

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2020 REGULAR SESSION**

**MEASURE**

2020 BR NUMBER 1924

HOUSE BILL NUMBER 476

**TITLE** AN ACT relating to school taxes.

**SPONSOR** Representative Jim DuPlessis

**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

FUND(S) IMPACTED:  GENERAL  ROAD  FEDERAL  RESTRICTED \_\_\_\_\_

<b>FISCAL ESTIMATES</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>				
<b>EXPENDITURES</b>		\$5,000,000	\$5,000,000	\$5,000,000
<b>NET EFFECT</b>		(\$5,000,000)	(\$5,000,000)	(\$5,000,000)

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** This bill removes the requirement that the commissioner of education approve a school district before it is eligible to receive equalization funds from the state for the levy of an equivalent tax rate.

**FISCAL EXPLANATION:** Currently, the following five school districts have not received approval from the commissioner of education: Hardin County, Pulaski County, Russell County, Walton Verona Independent Schools, and Williamstown Independent Schools. By removing the requirement of the commissioner of education’s approval, these five school districts become eligible to receive equalization funds. The total cost is estimated to be an increase in the SEEK appropriation by approximately \$5,000,000 each year.

**DATA SOURCE(S):** LRC Staff

**PREPARER:** Cynthia Brown **NOTE NUMBER:** 183 **REVIEW:** JAB **DATE:** 3/3/2020