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Labor Cabinet

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KENTUCKY DEPARTMENT OF EDUCATION

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May 10, 2023

Interim Joint Committee on Appropriations & Revenue Jennifer Hays, Committee Staff Administrator 702 Capital Ave Frankfort, KY 40601

RE: EKSAFE Funds Report (May 2023)

Dear Co-Chairs Senator McDaniel and Representative Petrie:

HB 1 (2022 SS) establishes the East Kentucky State Aid Funds for Emergencies (EKSAFE) Fund to provide disaster relief for areas impacted by the July 2022 storms and flooding. Included in the appropriation is \$40M to the Kentucky Department of Education (KDE) for impacted school districts. KDE is required to report to the Interim Joint Committee on Appropriations and Revenue beginning on September 10, 2022, and every month thereafter through July 10, 2024. The report is to include the name of each school district receiving EKSAFE funds, the dollar amount of funds issued, a description of how the funds were used, and a list of all requests submitted. The list of submitted requests shall include the amount requested, any denials with the reason for denial, and if the award is more or less than requested, an explanation for the increase or decrease. Please allow this letter to serve as the initial required report.

The HB 1 appropriation to KDE, provides funds to school districts for the following:

- 1. Providing the necessary wrap-around services for school children and their families in recovering from the impact of the storms and tornadoes, including after-school services and activities held at the school facilities or elsewhere in the community, mental health counseling services, and outside-of-school tutoring and other services to advance the scholastic progress of students;
- 2. Assisting school districts in addressing the additional transportation costs to provide transportation to students that are displaced from their district or county; and
- 3. Transferring a portion to the School Facilities Construction Commission to offer funding for the construction and repairs of school building facilities that have been destroyed or severely damaged by the storms and tornadoes. If a school district receives insurance funds for the facility, the school district shall reimburse the fund an amount equal to the amount received from insurance proceeds.



To expeditiously provide funds to impacted districts, KDE held a webcast on September 1, 2022, to make impacted school districts aware of the passage of HB 1 and answer district questions. Following passage of the bill, KDE created a EKSAFE Account in its budget structure and funds were transferred into the account. KDE staff created a simple district application to request funds. An additional webinar was held with impacted districts to discuss the application and disbursement process. The application is available on KDE's state grants website. The application permits districts to provide KDE with important information related to their challenges and fiscal needs. Disbursement of EKSAFE funds a top priority for KDE, and the initial requests will be paid as soon as possible after receipt. Thereafter requests will be paid monthly.

KDE has received one application for EKSAFE Funds. KDE has been in communication with the district and is awaiting the district's decision to revise or withdraw their application pending the possible receipt of a federal flood mitigation grant. KDE will approve or provide the district with feedback as soon as possible. KDE continues to be in communication with all impacted districts, and in turn, districts are in communication with their insurance providers and FEMA representatives.

If any member of the Committee has any questions, please do not hesitate to contact me at the email or phone number below.

Sincerely,

Robin Fields Kinney Associate Commissioner

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