

CHAPTER 153**(SB 1)**

AN ACT relating to education.

WHEREAS, the Commonwealth has a compelling interest in ensuring that all students receive access to safe, reliable, and effective public education systems that meet student needs, protect student well-being, and responsibly steward public funds; and

WHEREAS, certain school districts within the Commonwealth operate at a scale and level of complexity that is fundamentally different from the operational, governance, and management demands faced by other local school districts; and

WHEREAS, Jefferson County Public Schools (JCPS) serves approximately 95,000 students across 168 schools, educates students speaking more than 139 languages, and employs thousands of instructional and noninstructional staff, creating a large and complex public educational system unlike any other district in Kentucky; and

WHEREAS, JCPS operates one of the largest public-sector budgets in the Commonwealth, managing an annual district budget of approximately \$1,900,000,000, which constitutes the largest public school district budget in Kentucky, exceeds the operating budget of Louisville Metro Government, is more than twice the size of the Commonwealth's second-largest public school district budget, and is nearly six times larger than the next-largest district, thereby magnifying the statewide fiscal risk associated with governance, management, and financial decision-making within the district; and

WHEREAS, JCPS operates a daily student transportation system serving approximately 60,000 riders, an operational footprint exceeding the total population of most Kentucky counties and requiring sophisticated logistical planning, real-time coordination, and cross-departmental management comparable to a municipal transit system rather than a typical school district; and

WHEREAS, JCPS employs a districtwide student assignment and choice model involving magnet programs, specialized academic pathways, and cross-attendance-zone enrollment that materially increases routing complexity, operational risk, and coordination demands beyond those faced by other Kentucky school districts; and

WHEREAS, repeated transportation failures within JCPS have resulted in students, particularly those attending magnet and choice schools, arriving home late into the evening hours, missing instructional time, and in some cases being unable to attend school at all, demonstrating systemic breakdowns in planning, execution, and executive accountability that directly undermine student safety, attendance, and educational access; and

WHEREAS, JCPS serves a student population with elevated needs, including higher concentrations of students living in poverty, students requiring special education services, English language learners, and students impacted by trauma, behavioral challenges, and chronic absenteeism, all of which necessitate integrated academic, transportation, safety, and support systems; and

WHEREAS, JCPS elementary, middle, and high schools overall earned a performance rating in the "orange" category for the 2024-2025 school year, the second-lowest tier in the state's accountability system, reflecting persistent and systemwide academic underperformance relative to statewide expectations; and

WHEREAS, JCPS state assessment results show that proficiency rates in reading remain unacceptably low across grade levels, with approximately 24 percent of elementary students, 22 percent of middle school students, and 23 percent of high school students achieving proficiency in reading, demonstrating long-standing deficiencies in literacy outcomes; and

WHEREAS, JCPS assessment data further indicates persistently low proficiency in mathematics, with approximately 23 percent of elementary students, 20 percent of middle school students, and 19 percent of high school students scoring at the proficient level, underscoring chronic challenges in foundational numeracy essential to postsecondary readiness and workforce participation; and

WHEREAS, JCPS continues to experience significant and persistent deficiencies in literacy outcomes, especially in reading achievement among middle and high school students, which district leadership has publicly acknowledged cannot be addressed without sustained, systemwide intervention; and

WHEREAS, the number of JCPS schools identified for Comprehensive Support and Improvement (CSI) status increased from 34 schools in 2022 to 41 schools in 2025, demonstrating a growing concentration of the Commonwealth's lowest-performing schools within a single district and accounting for approximately 77 percent of all CSI-designated schools statewide; and

WHEREAS, JCPS continues to experience wide achievement gaps and inconsistent academic proficiency across schools, with district leadership publicly acknowledging that graduation and postsecondary readiness metrics mask persistent failures to ensure mastery of core academic subjects; and

WHEREAS, JCPS assessment reporting over the past decade reflects only incremental academic gains in reading, math, and science, with periods of stagnation that indicate structural limitations in the district's ability to drive sustained improvement at scale; and

WHEREAS, statewide and local reporting further demonstrate that chronic absenteeism within JCPS approaches one-third of enrolled students, a rate that materially undermines learning, exacerbates achievement gaps, and reflects systemic failures in attendance, transportation reliability, and student engagement; and

WHEREAS, public reporting and district documentation reflect ongoing safety concerns within JCPS, including weapons incidents and the deployment of districtwide security technologies, requiring rapid operational decision-making and consistent systemwide execution to protect students and staff; and

WHEREAS, JCPS manages a nearly \$2,000,000,000 complex public system and has publicly reported significant budget deficits and ongoing fiscal pressures, creating heightened statewide risk exposure due to the district's size and its large share of Kentucky's total public school enrollment; and

WHEREAS, JCPS has publicly disclosed a substantial and growing budget shortfall, driven in part by undisciplined spending practices, reliance on temporary federal funds, and delayed corrective action, creating significant fiscal risk to a district heavily supported by statewide taxpayer dollars and highlighting the inability of existing governance structures to ensure timely financial oversight and corrective management; and

WHEREAS, JCPS' senior financial leadership has publicly acknowledged substantive financial and operational deficiencies within the district, including undisciplined budgeting practices enabled by temporary federal relief funds, materially flawed deficit projections, looming cash-flow insolvency risks, constrained revenue growth that fails to keep pace with inflation, and internal decision-making that limited the disclosure of pertinent financial data, collectively demonstrating systemic weaknesses in fiscal management, transparency, and long-term financial planning; and

WHEREAS, independent audits and public analyses of JCPS transportation operations have identified failures that are systemic rather than isolated, involving breakdowns in coordination among central office leadership, transportation planning, human resources, and operational decision-making; and

WHEREAS, such audits and reporting indicate that diffuse authority and unclear executive accountability materially contributed to service delivery failures affecting student safety, attendance, and public confidence in the district; and

WHEREAS, in 2018, concerns regarding JCPS governance and management capacity resulted in a corrective action plan and settlement with state education authorities to avert a full state takeover, demonstrating longstanding and unresolved statewide concern regarding the district's ability to address its challenges under existing governance structures; and

WHEREAS, recurring operational crises, including transportation failures, safety incidents, fiscal instability, and persistent academic underperformance, reflect not merely programmatic shortcomings but structural governance deficiencies that impede timely, coordinated executive action; and

WHEREAS, districts operating at such a large scale and high level of complexity require governance structures that clearly distinguish between strategic oversight, policy-setting, and accountability on one hand, and day-to-day operational management and execution on the other; and

WHEREAS, large districts need clear operational authority and responsibility in a single chief executive officer, subject to defined reporting requirements, performance metrics, and board oversight, to create clearer accountability, faster decision-making, and more effective systemwide coordination; and

WHEREAS, restructuring board responsibilities to emphasize strategic planning, fiscal oversight, monitoring of academic and operational outcomes, and evaluation of executive performance aligns governance practices with those required to manage complex public institutions responsibly; and

WHEREAS, the governance structure established in subsection (2) of Section 1 of this Act is intended to serve as a targeted and proportionate alternative to state takeover, preserving local control while addressing structural deficiencies that have repeatedly resulted in systemwide failures; and

WHEREAS, JCPS operates at a scale that is not merely larger, but qualitatively and quantitatively distinct from every other public school district in the Commonwealth, such that differences between JCPS and other districts are not incremental but exponential in student population, workforce size, operational scope, and fiscal exposure; and

WHEREAS, the gap between JCPS and the second-largest school district in Kentucky is itself greater than the gap between all remaining districts statewide, such that JCPS constitutes a natural and objectively identifiable class based on scale, complexity, and statewide impact; and

WHEREAS, districts of this magnitude present governance, operational, and fiscal challenges that are categorically different from those faced by small and mid-sized districts, and uniform governance structures designed for substantially smaller systems cannot reasonably be expected to perform effectively at this scale; and

WHEREAS, the concentration of academic, operational, transportation, safety, fiscal, and labor-management functions within a single district of this size requires continuous, coordinated executive decision-making that cannot be achieved when strategic oversight and day-to-day administration are commingled; and

WHEREAS, governance structures which require boards of education to simultaneously function as legislative bodies, executive managers, and operational supervisors become increasingly ineffective and unworkable as district scale and complexity increase; and

WHEREAS, repeated systemwide failures within JCPS demonstrate that existing governance structures are not merely underperforming, but structurally mismatched to the operational demands placed upon the district; and

WHEREAS, when operational failures deprive students of reliable transportation and instructional access while fiscal mismanagement threatens the solvency of the state's largest school district, such failures cannot reasonably be attributed to isolated errors but instead reflect structural deficiencies in governance, executive authority, and accountability that demand corrective action; and

WHEREAS, Section 183 of the Kentucky Constitution imposes upon the General Assembly an affirmative duty to provide for an efficient system of common schools throughout the Commonwealth, and that duty necessarily includes ensuring that governance structures are capable of delivering educational services effectively at the scale at which they are required to operate; and

WHEREAS, efficiency within the meaning of Section 183 encompasses not only academic outcomes, but also fiscal stewardship, student safety, transportation reliability, workforce management, and the capacity for timely executive decision-making; and

WHEREAS, in districts operating at significant scale and complexity, effective governance requires a clear separation between strategic oversight and operational execution, such that boards of education are focused on policy, long-term planning, fiscal oversight, and performance accountability; and

WHEREAS, vesting day-to-day operational authority in a single chief executive officer, subject to defined performance metrics and board oversight, promotes clarity of responsibility, accelerates decision-making, and strengthens accountability for results; and

WHEREAS, this governance structure aligns with best practices used to manage large public institutions and is reasonably tailored to address the unique challenges presented by districts of this size, while preserving local control and democratic accountability; and

WHEREAS, the distinctive characteristics of JCPS, when considered in combination, provide a rational, substantial, and constitutionally sufficient basis for differentiated governance treatment, and such treatment is reasonably related to the General Assembly's duty to ensure an efficient system of common schools; and

WHEREAS, JCPS is supported in substantial part by state education dollars contributed by taxpayers throughout the Commonwealth, and the scale of this investment creates a legitimate and compelling statewide interest in ensuring that the district is governed and managed in a manner that maximizes educational outcomes, protects public funds, and fulfills constitutional obligations to all Kentucky students; and

WHEREAS, school districts meeting defined objective criteria of certain scale, operational complexity, and statewide impact may be subject to alternative governance structures; and

WHEREAS, such governance structures are reasonably and naturally related to the distinctive challenges faced by these districts; and

WHEREAS, the purpose of subsection (2) of Section 1 of this Act is to improve student outcomes, safeguard student wellbeing, ensure public safety, restore public confidence, and strengthen fiscal stewardship through enhanced executive accountability and strategic board oversight;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 160.370 is repealed, reenacted, and amended to read as follows:

- (1) The superintendent shall be the executive agent of the board that appoints him or her and shall meet with the board, except when his or her own tenure, salary, or the administration of his or her office is under consideration. As executive officer of the board, the superintendent shall see that the laws relating to the schools, the bylaws, rules, and regulations of the Kentucky Board of Education, and the regulations and policies of the district board of education are carried into effect. He or she may administer the oath required by the board of education to any teacher or other person. He or she shall be the professional adviser of the board in all matters. He or she shall prepare, under the direction of the board, all rules, regulations, bylaws, and statements of policy for approval and adoption by the board. He or she shall have general supervision, subject to the control of the board of education, of the general conduct of the schools, the course of instruction, the discipline of pupils, and the management of business affairs. He or she shall be responsible for the hiring and dismissal of all personnel in the district.
- (2) For a county school district in a county with a consolidated local government adopted under KRS Chapter 67C *or having five hundred thousand (500,000) or more inhabitants*:
 - (a) A local board of education shall:
 1. Delegate authority to the superintendent over the district's day-to-day operations and implementation of the board-approved strategic plan *and budget* in a manner that promotes the efficient, timely operation of the district, including but not limited to the authority over contracts related to daily operations of the district, pupil transportation, personnel matters, and the organizational structure of administrative staff;
 2. ~~[Except as expressly required by statute, including subparagraphs 3. and 5. of this paragraph, not meet more than once every four (4) weeks for the purpose of approving necessary administrative matters;~~
 3. ~~By December 1 each year, approve a rolling *five (5)* ~~three (3)~~ year strategic plan for the district that outlines student *outcome* ~~achievement~~ goals, faculty and staff improvement goals, facility and infrastructure improvement, and other key objectives that the superintendent and board believe are in the best interest of student outcomes and the community;~~
 3. *Review and approve a rolling three (3) year projection of expenses and revenues;*
 4. Approve an annual budget for the district, which shall include any budgetary decisions relevant to the district's ability to obtain necessary revenue, including tax revenue, in accordance with the requirements of state law and regulation;
 5. By ~~December~~ *November* 1 each year, oversee:
 - a. An annual audit of the financial dealings of the district and the reporting of key financial performance data in order to ensure fair and accurate reporting to the board; and
 - b. An annual review of student performance in the district and the reporting of key student performance data to ensure compliance with state and federal law and accurate reporting to the board;
 6. Recruit and hire the superintendent and negotiate the terms of employment and compensation of a prospective superintendent;
 7. Complete an annual review of the superintendent's performance with regard to the duties assigned in subsection (1) of this section and paragraph (b) of this subsection; and
 8. Be responsible for the dismissal of the superintendent;

- (b) Notwithstanding any provision to the contrary in subsection (1) of this section, the superintendent shall:
1. Provide a quarterly, informational report to the board on the administrative actions taken by the superintendent to carry out the district's daily operations and implementation of the strategic plan as well as a budget to actual financial update;
 2. Prepare all rules, regulations, bylaws, and statements of policy for approval and adoption by the board, with approval not to be withheld without a two-thirds (2/3) vote of the board to deny approval or adoption;
 3. Supervise the general conduct of the schools, the course of instruction, the discipline of pupils, the employment matters of all employees and contractors, and the management of business affairs of the district;
 4. Be responsible for the hiring, employment terms, dismissal, and organizational structure of all personnel in the district in compliance with all laws and in a manner that best serves the students of the district; and
 5. Notwithstanding any law that assigns an administrative duty, responsibility, or authority to a board of education, or other law to the contrary, be responsible for any administrative duty not explicitly granted to the board under paragraph (a) of this subsection;~~and~~
- (c) If the ~~school district~~~~county~~ adopts the provisions of the Kentucky Model Procurement Code, the board shall authorize the superintendent to approve purchases, in accordance with small purchase procedures adopted by the board, for any contract for which a determination is made that the aggregate amount of the contract does not exceed two hundred fifty thousand dollars (\$250,000);~~and~~
- (d) The board shall authorize the superintendent to approve a line-item transfer within its annual budget as she or he deems necessary, provided that the aggregate amount of *all transfers do*~~not~~~~any individual transfer does~~ not exceed two hundred fifty thousand dollars (\$250,000) *per quarter*. The superintendent shall provide a quarterly report to the board on any purchases made under this subsection; *and*
- (e) *Any purchase or transfer completed pursuant to paragraph (c) or (d) of this subsection shall be within the approved budget of the district, aligned to the strategic plan of the district, and reported to the board at the next regularly scheduled board meeting.*

Veto Overridden April 14, 2026.