

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2021 REGULAR SESSION
CONFIDENTIAL**

MEASURE

2021 BR NUMBER 1587

HOUSE BILL NUMBER 382/PSS2

TITLE AN ACT relating to the regional development agency assistance fund.

SPONSOR Senator Christian McDaniel

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: SEEK, Employment Services, Office of Kentucky Nature Preserves, Kentucky Heritage Council, Justice Administration

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED Nature Preserves Special Projects Fund

FISCAL ESTIMATES	2020-2021	2021-2022	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			
EXPENDITURES	\$50,000,000	\$719,198,700	
NET EFFECT	(\$50,000,000)	(\$719,198,700)	

() indicates a decrease/negative

PURPOSE OF MEASURE: Sections 1 and 2 specify the distribution formula for the existing Regional Development Agency Assistance Fund (RDAAF), prevent those funds from being used for operational expenses by recipient counties, and eliminate duplicative reporting requirements related to expenditures from the fund.

Section 3 approves and ratifies Executive Order 2021-093.

Section 4 amends 2021 Regular Session House Bill 320/EN relating to broadband services, including appropriating an additional \$50,000,000 in Federal Funds in FY 21 and allowing that appropriation to carry forward to FY 22.

Section 5 appropriates \$140,000,000 in General Funds in FY 22 to the SEEK appropriation unit for full-day kindergarten.

Section 6 appropriates \$575,000,000 in Federal Funds in FY 22 to the Labor Cabinet for payment of interest and principal on advances under Title XII of the Social Security Act.

Section 7 appropriates \$801,500 in Restricted Funds and \$40,900 in Federal Funds in FY 22 to the Office of Kentucky Nature Preserves.

Section 8 appropriates \$50,000 in General Funds in FY 22 to the Kentucky Heritage Council for the Kentucky African American Heritage Commission.

Section 9 appropriates \$1,800,000 in General Funds in FY22 to the Justice Administration budget unit for one-time costs associated with reestablishing the Northern Kentucky Regional Medical Examiner's Office, and further appropriates \$1,506,300 in General Fund moneys in the same year for operations of that office.

FISCAL EXPLANATION: Sections 1 through 3 do not have a fiscal impact. The RDAAF currently receives \$6,000,000 per year from the General Fund via payments received from the Tennessee Valley Authority (TVA). Under this measure, the same funding would be distributed to the same fund-eligible counties, but the measure explicitly specifies that the amount must be evenly distributed amongst those counties. This may have an impact on the amount of funds received by each fund-eligible county, but impacts to local governments are beyond the scope of this analysis. Similarly, the measure would also prohibit recipient counties from using funds for operational costs, but any fiscal impact from that prohibition would be borne by the county.

Sections 4 through 9 outline their respective fiscal impacts in the text of the measure itself.

DATA SOURCE(S): LRC Staff

PREPARER: David Talley **NOTE NUMBER:** 121 **REVIEW:** JAB **DATE:** 3/29/2021