

1 AN ACT relating to appropriations providing financing and conditions for the
2 operations, maintenance, support, and functioning of the Transportation Cabinet of the
3 Commonwealth of Kentucky.

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

5 ➔Section 1. The Transportation Cabinet Budget is as follows:

6 **PART I**
7 **OPERATING BUDGET**

8 **(1) Funds Appropriations:** There is appropriated out of the General Fund, Road
9 Fund, Restricted Funds accounts, Federal Funds accounts, or Bond Funds accounts for the
10 fiscal year beginning July 1, 2021 and ending June 30, 2022, for the fiscal year beginning
11 July 1, 2022, and ending June 30, 2023, and for the fiscal year beginning July 1, 2023,
12 and ending June 30, 2024, the following discrete sums, or so much thereof as may be
13 necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710. Each
14 appropriation is made by source of respective fund or funds accounts. Appropriations for
15 the budget units of the Transportation Cabinet are subject to the provisions of Chapters
16 12, 42, 45, and 48 of the Kentucky Revised Statutes and compliance with the conditions
17 and procedures set forth in this Act.

18 **A. TRANSPORTATION CABINET**

19 **Budget Units**

20 **1. GENERAL ADMINISTRATION AND SUPPORT**

	2021-22	2022-23	2023-24
21 General Fund	-0-	500,000	31,044,000
22 Restricted Funds	3,200	2,720,900	2,729,800
23 Federal Funds	-0-	69,456,000	-0-
24 Road Fund	99,300	79,618,800	80,028,300
25 TOTAL	102,500	152,295,700	113,802,100

26 **(1) Biennial Highway Construction Plan:** The Secretary of the Transportation
27

1 Cabinet shall produce a single document that contains two separately identified sections,
2 as follows:

3 Section 1 shall detail the enacted fiscal biennium 2022-2024 Biennial Highway
4 Construction Program and Section 2 shall detail the 2022-2024 Highway Preconstruction
5 Program Plan for fiscal year 2022-2023 through fiscal year 2027-2028 as identified by the
6 2022 General Assembly. This document shall mirror in data type and format the fiscal
7 year 2022-2028 Recommended Six-Year Road Plan as submitted to the 2022 General
8 Assembly. The document shall be published and distributed to members of the General
9 Assembly and the public within 60 days of adjournment of the 2022 Regular Session of
10 the General Assembly.

11 (2) **Debt Service:** Included in the above Road Fund appropriation is \$343,800 in
12 fiscal year 2022-2023 and \$345,000 in fiscal year 2023-2024 for debt service on
13 previously authorized bonds.

14 (3) **Adopt-A-Highway Litter Program:** The Transportation Cabinet and the
15 Energy and Environment Cabinet may receive, accept, and solicit grants, contributions of
16 money, property, labor, or other things of value from any governmental agency,
17 individual, nonprofit organization, or private business to be used for the Adopt-a-
18 Highway Litter Program or other statewide litter programs. Any contribution of this
19 nature shall be deemed to be a contribution to a state agency for a public purpose and
20 shall be treated as Restricted Funds under KRS Chapter 45 and reported according to
21 KRS Chapter 48, and shall not be subject to restrictions set forth under KRS Chapter
22 11A.

23 (4) **Riverport Improvements:** Included in the above General Fund appropriation
24 is \$500,000 in each fiscal year to improve public riverports within Kentucky. The
25 Secretary of the Transportation Cabinet, in conjunction with the Kentucky Water
26 Transportation Advisory Board, shall determine how the funds are distributed.

27 (5) **Electric Vehicle Charging Program:** Included in the above Federal Funds

1 appropriation is \$69,456,000 in fiscal year 2022-2023 and General Fund appropriation is
 2 \$30,544,000 in fiscal year 2023-2024 for the Electric Vehicle Charging Program.
 3 Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward.

4 **2. AVIATION**

	2021-22	2022-23	2023-24
6 General Fund	-0-	32,010,000	26,010,000
7 Restricted Funds	6,300	22,644,800	19,084,300
8 Federal Funds	-0-	500,000	500,000
9 Road Fund	2,400	1,825,400	1,839,900
10 TOTAL	8,700	56,980,200	47,434,200

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

13 **(2) Debt Service:** Included in the above Road Fund appropriation is \$836,100 in
 14 fiscal year 2022-2023 and \$835,300 in fiscal year 2023-2024 for debt service on
 15 previously authorized bonds. Notwithstanding KRS 183.525, \$836,100 in fiscal year
 16 2022-2023 and \$835,300 in fiscal year 2023-2024 is transferred to the Road Fund from
 17 the Kentucky Aviation Economic Development Fund to support debt service on those
 18 bonds.

19 **3. DEBT SERVICE**

	2022-23	2023-24
21 Road Fund	134,952,100	136,855,100

22 **(1) Economic Development Road Lease-Rental Payments:** Included in the
 23 above Road Fund appropriation is \$134,705,100 in fiscal year 2022-2023 and
 24 \$136,605,100 in fiscal year 2023-2024 for Economic Development Road lease-rental
 25 payments relating to projects financed by Economic Development Road Revenue Bonds
 26 previously authorized by the General Assembly and issued by the Kentucky Turnpike
 27 Authority.

1 **(2) Debt Payment Acceleration Fund Account:** Notwithstanding KRS 175.505,
 2 no portion of the revenues to the state Road Fund provided by the adjustments in KRS
 3 138.220(2), excluding KRS 177.320 and 177.365, shall accrue to the Debt Payment
 4 Acceleration Fund account during the 2022-2024 fiscal biennium.

5 **4. HIGHWAYS**

	2021-22	2022-23	2023-24
6 General Fund	-0-	250,000,000	-0-
7 Restricted Funds	6,069,300	157,263,000	157,482,100
8 Federal Funds	174,732,800	1,223,636,700	1,242,287,900
9 Road Fund	58,109,900	1,024,883,300	986,104,300
10 TOTAL	238,912,000	2,655,783,000	2,385,874,300

11
 12 **(1) Debt Service:** Included in the above Federal Funds appropriation is
 13 \$77,900,400 in fiscal year 2022-2023 and \$70,356,800 in fiscal year 2023-2024 for debt
 14 service on Grant Anticipation Revenue Vehicle (GARVEE) Bonds previously
 15 appropriated by the General Assembly.

16 **(2) State Supported Construction Program:** Included in the above Road Fund
 17 appropriation is \$328,356,500 in fiscal year 2022-2023 and \$282,936,200 in fiscal year
 18 2023-2024 for the State Supported Construction Program.

19 **(3) Biennial Highway Construction Program:** Included in the State Supported
 20 Construction Program is \$173,356,500 in fiscal year 2022-2023 and \$127,936,200 in
 21 fiscal year 2023-2024 from the Road Fund for state construction projects in the 2022-
 22 2024 Biennial Highway Construction Program.

23 **(4) Highway Construction Contingency Account:** Included in the State
 24 Supported Construction Program is \$30,000,000 in fiscal year 2022-2023 and
 25 \$30,000,000 in fiscal year 2023-2024 for the Highway Construction Contingency
 26 Account. Notwithstanding KRS 224.43-505(2)(d), included in the Highway Construction
 27 Contingency Account is \$5,000,000 in each fiscal year for the Kentucky Pride Fund

1 created in KRS 224.43-505. Also included in the Highway Construction Contingency
2 Account for Railroads is \$1,600,000 in each fiscal year for public safety and service
3 improvements which shall not be expended unless matched with non-state funds equaling
4 at least 20 percent of the total amount for any individual project. Additionally, in each
5 fiscal year, up to \$350,000 of the \$1,600,000 appropriation may be used to research the
6 merits and responsibilities of the Kentucky Rail Office in the Kentucky Transportation
7 Cabinet and establish and administer the Kentucky Rail Office.

8 **(5) 2020-2022 Biennial Highway Construction Plan:** Projects in the enacted
9 2020-2022 Biennial Highway Construction Plan are authorized to continue their current
10 authorization into the 2022-2024 fiscal biennium. If projects in previously enacted
11 highway construction plans conflict with the 2022-2024 Biennial Highway Construction
12 Plan, the projects in the 2022-2024 Biennial Highway Construction Plan shall control.
13 The Secretary shall make every effort to maintain highway program delivery by adhering
14 to the timeframes included in the 2022-2024 Biennial Highway Construction Plan for
15 those projects.

16 **(6) Kentucky Transportation Center:** Notwithstanding KRS 177.320(4),
17 included in the above Road Fund appropriation is \$290,000 in each fiscal year for the
18 Kentucky Transportation Center.

19 **(7) State Match Provisions:** The Transportation Cabinet is authorized to utilize
20 state construction moneys or Toll Credits to match federal highway moneys.

21 **(8) Federal Aid Highway Funds:** If additional federal highway moneys are made
22 available to Kentucky by the United States Congress, the funds shall be used according to
23 the following priority: (a) Any demonstration-specific or project-specific moneys shall be
24 used on the project identified; and (b) All other funds shall be used to ensure that projects
25 in the fiscal biennium 2022-2024 Biennial Highway Construction Plan are funded. If
26 additional federal moneys remain after these priorities are met, the Transportation
27 Cabinet may select projects from the Highway Preconstruction Program.

1 **(9) Road Fund Cash Management:** The Secretary of the Transportation Cabinet
2 may continue the Cash Management Plan to address the policy of the General Assembly
3 to expeditiously initiate and complete projects in the fiscal biennium 2022-2024 Biennial
4 Highway Construction Plan. Notwithstanding KRS Chapter 45, specifically including
5 KRS 45.242 and 45.244, the Secretary may concurrently advance projects in the Biennial
6 Highway Construction Plan by employing management techniques that maximize the
7 Cabinet's ability to contract for and effectively administer the project work. Under the
8 approved Cash Management Plan, the Secretary shall continuously ensure that the
9 unspent project and Road Fund balances available to the Transportation Cabinet are
10 sufficient to meet expenditures consistent with appropriations provided. The
11 Transportation Cabinet shall provide quarterly reports to the Interim Joint Committee on
12 Appropriations and Revenue when the General Assembly is not in session and the
13 Standing Committees on Appropriations and Revenue when the General Assembly is in
14 session beginning July 1, 2022.

15 **(10) Carry Forward of Appropriation Balances:** Notwithstanding KRS 45.229,
16 unexpended Road Fund appropriations in the Highways budget unit for the Construction
17 program, the Maintenance program, and the Research program in fiscal year 2021-2022
18 and in fiscal year 2022-2023 shall not lapse but shall carry forward. Unexpended Federal
19 Funds and Restricted Funds appropriations in the Highways budget unit for the
20 Construction program, the Maintenance program, the Equipment Services program, and
21 the Research program in fiscal year 2021-2022 and in fiscal year 2022-2023, up to the
22 amount of ending cash balances and unissued Highway and GARVEE Bond Funds, to
23 include any interest income earned on those bond funds, and grant balances shall not
24 lapse but shall carry forward.

25 **(11) Federally Supported Construction Program:** Included in the above Federal
26 Funds appropriation is \$910,596,900 in fiscal year 2022-2023 and \$943,147,400 in fiscal
27 year 2023-2024 for federal construction projects.

1 **(12) Highways Maintenance:** Included in the above Highways Road Fund
2 appropriation is \$441,271,700 in fiscal year 2022-2023 and \$442,192,300 in fiscal year
3 2023-2024 for Highways Maintenance. Highways Maintenance positions may be filled to
4 the extent the above funding level and the Highways Maintenance continuing
5 appropriation are sufficient to support those positions.

6 **(13) Delayed Projects Status Report:** The Secretary of the Transportation
7 Cabinet shall report by September 30 of each fiscal year to the Interim Joint Committee
8 on Transportation any project included in the enacted Biennial Highway Construction
9 Plan which has been delayed beyond the fiscal year for which the project was authorized.
10 The report shall include:

- 11 (a) The county name;
- 12 (b) The Transportation Cabinet project identification number;
- 13 (c) The route where the project is located;
- 14 (d) The length of the project;
- 15 (e) A description of the project and the scope of improvement;
- 16 (f) The type of local, state, or federal funds to be used on the project;
- 17 (g) The stage of development for the design, right-of-way, utility, and
18 construction phases;
- 19 (h) The fiscal year in which each phase of the project was scheduled to
20 commence;
- 21 (i) The estimated cost for each phase of the project;
- 22 (j) A detailed description of the circumstances leading to the delay; and
- 23 (k) The same information required in paragraphs (a) to (i) of this subsection for
24 the project or projects advanced with funds initially scheduled for the delayed project.

25 **(14) Maintenance Reentry Employment Program:** Included in the above Road
26 Fund appropriation is \$250,000 in each fiscal year to support contracting with a 501(c)(3)
27 nonprofit organization that employs individuals on probation or parole supervision to

1 perform crew-based maintenance services. These individuals will be selected with input
2 from the Department of Corrections and shall provide assistance with litter abatement,
3 graffiti removal, and vegetation control.

4 **5. JUDGMENTS**

5 (1) **Payment of Judgments:** Road Fund resources required to pay judgments
6 shall be transferred from the State Construction Account at the time when actual
7 payments must be disbursed from the State Treasury.

8 **6. PUBLIC TRANSPORTATION**

	2021-22	2022-23	2023-24
9			
10	General Fund	-0-	13,999,000
11	Restricted Funds	2,700	711,300
12	Federal Funds	4,400	82,550,000
13	TOTAL	7,100	97,260,300

14 (1) **Toll Credits:** The Transportation Cabinet is authorized to maximize, to the
15 extent necessary, the use of Toll Credits to match Federal Funds for transit systems
16 capital grants.

17 (2) **Nonpublic School Transportation:** Included in the above General Fund
18 appropriation is \$3,500,000 in each fiscal year for nonpublic school transportation.

19 **7. REVENUE SHARING**

	2022-23	2023-24
20		
21	Road Fund	372,580,800

22 (1) **County Road Aid Program:** Included in the above Road Fund appropriation
23 is \$140,839,100 in fiscal year 2022-2023 and \$137,810,400 in fiscal year 2023-2024 for
24 the County Road Aid Program in accordance with KRS 177.320, 179.410, 179.415, and
25 179.440. Notwithstanding KRS 177.320(2) and (4), the above amount has been reduced
26 by \$38,000 in each year, which has been appropriated to the Highways budget unit for the
27 support of the Kentucky Transportation Center.

1 **(2) Rural Secondary Program:** Included in the above Road Fund appropriation
 2 is \$170,854,000 in fiscal year 2022-2023 and \$167,179,900 in fiscal year 2023-2024 for
 3 the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340,
 4 177.350, and 177.360. Notwithstanding KRS 177.320(1) and (4), the above amount has
 5 been reduced by \$46,000 in each year, which has been appropriated to the Highways
 6 budget unit for the support of the Kentucky Transportation Center.

7 **(3) Municipal Road Aid Program:** Included in the above Road Fund
 8 appropriation is \$59,260,100 in fiscal year 2022-2023 and \$57,985,800 in fiscal year
 9 2023-2024 for the Municipal Road Aid Program in accordance with KRS 177.365,
 10 177.366, and 177.369. Notwithstanding KRS 177.320(4) and 177.365(1), the above
 11 amount has been reduced by \$16,000 in each year, which has been appropriated to the
 12 Highways budget unit for the support of the Kentucky Transportation Center.

13 **(4) Energy Recovery Road Fund:** Included in the above Road Fund
 14 appropriation is \$141,800 in fiscal year 2022-2023 and \$141,900 in fiscal year 2023-2024
 15 for the Energy Recovery Road Fund in accordance with KRS 177.977, 177.9771,
 16 177.978, 177.979, and 177.981.

17 **(5) Continuation of the Flex Funds and the 80/20 Bridge Replacement**
 18 **Programs:** The Transportation Cabinet shall continue the Flex Funds and the 80/20
 19 Bridge Replacement Programs within the Rural Secondary Program.

20 **8. VEHICLE REGULATION**

	2021-22	2022-23	2023-24
22 Restricted Funds	7,900	16,821,800	16,951,700
23 Federal Funds	-0-	4,127,100	4,627,100
24 Road Fund	50,600	45,904,300	46,472,700
25 TOTAL	58,500	66,853,200	68,051,500

26 **(1) Debt Service:** Included in the above Road Fund appropriation is \$1,507,000
 27 in fiscal year 2022-2023 and \$1,507,000 in fiscal year 2023-2024 for debt service on

1 previously authorized bonds.

2 **TOTAL - TRANSPORTATION CABINET**

3		2021-22	2022-23	2023-24
4	General Fund	-0-	296,509,000	71,053,000
5	Restricted Funds	6,089,400	200,161,800	196,959,100
6	Federal Funds	174,737,200	1,380,269,800	1,327,917,100
7	Road Fund	58,262,200	1,659,764,700	1,615,918,000
8	TOTAL	239,088,800	3,536,705,300	3,211,847,200

9 **PART II**

10 **CAPITAL PROJECTS BUDGET**

11 **(1) Capital Construction Fund Appropriations and Reauthorizations:**

12 Moneys in the Capital Construction Fund are appropriated for the following capital
 13 projects subject to the conditions and procedures in this Act. Items listed without
 14 appropriated amounts are previously authorized for which no additional amount is
 15 required. These items are listed in order to continue their current authorization into the
 16 2022-2024 fiscal biennium. Unless otherwise specified, reauthorized projects shall
 17 conform to the original authorization enacted by the General Assembly.

18 **(2) Expiration of Existing Line-Item Capital Construction Projects:** All

19 appropriations to existing line-item capital construction projects expire on June 30, 2022,
 20 unless reauthorized in this Act with the following exceptions: (a) A construction contract
 21 for the project shall have been awarded by June 30, 2022; (b) Permanent financing or a
 22 short-term line of credit sufficient to cover the total authorized project scope shall have
 23 been obtained in the case of projects authorized for bonds, if the authorized project
 24 completes an initial draw on the line of credit within the biennium immediately
 25 subsequent to the original authorization; and (c) Grant or loan agreements, if applicable,
 26 shall have been finalized and properly signed by all necessary parties. Notwithstanding
 27 the criteria set forth in this subsection, the disposition of 2020-2022 fiscal biennium

1 nonstatutory appropriated maintenance pools funded from Capital Construction
2 Investment Income shall remain subject to the provisions of KRS 45.770(5)(c).

3 **(3) Bond Proceeds Investment Income:** Investment income earned from bond
4 proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage
5 rebates and penalties and excess bond proceeds upon the completion of a bond-financed
6 capital project shall be used to pay debt service according to the Internal Revenue Service
7 Code and accompanying regulations.

8 **(4) Appropriations for Projects Not Line-Itemized:** Inasmuch as the
9 identification of specific projects cannot be ascertained with absolute certainty at this
10 time, amounts are appropriated for specific purposes to projects which are not
11 individually identified in this Act in the following area: Aircraft Maintenance Pool and
12 Repair Loadometer and Rest Areas. Notwithstanding any statute to the contrary, projects
13 estimated to cost \$1,000,000 and over and equipment estimated to cost \$200,000 and
14 over shall be reported to the Capital Projects and Bond Oversight Committee.

15 **A. TRANSPORTATION CABINET**

16 Budget Units	2021-22	2022-23	2023-24
17 1. GENERAL ADMINISTRATION AND SUPPORT			
18 001. Maintenance Pool – 2022 - 2024			
19 Road Fund	-0-	2,950,000	2,950,000
20 002. Construct Whitley County Maintenance Facility and Salt Structure			
21 Road Fund	3,000,000	-0-	-0-
22 003. Construct Ballard County Maintenance Facility and Salt Storage Additional			
23 Reauthorization (\$2,284,000 Road Fund)			
24 Road Fund	-0-	229,000	-0-
25 004. Construct Clay County District Office Additional Reauthorization			
26 (\$7,445,000 Road Fund)			
27 Road Fund	-0-	5,500,000	-0-

1	005. AASHTOWare			
2	Road Fund	-0-	1,000,000	1,000,000
3	2. AVIATION			
4	001. Aircraft Maintenance Pool – 2022-2024			
5	General Fund	-0-	1,000,000	-0-
6	Investment Income	-0-	-0-	700,000
7	TOTAL	-0-	1,000,000	700,000
8	002. Capital City Airport – Construct 16 T-Hangars			
9	General Fund	-0-	2,000,000	-0-
10	003. Capital City Airport – Construct Airport Terminal			
11	General Fund	-0-	4,000,000	-0-
12	004. Purchase New Jet Fuel Truck			
13	General Fund	-0-	210,000	-0-
14	3. HIGHWAYS			
15	001. Repair Loadometer and Rest Areas – 2022-2024			
16	Road Fund	-0-	1,500,000	1,500,000
17	002. Road Maintenance Parks – 2022-2024			
18	Road Fund	-0-	1,250,000	1,250,000
19	003. Various Environmental Compliance – 2022-2024			
20	Road Fund	-0-	490,000	490,000
21	004. Jefferson County – Lease			

PART III

FUNDS TRANSFER

24 The General Assembly finds that the financial condition of state government
25 requires the following action.

26 Notwithstanding the statutes or requirements of the Restricted Funds enumerated
27 below, there is transferred to the General Fund the following amounts in fiscal year 2022-

1 2023 and fiscal year 2023-2024:

2 **2022-23** **2023-24**

3 **A. TRANSPORTATION CABINET**

4 **1. Aviation**

5 Agency Revenue Fund 421,100 453,000

6 (KRS 183.525(4) and (5))

7 **TOTAL - FUNDS TRANSFER** **421,100 453,000**

8 **PART IV**

9 **TRANSPORTATION CABINET BUDGET SUMMARY**

10 **OPERATING BUDGET**

11 **2021-22** **2022-23** **2023-24**

12 General Fund -0- 296,509,000 71,053,000

13 Restricted Funds 6,089,400 200,161,800 196,959,100

14 Federal Funds 174,737,200 1,380,269,800 1,327,917,100

15 Road Fund 58,262,200 1,659,764,700 1,615,918,000

16 **SUBTOTAL** **239,088,800 3,536,705,300 3,211,847,200**

17 **CAPITAL PROJECTS BUDGET**

18 **2021-22** **2022-23** **2023-24**

19 General Fund -0- 7,210,000 -0-

20 Road Fund 3,000,000 12,919,000 7,190,000

21 Investment Income -0- -0- 700,000

22 **SUBTOTAL** **3,000,000 20,129,000 7,890,000**

23 **TOTAL - TRANSPORTATION CABINET BUDGET**

24 **2021-22** **2022-23** **2023-24**

25 General Fund -0- 303,719,000 71,053,000

26 Restricted Funds 6,089,400 200,161,800 196,959,100

27 Federal Funds 174,737,200 1,380,269,800 1,327,917,100

1	Road Fund	61,262,200	1,672,683,700	1,623,108,000
2	Investment Income	-0-	-0-	700,000
3	TOTAL FUNDS	242,088,800	3,556,834,300	3,219,737,200