

KENTUCKY GENERAL ASSEMBLY BUDGET AMENDMENT FORM
2026 REGULAR SESSION
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Amend printed copy of **HB 500**

PART I

C. DEPARTMENT OF EDUCATION

1. SUPPORT EDUCATION EXCELLENCE IN KENTUCKY (SEEK) PROGRAM

Beginning on page 31, line 19, delete all language through page 39, line 11;

On page 31, after line 18, insert the following:

"C. DEPARTMENT OF EDUCATION

Budget Units

1. SUPPORT EDUCATION EXCELLENCE IN KENTUCKY (SEEK) PROGRAM

	2026-27	2027-28
General Fund	3,751,674,000	3,743,481,600

(1) Common School Fund Earnings: Accumulated earnings for the Common School Fund shall be transferred in each fiscal year to the SEEK Program.

(2) Allocation of SEEK Funds: Notwithstanding KRS 157.360(2)(c), the above General Fund appropriation to the base SEEK Program is intended to provide a base guarantee of \$4,701 per student in average daily attendance in fiscal year 2026-2027 and \$4,818 per student in average daily attendance in fiscal year 2027-2028, as well as to meet the other requirements of KRS 157.360. Notwithstanding KRS 157.360(2), each district's base funding level shall be adjusted for the number of students demonstrating limited proficiency in English language skills,

Amendment No. HFA

Rep. Rep. Pamela Stevenson

Committee Amendment _____

Signed: _____

Floor Amendment _____

LRD Drafter: _____

Adopted: _____

Date: _____

Rejected: _____

Doc. ID: XXXX

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multiplied by 0.096.

Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriation for this purpose, except as provided in this Act. The total appropriation for the SEEK Program shall be measured by, or construed as, estimates of the state expenditures required by KRS 157.310 to 157.440. If the required expenditures exceed these estimates, the Secretary of the Finance and Administration Cabinet, upon the written request of the Commissioner of Education and with the approval of the Governor, may increase the appropriation by such amount as may be available and necessary to meet, to the extent possible, the required expenditures under the cited sections of the Kentucky Revised Statutes, but any increase of the total appropriation to the SEEK Program is subject to Part III, General Provisions, of this Act and KRS Chapter 48. If funds appropriated to the SEEK Program are insufficient to provide the amount of money required under KRS 157.310 to 157.440, allotments to local school districts may be reduced in accordance with KRS 157.430.

(3) Base SEEK Allotments: Notwithstanding KRS 157.420(2), included in the above General Fund appropriation is \$2,101,969,500 in fiscal year 2026-2027 and \$2,120,831,000 in fiscal year 2027-2028 for the base SEEK Program as defined by KRS 157.360. Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriation for this purpose, except as provided in this Act.

(4) Tier I Component: Included in the above General Fund appropriation is \$251,849,500 in fiscal year 2026-2027 and \$238,638,400 in fiscal year 2027-2028 for the Tier I component as established by KRS 157.440. Notwithstanding KRS 157.440(1)(a), the board of education of each school district may levy an equivalent tax rate as defined in KRS 160.470(9)(a) which will produce up to 17.5 percent of those revenues guaranteed by the SEEK

Unofficial Document

Program. The levy shall be made no later than October 1 of each odd numbered year, and revenue generated by this levy shall be equalized at 150 percent of the statewide average per pupil assessment.

(5) **Vocational Transportation:** Included in the above General Fund appropriation is \$7,833,100 in each fiscal year for vocational transportation. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(6) **Teachers' Retirement System Employer Match:** Included in the above General Fund appropriation is \$529,410,000 in fiscal year 2026-2027 and \$541,260,000 in fiscal year 2027-2028 to enable local school districts to provide the employer match for qualified employees.

(7) **Salary Supplements for Nationally Certified Teachers:** Notwithstanding KRS 157.395, included in the above General Fund appropriation is \$4,655,500 in each fiscal year for the purpose of providing salary supplements for public school teachers attaining certification by the National Board for Professional Teaching Standards. Notwithstanding KRS 157.395, if the appropriation is insufficient to provide the mandated salary supplement for teachers who have obtained this certification, the Department of Education is authorized to pro rata reduce the supplement. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(8) **SEEK Adjustment Factors:** Funds allocated for the SEEK base and its adjustment factors that are not needed for the base or a particular adjustment factor may be allocated to other adjustment factors, if funds for that adjustment factor are not sufficient.

(9) **Facilities Support Program of Kentucky/Equalized Nickel Levies:** Included in the above General Fund appropriation is \$137,176,700 in fiscal year 2026-2027 and \$126,577,500 in fiscal year 2027-2028 to provide facilities equalization funding pursuant to KRS 157.440 and

Unofficial Document

157.620.

(10) Growth Levy Equalization Funding: Included in the above General Fund appropriation is \$54,370,400 in fiscal year 2026-2027 and \$46,449,200 in fiscal year 2027-2028 to provide facilities equalization funding pursuant to KRS 157.440 and 157.620 for districts meeting the eligibility requirements of KRS 157.621(1) and (4). Notwithstanding KRS 157.621(1)(b)2., a school district that imposes the levy authorized by KRS 157.621(1)(b)1. shall be equalized for that levy, in addition to the equalization funding appropriated in accordance with KRS 157.621(1)(b)2., and all funds for this purpose shall be committed to debt service, new facilities, or major renovations in accordance with KRS 157.440(1)(b). It is the intent of the 2026 General Assembly that any local school district receiving equalization under this subsection shall receive full calculated equalization until the earlier of 20 years of the effective date of this Act, or the date the bonds for the local school district supported by this equalization are retired, in accordance with KRS 157.621(2).

(11) Retroactive Equalized Facility Funding: Included in the above General Fund appropriation is \$72,367,000 in fiscal year 2026-2027 and \$67,523,100 in fiscal year 2027-2028 to provide equalized facility funding pursuant to KRS 157.440 and 157.620 to districts meeting the eligibility requirements of KRS 157.621(2) and (4). In addition, a local board of education that levied a tax rate subject to recall by January 1, 2014, in addition to the five cents levied pursuant to KRS 157.440(1)(b) and that committed the receipts to debt service, new facilities, or major renovations of existing facilities shall be eligible for equalization funds from the state at 150 percent of the statewide average per pupil assessment. Revenue to generate the five cent equivalent levy may be obtained from levies on property, motor vehicles, or the taxes authorized by KRS 160.593, 160.597, 160.601 to 160.633, and 160.635 to 160.648 if the levy was dedicated to facilities funding at the time of the levy. The equalization funds shall be used as provided in KRS 157.440(1)(b). Notwithstanding KRS 157.621(2)(a) and (4), for the 2026-2028 fiscal

Unofficial Document

biennium, school districts that levied the tax rate subject to recall prior to January 15, 2024, shall be equalized at 100 percent of the calculated equalization funding. It is the intent of the 2026 General Assembly that any local school district receiving equalization under this subsection shall receive full calculated equalization until the earlier of 20 years of the effective date of this Act, or the date the bonds for the local school district supported by this equalization are retired, in accordance with KRS 157.621(2).

(12) Equalized Facility Funding: Included in the above General Fund appropriation is \$18,746,800 in fiscal year 2026-2027 and \$17,186,100 in fiscal year 2027-2028 to provide equalized facility funding pursuant to KRS 157.440 and 157.620 to districts meeting the eligibility requirements of KRS 157.621(3) and (4). Notwithstanding KRS 157.621(3)(c), a school district meeting the criteria of KRS 157.621(3)(a) and (b) shall be equalized at 100 percent of the calculated equalization funding in each fiscal year, and all funds for this purpose shall be committed to debt service, new facilities, or major renovations in accordance with KRS 157.440(1)(b). In addition, notwithstanding KRS 157.621(1) and (3), a school district that has levied a five-cent equivalent rate authorized by KRS 157.621(1)(a) and is not receiving state equalization funding for that levy under KRS 157.621(1)(b), 157.621(3), or any other provision of this Act, shall be equalized at 100 percent of the calculated equalization funding in each fiscal year, and all funds for this purpose shall be committed to debt service, new facilities, or major renovations in accordance with KRS 157.440(1)(b). It is the intent of the 2026 General Assembly that any local school district receiving equalization under this subsection shall receive full calculated equalization until the earlier of 20 years of the effective date of this Act, or the date the bonds for the local school district supported by this equalization are retired, in accordance with KRS 157.621(3).

(13) BRAC Equalized Facility Funding: Notwithstanding KRS 157.621(1)(c)2., included in the above General Fund appropriation is \$3,162,200 in fiscal year 2026-2027 and

Unofficial Document

\$2,749,400 in fiscal year 2027-2028 to provide equalized facility funding to school districts meeting the eligibility requirements of KRS 157.621(1)(c)1. pursuant to KRS 157.440 and 157.620.

(14) Equalization Funding for Critical Construction Needs Schools: Included in the above General Fund appropriation is \$10,136,800 in fiscal year 2026-2027 and \$9,781,800 in fiscal year 2027-2028 to school districts in accordance with KRS 157.621(5).

(15) Hold-Harmless Guarantee: A hold-harmless guarantee is established in each fiscal year which provides that every local school district shall receive at least the same amount of SEEK state funding per pupil as was received in fiscal year 1991-1992. If funds appropriated to the SEEK Program are insufficient to provide the amount of money required under KRS 157.310 to 157.440, and allotments to local school districts are reduced in accordance with KRS 157.430, allocations to school districts subject to this provision shall not be reduced.

(16) Residential Youth-at-Risk Programs: In accordance with KRS 157.360, no funds from the SEEK Program shall be distributed to the programs operated by the Kentucky Guard Youth Challenge Division of the Department of Military Affairs. Notwithstanding KRS 157.350, 157.360, 157.410, and any other statute to the contrary, any school district providing educational services to students enrolled in programs operated by the Kentucky Guard Youth Challenge Division of the Department of Military Affairs shall be paid for those services solely from the General Fund appropriation in Part I, A., 6. of this Act, and students enrolled in such programs shall not be included in the average daily attendance for purposes of SEEK Program funding.

(17) Salary Supplements for Certified Audiologists and Speech Language Pathologists: Included in the above General Fund appropriation is \$2,312,000 in each fiscal year for the purpose of providing a \$2,000 salary supplement each year for full-time public school Audiologists and Speech Language Pathologists that have active Certificates of Clinical Competence, as offered by the American Speech-Language-Hearing Association.

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Notwithstanding any statute to the contrary, if the appropriation is insufficient to provide all full-time public school American Speech-Language-Hearing Association certified Audiologists and Speech Language Pathologists with the \$2,000 stipend, then the Department of Education is authorized to pro rata reduce the supplement. Notwithstanding KRS 45.229, any portion of General Fund not expended for this purpose shall lapse to the Budget Reserve Trust Fund Account (KRS 48.705).

(18) Full-Day Kindergarten: Notwithstanding KRS 157.320 or any other statute or regulation to the contrary, the Department of Education shall count each kindergarten pupil in full for that respective school year, for the purpose of determining SEEK funds and any other state funding based in whole or in part on average daily attendance for the district, except that a district shall receive an amount equal to one-half of the state portion of the average statewide per pupil guaranteed base funding level for each student who graduated early under the provisions of KRS 158.142.

(19) SEEK Transportation: Notwithstanding KRS 157.370 and 157.360(2)(c), included in the above General Fund appropriation is \$398,884,500 in each fiscal year to support pupil transportation.

(20) School District Employee Salary Increase: Notwithstanding KRS 157.420, during fiscal year 2026-2027, local school districts shall provide each eligible employee a salary or compensation increase of three percent. The salary increases in fiscal year 2026-2027 for certified staff shall be in addition to the normal rank and step increase attained by certified personnel employed by local school districts.

An eligible employee employed in a public school, shall receive a three percent increase effective with the 2026-2027 school year. "Eligible employee" means a full-time employee of the district on or before September 15 of each school year.

The salary supplement shall be considered in the calculation for contributions to the

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Teachers' Retirement System or the County Employees' Retirement System.

A local board of education shall request reimbursement for these purposes from funds appropriated for this purpose. The Department of Education shall develop policies for the distribution of the reimbursements and to track the eligible employees and reimbursement requests from districts."; and

Adjust subsequent subtotals and totals accordingly.

SUMMARY: Utilizing General Fund undesignated moneys, increase the per student base guarantee in each fiscal year; increase base SEEK allotments, increase the appropriation for Tier I Component in each fiscal year, increase appropriation for SEEK transportation, and provide for a school district employee salary increase.