

Week in review

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Our best-read local news stories



CHRISTIAN KANTOSKY ckantosky@herald-leader.com
Board members attend a school board meeting Aug. 18 at Fayette County Public Schools Central Office in Lexington.

Fayette school system faces \$16M budget crisis

Fayette County Public Schools has been struggling with a \$16 million budget shortfall for months, with district leadership facing criticism over their handling of the financial crisis. The problems began in May when the school board discussed the shortfall and considered raising the occupational license tax by 0.5% to 0.75%. The board’s initial May 27 vote to pursue the tax increase was ruled illegal by Kentucky Attorney General Russell Coleman due to inadequate public notice. A community budget work

group formed in June ultimately recommended against tax increases, suggesting the district use its contingency fund instead. However, Superintendent Demetrus Liggins recently revealed the expected \$42 million contingency fund is actually about half that size. Despite opposition, the board voted Aug. 18 to hold a Sept. 5 public hearing on the tax increase.
Reported by Aaron Mudd and Valarie Honeycutt Spears, published Aug. 19

Conservative group claims UK violates anti-DEI law

A national conservative organization alleges the University of Kentucky is not complying with Kentucky’s anti-DEI law, according to a letter submitted to the at-

torney general. The Goldwater Institute claims UK’s board of trustees failed to adopt a required viewpoint neutrality policy as outlined in House Bill 4, which mandates public universities dismantle DEI initiatives. Instead, UK President Eli Capilouto drafted and approved the policy himself, which the institute says vio-

lates the law’s requirements. UK spokesperson Jay Blanton maintains the university believes it is compliant but plans to bring a recommendation to the board in September for endorsement of an institutional neutrality policy.
Reported by Monica Kast, published Aug. 19

New 761 area code coming to Kentucky in 2027

Kentucky will receive a new 761 area code in 2027 to address phone number shortages in the 502 region, which covers areas from Frankfort to Louisville. Current 502 users will keep their existing numbers, but residents will need to use 10-digit dialing when calling within the area once the overlay begins. The Public Service Commission selected the overlay option after consulting with telecommunications companies and holding public forums. Officials estimate the new area code will provide sufficient phone numbers for approximately 30 years. The 502 area code has been one of Kentucky’s original codes since 1947 and previously underwent changes in 1999 when western areas received the 270 code.
Reported by Christopher Leach, published Aug. 19

Fayette County farmland generates \$2.6B annually

A new University of Kentucky study reveals that Fayette County’s agriculture sector generates an estimated \$2.6 billion in annual economic impact and supports 16,000 jobs. The study, conducted by UK’s Blueprint Kentucky, updates a 2017 analysis and now includes agriculture-related jobs in retail, tourism, and transportation. The findings came ahead of the Lexington-Fayette Urban County Council’s vote on Aug. 19 to move forward with regulations that would ban large-scale solar farms on agricultural farmland. The study indicates that converting 10% of agricultural land to other uses would result in approximately \$19 million in economic losses.
Reported by Beth Musgrave, published Aug. 18

Lexington Mexican restaurant chain stays open amid IRS probe

Mi Pequeña Hacienda, a popular Mexican restaurant chain with locations in Lexington and Nicholasville, will remain open while under investigation by the IRS, according to general manager Julian Gallegos. Officials from the IRS Criminal Investigation Unit and Kentucky State Police conducted searches at both restaurant locations on Aug. 5, carrying out several bins from the Lansdowne Drive location in Lexington. According to a search warrant, the investigation that began in February 2024 alleges the restaurants underreported receipts by more than \$2.3 million over five years. Gallegos, vice president of Salas Enterprises Corp., which owns the restaurants, stated the chain is fully cooperating with investigators and committed to compliance and transparency.
Reported by Christopher Leach, published Aug. 18

Lockheed Martin expands in Lexington, adding 70 jobs

Lockheed Martin has cut the ribbon on its Lexington Engineering Center of Excellence at the University of Kentucky’s Coldstream Research Campus, which will create 70 new full-time jobs in Central Kentucky. The defense and aerospace manufacturer, which already employs 1,500 people in Kentucky, is expanding its partnership with UK to support U.S. Special Operations Command missions. The facility will provide engineering support for emerging defense and aerospace technology through a collaboration combining industry expertise in engineering, energy, materials and manufacturing. Aerospace products and parts were Kentucky’s top export last year at \$13.8 billion.
Reported by Piper Hansen, published Aug. 18



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Ukraine says Russia launched 614 drones, missiles in attack as U.S. pushes for peace

Ukraine’s Air Force reported Russia launched a massive overnight attack on Aug. 21 using 614 drones and missiles, with Ukrainian forces shooting down or suppressing 577 of them. The assault consisted primarily of 574 drones, with the remainder being ballistic or cruise missiles. This intense bombardment occurs as President Donald Trump advocates for a peace summit between Ukrainian President Volodymyr Zelenskyy and Russian President Vladimir Putin, following Trump’s meetings with both leaders. However, Russia has rejected Ukraine’s demand for a ceasefire before any peace negotiations can begin. The attack represents one of the largest aerial assaults in the ongoing conflict. Trump met with Putin in Alaska on Aug. 15 and with Zelenskyy and other European leaders at the White House on Aug. 18.
Reported by Newsweek, published Aug. 21

Californians will vote on new congressional maps Nov. 4

Gov. Gavin Newsom signed legislation setting a special election for Nov. 4, when California voters will decide whether to approve redrawn congressional maps that could create five additional Democratic-leaning House seats. This plan is to counter Texas’s Republican-favoring redistricting plan by creating its own map that would add five likely Democratic seats to the U.S. House. Texas approved its redistricting map Aug. 20, prompting Governor Gavin Newsom to tweet “It’s on, Texas.” The campaign has already raised over \$6 million, while Republicans filed an unsuccessful court challenge. Opposition includes former Gov. Arnold Schwarzenegger and former House Speaker Kevin McCarthy.
Reported by The Sacramento Bee, published Aug. 21



BONNIE CASH UPI

Members of the National Guard patrol in front of Union Station in Washington, D.C. on Monday. Five Republican-led states have sent National Guard troops there after President Donald Trump requested states do so.

Five GOP governors send National Guard troops to Washington

Five Republican governors have deployed National Guard soldiers to Washington, D.C., following President Trump’s request. Louisiana Governor Jeff Landry sent approximately 135 soldiers, while Mississippi Governor Tate Reeves deployed about 200 troops. They join forces from Ohio, West Virginia and South Carolina, totaling around 1,000 troops. Trump issued an executive order titled “Restoring Law and Order

in the District of Columbia,” placing the Metropolitan Police Department under federal control and deploying 800 D.C. National Guard soldiers. Trump claimed Washington was previously the “most unsafe city” but is now “perhaps the safest.” However, Metropolitan Police statistics show crime levels for nearly every category have already dropped since last year.
Reported by UPI, published Aug. 19

Trump wants to order end to mail-in voting, certain voting machines

President Donald Trump announced plans to sign an executive order banning mail-in ballots and certain voting machines, claiming they enable fraud despite numerous lawsuits and audits disproving his 2020 election claims. Trump posted on Truth Social that he will eliminate “inaccurate” voting machines and mail-in voting to bring “honesty” to the 2026

midterm elections. His order would likely face court challenges since elections are run by states. Mail-in voting reached 43% in 2020 and 30.3% in 2024. Eight states currently conduct elections entirely by mail, and experts say voting fraud remains minimal despite Trump’s repeated allegations.
Reported by UPI, published Aug. 18

These roundups were produced using AI tools, which summarized stories reported and written by McClatchy and partner journalists. It was edited by journalists in our News division.

Trump criticizes Smithsonian portrayal of slavery

President Donald Trump escalated his criticism of the Smithsonian Institution, calling it “out of control” for its portrayal of slavery and American history. Trump posted on Truth Social that he would direct attorneys to review the museum consortium, claiming it focuses too much on “how horrible our Country is” and “how bad Slavery was.” The White House previously announced an unprecedented examination of Smithsonian materials to ensure “alignment” with Trump’s directive to celebrate American exceptionalism and remove “divisive narratives.” Smithsonian Secretary Lonnie Bunch III has defended acknowledging slavery’s impact on American history. The review is part of Trump’s broader effort to reshape cultural institutions and remove what he considers left-leaning ideology.
Reported by UPI, published Aug. 20

Federal judge denies request to unseal Epstein files

A federal judge in New York on Aug. 20 rejected the Trump administration’s request to unseal grand jury documents related to convicted sex-trafficking financier Jeffrey Epstein. U.S. District Judge Richard Berman ruled that the government failed to demonstrate “special circumstances” warranting the release of the documents. The judge noted that the Department of Justice already possesses extensive Epstein investigation materials and called the grand jury motion a “diversion” from broader disclosure responsibilities. The ruling comes as the House Oversight Committee announced it would release some redacted Epstein-related files and plans to depose several former attorneys general and FBI directors, including testimony from high-profile officials in the ongoing investigation.
Reported by UPI, published Aug. 20