

**EDUCATION AND LABOR CABINET**  
**Board of Education**  
**Department of Education**  
**(New Administrative Regulation)**

**702 KAR 3:340. Approval of school district lease agreements.**

RELATES TO: KRS 45.570, Chapter 45A, 65.944, 65.946, 156.070, 160.160, 424.260, Ky. Const. Sec.177

STATUTORY AUTHORITY: KRS 65.944(1)(b), 156.070, 156.160

NECESSITY, FUNCTION, AND CONFORMITY: KRS 156.160 and 156.070 require the Kentucky Board of Education to promulgate administrative regulations concerning the management of the school districts. KRS 65.944(1)(b) requires the Kentucky Board of Education to promulgate administrative regulations to implement requirements for lease approval by the Commissioner of Education. This administrative regulation establishes requirements for approval of school district lease agreements.

**Section 1. Administrative Guidelines.**

- (1) To request approval of a lease agreement in excess of \$100,000 from the Commissioner of Education pursuant to KRS 65.944(1)(b), the district shall submit a copy of the proposed lease and a completed Local Board Attorney Certification form to the Department of Education prior to finalization of the lease agreement.
- (2) The school district shall submit the proposed lease to the Department of Education who shall approve or disapprove the lease within thirty (30) business days.
- (3) During the evaluation process, the Department of Education may request additional documentation to properly evaluate the proposed lease agreement.

**Section 2. Final Approval and Reconsideration.**

- (1) Final approval of a proposed school district lease agreement in excess of \$100,000 shall be granted by the Commissioner of Education before the agreement takes effect.
- (2) Upon receiving written approval from the Commissioner of Education, a school district may enter into the lease.
- (3)
  - (a) The Commissioner of Education shall send written notification to the school district if the agreement is not approved.
  - (b) The notice shall contain the reasons the agreement was not approved.
  - (c) A school district may request reconsideration by the Commissioner of Education if alterations are made to the proposed lease which alleviate the concerns expressed by the Commissioner of Education.

**Section 3. Incorporation by Reference.**

- (1) "Local Board Attorney Certification", August 2023, is incorporated by reference.
- (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Department of Education, 300 Sower Boulevard, 5th Floor, Frankfort, Monday through Friday, 8:00 a.m. through 4:30 p.m. This material may be viewed at: <https://education.ky.gov/districts/legal/Pages/Kentucky-Revised-Statutes.aspx>.

*This is to certify that the chief state school officer has reviewed and recommended this administrative regulation prior to its adoption by the Kentucky Board of Education, as required by KRS 156.070(5).*

*JASON E. GLASS, Ed.D., Commissioner*  
*SHARON ROBINSON, Chairperson*

APPROVED BY AGENCY: August 7, 2023

FILED WITH LRC: August 8, 2023 at 3:30 p.m.

**PUBLIC HEARING AND COMMENT PERIOD:** A public hearing on this administrative regulation shall be held on October 31, 2023 at 10:00 a.m., in the State Board Room, Fifth Floor, 300 Sower Boulevard, Frankfort, Kentucky. Individuals interested in being heard at this hearing shall notify this agency in writing by 5 workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be cancelled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through October 31, 2023. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to:

**CONTACT PERSON:** Todd G. Allen, General Counsel, Kentucky Department of Education, 300 Sower Boulevard, 5th Floor, Frankfort, Kentucky 40601, phone 502-564-4474, fax 502-564-9321, email [regcomments@education.ky.gov](mailto:regcomments@education.ky.gov).