

1 AN ACT relating to the Support Education Excellence in Kentucky Program.

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

3 ➔Section 1. KRS 157.320 is amended to read as follows:

4 As used in KRS 157.310 to 157.440, unless the context otherwise requires:

- 5 (1) "Average daily attendance" means the aggregate days attended by pupils in a public  
6 school, adjusted for weather-related low attendance days if applicable, divided by  
7 the actual number of days the school is in session, after the five (5) days with the  
8 lowest attendance have been deducted.
- 9 (a) Aggregate days shall include, in addition to the aggregate number of days  
10 attended by a pupil who was suspended during a school year, the number of  
11 days the pupil was suspended, not to exceed ten (10) days in total for the  
12 school year; and
- 13 (b) Aggregate days shall include, in addition to the aggregate number of days  
14 attended by a pupil who was expelled for behavioral problems, the number of  
15 days the pupil was expelled up to a total of one hundred seventy-five (175)  
16 days. This total may extend into the next school year and shall be counted in  
17 the average daily attendance for the next year;
- 18 (2) "Base funding level" means a guaranteed amount of revenue per pupil to be  
19 provided for each school district, to be used for regular operating and capital  
20 expenditures;
- 21 (3) "Board" means the board of education of any county or independent school district;
- 22 (4) "District" means any school district as defined by law;
- 23 (5) "Elementary school" means a school consisting of the primary school program  
24 through grade eight (8) as defined in KRS 158.030, or any appropriate combination  
25 of grades within this range, as determined by the plan of organization for schools  
26 authorized by the district board;
- 27 (6) "Support Education Excellence in Kentucky" means the level of educational

1 services and facilities which is to be provided in each district from the public school  
2 fund, including on-behalf costs;

3 (7) "Kindergarten full-time equivalent pupil in average daily attendance" means each  
4 kindergarten pupil counted no more than one-half (1/2) day in the aggregate days  
5 attended by kindergarten pupils in a public school divided by the actual number of  
6 days school is in session after the five (5) days with the lowest attendance have  
7 been deducted. Kindergarten is the entry level of the primary program and shall be  
8 provided no less than the equivalent of one-half (1/2) day, five (5) days a week for a  
9 full school year for each kindergarten pupil;

10 (8) "Public school fund" means the fund created by KRS 157.330 for use in financing  
11 education in public elementary and secondary schools;

12 (9) "Administrative regulations of the Kentucky Board of Education" means those  
13 regulations which the Kentucky Board of Education may adopt upon the  
14 recommendation and with the advice of the commissioner of education. The  
15 commissioner of education shall recommend administrative regulations necessary  
16 for carrying out the purposes of KRS 157.310 to 157.440;

17 (10) "Distributable cost" means the amount that is to be distributed to a district to  
18 provide and maintain the district's educational services and facilities;

19 (11) "Experience" means employment as a teacher, other than as a substitute or nursery  
20 school teacher, for a minimum of one hundred forty (140) days during a school year  
21 in a public or nonpublic elementary or secondary school or college or university  
22 that is approved by the public accrediting authority in the state in which the  
23 teaching duties were performed. A teacher who is employed by a board for at least  
24 one hundred forty (140) days of a school year and who performs teaching duties for  
25 the equivalent of at least seventy (70) full school days during that school year,  
26 regardless of the schedule on which those duties were performed, shall be credited  
27 with one (1) year of experience. A teacher who is employed by a board for at least

1           one hundred forty (140) days during each of two (2) school years and who performs  
2           teaching duties for the equivalent of at least seventy (70) full school days during  
3           those years shall be credited with one (1) year of experience. No more than one (1)  
4           year of experience shall be credited for the performance of teaching duties during a  
5           single school year;

6           (12)~~(11)~~ "Secondary school" means a school consisting of grades seven (7) through  
7           twelve (12), or any appropriate combination of grades within this range as  
8           determined by the plan of organization for schools authorized by the district board.  
9           When grades seven (7) through nine (9) or ten (10) are organized separately as a  
10          junior high school, or grades ten (10) through twelve (12) are organized separately  
11          as a senior high school and are conducted in separate school plant facilities, each  
12          shall be considered a separate secondary school for the purposes of KRS 157.310 to  
13          157.440;

14          (13)~~(12)~~ "Single salary schedule" means a schedule adopted by a local board from  
15          which all teachers are paid for one hundred eighty-five (185) days and is based on  
16          training, experience, and such other factors as the Kentucky Board of Education  
17          may approve and which does not discriminate between salaries paid elementary and  
18          secondary teachers. If the budget bill contains a minimum statewide salary  
19          schedule, no teacher shall be paid less than the amount specified in the biennial  
20          budget salary schedule for the individual teacher's educational qualifications and  
21          experience;

22          (14)~~(13)~~ "Teacher" means any regular or special teacher, principal, supervisor,  
23          superintendent, assistant superintendent, librarian, director of pupil personnel, or  
24          other member of the teaching or professional staff engaged in the service of the  
25          public elementary and secondary school for whom certification is required as a  
26          condition of employment;

27          (15)~~(14)~~ **"On-behalf cost" means the amount that a district is obligated to disburse**

1        **that is incurred in providing educational services and that is paid on behalf of the**  
 2        **district by the state;**

3        **(16)** "Percentage of attendance" means the aggregate days attended by pupils in a public  
 4        school for the school year divided by the aggregate days' membership of pupils in a  
 5        public school for the school year;

6        **(17)**~~[(15)]~~ "Middle school" means a school consisting of grades five (5) through eight (8)  
 7        or any appropriate combination of grades as determined by the plan of organization  
 8        for schools authorized by the district board;

9        **(18)**~~[(16)]~~ "National board certification salary supplement" means an annual supplement  
 10       added for the life of the certificate to the base salary of a teacher who attains  
 11       national board certification; and

12       **(19)**~~[(17)]~~ "Weather-related low attendance day" means a school day on which the  
 13       district's attendance falls below the average daily attendance for the prior year due  
 14       to inclement weather. The district shall submit a request to substitute the prior  
 15       year's average daily attendance for its attendance on up to ten (10) designated days,  
 16       along with documentation that the low attendance was due to inclement weather,  
 17       for approval by the commissioner of education in accordance with Kentucky Board  
 18       of Education administrative regulations.

19       ➔Section 2. KRS 157.330 is amended to read as follows:

20       (1) There is hereby established the fund to support education excellence in Kentucky  
 21       consisting of appropriations for distribution to districts **and on behalf of districts** in  
 22       accordance with the provisions of KRS 157.310 to 157.440.

23       (2) The resources of the public school fund shall be paid into the State Treasury, and  
 24       shall be drawn out or appropriated only in aid of public schools as provided by  
 25       statute.

26       ➔Section 3. KRS 157.360 is amended to read as follows:

27       (1) **In determining the total cost of the program to support education excellence in**

1 Kentucky, the on-behalf cost and distributable cost shall be calculated together.  
 2 The total base funding level shall be computed by dividing the total cost of the  
 3 program to support education excellence in Kentucky by the prior year's  
 4 statewide average daily attendance. The total cost shall be calculated according to  
 5 the following:

6 (a) In determining the on-behalf cost of the program to support education  
 7 excellence in Kentucky, the sum of the following shall be used:

8 1. The cost of the employer's fixed statutory contribution rate established  
 9 in KRS 161.550(1) for nonfederally funded employees in the Teachers'  
 10 Retirement System of all school districts as estimated by the Kentucky  
 11 Department of Education in collaboration with the Teachers'  
 12 Retirement System;

13 2. The cost of the employer contributions for health insurance and  
 14 health reimbursement accounts of all school districts as determined by  
 15 the Personnel Cabinet for the employee health plans established  
 16 pursuant to KRS 18A.225 to 18A.2287; and

17 3. Any additional funds necessary to meet the full actuarially determined  
 18 employer contributions of the Teachers' Retirement System pension  
 19 fund to fund existing statutory benefits as determined by the system's  
 20 consulting actuary in the annual actuarial valuation conducted  
 21 pursuant to KRS 161.400 and any funds requested to fund retiree  
 22 health benefits pursuant to KRS 161.550(2);

23 (b) In determining the distributable cost of the program to support education  
 24 excellence in Kentucky, the statewide guaranteed base funding level, as  
 25 defined in KRS 157.320, shall be computed by dividing the amount  
 26 appropriated for this purpose by the prior year's statewide average daily  
 27 attendance; and[-]

1        ~~(c)(b)~~ When determining the biennial appropriations for the program, the  
2                    average daily attendance for each fiscal year shall include an estimate of the  
3                    number of students graduating early under the provisions of KRS 158.142.

4        (2) Each district shall receive an amount equal to the base funding level for each pupil  
5                    in average daily attendance in the district in the previous year, except a district shall  
6                    receive an amount equal to one-half (1/2) of the state portion of the average  
7                    statewide per pupil guaranteed base funding level for each student who graduated  
8                    early under the provisions of KRS 158.142. Each district's base funding level shall  
9                    be adjusted by the following factors:

10        (a) The number of at-risk students in the district. At-risk students shall be  
11                    identified as those approved for the free lunch program under state and federal  
12                    guidelines. The number of at-risk students shall be multiplied by a factor to be  
13                    established by the General Assembly. Funds generated under this paragraph  
14                    may be used to pay for:

15                    1. Alternative programs for students who are at risk of dropping out of  
16                    school before achieving a diploma; and  
17                    2. A hazardous duty pay supplement as determined by the local board of  
18                    education to the teachers who work in alternative programs with  
19                    students who are violent or assaultive;

20        (b) The number and types of exceptional children in the district as defined by  
21                    KRS 157.200. Specific weights for each category of exceptionality shall be  
22                    used in the calculation of the add-on factor for exceptional children; and

23        (c) Transportation costs. The per-pupil cost of transportation shall be calculated  
24                    as provided by KRS 157.370. Districts which contract to furnish  
25                    transportation to students attending nonpublic schools may adopt any payment  
26                    formula which ensures that no public school funds are used for the  
27                    transportation of nonpublic students.

- 1 (3) Beginning with the 2015-2016 school year and each year thereafter, the General  
2 Assembly shall annually allocate funds equal to one-half (1/2) of the state portion  
3 of the average statewide per pupil guaranteed base funding level for each student  
4 who graduated early under the provisions of KRS 158.142 the previous school year  
5 to the Kentucky Higher Education Assistance Authority for deposit in the early  
6 graduation scholarship trust fund.
- 7 (4) The program to support education excellence in Kentucky shall be fully  
8 implemented by the 1994-95 school year.
- 9 (5) (a) Except for those schools which have implemented school-based decision  
10 making, the commissioner of education shall enforce maximum class sizes for  
11 every academic course requirement in all grades except in vocal and  
12 instrumental music, and physical education classes. Except as provided in  
13 subsection (6) of this section, the maximum number of pupils enrolled in a  
14 class shall be as follows:
- 15 1. Twenty-four (24) in primary grades (kindergarten through third grade);
  - 16 2. Twenty-eight (28) in grade four (4);
  - 17 3. Twenty-nine (29) in grades five (5) and six (6);
  - 18 4. Thirty-one (31) in grades seven (7) to twelve (12).
- 19 (b) Except for those schools which have implemented school-based decision  
20 making, class size loads for middle and secondary school classroom teachers  
21 shall not exceed the equivalent of one hundred fifty (150) pupil hours per day.
- 22 (c) The commissioner of education, upon approval of the Kentucky Board of  
23 Education, shall adopt administrative regulations for enforcing this provision.  
24 These administrative regulations shall include procedures for a superintendent  
25 to request an exemption from the Kentucky Board of Education when unusual  
26 circumstances warrant an increased class size for an individual class. A  
27 request for an exemption shall include specific reasons for the increased class

1 size with a plan for reducing the class size prior to the beginning of the next  
2 school year. A district shall not receive in any one (1) year exemptions for  
3 more classes than enroll twenty percent (20%) of the pupils in the primary  
4 grades and grades four (4) through eight (8).

5 (d) In all schools the commissioner of education shall enforce the special  
6 education maximum class sizes set by administrative regulations adopted by  
7 the Kentucky Board of Education. A superintendent may request an  
8 exemption pursuant to paragraph (c) of this subsection. A local school council  
9 may request a waiver pursuant to KRS 156.160(2). An exemption or waiver  
10 shall not be granted if the increased class size will impede any exceptional  
11 child from achieving his or her individual education program in the least  
12 restrictive environment.

13 (6) In grades four (4) through six (6) with combined grades, the maximum class size  
14 shall be the average daily attendance upon which funding is appropriated for the  
15 lowest assigned grade in the class. There shall be no exceptions to the maximum  
16 class size for combined classes. In combined classes other than the primary grades,  
17 no ungraded students shall be placed in a combined class with graded students. In  
18 addition, there shall be no more than two (2) consecutive grade levels combined in  
19 any one (1) class in grades four (4) through six (6). However, this shall not apply to  
20 schools which have implemented school-based decision making.

21 (7) If a local school district, through its admission and release committee, determines  
22 that an appropriate program in the least restrictive environment for a particular child  
23 with a disability includes either part-time or full-time enrollment with a private  
24 school or agency within the state or a public or private agency in another state, the  
25 school district shall count as average daily attendance in a public school the time  
26 that the child is in attendance at the school or agency, contingent upon approval by  
27 the commissioner of education.



- 1 (8) Pupils attending a center for child learning and study established under an  
2 agreement pursuant to KRS 65.210 to 65.300 shall, for the purpose of calculating  
3 average daily attendance, be considered as in attendance in the school district in  
4 which the child legally resides and which is party to the agreement. For purposes of  
5 subsection (1) of this section, teachers who are actually employees of the joint or  
6 cooperative action shall be considered as employees of each school district which is  
7 a party to the agreement.
- 8 (9) Program funding shall be increased when the average daily attendance in any  
9 district for the first two (2) months of the current school year is greater than the  
10 average daily attendance of the district for the first two (2) months of the previous  
11 school year. The program funds allotted the district shall be increased by the  
12 percent of increase. The average daily attendance in kindergarten is the  
13 kindergarten full-time equivalent pupils in average daily attendance.
- 14 (10) If the average daily attendance for the current school year in any district decreases  
15 by ten percent (10%) or more than the average daily attendance for the previous  
16 school year, the average daily attendance for purposes of calculating program  
17 funding for the next school year shall be increased by an amount equal to two-thirds  
18 ( $\frac{2}{3}$ ) of the decrease in average daily attendance. If the average daily attendance  
19 remains the same or decreases in the succeeding school year, the average daily  
20 attendance for purposes of calculating program funding for the following school  
21 year shall be increased by an amount equal to one-third ( $\frac{1}{3}$ ) of the decrease for the  
22 first year of the decline.
- 23 (11) If the percentage of attendance of any school district shall have been reduced more  
24 than two percent (2%) during the previous school year, the program funding  
25 allotted the district for the current school year shall be increased by the difference in  
26 the percentage of attendance for the two (2) years immediately prior to the current  
27 school year less two percent (2%).

1 (12) (a) Instructional salaries for vocational agriculture classes shall be for twelve (12)  
2 months per year. Vocational agriculture teachers shall be responsible for the  
3 following program of instruction during the time period beyond the regular  
4 school term established by the local board of education: supervision and  
5 instruction of students in agriculture experience programs; group and  
6 individual instruction of farmers and agribusinessmen; supervision of student  
7 members of agricultural organizations who are involved in leadership training  
8 or other activity required by state or federal law; or any program of vocational  
9 agriculture established by the Department of Education. During extended  
10 employment, no vocational agriculture teacher shall receive salary on a day  
11 that the teacher is scheduled to attend an institution of higher education class  
12 which could be credited toward meeting any certification requirement.

13 (b) Each teacher of agriculture employed shall submit an annual plan for summer  
14 program to the local school superintendent for approval. The summer plan  
15 shall include a list of tasks to be performed, purposes for each task, and time  
16 to be spent on each task. Approval by the local school superintendent shall be  
17 in compliance with the guidelines developed by the Department of Education.  
18 The supervision and accountability of teachers of vocational agriculture's  
19 summer programs shall be the responsibility of the local school  
20 superintendent. The local school superintendent shall submit to the  
21 commissioner of education a completed report of summer tasks for each  
22 vocational agriculture teacher. Twenty percent (20%) of the approved  
23 vocational agriculture programs shall be audited annually by the State  
24 Department of Education to determine that the summer plan has been properly  
25 executed.

26 (13) (a) In allotting program funds for home and hospital instruction, statewide  
27 guaranteed base funding, excluding the capital outlay, shall be allotted for

- 1 each child in average daily attendance in the prior school year who has been  
2 properly identified according to Kentucky Board of Education administrative  
3 regulations. Attendance shall be calculated pursuant to KRS 157.270 and shall  
4 be reported monthly on forms provided by the Department of Education; and
- 5 (b) Pursuant to administrative regulations of the Kentucky Board of Education,  
6 local school districts shall be reimbursed for home and hospital instruction for  
7 pupils unable to attend regular school sessions because of short-term health  
8 impairments. A reimbursement formula shall be established by administrative  
9 regulations to include such factors as a reasonable per hour, per child  
10 allotment for teacher instructional time, with a maximum number of funded  
11 hours per week, a reasonable allotment for teaching supplies and equipment,  
12 and a reasonable allotment for travel expenses to and from instructional  
13 assignments, but the formula shall not include an allotment for capital outlay.  
14 Attendance shall be calculated pursuant to KRS 157.270 and shall be reported  
15 annually on forms provided by the Department of Education.
- 16 (14) Except for those schools which have implemented school-based decision making  
17 and the school council has voted to waive this subsection, kindergarten aides shall  
18 be provided for each twenty-four (24) full-time equivalent kindergarten students  
19 enrolled.
- 20 (15) Effective July 1, 2001, there shall be no deduction applied against the base funding  
21 level for any pupil in average daily attendance who spends a portion of his or her  
22 school day in a program at a state-operated career and technical education or  
23 vocational facility.
- 24 (16) During a fiscal year, a school district may request that the Department of Education  
25 recalculate its funds allocated under this section if the current year average daily  
26 attendance for the twenty (20) day school month as defined in KRS 158.060(1) that  
27 contains the most days within the calendar month of January exceeds the prior year

1 adjusted average daily attendance plus growth by at least one percent (1%). Any  
2 adjustments in the allotments approved under this subsection shall be proportional  
3 to the remaining days in the school year and subject to available funds under the  
4 program to support education excellence in Kentucky.

5 (17) To calculate the state portion of the program to support education excellence in  
6 Kentucky for a school district, the Department of Education shall subtract the local  
7 effort required under KRS 157.390(5) from the calculated base funding under the  
8 program to support education excellence in Kentucky, as required by this section.  
9 The value of the real estate used in this calculation shall be the lesser of the current  
10 year assessment or the prior year assessment increased by four percent (4%) plus  
11 the value of current year new property. The calculation under this subsection shall  
12 be subject to available funds.

13 (18) Notwithstanding any other statute or budget of the Commonwealth language to the  
14 contrary, time missed due to shortening days for emergencies may be made up by  
15 lengthening school days in the school calendar without any loss of funds under the  
16 program to support education excellence in Kentucky.

17 ➔Section 4. This Act takes effect July 1, 2026.