



COMMONWEALTH OF KENTUCKY  
OFFICE OF THE GOVERNOR

STEVEN L. BESHEAR  
GOVERNOR

700 CAPITOL AVENUE  
SUITE 100  
FRANKFORT, KY 40601  
(502) 564-2611  
FAX: (502) 564-2517

April 28, 2010

Dear Representative, Senator:

I have publicly expressed my great disappointment that the Regular Session of the 2010 General Assembly ended April 15 without the enactment of a biennial budget for the Executive Branch. It is the most important constitutional duty of the General Assembly to enact a budget providing for the needs of its citizens.

As you know, I have expressed my intent to call a special session of the General Assembly in May for the purpose of enacting a budget, and am actively working with and encouraging your leadership to reach an agreement. While some have accused me of "taking sides" in this matter let me assure you that the only side I am representing in this process is that of the citizens of the Commonwealth. They expect, and frankly demand that we all put aside our differences and reach an accord that is in the best interest of the Commonwealth.

We must have an enacted budget by June 1, 2010 in order to preserve significant debt service and other savings counted on by all budget proposals. In addition, if the General Assembly is unable to reach an agreement on a budget, my administration will need time to prepare for a partial shutdown of state government.

This unfortunate situation has presented itself several times in our past, but the conditions under which we must operate today are different. In 2005, the Kentucky Supreme Court held that, in the absence of an enacted budget, the Governor may only expend funds pursuant to constitutional, federal and statutory mandates. *Fletcher v Commonwealth*. Although the parameters of this decision have not yet been tested, there is no doubt that a partial shutdown of government will result if you do not pass a timely budget.

My administration has been carefully reviewing this opinion, and the operations, functions, programs, and services provided by state government. Based on this review, it appears that all Kentucky State Parks and other tourism programs, economic development programs, and the Office of the Medical Examiner will be shut down and state-provided mine safety inspections and mine rescue teams will end.

In addition, the court case may require the termination of state funding for additional programs including the State Police, Vehicle Enforcement, existing road construction projects, public colleges and universities, veterans' nursing homes,

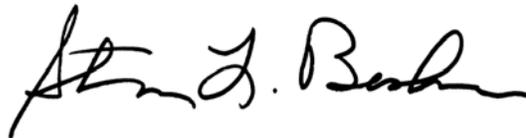
regulatory and licensing agencies, and Health and Family Services programs, including Medicaid, mental health hospitals, public health departments and aging services.

These lists are **not** comprehensive, and we are still reviewing the complicated myriad of federal and state laws that must be considered in this analysis. However, it is abundantly clear that a significant share of government services that our citizens depend on us to provide will not be available without an enacted budget.

I have today asked my Cabinet secretaries to begin planning for a potential shutdown of certain state government services effective July 1. We must know the implications of what we are facing if a budget is not enacted. This information will help us decide how to move forward if agreement cannot be reached in a timely fashion.

I encourage you in the strongest possible terms to work cooperatively with your fellow legislators and your leadership to reach a compromise on the budget as soon as possible. The people of this State demand no less.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven L. Beshear". The signature is fluid and cursive, with a large initial "S" and "B".

Steven L. Beshear