

L - Transportation Cabinet

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L - Transportation Cabinet

Operating Budget

Summary Totals

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	3,093,500	3,093,500		5,178,200	5,178,200		8,535,200	8,535,200	
Restricted Funds	486,628,700	486,628,700		104,293,400	102,293,400	(2,000,000)	98,266,600	98,266,600	
Federal Funds	734,411,700	734,411,700		725,400,800	725,400,800		757,575,700	757,575,700	
Road Fund	1,229,988,200	1,229,988,200		1,229,717,900	1,229,717,900		1,329,921,900	1,329,921,900	
Highway Bond	395,755,300	395,755,300		50,000,000	550,000,000	500,000,000			
Regular Total Funds	2,849,877,400	2,849,877,400		2,114,590,300	2,612,590,300	498,000,000	2,194,299,400	2,194,299,400	
Use of Continuing	3,356,200	3,356,200							
TOTAL FUNDS	2,853,233,600	2,853,233,600		2,114,590,300	2,612,590,300	498,000,000	2,194,299,400	2,194,299,400	
II. EXPENDITURE CATEGORY									
Personnel Costs	418,049,700	418,049,700		437,612,000	439,012,000	1,400,000	448,052,900	448,052,900	
Operating Expenses	226,824,900	226,824,900		242,155,700	238,005,700	(4,150,000)	257,121,200	256,371,200	(750,000)
Grants, Loans, Benefits	252,142,700	252,142,700		207,489,300	196,591,300	(10,898,000)	221,799,200	210,901,200	(10,898,000)
Debt Service	238,525,400	238,525,400		200,140,200	222,239,200	22,099,000	191,145,400	235,342,400	44,197,000
Capital Outlay	12,955,300	12,955,300		4,315,000	4,315,000		4,315,000	4,315,000	
Construction	1,704,735,600	1,704,735,600		1,022,878,100	1,512,427,100	489,549,000	1,071,865,700	1,039,316,700	(32,549,000)
TOTAL EXPENDITURES	2,853,233,600	2,853,233,600		2,114,590,300	2,612,590,300	498,000,000	2,194,299,400	2,194,299,400	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	3,093,500	3,093,500		5,107,500	5,178,200	70,700	5,101,300	5,178,200	76,900
Restricted Funds	486,628,700	448,668,300	(37,960,400)	90,099,500	90,099,500		91,072,100	91,072,100	
Federal Funds	734,378,100	730,161,300	(4,216,800)	711,481,800	711,349,500	(132,300)	710,129,600	709,987,000	(142,600)
Road Fund	1,229,890,100	1,229,890,100		1,187,647,100	1,157,056,800	(30,590,300)	1,209,789,800	1,189,169,300	(20,620,500)
Highway Bond	395,755,300	395,755,300							
Regular Total Funds	2,849,745,700	2,807,568,500	(42,177,200)	1,994,335,900	1,963,684,000	(30,651,900)	2,016,092,800	1,995,406,600	(20,686,200)
Use of Continuing	3,356,200	3,356,200							
TOTAL BASE LEVEL	2,853,101,900	2,810,924,700	(42,177,200)	1,994,335,900	1,963,684,000	(30,651,900)	2,016,092,800	1,995,406,600	(20,686,200)
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				70,700		(70,700)	3,433,900	3,357,000	(76,900)
Restricted Funds		37,960,400	37,960,400	14,193,900	12,193,900	(2,000,000)	7,194,500	7,194,500	
Federal Funds	33,600	4,250,400	4,216,800	13,919,000	14,051,300	132,300	47,446,100	47,588,700	142,600
Road Fund	98,100	98,100		42,070,800	72,661,100	30,590,300	120,132,100	140,752,600	20,620,500
Highway Bond				50,000,000	550,000,000	500,000,000			
TOTAL ADDITIONAL	131,700	42,308,900	42,177,200	120,254,400	648,906,300	528,651,900	178,206,600	198,892,800	20,686,200

L - Transportation Cabinet

Capital Budget

Summary Totals

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Road Fund				27,192,000	27,192,000		7,280,000	7,280,000	
Bond Funds				25,000,000	25,000,000				
Investment Income				500,000	500,000		500,000	500,000	
TOTAL CAPITAL				52,692,000	52,692,000		7,780,000	7,780,000	

HOUSE BUDGET REPORT
2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
ROAD FUND SUMMARY

Governmental Branch: Executive
 Cabinet/Function: Transportation

Agency: Cabinet Summary
 Unit:

	FY 2007-2008			FY 2008-2009			FY 2009-2010		
	Branch	House	Difference	Branch	House	Difference	Branch	House	Difference
<u>RESOURCES</u>									
Beginning Undesignated Balance	-	-	-	-	-	-	-	-	-
Revenue Receipts/Estimates	1,282,801,400	1,282,801,400	-	1,324,806,400	1,324,806,400	-	1,405,103,400	1,405,103,400	-
Revenue Reduction/Motorcycle Education	-	-	-	-	-	-	-	-	-
Previous Year-End Surplus	21,163,300	21,163,300	-	-	-	-	-	-	-
Fund Transfers	-	-	-	-	-	-	-	-	-
Non-Budgetary Transfers	-	-	-	-	-	-	-	-	-
Non-Budgetary Receipts to Surplus	-	-	-	-	-	-	-	-	-
TOTAL RESOURCES	1,303,964,700	1,303,964,700	-	1,324,806,400	1,324,806,400	-	1,405,103,400	1,405,103,400	-
<u>APPROPRIATIONS/EXPENDITURES</u>									
TRANSPORTATION CABINET									
General Administration & Support	78,887,600	78,887,600	-	72,590,100	74,390,100	1,800,000	74,369,900	74,769,900	400,000
Aviation	4,000,000	4,000,000	-	3,000,000	3,650,000	650,000	3,000,000	3,650,000	650,000
Revenue Sharing	265,848,100	265,848,100	-	287,800,600	266,207,000	(21,593,600)	318,180,600	296,587,000	(21,593,600)
Highways	681,874,600	681,874,600	-	698,551,400	695,596,000	(2,955,400)	777,149,700	753,496,300	(23,653,400)
Vehicle Regulation	18,234,700	18,234,700	-	19,262,800	19,262,800	-	20,622,700	20,622,700	-
Debt Service	181,143,200	181,143,200	-	148,513,000	170,612,000	22,099,000	136,599,000	180,796,000	44,197,000
Capital Budget	6,795,000	6,795,000	-	27,192,000	27,192,000	-	7,280,000	7,280,000	-
TOTAL-TRANSPORTATION	1,236,783,200	1,236,783,200	-	1,256,909,900	1,256,909,900	-	1,337,201,900	1,337,201,900	-
DEPT. OF TREASURY	250,000	250,000	-	250,000	250,000	-	250,000	250,000	-
JUSTICE CABINET									
Kentucky State Police	50,000,000	50,000,000	-	50,000,000	50,000,000	-	50,000,000	50,000,000	-
Motor Vehicle Enforcement	13,881,500	13,881,500	-	13,881,500	13,881,500	-	13,881,500	13,881,500	-
FINANCE & ADMINISTRATION CABINET									
Debt Service	-	-	-	-	-	-	-	-	-
Department of Administration	400,000	400,000	-	400,000	400,000	-	400,000	400,000	-
Department of Revenue	2,000,000	2,000,000	-	2,325,000	2,325,000	-	2,325,000	2,325,000	-
Comm. Office of Technology	-	-	-	-	-	-	-	-	-
HOMELAND SECURITY									
Environmental and Public Protection	350,000	350,000	-	250,000	250,000	-	250,000	250,000	-
Environmental and Public Protection	300,000	300,000	-	300,000	300,000	-	300,000	300,000	-
COMMERCE CABINET									
Artisan's Center	-	-	-	350,000	350,000	-	350,000	350,000	-
Kentucky Heritage Council	-	-	-	140,000	140,000	-	145,000	145,000	-
TOTAL APPROP./EXPENDITURES	1,303,964,700	1,303,964,700	-	1,324,806,400	1,324,806,400	-	1,405,103,400	1,405,103,400	-
UNDESIGNATED BALANCE	-	-	-	-	-	-	-	-	-

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L - Transportation Cabinet

Operating Budget

General Administration and Support

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	28,000	28,000		48,900	48,900		22,000	22,000	
Federal Funds	9,300,000	9,300,000		7,808,300	7,808,300		5,966,500	5,966,500	
Road Fund	78,887,600	78,887,600		72,590,100	74,390,100	1,800,000	74,369,900	74,769,900	400,000
Regular Total Funds	88,215,600	88,215,600		80,447,300	82,247,300	1,800,000	80,358,400	80,758,400	400,000
Use of Continuing									
TOTAL FUNDS	88,215,600	88,215,600		80,447,300	82,247,300	1,800,000	80,358,400	80,758,400	400,000
II. EXPENDITURE CATEGORY									
Personnel Costs	37,043,200	37,043,200		33,514,900	34,914,900	1,400,000	35,007,300	35,007,300	
Operating Expenses	35,708,700	35,708,700		33,577,600	33,877,600	300,000	33,877,600	34,177,600	300,000
Grants, Loans, Benefits	7,650,600	7,650,600		6,006,500	6,106,500	100,000	4,140,600	4,240,600	100,000
Debt Service	7,292,500	7,292,500		7,303,300	7,303,300		7,287,900	7,287,900	
Capital Outlay	347,800	347,800		15,000	15,000		15,000	15,000	
Construction	172,800	172,800		30,000	30,000		30,000	30,000	
TOTAL EXPENDITURES	88,215,600	88,215,600		80,447,300	82,247,300	1,800,000	80,358,400	80,758,400	400,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	28,000	28,000		48,900	48,900		22,000	22,000	
Federal Funds	9,300,000	9,300,000		7,808,300	7,808,300		5,966,500	5,966,500	
Road Fund	78,887,600	78,887,600		71,216,200	73,016,200	1,800,000	72,891,600	73,291,600	400,000
Regular Total Funds	88,215,600	88,215,600		79,073,400	80,873,400	1,800,000	78,880,100	79,280,100	400,000
Use of Continuing									
TOTAL BASE LEVEL	88,215,600	88,215,600		79,073,400	80,873,400	1,800,000	78,880,100	79,280,100	400,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Road Fund				1,373,900	1,373,900		1,478,300	1,478,300	
TOTAL ADDITIONAL				1,373,900	1,373,900		1,478,300	1,478,300	
V. ADDITIONAL BUDGET ITEMS									
1 GB Personnel Vacancies									
ABR35K00001 Provides funds to restore 23 full-time and 15 other vacant positions in Administration and Transportation Safety.									
Road Fund				1,373,900	1,373,900		1,478,300	1,478,300	
Project Total				1,373,900	1,373,900		1,478,300	1,478,300	
TOTAL ADDITIONAL				1,373,900	1,373,900		1,478,300	1,478,300	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 9:59 am

GENERAL ADMINISTRATION AND SUPPORT

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

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

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

"Biennial Highway Construction Programs: The Secretary of the Transportation Cabinet is directed to produce a single document that contains two separately identified sections, as follows:

Section 1 shall detail the enacted fiscal biennium 2008-2010 Biennial Highway Construction Program and Section 2 shall detail the Highway Preconstruction Program Plan for fiscal year 2008-2009 through fiscal year 2013-2014 as identified by the 2008 General Assembly. This document shall mirror in data type and format the fiscal year 2006-2012 Recommended Six-Year Highway Plan as submitted to the 2006 General Assembly. The document shall be published and distributed to members of the General Assembly and the public within 60 days of adjournment of the 2008 Regular Session of the General Assembly.

The Secretary of the Transportation Cabinet is further directed to report quarterly to the Interim Joint Committee on Appropriations and Revenue and the Interim Joint Committee on Transportation all activity, as prescribed by KRS 176.430, relating to all projects with open activity conducted by the Transportation Cabinet during the biennium, including the year each project phase was enacted in a Six-Year Highway Plan. Pursuant to KRS 48.800(5), the Transportation Cabinet shall submit the electronic quarterly report in a format prescribed by the Legislative Research Commission."

"Debt Service: Included in the above Road Fund appropriation is \$7,303,300 in fiscal year 2008-2009 and \$7,287,900 in fiscal year 2009-2010 for debt service on previously authorized bonds for the new Transportation Cabinet office building and parking structure."

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 9:59 am

GENERAL ADMINISTRATION AND SUPPORT

"Adopt-A-Highway Litter Program: The Transportation Cabinet and the Environmental and Public Protection Cabinet may receive, accept, and solicit grants, contributions of money, property, labor, or other things of value from any governmental agency, individual, nonprofit organization, or private business to be used for the Adopt-a-Highway Litter Program or other statewide litter programs. Any contribution of this nature shall be deemed to be a contribution to a state agency for a public purpose and shall be treated as Restricted Funds under KRS Chapter 45 and reported according to KRS Chapter 48, and shall not be subject to restrictions set forth under KRS Chapter 11A."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House increases Road Fund support totaling \$1,800,000 in fiscal year 2008-2009 and \$400,000 in fiscal year 2009-2010 to restore base funding.

The House adds Part I, Operating Budget, language provision as follows:

"SAFE Patrol Program: The Transportation Cabinet shall continue the SAFE Patrol Program at the current service level. The primary mission of the cabinet's SAFE Patrol shall be motorist assistance. The SAFE Patrol shall be restricted to providing only assistance services on interstates, parkways, and other limited access-highways."

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Capital Budget

General Administration and Support

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Road Fund				27,192,000	27,192,000		7,280,000	7,280,000	
Bond Funds				25,000,000	25,000,000				
Investment Income				500,000	500,000		500,000	500,000	
TOTAL CAPITAL				52,692,000	52,692,000		7,780,000	7,780,000	
II. CAPITAL PROJECTS									
1	Replace Automated Vehicle Information System (AVIS)								
PRJ35K01697									
Bond Funds				25,000,000	25,000,000				
Project Total				25,000,000	25,000,000				
2	Kentucky Horse Park Roads and Pedways - FEI Games								
PRJ35K05001									
Road Fund				10,300,000	10,300,000				
Project Total				10,300,000	10,300,000				
3	Bluegrass Airport Runway								
PRJ35K05000									
Road Fund				9,000,000	9,000,000				
Project Total				9,000,000	9,000,000				
4	Road Maintenance Parks								
PRJ35K01693									
Road Fund				1,500,000	1,500,000		1,500,000	1,500,000	
Project Total				1,500,000	1,500,000		1,500,000	1,500,000	
5	Repair Loadometer and Rest Areas								
PRJ35K01692									
Road Fund				900,000	900,000		600,000	600,000	
Project Total				900,000	900,000		600,000	600,000	
6	Purchase TRNS*PORT Upgrade								
PRJ35K01699									
Road Fund				1,300,000	1,300,000				
Project Total				1,300,000	1,300,000				

L - Transportation Cabinet**Capital Budget****General Administration and Support**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
7	Building Renovations and Emergency Repairs								
PRJ35K01688									
Road Fund				600,000	600,000		600,000	600,000	
Project Total				600,000	600,000		600,000	600,000	
8	Various Environmental Compliance								
PRJ35K01694									
Road Fund				500,000	500,000		500,000	500,000	
Project Total				500,000	500,000		500,000	500,000	
9	Aircraft Maintenance Pool - 2008-2010								
PRJ35K01372									
Investment Income				500,000	500,000		500,000	500,000	
Project Total				500,000	500,000		500,000	500,000	
10	Construct Henderson Maintenance Facility and Salt Storage Structure								
PRJ35K01684									
Road Fund							960,000	960,000	
Project Total							960,000	960,000	
11	Construct Crittenden County Maintenance Facility								
PRJ35K01686									
Road Fund							910,000	910,000	
Project Total							910,000	910,000	
12	Construct Nicholas Maintenance Facility and Salt Storage Structure								
PRJ35K01683									
Road Fund							910,000	910,000	
Project Total							910,000	910,000	
13	HVAC Maintenance and Repairs								
PRJ35K01696									
Road Fund				400,000	400,000		400,000	400,000	
Project Total				400,000	400,000		400,000	400,000	
14	Purchase Bridge Snooper								
PRJ35K01705									
Road Fund				500,000	500,000				
Project Total				500,000	500,000				

L - Transportation Cabinet**Capital Budget****General Administration and Support**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
15	Construct Various Maintenance Facilities - Secondary Structures								
PRJ35K01695									
Road Fund				250,000	250,000		250,000	250,000	
Project Total				250,000	250,000		250,000	250,000	
16	Replace Overhead Doors and Emergency Repairs								
PRJ35K01689									
Road Fund				200,000	200,000		200,000	200,000	
Project Total				200,000	200,000		200,000	200,000	
17	Painting and Roof Repair or Replacement								
PRJ35K01690									
Road Fund				200,000	200,000		200,000	200,000	
Project Total				200,000	200,000		200,000	200,000	
18	Purchase One Track Mounted Core Drill								
PRJ35K01704									
Road Fund				375,000	375,000				
Project Total				375,000	375,000				
19	Purchase GPS Surveying Equipment								
PRJ35K01707									
Road Fund				317,000	317,000				
Project Total				317,000	317,000				
20	Construct or Repair Salt Storage Structures								
PRJ35K01687									
Road Fund				150,000	150,000		150,000	150,000	
Project Total				150,000	150,000		150,000	150,000	
21	Construct Resident Engineers Buildings - Rowan and Carter								
PRJ35K01703									
Road Fund				250,000	250,000				
Project Total				250,000	250,000				
22	Conduct Paving and Landscaping								
PRJ35K01691									
Road Fund				100,000	100,000		100,000	100,000	
Project Total				100,000	100,000		100,000	100,000	

L - Transportation Cabinet

Capital Budget

General Administration and Support

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
23	Energy Efficient Evaluations and Upgrades								
PRJ35K01371									
Road Fund				200,000	200,000				
Project Total				200,000	200,000				
24	Purchase GPS Virtual Reference System								
PRJ35K01698									
Road Fund				150,000	150,000				
Project Total				150,000	150,000				
TOTAL CAPITAL				52,692,000	52,692,000		7,780,000	7,780,000	

L - Transportation Cabinet

Operating Budget

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	840,100	840,100		650,000		(650,000)	650,000		(650,000)
Restricted Funds	5,603,300	5,603,300		5,105,900	5,105,900		5,036,800	5,036,800	
Federal Funds	399,400	399,400		15,000	15,000		15,000	15,000	
Road Fund	4,000,000	4,000,000		3,000,000	3,650,000	650,000	3,000,000	3,650,000	650,000
Regular Total Funds	10,842,800	10,842,800		8,770,900	8,770,900		8,701,800	8,701,800	
Use of Continuing									
TOTAL FUNDS	10,842,800	10,842,800		8,770,900	8,770,900		8,701,800	8,701,800	
II. EXPENDITURE CATEGORY									
Personnel Costs	2,399,200	2,399,200		2,233,500	2,233,500		2,310,200	2,310,200	
Operating Expenses	1,784,200	1,784,200		1,769,800	1,769,800		1,784,800	1,784,800	
Grants, Loans, Benefits	6,275,000	6,275,000		4,767,600	4,767,600		4,606,800	4,606,800	
Construction	384,400	384,400							
TOTAL EXPENDITURES	10,842,800	10,842,800		8,770,900	8,770,900		8,701,800	8,701,800	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	840,100	840,100		579,300		(579,300)	573,100		(573,100)
Restricted Funds	5,603,300	5,603,300		3,691,800	3,691,800		3,723,500	3,723,500	
Federal Funds	399,400	399,400		15,000	15,000		15,000	15,000	
Road Fund	4,000,000	4,000,000		3,000,000	3,579,300	579,300	3,000,000	3,573,100	573,100
Regular Total Funds	10,842,800	10,842,800		7,286,100	7,286,100		7,311,600	7,311,600	
Use of Continuing									
TOTAL BASE LEVEL	10,842,800	10,842,800		7,286,100	7,286,100		7,311,600	7,311,600	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				70,700		(70,700)	76,900		(76,900)
Restricted Funds				1,414,100	1,414,100		1,313,300	1,313,300	
Road Fund					70,700	70,700		76,900	76,900
TOTAL ADDITIONAL				1,484,800	1,484,800		1,390,200	1,390,200	
V. ADDITIONAL BUDGET ITEMS									
1 GB Aviation Personnel Vacancies									
ABR35B00003 Provides funds to restore 1 vacant position in the Capital City Airport Division.									
General Fund				70,700		(70,700)	76,900		(76,900)
Road Fund					70,700	70,700		76,900	76,900
Project Total				70,700	70,700		76,900	76,900	

L - Transportation Cabinet

Operating Budget

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
2 GB Aviation Economic Development Projects									
ABR35B00007 Provides funds for the development, rehabilitation, and maintenance of public use aviation facilities.									
Restricted Funds				1,414,100	1,414,100		1,313,300	1,313,300	
Project Total				1,414,100	1,414,100		1,313,300	1,313,300	
TOTAL ADDITIONAL				1,484,800	1,484,800		1,390,200	1,390,200	

TRANSFERS TO THE GENERAL FUND

Aviation									
Agency Revenue Fund (KRS 183.525(4))	2,300,000	2,300,000		3,468,000	3,468,000		3,468,000	3,468,000	
Agency Revenue Fund	100,000	100,000							
TOTAL	2,400,000	2,400,000		3,468,000	3,468,000		3,468,000	3,468,000	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 9:59 am

AVIATION

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

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

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from Aviation, Restricted Funds of \$2,400,000 in fiscal year 2007-2008, \$3,468,000 in fiscal year 2008-2009, and \$3,468,000 in fiscal year 2009-2010.

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

"Operational Costs: Notwithstanding KRS 183.525(5), the above Restricted Funds appropriation includes operational costs of the program in each fiscal year."

"Use of Road Fund Resources: The Cabinet may utilize an amount not to exceed \$10,000,000 of its annual Road Fund appropriation for the Department of Aviation, including but not limited to providing the above authorized financial aid to governmental units and local air boards for the development, construction, reconstruction, maintenance, and repair of airport runways, aprons, and taxiways at public airports and public use airports as defined in KRS 183.011(20) and (21)."

"Aviation Plan Project Report: The Secretary of the Transportation Cabinet is directed to report quarterly to the Interim Joint Committee on Appropriations and Revenue and the Interim Joint Committee on Transportation all activity relating to all aviation projects with open activity conducted by the Transportation Cabinet during the biennium, including the year each project phase was enacted in a Six-Year Aviation Plan. The Transportation Cabinet shall submit the electronic quarterly report in a format prescribed by the Legislative Research Commission."

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 9:59 am

**AVIATION
HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House reduces General Fund support totaling \$650,000 in each fiscal year for transfer to replace base reduction in Public Transportation.

The House increases Road Fund support totaling \$650,000 in each year for replacement of General Fund transferred to Public Transportation.

L - Transportation Cabinet

Operating Budget

Debt Service

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Road Fund	181,143,200	181,143,200		148,513,000	170,612,000	22,099,000	136,599,000	180,796,000	44,197,000
Regular Total Funds	181,143,200	181,143,200		148,513,000	170,612,000	22,099,000	136,599,000	180,796,000	44,197,000
Use of Continuing									
TOTAL FUNDS	181,143,200	181,143,200		148,513,000	170,612,000	22,099,000	136,599,000	180,796,000	44,197,000
II. EXPENDITURE CATEGORY									
Debt Service	181,143,200	181,143,200		148,513,000	170,612,000	22,099,000	136,599,000	180,796,000	44,197,000
TOTAL EXPENDITURES	181,143,200	181,143,200		148,513,000	170,612,000	22,099,000	136,599,000	180,796,000	44,197,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
Road Fund	181,143,200	181,143,200		148,513,000	148,513,000		134,388,000	134,388,000	
Regular Total Funds	181,143,200	181,143,200		148,513,000	148,513,000		134,388,000	134,388,000	
Use of Continuing									
TOTAL BASE LEVEL	181,143,200	181,143,200		148,513,000	148,513,000		134,388,000	134,388,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Road Fund					22,099,000	22,099,000	2,211,000	46,408,000	44,197,000
TOTAL ADDITIONAL					22,099,000	22,099,000	2,211,000	46,408,000	44,197,000
V. ADDITIONAL BUDGET ITEMS									
1 NEW Economic Development Road Bond Debt Services									
ABR35H00001	Provides funds for debt service on \$50,000,000 of Economic Development Road Revenue Bonds for BRAC.								
Road Fund							2,211,000	2,211,000	
Project Total							2,211,000	2,211,000	
2 EXPAN Economic Development Road Bond Debt Service									
ABR35H00002	Provides funds for debt service on a \$500 million Economic Development Road Bond issue.								
Road Fund					22,099,000	22,099,000		44,197,000	44,197,000
Project Total					22,099,000	22,099,000		44,197,000	44,197,000
TOTAL ADDITIONAL					22,099,000	22,099,000	2,211,000	46,408,000	44,197,000

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

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DEBT SERVICE

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

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

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions as follows:

"Resource Recovery Road Lease-Rental Program: Included in the above Road Fund appropriation is \$9,086,400 in fiscal year 2008-2009 for Resource Recovery Road lease-rental payments. The Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease-rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Transportation Cabinet, pursuant to KRS 143.090. However, if Road Fund resources are not sufficient to meet lease-rental payments, the additional amount required to meet the obligation shall be transferred from the proceeds of the tax levied on the severance or processing of coal by KRS 143.020."

"Economic Development Road Lease-Rental Payments: Included in the above Road Fund appropriation is \$139,426,600 in fiscal year 2008-2009 and \$134,389,000 in fiscal year 2009-2010 for Economic Development Road lease-rental payments relating to projects financed by Economic Development Road Revenue Bonds previously authorized by the General Assembly and issued by the Kentucky Turnpike Authority."

"Economic Development Road Bond Debt Service: Included in the above Road Fund appropriation is \$2,210,000 in fiscal year 2009-2010 for Economic Development Road lease-rental payments to the Kentucky Turnpike Authority relating to projects financed by \$50,000,000 in Economic Development Road Revenue Bonds."

"Excess Lease-Rental Payments: Any moneys not required to meet lease-rental payments or to meet the administrative costs of the

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
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DEBT SERVICE

Kentucky Turnpike Authority shall be transferred to the State Construction Account."

"Debt Payment Acceleration Fund Account: Notwithstanding KRS 175.505, no portion of the revenues to the state Road Fund provided by the adjustments in KRS 138.220(2), excluding KRS 177.320 and 177.365, shall accrue to the Debt Payment Acceleration Fund account during the 2006-2008 fiscal biennium."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House increases Road Fund support totaling \$22,099,000 in fiscal year 2008-2009 and \$44,197,000 in fiscal year 2009-2010 for debt service on a \$500,000,000 Economic Development Road Revenue Bonds issue.

The House adds Part I, Operating Budget, language provision as follows:

"Included in the above Road Fund appropriation is \$22,099,000 in fiscal year 2008-2009 and \$44,197,000 in fiscal year 2009-2010 for Economic Development Road lease-rental payments to the Kentucky Turnpike Authority relating to projects financed by \$500,000,000 in Economic Development Road Revenue Bonds."

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L - Transportation Cabinet

Operating Budget

Highways

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	426,919,800	426,919,800		79,076,700	79,076,700		80,181,800	80,181,800	
Federal Funds	679,230,600	679,230,600		686,029,100	686,029,100		720,009,500	720,009,500	
Road Fund	681,874,600	681,874,600		698,551,400	695,596,000	(2,955,400)	777,149,700	753,496,300	(23,653,400)
Highway Bond	395,755,300	395,755,300		50,000,000	550,000,000	500,000,000			
Regular Total Funds	2,183,780,300	2,183,780,300		1,513,657,200	2,010,701,800	497,044,600	1,577,341,000	1,553,687,600	(23,653,400)
Use of Continuing									
TOTAL FUNDS	2,183,780,300	2,183,780,300		1,513,657,200	2,010,701,800	497,044,600	1,577,341,000	1,553,687,600	(23,653,400)
II. EXPENDITURE CATEGORY									
Personnel Costs	354,382,300	354,382,300		382,634,300	382,634,300		391,035,400	391,035,400	
Operating Expenses	173,576,400	173,576,400		181,987,800	179,537,800	(2,450,000)	202,671,600	201,621,600	(1,050,000)
Grants, Loans, Benefits	3,879,000	3,879,000		3,389,000	3,389,000		3,389,000	3,389,000	
Debt Service	50,089,700	50,089,700		44,323,900	44,323,900		43,901,500	43,901,500	
Capital Outlay	12,579,500	12,579,500		4,300,000	4,300,000		4,300,000	4,300,000	
Construction	1,589,273,400	1,589,273,400		897,022,200	1,396,516,800	499,494,600	932,043,500	909,440,100	(22,603,400)
TOTAL EXPENDITURES	2,183,780,300	2,183,780,300		1,513,657,200	2,010,701,800	497,044,600	1,577,341,000	1,553,687,600	(23,653,400)
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	426,919,800	388,959,400	(37,960,400)	77,930,000	77,930,000		78,943,600	78,943,600	
Federal Funds	679,230,600	675,013,800	(4,216,800)	672,559,600	672,559,600		673,012,900	673,012,900	
Road Fund	681,776,500	681,776,500		660,300,900	648,924,900	(11,376,000)	663,219,500	663,219,500	
Highway Bond	395,755,300	395,755,300							
Regular Total Funds	2,183,682,200	2,141,505,000	(42,177,200)	1,410,790,500	1,399,414,500	(11,376,000)	1,415,176,000	1,415,176,000	
Use of Continuing									
TOTAL BASE LEVEL	2,183,682,200	2,141,505,000	(42,177,200)	1,410,790,500	1,399,414,500	(11,376,000)	1,415,176,000	1,415,176,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds		37,960,400	37,960,400	1,146,700	1,146,700		1,238,200	1,238,200	
Federal Funds		4,216,800	4,216,800	13,469,500	13,469,500		46,996,600	46,996,600	
Road Fund	98,100	98,100		38,250,500	46,671,100	8,420,600	113,930,200	90,276,800	(23,653,400)
Highway Bond				50,000,000	550,000,000	500,000,000			
TOTAL ADDITIONAL	98,100	42,275,300	42,177,200	102,866,700	611,287,300	508,420,600	162,165,000	138,511,600	(23,653,400)
V. ADDITIONAL BUDGET ITEMS									
1 GB	Department of Highways Personnel Vacancies								
ABR35F00011	Provides funds to restore 209 full-time vacant positions in Engineering, Planning, Highway Operations, Maintenance, and Equipment Services.								
Restricted Funds				1,146,700	1,146,700		1,238,200	1,238,200	

L - Transportation Cabinet

Operating Budget

Highways

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
Road Fund				7,736,100	7,736,100		8,421,000	8,421,000	
Project Total				8,882,800	8,882,800		9,659,200	9,659,200	
2 GB Increase State Construction									
ABR35F00039	Provides authorization for KYTC to utilize available road funds for state highway construction.								
Road Fund	98,100	98,100		1,389,400		(1,389,400)	41,768,800	1,905,400	(39,863,400)
Project Total	98,100	98,100		1,389,400		(1,389,400)	41,768,800	1,905,400	(39,863,400)
3 GB SAFETEA-LU Funds Increase									
ABR35F00036	Provides authority for KYTC to access available federal funds under the Safe, Accountable, Flexible, Efficient Transportation Equity Act.								
Federal Funds		4,216,800	4,216,800	13,469,500	13,469,500		46,959,500	46,959,500	
Project Total		4,216,800	4,216,800	13,469,500	13,469,500		46,959,500	46,959,500	
4 GB Federal Grant Increase SAFETEA LU									
ABR35F00009	Provides authority for KYTC to access increase in federal funds available for metropolitan planning process.								
Federal Funds							37,100	37,100	
Project Total							37,100	37,100	
5 GB Interest Earnings Economic Development Bonds									
ABR35F00040	Provides authority for KYTC to utilize existing proceeds from the sale of Economic Development Road Bonds and the interest earned on those bonds to meet road system needs.								
Restricted Funds		21,387,900	21,387,900						
Project Total		21,387,900	21,387,900						
6 GB Interest Earnings on GARVEE Bonds									
ABR35F00041	Provides authority for KYTC to utilize existing proceeds from the sale of GARVEE Bonds and the interest earned on those bonds to meet road system needs.								
Restricted Funds		16,572,500	16,572,500						
Project Total		16,572,500	16,572,500						
7 NEW Economic Development Road Bonds for BRAC									
ABR35F00042	Provides Economic Development Road Revenue Bonds for pre-construction phases of roads in the vicinity of Fort Knox due to the federal Base Realignment and Closure program.								
Highway Bond				50,000,000	50,000,000				
Project Total				50,000,000	50,000,000				

L - Transportation Cabinet

Operating Budget

Highways

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
8 EXPAN State Resurfacing Account									
ABR35F00043 Provides funds to the State Resurfacing program to maintain and replace existing blacktop.									
Road Fund					10,000,000	10,000,000	10,000,000	20,000,000	10,000,000
Project Total					10,000,000	10,000,000	10,000,000	20,000,000	10,000,000
9 CONT Highway Maintenance									
ABR35F00044 Provides funds for Maintenance program to maintain roads and bridges and replace and repair guardrails, traffic signals and control devices, signage, and striping.									
Road Fund				29,125,000	26,675,000	(2,450,000)	53,740,400	52,690,400	(1,050,000)
Project Total				29,125,000	26,675,000	(2,450,000)	53,740,400	52,690,400	(1,050,000)
10 EXPAN Economic Development Road Bonds									
ABR35F00046 Provide appropriation for an Economic Development Road Bond Issue for state-funded road projects.									
Highway Bond					500,000,000	500,000,000			
Project Total					500,000,000	500,000,000			
11 EXPAN Highway Construction Contingency Account									
ABR35F00047 Provide funds to increase Highway Construction Contingency Account due to inflationary increases.									
Road Fund					2,260,000	2,260,000		7,260,000	7,260,000
Project Total					2,260,000	2,260,000		7,260,000	7,260,000
TOTAL ADDITIONAL	98,100	42,275,300	42,177,200	102,866,700	611,287,300	508,420,600	162,165,000	138,511,600	(23,653,400)

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
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HIGHWAYS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

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

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

"Debt Service: Included in the above Federal Funds appropriation is \$44,323,900 in fiscal year 2008-2009 and \$43,901,500 in fiscal year 2009-2010 for debt service on Grant Anticipation Revenue Vehicle (GARVEE) Bonds previously appropriated by the General Assembly."

"State Supported Construction Program: Included in the above Road Fund appropriation is \$304,911,200 in fiscal year 2008-2009 and \$355,290,600 in fiscal year 2009-2010 for the State Supported Construction Program."

"State Resurfacing Program: Included in the State Supported Construction Program is \$87,000,000 in fiscal year 2008-2009 and \$97,000,000 in fiscal year 2009-2010 from the Road Fund for the State Resurfacing Program."

"Biennial Highway Construction Program: Included in the State Supported Construction Program is \$182,911,200 in fiscal year 2008-2009 and \$220,550,600 in fiscal year 2009-2010 from the Road Fund for state construction projects in the fiscal biennium 2008-2010 Biennial Highway Construction Program. Notwithstanding KRS 224.43-505, \$2,500,000 in fiscal year 2009-2010 is provided to support the Kentucky Pride Fund created in KRS 224.43-505."

"Highway Construction Contingency Account: Included in the State Supported Construction Program is \$35,000,000 in fiscal year 2008-2009 and \$37,740,000 in fiscal year 2009-2010 for the Highway Construction Contingency Account. Notwithstanding KRS

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224.43-505, \$2,500,000 in fiscal year 2009-2010 is provided to support the Kentucky Pride Fund created in KRS 224.43-505."

"2008-2010 Biennial Highway Construction Plan: Projects in the enacted 2006-2008 Biennial Highway Construction Plan are authorized to continue their current authorization into the 2008-2010 fiscal biennium."

"Kentucky Transportation Center: Notwithstanding KRS 177.320(4), included in the above Road Fund appropriation is \$290,000 in fiscal year 2008-2009 and \$290,000 in fiscal year 2009-2010 for the Kentucky Transportation Center."

"New Highway Equipment Purchases: Notwithstanding KRS 48.710(3), included in the above Restricted Funds appropriation is \$1,500,000 in fiscal year 2008-2009 and \$1,500,000 in fiscal year 2009-2010 from the sale of surplus equipment to purchase new highway equipment."

"State Match Provisions: The Transportation Cabinet is authorized to utilize state construction moneys or Toll Credits to match federal highway moneys."

"Federal Aid Highway Funds: If additional federal highway moneys are made available to Kentucky by the United States Congress, the funds shall be used according to the following priority: (a) Any demonstration-specific or project-specific money shall be used on the project identified; and (b) All other funds shall be used to ensure that projects in the fiscal biennium 2008-2010 Biennial Highway Construction Plan are funded. If additional federal moneys remain after these priorities are met, the Transportation Cabinet may select projects from the Highway Preconstruction Program."

"Demonstration Projects: The Transportation Cabinet is authorized to select up to ten design/build demonstration road related projects. Notwithstanding any conflicting provisions of KRS Chapters 45A, 176, and 177, for procurement purposes, the Transportation Cabinet shall utilize a qualifications-based bidding process within the context of the provisions of KRS Chapter 176. The Secretary of the Transportation Cabinet shall determine the nature and scope of each design/build project."

"Road Fund Cash Management: The Secretary of the Transportation Cabinet is authorized to continue the Cash Management Plan to address the policy of the General Assembly to expeditiously initiate and complete projects in the fiscal biennium 2008-2010 Biennial Highway Construction Plan. Notwithstanding KRS Chapter 45, specifically including KRS 45.242 and 45.244, the Secretary may concurrently advance projects in the Biennial Highway Construction Plan by employing management techniques that maximize the Cabinet's ability to contract for and effectively administer the project work. Under the approved Cash Management Plan, the Secretary is directed to continuously ensure that the unspent project and Road Fund balances available to the Transportation Cabinet

HIGHWAYS

are sufficient to meet expenditures consistent with appropriations provided."

"Programmatic Adjustments: The Secretary of the Transportation Cabinet is authorized to adjust the specific sums comprising the Highways appropriation programs enumerated in subsections (3), (4), and (5) of this section for the purposes of enhancing public safety, maximizing available Federal Funds, supporting economic development, and accelerating state construction projects."

"Carry Forward of Appropriation Balances: Notwithstanding KRS 45.229, unexpended Road Fund appropriations in the Highways budget unit for the Construction program, the Maintenance program, and the Research program in fiscal year 2007-2008 and in fiscal year 2008-2009 shall not lapse but shall carry forward. Unexpended Federal Funds and Restricted Funds appropriations in the Highways budget unit for the Construction program, the Maintenance program, and the Research program in fiscal year 2007-2008 and in fiscal year 2008-2009, up to the amount of ending cash balances and grant balances shall not lapse but shall carry forward."

"Road Fund Support for Aviation: The Cabinet may utilize an amount not to exceed \$10,000,000 of its annual Road Fund appropriations for the Department of Aviation, including but not limited to providing financial aid to governmental units and local air boards for the development, construction, reconstruction, maintenance, and repair of airport runways, aprons, and taxiways at public airports and public use airports as defined in KRS 183.011(20) and (21), as identified in Part I, L., 2. of this Act."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House increases Highway Bond Fund support totaling \$500,000,000 in fiscal year 2008-2009 for an Economic Development Road Revenue Bond issue.

The House reduces Road Fund support totaling \$505,400 in fiscal year 2008-2009 and \$22,603,400 in fiscal year 2009-2010 for transfer to the Debt Service appropriation unit for debt service on the \$500,000,000 Economic Development Road Revenue Bond issue.

The House reduces Road Fund support totaling \$1,800,000 in fiscal year 2008-2009 and \$400,000 in fiscal year 2009-2010 for transfer to the General Administration and Support appropriation unit to restore base funding level.

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The House reduces Road Fund support totaling \$650,000 in each fiscal year for transfer to the Aviation appropriation to restore base funding level.

The House increases Federal Fund support totaling \$4,216,800 in fiscal year 2007-2008 for the use of SAFETEA-LU funds.

The House increases Restricted Fund support totaling \$37,960,400 in fiscal year 2007-2008 for the use of proceeds and interest from the sale of GARVEE and Economic Development Road Bonds.

The House deletes Part I, Operating Budget, language provision as follows:

"State Supported Construction Program: Included in the above Road Fund appropriation is \$304,911,200 in fiscal year 2008-2009 and \$355,290,600 in fiscal year 2009-2010 for the State Supported Construction Program."

The House adds Part I, Operating Budget, language provision as follows:

"State Supported Construction Program: Included in the above Road Fund appropriation is \$304,405,800 in fiscal year 2008-2009 and \$332,687,200 in fiscal year 2009-2010 for the State Supported Construction Program."

The House deletes Part I, Operating Budget, language provision as follows:

"State Resurfacing Program: Included in the State Supported Construction Program is \$87,000,000 in fiscal year 2008-2009 and \$97,000,000 in fiscal year 2009-2010 from the Road Fund for the State Resurfacing Program."

The House adds Part I, Operating Budget, language provision as follows:

"State Resurfacing Program: Included in the State Supported Construction Program is \$97,000,000 in fiscal year 2008-2009 and \$107,000,000 in fiscal year 2009-2010 from the Road Fund for the State Resurfacing Program."

The House deletes Part I, Operating Budget, language provision as follows:

"Biennial Highway Construction Program: Included in the State Supported Construction Program is \$182,911,200 in fiscal year 2008-2009 and \$220,550,600 in fiscal year 2009-2010 from the Road Fund for state construction projects in the fiscal biennium 2008-

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HIGHWAYS

2010 Biennial Highway Construction Program. Notwithstanding KRS 224.43-505, \$2,500,000 in fiscal year 2009-2010 is provided to support the Kentucky Pride Fund created in KRS 224.43-505."

The House adds Part I, Operating Budget, language provision as follows:

"Biennial Highway Construction Program: Included in the State Supported Construction Program is \$167,405,800 in fiscal year 2008-2009 and \$180,687,200 in fiscal year 2009-2010 from the Road Fund for state construction projects in the fiscal biennium 2008-2010 Biennial Highway Construction Program. Included in the above Road Fund appropriation is \$2,500,000 in fiscal year 2008-2009 and \$2,500,000 in fiscal year 2009-2010 to support the Kentucky Pride Fund created in KRS 224.43-505."

The House deletes Part I, Operating Budget, language provision as follows:

"Highway Construction Contingency Account: Included in the State Supported Construction Program is \$35,000,000 in fiscal year 2008-2009 and \$37,740,000 in fiscal year 2009-2010 for the Highway Construction Contingency Account. Notwithstanding KRS 224.43-505, \$2,500,000 in fiscal year 2009-2010 is provided to support the Kentucky Pride Fund created in KRS 224.43-505."

The House adds Part I, Operating Budget, language provision as follows:

"Highway Construction Contingency Account: Included in the State Supported Construction Program is \$40,000,000 in fiscal year 2008-2009 and \$45,000,000 in fiscal year 2009-2010 for the Highway Construction Contingency Account. Included in the above Road Fund appropriation is \$2,500,000 in fiscal year 2008-2009 and \$2,500,000 in fiscal year 2009-2010 to support the Kentucky Pride Fund created in KRS 224.43-505."

The House deletes Part I, Operating Budget, language provision as follows:

"Demonstration Projects: The Transportation Cabinet is authorized to select up to ten design/build demonstration road related projects. Notwithstanding any conflicting provisions of KRS Chapters 45A, 176, and 177, for procurement purposes, the Transportation Cabinet shall utilize a qualifications-based bidding process within the context of the provisions of KRS Chapter 176. The Secretary of the Transportation Cabinet shall determine the nature and scope of each design/build project."

The House adds Part I, Operating Budget, language provision as follows:

HIGHWAYS

"Demonstration Projects: The Transportation Cabinet is authorized to select up to 15 design/build demonstration road related projects. Notwithstanding any conflicting provisions of KRS Chapters 45A, 176, and 177, for procurement purposes, the Transportation Cabinet shall utilize a qualifications-based bidding process within the context of the provisions of KRS Chapter 176. The Secretary of the Transportation Cabinet shall determine the nature and scope of each design/build project."

The House adds Part I, Operating Budget, language provisions as follows:

"Interlocal Agreement: Any local government may be permitted to enter into a cooperative agreement with the Transportation Cabinet to maintain traffic control devices on state-maintained roads within the local government's jurisdiction and shall be reimbursed by the Transportation Cabinet for the actual cost of such maintenance. The agreement may permit local governments to make temporary repairs to state-maintained road surfaces within the local government's jurisdiction and shall be reimbursed by the Transportation Cabinet for the actual cost of the temporary repairs."

"Kentucky Pride Program Report: The Environmental and Public Protection Cabinet shall provide to the Interim Joint Committee on Appropriations and Revenue and the Interim Joint Committee on Transportation a program and financial status report of all expenditures related to the Kentucky Pride Fund. The status report shall be provided to the Interim Joint Committee on Appropriations and Revenue and the Interim Joint Committee on Transportation no later than October 1 of each year."

Miscellaneous Road Fund Projects: (a) The Transportation Cabinet may undertake the following miscellaneous road projects using the suggested Highways fund appropriations contained therein:

1. Fayette County Traffic Control Device: Install a traffic light at the intersection of Georgetown Road and Spurr Road for \$50,000 from Road Fund resources in fiscal year 2008-2009;
2. Fayette County Traffic Control Device: Install a left turn signal at the intersection of Russell Cave Road and Asbury Lane for \$6,000 from Road Fund resources in fiscal year 2008-2009;
3. Fayette County Traffic Control Device: Install a left turn signal at the intersection of Broadway and Third Street for \$6,000 from Road Fund resources in fiscal year 2008-2009;
4. Jefferson County Traffic Control Device: Install a left turn signal on both sides of the traffic control signal at the intersection of Eastern Parkway and Bardstown Road for \$12,000 from Road Fund resources in fiscal year 2008-2009;
5. Jefferson County Traffic Control Device: Install a right turn lane at Terry Road and Greenwood Road for \$75,000 from Road Fund resources in fiscal year 2008-2009;
6. Jefferson County Traffic Control Device: Install a left turn lane at St. Andrews Church Road and St. Anthony Road for \$150,000 from Road Fund resources in fiscal year 2008-2009;

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7. Jefferson County Railroad Crossing: Reimburse \$80,000 to Louisville Metro Government, from Road Fund resources in fiscal year 2008-2009, for improvements to the Norfolk Southern Railroad crossing on Breckenridge Lane near the intersection of Breckenridge Lane and Six Mile Lane. The improvements shall include the rehabilitation and beautification of all sidewalks, drainage, landscaping, replacement or refurbishing of handrails, curbs, and retaining walls;
8. Kenton County Traffic Control Device: Install a traffic light at the intersection of Adela and Oak Street in Ludlow for \$22,000 from Road Fund resources in fiscal year 2008-2009;
9. Kenton County Sidewalks: Construct sidewalks on the northwest side of Adela Street from the Ludlow Independent School District to City Park in Ludlow for \$50,000 from Road Fund resources in fiscal year 2008-2009;
10. Kenton County Sidewalk and Brick Repair: Provide for transportation enhancement and beautification by repairing or replacing the historic brick and sidewalk located in the 500 block of Linden Street from Adela Street to Helen Street for \$100,000 from Road Fund resources in fiscal year 2008-2009; and
11. Clark County Traffic Control Device: Install a four-way traffic signal at the intersection of KY 1958 and KY 1960.

(b) The Transportation Cabinet shall follow the original plans for Scott County Project Number 7-102.10 as identified in the 2008-2014 Highway Road Plan. The Georgetown Northwest Bypass shall extend directly northward from the existing US 60/US 460 bypass intersection before proceeding to the existing KY 32.

L - Transportation Cabinet

Operating Budget

Public Transportation

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	2,253,400	2,253,400		4,528,200	5,178,200	650,000	4,528,200	5,178,200	650,000
Restricted Funds	555,700	555,700		505,600	505,600		522,500	522,500	
Federal Funds	40,267,200	40,267,200		30,907,800	30,907,800		30,944,100	30,944,100	
Regular Total Funds	43,076,300	43,076,300		35,941,600	36,591,600	650,000	35,994,800	36,644,800	650,000
Use of Continuing	3,356,200	3,356,200							
TOTAL FUNDS	46,432,500	46,432,500		35,941,600	36,591,600	650,000	35,994,800	36,644,800	650,000
II. EXPENDITURE CATEGORY									
Personnel Costs	1,412,600	1,412,600		1,255,500	1,255,500		1,281,900	1,281,900	
Operating Expenses	253,900	253,900		125,300	125,300		125,300	125,300	
Grants, Loans, Benefits	44,766,000	44,766,000		34,560,800	35,210,800	650,000	34,587,600	35,237,600	650,000
TOTAL EXPENDITURES	46,432,500	46,432,500		35,941,600	36,591,600	650,000	35,994,800	36,644,800	650,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	2,253,400	2,253,400		4,528,200	5,178,200	650,000	4,528,200	5,178,200	650,000
Restricted Funds	555,700	555,700		505,600	505,600		522,500	522,500	
Federal Funds	40,233,600	40,233,600		30,907,800	30,775,500	(132,300)	30,944,100	30,801,500	(142,600)
Regular Total Funds	43,042,700	43,042,700		35,941,600	36,459,300	517,700	35,994,800	36,502,200	507,400
Use of Continuing	3,356,200	3,356,200							
TOTAL BASE LEVEL	46,398,900	46,398,900		35,941,600	36,459,300	517,700	35,994,800	36,502,200	507,400
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Federal Funds	33,600	33,600			132,300	132,300		142,600	142,600
TOTAL ADDITIONAL	33,600	33,600			132,300	132,300		142,600	142,600
V. ADDITIONAL BUDGET ITEMS									
1 GB	Public Transportation Personnel Vacancies								
ABR35E00002	Provides funds to restore 2 vacant full-time positions in the Office of Transportation Delivery and 1 full-time in the Office of Human Services Transportation Delivery.								
Federal Funds					132,300	132,300		142,600	142,600
Project Total					132,300	132,300		142,600	142,600
2 CONT	Current Year Federal Funds								
ABR35E00003	Provides authority for KYTC to access available federal funding for public transportation services.								
Federal Funds	33,600	33,600							
Project Total	33,600	33,600							

L - Transportation Cabinet**Operating Budget****Public Transportation**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TOTAL ADDITIONAL	33,600	33,600			132,300	132,300		142,600	142,600

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PUBLIC TRANSPORTATION

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

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

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

"Toll Credits: The Transportation Cabinet is authorized to maximize to the extent necessary the use of Toll Credits to match Federal Funds for transit systems capital grants."

"Nonpublic School Transportation: Included in the above General Fund appropriation is \$2,950,000 in fiscal year 2008-2009 and \$2,950,000 in fiscal year 2009-2010 for nonpublic school transportation."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House increases General Fund support totaling \$650,000 in each fiscal year to restore base funding level.

The House provides Federal Fund support to restore three vacant full-time positions.

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L - Transportation Cabinet

Operating Budget

Revenue Sharing

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	42,719,100	42,719,100							
Road Fund	265,848,100	265,848,100		287,800,600	266,207,000	(21,593,600)	318,180,600	296,587,000	(21,593,600)
Regular Total Funds	308,567,200	308,567,200		287,800,600	266,207,000	(21,593,600)	318,180,600	296,587,000	(21,593,600)
Use of Continuing									
TOTAL FUNDS	308,567,200	308,567,200		287,800,600	266,207,000	(21,593,600)	318,180,600	296,587,000	(21,593,600)
II. EXPENDITURE CATEGORY									
Personnel Costs	4,139,700	4,139,700		3,396,400	3,396,400		3,422,000	3,422,000	
Operating Expenses	3,950,400	3,950,400		3,896,000	3,896,000		3,891,200	3,891,200	
Grants, Loans, Benefits	185,572,100	185,572,100		154,682,300	143,034,300	(11,648,000)	171,075,200	159,427,200	(11,648,000)
Construction	114,905,000	114,905,000		125,825,900	115,880,300	(9,945,600)	139,792,200	129,846,600	(9,945,600)
TOTAL EXPENDITURES	308,567,200	308,567,200		287,800,600	266,207,000	(21,593,600)	318,180,600	296,587,000	(21,593,600)
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	42,719,100	42,719,100							
Road Fund	265,848,100	265,848,100		287,698,900	266,105,300	(21,593,600)	318,070,100	296,476,500	(21,593,600)
Regular Total Funds	308,567,200	308,567,200		287,698,900	266,105,300	(21,593,600)	318,070,100	296,476,500	(21,593,600)
Use of Continuing									
TOTAL BASE LEVEL	308,567,200	308,567,200		287,698,900	266,105,300	(21,593,600)	318,070,100	296,476,500	(21,593,600)
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Road Fund				101,700	101,700		110,500	110,500	
TOTAL ADDITIONAL				101,700	101,700		110,500	110,500	
V. ADDITIONAL BUDGET ITEMS									
1 GB Revenue Sharing Personnel Vacancies									
ABR35C00001 Provides funds to restore 1 full-time position in the Office of Special Programs.									
Road Fund				101,700	101,700		110,500	110,500	
Project Total				101,700	101,700		110,500	110,500	
TOTAL ADDITIONAL				101,700	101,700		110,500	110,500	

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REVENUE SHARING

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

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

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

"County Road Aid Program: Included in the above Road Fund appropriation is \$108,618,300 in fiscal year 2008-2009 and \$120,156,400 in fiscal year 2009-2010 for the County Road Aid Program in accordance with KRS 177.320, 179.410, 179.415, and 179.440. Notwithstanding KRS 177.320(2), the above amounts have been reduced by \$38,000 in fiscal year 2008-2009 and \$38,000 in fiscal year 2009-2010, which has been appropriated to the Highways budget unit for the support of the Kentucky Transportation Center."

"Rural Secondary Program: Included in the above Road Fund appropriation is \$131,766,500 in fiscal year 2008-2009 and \$145,763,600 in fiscal year 2009-2010 for the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340, 177.350, and 177.360. Notwithstanding KRS 177.320(1), the above amounts have been reduced by \$46,000 in fiscal year 2008-2009 and \$46,000 in fiscal year 2009-2010, which has been appropriated to the Highways budget unit for the support of the Kentucky Transportation Center."

"Municipal Road Aid Program: Included in the above Road Fund appropriation is \$45,702,800 in fiscal year 2008-2009 and \$50,557,600 in fiscal year 2009-2010 for the Municipal Road Aid Program in accordance with KRS 177.365, 177.366, and 177.369. Notwithstanding KRS 177.365(1), the above amounts have been reduced by \$16,000 in fiscal year 2008-2009 and \$16,000 in fiscal year 2009-2010, which has been appropriated to the Highways budget unit for the support of the Kentucky Transportation Center."

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REVENUE SHARING

"Energy Recovery Road Fund: Included in the above Road Fund appropriation is \$913,000 in fiscal year 2008-2009 and \$903,000 in fiscal year 2009-2010 for the Energy Recovery Road Fund in accordance with KRS 177.977, 177.9771, 177.9772, 177.978, 177.979, and 177.981."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House reduces Road Fund Support totaling \$21,593,600 in each fiscal year for transfer to the Debt Service appropriation unit for debt service on a \$500,000,000 Economic Development Road Revenue Bond issue.

The House deletes Part I, Operating Budget, language provision as follows:

"County Road Aid Program: Included in the above Road Fund appropriation is \$108,618,300 in fiscal year 2008-2009 and \$120,156,400 in fiscal year 2009-2010 for the County Road Aid Program in accordance with KRS 177.320, 179.410, 179.415, and 179.440. Notwithstanding KRS 177.320(2), the above amounts have been reduced by \$38,000 in fiscal year 2008-2009 and \$38,000 in fiscal year 2009-2010, which has been appropriated to the Highways budget unit for the support of the Kentucky Transportation Center."

The House adds Part I, Operating Budget, language provision as follows:

"County Road Aid Program: Included in the above Road Fund appropriation is \$100,419,900 in fiscal year 2008-2009 and \$111,958,000 in fiscal year 2009-2010 for the County Road Aid Program in accordance with KRS 177.320, 179.410, 179.415, and 179.440. Notwithstanding KRS 177.320(2), the above amounts have been reduced by \$38,000 in fiscal year 2008-2009 and \$38,000 in fiscal year 2009-2010, which has been appropriated to the Highways budget unit for the support of the Kentucky Transportation Center."

The House deletes Part I, Operating Budget, language provision as follows:

"Rural Secondary Program: Included in the above Road Fund appropriation is \$131,766,500 in fiscal year 2008-2009 and \$145,763,600 in fiscal year 2009-2010 for the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340, 177.350, and 177.360. Notwithstanding KRS 177.320(1), the above amounts have been reduced by \$46,000 in fiscal year 2008-2009 and \$46,000 in fiscal year 2009-2010, which has been appropriated to the Highways budget unit for the support of the Kentucky

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REVENUE SHARING

Transportation Center."

The House adds Part I, Operating Budget, language provision as follows:

"Rural Secondary Program: Included in the above Road Fund appropriation is \$121,820,900 in fiscal year 2008-2009 and \$135,818,000 in fiscal year 2009-2010 for the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340, 177.350, and 177.360. Notwithstanding KRS 177.320(1), the above amounts have been reduced by \$46,000 in fiscal year 2008-2009 and \$46,000 in fiscal year 2009-2010, which has been appropriated to the Highways budget unit for the support of the Kentucky Transportation Center."

The House deletes Part I, Operating Budget, language provision as follows:

"Municipal Road Aid Program: Included in the above Road Fund appropriation is \$45,702,800 in fiscal year 2008-2009 and \$50,557,600 in fiscal year 2009-2010 for the Municipal Road Aid Program in accordance with KRS 177.365, 177.366, and 177.369. Notwithstanding KRS 177.365(1), the above amounts have been reduced by \$16,000 in fiscal year 2008-2009 and \$16,000 in fiscal year 2009-2010, which has been appropriated to the Highways budget unit for the support of the Kentucky Transportation Center."

The House adds Part I, Operating Budget, language provision as follows:

"Municipal Road Aid Program: Included in the above Road Fund appropriation is \$42,253,200 in fiscal year 2008-2009 and \$47,108,000 in fiscal year 2009-2010 for the Municipal Road Aid Program in accordance with KRS 177.365, 177.366, and 177.369. Notwithstanding KRS 177.365(1), the above amounts have been reduced by \$16,000 in fiscal year 2008-2009 and \$16,000 in fiscal year 2009-2010, which has been appropriated to the Highways budget unit for the support of the Kentucky Transportation Center."

L - Transportation Cabinet

Operating Budget

Vehicle Regulation

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund							3,357,000	3,357,000	
Restricted Funds	10,802,800	10,802,800		19,556,300	17,556,300	(2,000,000)	12,503,500	12,503,500	
Federal Funds	5,214,500	5,214,500		640,600	640,600		640,600	640,600	
Road Fund	18,234,700	18,234,700		19,262,800	19,262,800		20,622,700	20,622,700	
Regular Total Funds	34,252,000	34,252,000		39,459,700	37,459,700	(2,000,000)	37,123,800	37,123,800	
Use of Continuing									
TOTAL FUNDS	34,252,000	34,252,000		39,459,700	37,459,700	(2,000,000)	37,123,800	37,123,800	
II. EXPENDITURE CATEGORY									
Personnel Costs	18,672,700	18,672,700		14,577,400	14,577,400		14,996,100	14,996,100	
Operating Expenses	11,551,300	11,551,300		20,799,200	18,799,200	(2,000,000)	14,770,700	14,770,700	
Grants, Loans, Benefits	4,000,000	4,000,000		4,083,100	4,083,100		4,000,000	4,000,000	
Debt Service							3,357,000	3,357,000	
Capital Outlay	28,000	28,000							
TOTAL EXPENDITURES	34,252,000	34,252,000		39,459,700	37,459,700	(2,000,000)	37,123,800	37,123,800	
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	10,802,800	10,802,800		7,923,200	7,923,200		7,860,500	7,860,500	
Federal Funds	5,214,500	5,214,500		191,100	191,100		191,100	191,100	
Road Fund	18,234,700	18,234,700		16,918,100	16,918,100		18,220,600	18,220,600	
Regular Total Funds	34,252,000	34,252,000		25,032,400	25,032,400		26,272,200	26,272,200	
Use of Continuing									
TOTAL BASE LEVEL	34,252,000	34,252,000		25,032,400	25,032,400		26,272,200	26,272,200	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund							3,357,000	3,357,000	
Restricted Funds				11,633,100	9,633,100	(2,000,000)	4,643,000	4,643,000	
Federal Funds				449,500	449,500		449,500	449,500	
Road Fund				2,344,700	2,344,700		2,402,100	2,402,100	
TOTAL ADDITIONAL				14,427,300	12,427,300	(2,000,000)	10,851,600	10,851,600	
V. ADDITIONAL BUDGET ITEMS									
1 GB Personnel Vacancies									
ABR35G00001	Provides funds to restore 16 full-time vacant positions in Drivers Licensing, Motor Carriers, and Motor Vehicle Licensing.								
Road Fund				645,200	645,200		702,600	702,600	
Project Total				645,200	645,200		702,600	702,600	

L - Transportation Cabinet

Operating Budget

Vehicle Regulation

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
2 EXPAN AVIS Replacement									
ABR35G00013 Provides funds for debt service and a small amount of start-up operating for the Automated Vehicle Information System.									
General Fund							3,357,000	3,357,000	
Restricted Funds				1,833,100	1,833,100		643,000	643,000	
Project Total				1,833,100	1,833,100		4,000,000	4,000,000	
3 EXPAN County Clerk IT Improvement									
ABR35G00006 Provides funds to upgrade computer equipment in the County Clerks Offices which will be required to implement the new AVIS system.									
Restricted Funds				9,800,000	7,800,000	(2,000,000)	4,000,000	4,000,000	
Project Total				9,800,000	7,800,000	(2,000,000)	4,000,000	4,000,000	
4 EXPAN CVISN Grant									
ABR35G00002 Provides authority for new federal grant and required road fund match to be used for the Oversize Overweight Automated Routing and Bridge Analysis System, the Electronic License Plate and Screening System, the Next Generation Virtual Weigh Station, et al.									
Federal Funds				449,500	449,500		449,500	449,500	
Road Fund				449,500	449,500		449,500	449,500	
Project Total				899,000	899,000		899,000	899,000	
5 GB Digitized License Contract									
ABR35G00008 Provides funds to support increased costs for the Digitized License contract to meet the requirements of the Real ID Act.									
Road Fund				1,250,000	1,250,000		1,250,000	1,250,000	
Project Total				1,250,000	1,250,000		1,250,000	1,250,000	
TOTAL ADDITIONAL				14,427,300	12,427,300	(2,000,000)	10,851,600	10,851,600	

TRANSFERS TO THE GENERAL FUND

Vehicle Regulation

Agency Revenue Fund (KRS 186.040(6)(a))	5,500,000	5,500,000	2,500,000	2,500,000				
Agency Revenue Fund						3,357,000	3,357,000	
Agency Revenue Fund (KRS 186.240(3))	900,000	900,000						

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

L - Transportation Cabinet

Operating Budget

Vehicle Regulation

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TRANSFERS TO THE GENERAL FUND									
Agency Fund Revenue (KRS 186.040(6)(b))					2,000,000	2,000,000			
TOTAL	6,400,000	6,400,000		2,500,000	4,500,000	2,000,000	3,357,000	3,357,000	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 9:59 am

**VEHICLE REGULATION
BRANCH BUDGET**

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary 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 \$6,400,000 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$3,357,000 in fiscal year 2009-2010.

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

"Debt Service: Included in the above General Fund appropriation is \$3,357,000 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act."

HOUSE REPORT

The House concurs with the Branch with the following change:

The House amends Part V, Funds Transfer, to include a Restricted Fund transfer of \$2,000,000 in fiscal year 2008-2009 to the General Fund for the Kentucky Pride Program.

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