

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2025 REGULAR SESSION**

**MEASURE**

2025 BR NUMBER 1425

SENATE BILL NUMBER 5

**TITLE** AN ACT relating to public schools.

**SPONSOR** Senator Stephen West

**FISCAL SUMMARY**

STATE FISCAL IMPACT:  YES  NO  UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY:  ACTUARIAL ANALYSIS  
 LOCAL MANDATE  CORRECTIONS IMPACT  HEALTH BENEFIT MANDATE  STATE  
EMPLOYEE HEALTH PLAN IMPACT

APPROPRIATION UNIT(S) IMPACTED: Learning and Results Services

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

FISCAL ESTIMATES	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			
EXPENDITURES			\$23,170,900
NET EFFECT			(\$23,170,900)

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** The School Improvement and Innovation Act designates schools for state intervention if they enter comprehensive support and improvement (CSI) status and fail to make annual progress for two years or exit the status after three years, starting in the 2027-2028 school year. The measure also establishes procedures for designation, sets criteria for exiting intervention status, and introduces a waiver process.

**FISCAL EXPLANATION:** The measure requires the Kentucky Department of Education (KDE) to identify, monitor, and manage state intervention schools, necessitating resources for staff and support. KDE advised that there are approximately 50 CSI schools in an identification year; however, how many will become intervention schools in the 2027-2028 school year and/or how many receive waivers under Section 3 is unknown. For this analysis, it was assumed half of the CSI schools will be designated as state intervention schools and that the KDE Commissioner will exercise discretionary authority over “staff and services” to replace administrative staff and install Education Recovery staff at each of the 25 schools.

As a result, the estimated fiscal impact of this measure at full implementation in the 2027-2028 school year is \$23.2 million, although the agency advised this is a conservative estimate. KDE provided the following salary and fringe estimates using averages from current staff at 3 mid-

sized districts, in tandem with the assumptions previously referenced for the purpose of creating a fiscal impact estimate:

<b>Position</b>	<b>Salary and Fringe</b>	<b>Estimated Need</b>	<b>Estimated Cost</b>
Principals	\$107,600	25	\$2,690,000
Assistant Principals	\$98,100	50	\$4,905,000
Superintendent	\$223,200	1	\$223,200
Attendance Director	\$112,000	1	\$112,000
Special Education Director	\$105,500	1	\$105,500
Finance Director	\$135,100	1	\$135,100
Federal Program Director	\$107,900	1	\$107,900
Food Service Director	\$109,000	1	\$109,000
Instructional Supervisor	\$112,700	1	\$112,700
CTE Director	\$112,000	1	\$112,000
Transportation Director	\$108,500	1	\$108,500
Guidance Counselor	\$101,500	50	\$5,075,000
Education Recovery Staff	\$125,000	75	\$9,375,000
<b>Total:</b>			<b>\$23,170,900</b>

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

**PREPARER: Liz Columbia NOTE NUMBER: 92 REVIEW: JMR DATE: 2/26/2025**