

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

**MEASURE**

2020 BR NUMBER 290

HOUSE BILL NUMBER 99GA

**TITLE** AN ACT creating and funding a Kentucky Economic Development Finance Authority loan for a qualifying public medical center located in a city of the first class, making an appropriation therefor, and declaring an emergency.

**SPONSOR** Representative David Osborne

**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: Cabinet for Economic Development

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

FISCAL ESTIMATES	2019-2020	2020-2021	2021-2022	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES		\$3,069,000	\$3,069,000	\$3,069,000
NET EFFECT		(\$3,069,000)	(\$3,069,000)	(\$3,069,000)

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** The purpose of the measure is to appropriate \$3,069,000 in both FY 21 and FY 22 in General Fund moneys to the Cabinet for Economic Development. The funds shall be used to support new debt service on \$35 million in new bonds in FY 20 for the creation of a Kentucky Economic Development Finance Authority loan. The loan shall not exceed a twenty-year term to assist the qualifying public medical center in providing direct health care services and research operations facilities. The measure also allows partial loan forgiveness not to exceed 50 percent of the loan amount.

**FISCAL EXPLANATION:** There will be a \$3,069,000 impact in General Fund in both FY 21 and FY 22. The appropriation will support the new debt service on \$35 million in new bonds in FY 20. The debt service in the out years will continue to be the same amount until the bond is retired.

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

**PREPARER:** Kevin Newton **NOTE NUMBER:** 161 **REVIEW:** JAB **DATE:** 2/21/2020