

1 AN ACT making appropriations for the operations, maintenance, support, and
2 functioning of the Judicial Branch of the government of the Commonwealth of Kentucky
3 and its various officers, boards, commissions, subdivisions, and other state-supported
4 activities.

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

6 ➔Section 1. The Judicial Branch Budget is as follows:

7 **PART I**

8 **OPERATING BUDGET**

9 **(1) Funds Appropriations:** There is appropriated out of the General Fund,
10 Restricted Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1,
11 2023, and ending June 30, 2024, for the fiscal year beginning July 1, 2024, and ending
12 June 30, 2025, and for the fiscal year beginning July 1, 2025, and ending June 30, 2026,
13 the following sums to be used for the purposes of the Judicial Branch of the government
14 of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals,
15 Circuit Court, Family Court, District Court, the Administrative Office of the Courts,
16 Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency
17 Fund, and for services performed by the Circuit Court Clerks' offices, including both
18 Circuit and District Court support.

19 **A. JUDICIAL BRANCH**

20 **Budget Units**

21 **1. COURT OF JUSTICE**

22 **a. Court Operations and Administration**

	2024-25	2025-26
24 General Fund	318,178,000	326,303,900
25 Restricted Funds	51,521,100	52,123,700
26 Federal Funds	3,499,100	1,818,300
27 TOTAL	373,198,200	380,245,900

1 **(1) Civil Filing Fees:** Pursuant to its authority, if the Supreme Court retains the
 2 increases in civil filing fees that were effective in 2008 and 2018, the additional income
 3 resulting from the fee increases, not to exceed \$15,468,100 in each fiscal year, shall be
 4 deposited into a trust and agency account for court operations and salaries for non-elected
 5 personnel. Any revenue generated by these increases in excess of the \$15,468,100 in each
 6 fiscal year shall be deposited into the General Fund.

7 **(2) Additional Positions:** Included in the above General Fund appropriation is
 8 \$563,500 in fiscal year 2024-2025 and \$528,500 in fiscal year 2025-2026 to support
 9 additional positions.

10 **b. Local Facilities Fund**

	2024-25	2025-26
11 General Fund	134,918,000	142,632,600

12 **(1) Local Facility Projects:** Included in the above General Fund appropriation is
 13 \$3,219,100 in fiscal year 2024-2025 and \$8,207,200 in fiscal year 2025-2026 to support
 14 the use allowance, operating, and non-recurring furniture and equipment costs for one
 15 judicial center project authorized by the 2018 General Assembly, seven judicial center
 16 projects authorized by the 2021 General Assembly, and two judicial center projects
 17 authorized by the 2022 General Assembly.

18 **(2) Local Court Facility Compensation:** Included in the above General Fund
 19 appropriation are moneys to compensate local units of government for providing court
 20 space and for costs incurred in the development of local court facilities as defined in KRS
 21 Chapter 26A and provided for in Part II, Capital Projects Budget, of this Act, and to
 22 perform all other acts required or authorized by KRS Chapter 26A.

23 **(3) Use Allowance Payments to Counties:** Pursuant to KRS 26A.090(2),
 24 beginning with court facility construction or renovation projects authorized by the 2000
 25 Regular Session of the General Assembly and all subsequent court facility projects, use
 26 allowance payments are restricted to the court's proportional share of the annual principal
 27

1 and interest costs in connection with the construction or renovation of the facility, not to
2 exceed the authorized annual use allowance.

3 **(4) Court Facility Maintenance Fund:** (a) Notwithstanding KRS
4 26A.090(2), when there is no debt on court facility construction or renovation projects
5 authorized prior to the 2000 Regular Session of the General Assembly, use allowance is
6 restricted to compensation equal to two percent annually of capital costs to be paid to the
7 county unit of government and two percent annually to be retained by the Administrative
8 Office of the Courts and directed to a separate fund specifically for maintenance of court
9 facilities.

10 (b) The fund created pursuant to paragraph (a) of this subsection shall be used for
11 routine, ongoing, planned, and unanticipated maintenance for court facilities.

12 **(5) Maintenance Pool:** Included in the above General Fund appropriation is
13 \$3,000,000 in each fiscal year to create a maintenance pool for planned and unanticipated
14 non-capital projects for local courthouses and judicial centers.

15 **(6) Debt Service:** Included in the above General Fund appropriation is
16 \$2,727,500 in fiscal year 2024-2025 and \$5,454,000 in fiscal year 2025-2026 to support
17 debt service for new bonds as set forth in Part II, Capital Projects Budget, of this Act.

18 **(7) Additional Use Allowance:** Included in the above General Fund
19 appropriation is \$1,462,200 in each fiscal year to support additional use allowance for
20 previously authorized courthouse projects in Butler, Clinton, and Crittenden counties.

21 **(8) Asset Preservation Pool - HVAC, Roof, and Electrical Upgrades:** The
22 Administrative Office of the Courts shall prepare a report on the Asset Preservation -
23 HVAC, Roof, Electrical project authorized in Part II, Capital Projects Budget, of this Act,
24 including but not limited to the projects funded in the asset preservation pool, the current
25 status of each project and projected completion date, and the amount expended on each
26 project and for the pool in total. The Administrative Office of the Courts shall submit this
27 report on a quarterly basis beginning November 1, 2024, to the Interim Joint Committee

1 on Appropriations and Revenue.

2 (9) **Asset Preservation Pool – Renovations:** The Administrative Office of the
 3 Courts shall prepare a report on the Asset Preservation - Renovations project authorized
 4 in Part II, Capital Projects Budget, of this Act, including but not limited to the projects
 5 funded in the asset preservation pool, the current status of each project and projected
 6 completion date, and the amount expended on each project and for the pool in total. The
 7 Administrative Office of the Courts shall submit this report on a quarterly basis
 8 beginning November 1, 2024, to the Interim Joint Committee on Appropriations and
 9 Revenue.

10 c. **Local Facilities Use Allowance Contingency Fund**

11 (1) **Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended
 12 balance remaining at the close of fiscal year 2023-2024 shall not lapse and shall continue
 13 into fiscal year 2024-2025, and any unexpended balance remaining at the close of fiscal
 14 year 2024-2025 shall not lapse and shall continue into fiscal year 2025-2026 to provide
 15 for cost overruns in authorized court facilities projects not to exceed 15 percent of the use
 16 allowance in accordance with KRS Chapter 26A.

17 **TOTAL – COURT OF JUSTICE**

	2024-25	2025-26
18 General Fund	453,096,000	468,936,500
19 Restricted Funds	51,521,100	52,123,700
20 Federal Funds	3,499,100	1,818,300
21 TOTAL	508,116,200	522,878,500

22 **2. JUDICIAL FORM RETIREMENT SYSTEM**

	2024-25	2025-26
23 General Fund	660,000	703,000
24 Restricted Funds	691,900	693,900
25 TOTAL	1,351,900	1,396,900

1 **(1) Administrative Expenses:** Pursuant to KRS 21.540, administrative expenses
 2 shall be paid out of an administrative account which shall be funded by transfers of the
 3 necessary moneys, in appropriate ratio, from the funds described in KRS 21.550 and
 4 21.560. Notwithstanding Part III, 7. of this Act, Restricted Funds appropriations may be
 5 increased to ensure sufficient funding to support the Judicial Form Retirement System.

6 **(2) Pension Benefit Increase:** Notwithstanding KRS 21.405(5), no pension
 7 benefit increase shall be granted to recipients of a retirement allowance under KRS
 8 21.345 to 21.580 on July 1, 2024, or July 1, 2025.

9 **TOTAL - JUDICIAL BRANCH**

	2024-25	2025-26
11 General Fund	453,756,000	469,639,500
12 Restricted Funds	52,213,000	52,817,600
13 Federal Funds	3,499,100	1,818,300
14 TOTAL	509,468,100	524,275,400

15 **PART II**

16 **CAPITAL PROJECTS BUDGET**

17 **(1) Authorization of Capital Projects:** It is the intent of the General Assembly
 18 that any capital project proposed by any state government entity, including the agencies
 19 and subdivisions of the Court of Justice, shall be authorized by the General Assembly
 20 prior to the project’s financing and construction, in accordance with KRS 7A.010,
 21 7A.120, 45.750, 45.760, 45.763, 45.765, and 48.110. Pursuant to KRS 45.760(1), the
 22 amount allotted, from all sources, for expenditure on any capital project, including leases
 23 as defined by KRS 45.750, shall not exceed the estimated cost as shown in this Act.

24 **(2) Capital Projects and Bond Oversight Committee:** Capital construction
 25 projects and major items of equipment that are not specifically listed in this Act may be
 26 authorized only after submission of the project to the Capital Projects and Bond
 27 Oversight Committee and in accordance with the other requirements of KRS 45.760(7).

1 Moneys may be transferred to the allotment account of any capital project only after
2 submission of the project to the Capital Projects and Bond Oversight Committee and in
3 accordance with the other requirements of KRS 45.760(6). As required by KRS 45.760,
4 all capital construction items authorized in this Act shall be constructed in accordance
5 with this Act, supporting documentation considered by the General Assembly, and
6 Judicial Branch budget records. Any modifications to the scope of a capital construction
7 project or to a lease shall be reported to the Capital Projects and Bond Oversight
8 Committee before execution.

9 **(3) Court Facility Planning Process:** A feasibility study completed by a
10 certified architect not otherwise involved with the project shall be provided to the Project
11 Development Board to assist in making a determination whether the needs of the
12 community and the Court of Justice can best be met through the construction of a
13 freestanding building, or through an addition and/or renovation of the existing court
14 facility.

15 **(4) Deferred Funding:** (a) General Fund support to provide operating costs
16 totaling \$240,000 and annualized use allowance payments totaling \$2,352,900 and
17 \$500,000 for nonrecurring equipment and furniture costs for the Owsley County project
18 is deferred to the 2026-2028 biennium.

19 (b) It is the intent of the General Assembly that the project in paragraph (a) of this
20 subsection shall be funded using resources previously appropriated for projects that no
21 longer require use allowance debt payments in the 2026-2028 fiscal biennium.

22 **(5) Local Facilities Use Allowance Contingency Fund:** For any court facility
23 project which is occupied and use allowance funding is insufficient, the use allowance
24 payments shall be approved from the Local Facilities Use Allowance Contingency Fund.
25 If funds are not available in the Local Facilities Use Allowance Contingency Fund, the
26 Chief Justice may transfer funds from other Judicial Branch accounts to make the
27 necessary payments.

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A. JUDICIAL BRANCH

Budget Units **2024-25** **2025-26**

1. LOCAL FACILITIES FUND

Project	Project Scope		
001. Owsley	28,015,000		
002. Construction - Court of Appeals			
Bond Funds		14,100,000	-0-
003. Asset Preservation - HVAC, Roof, Electrical			
Bond Funds		47,080,000	-0-
004. Asset Preservation - Renovations			
Bond Funds		6,420,000	-0-

2. LEASE AUTHORIZATIONS

- 001.** Franklin County - Lease - Court of Appeals
- 002.** Jefferson County - Lease - Parking
- 003.** Madison County - Lease - Family Court

PART III

GENERAL PROVISIONS

1. Expenditure Authority: The Director of the Administrative Office of the Courts, with the approval of the Chief Justice, may expend any of the funds appropriated for court operations and administration in any lawful manner and for any legal purpose that the Chief Justice shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the Judicial Branch of government, except that funds appropriated in this Act shall not be expended for any purpose not specifically authorized by the General Assembly in this Act. The Court of Justice shall prepare a report of actual expenditures citing specific statutory or budgetary authorization for the reported expenditures and detailing expenditures for the Supreme Court, Court of Appeals, Circuit Court, Family Court,

1 District Court, Administrative Office of the Courts, Judicial Retirement, Local Facilities
2 Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by
3 the Circuit Court Clerks' offices. The Court of Justice shall provide this report on a
4 quarterly basis to the Interim Joint Committee on Appropriations and Revenue.

5 **2. Severability of Budget Provisions:** Appropriation items and sums in this Act
6 conform to KRS 48.311. If any section, any subsection, or any provision thereof shall be
7 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the
8 remaining sections, subsections, or provisions.

9 **3. Duplicate Appropriations:** Any appropriation item and sum in this Act and
10 in an appropriation provision in another Act of the 2024 Regular Session of the General
11 Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.

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

15 **5. Carry Forward of Funds:** Notwithstanding KRS 45.229, any unexpended
16 balance remaining at the close of the fiscal years ending June 30, 2024, June 30, 2025,
17 and June 30, 2026, shall not lapse and shall continue into the next fiscal year.

18 **6. Final Budget Document:** The Director of the Administrative Office of the
19 Courts shall prepare a final budget document reflecting the 2024-2026 biennial budget of
20 the Court of Justice. A copy shall be provided to the Legislative Research Commission,
21 and an informational copy shall be furnished to the Finance and Administration Cabinet,
22 within 60 days of the adjournment of the 2024 Regular Session of the General Assembly.

23 **7. Appropriations Revisions:** Notwithstanding KRS 48.630(10), no revisions
24 for unbudgeted Restricted Funds appropriations for expenditure shall be allotted or
25 expended that have not been appropriated in any enacted branch budget bill or without
26 the express authority of the General Assembly. Proposed revisions to unbudgeted Federal
27 Funds appropriations for expenditure in this Act shall be made and reported to the Interim

1 Joint Committee on Appropriations and Revenue. The Director of the Administrative
2 Office of the Courts shall notify, on a timely basis, the Legislative Research Commission
3 of the most current estimates of anticipated receipts for the affected fiscal year and an
4 accompanying statement which explains variations from the anticipated amount.

5 **8. Maximum Salary of Trial Commissioners:** Notwithstanding KRS
6 24A.100(3), no trial commissioner shall be compensated at a rate greater than \$6,000 per
7 year. No funding is provided for trial commissioners commissioned in counties with a
8 residing District Judge.

9 **9. Authorized Personnel Complement:** On July 1, 2024, the Administrative
10 Office of the Courts shall establish a record for each budget unit of authorized permanent
11 full-time and all other positions based upon the enacted Judicial Budget of the
12 Commonwealth and any adjustments authorized by provisions in this Act. The total
13 number of filled permanent full-time and all other positions shall not exceed the
14 authorized complements pursuant to this section. The Director of the Administrative
15 Office of the Courts may request an increase in the number of authorized positions to the
16 Chief Justice. Upon approval, the Administrative Office of the Courts may authorize the
17 employment of individuals in addition to the authorized complement. A report of the
18 actions authorized in this section shall be provided to the Interim Joint Committee on
19 Appropriations and Revenue on a monthly basis.

20 **10. Debt Restructuring:** Notwithstanding any other provision of the Kentucky
21 Revised Statutes, use allowance payments shall not be amended to reflect debt
22 restructuring transactions undertaken by a county during the 2024-2026 fiscal biennium.

23 **11. Court Facility Maintenance Fund Report:** For each of the periods ending
24 June 30, 2024, June 30, 2025, and June 30, 2026, the Director of the Administrative
25 Office of the Courts shall prepare a court facility maintenance report. This report shall
26 detail all court facility maintenance undertaken by the Court of Justice, to include any
27 cost-sharing with counties, as well as detail regarding future maintenance needs. This

1 report shall include a statewide expenditure summary followed by individual county
2 expenditures detailing the state's and county's respective share of expenditures. The
3 Administrative Office of the Courts shall provide this report to the Interim Joint
4 Committee on Appropriations and Revenue by September 15 of each fiscal year.

5 **12. Biennial Audits:** The Auditor of Public Accounts shall have the right to
6 review, upon request, the accountant's work papers.

7 **13. Budgetary Restructuring:** The Court of Justice shall prepare a report to be
8 submitted to the Interim Joint Committee on Appropriations and Revenue by September
9 1 of each fiscal year detailing the existing budget processes of the Court of Justice and
10 the actual expenditure of funds from the prior fiscal year and budgeted expenditures for
11 the current fiscal year by fund source and individual location or office, for the Supreme
12 Court, Court of Appeals, Circuit Court, Family Court, District Court, Administrative
13 Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use
14 Allowance Contingency Fund, and for services performed by the Circuit Court Clerks'
15 offices.

16 **14. Unexpended Use Allowance:** Notwithstanding any provision of the
17 Kentucky Revised Statutes, any General Fund moneys appropriated for project-related
18 expenses or use allowance payments in fiscal years 2024-2025 and 2025-2026 that are
19 not expended specifically for project-related expenses or use allowance payments in the
20 fiscal year in which appropriated shall be transferred to the Budget Reserve Trust Fund
21 Account (KRS 48.705).

22 **15. Salary Increase for Personnel:** Notwithstanding KRS 64.480(2), included in
23 the General Fund, Restricted Funds, and Federal Funds appropriations in Part I of this
24 Act are sufficient funds to support a four percent salary increase on the base salary and
25 wages of each eligible employee effective July 1, 2024 and a two percent increase on the
26 base salary or wages of each eligible employee effective July 1, 2025.

27 **16. Caseload Analysis:** Notwithstanding the provisions of KRS 21A.350, the

1 General Assembly requests the Supreme Court to direct the Administrative Office of the
2 Courts to perform a weighted caseload analysis of the Commonwealth's judicial circuits and
3 districts every two years beginning January 1, 2025. The Supreme Court shall submit the
4 caseload analysis to the Interim Joint Committee on Appropriations and Revenue by
5 November 1 of the year in which the analysis is performed. If the analysis indicates a need
6 to reduce, increase, or rearrange the judicial circuits or districts, to reallocate the
7 assignment of judges, or to modify the number of judges due to population or caseload
8 changes, an amended certification of necessity shall be submitted as required under KRS
9 21A.350.

10 **17. Application for Federal Funds:** Notwithstanding any statute to the contrary,
11 the Court of Justice shall not apply for any new federally funded programs for which
12 funding had not previously been awarded without authorization by the General
13 Assembly. The Court of Justice shall report to the Interim Joint Committee on
14 Appropriations and Revenue by September 1 of each fiscal year any new or anticipated
15 federally funded programs needing authorization by the General Assembly.

16 **PART IV**

17 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

18 The Judicial Branch shall participate in any Budget Reduction Plan or Surplus
19 Expenditure Plan in accordance with KRS Chapter 48, except that obligations essential to
20 the constitutional duties and use allowance of the Judicial Branch shall be exempt from
21 any Budget Reduction Plan. The level of participation in a Budget Reduction Plan shall
22 be at the discretion of the Chief Justice and shall not exceed the actual percentage of
23 revenue shortfall.