



HB 678: An Act Relating to Public Schools and Declaring an Emergency

Chay Ritter, Division Director, Division of District Support Services
Office of Finance and Operations



Section 1:

BG-1s, Capital Outlay Funds and Leases

Section 1

- Until June 30, 2024, a local board may adopt a resolution and file it with KDE electing to conduct projects under the provisions of Section 1 of HB 678.
- Districts opting-in do not require KDE prior approval for building plans and specifications (KRS 162.060), Capital Outlay Funds (KRS 157.420), and financing arrangements (KRS 160.160(3) and (4)).
- Such districts may commence funding, financing, design, construction, renovation or modification of district facility projects without prior approval from KDE.
- Districts also may use the estimate of an architect or engineer who prepared a project plan or specification to estimate the cost of the project in advance of financing.

Section 1 (Cont.)

- District projects must continue to be in accordance with all provisions and restrictions established in statute and regulation.
- KDE prior approval is waived.
- BG-1 Project Application forms must be filed with KDE for record keeping purposes.

Section 2

District Facility Plans

Section 2

- KDE continues to approve or disprove any complete DFP, request for acquisition of property or request for disposal of surplus property
- Until June 30, 2024, KDE is required to approve or disapprove the request within 30 days.
- KDE shall report approved requests to the Kentucky Board of Education (KBE).
- A district may appeal any disapproval to the KBE.
- Pursuant to Section 5: districts may include extracurricular facilities (including athletic facilities) in any DFP priority.

Sections 3-6

Additional Provisions

Sections 3-6

- Section 3: KDE is required to provide assistance and guidance to local boards upon request regarding facilities funding, financing, design, construction, renovation, modification, district facilities plans, and the acquisition and disposal of property
- Section 4: The provisions of the act are retroactive and applicable to outstanding submissions and requests made by local boards prior to the measure's effective date.
- Section 5: A district may include extracurricular facilities in any priority on a district DFP.
- Section 6: If the project is using ESSER or any other federal funds, prior approval must be obtained from KDE for their use. Please note, this includes the SFCC Urgent Needs projects included in the 2020-2022 budget bill



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Section 7

KDE Reporting

Section 7

- By June 30, 2023, KDE shall conduct a review of administrative regulations, incorporated materials, design manuals and district guidance materials relating to the construction, renovation and modification of school facilities to identify inefficiencies in the review and approval process.
- KDE shall identify updates needed to the administrative regulations and materials due to the changing needs in facilities design, construction industry and the economy.
 - Including most commonly granted waivers from administrative regulations and changes needed to reduce or eliminate the need for such waivers.
- KDE also shall review the procedures implemented for conducting reviews and approvals

Section 7 (Cont.)

- KDE is required to review its procedures for conducting reviews and approvals for building plans and specifications, Capital Outlay Funds and financing arrangements under KRS 160.160(3) and (4) in order to reduce delays and increase efficiency.
- KDE is to discuss with the Department of Housing, Buildings and Construction which elements of KBE administrative regulations are appropriate to incorporate into HBC regulations for enforcement.
- By Sept. 1, 2023, KDE shall report the results of the aforementioned reviews to the Interim Joint Committee on Appropriations and Revenue and the Interim Joint Committee on Education.
- Section 8: Emergency Clause.

Board Resolutions

- Please email all HB 678 resolutions to Tanesha.Keene@education.ky.gov and Katina.Garr@education.ky.gov

Contacts:

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- Your district's project manager:
 - James Bauman
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