

1 AN ACT relating to unbudgeted federal funds.

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

3 ➔Section 1. KRS 48.630 is amended to read as follows:

4 (1) ***As used in this section, "unbudgeted federal funds" means any federal funds that***
 5 ***have not been appropriated in any enacted branch budget bill.***

6 (2) ~~[(An)]~~Unbudgeted ***federal funds*~~[appropriation]~~ shall not be allotted without prior
 7 review and action by the Interim Joint Committee on Appropriations and Revenue
 8 as provided for in this section.**

9 (3)~~[(2)]~~ Except as otherwise provided in this section, any request for allotment of
 10 unbudgeted ***federal funds*~~[appropriations]~~ from any fund source shall be made in
 11 writing by the head of the budget unit and transmitted simultaneously to the state
 12 budget director and the Interim Joint Committee on Appropriations and Revenue.**

13 (4)~~[(3)]~~ The state budget director may recommend a proposed revision to a specified
 14 ***federal*** appropriation in any branch budget bill to the Interim Joint Committee on
 15 Appropriations and Revenue by the seventh day of each month.

16 (5)~~[(4)]~~ If the Interim Joint Committee on Appropriations and Revenue fails to review
 17 and act upon the proposed revision by the last day of the month, the proposed
 18 revision shall be deemed to have been reviewed and favorably acted upon.

19 (6)~~[(5)]~~ The Interim Joint Committee on Appropriations and Revenue shall review the
 20 proposed ***revision to a specified federal***~~[expenditure of the unbudgeted]~~
 21 appropriation for conformance with the purposes of the ***federal funds***,~~[proposed~~
 22 ~~appropriation and]~~ the enacted branch budget bill, and any other relevant statute~~[,]~~
 23 by the last day of each month.

24 (7)~~[(6)]~~ If the Interim Joint Committee on Appropriations and Revenue disapproves of
 25 the proposed revision of the enacted ***federal*** appropriation, the budget adjustment
 26 shall be invalid unless it is:

27 (a) Revised to comply with the objections of the committee; or

1 (b) The committee is informed, in writing, in detail, within thirty (30) days of the
2 committee's disapproval, that a determination has been made not to comply
3 with the objections of the committee.

4 ~~(8)~~~~(7)~~ If an emergency unbudgeted *federal* appropriation revision is required due to a
5 declared natural disaster, calamity, or impending deficit in an enacted *federal*
6 appropriation as certified by the Governor, the state budget director may effect an
7 emergency revised *federal* appropriation, with the approval of the secretary of the
8 Finance and Administration Cabinet, and with concurrent notification to the Interim
9 Joint Committee on Appropriations and Revenue of the action and its justification.

10 ~~(9)~~~~(8)~~ If a budget unit not listed in any enacted branch budget bill receives
11 unanticipated~~[- restricted funds or]~~ federal funds, the secretary of the Finance and
12 Administration Cabinet, upon written request from the agency head with
13 appropriate documentation of the amount, source, purpose, necessity, and use of the
14 moneys, may authorize the credit and expenditure of these funds for statutory
15 purposes, upon recommendation of the state budget director and review and action
16 by the Interim Joint Committee on Appropriations and Revenue pursuant to the
17 conditions and procedures prescribed by this section. ~~[The secretary shall cause to~~
18 ~~be established a separate discrete restricted funds or federal funds account, as~~
19 ~~appropriate, for the receipt and disbursement of these funds and shall establish the~~
20 ~~maximum sum which may be credited and expended from the authorized account.]~~

21 ~~(10)~~~~(9)~~ Institutions of higher education shall be exempt from all conditions and
22 procedures in this section with respect to the authority of the state budget director
23 and the secretary of the Finance and Administration Cabinet to review and approve
24 unbudgeted~~[- restricted funds or]~~ federal funds or revisions to appropriations in
25 excess of any enacted branch budget bill; however, in the event of a revision, an
26 institution of higher education shall report unbudgeted~~[- restricted funds and]~~ federal
27 funds to the state budget director and the Interim Joint Committee on

1 Appropriations and Revenue.

2 ~~(11)~~~~(10)~~ Unbudgeted ***federal funds***~~[appropriations]~~ for expenditure in the judicial
3 branch budget and the legislative branch budget shall be exempt from all conditions
4 and procedures in this section, except that each branch head, or its designee, shall
5 report unbudgeted~~[restricted funds and]~~ federal funds to the Interim Joint
6 Committee on Appropriations and Revenue and transmit an informational copy to
7 the state budget director.

8 ~~(12)~~~~(11)~~ The Legislative Research Commission shall maintain records of the findings
9 of the Interim Joint Committee on Appropriations and Revenue and the
10 determinations and reports of actions by the state budget director and transmit these
11 records to the General Assembly when next convened.