

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

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

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

PART I

OPERATING BUDGET

(1) Funds Appropriations: There is appropriated out of the General Fund, Restricted Funds accounts, or Federal Funds accounts for the fiscal year beginning July 1, 2020, and ending June 30, 2021, and for the fiscal year beginning July 1, 2021, and ending June 30, 2022, the following sums to be used for the purposes of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Court, Family Court, District Court, the Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the Circuit Court Clerks' offices, including both Circuit and District Court support.

A. JUDICIAL BRANCH

Budget Units

1. Court of Justice

a. Court Operations and Administration

	2020-21	2021-22
General Fund	296,848,200	306,669,400
Restricted Funds	54,743,600	56,000,400
Federal Funds	3,190,000	2,807,300
TOTAL	354,781,800	365,477,100

(1) Defined Calculations: Included in the above General Fund appropriation is

\$9,111,000 in fiscal year 2020-2021 and \$11,255,800 in fiscal year 2021-2022 to provide funds for the increase in the employer cost of health and life insurance, the employer cost of retirement, and one percent annual increments in each fiscal year for all non-elected and elected personnel.

(2) Vacant Positions: Included in the above General Fund appropriation is \$10,599,500 in fiscal year 2020-2021 and \$10,723,500 in fiscal year 2021-2022 to fund current position levels.

(3) Compensation Plan: Included in the above General Fund appropriation is \$7,428,500 in fiscal year 2020-2021 and \$14,980,900 in fiscal year 2021-2022 to provide funds for a 2.5 percent increase in each year of the biennium for all non-elected and elected personnel.

(4) Funds Carry Forward: Notwithstanding KRS 45.229, any unexpended balance remaining at the close of fiscal year 2019-2020 shall not lapse and shall continue into fiscal year 2020-2021, and any unexpended balance remaining at the close of fiscal year 2020-2021 shall not lapse and shall continue into fiscal year 2021-2022.

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

b. Local Facilities Fund

	2020-21	2021-22
General Fund	114,443,400	117,124,200

(1) Local Facility Projects: Included in the above General Fund appropriation is \$2,345,700 in fiscal year 2020-2021 and \$5,026,500 in fiscal year 2021-2022 to support the use allowance, operating, and non-recurring furniture and equipment costs for two

1 judicial center projects authorized by the 2018 General Assembly.

2 **(2) Maintenance Pool:** Included in the above General Fund appropriation is
 3 \$3,000,000 in fiscal year 2020-2021 and \$3,000,000 in fiscal year 2021-2022 to create a
 4 maintenance pool for planned and unanticipated non-capital projects for local courthouses
 5 and judicial centers.

6 **(3) Local Court Facility Compensation:** Included in the above General Fund
 7 appropriation are moneys to compensate local units of government for providing court
 8 space and for costs incurred in the development of local court facilities as defined in KRS
 9 Chapter 26A and provided in Part II of this Act, and to perform all other acts required or
 10 authorized by KRS Chapter 26A.

11 **(4) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended
 12 balance remaining at the close of fiscal year 2019-2020 shall not lapse and shall continue
 13 into fiscal year 2020-2021, and any unexpended balance remaining at the close of fiscal
 14 year 2020-2021 shall not lapse and shall be continued into fiscal year 2021-2022.

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

16		2020-21	2021-22
17	General Fund	-0-	-0-

18 **(1) Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended
 19 balance remaining at the close of fiscal year 2019-2020 shall not lapse and shall continue
 20 into fiscal year 2020-2021, and any unexpended balance remaining at the close of fiscal
 21 year 2020-2021 shall not lapse and shall continue into fiscal year 2021-2022 to provide
 22 for cost overruns in authorized court facilities projects not to exceed 15 percent of the use
 23 allowance in accordance with KRS Chapter 26A.

24 **TOTAL - COURT OF JUSTICE**

25		2020-21	2021-22
26	General Fund	411,291,600	423,793,600
27	Restricted Funds	54,743,600	56,000,400

1	Federal Funds	3,190,000	2,807,300
2	TOTAL	469,225,200	482,601,300

3 2. Judicial Retirement System

4		2020-21	2021-22
5	General Fund	7,555,200	8,017,100

6 **(1) Judicial Retirement Benefits:** General Fund amounts are included to provide
7 actuarial-assessed judicial retirement benefits pursuant to KRS 21.345 to 21.580.

8 **(2) Administrative Expenses:** Pursuant to KRS 21.540, administrative expenses
9 shall be paid out of an administrative account which shall be funded by transfers of the
10 necessary moneys, in appropriate ratio, from the funds provided for in KRS 21.550 and
11 21.560.

12 TOTAL - JUDICIAL BRANCH

13		2020-21	2021-22
14	General Fund	418,846,800	431,810,700
15	Restricted Funds	54,743,600	56,000,400
16	Federal Funds	3,190,000	2,807,300
17	TOTAL	476,780,400	490,618,400

PART II

CAPITAL PROJECTS BUDGET

A. JUDICIAL BRANCH

21 Budget Units

22 **1. Local Facilities Fund**

23	Project	Project Scope
24	001. Butler	11,860,000
25	002. Crittenden	11,965,000
26	003. Jessamine	28,440,000
27	004. Clinton	17,435,000

1	005. Owsley	11,860,000
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(1) **Deferred Funding:** General Fund support to provide operating costs totaling \$1,189,700, annualized use allowance payments totaling \$7,760,200, and nonrecurring furniture and equipment costs of \$2,575,000 for Butler, Crittenden, Jessamine, Clinton, and Owsley Counties is deferred to the 2022-2024 fiscal biennium.

6 2. Lease Authorizations

7 **001. Franklin County - Lease - Court of Appeals**

8 **002. Jefferson County - Lease - Parking**

9 **(1) Local Facilities Projects - Authorized:** Nothing in this Act shall reduce
10 funding of court facility projects authorized by the General Assembly.

(2) Local Facilities Use Allowance Contingency Fund: For any court facility project which is occupied and use allowance funding is insufficient, the use allowance payments shall be approved from the Local Facilities Use Allowance Contingency Fund. If funds are not available in the Local Facilities Use Allowance Contingency Fund, the use allowance payments shall be deemed a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

18 **PART III**

19 **GENERAL PROVISIONS**

20 **1. Expenditure Authority:** The Director of the Administrative Office of the
21 Courts, with the approval of the Chief Justice, may expend any of the funds appropriated
22 for court operations and administration in any lawful manner and for any legal purpose
23 that the Chief Justice shall authorize or direct. No executive agency of state government
24 shall have the power to restrict or limit the expenditure of funds appropriated to the
25 Judicial Branch of government.

26 **2. Severability of Budget Provisions:** Appropriation items and sums in this Act
27 conform to KRS 48.311. If any section, any subsection, or any provision thereof shall be

1 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the
2 remaining sections, subsections, or provisions.

3 **3. Duplicate Appropriations:** Any appropriation item and sum in this Act and
4 in an appropriation provision in another Act of the 2020 Regular Session of the General
5 Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.

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

9 **5. Carry Forward of Restricted and Federal Funds:** Notwithstanding KRS
10 45.229, any unexpended balance remaining in the Court's Restricted Funds accounts or
11 Federal Funds accounts at the close of the fiscal years ending June 30, 2020, and June 30,
12 2021, shall not lapse and shall continue into the next fiscal year.

13 **6. Final Budget Document:** The Chief Justice shall cause the Director of the
14 Administrative Office of the Courts to prepare a final budget document reflecting the
15 2020-2022 biennial budget of the Court of Justice. A copy shall be provided to the
16 Legislative Research Commission, and an informational copy shall be furnished to the
17 Finance and Administration Cabinet, within 60 days of the adjournment of the 2020
18 Regular Session of the General Assembly.

19 **7. Transferability of Funds:** The Chief Justice of the Commonwealth of
20 Kentucky shall have the ability to transfer funds to other programs and budget units
21 within the Judicial Branch. Any funds transferred to other budget units within the Judicial
22 Branch may be used to support any activity, program, or operation of the budget unit or
23 program receiving the respective funds.

24 **8. Appropriations Revisions:** Proposed revisions to Restricted Funds and
25 Federal Funds appropriations in this Act shall be made and reported pursuant to KRS
26 48.630(10). The Director of the Administrative Office of the Courts shall notify on a
27 timely basis the Legislative Research Commission of the most current estimates of

1 anticipated receipts for the affected fiscal year and an accompanying statement which
2 explains variations from the anticipated amount.

3 **9. Issuance of Paychecks to Employees:** Notwithstanding 101 KAR 2:095,
4 Section 10, the state payroll that would normally be scheduled to be paid on June 30,
5 2020, June 30, 2021, and June 30, 2022, shall not be issued prior to July 1, 2020, July 1,
6 2021, and July 1, 2022, respectively.

7 **PART IV**

8 **BUDGET REDUCTION OR SURPLUS EXPENDITURE PLAN**

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