

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2026 REGULAR SESSION**

**MEASURE**

2026 BR NUMBER 991

HOUSE BILL NUMBER 298

**TITLE** AN ACT relating to KEES scholarships for students attending noncertified schools.

**SPONSOR**     Representative Shane Baker

**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: Kentucky Higher Education Assistance Authority

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

<b>FISCAL ESTIMATES</b>	<b>2025-2026</b>	<b>2026-2027</b>	<b>2027-2028</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>				
<b>EXPENDITURES</b>			\$299,100	\$3,954,300
<b>NET EFFECT</b>			(\$299,100)	(\$3,954,300)

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** HB 298 expands eligibility for the Kentucky Educational Excellence Scholarship (KEES) to students who graduate from schools that are not certified by the Kentucky Board of Education. The bill establishes KEES award amounts for these students using an equivalent GPA derived from their performance on Advanced Placement (AP) exams, dual-credit coursework, or a combination of both.

**FISCAL EXPLANATION:** Using home school population projections, KEES utilization rates, average AP performance, and average dual-credit GPA performance, the bill is estimated to cost \$299,100 for the first cohort in FY 27-28. The cost will increase each year as additional cohorts become eligible and use their awards, and is expected to level out in FY 34–35 at approximately \$3.95 million once full cohorts are active.

Estimated Award Disbursements									
Fiscal Year	Cohort 2026-2027	Cohort 2027-2028	Cohort 2028-2029	Cohort 2029-2030	Cohort 2030-2031	Cohort 2031-2032	Cohort 2032-2033	Cohort 2033-2034	Total Cost
2027-2028	\$ 299,146								\$ 299,146
2028-2029	\$ 203,406	\$ 607,772							\$ 811,178
2029-2030	\$ 178,234	\$ 413,258	\$ 819,763						\$ 1,411,255
2030-2031	\$ 154,527	\$ 362,166	\$ 557,402	\$ 1,204,971					\$ 2,279,066
2031-2032	\$ 31,243	\$ 313,951	\$ 488,422	\$ 819,326	\$ 1,263,238				\$ 2,916,180
2032-2033		\$ 63,476	\$ 423,457	\$ 717,932	\$ 858,945	\$ 1,323,009			\$ 3,386,819
2033-2034			\$ 85,616	\$ 622,440	\$ 752,648	\$ 899,586	\$ 1,384,095		\$ 3,744,385
2034-2035				\$ 125,847	\$ 652,538	\$ 788,260	\$ 941,122	\$ 1,446,560	\$ 3,954,327

**DATA SOURCE(S): KHEAA, KDE**

**PREPARER: Justin Smith NOTE NUMBER: 36 REVIEW: JMR DATE: 1/20/2026**