

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2024 REGULAR SESSION**

MEASURE

2024 BR NUMBER 1432

HOUSE BILL NUMBER 499/HFA2

TITLE AN ACT relating to career and technical education funding, making an appropriation therefor, and declaring an emergency.

SPONSOR Representative Tom Smith

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 (SEEK)

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES	\$170,000			
NET EFFECT	(\$170,000)			

() indicates a decrease/negative

PURPOSE OF MEASURE: The measure modifies the career and technical education (CTE) supplemental funding distribution by replacing the existing funding calculation for locally-operated programs and expanding uses to include state-operated centers beginning in fiscal year 2025. The measure requires both locally- and state-operated programs and centers to maintain eligibility for federal funding in order to receive supplemental funding and permits local districts to request their allocation of funding be used for students using CTE programs in grades five through eight. The measure also creates the CTE innovation and support fund, from which operating funds from the four state-operated centers that converted to local control and other funds received will have a modified distribution beginning in fiscal year 2025. The measure otherwise creates new definitions and requires promulgation of the necessary administrative regulations.

FISCAL EXPLANATION: The measure changes the funding distribution of General Fund appropriations made by the General Assembly in the Department of Education’s Learning and Results Services appropriation unit and does not have a fiscal impact.

House Floor Amendment 2 provides a one-time payment for state increments for state-operated Area Technology Center employees that converted to local control from the SEEK appropriation unit in the amount of \$170,000 in fiscal year 2024.

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

PREPARER: Liz Columbia NOTE NUMBER: 170 REVIEW: JB DATE: 3/13/2024