

State lawmakers OK \$1.7B spending bill, but was process transparent?

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FRANKFORT

Kentucky's one-time spending bill looks drastically different now, as it waits on the governor's desk, than when it was first filed in March.

It started as a one-page bill to allocate around \$800 million for various projects across the commonwealth, though it was short on details of where the money would go.

About a month after the highly-anticipated bill was first introduced, House and Senate members met in a free conference committee to hash out House Bill 900's final form. In the process, the bill doubled in total spending and transformed into a 58-page piece of legislation outlining a long list of projects to receive funding.

With two hours left to beat the clock in order to withstand a potential veto, the General Assembly gave it final passage on April 1.

HB 900 was one of the most-watched bills this year because it gives \$1.7 billion from the Budget Reserve Trust Fund, also known as the "Rainy Day Fund," to more than 300 projects across the state. This was in addition to crafting a two-year state budget, which passed in House Bill 500 and also awaits action from the governor.

Those projects include things like economic development and facility upgrades. For example, Lexington is set to receive \$20 million for a terminal expansion project at the Blue Grass Airport. Other cities received funding for new facilities, like Maysville getting \$18 million for a water treatment plant.

Could the process of crafting a bill spending \$1.7 billion of state money be improved? It depends on who you ask.

Some Democrats, which constitute a superminority in both chambers, say that the bill's process raises concerns around transparency. But Republicans say releasing and voting on the bill at the last-minute wasn't intentional; it's just part of the complex budgeting process.

"(Democrats) were not kept in the loop, and even



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Scaffolding surrounds the Rotunda of the Kentucky Capitol building, currently undergoing renovation, on Jan. 6, 2026, in Frankfort, Ky.

though we were members of the free conference committee, we didn't see any documents until after the lobbyists and press had seen those documents," House Minority Caucus Chair Lindsey Burke, D-Lexington, said. "It was extremely poor form from my estimation, and doesn't reflect the bipartisan nature of the state.

"Just because the supermajority exists in Frankfort doesn't mean that there's a supermajority of Republicans in Kentucky."

Sen. Chris McDaniel, R-Ryland Heights, said in an interview the increased spending comes from a long conversation between House and Senate members about what a healthy Budget Reserve Trust Fund should look like.

"As you can well imagine, there is no absolute answer to that question," said McDaniel, chair of the Senate Appropriations and Revenue Committee. "So, you come up with ranges or a range of dollar figures based off of differing philosophies and theories about why it's maintained, how much of lost revenues it would be used to replace, (and) theories about what kind of emergencies could we expect in the future."

HB 900 is significantly lower spending compared to 2024's version of the bill, where lawmakers distributed around \$2.7 billion in House Bill 1. That doesn't come as a surprise, as Republican leadership warned there would be unique challenges from federal funding loss and cuts in this year's budget bills.

It's also no secret that every lawmaker wants to

bring home wins for their district.

But McDaniel said as key players in the crafting of one-time spending bill prioritize projects, "none of us got everything that we wanted."

"When you have to do the prioritization work, you look for fairness by member and fairness by region, and then you have to make a decision about (whether) this will have some type of wider positive impact on the commonwealth, and you're just constantly weighing in these things as you go through the process," McDaniel said.

There's always compromise, no matter what powerful position a lawmaker is in. Take for example Senate President Robert Stivers.

Earlier this session, Stivers proposed a hefty investment into the state's research infrastructure. His Senate Bill 6, which still hasn't made it across the finish line, asked the legislature to put \$150 million into the Endowed Research Fund for fiscal year 2027. The funding would be distributed evenly across five consortium research accounts, where each account supports a research project and partnership between Kentucky's public universities.

While HB 900 did put money toward the fund, it wasn't the \$150 million Stivers hoped for. Instead, \$37.5 million was allocated into the Endowed Research Fund, where \$1.5 million is distributed to each research project annually for five years.

DEMOCRATS RAISE CONCERNS ON THE PROCESS

The process for one-time spending looked vastly different compared to 2024, which raised concerns for some Democratic lawmakers.

The House and Senate's proposals both were much slimmer and listed broad categories of where the money could go instead of specific projects. Democrats had issues with that approach from the start; during the House Appropriations and Revenue committee vote, Burke, who voted against it, said expecting her to approve the bill felt like a "trust fall."

In an interview with the Herald-Leader, Burke said it felt unclear what the House's GOP strategy was supposed to look like.

"I don't know that they really knew what the process was," Burke said. "It felt at many turns, like they were just figuring it out as they went along."

Rep. Adam Moore, D-Lexington, said in an interview he expected there to be line items in the House's version.

"I voted against it initially, because it just looked like a blank check for \$800 million," Moore said. "I did not have a problem with that dollar amount... because we have that money in the (Budget Reserve Trust Fund), and there are things that we need to spend it on. But it looked like a blank check to me, and they said, 'Adam, why would you vote against this? I can't believe you would.' I said, 'it's a blank check, and I have no idea what is being spent on.'"

Moore also criticized the bill's timeline.

"I, as a lawmaker, I think, got it on my computer at 5:05 p.m. the day that we had to pass it before the veto period," Moore said. "So, it absolutely was not a transparent process."

When HB 900 was given its final passage, it was not publicly available on the Legislative Research Commission website.

Burke said she found that concerning.

"I think it's telling that the majority the Republicans aren't willing to show the people of Kentucky their intentions," Burke said. "They just do what they want and tell you to deal with it. That's how they deal with their Democratic colleagues, and that's how they deal with the public, and that's just wrong."

Burke added how she felt like House Democrats were left out of the entire budget process — a message she also brought up on the House floor during debate on the executive branch budget.

Rep. Josh Bray, R-Mount Vernon, took issue with Democrats' comments. The House Appropriations and Revenue Committee has never turned down a meeting with a legislator, Bray said during the Feb. 26 debate.

"You act like you're doing something, but when it comes time to work, nobody ever asks," Bray said on the House floor. "So you can have your press conferences, you can file your amendments, but do the work."

Minority Floor Leader Sen. Gerald Neal, D-Louisville, called the process surrounding the one-time spending bill a "little tight-lipped" in an interview with the Herald-Leader. While Neal recognizes it's not unusual for the budgets to get crammed in at the end, he said there's typically more communication between leadership on where things are going.

"I can't think back where I really felt that way coming out of a legislative session, but I had that feeling this year," Neal said.

Neal has served in the state Senate since 1989.

REPUBLICANS SAY TIMING IS PART OF THE PROCESS

When asked if it was planned for the final version of HB 900 to be released on April 1, McDaniel said, "it happened that way."

"The budget is a large package... a road plan, a transportation funding bill, a Transportation Cabinet budget, legislative, executive, judicial budgets, revenue bills,"

McDaniel said. "...When you have that complex mix of (a) package coupled with bills that are passing from the year that relates to spending, they just always end up later in the session."

Regarding transparency, McDaniel said he sat down with the Republican and Democratic caucuses to review all the projects that they had interest in and let them know what was going to be there "well in advance of the bill coming out."

Moore said one way the legislature could improve transparency is for all free conference committee reports, including for the budgets, to be released early enough to give lawmakers time to review the reports.

Whitney Westerfield, a former Republican state senator from West Kentucky, echoed a similar idea in an interview.

"I can tell you as a member, I didn't get the free conference committee report with enough time to go through the whole thing, page for page, and read all of it, and much less to argue and to negotiate or ask for better this or lesser of that," Westerfield said about the budget process in general.

During his time as a legislator, Westerfield, who did not seek reelection in 2024, said he found the budget process frustrating as someone who was never on a budget conference committee.

"Nobody knows what's going to be guaranteed or spent until the document is out, until the conferees come out and say, 'here's what we've got,'" Westerfield said. "You didn't find that out until they already made the decision."

McDaniel said it's not possible to release those much earlier because the budget bills are interdependent on one another as well as other legislation moving through the General Assembly.

"You can't finalize the budget until you finalize the revenue bill, there's just a sequence that has to happen in order to make them all work, so you couldn't put them out much earlier," McDaniel said.

Westerfield said streamlining the budget process might be more complicated than it seems.

"The instinctive answer that people outside the process might suggest is building in more time and more inclusion, and in theory that could work, but then you've got more cooks in the kitchen, and that comes with more complication and more controversy and more argument and bickering," Westerfield said.

Government moves toward automatic registration for draft

BY NEIL VIGDOR
NYT News Service

The government agency that keeps a list of draft-eligible men will begin automatically registering names later this year, abandoning a decades-old requirement that they register themselves.

The Selective Service System, an executive branch agency that is separate from the Defense Department, has required men ages 18 to 25 who are eligible to be drafted to register with the government since 1980.

Failure to do so is a felony, which carries various penalties that include a maximum of five years in prison and being unable to receive certain federal benefits, like government loans.

But government officials, bracing for what experts say are potential confrontations with China

or Russia while military recruiting has slumped, plan to comb other federal databases to bolster the list.

The change is drawing renewed attention as the U.S. war with Iran unfolds and raises questions about whether it might be a prelude to a draft.

Here's what to know: **What prompted the change?**

The Selective Service System had been pushing Congress for several years to revamp how the federal government builds the list of men who are eligible to be drafted.

The agency noted in its 2024 annual report that registration rates had declined in recent years, despite spending on outreach programs telling the public about its obligations.

Military experts and historians said the changes had been in the works during both the

Biden and Trump administrations, reflecting the unease of planners about the size of the U.S. military.

Some believe that "the Selective Service System was very outdated," said Lindsay P. Cohn, a national security affairs professor at the U.S. Naval War College in Newport, Rhode Island.

"The Selective Service System is about management of manpower, more than simply just generating manpower," Cohn said, adding that she was not speaking for the military or on behalf of the Naval War College.

In 2024, 81% of men ages 18 to 25 registered with the Selective Service System, which proposed replacing its long-standing model of compiling names with automatic registration. The alternative method would gather personal information from various federal govern-

ment databases.

The Selective Service System did not immediately answer questions on Thursday about which databases it had planned to use as part of that process.

Congress tucked the rules change into the National Defense Authorization Act for the 2026 fiscal year, which President Donald Trump signed in December.

Is Trump considering using the draft?

The White House referred questions about the change on Thursday to the Selective Service System.

During a March 8 interview on Fox News, Karoline Leavitt, the White House press secretary, said Trump "does not remove options off of the table" when she was asked what she would tell mothers who were worried about the draft returning.

Leavitt also said then that sending ground

troops into Iran was not part of the "current plan."

The president would be required to get approval from Congress to enact a military draft, which was last used during the Vietnam War in the early 1970s.

Jeremy Kessler, a professor at Columbia Law School who has written extensively on the military draft, said the size of Iran and its army presented substantial obstacles for the United States.

"It's really not clear that that would be logistically doable without turning back on the draft," he said of a ground invasion.

What happens next?

The Selective Service System has submitted the rules change for review to the Office of Information and Regulatory Affairs, which is part of the Office of Management and Budget.

The rulemaking process is likely to involve other federal agencies that could share personal information of men who are draft eligible, including the Social Security Administration and Census Bureau, according to experts.

On its website, the Se-

lective Service System said the new rules would be enacted by December.

The agency also noted that as of 2024, all but four states offered a Selective Service registration option on applications for driver's licenses or identification cards. Some states require applicants to opt out if they do not want their information shared with the Selective Service System.

Kessler said the agency might also rely on information from the Department of Homeland Security.

Under the existing rules, lawful permanent residents, immigrants living in the country without authorization, and people who are both seeking or have been granted asylum are required to register with the Selective Service, said Kessler, who is writing a book, "Conscription and Constitutional Change in Twentieth Century America."

Going forward, those people will be automatically added to the list, potentially making difficult notification requirements for the federal government, he added.