

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

MEASURE

2024 BR NUMBER 1608

HOUSE BILL NUMBER 553 HCS1

TITLE AN ACT relating to the Kentucky rural veterinary student loan repayment program and making an appropriation therefor.

SPONSOR Representative Matthew Koch

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: Kentucky Higher Education Assistance Authority

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED Rural Veterinary Care Trust Fund

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES		\$62,500	\$137,500	\$437,500
NET EFFECT		(\$62,500)	(\$137,500)	(\$437,500)

() indicates a decrease/negative

PURPOSE OF MEASURE: House Bill 553 HCS1 creates a new section of KRS Chapter 164 to establish the Kentucky Rural Veterinary Medicine Student Loan Repayment Program, which is a loan repayment program for livestock practitioners in underserved rural areas of Kentucky. The bill establishes eligibility criteria and a Veterinary Student Loan Repayment Selection Committee. Applicants must commit to five years of consecutive service in designated areas. The bill offers up to \$87,500 in loan repayment over five years. The bill establishes the Rural Veterinary Care Trust Fund to provide monies for loan repayment. This fund shall consist of general fund appropriations, donations, grants, and federal funds. The bill requires the selection committee to annually submit a report to the Legislative Research Commission that details the number of awardees who have completed five consecutive years of service, specifying those who remain in veterinary shortage areas and underserved rural areas, along with their respective types of practices.

FISCAL EXPLANATION: Estimates indicate that funds will be awarded to five recipients in year one and that the program will be increased in increments of five new recipients each year.

The bill specifies recipients will have a five-year work obligation, which would result in 25 recipients in the program per year once it is fully implemented. The estimated cost at full implementation is \$437,500 a year. No funds are appropriated in this bill.

DATA SOURCE(S): LRC Staff, KHEAA, Kentucky Veterinary Medical Association
PREPARER: Ethan Williams NOTE NUMBER: 181 REVIEW: JB DATE: 3/19/2024