

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
10 the fiscal year beginning July 1, 2023, and ending June 30, 2024, for the fiscal year
11 beginning July 1, 2024, and ending June 30, 2025, and for the fiscal year beginning July
12 1, 2025, and ending June 30, 2026, the following discrete sums, or so much thereof as
13 may be necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710.
14 Each appropriation is made by source of respective fund or funds accounts.
15 Appropriations for the budget units of the Transportation Cabinet are subject to the
16 provisions of Chapters 12, 42, 45, and 48 of the Kentucky Revised Statutes and
17 compliance with the conditions and procedures set forth in this Act.

18 **A. TRANSPORTATION CABINET**

19 **Budget Units**

20 **1. GENERAL ADMINISTRATION AND SUPPORT**

	2024-25	2025-26
21		
22 General Fund	500,000	500,000
23 Restricted Funds	2,754,800	2,771,500
24 Road Fund	83,526,100	84,407,400
25 TOTAL	86,780,900	87,678,900

26 **(1) Biennial Highway Construction Plan:** The Secretary of the Transportation
27 Cabinet shall produce a single document that shall detail the enacted fiscal biennium

1 2024-2026 Biennial Highway Construction Program, the 2026-2030 Highway
2 Preconstruction Program, and the County Priority Projects Program.

3 **(2) Debt Service:** Included in the above Road Fund appropriation is \$340,900 in
4 fiscal year 2024-2025 and \$341,500 in fiscal year 2025-2026 for debt service on
5 previously authorized bonds.

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

15 **(4) Budget Implementation:** The General Assembly directs that the
16 Transportation Cabinet shall carry out all appropriations and budgetary language
17 provisions as contained in the Transportation Cabinet Budget. The Legislative Research
18 Commission shall review quarterly expenditure data to determine if an agency is out of
19 compliance with this directive. If the Legislative Research Commission suspects that any
20 entity has acted in non-conformity with this subsection, the Legislative Research
21 Commission may order an audit or review at the agency's expense. Such audit findings,
22 reviews, and reports shall be subject to the Kentucky Open Records Law. The Secretary
23 of the Transportation Cabinet shall provide a comprehensive semiannual report,
24 beginning February 1, 2025, to the standing Appropriations and Revenue Committees of
25 the General Assembly or the Interim Joint Committee on Appropriations and Revenue, as
26 appropriate, detailing expenditures related to the appropriations contained within the
27 budgetary language provisions for each budget unit within the Transportation Cabinet. If

1 an agency does not expend the full General Fund appropriation contained within a
2 budgetary language provision, the unexpended funds shall be transferred to the Budget
3 Reserve Trust Fund Account (KRS 48.705).

4 (5) **Riverport Improvements:** Included in the above General Fund appropriation
5 is \$500,000 in each fiscal year to improve public riverports within Kentucky. The
6 Secretary of the Transportation Cabinet, in conjunction with the Kentucky Water
7 Transportation Advisory Board, shall determine how the funds are distributed.
8 Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose
9 shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705). Mandated reports
10 shall be submitted pursuant to Part I, A., 1., (4) of this Act.

11 **2. AVIATION**

	2024-25	2025-26
13 General Fund	1,150,000	1,150,000
14 Restricted Funds	18,915,000	18,991,100
15 Federal Funds	500,800	500,800
16 Road Fund	838,500	837,500
17 TOTAL	21,404,300	21,479,400

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

20 (2) **Debt Service:** Included in the above Road Fund appropriation is \$838,500 in
21 fiscal year 2024-2025 and \$837,500 in fiscal year 2025-2026 for debt service on
22 previously authorized bonds. Notwithstanding KRS 183.525, \$838,500 in fiscal year
23 2024-2025 and \$837,500 in fiscal year 2025-2026 is transferred to the Road Fund from
24 the Kentucky Aviation Economic Development Fund to support debt service on those
25 bonds.

26 (3) **Road Fund and Restricted Funds Replacement:** Included in the above
27 General Fund appropriation is \$1,150,000 in each fiscal year to support the Capital City

1 Airport Division. Notwithstanding KRS 45.229, any portion of General Fund not
2 expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS
3 48.705). Mandated reports shall be submitted pursuant to Part I, A., 1., (4) of this Act.

4 **3. DEBT SERVICE**

	2024-25	2025-26
6 Road Fund	137,206,400	118,683,100

7 **(1) Economic Development Road Lease-Rental Payments:** Included in the
8 above Road Fund appropriation is \$136,956,400 in fiscal year 2024-2025 and
9 \$118,433,100 in fiscal year 2025-2026 for Economic Development Road lease-rental
10 payments relating to projects financed by Economic Development Road Revenue Bonds
11 previously authorized by the General Assembly and issued by the Kentucky Turnpike
12 Authority.

13 **(2) Debt Payment Acceleration Fund Account:** Notwithstanding KRS 175.505,
14 no portion of the revenues to the state Road Fund provided by the adjustments in KRS
15 138.220(2), excluding KRS 177.320 and 177.365, shall accrue to the Debt Payment
16 Acceleration Fund account during the 2024-2026 fiscal biennium.

17 **4. HIGHWAYS**

	2024-25	2025-26
19 Restricted Funds	188,462,900	342,164,000
20 Federal Funds	1,256,222,200	1,272,307,100
21 Road Fund	1,244,441,900	1,150,167,400
22 TOTAL	2,689,127,000	2,764,638,500

23 **(1) Debt Service:** Included in the above Federal Funds appropriation is
24 \$69,981,400 in fiscal year 2024-2025 and \$69,898,400 in fiscal year 2025-2026 for debt
25 service on already issued Grant Anticipation Revenue Vehicle (GARVEE) Bonds
26 previously appropriated by the General Assembly.

27 **(2) State Supported Construction Program:** Included in the above Road Fund

1 appropriation is \$717,555,100 in fiscal year 2024-2025 and \$617,297,500 in fiscal year
2 2025-2026 for the State Supported Construction Program.

3 **(3) Biennial Highway Construction Program:** Included in the State Supported
4 Construction Program is \$535,665,100 in fiscal year 2024-2025 and \$435,407,500 in
5 fiscal year 2025-2026 from the Road Fund for state construction projects and the state
6 match for federal projects in the 2024-2026 Biennial Highway Construction Program.

7 **(4) Highway Construction Contingency Account:** Included in the State
8 Supported Construction Program is \$11,890,000 in each fiscal year for the Highway
9 Construction Contingency Account. Notwithstanding KRS 45.247(2), (4), (5), (6), (7),
10 (8), the Secretary shall only expend Highway Construction Contingency moneys for
11 projects of an emergency nature or for projects that relieve a hazardous condition.
12 Notwithstanding KRS 224.43-505(2), included in the Highway Construction Contingency
13 Account is \$5,000,000 in each fiscal year to support the Kentucky Pride Fund created in
14 KRS 224.43-505. Notwithstanding KRS 45.247 and 177.320(4), included in the Highway
15 Construction Contingency Account is \$290,000 in each fiscal year for the Kentucky
16 Transportation Center. Also included in the Highway Construction Contingency Account
17 for Railroads is \$1,600,000 in each fiscal year for public safety and service improvements
18 which shall not be expended unless matched with nonstate funds equaling at least 20
19 percent of the total amount for any individual project. Additionally, in each fiscal year,
20 up to \$350,000 of the \$1,600,000 appropriation may be used to establish and administer
21 the Kentucky Rail Office in the Kentucky Transportation Cabinet.

22 **(5) 2022-2024 Biennial Highway Construction Plan:** Projects in the enacted
23 2022-2024 Biennial Highway Construction Plan are authorized to continue their current
24 authorization into the 2024-2026 fiscal biennium. If projects in previously enacted
25 highway construction plans conflict with the 2024-2026 Biennial Highway Construction
26 Plan, the projects in the 2024-2026 Biennial Highway Construction Plan shall control.
27 The Secretary shall make every effort to maintain highway program delivery by adhering

1 to the timeframes included in the 2024-2026 Biennial Highway Construction Plan for
2 those projects. It is the intent of the General Assembly that older projects will be removed
3 from the Biennial Highway Construction Plan in future budget bills.

4 **(6) State Match Provisions:** The Transportation Cabinet is authorized to utilize
5 Road Fund or General Fund state construction moneys or Toll Credits to match federal
6 highway moneys.

7 **(7) Federal Aid Highway Funds:** If additional federal highway moneys are
8 made available to Kentucky by the United States Congress, the funds shall be used
9 according to the following priority: (a) Any demonstration-specific or project-specific
10 moneys shall be used on the project identified; and (b) All other funds shall be used to
11 ensure that projects in the fiscal biennium 2024-2026 Biennial Highway Construction
12 Plan are funded. If additional federal moneys remain after these priorities are met, the
13 Transportation Cabinet may select projects from the Highway Preconstruction Program.

14 **(8) Road Fund Cash Management:** The Secretary of the Transportation Cabinet
15 may continue the Cash Management Plan to address the policy of the General Assembly
16 to expeditiously initiate and complete projects in the fiscal biennium 2024-2026 Biennial
17 Highway Construction Plan. Notwithstanding KRS Chapter 45, specifically including
18 KRS 45.242 and 45.244, the Secretary may concurrently advance projects in the Biennial
19 Highway Construction Plan by employing management techniques that maximize the
20 Cabinet's ability to contract for and effectively administer the project work. Under the
21 approved Cash Management Plan, the Secretary shall continuously ensure that the
22 unspent project and Road Fund balances available to the Transportation Cabinet are
23 sufficient to meet expenditures consistent with appropriations provided. The
24 Transportation Cabinet shall provide quarterly reports to the Interim Joint Committee on
25 Appropriations and Revenue when the General Assembly is not in session and the
26 Standing Committees on Appropriations and Revenue when the General Assembly is in
27 session beginning July 1, 2024.

1 **(9) Carry Forward of Appropriation Balances:** Notwithstanding KRS 45.229,
2 unexpended Road Fund and General Fund appropriations in the Highways budget unit for
3 the Construction program, the Maintenance program, and the Research program in fiscal
4 year 2023-2024 and in fiscal year 2024-2025 shall not lapse but shall carry forward.
5 Unexpended Federal Funds and Restricted Funds appropriations in the Highways budget
6 unit for the Construction program, the Maintenance program, the Equipment Services
7 program, and the Research program in fiscal year 2023-2024 and in fiscal year 2024-
8 2025, up to the amount of ending cash balances and unissued Highway and GARVEE
9 Bond Funds, to include any interest income earned on those bond funds, and grant
10 balances shall not lapse but shall carry forward.

11 **(10) Federally Supported Construction Program:** Included in the above Federal
12 Funds appropriation is \$1,149,071,500 in fiscal year 2024-2025 and \$1,149,385,400 in
13 fiscal year 2025-2026 for federal construction projects.

14 **(11) Highways Maintenance:** Included in the above Road Fund appropriation is
15 \$445,929,400 in fiscal year 2024-2025 and \$450,066,700 in fiscal year 2025-2026 for
16 Highways Maintenance. Of this amount, \$10,000,000 in each fiscal year is provided to
17 support inflationary increases; \$1,200,000 in each fiscal year is provided to increase
18 mowing to three full cycles for interstates, parkways, and rural routes; and \$750,000 in
19 each fiscal year is provided to support sign rehabilitation and panel sign maintenance.

20 **(12) Delayed Projects Status Report:** The Secretary of the Transportation
21 Cabinet shall report by September 30 of each fiscal year to the Interim Joint Committee
22 on Transportation any project included in the enacted Biennial Highway Construction
23 Plan which has been delayed beyond the fiscal year for which the project was authorized.
24 The report shall include:

- 25 (a) The county name;
- 26 (b) The Transportation Cabinet project identification number;
- 27 (c) The route where the project is located;

- 1 (d) The length of the project;
- 2 (e) A description of the project and the scope of improvement;
- 3 (f) The type of local, state, or federal funds to be used on the project;
- 4 (g) The stage of development for the design, right-of-way, utility, and
5 construction phases;
- 6 (h) The fiscal year in which each phase of the project was scheduled to
7 commence;
- 8 (i) The estimated cost for each phase of the project;
- 9 (j) A detailed description of the circumstances leading to the delay; and
- 10 (k) The same information required in paragraphs (a) to (i) of this subsection for
11 the project or projects advanced with funds initially scheduled for the delayed project.

12 **(13) Maintenance Reentry Employment Program:** Included in the above Road
13 Fund appropriation is \$1,000,000 in each fiscal year to support contracting with a
14 501(c)(3) nonprofit organization that employs individuals on probation or parole
15 supervision to perform crew-based maintenance services. These individuals shall be
16 selected with input from the Department of Corrections and shall provide assistance with
17 litter abatement, graffiti removal, and vegetation control in highway districts three, five,
18 six, and seven.

19 **(14) Federal Highways Match:** Notwithstanding KRS 45.229, the General Fund
20 appropriation balance for Federal Highways Match for fiscal years 2023-2024 and 2024-
21 2025 shall not lapse and shall carry forward.

22 **(15) Grant Anticipation Revenue Vehicle (GARVEE) Bonds:** Included in the
23 above Restricted Funds appropriation is \$150,000,000 in fiscal year 2025-2026 for
24 GARVEE Bond Funds to be issued for the I-69 Ohio River Crossing Project and the
25 completion of the Mountain Parkway Widening Project.

26 **(16) New Grant Anticipation Revenue Vehicle (GARVEE) Debt Service:**
27 Included in the above appropriations is \$7,584,400 in Federal Funds and \$1,896,100 in

1 Road Fund in fiscal year 2025-2026 to support GARVEE Bonds debt service payments
2 relating to the I-69 Ohio River Crossing Project and the completion of the Mountain
3 Parkway Widening Project.

4 **(17) County Priority Projects Program:** Included in the State Supported
5 Construction Program is \$20,000,000 in each fiscal year from the Road Fund to establish
6 the County Priority Projects Program to assist with county and city roads. This funding
7 will be contingent on the Transportation Cabinet's submission of projects and approval
8 by the General Assembly. The submission of projects shall include a detailed listing of
9 qualified projects that were ranked either an 8, 9, or 10 to be completed using funds from
10 the Highway Construction Contingency Account by November 1 of each fiscal year.
11 Projects received after December 1 of each fiscal year may not be included in the
12 following year's County Priority Projects Program.

13 The County Priority Projects for fiscal year 2024-2025 are the projects approved
14 and itemized in 2024 Regular Session HJR 92. Notwithstanding KRS 48.710, any
15 unexpended funds in fiscal year 2024-2025 shall not lapse and shall carry forward to
16 fiscal year 2025-2026.

17 The Transportation Cabinet shall provide an additional report to the Legislative
18 Research Commission and the Interim Joint Committee on Appropriations and Revenue
19 detailing any project submitted to be completed using funds from the Highway
20 Construction Contingency Account within 30 days after it has been ranked and shall
21 detail the work requested, the county that requested the project, and the date the request
22 was received.

23 When a County Priority Project is completed, the Transportation Cabinet shall
24 notify the Legislative Research Commission and the Interim Joint Committee on
25 Appropriations and Revenue in writing.

26 **(18) County and City Bridge Improvement Program:** Included in the State
27 Supported Construction Program is \$25,000,000 in each fiscal year in Road Fund to

1 establish the County and City Bridge Improvement Program. Notwithstanding KRS
2 48.710, these funds shall not lapse and shall carry forward. The Transportation Cabinet
3 shall prepare a report for the County and City Bridge Improvement Program. This report
4 shall include a list of bridge repairs and replacements that have been completed, the date
5 in which they were completed, and a status report for all other ongoing projects. This
6 report shall be submitted to the Interim Joint Committee on Appropriations and Revenue
7 by November 1 of each year.

8 **(19) Grant Anticipation Revenue Vehicle (GARVEE) Bonds Reauthorization:**
9 The \$150,000,000 GARVEE Bond Funds to be issued for the Brent Spence Bridge
10 Project pursuant to 2022 Ky. Acts ch. 214, Part I, A., 4., (15) are reauthorized.

11 **(20) Reauthorized Grant Anticipation Revenue Vehicle (GARVEE) Bonds**
12 **Debt Service:** Included in the above appropriations is \$7,584,400 in Federal Funds and
13 \$1,896,100 in Road Fund in fiscal year 2024-2025 and \$15,168,800 in Federal Funds and
14 \$3,792,200 in Road Fund in fiscal year 2025-2026 to support GARVEE Bonds debt
15 service payments relating to the Brent Spence Bridge Project.

16 **(21) Federal Emergency Management Reimbursements:** Included in the above
17 Restricted Funds appropriation is \$14,194,300 in each fiscal year to support federal
18 emergency reimbursements for cleanup and repair of damage to roadways caused by
19 declared disasters.

20 **(22) Equipment Replacement for Federal Compliance Standards:** Included in
21 the above Road Fund appropriation is \$2,674,500 in fiscal year 2024-2025 to support
22 equipment replacement within the Division of Materials.

23 **(23) Division of Equipment Operations:** Included in the above Restricted Funds
24 appropriation is \$12,400,000 in fiscal year 2024-2025 and \$15,400,000 in fiscal year
25 2025-2026 to maintain current operations and support the Modified Replacement
26 Schedule within the Division of Equipment.

27 **(24) Strategic Highway Investment Formula for Tomorrow Scores and**

1 **Reporting:** The Transportation Cabinet shall provide Strategic Highway Investment
2 Formula for Tomorrow (SHIFT) scores for each district and statewide project to the
3 Interim Joint Committee on Appropriations and Revenue by October 1 of each year.

4 **(25) Recycled Asphalt Products:** The Transportation Cabinet shall not restrict the
5 use of recycled asphalt products for any asphalt mixture used on a project, provided that
6 the asphalt mixture meets the established performance criteria. The Transportation
7 Cabinet shall report on the percentage of recycled asphalt products used in state projects
8 to the Interim Joint Committee on Appropriations and Revenue on or before November 1,
9 2025. It is the intent of the General Assembly that by 2030, the Transportation Cabinet
10 shall use an asphalt mixture that utilizes 30 percent or greater recycled asphalt products.

11 **(26) Microsurfacing:** It is the intent of the General Assembly that the
12 Transportation Cabinet shall no longer use microsurfacing by the year 2030.

13 **(27) Funding for Mega Projects:** It is the intent of the General Assembly that no
14 funds for any projects involving the Mountain Parkway, the I-69 Ohio River Crossing, or
15 the Hal Rogers Parkway shall be expended unless those projects first acquire a federal
16 grant.

17 **5. JUDGMENTS**

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

21 **6. PUBLIC TRANSPORTATION**

	2024-25	2025-26
22		
23	15,575,800	15,575,800
24	706,400	721,400
25	80,638,600	80,679,800
26	96,920,800	96,977,000

27 **(1) Nonpublic School Transportation:** Included in the above General Fund

1 appropriation is \$5,000,000 in each fiscal year for nonpublic school transportation.
 2 Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose
 3 shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705). Mandated reports
 4 shall be submitted pursuant to Part I, A., 1., (4) of this Act.

5 **7. REVENUE SHARING**

	2024-25	2025-26
6		
7	Road Fund	389,335,000 416,771,700

8 **(1) County Road Aid Program:** Included in the above Road Fund appropriation
 9 is \$146,874,400 in fiscal year 2024-2025 and \$157,268,800 in fiscal year 2025-2026 for
 10 the County Road Aid Program in accordance with KRS 177.320, 179.410, 179.415, and
 11 179.440.

12 **(2) Rural Secondary Program:** Included in the above Road Fund appropriation
 13 is \$178,175,600 in fiscal year 2024-2025 and \$190,785,200 in fiscal year 2025-2026 for
 14 the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340,
 15 177.350, and 177.360.

16 **(3) Municipal Road Aid Program:** Included in the above Road Fund
 17 appropriation is \$61,799,600 in fiscal year 2024-2025 and \$66,173,200 in fiscal year
 18 2025-2026 for the Municipal Road Aid Program in accordance with KRS 177.365,
 19 177.366, and 177.369.

20 **(4) Energy Recovery Road Fund:** Included in the above Road Fund
 21 appropriation is \$276,000 in fiscal year 2024-2025 and \$287,000 in fiscal year 2025-2026
 22 for the Energy Recovery Road Fund in accordance with KRS 177.977, 177.9771,
 23 177.978, 177.979, and 177.981.

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

27 **(6) County Judge/Executive Expense Allowance:** Notwithstanding KRS

1 67.220, County Judges/Executive not serving in a consolidated local government that
 2 served as a County Judge/Executive prior to November 2022 shall receive an annual
 3 expense allowance of \$3,600. County Judges/Executive newly elected in November 2022
 4 or thereafter and those serving in counties with a consolidated local government shall not
 5 receive an annual expense allowance.

6 **8. VEHICLE REGULATION**

	2024-25	2025-26
8 Restricted Funds	19,854,200	20,444,800
9 Federal Funds	4,627,100	4,627,100
10 Road Fund	54,657,000	55,522,100
11 TOTAL	79,138,300	80,594,000

12 (1) **Debt Service:** Included in the above Road Fund appropriation is \$1,507,000
 13 in each fiscal year for debt service on previously authorized bonds.

14 (2) **Regional Driver Licensing Offices Level of Service Report:** The
 15 Department of Vehicle Regulation shall develop a level of service report that will provide
 16 data regarding the wait times at each regional driver licensing office and an overall
 17 statewide summary. This report shall include data of actual wait times from customers'
 18 arrivals to the time they reach the transaction window, broken down by customers with
 19 appointments and walk-ins for each regional driver licensing office. This report shall also
 20 include the total number of customer transactions by type of service provided for each
 21 regional driver licensing office and recommendations to improve business processes to
 22 reduce customer wait times. This report shall be submitted to the Interim Joint Committee
 23 on Transportation by September 1, 2025.

24 (3) **Motor Vehicle Licensing Postage Cost:** Included in the above Road Fund
 25 appropriation is \$74,500 in each fiscal year to support increased postage costs.

26 (4) **Motor Vehicle Licensing Modernization:** Included in the above Restricted
 27 Funds appropriation is \$600,000 in each fiscal year to support Kentucky Automated

1 Vehicle Information System (KAVIS) personnel to complete motor vehicle licensing
2 modernization efforts.

3 (5) **County Clerk Information Technology Improvement:** Included in the
4 above Restricted Funds appropriation is \$500,000 in each fiscal year to support increased
5 costs for existing and integrating new County Clerks offices into the KentuckyWired
6 network.

7 (6) **Vision Testing:** Notwithstanding KRS 186.577, an individual applying for
8 renewal of an operator's license or instruction permit shall not be required to submit to a
9 test of visual acuity and visual field. The Transportation Cabinet may establish a pilot
10 project to allow for the voluntary vision testing upon renewal at regional driver licensing
11 offices.

12 (7) **Driver Licensing Regional Offices:** Included in the above Road Fund
13 appropriation is \$3,963,100 in each fiscal year for establishing three new regional offices.
14 These funds shall only be used to establish and operate regional offices.

15 (8) **Driver Licensing Additional Personnel:** Included in the above Road Fund
16 appropriation is \$2,365,400 in fiscal year 2024-2025 and \$2,417,800 in fiscal year 2025-
17 2026 for 22 additional personnel for the Division of Driver Licensing.

18 (9) **Motor Vehicle Commission:** Included in the above Restricted Funds
19 appropriation is \$1,189,300 in fiscal year 2024-2025 and \$1,689,300 in fiscal year 2025-
20 2026 to support additional legal services, training costs, and an internal Dealer Data Base
21 Administration System.

22 **TOTAL - TRANSPORTATION CABINET**

	2024-25	2025-26
23		
24	17,225,800	17,225,800
25	230,693,300	385,092,800
26	1,341,988,700	1,358,114,800
27	1,910,004,900	1,826,389,200

1 TOTAL 3,499,912,700 3,586,822,600

2 PART II

3 CAPITAL PROJECTS BUDGET

4 (1) Capital Construction Fund Appropriations and Reauthorizations:

5 Moneys in the Capital Construction Fund are appropriated for the following capital
6 projects subject to the conditions and procedures in this Act. Items listed without
7 appropriated amounts are previously authorized for which no additional amount is
8 required. These items are listed in order to continue their current authorization into the
9 2024-2026 fiscal biennium. Unless otherwise specified, reauthorized projects shall
10 conform to the original authorization enacted by the General Assembly.

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

12 appropriations to existing line-item capital construction projects expire on June 30, 2024,
13 unless reauthorized in this Act with the following exceptions: (a) A construction contract
14 for the project shall have been awarded by June 30, 2024; (b) Permanent financing or a
15 short-term line of credit sufficient to cover the total authorized project scope shall have
16 been obtained in the case of projects authorized for bonds, if the authorized project
17 completes an initial draw on the line of credit within the biennium immediately
18 subsequent to the original authorization; and (c) Grant or loan agreements, if applicable,
19 shall have been finalized and properly signed by all necessary parties. Notwithstanding
20 the criteria set forth in this subsection, the disposition of 2022-2024 fiscal biennium
21 nonstatutory appropriated maintenance pools funded from Capital Construction
22 Investment Income shall remain subject to the provisions of KRS 45.770(5)(c).

23 (3) Bond Proceeds Investment Income: Investment income earned from bond

24 proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage
25 rebates and penalties and excess bond proceeds upon the completion of a bond-financed
26 capital project shall be used to pay debt service according to the Internal Revenue Service
27 Code and accompanying regulations.

1	Reauthorization (\$2,070,000 Road Fund)			
2	Road Fund	-0-	700,000	-0-
3	008. Construct Ballard County Maintenance Facility and Salt Storage Additional			
4	Reauthorization (\$2,513,000 Road Fund)			
5	Road Fund	1,000,000	-0-	-0-
6	009. Construct Clay County District Office Additional Reauthorization			
7	(\$12,945,000 Road Fund)			
8	Road Fund	-0-	3,500,000	-0-
9	010. Construct Boyle County Bridge Crew Facility Additional Reauthorization			
10	(\$1,500,000 Road Fund)			
11	Road Fund	500,000	-0-	-0-
12	011. Permanent Salt Conveyor System - Graves County Reauthorization (\$350,000			
13	Road Fund)			
14	012. Construct District 2 Office and Materials Lab Reauthorization (\$2,000,000			
15	Road Fund)			
16	2. AVIATION			
17	001. Aircraft Major Maintenance Pool - 2024-2026			
18	General Fund	-0-	1,200,000	1,200,000
19	002. Construct Sixteen New T-Hangars			
20	Restricted Funds	-0-	2,750,000	-0-
21	003. Construct One Aircraft Maintenance Hangar			
22	Restricted Funds	-0-	-0-	6,910,000
23	004. Construct Two Medium Sized Box Hangars			
24	Restricted Funds	-0-	-0-	1,600,000
25	005. Construct Capital City Airport Terminal Building			
26	Restricted Funds	-0-	500,000	8,500,000

27 **3. HIGHWAYS**

1	001. Repair Loadometers and Rest Areas - 2024-2026			
2	Road Fund	-0-	4,000,000	4,000,000
3	002. Road Maintenance Parks - 2024-2026			
4	Road Fund	-0-	1,500,000	1,500,000
5	003. Various Environmental Compliance - 2024-2026			
6	Road Fund	-0-	500,000	500,000
7	004. Statewide Chemical Storage Buildings			
8	Road Fund	-0-	450,000	450,000
9	005. Jefferson County - Lease			
10	006. Knott County - Lease			
11	4. VEHICLE REGULATION			
12	001. Replace Kentucky Driver Licensing System Additional Reauthorization			
13	(\$12,000,000 Bond Funds)			
14	Restricted Funds	-0-	9,000,000	4,000,000
15	Road Fund	-0-	3,000,000	3,000,000
16	TOTAL	-0-	12,000,000	7,000,000

PART III

FUNDS TRANSFER

19 The General Assembly finds that the financial condition of state government
20 requires the following action.

21 Notwithstanding the statutes or requirements of the Restricted Funds enumerated
22 below, there is transferred to the General Fund the following amounts in fiscal year 2024-
23 2025 and fiscal year 2025-2026:

24 **2024-25** **2025-26**

A. TRANSPORTATION CABINET

26 **1. Aviation**

27	Agency Revenue Fund		2,025,000	2,010,900
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1 (KRS 183.525(4) and (5))

2 TOTAL - FUNDS TRANSFER 2,025,000 2,010,900

3 **PART IV**

4 **TRANSPORTATION CABINET BUDGET SUMMARY**

5 **OPERATING BUDGET**

6		2023-24	2024-25	2025-26
7	General Fund	-0-	17,225,800	17,225,800
8	Restricted Funds	-0-	230,693,300	385,092,800
9	Federal Funds	-0-	1,341,988,700	1,358,114,800
10	Road Fund	-0-	1,910,004,900	1,826,389,200
11	SUBTOTAL	-0-	3,499,912,700	3,586,822,600

12 **CAPITAL PROJECTS BUDGET**

13		2023-24	2024-25	2025-26
14	General Fund	-0-	1,200,000	1,200,000
15	Restricted Funds	-0-	12,250,000	21,010,000
16	Road Fund	2,500,000	19,400,000	14,350,000
17	SUBTOTAL	2,500,000	32,850,000	36,560,000

18 **TOTAL - TRANSPORTATION CABINET BUDGET**

19		2023-24	2024-25	2025-26
20	General Fund	-0-	18,425,800	18,425,800
21	Restricted Funds	-0-	242,943,300	406,102,800
22	Federal Funds	-0-	1,341,988,700	1,358,114,800
23	Road Fund	2,500,000	1,929,404,900	1,840,739,200
24	TOTAL FUNDS	2,500,000	3,532,762,700	3,623,382,600