

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2022 REGULAR SESSION**

MEASURE

2022 BR NUMBER 1429

HOUSE BILL NUMBER 639

TITLE AN ACT relating to school population changes, making an appropriation therefor, and declaring an emergency.

SPONSOR Representative James Tipton

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: Support Education Excellence in Kentucky

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2021-2022	2022-2023	2023-2024	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES		\$12,500,000	\$22,400,000	
NET EFFECT		(\$12,500,000)	(\$22,400,000)	

() indicates a decrease/negative

PURPOSE OF MEASURE: House Bill 639 addresses both student population growth and loss beginning in school year 2022-2023, when school districts transition back away from a frozen average daily attendance count for purpose of Support Education Excellence in Kentucky (SEEK) program funding, pursuant to Special Session 2021 Senate Bill 1. The measure outlines increases from SEEK program funding under specific criteria in school years 2022-2023 and 2023-2024.

FISCAL EXPLANATION: The legislation provides school districts a growth provision and caps the loss for districts that decreased 3% or more of their student membership compared to the 2018-2019 school year. Section 3 provides General Fund appropriations of \$12,500,000 in FY 23 and \$22,400,000 in FY 24, based on estimates provided by the Kentucky Department of Education (KDE). For both years' estimates KDE utilized a \$4,100 pupil-rate.

DATA SOURCE(S): Kentucky Department of Education and LRC Staff

PREPARER: Liz Columbia **NOTE NUMBER:** 179 **REVIEW:** JAB **DATE:** 3/22/2022