200	142,721,700	147,046,500	4,324,800
Grants, Loans, Benefits	156,325,800	156,325,800		163,852,500	163,852,500		172,584,300	172,584,300	
Capital Outlay	12,961,800	12,961,800		13,130,100	13,130,100		13,342,600	13,342,600	
<b>TOTAL EXPENDITURES</b>	<b>598,414,300</b>	<b>598,414,300</b>		<b>624,923,600</b>	<b>625,598,800</b>	<b>675,200</b>	<b>654,700,200</b>	<b>659,025,000</b>	<b>4,324,800</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	201,776,300	201,776,300		201,776,300	201,776,300		201,776,300	201,776,300	
Restricted Funds	259,314,300	259,314,300		259,314,300	259,314,300		259,314,300	259,314,300	
Federal Funds	137,323,700	137,323,700		137,323,700	137,323,700		137,323,700	137,323,700	
<b>Regular Total Funds</b>	<b>598,414,300</b>	<b>598,414,300</b>		<b>598,414,300</b>	<b>598,414,300</b>		<b>598,414,300</b>	<b>598,414,300</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>598,414,300</b>	<b>598,414,300</b>		<b>598,414,300</b>	<b>598,414,300</b>		<b>598,414,300</b>	<b>598,414,300</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				4,607,500	4,782,700	175,200	7,030,000	10,854,800	3,824,800
Restricted Funds				14,309,400	14,809,400	500,000	33,509,200	34,009,200	500,000
Federal Funds				7,592,400	7,592,400		15,746,700	15,746,700	
<b>TOTAL ADDITIONAL</b>				<b>26,509,300</b>	<b>27,184,500</b>	<b>675,200</b>	<b>56,285,900</b>	<b>60,610,700</b>	<b>4,324,800</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 GB KCTCS - Benchmark Funding</b>									
ABR4700002	Provides funds for a proportional and equity increase. HOUSE: Provide additional benchmark funding.								
General Fund				4,607,500	4,782,700	175,200	7,030,000	9,754,800	2,724,800
<b>Project Total</b>				<b>4,607,500</b>	<b>4,782,700</b>	<b>175,200</b>	<b>7,030,000</b>	<b>9,754,800</b>	<b>2,724,800</b>

## HOUSE BUDGET REPORT - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## K - Postsecondary Education

## Operating Budget

## Kentucky Community and Technical College System

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>3 NEW Health Care Costs</b>									
ABR4700011 Provide funds for health care insurance costs of former UKCCS employees that opted to remain in the UK health care system.									
General Fund								1,000,000	1,000,000
<b>Project Total</b>								<b>1,000,000</b>	<b>1,000,000</b>
<b>4 NEW Hazard CTC - Family Life Skills Center</b>									
ABR4700012 Provide funds for the Family Life Skills Center at Lees College Campus - Hazard CTC									
General Fund								100,000	100,000
<b>Project Total</b>								<b>100,000</b>	<b>100,000</b>
<b>5 GB KCTCS - Agency and Federal</b>									
ABR4700006 Provide funds as a result of increased tuition and fees, increased enrollment, and grants and contracts.									
Restricted Funds				14,309,400	14,309,400		33,509,200	33,509,200	
Federal Funds				7,592,400	7,592,400		15,746,700	15,746,700	
<b>Project Total</b>				<b>21,901,800</b>	<b>21,901,800</b>		<b>49,255,900</b>	<b>49,255,900</b>	
<b>6 NEW Kentucky Coal Academy</b>									
ABR4700013 Provide funds for curriculum and training programs.									
Restricted Funds					500,000	500,000		500,000	500,000
<b>Project Total</b>					<b>500,000</b>	<b>500,000</b>		<b>500,000</b>	<b>500,000</b>
<b>TOTAL ADDITIONAL</b>				<b>26,509,300</b>	<b>27,184,500</b>	<b>675,200</b>	<b>56,285,900</b>	<b>60,610,700</b>	<b>4,324,800</b>

**TRANSFERS TO THE GENERAL FUND**

## Kentucky Community and Technical College System

Firefighters Foundation Program Fund (KRS 95A.220)							2,000,000	2,000,000	
--	--	--	--	--	--	--	-----------	-----------	--

<b>TOTAL</b>							<b>2,000,000</b>	<b>2,000,000</b>	
--------------	--	--	--	--	--	--	------------------	------------------	--

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:43 PM

**Kentucky Community and Technical College System**

**BRANCH BUDGET**

The State/Executive Branch Budget Bill, Part I, Operating Budget includes \$4,607,500 in fiscal year 2006-2007 and \$2,422,500 in fiscal year 2007-2008 for benchmark funding.

The State/Executive Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

**"Firefighters Foundation Program Fund:** Included in the above Restricted Funds appropriation is \$28,330,500 in fiscal year 2006-2007 and \$29,351,800 in fiscal year 2007-2008 for the Firefighters Foundation Program Fund. Notwithstanding KRS 95A.250(1), or the provisions of any other law, supplemental payments for each qualified professional firefighter under the Firefighters Foundation Program Fund shall be \$3,100 in fiscal year 2006-2007 and \$3,100 in fiscal year 2007-2008. Notwithstanding KRS 95A.200 to 95A.300, \$1,000,000 in fiscal year 2006-2007 and \$1,000,000 in fiscal year 2007-2008 from the Firefighters Foundation Program Fund is authorized to be expended on firefighter training, equipment, and support activities. Notwithstanding KRS 95A.200 to 95A.300, an additional \$750,000 in fiscal year 2006-2007 and \$1,000,000 in fiscal year 2007-2008 from the Firefighters Foundation Program Fund is authorized to be spent on a comprehensive physical aptitude test program for firefighters."

**"Firefighters Training Center Fund:** Notwithstanding KRS 95A.200 to 95A.265, \$500,000 in Restricted Funds is provided each fiscal year of the 2006-2008 fiscal biennium for the Firefighters Training Center Fund."

**"Postsecondary Workforce Training Program:** Included in the above General Fund appropriation is \$6,000,000 each year of the biennium for the Postsecondary Workforce Training Program to be used for worker training programs. These funds shall be used specifically to meet the customized workforce training needs of individual companies or consortia of companies."

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from Firefighters Foundation Program Fund, Restricted Funds of \$2,000,000 in fiscal year 2007-2008 (KRS 95.220).

**HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House provides an additional \$175,200 General Fund in fiscal year 2006-2007 and an additional \$2,724,800 in fiscal year 2007-2008 for benchmark funding.

**Fiscal Biennium 2006-2008  
Budget Modification Report**

03/08/06 4:43 PM

**Kentucky Community and Technical College System**

**"Health Care Coverage:** Included in the above General Fund appropriations is \$1,000,000 in fiscal year 2007-2008 to provide health care coverage for those Kentucky Community and Technical College System (KCTCS) employees that are currently included in the University of Kentucky personnel system. It is the intent of the General Assembly that, in fiscal years beyond the 2006-2008 fiscal biennium, these employees shall receive the same salary increases given to other KCTCS employees."

**"Hazard Community and Technical College - Family Life Skills Center:** Included in the General Fund appropriation is \$100,000 in fiscal year 2007-2008 for the Family Life Skills Center on Lee's College Campus."

**K - Postsecondary Education****Capital Budget****Kentucky Community and Technical College System**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund					800,000	800,000			
Restricted Funds				73,630,000	73,630,000				
Federal Funds				500,000	500,000				
Bond Funds				55,280,000	116,445,000	61,165,000			
Other Funds				4,260,000	4,385,000	125,000			
<b>TOTAL CAPITAL</b>				<b>133,670,000</b>	<b>195,760,000</b>	<b>62,090,000</b>			

**II. CAPITAL PROJECTS**

<b>1</b>	<b>Design Advanced Manufacturing Technology Center - Gateway Community and Technical College</b>								
	PRJ4702466								
Bond Funds				26,607,000	1,000,000	(25,607,000)			
<b>Project Total</b>				<b>26,607,000</b>	<b>1,000,000</b>	<b>(25,607,000)</b>			
<b>2</b>	<b>Construct Emerging Technology Center - West KY CTC</b>								
	PRJ4702490								
Bond Funds				15,473,000	16,518,000	1,045,000			
<b>Project Total</b>				<b>15,473,000</b>	<b>16,518,000</b>	<b>1,045,000</b>			
<b>3</b>	<b>Construct Allied Health/Technical Education Building - Laurel Campus</b>								
	PRJ4702472								
Bond Funds				13,200,000	13,815,000	615,000			
<b>Project Total</b>				<b>13,200,000</b>	<b>13,815,000</b>	<b>615,000</b>			
<b>4</b>	<b>KCTCS Equipment Pool</b>								
	PRJ4702477								
Restricted Funds				22,717,000	22,717,000				
<b>Project Total</b>				<b>22,717,000</b>	<b>22,717,000</b>				
<b>5</b>	<b>Capital Renewal Pool</b>								
	PRJ4702488								
Restricted Funds				15,000,000	15,000,000				
<b>Project Total</b>				<b>15,000,000</b>	<b>15,000,000</b>				
<b>6</b>	<b>Complete Acquisition of System Office &amp; Expansion</b>								
	PRJ4702494								
Restricted Funds				10,000,000	10,000,000				
<b>Project Total</b>				<b>10,000,000</b>	<b>10,000,000</b>				

**K - Postsecondary Education****Capital Budget****Kentucky Community and Technical College System**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>7</b>	<b>KCTCS Property Acquisition Pool</b>								
PRJ4702480									
Restricted Funds				5,500,000	5,500,000				
<b>Project Total</b>				<b>5,500,000</b>	<b>5,500,000</b>				
<b>8</b>	<b>Renovate Administration Building - Maysville CTC</b>								
PRJ4702562									
Restricted Funds				4,600,000	4,600,000				
<b>Project Total</b>				<b>4,600,000</b>	<b>4,600,000</b>				
<b>9</b>	<b>Construct Licking Valley Center - Phase II - Maysville CTC - Additional</b>								
PRJ4702572									
Restricted Funds				2,459,000	2,459,000				
Bond Funds					1,000,000	1,000,000			
Other Funds				1,500,000	1,500,000				
<b>Project Total</b>				<b>3,959,000</b>	<b>4,959,000</b>	<b>1,000,000</b>			
<b>10</b>	<b>Renovate Gray Building - Madisonville CC</b>								
PRJ4702558									
Restricted Funds				3,600,000	3,600,000				
<b>Project Total</b>				<b>3,600,000</b>	<b>3,600,000</b>				
<b>11</b>	<b>Renovate Ky School of Craft - Hazard CTC</b>								
PRJ4702560									
Restricted Funds				2,649,000	2,649,000				
Federal Funds				250,000	250,000				
<b>Project Total</b>				<b>2,899,000</b>	<b>2,899,000</b>				
<b>12</b>	<b>Construct Child Development Center - Henderson CC</b>								
PRJ4702467									
Federal Funds				250,000	250,000				
Other Funds				2,385,000	2,385,000				
<b>Project Total</b>				<b>2,635,000</b>	<b>2,635,000</b>				
<b>13</b>	<b>Renovate Anderson Building - West KY CTC</b>								
PRJ4702561									
Restricted Funds				1,395,000	1,395,000				
<b>Project Total</b>				<b>1,395,000</b>	<b>1,395,000</b>				



**K - Postsecondary Education****Capital Budget****Kentucky Community and Technical College System**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>24</b>	<b>Jefferson County - Lease</b>								
PRJ4702569									
Restricted Funds									
<b>Project Total</b>									
<b>25</b>	<b>Henderson County - Lease</b>								
PRJ4702568									
Restricted Funds									
<b>Project Total</b>									
<b>26</b>	<b>Bluegrass CTC - Winchester Campus</b>								
PRJ4702579									
General Fund				500,000			500,000		
<b>Project Total</b>				<b>500,000</b>			<b>500,000</b>		
<b>27</b>	<b>Construct Science/Allied Health Building - Jefferson CTC</b>								
PRJ4702465									
Bond Funds				25,557,000			25,557,000		
<b>Project Total</b>				<b>25,557,000</b>			<b>25,557,000</b>		
<b>28</b>	<b>Construct Tech Drive Campus, Phase III,-Ashland CTC</b>								
PRJ4702581									
Bond Funds				17,600,000			17,600,000		
<b>Project Total</b>				<b>17,600,000</b>			<b>17,600,000</b>		
<b>29</b>	<b>Construct Central Regional Postsecondary Ed Center, Phase II, Elizabethtown CTC</b>								
PRJ4702583									
Bond Funds				19,400,000			19,400,000		
<b>Project Total</b>				<b>19,400,000</b>			<b>19,400,000</b>		
<b>30</b>	<b>Energy and Advanced Technology Center-Madisonville CC</b>								
PRJ4702587									
Bond Funds				4,000,000			4,000,000		
<b>Project Total</b>				<b>4,000,000</b>			<b>4,000,000</b>		
<b>31</b>	<b>Carrollton County Campus Design-Jefferson CTC</b>								
PRJ4702589									
Bond Funds				500,000			500,000		
<b>Project Total</b>				<b>500,000</b>			<b>500,000</b>		

**K - Postsecondary Education****Capital Budget****Kentucky Community and Technical College System**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
<b>32</b>	<b>Big Sandy CTC-Design New Facility</b>								
PRJ4702591									
Bond Funds					1,500,000	1,500,000			
<b>Project Total</b>					<b>1,500,000</b>	<b>1,500,000</b>			
<b>33</b>	<b>Rowan County Campus-Planning and Design-Maysville CTC</b>								
PRJ4702593									
Bond Funds					1,500,000	1,500,000			
<b>Project Total</b>					<b>1,500,000</b>	<b>1,500,000</b>			
<b>34</b>	<b>Advanced Technology Center - Owensboro CTC</b>								
PRJ4702595									
Bond Funds					14,055,000	14,055,000			
<b>Project Total</b>					<b>14,055,000</b>	<b>14,055,000</b>			
<b>36</b>	<b>Scott County - Lease</b>								
PRJ4702571									
Restricted Funds									
<b>Project Total</b>									
<b>37</b>	<b>Madisonville Postsecondary Education Center - Design</b>								
PRJ4702597									
General Fund					300,000	300,000			
<b>Project Total</b>					<b>300,000</b>	<b>300,000</b>			
<b>52</b>	<b>KCTCS Information Technology Infrastructure Upgrade</b>								
PRJ4702481									
Restricted Funds									
<b>Project Total</b>									
<b>TOTAL CAPITAL</b>				<b>133,670,000</b>	<b>195,760,000</b>	<b>62,090,000</b>			

**THIS PAGE INTENTIONALLY LEFT BLANK**