

INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE

Minutes of the 6th Meeting of the 2021 Interim

November 16, 2021

Call to Order and Roll Call

The 6th meeting of the Interim Joint Committee on Appropriations and Revenue was held on Tuesday, November 16, 2021, at 1:00 PM, in Room 149 of the Capitol Annex. Senator Christian McDaniel, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Christian McDaniel, Co-Chair; Representative Jason Petrie, Co-Chair; Senators Danny Carroll, Matt Castlen, Morgan McGarvey, Stephen Meredith, Michael J. Nemes, Robin L. Webb, and Stephen West; Representatives Lynn Bechler, Danny Bentley, John Blanton, Randy Bridges, Myron Dossett, Joseph M. Fischer, Ken Fleming, Kelly Flood, Chris Fugate, Al Gentry, David Hale, Mark Hart, Angie Hatton, Jason Nemes, Ruth Ann Palumbo, Melinda Gibbons Prunty, Josie Raymond, Brandon Reed, Steve Riley, James Tipton, and Lisa Willner.

Guests: Ethan Fieldman, Founder and President, Study Edge; Morgan Chittum, Associate Director, Math Nation; Dana Jenkins, Associate Director, South Carolina, Math Nation; Holly Johnson, Secretary, Finance and Administration Cabinet; Wendy Smith, Deputy Executive Director, Housing Programs, Kentucky Housing Corporation; Beth Lucas, ICS Director, Administrative Office of the Courts; and Carole Henderson, Budget Director, Administrative Office of the Courts.

LRC Staff: Jennifer Hays, Sarah Watts, and Chase O'Dell.

Approval of Minutes

A motion was made by Senator Nemes, seconded by Representative Hale, to approve the minutes from the October 6, 2021, meeting. The motion carried by voice vote.

Math Nation

Ethan Fieldman, Founder and President, Study Edge; Morgan Chittum, Associate Director, Math Nation; and Dana Jenkins, Assistant Director, South Carolina, Math Nation, discussed the Math Nation program.

Senator Thayer testified that Math Nation is an online learning tool to help students behind on arithmetic. Even before the pandemic, there were plenty of students in the

Commonwealth behind in math, which has been exacerbated by the pandemic. Senator Thayer stated that he and Senator Wise would make a budget request in the upcoming legislative session for Math Nation.

Mr. Fieldman testified that many Kentucky schools have less than 50 percent of students scoring at proficient or distinguished levels in math. ACT scores were going down before the pandemic. Teacher shortages are expected to expand more than seven percent.

Math Nation makes math more fun for students. Math Nation is proven to increase test scores for students. Teachers want videos for students to watch after school, a workbook for students to follow along, tutoring for every student, a district-by-district approach, and parent involvement. In Florida, Math Nation was adopted by 100 percent of school districts without a mandate. The program is now in several states and works with local universities for standards alignment and evaluations.

Students can choose different instructors who have recorded everything according to state math standards. Students have access to these tutors every day, all day, on phones or computers. Each student receives a workbook specific to state standards.

Math Nation uses math in action, which features videos highlighting careers using math. Math Nation has also implemented functions where students can help each other with math homework. Access to the programs offered are universal, where students with old hardware can still access content.

In response to a question from Representative Tipton, Mr. Fieldman stated that Math Nation has had contact with the Commissioner of the Department of Education who expressed a willingness to operate the program if it were approved by the legislature. In response to another question, Mr. Fieldman testified that the program works with college institutions who train teachers.

In response to a question from Representative Hart, Mr. Fieldman stated that Math Nation provides access to homeschool students and parents.

In response to a question from Representative Raymond, Mr. Fieldman testified that no new log-in is required for Math Nation's programs. The program develops content aligned with state standards. Districts and teachers can decide how to use the program. The key concept is for simplicity for parents to help students. Mr. Fieldman stated that Math Nation does not believe in mandates. Instead, each district can choose how it wants to use the program.

Emergency Rental Assistance Program

Holly Johnson, Secretary, Finance and Administration Cabinet; and Wendy Smith, Deputy Executive Director, Housing Programs, Kentucky Housing Corporation, discussed the Emergency Rental Assistance Program.

Ms. Smith testified that the Kentucky Housing Corporation (KHC) is a quasi-state agency and is the state's housing finance agency. Its mission is to invest in quality housing solutions that are affordable for families and communities across Kentucky. KHC takes private, federal, and state funds. These funds are invested across the state. KHC works on issues for homeowners and homebuyers, on rental housing, and on homelessness programs.

The emergency rental assistance (ERA) program is funded by the U.S. treasury. Funds have come to Kentucky through this program. The program is intended to assist tenants, which also assists landlords and utilities. KHC is the primary sub-recipient and administrator of this program for the Finance and Administration Cabinet. Rent and utility relief is offered to 118 counties.

KHC has until September, 2022, to expend the first set of funds. The Commonwealth received just over \$264 million. Louisville and Lexington each received individual grants from the Treasury. Louisville received almost \$23 million. Lexington received \$9.6 million. Because Louisville and Lexington did not receive proportionate shares of the funding based on their population, KHC has given them additional sub-grants. KHC transferred an additional \$27 million to Louisville and an additional \$11.7 million to Lexington. The programs administered by Louisville, Lexington, and KHC are virtually identical.

KHC administers the Healthy at Home Eviction Relief Fund program. The purpose of this fund is to assist Kentucky tenants with rent and/or utilities to keep them housed. This fund allows landlords and utilities to get substantial payments for arrears. This program is also aimed at reducing the volume of eviction cases in Kentucky courts. To be eligible for receiving funds, tenants must live in one of the 118 counties covered by the fund and must earn at or below 80 percent of the area median income. Assistance is provided through lump sum direct deposit payments to landlords and lump sum direct payments to utilities.

Depending on past due bills, tenant applicants can receive assistance with rent, utilities, or both. As of November 12, 2021, KHC has paid out \$80.2 million of total assistance. Over 22,300 individual payments have been provided to help over 16,000 renters or households. The average assistance provided almost \$5,000. Recently, an average of more than 1,000 new applications are submitted per week. Since February, \$38.7 million has been sub-granted to Louisville and Lexington. Of the total grant given to Kentucky, \$124 million, or 47 percent, has been committed. KHC still has \$122.8 million left available to assist Kentucky renters.

Eviction filings remain at a lower rate than in 2019.

In response to a question from Representative Fleming, Ms. Smith testified that KHC is allowed to spend 10 percent of the grant on administrative costs. Thus far, KHC has spent about four percent of the grant on administrative costs. She continued to say that once a complete application is submitted by both the tenant and the landlord, KHC can process the application in two to three weeks. This timeline depends on the traffic of applications during a certain time period. In response to another question from Representative Fleming, Ms. Smith testified that there are many landlords who are getting tenants to apply to receive assistance. However, there are also situations where a contentious relationship exists between the landlord and tenant and applications are not received quickly.

Technology Upgrades for Virtual Hearing Equipment

Beth Lucas, ICS Director, Administrative Office of the Courts and Carole Henderson, Budget Director, Administrative Office of the Courts, discussed technology upgrades for virtual hearing equipment.

Ms. Lucas testified to the challenges faced by the Administrative Office of the Courts (AOC) in upgrading technology for virtual hearing equipment. Some of these challenges include project resources, particularly staffing; equipment availability; geographic technology limitations, such as bandwidth; and funding for ongoing costs for maintenance or support of software equipment. Solutions must be simple and sustainable.

Research and development for the video arraignment and conferencing project is underway. A team for the project and stakeholders are in place. Many people throughout the state are using various solutions such as Zoom or Microsoft Office. In December 2021, AOC will move into the proof of concept stage.

AOC is also pursuing multiple avenues for the Self-Represented Litigant Portal project. Pilot programs should be launched in early 2022. Significant progress has been made on the redaction system software project. The license has been secured. AOC is in the project planning stage. AOC is in negotiations with a vendor for the self-service kiosks project. A pilot site should be launched in early 2022.

In response to a question from Senator McDaniel, Ms. Lucas testified that an individual could scan a QR code on a speeding ticket and pay it online. In response to another question from Senator McDaniel, Ms. Lucas stated that ongoing costs entail potential costs for equipment maintenance and support.

Senator Webb spoke to the value of having court proceedings done in person. She also expressed concern over guided interviews.

With no further business before the committee, the meeting was adjourned at 2:10 p.m.