

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

MEASURE

2020 BR NUMBER 290

HOUSE BILL NUMBER 99/HCS1

TITLE AN ACT establishing the Direct Health Care Services and Research Facilities Operations Loan, making an appropriation therefor, and declaring an emergency.

SPONSOR Representative Steven Rudy

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	\$35,000,000			
NET EFFECT	(\$35,000,000)			

() indicates a decrease/negative

PURPOSE OF MEASURE: The purpose of the measure is to appropriate \$35 million in General Fund moneys to the Cabinet for Economic Development. The funds shall be used 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.

FISCAL EXPLANATION: There will be a \$35 million fiscal impact to the General Fund. The measure directs that appropriations from this Act shall be paid from the General Fund Surplus Account or the Budget Reserve Trust Fund. No loan repayments are expected in FY 20 and loan repayments are indeterminable in FY 21 and FY 22, because details of the terms and conditions, and performance measures for loan forgiveness are not known.

DATA SOURCE(S): LRC Staff

PREPARER: Kevin Newton **NOTE NUMBER:** 76 **REVIEW:** JAB **DATE:** 1/21/2020