



COMMONWEALTH of KENTUCKY

KENTUCKY DEFENSE ACTIVITY REPORT

Fiscal Year 2022-2023

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I. Executive Summary

According to the U.S. Bureau of Economic Analysis, the Commonwealth of Kentucky economy was \$218 billion (inflation adjusted in 2017 dollars) in 2022. Kentucky is famous for its signature industries, including distilled spirits, horse racing, logistics/distribution/transportation operations and motor vehicle manufacturing. The defense community also is a leading contributor to the overall Gross Domestic Product (GDP) of the Commonwealth.

Military activity in the Kentucky area has long been a major source of employment for Kentucky residents, of business for Kentucky companies, and tax revenues for state and local governments. The U.S. Department of Defense (DoD) and the U.S. Veterans Administration (VA) together spent approximately \$15.4 billion in direct payments in Kentucky in 2021-2022, through direct payrolls to military personnel and Department of Defense (DoD) civilians/contractors, through retirement and veterans' benefits, and through DoD contracts with companies around the state.

This report summarizes the results of our sixth investigation into the economic importance of the military in Kentucky, and builds on our previous studies. Among the most important findings:

- Per the Department of Defense FY2022 Defense Spending report, the military spent about \$13.9B in direct spending in Kentucky during federal fiscal year 2022, an increase of \$5.4B since 2008 and \$1.9B since this report was last published in 2015
 - The spending is primarily accounted for by activity at the Army's major installations – Fort Campbell and Fort Knox – and to large health-care related contracts with Louisville's Humana Corporation
- Among organizations that could relocate outside of Kentucky, the military is the largest employer, with 56,290 military and civilian personnel receiving full-or-part-time DoD paychecks, military employment
- The military supports \$3.3 billion in employee compensation in Kentucky, which ranks 14th in nation
- Kentucky ranks 16th highest among the 50 states in the number of total military personnel (including civilians, reservists and the National Guard)
 - Kentucky has the fourth highest number of active-duty Army personnel, following Texas, Georgia and North Carolina
- Expenditures for military personnel and contracts continues to rise in Kentucky, from \$13.8 in FY2021 to \$13.9B in FY2022
- Kentucky received approximately \$10.6 billion in contract spending from DoD in FY2022, 11th highest among the 50 states
 - Humana was the top contractor with awards of \$7.7 billion for its management of the TRICARE military health care insurance program
 - Some of this award revenue flows out of Kentucky as Humana handles administrative work in multiple locations
- Per Lambert (2024) reporting, payroll for the top defense industry firms of close to \$600 million helps generate over \$731 million in non-defense industry payroll
 - Specifically, for every \$1.00 in defense related payroll, \$1.29 in other non-defense payroll is generated

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- The top defense industry firms add approximately \$518 million of value to DoD products/services they produce
 - It is estimated that another \$1 billion is valued added to the economy due to technology development and intellectual property of these firms
- In FY2022 there were 28,936 military retirees in Kentucky, and they received \$744,036,000 in total combined retirement pay, for an average yearly retirement pension of approximately \$25,713
 - Kentucky ranks 21st in the number of retired military residents
 - Because retiree residential decisions are not made in Washington, local and state policy in Kentucky influences our share of national retiree dollars
 - Kentucky's two major military installations are retiree magnets, as is the exemption of most retirement income from the Kentucky state individual income tax
 - Texas and Florida are, by a significant margin, the top two states of residence for military retirees owing to their warm winters and no state income tax
 - In FY2022 there were 4,177 Military Survivors receiving retirement benefits of \$55,860,000, for an average annual yearly retirement pension of \$13,373
 - Source: Department of Defense Statistical Report on the Military Retirement System FY2022
- The DoD manages 96,529 acres of land in Kentucky, while the state-owned land managed by the Kentucky National Guard is another 12,608 acres, for a total of 109,137 military-managed acres
 - Source: DoD Readiness and Environmental Protection Integration Program FY2022 Report
- In FY2023, Kentucky had 267,611 veterans, 7.2 percent of the Commonwealth's over 18 population
 - Jefferson County has 42,442 veterans, followed by Fayette County with 14,661
 - For counties in immediate proximity to our two major military installations, Fort Campbell and Fort Knox, Christian County has 5,900 veterans, Trigg County 1,450 and Todd County 676 while Hardin County has 12,774 veterans, Bullitt County 5,456, Nelson County 3,265, Meade County 2,945, Breckinridge County 1,480; Grayson County 1,331, Hart County 1,203; and Larue County 941
- Federal spending for veterans' compensation and pension in Kentucky was \$1,752,204,260 for 77,064 veterans in FY2023, an average benefit of \$22,737 annually
 - The VA paid \$36,461,327 in direct Pension Benefits to 2,628 recipients in Kentucky, for an average benefit of \$13,874
 - Approximately 25 percent of Kentucky's veterans have a service-connected disability rating (66,212 veterans)
 - There were 9,493 participants in VA veterans' education programs (no dollar amount specified); and the total spending for veterans insurance programs was \$65,158,419. Home Loan guarantees through the federal Veterans Administration (VA) was \$1,500,854,629 for 5,572 loans
 - The median household income of Kentucky veterans was \$59,463, compared with the median income of all Kentucky households at \$54,472
 - Source: Veterans Data Info from the Housing Assistance Council; Veterans Administration Fiscal Year Benefits Report 2023
 - <https://www.benefits.va.gov/REPORTS/abr/docs/2023-abr.pdf>
- Federal spending for veterans' compensation and pension in Kentucky was \$1,483,476,403 for 74,105 veterans in FY2022, an average benefit of \$20,019 annually

- The VA paid \$39,004,400 in direct Pension Benefits to 3,006 recipients in Kentucky, for an average benefit of \$12,976
- <https://www.benefits.va.gov/REPORTS/abr/docs/2022-abr.pdf>

II. Introduction

The Commonwealth of Kentucky is the proud home of two of our nation's premier military installations, Fort Campbell and Fort Knox, and hosts a wealth of other military facilities and the nation's finest National Guard force, recipient of the 2023 Best National Guard Command - the first ever awarded – by the Association of the U.S. Army.

According to the latest U.S. Department of Defense (DoD) Defense Spending Report (FY2022), Kentucky ranks in the top 16 states in the nation in multiple categories, including defense spending as a percentage of state Gross Domestic Product (7th), defense-related contract spending (11th), defense spending by state (13th), personnel spending (14th) and personnel employed by DoD (16th).

Kentucky military activities have long been a major source of employment for Kentucky residents, of business for Kentucky companies, and tax revenues for state and local governments. This report and the Kentucky Commission on Military Affairs (KCMA) website, kcma.ky.gov, identifies these economic benefits, compares them to other states and the nation as a whole, compares them among Kentucky counties, and compares them among military installations.

According to the Kentucky Center for Statistics, there is expected growth in Defense Industrial Base (DIB) related jobs including a 1.6% increase in transportation, storage, and distribution, a .84% increase in industrial production, and a 1.2% increase in computer and information systems. Kentucky has a relatively high advanced degree attainment rate in DIB and adjacent fields including Science/Technology/Engineering/Math (STEM), health care, education, and business. The monthly unemployment rate during 2023 ranged between 5.1% and 7%.

Kentucky's Cabinet for Economic Development (CED) reported that Kentucky ranks first in the nation for the cost of doing business and ranks second in national air cargo shipments. CED's Team Kentucky ecosystem-based strategy touts several reasons for relocating and expanding business in the Commonwealth including being located within 600 miles of 65% of the nation's population and having an "unmatched logistics" network with domestic and global air, ground, rail, and water transportation and distribution networks. Chief Executive ranked Kentucky as the 18th best state to do business in 2023 while Forbes ranked Kentucky the 24th best state to start a small business in 2024.

The Kentucky Association of Manufacturers (KAM) reported in 2021 that of the 21,000 jobs created statewide, 90% of them were connected directly or indirectly to manufacturing. Investments by large scale manufacturing and production firms contributed to the growth through new investments in the state's manufacturing hub concept.

This report begins with an overview of military personnel, veterans and retirees in Kentucky. The remainder of the report documents the economic importance of military activity in Kentucky. We track the U.S. Department of Defense (DoD) dollars coming into Kentucky by category, including payroll, retirement and veteran income, and contracts. Next, we provide profiles of major military units. We close with an overview of state community and legislative support.

NOTE: The tables, charts and text refer to data from many different sources, and sometimes the data points differ by source for the same economic concept. This is largely due to different time references, such as fiscal year versus calendar year, or a snapshot as of September or December of a year. Also, some published data refer to full-time employees only, while other data refer to all employees regardless of status. We attempt to use the best measure for each subject, and to explain apparent discrepancies where they are significant.

III. Governor Andy Beshear Address 2023 KCMA Full Commission Meeting December 7, 2023

Hi everyone, it's Andy. Thank you for inviting me to join you today. I am honored to give my personal thanks to you, the heroes who serve and protect our Commonwealth and our country. We thank those that sacrifice their time, their health, and especially those who sacrifice their lives.

Sadly, this year we experienced the loss of 14 Fort Campbell soldiers in two devastating helicopter crashes. Each one was a child of God. They are irreplaceable, and missed by their families and their community. We pray for all those lost, and we pray for all those who continue to serve.

Each of you are invaluable members of Team Kentucky. Together, we're committed to building that better, brighter Kentucky for our military personnel and their families. Kentucky is one of our nation's strongest military communities. We host two of our nation's most well known and respected bases, Fort Campbell and Fort Knox. Both play a major role in our nation's defense and both have bright futures.

As many of you know, Britainy has taken an active interest in the education and well-being of our military children at these bases, visiting many of the schools there. She's got a lot of their artwork hanging in her office as we speak.

Kentucky is also home to the Blue Grass Army Depot, a leader in the Army's logistics system, supporting Army installations east of the Mississippi River. Coast Guard Sector Ohio Valley manages our nation's inland waterways. And we have the best National Guard in the country. From the tornadoes in the west to the flooding in the east, and every other challenge we've faced, our soldiers and airmen have shown up in strength, delivering food and water, helping families find their loved ones, and performing life-saving rescue missions. We are proud of our Reservists serving in Kentucky and the service they provide to our nation.

We've had a great year of moving things forward together. We successfully eradicated the chemical weapons stockpile at the Bluegrass Army Depot. We connected more military families with quality child care. We're building a new Veterans' Center in Bowling Green. We passed legislation to simplify the job certification process for military spouses, and we continue to grow our Kentucky Purple Star Schools program, with more schools equipped to provide military children with the resources they need.

I look forward to continue working together to make Kentucky the most military-friendly state in the country. We're not just talking about building a better Kentucky, we're actually doing it. As a governor,

and also as a dad of two kids I love more than anything, I want to build a Commonwealth where no matter how big they dream, every Kentucky child can pursue their dream right here at home.

With such a bright future ahead of us, I want you to know that there's something I never forget – that we're only able to have this moment, this opportunity, because of you, our service members. We are home of the free because of the brave. Thank you for all you do for our people. God bless you and our Commonwealth. God bless the United States of America.

IV. Letter from the Honorable Mitch McConnell, U.S. Senate Minority Leader, to the KCMA Full Commission membership December 7, 2023

Dear Friends: We gather today to celebrate another remarkable year of partnership that further enshrined Kentucky's reputation as a first-class environment for servicemembers and their families to live, work and transition to civilian life. I greatly appreciate this opportunity to share a few thoughts on our collaboration this past year.

First and foremost, I would like to salute the numerous servicemembers from Kentucky who deployed to confront rising global threats. Kentucky's units have stepped up time and time again when called upon to defend our great Nation, and our Commonwealth couldn't be prouder of their efforts this year. I would be remiss if I did not acknowledge the harrowing loss of life in March and November of this year. These tragedies serve as a sobering reminder to all Americans that the price of freedom is great, and we must never forget the debt we owe to those who pay the ultimate price for our country.

This year also provided many opportunities to celebrate numerous accomplishments that should make every Kentuckian proud. The 123rd Airlift Wing received its 20th Air Force Outstanding Unit Award, a rare achievement reserved for only the most prestigious units in the United States Air Force.

Additionally, we collectively achieved numerous critical improvements to our already impressive installations. At Fort Campbell, we resourced the Army to renovate all remaining Vietnam-era barracks, dramatically improving the quality of life for soldiers. We partnered to increase staffing at the Fort Knox Ireland Army Health Clinic, which I am told has dramatically reduced wait times for soldiers and their families. The Blue Grass Army Depot accomplished the final destruction of the U.S. Chemical Weapons Stockpile, culminating a decades-long initiative I was proud to spearhead.

With global threats on the rise and demand for American Leadership never greater, much will continue to be asked of Kentucky's servicemembers and their families. 2024 will be a pivotal year, and we must rise to the occasion together. I remain committed to using my position as Senate Republican Leader to bolster Kentucky's military installations and defense communities and support our brave servicemembers with the resources they need to protect our nation.

As always, I want to thank the KCMA's executive committee. It is an honor to stand shoulder to shoulder with you all in advocating for Kentucky to ensure it remains the best place in the country for our servicemembers, veterans, and their families.

Sincerely, Mitch McConnell, United States Senator

V. Overview of KCMA

The Kentucky Commission on Military Affairs (KCMA) was established by Kentucky Revised Statute 154.12-203 in 1996. The Kentucky Commission on Military Affairs (KCMA) is an independent agency attached to the office of the governor. Authority to establish the commission was established in 1992 and executed in 1996. The commission is the lead advocate for military installations and the related defense economy in Kentucky. For nearly three decades, KCMA has directly managed Base Re-alignment and Closure (BRAC), set conditions for economic growth near Kentucky military installations and provided insight to all levels of government regarding the military and veterans.

Mission of KCMA

- Address matters of military significance to Kentucky.
- Maintain a cooperative and constructive relationship between state agencies and the military entities in Kentucky.
- Advise the Governor, the General Assembly, the Kentucky congressional delegation, and other appropriate government officials on military matters.
- Take action to increase the military value of Kentucky's National Guard, active, and reserve military force structure and installations, and improve the quality of life for military personnel residing in the Commonwealth.
- Coordinate the state's interest in future Base Re-alignment and Closure (BRAC) activities.
- Recommend state, federal, and local military-related economic development projects.
- Promote and assist the private sector in partnering with Kentucky's military installations.
- Recommend to the Kentucky Economic Development Partnership the long-range options and potential for the defense facilities located in Kentucky.
- Develop strategies to encourage military personnel to retire and relocate in Kentucky and promote those leaving the military as a viable quality workforce.
- Allocate available grant money to qualified applicants to further the purposes of the KCMA.

VI. Military Employment in Kentucky

Military employment in Kentucky includes full-time active-duty military personnel, traditional part-time National Guard and Reserves, and full-and-part-time DoD civilian employees. The broadest measure counts all these jobs, and totals 56,290 employees in Kentucky at the end of Federal Fiscal Year 2022, the most recent available reporting data. More than half of these are active-duty Army personnel based at Fort Campbell and Fort Knox. The chart below shows, by county, the composition of active-duty Army, Army civilians and active-duty employees and civilians of other branches, Reserves for all branches, and the National Guard (Army and Air). The Army clearly dominates the presence of military activity in Kentucky.

Military Employment by County, 2022

County	Active Duty	Civilian	National Guard	Reserve	TOTAL
Christian	27,614	2,337	51	185	30,187
Hardin	6,487	4,401	66	2,190	13,144
Jefferson	137	1,205	1,805	595	3,742
Madison	13	983	640	28	1,664
Franklin	17	284	1,120	0	1,421
Fayette	58	117	278	512	965
Boone	43	17	506	No data	No data
Muhlenberg	0	73	332	0	405
Campbell	No data	29	0	369	No data
McCracken	No data	12	128	187	No data

Source: DoD Defense Spending by State FY2022

According to the Defense Manpower Data Center (DMDC) March 2024 report (<https://dwp.dmdc.osd.mil/dwp/app/dod-data-reports/workforce-reports>), the following is the most recent military assignment reporting data for Kentucky:

Active-Duty	30,755 (TOTAL)
Army	30,252
Navy	10
Marine Corps	87
Air Force	246
Space Force	0
Coast Guard	160

Reserve Component	12,159 (TOTAL)
Army National Guard	6,228
Army Reserve	4,410
Navy Reserve	231
Marine Corps Reserve	104
Air National Guard	1,125
Air Force Reserve	4
Coast Guard Reserve	57

VII. Kentucky Defense Appropriations

Kentucky continues to do very well in the annual defense authorization and appropriations bills. The former – the National Defense Authorization Act (NDAA) – was passed by Congress on Dec. 23, 2022, and signed into law the same day by President Biden. The defense appropriations bill was part of an omnibus Consolidated Appropriations Act, 2023, that Congress passed on Dec. 23, 2022, and was signed into law by President Biden on Dec. 29, 2022.

Courtesy of U.S. Senate Republican Leader Mitch McConnell (R-KY), the Further Consolidated Appropriations Act of 2024 contains significant resources to support programs in Kentucky critical to our national defense. As a senior member of the Senate Appropriations Committee, Sen. McConnell led Kentucky's Congressional Delegation in securing over \$528 million in defense funding for Kentucky priorities and its servicemembers across the FY 2024 Defense and MilCon/VA (Military Construction, Veterans Affairs and Related Agencies) bills.

"The work of deterring America's adversaries and the growing threats we face abroad begins with restoring hard power at home, in states like Kentucky. The Senate's defense legislation is an important step toward rebuilding our defense industrial base and deepens Kentucky's important role in our national security," said Sen. McConnell. "It invests in job-creating projects to develop cutting-edge tools and next-generation armor systems that give our servicemembers an edge on the battlefield. It harnesses the potential of our top universities, fostering technological innovation in areas critical to national defense at the University of Louisville and the University of Kentucky. It also dedicates resources to longtime Kentucky priorities, like our ongoing mission to complete chemical weapon demolition activities at Blue Grass Army Depot. In many ways, the Senate's legislation delivers on Kentuckians' priorities, strengthens our economy, and solidifies my home state's important role in our national defense."

The following provisions specifically benefit Kentucky and increase the Commonwealth's role in America's defense:

- \$66 million for the Army and Marine Corps to accelerate procurement of life-saving advanced camouflage systems manufactured in Stearns, Kentucky
- \$20 million for the NSA to support its long-running Cybersecurity Workforce Development partnership with the University of Louisville
- \$280 million for the Air Force's continued development of advanced engine capabilities supported in Madisonville and Erlanger, Kentucky
- \$10.5 million to provide a unique training facility to support Special Operations Forces in Kentucky
- \$8 million for the Army to develop next-generation vehicle armor manufactured in Brandenburg, Kentucky
- \$10 million for the Defense Innovation Unit OnRamp program to establish a defense-technology gateway in partnership with the University of Louisville
- \$5 million for the Army to procure modernized drone technology sustained and supported in Somerset, Kentucky
- \$20 million for the Army's continued development of advanced materials and additive manufacturing in partnership with the University of Kentucky

- \$4 million for the Defense Health Agency to test an innovative technology developed in Covington, Kentucky, allowing physicians to tailor prescription medications to patient’s unique genetic makeup
- \$20 million for the Army to develop specialized carbon composites for hypersonic weapons and low-cost synthetic graphite for domestic production of tactical vehicle batteries in HITCHINS, Kentucky

Additionally, the bill contains \$1.09 billion for the Assembled Chemical Weapons Alternatives Program to support completing the demilitarization mission and transition operations at Blue Grass Army Depot. It secures \$305.7 million for the National Guard Counter Drug Program, which supports the Kentucky National Guard’s efforts to train and assist state and local law enforcement in combatting the illegal drug trade.

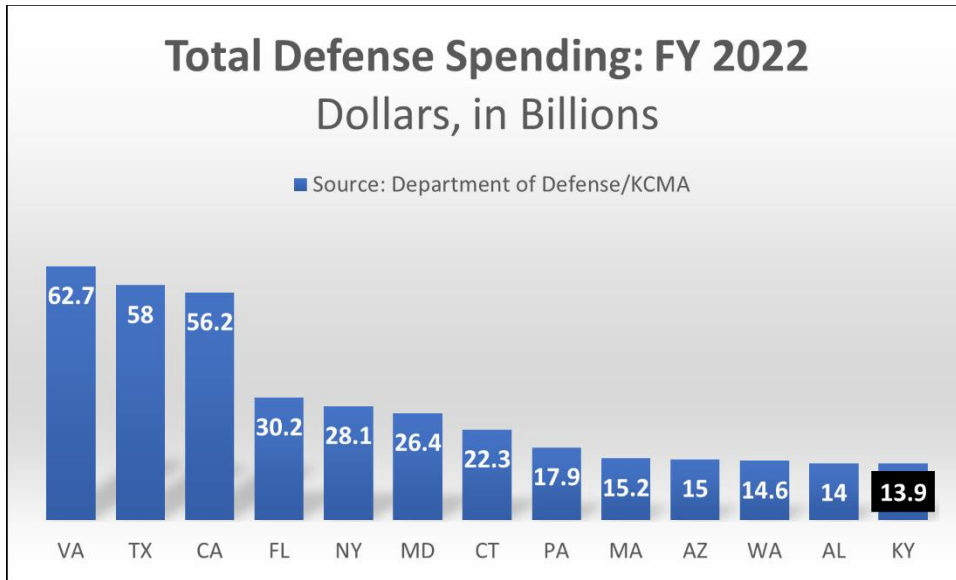
“These appropriations constitute a tremendous step forward for Kentucky’s surging defense industrial base and will grow Kentucky jobs. Every Kentuckian should thank Leader McConnell for securing these commitments,” said President and CEO of the Kentucky Association of Manufacturers Frank Jemley III. “Home to vital military facilities, some of our country’s most elite military units, and a growing number of defense and aerospace companies, Kentucky is playing an increasingly important role in America’s national security because of what Leader McConnell has accomplished through these appropriations and other measures. From advanced materials, manufacturing, and technology for future warfighters, to ready now combat material, to cyber, drones, and advanced engine capabilities for our country’s frontline fighter jets, this funding will make America stronger and Kentucky’s economy stronger, and our state’s business community is grateful.”

VIII. Kentucky Defense Spending

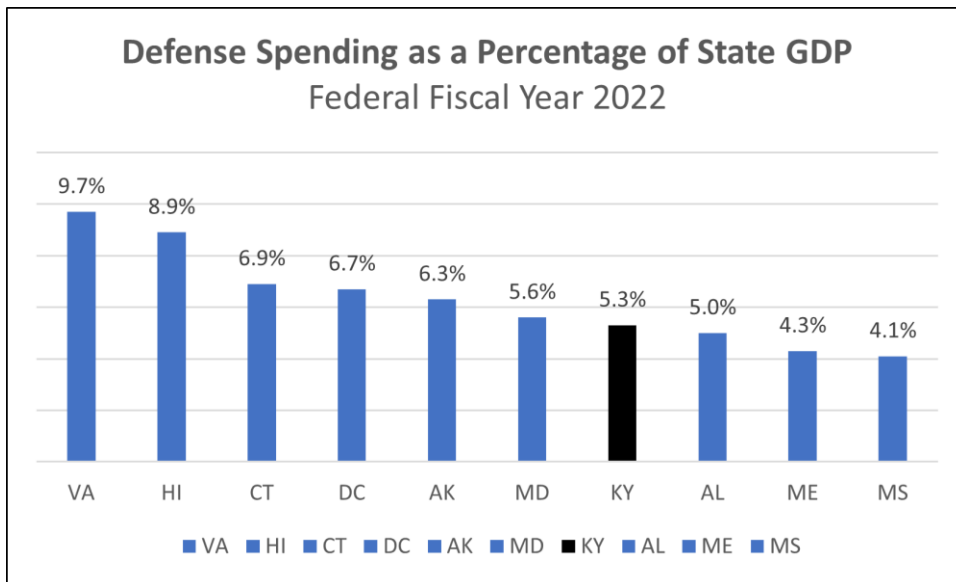
The most recent comprehensive analysis of state-by-state defense spending is Defense Spending by State, Fiscal Year 2022, released in October 2023 by the Office of Local Defense Community Cooperation (OLDCC) in the Department of Defense. The report is based on research done between March and September of 2023. It is drawn from numerous sources, mainly DOD’s Defense Manpower Data Center and USAspending.gov, which is managed by the Department of the Treasury.

Kentucky, with its population of approximately 4.5 million, continues to excel in the overall rankings. According to the latest U.S. Department of Defense (DoD) Defense Spending Report (FY2022), Kentucky ranks in the top 16 states in the nation in multiple categories, including defense spending as a percentage of state Gross Domestic Product (7th), defense-related contract spending (11th), defense spending by state (13th), personnel spending (14th) and personnel employed by DoD (16th).

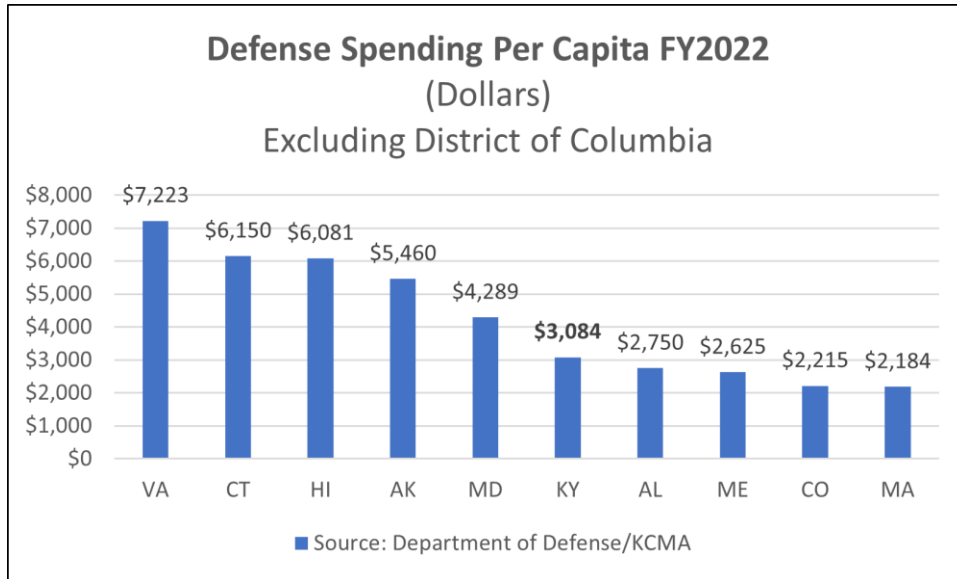
Kentucky’s ranking of 13th in Defense Spending by State (\$13.9B) clearly demonstrates the Commonwealth’s value to our national defense community. This ranking has been consistently rising over recent years – in the 2017 Defense Spending by State report, Kentucky ranked 17th at \$8.2B. Kentucky ranks 14th in state DoD personnel spending at \$3.3B, consistent with our overall ranking.



Kentucky continues to rank in the top 10 in defense spending by percentage of state GDP at 5.3 percent, demonstrating its value in relation to the Commonwealth’s economic climate. This percentage has steadily risen from 4.0 percent in FY2017, when it ranked 10th overall.



Another way of measuring the strength of Kentucky’s defense industrial base relative to other states is by per capita defense spending – see Figure 5 below. According to the OLDCC report, the FY 2022 per capita defense spending in Connecticut – both for contracts and personnel spending – was \$3,084. This places Kentucky a highly competitive sixth in the nation. Virginia is the strongest state in the nation in per capita defense spending at \$7,223, with a major commitment to the U.S. Navy and the National Capitol Region. Hawaii at \$6,081 is something of an outlier, combining the nation’s major Pacific Ocean presence with a very low population of 1.5 million. Kentucky’s per capita defense spending almost doubles the average state per capita defense spending across the entire United States, \$1,676, a clear demonstration of how important military spending is to the Commonwealth.

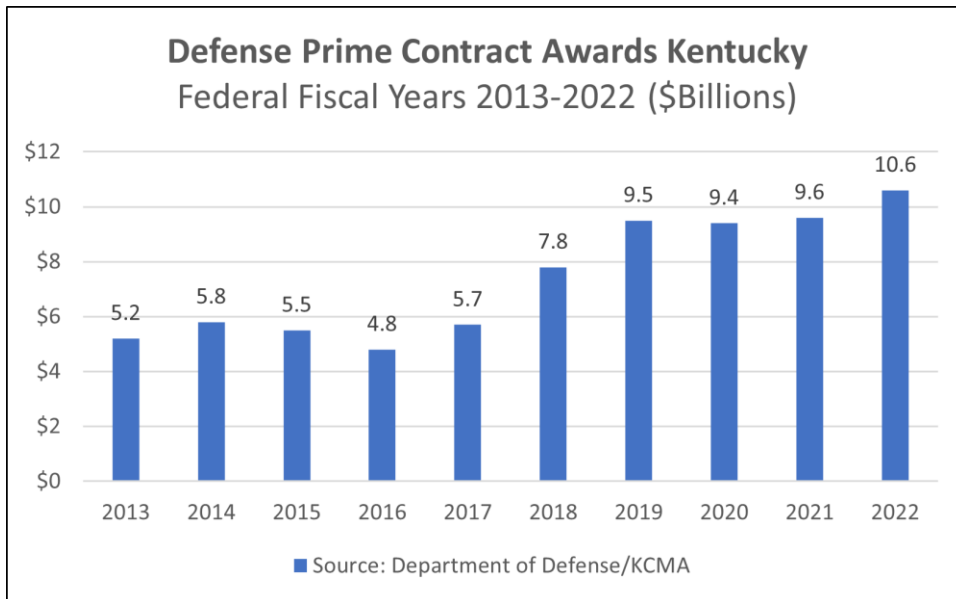
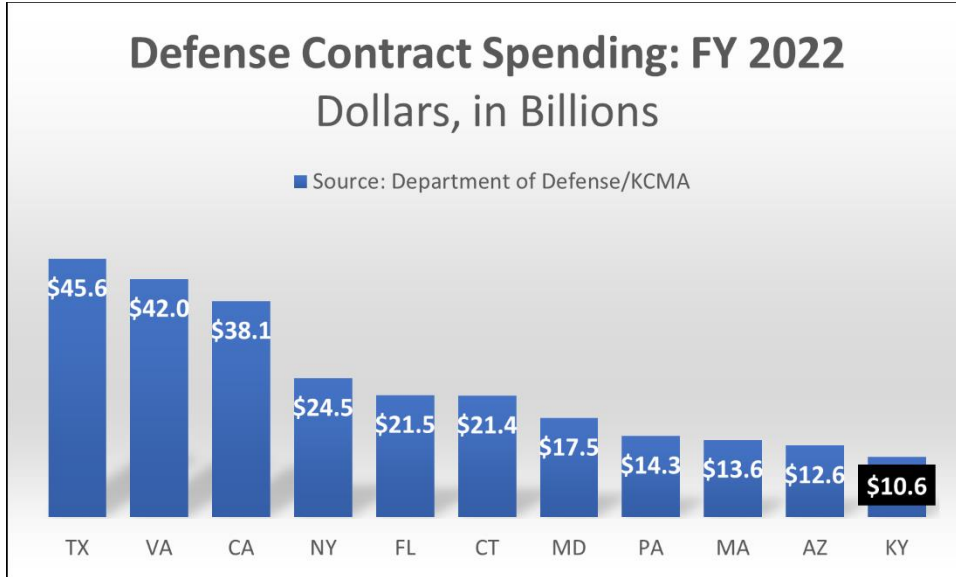


IX. Contract and Grant Spending

Kentucky military installations and activities contribute significant dollars to local economies through contract funding. In 2022, Kentucky received \$10.6B in grants and contracts from DoD. The amount of spending varies by year; however, it has consistently grown in Kentucky, as shown by the FY2013-2022 chart below.

The DoD Office of Economic Adjustment publishes annual figures on defense spending by state, with breakouts for contracts and payroll spending. Kentucky’s 2022 total ranked 11th among the 50 states. Kentucky is particularly blessed with Humana Military Healthcare Services in Louisville (Jefferson County) holding the massive DoD health care contract to administer the TRICARE health insurance program, at \$7.7B in FY2022. That places Jefferson County, which is the recipient of another ~\$300K in contract spending, 10th among U.S. localities in DoD contract and grant spending.

In another note, the total figure cited in the DoD report is very conservative in that the number is derived from DOD’s daily announcement of contract awards. DoD’s contract announcements apply only to prime contracts with a value of \$7.5M or more, though DoD awards many thousands of contracts nationally with a value less than \$7.5M.



Top National Contract Spending Locations, FY202

1. Tarrant, TX \$18.6B
2. Fairfax, VA \$17.8B
3. New York, NY \$17.2B
4. San Diego, CA \$11.9B
5. Dallas, TX \$9.8B
6. New London, CT \$9.7B
7. Los Angeles, CA \$9.3B
8. Pima, AZ \$8.6B
9. Hartford, CT \$8.1B
- 10. Jefferson County, KY \$8.0B**

Source: Department of Defense/KCMA

Top Kentucky Defense Contractors, FY2022

1. Humana	\$7.7B
2. Lockheed Martin	\$668.1M
3. Bechtel Group	\$384.9M
4. Boeing	\$128.9M
5. United Parcel Service, Inc.	\$73.2M
6. Raytheon Technologies	\$70.1M
7. Anduril Industries, Inc.	\$63.4M
8. Inverness Technologies, Inc.	\$60.3M
9. SourceAmerica	\$59.1M
10. Global Asset Technologies	\$53.6M

Source: Department of Defense/KCMA

Through our Kentucky COMPETES project with the University of Louisville, funded by OLDCC and outlined in the next section, we find that Kentucky-related defense contracts contribute to the Commonwealth’s economy directly in payroll and local/state business taxes and also through indirect and induced employment as a matter of employees working and living in the state. The estimation of direct employment to indirect employment is one direct job creates two indirect jobs, in addition to the spending companies do with vendors and suppliers (source: Lambert, 2024).

In real numbers, payroll for the top defense industry firms of close to \$600 million helps generate over \$731 million in non-defense industry payroll. Specifically, for every \$1.00 in defense related payroll, \$1.29 in other non-defense payroll is generated. Additionally, the top defense industry firms add approximately \$518 million of value to DoD products/services they produce. It is estimated that another \$1 billion is valued added to the economy due to technology development and intellectual property of these firms (Lambert, 2024).

Non-defense business industries also thrive and provide stimulus due to defense spending in Kentucky. Sectors such as support activities for logistics and transportation, employment services, air transportation, truck transportation, residential and nonresidential construction, business services, securities and brokerage, hospitality, security services, and marketing research are but a few sectors that benefit from defense spending of large firms in the state.

Smaller firms in the defense industry base contribute to over \$171 million in direct, indirect, and adduced payroll. While not as large, the extensive Kentucky reliant supply chains and higher than average payrolls for most small firms, every payroll dollar generated contributes similarly to that of larger firms through revenue and tax receipts as well as support for other sectors including facilities development, motor vehicle manufacturing, durable goods, textiles, and ammunition (non-small arms) manufacturing.

Combined, the contributions of larger and smaller defense industry base firms to local tax base are estimated at \$54 million which benefits municipal services including fire, safety, and other public services. It is estimated that every \$1 paid to defense industry businesses generates another \$2.27 in state sales, excise, income and property taxes which benefits public schools, universities, state roads, and other state level programs to the tune of \$119 million (Lambert, 2024).

As shown in DoD reporting, Kentucky continues to rank among the leading states nationwide for defense contracting despite its modest population. In addition, the operational activities of Kentucky's military installations, including Fort Campbell, Fort Knox, Blue Grass Army Depot and Bluegrass Station, contribute greatly to the Commonwealth's economic well-being. Military operations and training is a separate expenditure class from that covered in this document, one that is not quantifiable by state due to the nature of spending that crosses both state lines and international borders in the execution process. An overview of the activities of Kentucky's military installations and major organizational elements will come later in this report. Bottom line, Kentucky is a high performer in DoD spending and operations, with a bright future for its defense economy.

KCMA-OLDCC Grant Partnerships

KCMA works closely with OLDCC to help address national defense needs. We have been the recipient of four OLDCC grants since 2015 and are currently managing our fourth OLDCC grant, in the amount of \$1.7M.

As noted above, the Kentucky COMPETES Project with the University of Louisville, funded by OLDCC, is a comprehensive, systematic investigation to identify modernization and diversification efforts among Kentucky's defense industrial base (DIB) in manufacturing, aerospace and distribution/logistics. Kentucky COMPETES is Collaborative Opportunities to Modernize Practices, Engagement, Teams, and the Economy for Success. The 18-month grant period of performance is from September 1, 2023, through February 28, 2025. The grant program, requested and refined by OLDCC over the past several months, is aligned with the DOD Diversification & Modernization Program for Economic Adjustment Assistance for State Governments. The U of L Research Foundation (ULRF) is the official subrecipient of this grant via a memorandum of agreement. The program is managed by KCMA Grant Project Manager Dr. Dallas Kratzer, who is one of the nation's foremost experts on defense community military transition, in tandem with Dr. Jeff Sun and his team at the University of Louisville's College of Education and Human Development, Department of Educational Leadership, Evaluation, & Organization Development.

Dr Kratzer also managed our successful 2021-2022 KCMA-University of Louisville \$2M Cybersecurity Certifications, Careers, & Communities (C4) grant, a program that created a cyber training program for veterans and military-connected students. The C4 grant was phase three of KCMA's effort to diversify Kentucky's defense industry sector. The first two phases, carried out between 2015 and 2019, were focused on studies of Kentucky's defense sector and efforts to expand that industry and its workforce.

Kentucky has also received recent OLDCC grant programs to create a "Compatible Use Plan" for the community surrounding Fort Knox, in coordination with the Lincoln Trail Area Development District, to conduct an 18-month land conservation survey of the land surrounding Fort Knox, and two grants to the Blue Grass Area Development District to assist in job creation for displaced workers of the Blue Grass Army Depot's chemical weapons eradication program.

The current Kentucky COMPETES grant examines:

- Defense industrial business economic impact on the Commonwealth of Kentucky
- National DIB trends impacting the state, the business climate and readiness of the workforce
- Opportunities and strategies to modernize and diversify
- On-going engagement with key stakeholders including DIB firms, economic development agencies, workforce education entities, industry associations, and experts

Three initial opportunities identified include:

- A recommendation to utilize an ecosystem approach to map and articulate factors impacting and impeding DIBs and adjacent businesses due to the state’s unique characteristics
- More broadly define modernization and diversification to address different DIB firm size needs in the state
- Consider investment in additive manufacturing as a reshoring to Kentucky strategy

The Kentucky COMPETES team is also examining the role of emerging technologies, the need to proactively/adequately prepare a resilient workforce, and the impact of cybersecurity and artificial intelligence operations. The final report should be ready for publishing in the Spring of 2025.

X. Veterans and Retirees

Millions of dollars flow into Kentucky each year to provide retirement, disability and other benefits to veterans and retired military personnel. These dollars are spread geographically around Kentucky, following the residential decisions of the recipients. The largest concentration of benefits occurs in counties proximate to Fort Campbell and Fort Knox, and to counties containing the largest cities in the Commonwealth.

According to the Veterans Administration Fiscal Year Benefits Report 2023, in FY2023 Kentucky had 267,611 veterans, 7.2 percent of the Commonwealth’s over 18 population. Jefferson County has 42,442 veterans, followed by Fayette County with 14,661. In addition to Jefferson and Fayette Counties, the chart below highlights counties in immediate proximity to our two major military installations.

Kentucky Veteran Population by County, FY2023

1. Jefferson	42,442
2. Fayette	14,661
3. Hardin	12,774
4. Christian	5,900
5. Bullitt	5,456
6. Nelson	3,265
7. Meade	2,945
8. Breckinridge	1,480
9. Grayson	1,331
10. Hart	1,203
11. Larue	941
12. Todd	646

Source: Veterans Administration Fiscal Year Benefits Report 2023

According to the Department of Defense Statistical Report on the Military Retirement System FY2022, in FY2022 there were 28,936 military retirees in Kentucky, and they received \$744,036,000 in total combined retirement pay, for an average yearly retirement pension of approximately \$25,713. Kentucky ranks 21st in the number of retired military residents.

Because retiree residential decisions are not made in Washington, local and state policy in Kentucky influences our share of national retiree dollars. Kentucky’s two major military installations are retiree magnets, as is the exemption of most retirement income from the Kentucky state individual income tax.

Texas and Florida are, by a significant margin, the top two states of residence for military retirees owing to their warm winters and no state income tax.

In FY2022 there were 4,177 Military Survivors receiving retirement benefits of \$55,860,000, for an average annual yearly retirement pension of \$13,373. Federal spending for veterans' compensation and pension was \$1,752,204,260 for 77,064 veterans in FY2023, an average benefit of \$22,737 annually. The VA paid \$36,461,327 in direct Pension Benefits to 2,628 recipients in Kentucky, for an average benefit of \$13,874.

Approximately 25 percent of Kentucky's veterans have a service-connected disability rating (66,212 veterans). There were 9,493 participants in VA veterans' education programs (no dollar amount specified); and the total spending for veterans' insurance programs was \$65,158,419. Home Loan guarantees through the federal Veterans Administration (VA) was \$1,500,854,629 for 5,572 loans. The median household income of Kentucky veterans was \$59,463, compared with the median income of all Kentucky households at \$54,472. Source: Veterans Data Info from the Housing Assistance Council.

The federal Department of Veterans Affairs (VA) manages multiple sites in Kentucky, including a Louisville, Kentucky-based VA Fiduciary Hub serving regional offices in Kentucky, Virginia, West Virginia, Mississippi, Tennessee, Alabama and Puerto Rico. The VA manages two Regional Medical Centers, one in Lexington and one in Louisville. Additionally, the VA manages clinics in Belleview, Bera, Carrollton, Clarkson, Florence, Fort Knox, Fort Thomas, Hazard, Lexington, Louisville, Morehead, Prestonsburg, Radcliff, and Somerset.

The Kentucky Department of Veterans Affairs (KDVA) plays a significant role in the health of the Commonwealth's veterans' community. KDVA operates four state veterans' centers, with a fifth under construction in Bowling Green, that service the 120 counties that make up the Commonwealth of Kentucky, with a combined FY2023 budget of \$76,762,546.36. Over the course of FY23, the successive monthly Compensation and Pension awards to Kentucky veterans and survivors represented by KDVA—approximately 14% of veterans in the Commonwealth—increased from \$37.4 million to \$43.5 million. The total VBA payments to our clients including FY23 was \$467.56 million.

Kentucky has five state veteran cemeteries that service the 120 counties that make up the Commonwealth of Kentucky. The veterans' cemeteries are fully funded by the General Assembly and staffed by full-time state employees. Kentucky's five veteran cemeteries have completed 19,997 honorable and dignified interments, 1,564 were completed during FY23.

For FY23, the KDVA Benefits Division continued to administer the Kentucky Tuition Waiver program by processing 833 applications and awarding 702 waivers of tuition to Kentucky's state-funded colleges and universities with a monetary value of \$23,932,020.00. The Veterans Program Trust Fund (VPTF) granted a total of \$597,040.95 to 25 grantees. The Homeless Veterans Trust Fund granted a total of \$240,780.23 to 630 veterans.

Kentucky allows a military retiree to exclude military retired pay income of up to \$31,110 from adjusted gross income when filing state income tax returns. A property taxes exemption of \$46,350 (2023-2024) exists for 100 percent disabled veterans, with application for the disability exemption made through the county property valuation office. There is a tuition waiver for dependents of veterans who are 100 percent disabled.

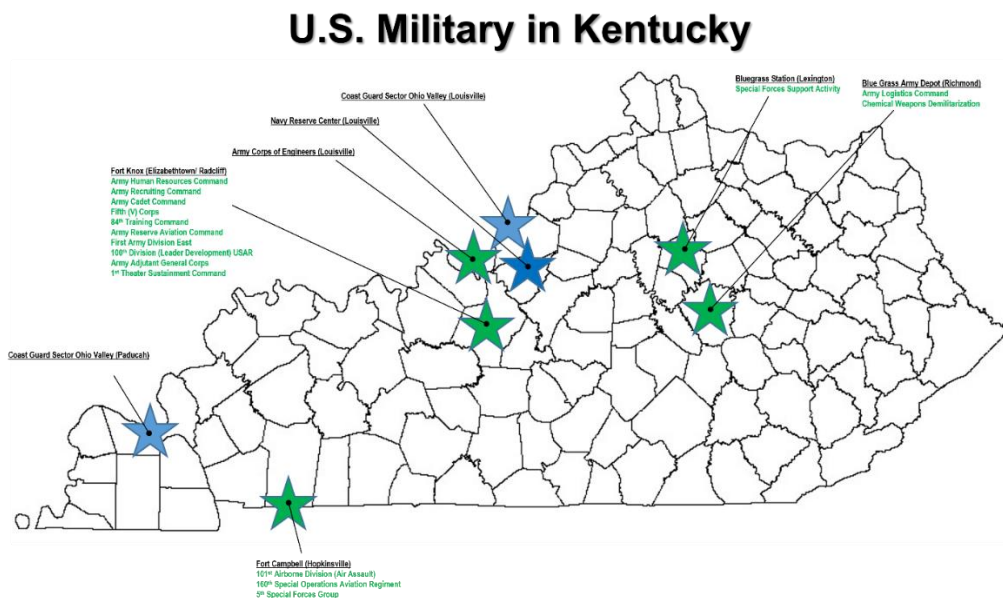
The Commonwealth’s veterans’ community is admirably served by the Joint Executive Council of Veterans’ Organizations (JECVO, <https://www.facebook.com/JECVOKY/>), which is comprised of 33 organizations, including the state’s major Veterans Service Organizations, who speak with one voice on behalf of Kentucky veterans and families. The organization meets bimonthly at varying locations around the Commonwealth, and meets monthly in Frankfort during sessions of the Kentucky General Assembly.

XI. Major Military Sites and Operations in Kentucky

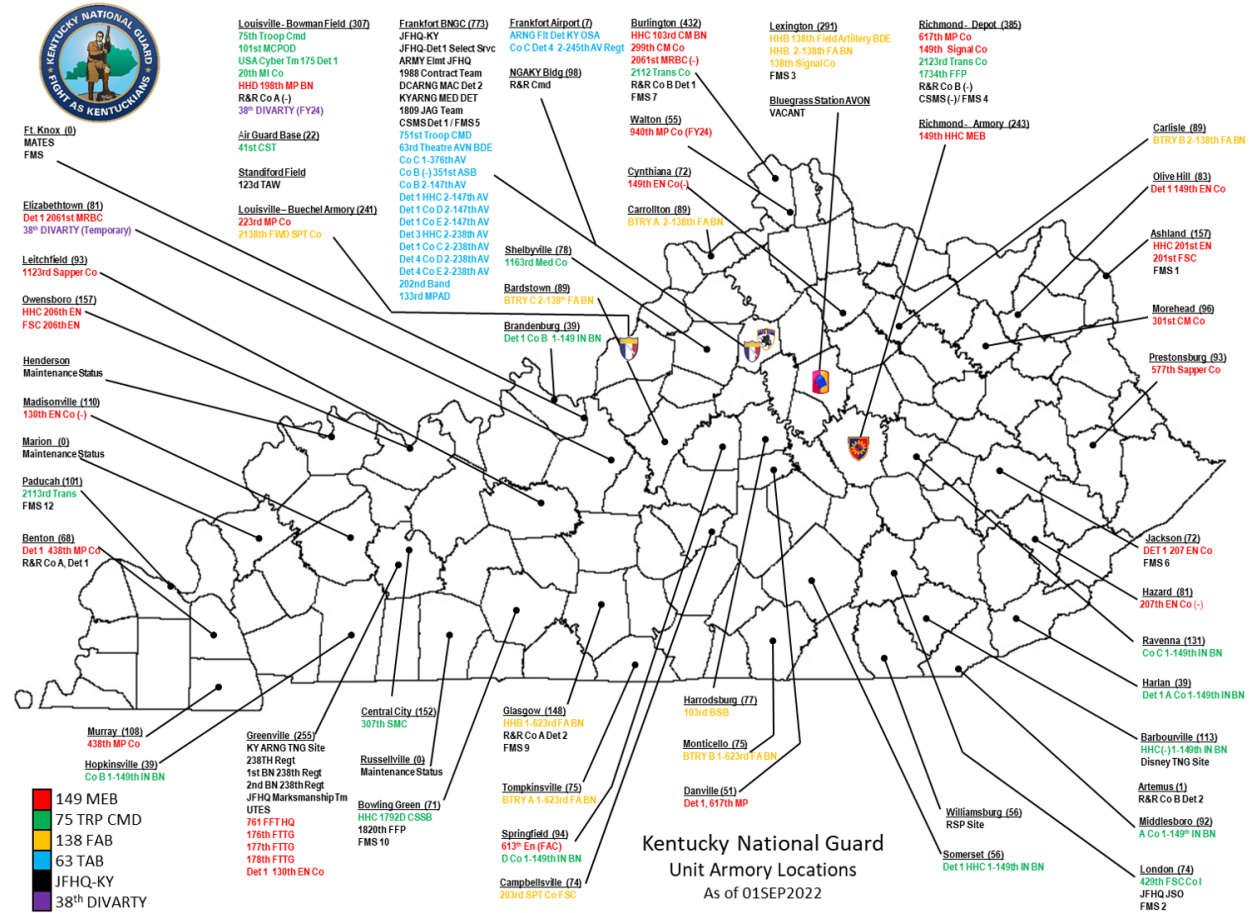
Kentucky is home to two major U.S. Army installations – Fort Campbell and Fort Knox. These have large residential and daytime populations, and are essentially self-contained cities surrounded by tens of thousands of acres of rugged training areas. In fact, Fort Knox is a certified Kentucky city – the sixth largest urban community in the Commonwealth. The Blue Grass Army Depot, adjacent to Richmond, is another large Army facility. It is a storage, distribution and demilitarization center for ammunition and chemical defense weapons, with specialty manufacturing and logistics capabilities. Nearly all Blue Grass Army Depot employees are civilian.

Louisville has a number of important military activities, including a district headquarters of the U.S. Army Corps of Engineers, the headquarters of the U.S. Coast Guard Sector Ohio Valley, the Kentucky Air National Guard base at the Louisville-Muhammad Ali International Airport, and the Airport Industrial Center (formerly the Technology Park of Greater Louisville, and prior to that the Naval Ordnance Station). Other military personnel are scattered throughout Kentucky, generally distributed through the population at large. Training reservists, National Guard units, military recruiters, and ROTC/JROTC students are present in all major Kentucky cities. Frankfort’s Boone National Guard Center serves as the state headquarters for the National Guard.

Military retirees and veterans reside across the state, though they tend to cluster around Fort Campbell and Fort Knox. According to federal data, there are military personnel, especially Kentucky National Guard members, in virtually every one of Kentucky’s 120 counties. The figures below are maps of major military locations in Kentucky:



Kentucky National Guard Operating Locations



U.S. Army – Fort Campbell

Fort Campbell is the historic home of the venerated 101st Airborne Division (Air Assault), the rapid response for U.S. contingency operations worldwide. Fort Campbell is one of the largest installations in the world. Strategically located on the Tennessee/Kentucky state line, the 106,700-acre installation possesses a unique capability to deploy mission-ready contingency forces by air, rail, highway, and inland waterway. The post is named in honor of William Bowen Campbell, a former Tennessee Governor who served as a Union General in the Civil War. Fort Campbell was originally established (in 1942) as a war-time armor training and mobilization camp during WWII and became a permanent installation in 1950. From 1948 to 1965, the post was also home to Clarksville Base, a top-secret nuclear weapons storage and modification facility. Over the years, Fort Campbell served as the home to several airborne, armored and infantry units and has grown to become one of the Army’s most important permanent installations.

Throughout its history, Fort Campbell has supported the training and deployment of front-line Army units involved in the nation’s wars, beginning with World War II through Vietnam and Operation Desert Shield/Desert Storm, and up to the current Overseas Contingency Operations. Since 2002, Fort Campbell units have been among the most deployed combat units in the Army.

Fort Campbell is the home of the 101st Airborne Division (Air Assault), the only Air Assault division in the world, since 1956. Two prestigious Special Operations Command units, the 5th Special Forces Group

(Airborne) and the 160th Special Operations Aviation Regiment (Airborne), have also been at Fort Campbell since the mid-1980s. In 2009, the 52nd Ordnance Group (EOD) relocated to Fort Campbell (from Fort Gilliam, GA) as part of 2005 Base Realignment and Closure (BRAC) stationing actions. The installation itself is managed by the U.S. Army Garrison-Fort Campbell, with Campbell Army Airfield, numerous associated training ranges, and the Don F. Pratt Museum. Manning for FY2024 includes 27,229 assigned soldiers and approximately 2,500 associated military personnel; 8,575 full-time civilians including 1,599 Department of the Army civilians, 2,180 Department of Defense contract employees, and 4,796 civilians working in numerous miscellaneous roles; and 65 assigned Reserve Component personnel. Total base population, including transient personnel, was 39,089.

Installation priorities include child-care assistance and assistance for transitioning soldiers due to a lack of qualified child-care providers, a common Department of Defense challenge nationwide which is an impediment for spouses to find employment. Kentucky took a positive step in that direction in January 2023 with the adoption of Military Child Care in Your Neighborhood-PLUS, a child care stipend program for soldiers who place their children with qualifying state providers.

Between 400-to-500 soldiers a month transition out of the Army from Fort Campbell, with approximately 35 percent of these soldiers remaining local, a trend of 10 percent or more higher than the normal Army installation experience. Kentucky is working to support these soldiers through various means. An area for potential improvement is that communities around Fort Campbell do not accept the Uniform Residential Landlord Tenant Act. Fifteen Kentucky cities have adopted it, as has the Tennessee legislature for statewide implementation. The installation is supported in the local community by the Christian County Chamber of Commerce Military Affairs Committee, in coordination with Todd and Trigg Counties. Citizens for Fort Campbell is an ad hoc advocacy group that comes together for an annual visit to Kentucky's Congressional Delegation in Washington, DC and to the Pentagon to advocate for Fort Campbell priority needs, including child care, new missions and modern lodging facilities.

U.S. Army – Fort Knox

As the Army's Human Resource Center of Excellence, Fort Knox is positioned to continue its central role in the front ranks of military installations in the United States, recruiting, training and supporting warfighters for the challenges of the twenty-first century. The Human Resource Center of Excellence is responsible for all Soldier career management, from swearing in to departing service. Its units include Accessions Command, Human Resources Command, Army Recruiting Command and Army Cadet Command. Fort Knox is also the home of the General George Patton Museum which is open year-round. The U.S. Department of Treasury's Kentucky Bullion Depository is adjacent to Fort Knox; however, it is closed to visitors. Units located on Fort Knox are considered "Partners in Excellence" and include active-duty Army organizations, Army Reserve, National Guard and the U.S. Marine Corps.

Fort Knox has a daytime population of over 26,000 soldiers, family members and civilian employees. Boosted by outstanding community support, including the U.S. Army "best practice" community advocacy organization (Fort) Knox Regional Development Alliance, Fort Knox has become one of the premier training centers in the world, leading the Army into the 21st century by developing cutting edge technology which enhances training, readiness, and the nation's warfighting capabilities.

Fort Knox encompasses 109,000 acres in three Kentucky counties, Bullitt, Hardin, and Mead Counties and is located 35 miles south from Louisville, and north of Elizabethtown. Fort Knox is a certified Kentucky city – the sixth largest urban community in the Commonwealth. Fort Knox is adjacent to the

city of Radcliff, 15 miles north of Elizabethtown, and approximately 35 miles south of Louisville. The surrounding communities house hundreds of military retirees and active-duty families.

Fort Knox partnered with the Lincoln Trail Area Development District and Hardin County government to develop and publish a Compatible Use Plan (CUP) in January 2022 that addresses existing and planned land uses/activities in ways the military and civilian communities can be mutually supportive so that growth and development is managed in a way that doesn't impede the military mission. The installation garrison command continues to work with Bullitt and Meade Counties on their CUP considerations. In addition, the garrison command successfully worked with the Heart of Kentucky Association of Realtors and KCMA in developing a real estate disclosure notice where buyers will be informed to the installation's presence and its potential to produce noise related to the installation's multiple combat training ranges, including the Digital Air Ground Integration Range (DAGIR) scheduled for opening in 2024. The DAGIR is being constructed on the former Yano tank range. When completed, it will be the only range of its type east of the Mississippi River. It will draw additional ground and aviation units for training because of the large scale, realistic training opportunities that it will provide.

Fort Knox is second only to UPS as Kentucky's largest employer and is stressed by housing shortages, spouse and veteran employment opportunities, networks, healthcare access and more. Efforts are underway to develop a new passenger service route between Elizabethtown and Detroit, as well as Elizabethtown and Jackson, Tennessee. Such an increase in available travel routes will benefit the Fort Knox community. Installation leadership strongly supports the Elizabethtown airport board's aim to have a new 7,800 foot runway that would accommodate critical movements of personnel and material, along with mainline airline charter flights, for deployment purposes. Fort Knox also strongly supports Ford Motor Company's BlueOval SK Battery Park project. The positives are numerous, and the opportunities are there to continue to capitalize on this major economic boon for the region. Installation leadership simply asks that Fort Knox considerations and equities continue to be part of the larger growth management conversation as a single entity and location. The Knox Regional Development Alliance has grown into a passionate and effective advocate for installation support and has garnered strong community investment into their effort.

Fort Knox Tenant Units

- **U.S. Army V Corps**
 - As the senior, tactical headquarters in the contact layer for Europe, V Corps provides training, increases readiness, and retains operational control of assigned and allocated units in order to compete across the competition continuum alongside Allies and Partners; deny adversaries in crisis; and, should conflict occur, fights and wins in Multi-domain, Large Scale Combat Operations to reestablish sovereign borders. V Corps' European presence allows U.S. Army forces to support more exercises and training with our allies and partners while increasing readiness and the ability to deter potential adversaries. The return of V Corps to Europe enhances security in the region and reassures our NATO allies and partners of the U.S. commitment to NATO and its partners in Europe. The primary mission of the new forward headquarters in Poznan, Poland will be to conduct operational planning, mission command and oversight of the rotational forces in Europe. It will also provide additional capability to support allies and partners in the region and help improve interoperability. The V Corps' history dates back to 1918, when the unit was activated during World War I in combat in France. By the end of the war, the Corps had fought in the Lorraine, St. Mihiel and Meuse-Argonne campaigns, and

was dubbed the “Victory Corps.” V Corps later took part in the World War II D-Day invasion and liberation of Europe; defended Western Europe during the Cold War; saw service in the Balkans and in Iraq and Afghanistan; and has helped build U.S. bonds with America’s multinational partners across Europe. The motto of V Corps is "It Will Be Done." The V Corps' logo features a pentagon representing the number of the Corps, while blue and white are the colors associated with Corps flags. V Corps returned to active status at Fort Knox on October 1, 2020. The corps continuously supports troops rotating forward to Europe on 6-to-9 months deployments, with over 200 V Corps soldiers forward-posted to the forward headquarters in Poland. While V Corps maintains a forward presence in Poland, its main headquarters effort remains its Fort Knox headquarters. Our priority continues to be improving these lines of communication. V Corps is primarily tasked with assuring U.S. allies on the eastern flank of NATO, deterring Russian aggression anywhere in NATO territory, and building interoperability and securing force assistance with our NATO partners across the eastern flank.

- **U.S. Army Recruiting Command (USAREC)**

- The U.S. Army Recruiting Command at Fort Knox, commonly known as “USAREC,” is focused on bringing quality young men and women into the Army - people who will complete their tours of duty, make a contribution to the Nation’s defense, and provide the strength for America’s Army. USAREC is responsible for manning both the Active Army and the U.S. Army Reserve, ensuring security and readiness for our Nation. Recruiting operations are conducted throughout the United States, Puerto Rico, the Virgin Islands, Guam, American Samoa, and at U.S. facilities in Germany and Asia. The USAREC headquarters at Fort Knox provides the command, control and staff support to the recruiting force. More than 400 officers, enlisted members and civilian employees work in diverse areas such as personnel, administration, resource management, safety, market research and analysis, public relations and recruiting operations. The command has its own inspector general, staff judge advocate and headquarters command. USAREC’s subordinate structure includes seven recruiting brigades and one outreach brigade. The 1st Recruiting Brigade is headquartered at Fort Meade, Md. The 2d Recruiting Brigade is at Redstone Arsenal, Ala. The 3d Recruiting Brigade headquarters is located at Fort Knox. The 5th Recruiting Brigade is at Fort Sam Houston, Texas. The 6th Recruiting Brigade is located in North Las Vegas, Nev. The Medical Recruiting Brigade headquarters, which also manages Special Forces and Chaplain recruiting, and the Marketing and Engagement Brigade are collocated with the USAREC Headquarters at Fort Knox. Each brigade commands up to eight recruiting battalions within its geographic area for a total of 44 battalions. Each battalion commands the recruiting companies in its area. Two hundred sixty-one companies provide the tactical control of recruiting stations. The Medical Recruiting Brigade consists of five Medical Recruiting Battalions across the Command and the Special Operations Recruiting Battalion. The Marketing and Engagement Brigade oversees the U.S. Army Parachute Team, U.S. Army Marksmanship Team, and the Mission Support Battalion. There are approximately 10,900 Soldier and civilian recruiters working out of more than 1,400 recruiting stations across America and overseas. All have records of proven ability and potential, and each represents the finest traditions of the Army and military service. Army recruiters must be knowledgeable in Army opportunities and the enlistment process before they are assigned to a recruiting station. The Recruiting and Retention School, located at Fort Knox, Kentucky, provides soldiers the institutional training necessary to become

successful recruiters. The recruiters' skills continue to be developed in unit training programs that begin as soon as recruiters arrive in their recruiting areas.

- **U.S. Army Cadet Command**

- The U.S. Army Cadet Command, headquartered at Fort Knox, partners with universities to recruit, educate, develop, and inspire Senior ROTC Cadets to commission officers of character for the Total Army; and partners with high schools to conduct JROTC in order to develop citizens of character for a lifetime of commitment and service to the nation.

- **U.S. Army Human Resources Command**

- The U.S. Army Human Resources Command, commonly known as "HRC," headquartered at Fort Knox, serves the Army's valued customers – soldiers, units, families, retirees and veterans – in ways that have a transformative impact on their careers and Family life while creating a positive and lifelong connection to our Army. Its goal is to transform Army human resources, optimize the Army's performance and personnel readiness, and preserve the future of the All-Volunteer Force. HRC conducts world class talent management and manage human resource and data management initiatives that enable the Army to fight and win the nation's wars. Its scope includes the active duty and the reserve components, including units, retirees, federal employes and families. In 2023, HRC embarked on a major reorganization/transformation taking customer service from a transitional process to a direct service that always puts all soldiers first, modernizes and improves business processes, becomes more transparent in our communications, and more agile in processes to serve the Army's most important asset, which is its people. Elements include the Army's Integrated Personnel Pay System (IPPS-A), a data-rich environment ensuring full total force visibility. HRC is also reaching out to corporate partners to see how they might help the Army meet emerging requirements with the latest best practices in the field of human resources. The command is reorganizing from a legacy structure to the HRC 2030 structure, emphasizing the customer versus the process, IPPS-A's potential capitalization, agility, data-centric decisions, redundancy elimination and automation capabilities. A major goal is to increase retention across the board. The U.S. Army Human Resources Command has a rich history and legacy of providing first-class personnel service and support to soldiers, families, retirees and veterans. The creation of U.S. Army Human Resources Command occurred Oct. 1, 2003, when Army officials merged U.S. Total Army Personnel Command, or PERSCOM, and U.S. Army Reserve Personnel Command, or AR-PERSCOM. Initially designed as a field operating agency of the Office of the Deputy Chief of Staff for Personnel, G-1, in 2017, HRC became a direct reporting unit to Headquarters, Department of the Army. HRC is the Army's functional proponent for military personnel management (except for The Judge Advocate General Corps and the Chaplain Corps) and personnel systems. It supports the director of the Army National Guard, and the chief of the Army Reserve, in their management of the Selected Reserve. The HRC commanding general is the commander of the Individual Ready Reserve, or IRR, the Standby Reserve and the Retired Reserve. Throughout our history, HRC continues to transform Army human resources, optimizing the Army's performance and personnel readiness while preserving the future of the All-Volunteer Force.

- **U.S. Army First Theater Sustainment Command**

- The U.S. Army First Theater Sustainment Command (1st TSC), headquartered at Fort Knox, is America's only permanently deployed sustainment command, facilitating relationship activities within 21 countries across the Middle East. The 1st TSC provides centralized sustainment Command and Control and executes predictive and precise

operational-level sustainment to the Army, Joint Force, and Unified Action Partners to enable multi-domain operations in support of the Combatant Command (USCENTCOM) and the Theater Army/Combined Forces Land Component Command. The command focuses on Peoples, Partners and Innovation in support of U.S. Army Central Command and U.S. Central Command, taking care of both soldier well-being and sustainment of operations. The 1st TSC lineage goes back to the 1st Logistical Command, activated as a planning headquarters in October 1950 at Fort McPherson, Georgia. During the Berlin crisis of 1961, the unit deployed to France to organize the base logistics command, which was responsible for the supervision of seven depots and area port operations in western and southwestern France. On August 11, 1962, the 1st Logistical Command returned to the U.S., where it was reassigned to III corps at Fort Hood, Texas. On April 1, 1965, the unit deployed to Vietnam to serve as the logistics command headquarters for all units in the conflict. The mission included provision and management of maintenance, supply and transportation. During the five-year tour, the command's ranks swelled to 50,000 to include three area support commands, numerous brigades and group-sized units. With five meritorious unit commendations for its exceptional performance, the 1st Logistical Command redeployed to Fort Lee, Virginia and was re-designated the 1st Field Army Support Command on December 7, 1970. On June 22, 1972, the command was re-designated the 1st Corps Support Command (COSCOM) and reassigned to XVIII Airborne Corps, Fort Bragg, North Carolina, where it deployed multiple times in support of combat and disaster relief missions. On April 16, 2006, COSCOM was re-designated as the 1st Sustainment Command (Theater) and reassigned to Third Army, U.S. Army Central Command. Since 2006, the 1st TSC has been perpetually deployed to the U.S. Central Command area of responsibility where we conduct sustainment operations to ensure warfighters have the supplies and transportation capabilities they need to accomplish their missions. In August 2017, the 1st TSC ended its more than four decades of history on Fort Bragg when they cased their colors and moved to a new U.S. headquarters at Fort Knox.

- **U.S. First Army Division East**

- First Army Division East partners with, advises and assists the Reserve Component to establish the conditions for generating Total Army Readiness. The command, headquartered at Fort Knox, initiates and executes Mobilization Force Generation Installation (MFGI) expansion to meet partial or full mobilization requirements. First Division East coordinating authority spans 39 states, with over 3,300 soldiers/civilians. Fort Knox itself is designated as a mobilization station for Guard and Reserve forces. The command mobilized 50,000 Guard and Reserve soldiers in 2023, 16 percent of all deployed soldiers, and expects that to reach 20 percent in 2024. Twenty percent of those deployed make up the majority of forces in Africa and the Middle East. First Army Division East dates back to World War I and was involved in some of the heaviest battles of World War II, with 77 soldiers earning the Medal of Honor between the two conflicts. On January 16, 2006, First Army's mission expanded to include training, readiness oversight, and mobilization of all Army National Guard and U.S. Army Reserve units within the Continental United States and two U.S. Territories. First Army reorganized into two subordinate multi-component Headquarters, Division East and Division West. Department of the Army Permanent Order 156-7 established Division East to provide training and readiness oversight for an area of responsibility spanning 27 States and Territories. On March 7th, 2007, Division East was activated and headquartered at Fort Meade, MD, consisting of ten Brigades: 4th CAV, Fort Knox, KY; 205th IN, Camp

Atterbury, IN; 181st IN, Fort McCoy, WI; 174th IN, Fort Drum, NY; 72nd FA, Fort Meade, MD; 189th IN, Fort Bragg, NC; 157th IN, Fort Jackson, SC; 158th IN, Patrick Air Force Base, FL; 188th IN, Fort Stewart, GA; and 177th AR, Camp Shelby, MS. In 2015, First Army reorganized under Operation Bold Shift and transitioned Division East from a Brigade Combat Team-centric organization to a Combined Arms Training Brigade (CATB) and Multi-Functional Training Brigade (MFTB) composite formation. The ten Brigades consolidated into the five current Brigades: 4th CAV (MFTB), Fort Knox, KY; 157th IN (CATB), re-stationed to Camp Atterbury, IN; 174th IN (CATB), re-stationed to Joint Base McGuire-Dix-Lakehurst, NJ; 188th IN (CATB), Fort Stewart, GA; and 177th AR (CATB), Camp Shelby, MS. Reorganization enhanced Army National Guard and U.S. Army Reserve partnerships enabling the enduring task of increasing pre-mobilization readiness to reduce post-mobilization training time prior to deployment. The reorganization concluded in June 2016 with the relocation of Division East Headquarters to Fort Knox. Today, Division East is a multi-component Division comprised of 3,762 Active Duty, U.S. Army Reserve, and Army National Guard Soldiers and DA Civilians organized into five geographically dispersed Brigades with a total of 53 Active Component, U.S. Army Reserve, and Army National Guard Battalions.

- **U.S. Army Reserve 84th Training Command**
 - The U.S. Army Reserve 84th Training Command, headquartered at Fort Knox, consists of over 4,000 personnel in units spread out across 35 States. Of those, over 400 work, live or attend school in Kentucky. Fort Knox hosts their Mission Training Center (MTC), which provides the capability to train virtually through a variety of exercises. The MTC is used extensively by V Corps, and is also open to all other commands. The command is responsible for planning, resourcing, managing, and executing major exercises for all Army Reserve units. It executes nine multi-echelon exercises replicating Large Scale Combat Operations in four separate locations per year and trains more brigades per year than all other Combat Training Centers. It has subordinate units located across the U.S. and performs these missions with 3,300 Reserve Soldiers, 296 Active-duty Soldiers, 125 civilians, and 110 contractors. Missions include conducting internal education program training over for 400 Observer/Coach-trainers and Senior Gunners, executing five live fire events per year (including one for forces in Korea), and conducting the External Evaluation for Combined Forces Headquarters Korea twice a year.
- **U.S. Army Adjutant General**
 - The U.S. Army Adjutant General Directorate, headquartered at Fort Knox, provides the leadership and the organizations of the Training and Doctrine Command military personnel support through policies and resources that will allow the command to successfully execute its mission. Missions include serving as the primary advisor and administrator to the Command Group in all matters pertaining to military personnel retention; accomplishing cross-training and cross-training related actions critical to the sustainment of Military Personnel Actions Team mission capability; managing TRADOC's military personnel and ensuring accountability; and advocating for TRADOC schools, activities, policies and command input across the spectrum of military personnel issues; providing responsive support to TRADOC schools and activities. The post of Adjutant General was established 16 June 1775, and has been continuously in operation since that time. The Adjutant General's Department, by that name, was established by the act of 3 March 1813 and was redesignated The Adjutant General's Corps in 1950.
- **U.S. Army Reserve 100th Training Division (Leader Development)**

- Effective 1 October 2017, the 100th Training Division Operations Support was redesignated as the 100th Training Division Leader Development. The 100th Training Division (LD) establishes and implements the Army Reserve Leader Development strategy to provide a continuum of career education, training, and experience for leaders in the Army Reserve. Commanding General, 100th Training Division (LD) is the Army Reserve Senior Responsible Official for Leader Development for the U.S. Army Reserve Command Commanding General. The 100th Division offers itself as a premier training resource for the U.S. Army. It is headquartered in Fort Knox, Kentucky, with units located across the United States. Elements include the 83rd Readiness Training Center, which prepares soldiers and civilians to prevail in complex and uncertain environments through education and training in the areas of leadership, sustainment, security, and readiness, and the 97th Training Brigade, which is the intermediate leader training for Majors and Lieutenant Colonels prior to command. The 83rd RTC is a subordinated units stationed at Fort Knox. Task Training Center trains Active Duty, National Guard and Reserve, along with Department of the Army civilians, throughout the year. The 83rd RTC has elements at Fort McCoy, Wisconsin; Camp Parks, California; and Fort Dix, New Jersey. The 100th Training Division also conducts classes in Puerto Rico, Hawaii and, when requested, overseas officer training in Germany. The 97th Training Brigade works with the Combined Arms Center at Fort Leavenworth, Kansas as the Reserve schoolhouse. Their mission spans the U.S. and has overseas elements. Intent is to give Army leaders at all stages the ability to become a better commander as they move through their career. The 100th has a very distinguished historical lineage. It was established as the 100th Division at Camp Bowie, Texas on July 23, 1918 and demobilized on November 30, 1918, then was reorganized as the 100th Infantry Division in Organized Reserves with Headquarters in Charleston, West Virginia on 24 July 1921. The 100th Infantry Division was activated on November 15, 1942, following the attacks on Pearl Harbor. In October of 1944, the 100th Infantry Division deployed to Europe, where their soldiers would see 185 day of uninterrupted ground combat and serve in three campaigns; the Rhineland, Central European, and Ardennes-Alsace campaigns. The 100th Infantry Division was inactivated on January 26, 1946 after their return from the European Theater, then reactivated as the USAR 100th Airborne Division in the fall of 1946 at Louisville, Kentucky. In 1959 it was redesignated as the 100th Division for Institutional Training with a mission to teach basic, advanced individual, and common training to new Soldiers. In 1961 President John F. Kennedy mobilized 1,500 soldiers to Fort Chaffee, Arkansas, during the Berlin Crisis. The 100th did the country proud by training some 32,000 soldiers after rebuilding long unused and dilapidated rifle ranges, barracks and other facilities. With the training mission accomplished, the unit was demobilized in August 1962 and returned to reserve status. In 1978 the 100th Division was selected as the first Army Reserve unit to be equipped with its own M-1 tanks, and the only training division with the mission of conducting training on the M-1 Abrams tank and the M-3 Bradley Cavalry vehicle. In 1986, the 100th Division was considered the largest reserve unit in Kentucky, commanding 58 percent of all reservists in the state with an annual economic impact of \$25 million. Within 10 days after Operation Desert Storm was launched in January 1991, two brigade task forces from the 100th Division (1,147 soldiers) were activated to go to Fort Knox, KY to train 2,000 tank crewmen and armored Cavalry scouts. In 1992, 100th Division trainers took total responsibility for three company cycles of Basic Training at Fort Knox. In 1995, the 100th Division was reorganized to include USAR Schools by taking over responsibilities for TASS, and

implemented a distance learning systems approach to military career training. In 2000, the 100th Division took the USAR Communities of Excellence Award. Also, 2nd Bn, 399th Regiment, 7th Brigade began turn-in of their M1A1 tanks, bringing to a close the end of a training era. The division continued the training mission, but leased the equipment. Immediately following the tragic events of September 11, 2001, the 100th Division (IT) mobilized volunteer cadre to rapidly spin up Army National Guard units from Ohio and Kentucky mobilized at Fort Knox, assisting in their in-processing, training and transportation. The 2005 Base Realignment & Closing (BRAC) process relocated the 100th Division headquarters to Fort Knox to support the re-engineering and streamlining of support delivered by Army Reserve training base units in order to significantly enhance training in support of mobilization and deployment.

- **U.S. Army Reserve Aviation Command**

- The U.S. Army Reserve Aviation Command (ARAC), known as “A-Rack,” based in Fort Knox, Kentucky, provides command and control for all Army Reserve aviation. The command’s units are spread across the country, but the highest concentration of units is at Fort Knox, with eight subordinate elements stationed there. The ARAC provides air traffic services, airfield management, aeromedical evacuation, combat aviation brigade reinforcement, theater aviation support and coordination of aviation staging and onward movement to support Army or joint operations. With more than 4,400 Soldiers, approximately 600 civilians and 230 aircraft in 12 states, the Army Reserve Aviation Command is one-of-a-kind, providing command and control for all Army Reserve aviation, air assault, air movement, aeromedical evacuation, and inter- and intra-theater transportation. The ARAC’s rotary-wing aircraft includes UH-60s, HH-60s and CH-47s, while C-12s and UC-35s make up their fixed-wing element. The Army plans to build two modern hangars at the Fort Knox Godman Army Airfield to accommodate both their current and future aircraft. This project is a construction priority for the Army Reserve. The ARAC continues to provide support to the Army Reserve and the Total Force, and also supports recruiting operations across the country.

Blue Grass Army Depot

The Blue Grass Army Depot (BGAD), located in Richmond, Kentucky, occupies land that was originally home to the Adena Culture from 1000-to-200 BCE. Later, the region was home to several Native American tribes, including the Shawnee, Chickasaw, Cherokee and Yuchi. The first person of European descent to see the land upon which BGAD would be built was Daniel Boone. During the Civil War, the area was the site of the “Battle of Richmond.”

BGAD was established in 1941 as the Blue Grass Ordnance Depot (BGOD) when the U.S. Army purchased 14,449 acres of land in Madison County. BGOD began operations in 1942 as an ammunition and general supply storage facility. Since World War II, BGAD has stored two percent of the nation’s original chemical weapons stockpile. In collaboration with the Program Executive Office for Assembled Chemical Weapons Alternatives, the Blue Grass Chemical Activity (BGCA) constructed the Blue Grass Chemical Agent-Destruction Pilot Plant to demilitarize the chemical weapons stockpile. Efforts to safely destroy the stockpile first began in 1984. BGCA completed the mission to demilitarize the stockpile through a neutralization process in July 2023, ensuring compliance with the international Chemical Weapons Convention Treaty.

To support the Korean War, in 1953 a major addition of 100 igloos expanded the storage area. In 1958, Blue Grass opened the first Nucleonics Laboratory in the U.S. to development equipment to detect and measure radiation. In August 1962, BGAD was redesignated Blue Grass Army Depot. The following year, the U.S. Air Force Strategic Air Command established a bomb training site at BGAD and operated for many years. In August 1964, BGAD merged with the Lexington Signal Depot, Avon, Kentucky, becoming the Lexington-Blue Grass Army Depot (LBAD). This merger expanded the depot's mission, absorbing new functions from various depots and commands in 1965, including automotive and tank transmissions, brakes, gas turbines, vehicular and aircraft engines, and other accessories. After several realignments, LBAD regained full depot status under the Depot Systems Command in 1985. The Lexington portion of the depot was closed under the 1988 BRAC (Base Realignment and Closure) and the remaining facility was designated BGAD.

Today, BGAD contains 1,153 buildings, 902 igloos and a storage capacity of 3.2 million square feet. It is used for storage of conventional explosive munitions, repair of general supplies and ammunition, and the disposal of munitions. Capabilities include industrial services support; ammunition maintenance, renovation, disassembly and demilitarization; thermal arc coating for Air Force bombs; water washout facility with flaker belt; Molten Salt Research and Development Facility; ultrasonic testing for mortar ammunition; Chemical Material Surveillance Program; quality assurance and joint logistics support; and ammunition life cycle management. The depot also serves as a large training ground for service members. While posturing the depot for the future, BGAD focuses on supplying ammunition requirements in support of Presidential Drawdowns (PD) for Ukraine and Israel.

BGAD has the ability to ability to surge and meet real world ammunition requirements. Whether that movement is by truck, rail or air, BGAD can get ammunition shipped anywhere in the East Coast within 24 hours. In addition, BGAD's team renovated over 65,000 artillery rounds in support of Ukrainian efforts. BGAD leadership continues to assess human capital needs and skills needed for our future missions. Contributors to BGAD success include the promixity of the I-64/I-75 Interstate corridor, its relationships with local trucking companies, and its state-of-the-art Consolidated Shipping Center, all supporting BGAD's ability to meet aggressive delivery schedules and timelines. Currently, BGAD's main purpose is to ship, receive, store, maintain and demilitarize conventional munitions. The depot has supplemental missions to support joint warfighters with chemical defense equipment, air condition units, and more. BGAD's top growth imperative is to evaluate new mission opportunities from the recent feasibility study, look to developing these future opportunities, and work potential growth initiatives to help lessen the impact of personnel losses due to sunseting missions such as chemical weapons stockpile eradication. The depot has been greatly aided by the support of the local Kentucky Chemical Demilitarization Citizens' Advisory Commission (CAC) and Chemical Destruction Community Advisory Board (CDCAB).

U.S. Army Corps of Engineers- Louisville District

The Louisville District covers more than 306,000 square miles and supports the Army, Air Force and other Department of Defense agencies in Illinois, Indiana, Kentucky, Michigan and Ohio. The Louisville District serves seven Army Installations, five Air Force Installations, three DoD sites, six BRAC sites and provides worldwide support to Army Reserve Centers. The award-winning Military Branch of the district's Planning, Programs, and Project Management Division (P3MD) is essential to the nation's defense. The Military Branch is responsible for managing the future and ongoing projects of the nation's bases and defense systems. All projects are led by project managers who are responsible for organizing a panel of professionals who then as a team will plan/design, contract, and construct the projects. The Army/Air

Force projects range anywhere from developing training facilities for U.S. military forces to providing homes and schools for the families of U.S. troops. The district also provides project management and planning support for Army Reserve Centers in the United States and Puerto Rico. The district's Reserve Support Team also serves as the design agent for the Air Force Reserve program. The Reserve program makes up more than 30 percent of the district's military workload.

The Corps plays a vital role in national security during peace and war. The district supports military construction as part of the Overseas Contingency Operations. The U.S. Army Corps of Engineers in Louisville operates in multiple areas, including flood risk management, commercial navigation, ecosystem restoration, support for our Army, support for the Air Force, support for the Army and Air Force Reserves and more. The Louisville organization has 1,229 Department of the Army civilians, many of whom are veterans, and eight active-duty military. In 2023 the office executed over \$1.5 billion in contracts, with a total program over \$1.6 billion, including Louisville District Flood risk management projects, with the levies, floodwalls, detention basins, and the reservoirs that people use for boating and fishing and more. They're originally built for flooding management, and they've prevented over a billion dollars in damages, a very significant benefit to the Commonwealth. Additionally, Corps recreation facilities in Kentucky provide over \$500 million each year in economic benefits.

When it comes to military and government agency support, the office's Interagency and International Support (IIS) program includes a \$41 million project for the Forage Animal Production Research Lab in Lexington for the USDA and the \$840 million veterans hospital in Louisville for the VA. Fort Knox has approximately \$130 million worth of projects and design, with another \$225 million-plus in construction planned. Projects in design include the Fort Knox Child Development Center and the Scott Middle School. Projects in construction include the Van Voorhis Elementary School, V Corps HQ, Medical Clinic Replacement, Digital Air/Ground Integration Range (DAGIR), Separate Toilet/Shower Building, Fort Knox High School Running Track, and Fort Knox Middle/High School Gym Floor Replacement. At Fort Campbell, the Corps has nearly \$200 million in design and over \$180 million in construction. Projects in design include the Automated Record Fire Range, Air Traffic Control Tower, Automated Multipurpose Machine Gun Range, Mahaffey MS Relocatable Removal, Consolidated Housing Furniture Storage, Rectifier Replacement, two Barracks, Multipurpose Training Range, Renovation of Building 6911, Renovation of Building 6912, and the Ambulatory Care Center. Projects under construction include the Fort Campbell Middle School, Vehicle Maintenance Shop, General Purpose Maintenance Shop, Multi-Use Helicopter Training Facility, Wassom & Jackson Middle School Demolition, Lucas Elementary School Playground Repairs, Barsanti Elementary School Playgrounds Repairs, Renovate Building 3071 Child Development Center, Fort Campbell High School Baseball/Softball Field, Fort Campbell High School Soccer Field Artificial Turf, and Lucas Elementary Roof Replacement. The Corps of Engineers is also providing \$871K in construction support for multiple FEMA facilities.

U.S. Coast Guard Sector Ohio Valley

Coast Guard Sector Ohio Valley, part of the "Brown Water Coast Guard" and headquartered in Louisville with a Marine Safety Unit in Paducah, Coast Guard cutters in Hickman and Owensboro, and boat stations in Paducah and Louisville, manages 8,300 miles of the Ohio River, its tributaries, parts of the Mississippi and the federal lakes across 10 States and eight major port complexes, including 30 major lakes, 211 dams and 57 locks. The unit is managed under the U.S. Coast Guard Atlantic Area command structure. Missions include waterways management and vessel traffic service; marine safety inspections, investigations and recreational boating safety; search and rescue; aids to navigation; ports, waterways and coastal security; and marine environmental response. Sector Ohio Valley manages waterways in 10

states, including Kentucky, Alabama, Tennessee, Indiana, Ohio, West Virginia, Pennsylvania, Illinois, Mississippi and Missouri. In Kentucky, Sector Ohio Valley works closely with the Army Corps of Engineers in Louisville, with additional support from and to the National Guard and the Army, planning, coordinating and executing drills and exercises across Kentucky. Sector Ohio Valley exercises in 2023 included handling active shooters on towing vessels and barges, preparation for mass casualty events on the river, massive oil pollution response, and more. The Corps of Engineer and Sector Ohio Valley keep riverways open, which are the lifeblood of our national and economic security of our country. Eight small boats based in Paducah and Louisville conduct 3,500 underway hours a year to include enforcing waterways safety and security zones across the 1,039 miles of the Ohio, Cumberland and Tennessee rivers. Illegal drug usage and illegal passenger operations are increasing, with the Coast Guard working with joint state and local law enforcement operations to address these challenges. Sector Ohio Valley is seeing an increase on recreational boat casualties due to significantly increasing recreational boat usage, often in incidents with commercial vessels. Boating while intoxicated issues are another increasing challenge, both on river systems and areas like Lake Cumberland and Dale Hollow. The Coast Guard has been operating in Kentucky since 1881, when it established Louisville's first station and small boat operations. Personnel involved in Coast Guard Sector Ohio Valley's roles include over 400 active and reserve Coast Guard personnel and approximately 1,000 Coast Guard Auxiliary volunteers.

U.S. Navy Reserve Center Louisville

Formerly known as the U.S. Navy Operational Support Center Louisville, the U.S. Navy Reserve Center in Louisville has supported U.S. Navy Reserve operations, training and deployments since 1955. The Navy Reserve provides essential naval warfighting capabilities and expertise, strategically aligned with mission requirements - valued for readiness, innovation, and agility, providing the Navy with strategic depth by maintaining unsurpassed individual, command, and force readiness.

Kentucky National Guard

The Kentucky National Guard is a joint federal-state program that provides support to both the nation's regular military forces and to the Commonwealth. The National Guard may be called into duty by the Governor to handle local emergencies such as natural disasters and civil strife. The "National Guard" is by design distinctly different from a "state militia," despite their common origins, and is responsible to support the federal government, in addition to the state, through the U.S. Department of Defense.

State militias are authorized in state and federal law. They generally operate with emergency management and homeland security missions. The Militia Act of 1903, also known as the "Dick Act" for the sponsor, Congressman Charles Dick, chairman of the House Militia Affairs Committee and a Major in the Ohio National Guard, formed the predecessor to the modern-day National Guard and required the states to divide their militias into two sections. The law recommended the title "National Guard" for the first section, for federal administration, and "Reserve Militia" for the individual states. The guiding intent was to professionalize the National Guard for dual federal/state service while separately maintaining the traditional militia role in its state-specific role. Per Wikipedia, Congress directly authorized state militias in 1956 under Title 32, Section 109. In Kentucky, the state militia concept is authorized under Kentucky Revised Statutes (KRS) Chapter 37, "Active Militia," with overall command of the Governor through the Adjutant General of Kentucky; however, the state militia is not active in Kentucky. Currently, 24 states maintain some form of state militia, two of which are for ceremonial purposes only.

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The Kentucky National Guard is governed by KRS Chapters 35 (“Military Justice”), 36 (“Department of Military Affairs”) and 38 (“National Guard”), also under overall command of the Governor through the Adjutant General of Kentucky. The Adjutant General of Kentucky has a dual role as both head of the Kentucky National Guard and also as head of the Kentucky Department of Military Affairs, a state agency. In addition, the Kentucky Department of Military Affairs is responsible for management and functions of the Kentucky Division of Emergency Management. The Kentucky National Guard responds to domestic emergencies and operations – both within Kentucky and nationally – through their State Active Duty (SAD) mission. The Emergency Management Assistance Compact (EMAC) is the primary means for providing support to other states (and other states to Kentucky).

The Kentucky National Guard comprises approximately 7,500 Soldiers and Airmen in the Army National Guard and the Air National Guard, which are components of the United States Army and the United States Air Force, respectively. Its major units include the 75th Troop Command, the 63rd Theater Aviation Brigade, the 138th Field Artillery Brigade, the 238th Regiment, the 149th Maneuver Enhancement Brigade and the 123rd Airlift Wing.

In Calendar Year 2023, the Kentucky National Guard received three of the nation’s most prestigious military awards. The Association of the U.S. Army (AUSA) recognized Kentucky with the first-ever National Guard Most Outstanding National Guard State Command Award, across all 54 States and territories. The 123rd Airlift Wing received its Air Force record 20th Outstanding Unit Award, recognized not just as an Air National Guard unit, but amongst the very best regular Air Force, Air National Guard and Air Force Reserve units. The 1st Battalion, 149th Infantry earned the prestigious Association of the U.S. Army (AUSA) Walter T. Kerwin Jr., Readiness Award for outstanding readiness metrics, in competition with the entire Army National Guard.

Funding for the Kentucky National Guard is shared between the federal and state governments, with approximately 90 percent of funding from the federal government. The DoD is responsible for the payroll of Guard personnel as they conduct their monthly and annual training requirements, and when Guard members are mobilized into federal service, on a voluntary or involuntary status. Kentucky state government covers the personnel costs when Guard members are activated to respond to state emergencies/operations, and covers part of the cost of supervisory management.

The Kentucky National Guard-managed Bluegrass Station, located just outside Lexington, Kentucky, is a self-sustaining military industrial complex which has ties to the U.S. Department of Defense. Through the Bluegrass Station Division of DMA, the Kentucky National Guard provides logistical and operational support to a number of tenants both government & private industry. The 777-acre facility includes more than 2.2 million square feet of space in over 100 buildings, 17 miles of paved roads, 27 acres of paved parking lots, its own water, electrical and wastewater systems and an active rail head. The United States Army transferred the property to the Commonwealth of Kentucky in phases, with the final phase transferred in September 2008. The Commonwealth now owns all of the land, buildings and infrastructure that comprise Bluegrass Station.

The Kentucky National Guard operates the Wendell H. Ford Regional Training Center (WHFRTC), approximately 12,000 acres capable of supporting medium-sized training requirements of a large number of units from all service components. Thousands of Kentucky National Guard troops, active-duty members from all service components, and state emergency response force teams/personnel have trained at the facility.

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In Federal Fiscal Year 2023, the Kentucky National Guard employed 5,662 part-time (Traditional) soldiers and 884 part-time airmen with a total payroll of \$84,822,03, plus an additional \$1,520,636 in Kentucky State Active Duty pay and allowances.

In Federal Fiscal Year 2023, the Kentucky National Guard employed 805 total (Army and Air) “Active Guard and Reserve” (AGR) members – those on full-time federal duty supporting the state – with a total payroll of \$72,341,875. In addition, the Kentucky National Guard employed an additional 776 members in federal DoD civilian status, for a total payroll of \$55,516,879.

On the state employee side, the Department of Military Affairs employed 406 state employees for a total state payroll of \$21,439,182.

While most Kentucky National Guard members reside in Kentucky, 915 reside in other states and commute to Kentucky for their training and other activities. Most come from bordering states. There is no Kentucky residency requirement for KYNG membership.

Note: These numbers and dollar figures reflect the state employees throughout the fiscal year. The totals include numbers and pay for employees coming onboard and departing at any time during the fiscal year. At the time this report was compiled, there were a total of 433 current state employees in the Department which would be consistent for any given time during the reporting period.

Top Kentucky Counties by National Guard Employment

County	Personnel	Annual Payroll
Jefferson	857	\$22,133,039
Franklin	167	\$10,357,664
Reside Out-of-State	915	\$9,313,114
Fayette	504	\$8,519,659
Hardin	212	\$5,031,758
Scott	106	\$4,933,782
Anderson	69	\$4,415,792
Madison	262	\$3,911,825
Woodford	59	\$3,857,693
Bullitt	96	\$3,856,313
Oldham	92	\$3,710,428
Shelby	102	\$3,678,978
Warren	263	\$2,661,595
Nelson	102	\$2,221,408
Daviess	87	\$2,074,159
Boone	151	\$1,980,784
Kenton	147	\$788,185

Top States by Kentucky National Guard Employment

State	KYNG Members
Indiana	311
Ohio	160
Tennessee	155
Illinois	36
Virginia	32
Florida	30
Georgia	30
Texas	30
North Carolina	20
Alabama	18
Missouri	16

Source: Kentucky National Guard and Department of Military Affairs Economic Impact Report 2023

XII. Community Advocacy Groups

The Commonwealth of Kentucky is fortunate to have many government agencies and community advocacy groups supporting the military mission. In addition, KCMA, along with the (Fort) Knox Regional Development Alliance (KRDA) and the Christian County Chamber of Commerce, are active members of the national Association of Defense Communities (ADC). KCMA Executive Director Steve Bullard has served continuously as co-chair of the ADC State Advisors Council, which represents state military advocacy agencies/organizations across the nation at both the government and community levels, since 2020.

Community Advocacy Groups include the (Fort) Knox Regional Development Alliance (KRDA), website <https://growknox.org/>, which is a private-public regional alliance focused on protecting and promoting Fort Knox to increase its economic impact. KRDA works with the community to do all we can for Soldiers, civilian employees, their families, and Fort Knox.

The Christian County Chamber of Commerce’ Military Affairs Committee, known locally as the “MAC,” website <https://www.christiancountychamber.com/military-affairs/>, supports the soldiers, families and communities in and around Fort Campbell. They also take a strong leadership role in the community’s annual visit to Capitol Hill in Washington, DC to advocate with Kentucky’s Congressional delegation and the Pentagon for Fort Campbell priorities under the “Citizens for Fort Campbell” umbrella. This trip is preceded by a community leadership meeting with the Commanding General of Fort Campbell and the installation’s leadership team.

Blue Grass Army Depot enjoys the outstanding support of the Kentucky Chemical Demilitarization Citizens’ Advisory Commission (CAC) and Chemical Destruction Community Advisory Board (CDCAB).

This group has for decades worked with installation leadership to ensure safe chemical and conventional weapons storage and destruction operations, and to seek new mission opportunities. A great success in 2023 was their work with the U.S. Army to create a unique and highly successful Blue Grass Army Depot Future Missions Feasibility Study Assessment in coordination with the U.S. Army Joint Munitions Command. The Army study evaluated the potential, with community input, for future missions, with the following identified as potential mission opportunities. In addition, the community continues to work with DoD Prime Contractor Bechtel National and the Kentucky Cabinet for Economic Development to assess opportunities with an off-site Hyper Scale Data Center. We will continue working with the Army to assess these near-term opportunities. Meanwhile, the Army is considering doing a similar report for all its depot operations around the nation.

- Production of Metal Components for 155mm Artillery Munitions
- Security Guard Academy
- Data Center (storage)
- Centralized Security Monitoring Center
- Conventional Munitions Demilitarization Center of Excellence
- Electric Vehicle Battery Production, Storage, Maintenance, and/or Recycling
- Production of Ammunition Containers
- Production of Metal Shipping Containers
- R&D Lab for Advanced Manufacturing Processes

Other active community advocacy groups include, but are not limited to:

- Kentucky Chamber of Commerce Military Hiring Academy
- Kentucky Association of Manufacturers Defense and Aerospace Council
- Kentucky Workforce Investment Board's subcommittee on Veterans and Transitioning Servicemembers (VATS)
- Joint Executive Council of Veterans Organizations

XIII. State Legislative Activity

The Kentucky General Assembly has done an outstanding job over the years protecting the military and veterans' community, with over well over 200 related bills passing the legislature since 1954 (<https://kcma.ky.gov/Legislation/Pages/default.aspx>). Legislators work closely with their community advocacy groups, state agencies and the DoD Defense State Liaison Office to promote positive activity on behalf of the Commonwealth's military and veterans' communities.

In addition to the overall record listed in detail below, the 2024 Kentucky General Assembly made the following appropriations:

- \$10,000,000 in fiscal year 2025-2026 to each Murray State University and the University of Louisville budget unit to support construction, renovation, and operations for the University's cybersecurity program;
 - Creates the Kentucky Cybersecurity Center program
- \$1M to Kentucky VALOR for veterans licensing and DoD Skillbridge support, administered through the KDVA budget
 - Veterans Accelerated Licensing Occupational Recruitment

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- Skillbridge is the DoD program to facilitate post-military employment and internship opportunities for exiting servicemembers of all components
- \$750K per fiscal year to Kentucky Vets for Hyperbaric Chamber Hyperbaric oxygen therapy (HBOT) treatment for veterans, administered through the KDVA budget

DoD Defense State Liaison Office (DSLO) priorities are listed here:

- https://defensecommunities.org/wp-content/uploads/2022/09/2023KeyIssuesTwoPageFlyer_20220706.pdf
- <https://statepolicy.militaryonesource.mil/#priorities-report>

State legislative successes over the years include the following:

Tax and Financial

- Military Pay Exempt from State Income Tax
 - Provides a military pay exemption from KY income tax received by active duty, reserve components of Armed Forces and member of National Guard, including compensation for state active duty. (KRS 141.010 (10) (u))
- Prohibition of patriot penalties in insurance
- Prohibits insurers from refusing to issue a policy of motor vehicle liability insurance, or imposing an additional premium, solely because the person is uninsured if, during the period the person was without insurance, the person was on military service and absent from the Commonwealth; require insurers to inquire about military service upon application for insurance; provide penalties for insurers who demonstrate a willful pattern of noncompliance. (KRS Chapter 304, Subtitle 20)
- Discharge Papers Recorded with County Clerk
 - Requires discharge papers recorded with the county clerk shall not be public records subject to public disclosure. (See KRS 422.090)
- Notaries Public Fee Exemption
 - Remove fee exemptions for members of the National Guard, Reserve, Army, Navy, Air Force, Marines, and Coast Guard. (KRS 64.300)
- Probate Fee Exemption
 - Exempts estate probate fees for any regular member of the Armed Forces. (KRS 61.315)
- Tax Increment Financing Provisions for Project Developments Surround Military Base
 - Provides tax increment financing for mixed-use development located within three miles of a military base that houses, deploys, or employs any combination of at least twenty-five thousand military personnel, their families, military retirees or civilian employees. (KRS 65.7051 & 65.7053)
- Property Tax Exemption for Service-Connected Total Disabled Veteran
 - Provides homestead exemption on an annual basis for a service-connected totally disabled veteran. (KRS 132.810)
- Kentucky State Park Overnight Accommodations Rate Exempted
 - Exempts overnight accommodations rate at any KY State Park for KY veteran residents who are permanently and totally disabled (KRS Chapter 148)
- Guard Member Injured on State Active Duty
 - Requires Guard Members temporary or permanently disabled as a direct result of an injury or disease arising out of the performance of an act in the line of duty as a result of

state active duty, at the discretion of the Governor, remain on paid state active duty status until a competent medical authority releases them to return to their normal activities or the Governor deems it appropriate to relieve the individual from state active duty status. (KRS 38.030)

- Auto Insurance Discount Military Defense Driving Course
 - Approves insurance reduction for military members who take a defensive driving class from US Armed Forces.
- Motorcycle Endorsement for Operator's License
 - Allows military personnel stationed outside Kentucky to submit documentation to obtain a motorcycle endorsement on an existing operator's license through mail or electronically (KRS 186.416)
- State Income Tax Exemption Death on Line of Duty
 - Excludes all income from all sources for active duty and reserve members killed in the line of duty, for the year during occurred and the year prior. Specifically exempts all federal and state death benefits payable to the estate or any beneficiaries from state income tax. (KRS 141.010)
- Birth & Death Certificate Copies Fees Waived for Within 60 Days of Deployment
 - Require state registrar to furnish birth and death certificates for free under certain circumstances for current and past members of Armed Forces and Kentucky NG (KRS 213.141)
- Income Tax Return Extension for Service in Combat Zone
 - Extends state income tax filing for service in a combat zone without penalty. (KRS Chapter 141.175)
- Compensation for State Active Duty
 - Receives pay at the same rate as active duty Armed Forces. (KRS 383.205)

Economic Development

- Built-to-Suit Lease supporting Defense-Related Business Growth
 - Enhances defense-related business growth by allowing the KY Commissioner of the Dept for Facilities Management, on behalf of the Dept for Military Affairs, to award a built-to-suit lease. (KRS Chapter 45A)

Professional Licensing

- Occupational License Reciprocity
 - Service members, veterans, and their spouses can easily transfer their out-of-state professional licenses to Kentucky, in alignment with (and beyond) the federal Servicemembers Civil Relief Act. (KRS 12.245)
- Reciprocity under the Interstate Teacher Mobility Compact
 - DOD priority compact recognizing the rights and conditions of qualified school teachers. (KRS Chapter 161)
- Reciprocity under the Cosmetology Licensure Compact
 - DOD priority compact recognizing the rights and conditions of licensed cosmetology professionals. (KRS Chapter 64)
- Reciprocity under the Psychology Interjurisdictional Compact
 - DOD priority compact recognizing the rights and conditions of a psychologist licensed in the compact to practice telepsychology. (KRS Chapter 319)
- Reciprocity under the Licensed Professional Counseling Compact
 - DOD priority compact recognizing the a multistate licensure right to practice for Licensed Professional counselors. (KRS Chapter 127)

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- Reciprocity under the Occupational Therapist Compact
 - DOD priority compact recognizing the rights and conditions of licensed occupational therapists. (KRS Chapter 164)
- Reciprocity under the Audiology and Speech-Language Pathology Interstate Compact
 - DOD priority compact recognizing a multistate licensure privilege to practice for audiologists and speech-language pathologists. (KRS Chapter 334A.010)
- Reciprocity under the Nurse Licensure Compact
 - DOD priority compact recognizing the rights and conditions of licensed nurses. (KRS Chapter 314)
- Reciprocity under the Social Work Licensure Compact
 - DOD priority compact recognizing the rights and conditions of social workers. (KRS Chapter 335, passed March 2024)
- Application of military service toward the licensing of heating, ventilation, and air conditioning professionals
 - Applies military experience toward obtaining a heating, ventilation, and air conditioning license and allows a 60-day grace period after the expiration of the license for the licensee to continue to practice and apply for renewal. (KRS 198B.664)
- Provisional Teaching Certificate
 - Allows a veteran with a bachelor's degree in any area to be issued a provisional teaching certificate if other criteria are met. (KRS 161.010)
- Certification for Military Training and Service to Firefighter
 - Develops procedures for accepting military training and service toward firefighter certification. (KRS Chapter 95A)
- Reciprocity for Emergency Medical Technician
 - Directs the Board of Emergency Medical Services to allow direct reciprocity for initial KY certification as an emergency medical technician for members of the US military. (KRS Chapter 311A)
- Automatic Extension of Professional Licensure and Certification
 - Grants any professional license or certificate renewal without payment of fees or obtaining continuing education to active duty military personnel. (KRS Chapter 12)
- Military Spouse Professional Licensure and Certification
 - Grants any professionally licensed or certified spouse of active duty military personnel transferred to KY issued a six-month temporary license. (KRS Chapter 12)
- Military Spouse Assistance
 - Assist spouse of military personnel obtaining professional and occupational licenses by posting information on KY DMA website. All state agencies and credentialing boards shall assist KY DMA. (KRS 36.480)
- Continuing Education Requirements Exempted for Licensed Engineers
 - Grants waiver during Armed Forces deployments on continuing education requirements for engineer licenses. (KRS 322.160)
- Alternative Teacher Certification
 - Creates an alternative teaching certification for veterans of Armed Forces to teach elementary, secondary and secondary vocational educational education levels. (KRS 161.048)

Education (K-12)

- Military Service Excused Absences

- Allow any high school student participating in basic training required by a branch of United States Armed Forces to be considered present for all purposes for up to ten days. (KRS 159.035)
- K-12 Students of Civilian-Military Employees Equal Education Rights
 - Provides students of civilian-military employees the same rights as students of military families if the parents are required to move to perform their job responsibilities, resulting in the students changing schools. (KRS Chapter 156; 156.730)
- Pre-Enrollment for K-12 Students
 - Allows military children whose families are transferring to Kentucky on official orders to be pre-enrolled in a school district before obtaining a permanent address. Allows for remote enrollment. (KRS Chapter 159)
- Students Excused Absences to Visit Military Parent on Leave Deployment
 - Permits excused absences for up to twelve days to visit a parent or legal guardian serving in the US military, stationed out of the country, and on leave granted by the military. (KRS 159.035)
- Interstate Compact on Educational Opportunity for Military Children
 - Students of civilian-military employees shall be afforded the same rights as students of military families if the parents are required to move to perform their job responsibilities resulting in the students having to change schools. Includes the National Guard, Reserve and DOD employees. (KRS 156.730)
- Awards High School Diploma to Veterans of World War II, Korean, or Vietnam Conflict
- Educational Excellence Scholarship Awards
 - Permits a student attending an out-of-state high school while parents are serving in US military, and who maintains KY as their home of record to qualify for KY educational excellence scholarship awards. (KRS 164.7879)
- High Schools Must Grant Student Access and Information
 - Requires KY high schools to provide access to campuses and student directory information for official recruiting of US Armed Forces, KY Air National Guard, and KY Army National Guard. (KRS 160.725)
- Kentucky Purple Star Schools Program
 - Voluntary program managed through the Commission on Military Affairs with the assistance of the Cabinet for Health and Family Services and the Department of Education to enable K-12 schools to train and support counseling capabilities and programs for military connected students. (KRS Chapter 160)

Higher Education

- Maintaining post-secondary education residency
 - Allows service members, spouses, and dependents who are accepted to or enrolled in a Kentucky public post-secondary institution to keep residency status if the service member is required to move on official orders
- Tuition waivers for US Reserve Component
 - Allow public universities to offer in-state tuition to members of any United States Reserve Component. (KRS 164.2844)
- In-State Tuition Waivers for Kentucky National Guard
 - Allows Kentucky public universities to charge in-state tuition to any active member of the Kentucky National Guard. (KRS 164.2844)
- Tuition waivers for United States Military Reserve Component

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- Allows KY public universities to charge in-tuition to members of any United States Reserve component. (KRS 164.2844)
- Protection for Earned KEES Funding
 - Allows students forced to transfer from a Kentucky school due to military service to return to Kentucky and use their earned KEES funding from prior years. (KRS 164.7844)
- Tuition waivers for adopted children who serve in the military
 - Extends the five-year tuition waiver eligibility period for adopted children who serve in the military if military service proceeds attending higher education institution. (KRS 164.2847)
- Tuition Benefit for Non-KY Residents on Post 9/11 GI Bill
 - Allows KY public universities to charge in-state tuition to veterans who are non-KY residents if that veteran qualifies under the Post-9/11 GI Bill. (KRS Chapter 164; 164.020(8))
- Tuition Exemption Spouse & Children of Deceased, Disabled, POW/MIA
 - Allows a tuition and fee waiver to a spouse or student under the age of 26 of a permanently deceased KY veteran, disabled Guard member, war veteran, POW or MIA for state-supported colleges, universities or vocational training schools. (KRS 164.507; 164.515)
- Tuition Waiver for Disabled Child of Veteran
 - Allows child of a veteran who acquired a disability as a direct result of veteran's service receive a tuition waiver at state-supported university, college, or vocational training institute. (KRS 164.512)
- Exemption from Matriculation or Tuition Fee
 - Exempts dependents, widow, or widower of members of the Armed Forces or of members of the National Guard killed while in service or having died as a result of a service-connected disability or having died as a result of a service-connected disability. (KRS 164.505)
- Students Called to Active Duty
 - Requires a student called to federal military active duty shall not be discriminated against for absence and credit with academic work accomplished and given reasonable time to make up work. Expands (KRS 38.470)
- KY National Guard Tuition Award Program
 - Allows Guard members in good standing pay tuition up to in-state, rather than full-time tuition rate. (KRS 164.5169; 10 6 KAR 3:010)

Family Support

- Adoption Assistance
 - Establishes the KY National Guard Adoption Assistance Program to allow money in the military family assistance trust fund for adoption assistance. (KRS Chapter 36; KRS 36.474)
- National Guard Life Insurance Program
 - Outstanding family benefits program operated by the National Guard Association of Kentucky; placed under the control and protection of the Adjutant General (KRS Chapter 38)
- National Guard Youth Challenge Program

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- Aligns the Kentucky National Guard Youth Challenge Program for challenged teens with high school requirements in coordination with the Kentucky Department of Education. (KRS Chapter 36)
- Uniform Deployed Parents Custody and Visitation Act
 - Adopted national standard for military parent protection during deployments. (KRS Chapter 43A)
- Military Family Assistance Trust Fund
 - Grants eligibility to military personnel and their families through military family assistance trust funding; administrative authority provided by KY Dept Veterans Affairs. (KRS 36.474; 106 KAR 2:020; Trust Fund established in 2006, eligibility significantly expanded in 2024)
- Military Spouse Unemployment Benefits
 - Prohibits disqualification for unemployment benefits for a worker who leaves the job to follow a military spouse who has been reassigned to another military base or duty location 100 miles or more from the worker's home. (KRS 341.370)
- Kentucky National Guard Welcome Home Program
 - Creates a welcome home program to ensure a supportive community for returning National Guard on active duty.
- Child Custody Decree Modifications Temporary While Deployed
 - Creates a court-ordered modification of a child custody decree based the active duty of a parent or custodian deployed outside the US temporary until the end of the deployment. (KRS 403.340)
- Death Benefits
 - Creates a death benefit of \$80,000, paid by KY for the family of a member of the National Guard or Reserve who dies on federal active duty.
- Veterans' Program Trust Fund
 - Established the Veterans Program Trust Fund to be managed by Ky Dept Veterans Affairs directing funding to projects and programs that help KY Veterans for which other funds are not available. (KRS 40.310(3); 40.450)

Government Operations

- Uniform Military and Overseas Voting
 - Improves military access to voting by allowing military and overseas citizens to register to vote and update their registration online, ensuring that military and overseas voters have sufficient time to vote in special elections and extend existing protections to state and local elections and National Guard members. Allowing voting ballots to be transmitted to the military via the Internet, but not returned electronically; Creating a task force to consider other improvements to military and overseas voting procedures. (KRS Chapter 117A)
- Kentucky a Purple Heart State
 - Declares a formal recognition and honor for those Kentuckians who have been wounded or killed in the service of our country be being engaged in combat with an enemy force while protecting our freedom.
- Kentucky Code of Military Justice
 - Updates the KY National Guard's KCMJ- based on the national Model State Code of Military Justice that was developed by the National Guard Bureau, modified to comply with the Constitution of the Commonwealth of KY. (created 1954/updated 1986, 2016; KRS Chapter 35)

- Child Abuse Case Reporting to Military Installations
 - Requires the Cabinet for Health and Family Services to determine the military status of any parent or guardian subject to an investigation and to notify a Department of Defense family advocacy program of an investigation involving a member of the U.S. Armed Forces (KRS Chapter 620)

Housing

- Property Valuation Exemption
 - Exempts Veterans of the US Armed Forces with a one hundred percent service-connected disability from having to file paperwork with Property Valuation Administrators annually. (KRS 132.810)
- Housing Grants
 - Provides KY Housing Corporation grants to reduce principal and interest payments on a mortgage or rental payable by Guard or Reserve member with KY Home of Record during member's deployment on active duty outside of the country. Requires KY DMA to provide spouses with website tools such as educational, technical and ombudsman services to maintain mortgage during federal active duty. (KRS 198A.040; 36.480; 36.478)

Motor Vehicle Licensing

- Exempt military in Kentucky from the state driver's license requirement
 - Exempts the KY operator's license requirement for a member of the Armed Forces of the United States, their spouse, and dependent child who hold a valid driver's license from another state when they are assigned to KY but maintain a permanent residence elsewhere. (KRS 186.430)
- Veteran Designation on Operator Licenses and Personal Identification Cards
 - Adds a veteran designation on KY operator's licenses and identification cards; requiring an applicant to present an original or copy of his or her DD-214 form. (KRS 186.412; KRS 186.041)
- Specialty License Plates
 - Kentucky specialty license plates include Medal of Honor, Distinguished Service Cross, Air Force Cross, Silver Star, Bronze Star (with and without valor), Distinguished Flying Cross, Air Medal, Combat Action Badge, Combat Infantry Badge (KRS 186.164)
- Drivers Licensing for 17 Year-Olds Enlisted in Military
 - Exempts 17-year olds who have enlisted in the military from the requirement to obtain an intermediate license. (KRS 186.400 to 186.650, 186.412, 186.450, 186.452, 186.454)
- Commercial Driver's License
 - Waiver of the commercial driver's skill test for military service members who have recent experience operating commercial-sized motor vehicles. (KRS 281A & 281A.130)

Public Employees

- Veterans Preference for Position in Urban-County Governments
 - Requires employing urban-county governments to expand civil service hiring preference to include veterans who served during the Persian Gulf War, Operation Iraqi Freedom, and Operation Enduring Freedom. (KRS 67A.240)
- Veterans Preference for Positions in State Governments
 - Requires employing state agencies to offer an interview to all eligible veteran and spouse of veteran finalists (no more than 5) entitled to preference pts (KRS 18A.150)
- Interview Preference for Spouses

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- Extends interview preference for state employment opportunities to spouses and dependants of service members and veterans if they meet the minimum requirements
- State Employees Excused One Day for Deployments & One Day for Returned Spouses
 - Authorizes spouse of an active service member, including the National Guard or Reserve members on active duty orders, (1) day off paid leave upon deployment and (1) day off upon returns from deployment. (KRS 18A.190)
- Military Leave for State Employees
 - Grants 21 days annually to include employees of state, counties, cities, school districts. (KRS 61.394; 61.396 Personnel Memo 06-16)
- Teachers, Principals etc. Benefits during Deployment
 - Permits a Board of Education to provide a leave of absence to a member of a state National Guard or a Reserve component ordered to active duty. (KRS 161.168; 161.507 (4) (b))
- Purchase Service Credit for Military Time in Retirement Systems
 - Permits vested employee may purchase one month of credit for every six months served in the National Guard or Reserves. Similar provisions for teachers' retirement system. (KERS, CERS KRS 61.555; KRS 6.515 (2) Judicial KRS 21.370(4) (A) (2) Teachers KRS 161.507)

Hunting and Weapons Licensing

- Concealed Deadly Weapon Licensing Training Requirements Waived
 - Allows honorably discharged veterans to waive training requirements for a concealed deadly weapons license with proper documentation.
- Concealed Carry License
 - Allows military firearms training to meet the firearms training requirement to obtain a concealed carry license. (KRS 237.110)
- Hunting & Fishing License Exemption on any Military Property
 - Exempts any member of the US Armed Forces based in KY from having to obtain a hunting or fishing license on any military property belonging to KY. (KRS 150.170)
- Concealed Deadly Weapon Licensing Extension
 - Extends concealed deadly weapon licensing without late fees or other penalties for military personnel within 90 days after the end of a deployment. (KRS 36.450; 237.110)

Veterans

- Bowling Green Veterans Center funding
 - Allocated \$16,630,000 in State Fiscal Years 2022-2023 to the construction of the Bowling Green Veterans Center nursing home
- No State Residency Requirement for Veterans Cemeteries
 - Intent is to support veterans from surrounding states and with Kentucky ties (KRS 40.315)
- Disabled Veteran-Owned Business
 - Provides for a disabled veteran-owned business certification program and requires the Office of Equal Employment Opportunity and Contract Compliance to establish guidelines for the certification program and application process. (KRS Chapter 42)
- Veteran at Risk Alert
 - Adds a veteran at risk to those included in a "Golden Alert"; allowing any agency searching for a veteran at risk to refer to the "Golden Alert" as a "Green Alert"
- Disposition of the Military Descendant's Remains

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- Allows the person designation by the descendant on the US DoD Record of Emergency Data, DD Form 93, or its successor form, to have authority and responsibility for the disposition of the military decedent's remains. (KRS Chapter 36)
- Congressional Medal of Honor Recipients
 - Creation of plaque honoring KY Congressional Medal of Honor recipients. (KRS Chapter 42)
- Protection of Medal of Honor Recipients
 - Requires the Department of Kentucky State Police to provide personal protection to Medal of Honor recipients who are Kentucky residents attending any public event or ceremony to which they have received an invitation Creation of plaque honoring KY Congressional Medal of Honor recipients. (KRS Chapter 42)
- Pretrial Screening Combat Veterans
 - Requires pretrial investigations and services to ask whether an individual has been in combat and, if so, provide contact information to services available for combat veterans; and an opportunity to connect with Kentucky NG Family Services program. (KRS 431.515)
- Kentucky National Guard Benefit Program for Returned Deployment, Physical & Mental
 - Institutes a program to assist KY National Guard members returning from deployment overseas with physical and mental conditions. Costs shared by Kentucky NG and KDVA. (KRS Chapter 40)
- Kentucky Medal for Freedom
 - Establishes the KY Medal for Freedom award for soldiers killed on or after 7 October 2001, who had ties to KY. Per amendment Year 2013, eligibility criteria was broadened to allow members of the US Armed Forces Active Duty, a state National Guard, or a Reserve Component who were buried in KY on or after July 15, 2008, and have a surviving spouse, parent, or next available family member who is a KY resident. The KY Dept Veterans Affairs manages the program and receives funds from the Veterans' Program Trust Fund. (KRS 40.353)
- Kentucky Wounded or Disabled Veterans Program
 - Establishes the KY Wounded or Disabled Veterans Program within the KY Dept Veterans Affairs to ease the transition from active service for wounded or disabled veterans and ensure they receive federal, state, and private benefits to which they are entitled. (KRS Chapter 40)
- Criminalize Disorderly Conduct at Funeral
 - Requires military burial rights to be distributed and criminalizes disorderly conduct at a funeral. (KRS 213.076; 525.055)
- Military Burial Honors
 - Establishes a burial honor guard program for veteran's funerals. (KRS Chapter 40)
- Indigent Veteran's Burial Program
 - Establishes an Indigent Veteran's Burial Program. (KRS Chapter 40)
- State Veteran Cemeteries
 - Requires the KY Department of Veterans Affairs to establish and maintain state veteran cemeteries. (KRS Chapter 36)
- Kentucky Retired Veterans Day
 - Designates July 1 of each year as KY Retired Veteran's Day (KRS Chapter 2)

Miscellaneous

- Kentucky Urban Search & Rescue Program

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- Established in 2023 under the Department of Military Affairs' Division of Emergency Management, creating a state capability to ensure rapid response versus reaching out to neighboring states for support (KRS Chapter 39A)
- Service-Disabled Veteran-Owned Small Businesses
 - Requires the Finance and Administration Cabinet to set aside a minimum of 3% of the value of all state contracts for good and services for service-disabled-veteran-owned small businesses. (KRS Chapter 45A)
- Employment at Veterans' Nursing Homes
 - Permit the Executive Director of the Office of Kentucky Veterans' Centers to contract to hire licensed nursing staff at the state veterans' nursing homes and exempt nursing contracts from the definition of "personal service contracts". (KRS Chapter 45A)
- Student Loan Repayment for Nurses
 - Creates a student loan repayment program for registered nurses and licensed practical nurses who will be employed by the Kentucky Department of Veterans Affairs
- Military Spouse Unemployment Benefits
 - Prohibits disqualification for unemployment benefits for a worker who leaves a job to follow a military spouse who has been reassigned to another military base or duty location that is 100 miles or more from the worker's home.
- Termination or suspension of select services without fees
 - Allows service members who receive orders requiring relocation (for a minimum of 90 days) to terminate or suspend select services without penalty fees or proper notice
- Federal Peace Officers
 - Grants Kentucky peace officer powers to the United States Mint Police under specified conditions. (KRS 61.365)
- Right to Drill or Parade with Arms
 - Permits veteran service organizations and reenactment participants to drill or parade with arms. (KRS 38.440)
- Stolen Valor
 - Establishes the offense of misuse of military status and makes it a Class A misdemeanor when used for the purpose of direct or indirect monetary gain, and with intent to defraud, obtain employment, or be elected or appointed to public office. (KRS 434.444)
- Armed Forces Protected from Dishonest Insurance Marketing and Sales Practices
 - Authorizes regulations to protect service members of the US Armed Forces from dishonest insurance marketing and sales practices. (See KRS Chap 304)
- Liability Insurance on State Active Duty
 - Authorizes The Adjutant General to purchase liability insurance for members called to state active duty. (See KRS 38.490)
- Employer Must Grant Military Leave
 - Requires employer must grant leave for National Guard active duty or training. Re-employment rights. (See KRS 38.238)
- Legal Representation against Guard Members or Businesses
 - Grants Attorney General representation for Guard member on duty who does any act in line of duty causing civil court action. (KRS 38.240)
- Peace Officer Powers
 - Entitles Guard members on state active duty deemed peace officers if Governor specifies in executive order. (KRS 38.480 (1))
- Guard Members Exempted From Tolls

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- Permits going to or returning from authorized duty in uniform or written order. (KRS 38.430; 600 KAR 2:020)
- Immunity from Arrest on State Active Duty
 - Immunity from Guard member arrested, except in case of a felony, going to, at, or returning from state active duty. (KRS 38.480 (2))
- No Discrimination against Guard Members or Businesses
 - Prohibits depriving a Guard member employment or obstruct business or profession based on Guard membership or prevent from enlisting by threatening job action. (See KRS 38.460)

Kentucky does an excellent job working with DSLO to prioritize the needs of military personnel and families in Kentucky. Current DSLO priority areas include:

- Military Access to Quality Family Child Care
 - Kentucky took a great step in 2023 with the adoption of the Military Child Care in Your Neighborhood-PLUS program through the Cabinet for Health and Family Services
- Military Spouse Employment and Economic Opportunities
 - Kentucky is a member of nine of the 16 current DOD Priority Compacts, with the majority of the seven remaining compacts newly established
 - Opportunity remains for the following DOD Priority Compacts:
 - Advanced Practice Registered Nurse Compact
 - Dental and Dental Hygienist Compact
 - Dietitian Licensure Compact
 - Emergency Medical Services Licensure Compact
 - Interstate Massage Therapy Compact
 - Physician Associates Compact
 - Interstate Compact for School Psychologists
- Child abuse identification and reporting
 - Kentucky passed HB 453 (Johnson) in 2024, requiring the Cabinet for Health and Family Services to determine the military status of any parent or guardian subject to an investigation and to notify a Department of Defense family advocacy program of an investigation involving a member of the United States Armed Forces.
- Concurrent juvenile jurisdiction
 - Under evaluation at this time
 - Juveniles placed under arrest on a federal installation must be treated under federal versus state standards; however, states may file a formal agreement to assume this responsibility
- State Support for Military Families with Special Education Need
 - The Kentucky Cabinet for Health and Family Services is an outstanding partner in this area
- Open enrollment flexibility
 - The Kentucky Department of Education is fully on board; our state law (HB 471, 2024 session) is among the best
- Defining Armed Forces in State Policy
 - Kentucky completed with state recognition of Space Force in 2024
- Military Family Anti-Discrimination Status

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- Support for the Uniformed Services Employment and Reemployment Rights Act (USERRA)
- Managed through the Kentucky Committee for Employer Support of the Guard and Reserve (ESGR), though applies to all components
- KRS 38.238 is state law protecting National Guard service
- State Response to Military Interpersonal Violence
 - No legislation passed; new priority
- Military Community Representation on State Boards and Councils
 - No legislation passed; new priority

DSLO Recent Emeritus Priorities:

<https://statepolicy.militaryonesource.mil/state/KY/emeritus>

- Purple Star Schools program
 - Officially began in Kentucky in 2021; adopted by state law in 2024
 - Collegiate Program pending for the 2026 session (requires funding, must be done in an even-numbered year)
- Military Spouse Teacher Certification
 - The Kentucky Department of Education has an alternative teaching certification for veterans of Armed Forces to teach elementary, secondary and secondary vocational educational education levels. (KRS 161.048)
 - Kentucky is not a member of Troops to Teachers; only active in 22 states
- Veteran Hiring Protection
 - House Bill 164 passed in 2015
- Servicemember Licensure and Credit
 - House Bill 113 passed in 2017
- Virtual School Enrollment
 - Adopted by HB 471 in 2024; practice already in place by the Kentucky Department of Education
- In-State Tuition Continuity
 - House Bill 356 passed in 2019

XIV. Conclusion

This report documented the nearly \$15.4 billion in direct payments in Kentucky in 2021-2022, through direct payrolls to military personnel and Department of Defense (DoD) civilians/contractors, through DoD contracts with companies around the state, and through retirement and veterans' benefits from the U.S. Veterans Administration. It also provided a detailed look at Kentucky's military community, from installations and major military units to community support to legislative support. Without a doubt, investment in military and veterans' activities provides a major economic benefit to the citizens of the Commonwealth of Kentucky.

Steven P. Bullard, Executive Director

Questions or comments concerning this report should be directed to the KCMA Executive Director, at (502) 564-2611 or steven.bullard@ky.gov.

Appendix A: Biography of KCMA Executive Director



BRIGADIER GENERAL (RETIRED) STEVEN P. BULLARD

Steven P. Bullard, Brigadier General, U.S. Air Force/Air National Guard (Retired), works with and advises the Governor, the General Assembly, and the Kentucky Congressional Delegation on military matters. In his position as the Executive Director, he strives to maximize the Commonwealth's relationship with the Department of Defense, spur economic growth across the State, and improve the quality of life for service members, veterans, and their families. Brig. Gen. (Ret.) Bullard was appointed as Executive Director, Kentucky Commission on Military Affairs; and Commissioner of Kentucky's State Council for the Military Interstate Children's Compact Commission on 16 August 2019.

As the Commissioner of Kentucky's State Council on the Military Interstate Children's Compact Commission (MIC3), he advocates for the educational success of our military children. Brig. Gen. (Ret.) Bullard is the Commonwealth's voice on circumstances pertaining to military children as they transition from one state/country to another, working to keep the educational process as seamless as possible. In addition, he serves on the MIC3 national executive committee as compliance committee chair.

Brig. Gen. (Ret.) Bullard is a member of the following: The Kentucky Commission on Military Affairs Executive Committee, Governor's Advisory Board for Veterans Affairs, the Kentucky Emergency Response Commission, and the Military Heritage Commission. He serves as co-chair of the State Advisor Council for the Association of Defense Communities.

Bullard served in the military for 33 years, with both Air National Guard and active duty Air Force assignments. During his career, General Bullard participated in Operations Desert Shield, Provide Promise, Restore Hope, Joint Endeavor, Joint Forge, Southern Watch, Bright Star, Coronet Oak, Noble Eagle, Enduring Freedom, and Iraqi Freedom.

He held multiple leadership and staff positions, including Director of Mobility Forces and Joint Air Component Coordination Element (JACCE) staff for the Commander, 7th Air Force, Osan Air Base, South Korea; NATO International Security Assistance Force (ISAF) Senior Airfield Authority of Kandahar Air Field, Afghanistan; and Chief of Operations for the Joint Intelligence and Operations Center, Headquarters, U.S. Central Command, MacDill Air Force Base, Florida.

Most recently, Bullard served as Chief of Staff for the Kentucky Air National Guard and Deputy Director of the Joint Staff of the Kentucky National Guard. He also has extensive experience in legislative affairs, representing the military and the manufacturing industry. He is the author of the book *Afghan Command, NATO/ISAF Senior Airfield Authority at Kandahar, Afghanistan 2006-2007*.

Appendix B: Statutory Authority of the Kentucky Commission on Military Affairs
Enacted July 14, 1992

154.12-203 Kentucky Commission on Military Affairs

(1) There is created the Kentucky Commission on Military Affairs. The commission shall be a separate administrative body of state government within the meaning of KRS Chapter 12.

(2) It shall be the purpose of the Kentucky Commission on Military Affairs to:

- (a) Address matters of military significance to Kentucky;
- (b) Maintain a cooperative and constructive relationship between state agencies and the military entities in Kentucky, as necessary to ensure coordination and implementation of unified, comprehensive, statewide strategies involved with, or affected by, the military;
- (c) Advise the Governor, the General Assembly, the Kentucky congressional delegation, and other appropriate government officials on all matters in which the military services and the Commonwealth have mutual interests, needs, and concerns;
- (d) Take action to promote and optimize state and Department of Defense initiatives that will improve the military value of Kentucky's National Guard, active, and reserve military force structure and installations, and improve the quality of life for military personnel residing in the Commonwealth;
- (e) (f) Coordinate, as necessary, the state's interest in future Department of Defense base closure and restructuring activities; Recommend state, federal, and local economic development projects which would promote, foster, and support economic progress through military presence in the Commonwealth; (g) Promote and assist the private sector in developing spin-off investments, employment, and educational opportunities associated with high-technology programs and activities at Kentucky's military installations;
- (h) Recommend to the Kentucky Economic Development Partnership the longrange options and potential for the defense facilities located in Kentucky;
- (i) Develop strategies to encourage military personnel to retire and relocate in Kentucky and promote those leaving the military as a viable quality workforce for economic development and industrial recruitment; and
- (j) Allocate available grant money to qualified applicants to further the purposes of paragraphs (a) to (i) of this subsection.

(3) The Kentucky Commission on Military Affairs shall consist of:

- (a) The Governor or a designated representative;
- (b) The secretary of the Cabinet for Economic Development or a designated representative;
- (c) The adjutant general of the Commonwealth or a designated representative;
- (d) The executive director of the Office of Homeland Security or a designated representative;
- (e) The secretaries of the following cabinets or their designees:
 - (f) Finance and Administration; Justice and Public Safety; Energy and Environment; Transportation; Health and Family Services; Personnel; Education and Labor; Public Protection; and Tourism, Arts and Heritage; The Attorney General or a designated representative;
 - (g) The commissioner of the Department of Veterans' Affairs or a designated representative;
 - (h) The executive director of the Kentucky Commission on Military Affairs or a designated representative;
 - (i) The chairperson of the Kentucky Committee for Employer Support of the Guard and Reserve;
 - (j) Kentucky's Civilian Aides to the Secretary of the United States Army;
 - (k) The chairperson of the Senate Veterans, Military Affairs, and Public Protection Committee and the chairperson of the House of Representatives Veterans, Military Affairs, and Public Safety Committee;

- (l) The Chief Justice or a designated representative;
 - (m) The commander or the designee of the commander of each of the following as nonvoting, ex officio members: U.S. Army Cadet Command; U.S. Army Human Resources Command; U.S. Army Recruiting Command; 84th Training Command; One Hundredth Division (Institutional Training); 101st Airborne Division; Blue Grass Army Depot; Fort Campbell Garrison; Fort Knox Garrison; U.S. Army Reserve Aviation Command; U.S. Army Corps of Engineers, Louisville District; Adjutant General of the U.S. Army; U.S. Coast Guard Sector Ohio Valley; First Army Division East; 1st Theater Sustainment Command; and Fifth (V) Corps; and
 - (n) Five (5) at-large members appointed by the Governor, who shall be residents of counties significantly impacted by military installations.
- (4) The terms of the five (5) at-large members shall be staggered so that two (2) appointments shall expire at two (2) years, one (1) appointment shall expire at three (3) years, and two (2) appointments shall expire at four (4) years, from the dates of initial appointment.
- (5)
- (a) The commission shall establish an executive committee consisting of the secretary of the Cabinet for Economic Development, the adjutant general of the Commonwealth, the commissioner of the Department of Veterans' Affairs, the executive director of the Kentucky Commission on Military Affairs, and the five (5) at-large members. The chair and vice chair of the Kentucky Commission on Military Affairs shall be appointed by the Governor from among the members of the executive committee.
 - (b) The chair and vice chair of the commission shall also serve as chair and vice chair of the executive committee.
 - (c) The executive committee shall serve as the search committee for an executive director of the commission and shall have any other authority the commission delegates to it.
- (6) The commission shall meet one (1) time each year, and may meet at other times on call of the chair, to establish the commission's goals and to review issues identified and recommendations made by the executive committee. A majority of the members shall constitute a quorum for the transaction of the commission's business. Members' designees shall have voting privileges at commission meetings.
- (7) Members of the commission shall serve without compensation, but shall be reimbursed for their necessary travel expenses actually incurred in the discharge of their duties on the commission, subject to Finance and Administration Cabinet administrative regulations.
- (8) The commission may establish committees or work groups composed of commission members and citizens as necessary to advise the commission in carrying out its responsibilities, duties, and powers. Citizen members of committees or work groups shall not have a vote.
- (9) The commission may promulgate necessary administrative regulations as prescribed by KRS Chapter 13A.
- (10) The commission may adopt bylaws and operating policies necessary for its efficient and effective operation.
- (11) There shall be an executive director, who shall be the administrative head and chief executive officer of the commission, recommended by the executive committee, approved by the commission, and appointed by the Governor. The executive director shall have authority to hire staff, contract for services, expend funds, and operate the normal business activities of the commission.
- (12) The Kentucky Commission on Military Affairs and its executive committee shall be an independent agency attached to the Office of the Governor. Effective: July 15, 2024

END