

The background is a composite image. The top left shows a line of yellow school buses, with the number '32' visible on the front of one. The bottom left shows a classroom with blue walls, desks, chairs, and various educational materials. A large white diagonal shape cuts across the image from the top left to the bottom right, serving as a background for the text.

# 24-26 Biennial Budget and Legislative Update

April 10, 2024



Kentucky Department of  
**EDUCATION**

# Legislative Process

- HB114 (Governor's Recommendation) introduced January 16, 2024
- HB6 (with House Committee Substitute) sent to Senate February 2, 2024
- HB6 (with Senate Committee Substitute) passed March 13, 2024
- HB6 (Free Conference Committee) delivered to Governor March 28, 2024
- Legislature has sixty working days with the last day being April 15, 2024
- Governor has ten days to sign, line-item veto or veto in entirety

# SEEK – HB6 FCCR

- Per Pupil - \$4326 in FY25, \$4586 in FY26
- SEEK lapse to Budget Reserve Trust Fund in both fiscal years
- Tier I - district may levy an equivalent tax rate which will produce up to 17.5 percent of those revenues guaranteed by the SEEK Program
- Property Assessment Growth Relief
- Includes additional funding for pupil transportation

# SEEK – HB6 FCCR

- Full-day kindergarten included
- Star Academy - \$5M in FY26 to support a three-year pilot program of five Star Academy charter schools within existing public schools
- Legislative Policy Requirement language –
  - requires districts to prominently display on the local board of education’s website, proficient and distinguished percentages in reading and math; KDE shall post a rank order by overall performance of all schools on KDE’s website.
  - 2024 General Assembly encourages local school districts to provide certified and classified staff a salary or compensation increase.

# KBE ABR Priorities

KBE Additional Budget Requests	FY2025	FY2026	HB6 FCCR FY25	HB6 FCCR FY26
Increase SEEK Base	\$263,243,300	\$263,243,300	\$4326*	\$4586*
Universal Preschool	\$359,138,000	\$359,138,000		
Education Workforce Supports	\$18,677,700	\$18,702,700		
SEEK Transportation	\$124,438,200	\$124,438,200	\$84,549,800	\$124,438,200
Kentucky Educational Recovery Fund	\$4,000,000	\$4,000,000		
Kentucky Education Technology System (KETS)	\$74,037,200	\$74,037,200		
Read to Succeed	\$4,000,000	\$4,000,000		
OCTE Salary Schedule	\$175,000	\$225,000		
School Health Branch	\$365,600	\$365,600		
Step/Rank/KRS 163.032	\$695,400	\$748,500	\$695,400	\$748,500
Instructional Resources	\$17,000,000	\$17,000,000		
Content Standards	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Office of Career and Technical Education Consultants	\$590,900	\$628,300		
JROTC	\$623,900	\$654,500	\$623,900	\$654,500
Diversity, Inclusion, Equity and Belonging	\$220,000	\$220,000		
Assessments	\$1,010,500	\$1,091,300	\$1,010,500	\$1,093,300
Education Finance Application	\$250,000	\$250,000	\$250,000	\$250,000
Educators Employment Liability Insurance	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000

\* per pupil amount increased from \$4200 in FY24 to \$4336 in FY25 and \$45865 in FY26

# Bureau of Support Services (BOSS)

- KY Facilities Inventory Classification System (KFICS) - \$500K, carry forward language
- Advanced Placement/International Baccalaureate Exams (AP/IB) - \$1M free/reduced lunch students, \$2.6M first come, first served
- Educators Employment Liability Insurance Program - \$5M
- SEEK Application - \$250K to maintain the application

# Learning and Results Services (LARS)

Grant	FY24	FY25	FY26
Advanced Kentucky	\$1,900,000	\$1,900,000	\$1,900,000
Community Education	\$1,850,000	\$1,850,000	\$1,850,000
Extended School Services	\$23,916,300	\$23,916,300	\$23,916,300
Family Resource Youth Service Center (FRYSCs)	\$48,889,000	\$48,889,000	\$48,889,000
Gifted and Talented	\$10,000,000	\$10,000,000	\$10,000,000
Hearing & Speech Center	\$100,000	\$100,000	\$100,000
Heuser Hearing and Language Academy	\$100,000	\$100,000	\$100,000
Jobs for America's Graduates Program	\$1,000,000	\$1,675,500	\$1,675,500
JROTC	\$0	\$623,900	\$654,500
KY Alliance of Boys & Girls Clubs	\$500,000	\$500,000	\$500,000
Math Achievement	\$5,019,000	\$5,019,000	\$5,019,000
Math Nation	\$0	\$1,000,000	\$1,000,000
Read to Achieve	\$15,936,600	\$15,936,600	\$15,936,600
Read to Succeed	\$11,000,000	\$11,000,000	\$11,000,000
Save the Children	\$2,000,000	\$2,000,000	\$2,000,000
Standards Revision	\$0	\$1,200,000	\$1,200,000
State Agency Children (KECSAC)	\$12,500,000	\$12,500,000	\$12,500,000
Statewide Reading Research Center	\$0	\$1,200,000	\$1,200,000
Preschool	\$84,481,100	\$84,481,100	\$84,481,100
Safe Schools	\$13,000,000	\$15,000,000	\$15,000,000
School Counselors/Mental Health Professionals	\$7,412,500	\$7,412,500	\$7,412,500
School Resource Officers	\$0	\$16,500,000	\$18,000,000
Teach for America	\$700,000	\$700,000	\$700,000
Visually Impaired Preschool Services	\$500,000	\$500,000	\$500,000
We Lead CS	\$0	\$1,500,000	\$1,500,000

# Learning and Results Services (LARS)

- KSB/KSD – step and rank increases
- Assessment – increased testing costs
- Academic Content Standards Review
- JROTC – fund 6 positions
- School Resource Officers
- Math Nation
- We Lead CS



# District Salary Compensation

- Certified and Classified Staff - Additional funds have been made available to local school districts through increases in SEEK resources. The 2024 General Assembly encourages local school districts to provide certified and classified staff a salary or compensation increase.

# State Employee Salary Compensation

- HB6 FCCR
  - Salary Increment – 3% increment effective July 1, 2024, 3% increment effective July 1, 2025.

# Other Education Funding

- School Facilities Construction Commission
  - Additional Offers of Assistance: Notwithstanding KRS 157.611 to 157.665, the School Facilities Construction Commission is authorized to make an additional \$40,000,000 in offers of assistance during the 2024-2026 fiscal biennium in anticipation of debt service availability during the 2026-2028 fiscal biennium. No bonded indebtedness based on the above amount is to be incurred during the 2024-2026 fiscal biennium.
  - School Facility Assistance Fund – awards to districts that are A1 or A2 schools and ranked priority 1 or 2 on the district’s facility plan. FY26 only.

# Special Offers of Assistance FY25 (SFCC)

- Offers of Assistance - \$61.6M
  - Breckinridge Co
  - Campbellsville Ind
  - Cumberland Co
  - Ludlow
  - Martin Co
  - Rockcastle Co
- No local school districts receiving offers of assistance under this Act shall be eligible to receive additional offers of assistance until the 2028-2030 fiscal biennium.

# Other Education Funding

- Health and Family Svcs Cabinet - Family Resource and Youth Services Centers (FRYSC) - \$3.95M for additional centers that currently serve more than one school
- Auditor of Public Accounts – Jefferson County Public Schools Audit - \$750K
- KHEAA – Teacher Scholarship Program - \$2M each fiscal year
- KHEAA – Student Teacher Stipend Program - \$7.3M each fiscal year to provide a \$5000 stipend for each student completing this certification requirement
- HB1 FCCR - \$2.5M for the purchase of automated external defibrillators for public schools

# Capital Projects – KSB, KSD, FFA LTC

Project	Requested	HB6
Maintenance Pool	\$3,100,000	\$3,100,000
State Schools Safety and Security Pool	\$1,000,000	\$1,000,000
State Schools Exterior Building Maintenance	\$1,000,000	\$1,000,000
McDaniel/Scoggin Classroom Building Upgrades	\$8,000,000	\$8,000,000
Dormitory/Cottage Renovation	\$500,000	\$500,000
FFA LTC Activity Center	\$1,000,000	\$1,000,000
Education Finance Application	\$2,000,000	\$2,000,000
<b>Total</b>	<b>\$16,600,000</b>	<b>\$16,600,000</b>

# Questions

- Matt Ross, Associate Commissioner, Office of Finance and Operations
- Brian Perry, Director of Government Relations, Office of the Commissioner
- Karen Wirth, Director, Division of Budgets and Financial Management