



Office of State Budget Director

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Andy Beshear
Governor

John T. Hicks
State Budget Director

Governor's Office for Policy and Management
Governor's Office for Economic Analysis
Governor's Office for Policy Research

February 17, 2025

The Honorable Christian McDaniel, Chairman
Senate Appropriations Committee
The Honorable Jason Petrie, Chairman
House Appropriations and Revenue Committee
Legislative Research Commission
Capitol Annex
Frankfort, Kentucky 40601

Dear Senator McDaniel, Representative Petrie, and Members of the Committees:

In accordance with House Bill 6, I am reporting the Governor's approval of a \$14,707,881 fiscal year 2024-2025 increase in the SEEK appropriation authorized by House Bill 6 to the Appropriations and Revenue Committees. This is the net amount needed to fulfill the expenditures required by KRS 157.310 to 157.440.

Attached is the Governor's approval and the Commissioner of Education's request letter to the Secretary of the Finance and Administration Cabinet.

If you need further information, please let us know.

Sincerely,

A handwritten signature in cursive script that reads "John T. Hicks".

John T. Hicks
State Budget Director

Attachments



COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

Andy Beshear
GOVERNOR

Capitol Building, Suite 100
700 Capitol Avenue
Frankfort, Kentucky 40601
(502) 564-2611
Fax: (502) 564-2517

February 13, 2025

Dr. Robbie Fletcher, Commissioner
Kentucky Department of Education
300 Sower Boulevard
Frankfort, Kentucky 40601

Dear Commissioner Fletcher:

I approve your written request to increase the fiscal year 2024-2025 SEEK General Fund appropriation to address the SEEK appropriation shortfall. The final shortfall calculations communicated by your staff within the Department of Education is \$14,707,881.

House Bill 6, the Executive branch budget bill for the 2024-2026 biennium, permits you to request an increase in the SEEK appropriation if the required expenditures exceed the estimates of state expenditures required by KRS 157.310 to 157.440.

The Secretary of the Finance and Administration Cabinet, with concurrence of the Office of State Budget Director, has determined there are sufficient funds available to address the shortfall.

This appropriation increase will be reported to the Appropriations and Revenue Committees pursuant to Part III, General Provisions of House Bill 6, and KRS Chapter 48.

Sincerely,

A handwritten signature in blue ink that reads "Andy Beshear".

Andy Beshear
Governor

cc: Holly Johnson, Secretary of the Finance and Administration Cabinet
John Hicks, State Budget Director



Dr. Robbie Fletcher
Commissioner of Education

KENTUCKY DEPARTMENT OF EDUCATION
300 Sower Boulevard · Frankfort, Kentucky 40601
Phone: (502) 564-3141 · www.education.ky.gov

January 22, 2025

Holly M. Johnson, Secretary
Finance and Administration Cabinet
200 Mero Street, 5th Floor
Frankfort, Kentucky 40622
HollyMcCoy.Johnson@ky.gov

VIA EMAIL

Re: Fiscal Year 2025 SEEK Appropriation

Dear Secretary Johnson:

Pursuant to KRS 157.410(3), the Kentucky Department of Education (KDE) is required to calculate Final SEEK amounts to which each school district is entitled by March 1, 2025. As we approach the deadline for the final calculation, KDE is estimating that there is a fiscal shortfall of approximately \$40M in SEEK funding appropriations.

According to KRS 157.430 and 702 KAR 3:270, KDE is required, unless otherwise provided by the General Assembly in a budget bill, to make a pro-rated reduction in Final SEEK distributions for FY 2025. However, House Bill 6, Part I, C.1(2) states:

(2) Allocation of SEEK Funds: Notwithstanding KRS 157.360(2)(c), the above General Fund appropriation to the base SEEK Program is intended to provide a base guarantee of \$4,326 per student in average daily attendance in fiscal year 2024-2025 and \$4,586 per student in average daily attendance in fiscal year 2025-2026, as well as to meet the other requirements of KRS 157.360. Notwithstanding KRS 157.360(2), each district's base funding level shall be adjusted for the number of students demonstrating limited proficiency in English language skills, multiplied by 0.096.

Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, **except that the total of the funds allotted shall not exceed the appropriation for this purpose, except as provided in this Act.** The total appropriation for the SEEK Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 to 157.440. **If the required expenditures exceed these estimates, the Secretary of the Finance and Administration Cabinet, upon the written request of the Commissioner of Education and with the approval of the Governor, may increase the appropriation by such**

Secretary Johnson

January 22, 2025

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amount as may be available and necessary to meet, to the extent possible, the required expenditures under the cited sections of the Kentucky Revised Statutes, but any increase of the total appropriation to the SEEK Program is subject to Part III, General Provisions, of this Act and KRS Chapter 48. If funds appropriated to the SEEK Program are insufficient to provide the amount of money required under KRS 157.310 to 157.440, allotments to local school districts may be reduced in accordance with KRS 157.430.

Therefore, in accordance with the provisions of House Bill 6, Part I, C.1(2), I respectfully request that you review and increase the appropriation to the SEEK program by the fiscal shortfall amount in SEEK funding appropriations, as determined by KDE on or before March 1, 2025. As previously mentioned, this amount is tentatively estimated at \$40M. Increasing the appropriation to the SEEK program will prevent KDE making a pro-rated reduction in Final SEEK distributions for FY 2025 to school districts.

I appreciate your attention to this important request on behalf of Kentucky's common school system which supports and educates over 630,000 students. If you have any questions, please contact Associate Commissioner, Matt Ross at Matt.Ross@education.ky.gov.

All In,



Dr. Robbie Fletcher
Commissioner of Education

cc: John Hicks, State Budget Director