

1 AN ACT relating to education and declaring an emergency.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔SECTION 1. KRS 162.060 IS REPEALED AND REENACTED TO READ  
4 AS FOLLOWS:

5 ***Each local board of education shall submit all plans and specifications for new public***  
6 ***school buildings and all additions to or alterations of old buildings to the chief state***  
7 ***school officer, but no approval shall be required for a local board to commence the***  
8 ***design, construction, renovation, or modification of the district's facilities. The***  
9 ***Kentucky Department of Education shall not require a local board to seek approval for***  
10 ***the plans or specifications, but may require the local board to complete specific forms***  
11 ***as appropriate for the purposes of recordkeeping and data collection.***

12 ➔Section 2. KRS 156.160 is amended to read as follows:

13 (1) With the advice of the Local Superintendents Advisory Council, the Kentucky  
14 Board of Education shall promulgate administrative regulations establishing  
15 standards which school districts shall meet in student, program, service, and  
16 operational performance. These regulations shall comply with the expected  
17 outcomes for students and schools set forth in KRS 158.6451. Administrative  
18 regulations shall be promulgated for the following:

19 (a) Courses of study for the different grades and kinds of common schools  
20 identifying the common curriculum content directly tied to the goals,  
21 outcomes, and assessment strategies developed under KRS 158.645,  
22 158.6451, and 158.6453 and distributed to local school districts and schools.

23 The administrative regulations shall provide that:

- 24 1. If a school offers American sign language, the course shall be accepted  
25 as meeting the foreign language requirements in common schools  
26 notwithstanding other provisions of law;
- 27 2. If a school offers the Reserve Officers Training Corps program, the

- 1 course shall be accepted as meeting the physical education requirement  
2 for high school graduation notwithstanding other provisions of law; and
- 3 3. Every public middle and high school's curriculum shall include  
4 instruction on the Holocaust and other cases of genocide, as defined by  
5 the United Nations Convention on the Prevention and Punishment of the  
6 Crime of Genocide, that a court of competent jurisdiction, whether a  
7 court in the United States or the International Court of Justice, has  
8 determined to have been committed by applying rigorous standards of  
9 due process;
- 10 (b) Courses of study or educational experiences available to students in all middle  
11 and high schools to fulfill the prerequisites for courses in advanced science  
12 and mathematics as defined in KRS 158.845;
- 13 (c) The acquisition and use of educational equipment for the schools as  
14 recommended by the Council for Education Technology;
- 15 (d) The minimum requirements for high school graduation in light of the  
16 expected outcomes for students and schools set forth in KRS 158.6451. The  
17 minimum requirements shall not include achieving any postsecondary  
18 readiness indicator as described in KRS 158.6455 or any minimum score on a  
19 statewide assessment administered under KRS 158.6453. Student scores from  
20 any assessment administered under KRS 158.6453 that are determined by the  
21 department's technical advisory committee to be valid and reliable at the  
22 individual level shall be included on the student transcript. The department's  
23 technical advisory committee shall submit its determination to the  
24 commissioner of education and the Legislative Research Commission;
- 25 (e) The requirements for an alternative high school diploma for students with  
26 disabilities whose individualized education program indicates that, in  
27 accordance with 20 U.S.C. sec. 1414(d)(1)(A):

- 1           1.    The student cannot participate in the regular statewide assessment; and
- 2           2.    An appropriate alternate assessment has been selected for the student
- 3                 based upon a modified curriculum and an individualized course of
- 4                 study;
- 5           (f)   Taking and keeping a school census, and the forms, blanks, and software to be
- 6                 used in taking and keeping the census and in compiling the required reports.
- 7                 The board shall create a statewide student identification numbering system
- 8                 based on students' Social Security numbers. The system shall provide a
- 9                 student identification number similar to, but distinct from, the Social Security
- 10                number, for each student who does not have a Social Security number or
- 11                whose parents or guardians choose not to disclose the Social Security number
- 12                for the student;
- 13           (g)   Sanitary and protective construction of public school buildings, toilets,
- 14                 physical equipment of school grounds, school buildings, and classrooms. With
- 15                 respect to physical standards of sanitary and protective construction for school
- 16                 buildings, the Kentucky Board of Education shall adopt the Uniform State
- 17                 Building Code;
- 18           (h)   Medical inspection, physical and health education and recreation, and other
- 19                 regulations necessary or advisable for the protection of the physical welfare
- 20                 and safety of the public school children. The administrative regulations shall
- 21                 set requirements for student health standards to be met by all students in
- 22                 grades four (4), eight (8), and twelve (12) pursuant to the outcomes described
- 23                 in KRS 158.6451. The administrative regulations shall permit a student who
- 24                 received a physical examination no more than six (6) months prior to his or
- 25                 her initial admission to Head Start to substitute that physical examination for
- 26                 the physical examination required by the Kentucky Board of Education of all
- 27                 students upon initial admission to the public schools, if the physical

- 1 examination given in the Head Start program meets all the requirements of the  
2 physical examinations prescribed by the Kentucky Board of Education;
- 3 (i) A vision examination by an optometrist or ophthalmologist that shall be  
4 required by the Kentucky Board of Education. The administrative regulations  
5 shall require evidence that a vision examination that meets the criteria  
6 prescribed by the Kentucky Board of Education has been performed. This  
7 evidence shall be submitted to the school no later than January 1 of the first  
8 year that a three (3), four (4), five (5), or six (6) year-old child is enrolled in a  
9 public school, public preschool, or Head Start program;
- 10 (j) 1. ~~Beginning with the 2010-2011 school year,~~ A dental screening or  
11 examination by a dentist, dental hygienist, physician, registered nurse,  
12 advanced practice registered nurse, or physician assistant that shall be  
13 required by the Kentucky Board of Education. The administrative  
14 regulations shall require evidence that a dental screening or examination  
15 that meets the criteria prescribed by the Kentucky Board of Education  
16 has been performed. This evidence shall be submitted to the school no  
17 later than January 1 of the first year that a five (5) or six (6) year-old  
18 child is enrolled in a public school.
- 19 2. A child shall be referred to a licensed dentist if a dental screening or  
20 examination performed by anyone other than a licensed dentist identifies  
21 the possibility of dental disease;
- 22 (k) The transportation of children to and from school;
- 23 (l) The fixing of holidays on which schools may be closed and special days to be  
24 observed, and the pay of teachers during absence because of sickness or  
25 quarantine or when the schools are closed because of quarantine;
- 26 (m) The preparation of budgets and salary schedules for the several school  
27 districts under the management and control of the Kentucky Board of

1 Education;

2 (n) A uniform series of forms and blanks, educational and financial, including  
3 forms of contracts, for use in the several school districts;

4 (o) The *purchase and* disposal of real and personal property owned by local  
5 boards of education. *An administrative regulation shall require prior*  
6 *approval for a school district's purchase or disposal of real property. The*  
7 *local board of education shall submit a request to purchase or dispose of*  
8 *real property to the commissioner of education or designee. The*  
9 *commissioner of education or designee shall approve or disapprove the*  
10 *request within thirty (30) days of submission. An approval shall be reported*  
11 *to the Kentucky Board of Education. A local board of education may appeal*  
12 *a disapproval to the Kentucky Board of Education at the next regular*  
13 *meeting*; and

14 (p) The development and implementation of procedures, for all students who are  
15 homeless children and youths as defined in 42 U.S.C. sec. 11434a(2), to do  
16 the following:

17 1. Awarding and accepting of credit, including partial credit, for all  
18 coursework satisfactorily completed by a student while enrolled at  
19 another school;

20 2. Allowing a student who was previously enrolled in a course required for  
21 graduation the opportunity, to the extent practicable, to complete the  
22 course, at no cost to the student, before the beginning of the next school  
23 year;

24 3. Awarding a diploma, at the student's request, by a district from which  
25 the student transferred, if the student transfers schools at any time after  
26 the completion of the student's second year of high school and the  
27 student is ineligible to graduate from the district to which the student

1 transfers, but meets the graduation requirements of the district from  
2 which the student transferred; and

3 4. Exempting the student from all coursework and other requirements  
4 imposed by the local board of education that are in addition to the  
5 minimum requirements for high school graduation established by the  
6 Kentucky Board of Education pursuant to paragraph (d) of this  
7 subsection in the district to which the student transfers, if the student  
8 transfers schools at any time after the completion of the student's second  
9 year of high school and the student is ineligible to graduate both from  
10 the district to which the student transfers and the district from which the  
11 student transferred.

12 (2) (a) At the request of a local board of education or a school council, a local school  
13 district superintendent shall request that the Kentucky Board of Education  
14 waive any administrative regulation promulgated by that board. Beginning in  
15 the 1996-97 school year, a request for waiver of any administrative regulation  
16 shall be submitted to the Kentucky Board of Education in writing with  
17 appropriate justification for the waiver. The Kentucky Board of Education  
18 may approve the request when the school district or school has demonstrated  
19 circumstances that may include but are not limited to the following:

20 1. An alternative approach will achieve the same result required by the  
21 administrative regulation;

22 2. Implementation of the administrative regulation will cause a hardship on  
23 the school district or school or jeopardize the continuation or  
24 development of programs; or

25 3. There is a finding of good cause for the waiver.

26 (b) The following shall not be subject to waiver:

27 1. Administrative regulations relating to health and safety;

- 1           2.    Administrative regulations relating to civil rights;
- 2           3.    Administrative regulations required by federal law; and
- 3           4.    Administrative regulations promulgated in accordance with KRS
- 4                158.6451, 158.6453, 158.6455, and this section, relating to measurement
- 5                of performance outcomes and determination of successful districts or
- 6                schools, except upon issues relating to the grade configuration of
- 7                schools.

8           (c)   Any waiver granted under this subsection shall be subject to revocation upon  
9                a determination by the Kentucky Board of Education that the school district or  
10              school holding the waiver has subsequently failed to meet the intent of the  
11              waiver.

12       (3)   Any private, parochial, or church school may voluntarily comply with curriculum,  
13              certification, and textbook standards established by the Kentucky Board of  
14              Education and be certified upon application to the board by such schools.

15       (4)   Any public school that violates the provisions of KRS 158.854 shall be subject to a  
16              penalty to be assessed by the commissioner of education as follows:

17           (a)   The first violation shall result in a fine of no less than one (1) week's revenue  
18              from the sale of the competitive food;

19           (b)   Subsequent violations shall result in a fine of no less than one (1) month's  
20              revenue from the sale of the competitive food;

21           (c)   "Habitual violations," which means five (5) or more violations within a six (6)  
22              month period, shall result in a six (6) month ban on competitive food sales for  
23              the violating school; and

24           (d)   Revenue collected as a result of the fines in this subsection shall be  
25              transferred to the food service fund of the local school district.

26       ➔Section 3.   KRS 157.420 is amended to read as follows:

27       Public school funds made available to the credit of each district during any year shall be

1 received, held, and expended by the district board, subject to the provisions of law and  
2 administrative regulations of the Kentucky Board of Education. The following  
3 restrictions shall govern the expenditure of funds from the public school fund:

4 (1) The salary paid any rank of teachers shall be at least equivalent to the amount set  
5 forth in the biennial budget schedule for each rank and experience for a term of one  
6 hundred eighty-five (185) days for full-time service during the regular school year.

7 (2) Beginning with the 2004-2006 biennium, the Kentucky Board of Education shall  
8 not approve any working budget or salary schedule for local boards of education for  
9 any school year unless the one hundred eighty-five (185) day salary schedule for  
10 certified staff has been adjusted over the previous year's salary schedule by a  
11 percentage increase at least equal to the cost-of-living adjustment that is provided  
12 state government workers under the biennial budget. The base funding level in the  
13 program for support education excellence in Kentucky as defined in KRS 157.320  
14 shall be increased by the statewide dollar value of the annual required cost-of-living  
15 percentage adjustment that shall be estimated on the sum of the previous year's  
16 statewide teachers' salaries.

17 (3) A district that compensates its teachers or employees for unused sick leave at the  
18 time of retirement, pursuant to KRS 161.155, may create an escrow account to  
19 maintain the amount of funds necessary to pay teachers or employees who qualify  
20 for receipt of the benefit. The fund is limited to not more than fifty percent (50%) of  
21 the maximum liability for the current year to be determined according to the  
22 number of staff employed by the district on September 15. Interest generated by the  
23 account shall be calculated as part of the total amount. The funds shall not be used  
24 for any purpose other than compensation for unused sick leave at the time of  
25 retirement and shall not be considered as part of the general fund balance in  
26 determining available local revenue for purposes of KRS 157.620.

27 (4) (a) The per pupil capital outlay allotment for each district from the public school



1 fund and from local sources shall be kept in a separate account and may be  
2 used by the district only for capital outlay projects~~[approved by the~~  
3 ~~commissioner of education in accordance with requirements of law, and]~~  
4 based on *the district facilities plan*~~[a survey]~~ made in accordance with  
5 administrative regulations of the Kentucky Board of Education. These funds  
6 shall be used for the following capital outlay purposes:

- 7 1. For direct payment of construction costs;
- 8 2. For debt service on voted and funding bonds;
- 9 3. For payment or lease-rental agreements under which the board  
10 eventually will acquire ownership of a school plant;
- 11 4. For the retirement of any deficit resulting from overexpenditure for  
12 capital construction, if such deficit resulted from an emergency declared  
13 by the Kentucky Board of Education under KRS 160.550; and
- 14 5. As a reserve fund for the above-named purposes, to be carried forward  
15 in ensuing budgets.

16 (b) A district may ~~[submit a request to the commissioner of education to]~~ use  
17 funds from the per pupil capital outlay allotment to purchase land for a new  
18 school or to modify an existing school if the project is included on the  
19 *approved* district *facilities*~~[facility]~~ plan for completion within eight (8) years.  
20 The land shall not be included in the calculation of the school district's unmet  
21 need.~~[The commissioner may grant or deny the district's request at his or her~~  
22 ~~discretion.]~~

23 (c) A district which has experienced an increase in adjusted average daily  
24 attendance, as defined by administrative regulation, of twenty percent (20%)  
25 or more over a five (5) year period may submit a request to the commissioner  
26 of education to use capital outlay funds for the operation of a new school for  
27 the first two (2) years following its opening. The commissioner may grant or

1 deny the district's request at his or her discretion.

2 (d) A local school district may submit a request to the commissioner of education  
3 to use capital outlay funds for maintenance expenditures or for the purchase of  
4 property insurance without forfeiting the district's participation in the School  
5 Facilities Construction Commission program. Maintenance requests may  
6 include other priorities that are not considered major renovations, such as  
7 repair, renovation, or system upgrades that are necessary to maintain the  
8 integrity of an existing school facility.

9 (5) The district may contribute capital outlay funds for energy conservation measures  
10 under guaranteed energy savings contracts pursuant to KRS 45A.345, 45A.352, and  
11 45A.353. Use of these funds, provided in KRS 45A.353, 56.774, and 58.600, shall  
12 be based on the following:

13 (a) The energy conservation measures shall include facility alteration;

14 (b) The energy conservation measures shall be identified in the approved district  
15 facilities~~[district's approved facility]~~ plan;

16 (c) The current facility systems are consuming excess maintenance and operating  
17 costs;

18 (d) The savings generated by the energy conservation measures are guaranteed;

19 (e) The capital outlay funds contributed to the energy conservation measures shall  
20 be defined as capital cost avoidance as provided in KRS 45A.345(2) and shall  
21 be subject to the restrictions on usage as specified in KRS 45A.352(9); and

22 (f) The equipment that is replaced shall have exceeded its useful life as  
23 determined by a life-cycle cost analysis.

24 (6) If any district has a special levy for capital outlay or debt service that is equal to the  
25 capital outlay allotment or a proportionate fraction thereof, and spends the proceeds  
26 of that levy for the above-named purposes, the commissioner of education under  
27 administrative regulations of the Kentucky Board of Education, may authorize the

1 district to use all or a proportionate fraction of its capital outlay allotment for  
2 current expenses. However, a district which uses capital outlay funds for current  
3 expenses shall not be eligible to participate in the School Facilities Construction  
4 Commission funds, except when the current expenditures are approved by the  
5 commissioner of education under subsection (4)~~[(b) or ]~~(c) of this section.

6 (7) If ~~[a survey shows that ]~~a school district has no capital outlay needs as shown in  
7 subsection (4)(a)1., 2., 3., and 4. of this section, upon approval of the commissioner  
8 of education, these funds may be used for school plant maintenance, repair,  
9 insurance on buildings, replacement of equipment, purchase of school buses, and  
10 the purchase of modern technological equipment, including telecommunications  
11 hardware, televisions, computers, and other technological hardware to be utilized  
12 for educational purposes only.

13 (8) ~~[In surveying the schools, ]~~The Department of Education shall ***regularly conduct a***  
14 ***review to*** designate each school facility as a permanent, functional, or transitional  
15 center.

16 (a) "Permanent center" means a center which meets the program standards  
17 approved by the Kentucky Board of Education, is located so that students are  
18 not subjected to an excessive amount of time being transported to the site, and  
19 has established an attendance area which will maintain enrollment at capacity  
20 but will also avoid overcrowding.

21 (b) "Functional center" means a center which does not meet all the criteria  
22 established for a permanent facility, but is adequate to meet accreditation  
23 program standards to insure no substantial academic or building deficiency.  
24 ~~[The facility plan shall include additions and renovations necessary to meet~~  
25 ~~current accreditation standards for which federal, state, and local funds may~~  
26 ~~be used.]~~

27 (c) "Transitional center" means a center which the local board of education has

1           determined shall no longer be designated permanent or functional. The center  
2           shall be destined to be closed and shall not be eligible for new construction,  
3           additions, or major renovation. However, the board of education shall  
4           maintain any operating transitional center to provide a safe and healthy  
5           environment for students.

6   (9) ~~Beginning in fiscal year 2011-2012,~~ The Kentucky Department of Education shall  
7           standardize the process for evaluating the overall quality and condition of all school  
8           buildings across the state. The ~~evaluation~~ process shall:

9           (a) Result in consistent categorization of buildings for local planning purposes  
10           and for the distribution of state general fund moneys designated for capital  
11           construction;

12           (b) Be based on measurable, objective criteria;

13           (c) Include numerical scoring with weights to recognize building components and  
14           characteristics that address:

15               1. Life safety issues;

16               2. Compliance with state and federal codes;

17               3. Compliance with requirements under the Americans with Disabilities  
18               Act;

19               4. Community spaces;

20               5. Instructional areas;

21               6. Mechanical, electrical, plumbing, and other technology systems;

22               7. Site and exterior building conditions;

23               8. Age of the buildings;

24               9. Feasibility of building additions or major renovations;

25               10. The districts' facility capacities;

26               11. Current use of temporary facilities; and

27               12. Projected enrollment growth; and

1 (d) Use of a third-party evaluator that utilizes an already established software-  
2 based system to perform the first, base-line evaluation.

3 (10) The Kentucky Board of Education shall promulgate an administrative regulation  
4 upon recommendation of the Kentucky Department of Education and the School  
5 Facilities Construction Commission to implement subsection (9) of this section.

6 **(11) Under administrative regulations promulgated by the Kentucky Board of**  
7 **Education, each district shall use the review and evaluation established in**  
8 **subsections (8) and (9) of this section to develop a district facilities plan to outline**  
9 **facility needs, plan future construction and renovation, and prioritize needed**  
10 **projects. The district facilities plan:**

11 **(a) Shall place each current facility or any future projected facility into**  
12 **categorical priorities and develop a priority order of district facilities**  
13 **projects;**

14 **(b) May place extracurricular facilities into any categorical priority;**

15 **(c) Shall include any energy conservation measures planned under subsection**  
16 **(5) of this section;**

17 **(d) Shall include any additions and renovations necessary for a school facility**  
18 **rated as a functional center to meet current accreditation standards for**  
19 **which federal, state, and local funds may be used; and**

20 **(e) Shall be submitted by the local board of education to the commissioner or**  
21 **designee for approval. The commissioner or designee shall approve or**  
22 **disapprove the plan within thirty (30) days of submission. An approved plan**  
23 **shall be reported to the Kentucky Board of Education. A local board may**  
24 **resubmit a disapproved plan with amendments or appeal the disapproval to**  
25 **the Kentucky Board of Education at the next regular meeting.**

26 **(12)**~~(11)~~ If a local school board authorized elementary, middle, or secondary education  
27 classes in a facility of a historical settlement school on January 1, 1994, the board

1 shall continue to use the facilities provided by the settlement school if the facilities  
2 meet health and safety standards for education facilities as required by  
3 administrative regulations. The local school board and the governing body of the  
4 settlement school shall enter into a cooperative agreement that delineates the role,  
5 responsibilities, and financial obligations for each party.

6 ~~(13)~~~~(12)~~ Notwithstanding the provisions of subsections (4) and (6) of this section, a  
7 local district that has requested a mid-year adjustment in the support education  
8 excellence in Kentucky funding under KRS 157.360(16) may request permission  
9 from the commissioner of education to use capital outlay funds for the purchase of  
10 school buses or to use the capital outlay funds for increased operational expenses  
11 for the first three (3) years following the increased growth in the district without  
12 forfeiture of the district's participation in the School Facilities Construction  
13 Commission Program. The commissioner may grant or deny the district's request.

14 ➔Section 4. KRS 157.440 is amended to read as follows:

- 15 (1) (a) Notwithstanding any statutory provisions to the contrary, effective for school  
16 years beginning after July 1, 1990, the board of education of each school  
17 district may levy an equivalent tax rate as defined in subsection (9)(a) of KRS  
18 160.470 which will produce up to fifteen percent (15%) of those revenues  
19 guaranteed by the program to support education excellence in Kentucky. The  
20 levy for the 1990-91 school year shall be made no later than October 1, 1989,  
21 and no later than October 1, 1990, for the 1991-92 school year, and by  
22 October 1 of each odd-numbered year thereafter. Effective with the 1990-91  
23 school year, revenue generated by this levy shall be equalized at one hundred  
24 fifty percent (150%) of the statewide average per pupil assessment.
- 25 (b) To participate in the Facilities Support Program of Kentucky, the board of  
26 education of each school district shall commit at least an equivalent tax rate of  
27 five cents (\$0.05) to debt service, new facilities, or major renovations of

1 existing school facilities, or the purchase of land~~[ if approved by the~~  
 2 ~~commissioner of education as provided in KRS 157.420(4)(b)]~~. The five cents  
 3 (\$0.05) shall be in addition to the thirty cents (\$0.30) required by KRS  
 4 160.470(9) and any levy pursuant to paragraph (a) of this subsection. The levy  
 5 shall be made no later than October 1 of each odd-numbered year. Eligibility  
 6 for equalization funds for the biennium shall be based on the district funds  
 7 committed to debt service on that date. The five cents (\$0.05) shall be  
 8 equalized at one hundred fifty percent (150%) of the statewide average per  
 9 pupil assessment. The equalization funds shall be committed to debt service to  
 10 the greatest extent possible, but any excess equalization funds not needed for  
 11 debt service shall be deposited to a restricted building fund account. The  
 12 funds may be escrowed for future debt service or used to address **the priority**  
 13 **order**~~[categorical priorities]~~ listed in the approved **district** facilities plan  
 14 pursuant to **Section 3 of this Act**~~[KRS 157.420]~~.

- 15 (c) The board of education of each school district may contribute the levy  
 16 equivalent tax rate of five cents (\$0.05) and equalization funds for energy  
 17 conservation measures under guaranteed energy savings contracts pursuant to  
 18 KRS 45A.345, 45A.352, and 45A.353. Use of these funds, as provided under  
 19 KRS 45A.353, 56.774, and 58.600 shall be based on the following guidelines:
- 20 1. Energy conservation measures shall include facility alteration;
  - 21 2. Energy conservation measures shall be identified in the **approved**  
 22 **district facilities**~~[district's approved facility]~~ plan pursuant to **Section 3**  
 23 **of this Act**~~[KRS 157.420]~~;
  - 24 3. The current facility systems are consuming excess maintenance and  
 25 operating costs;
  - 26 4. The savings generated by the energy conservation measures are  
 27 guaranteed;

- 1           5.    The levy equivalent tax rate of five cents (\$0.05) and equalization funds  
2           contributed to the energy conservation measures shall be defined as  
3           capital cost avoidance as provided in KRS 45A.345(2) and shall be  
4           subject to the restrictions on usage as specified in KRS 45A.352(9); and
- 5           6.    The equipment that is replaced has exceeded its useful life as  
6           determined by a life cycle cost analysis.
- 7           (d)   The rate levied by a district board of education under the provisions of this  
8           subsection shall not be subject to the public hearing provisions of KRS  
9           160.470(7) or to the recall provisions of KRS 160.470(8).
- 10          (e)   A school district which is at or above the equivalent tax rates permitted under  
11          the provisions of the Kentucky Education Reform Act of 1990, 1990 Ky. Acts  
12          ch. 476, shall not be required to levy an equivalent tax rate which is lower  
13          than the rate levied during the 1989-90 school year.
- 14          (2)   (a)   A district may exceed the maximum provided by subsection (1) of KRS  
15          160.470 provided that, upon request of the board of education of the district,  
16          the county board of elections shall submit to the qualified voters of the  
17          district, in the manner of submitting and voting as prescribed in paragraph (b)  
18          of this subsection, the question whether a rate which would produce revenues  
19          in excess of the maximum provided by subsection (1) of KRS 160.470 shall  
20          be levied. The rate that may be levied under this section may produce revenue  
21          up to no more than thirty percent (30%) of the revenue guaranteed by the  
22          program to support education excellence in Kentucky plus the revenue  
23          produced by the tax authorized by this section. Revenue produced by this levy  
24          shall not be equalized with state funds. If a majority of those voting on the  
25          question favor the increased rate, the tax levying authority shall, when the  
26          next tax rate for the district is fixed, levy a rate not to exceed the rate  
27          authorized by the voters.



- 1 (b) The election shall be held not less than fifteen (15) or more than thirty (30)  
2 days from the time the request of the board is filed with the county clerk, and  
3 reasonable notice of the election shall be given. The election shall be  
4 conducted and carried out in the school district in all respects as required by  
5 the general election laws and shall be held by the same officers as required by  
6 the general election laws. The expense of the election shall be borne by the  
7 school district.
- 8 (3) For the 1966 tax year and for all subsequent years for levies which were approved  
9 prior to December 8, 1965, no district board of education shall levy a tax at a rate  
10 under the provisions of this section which exceeds the compensating tax rate as  
11 defined in KRS 132.010, except as provided in subsection (4) of this section and  
12 except that a rate which has been approved by the voters under this section but  
13 which was not levied by the district board of education in 1965 may be levied after  
14 it has been reduced to the compensating tax rate as defined in KRS 132.010, and  
15 except that in any school district where the rate levied in 1965 was less than the  
16 maximum rate which had been approved by the voters, the compensating tax rate  
17 shall be computed and may be levied as though the maximum approved rate had  
18 been levied in 1965 and the amount of revenue which would have been produced  
19 from such maximum levy had been derived therefrom.
- 20 (4) Notwithstanding the limitations contained in subsection (3) of this section, no tax  
21 rate shall be set lower than that necessary to provide such funds as are required to  
22 meet principal and interest payments on outstanding bonded indebtedness and  
23 payments of rentals in connection with any outstanding school revenue bonds  
24 issued under the provisions of KRS Chapter 162.
- 25 (5) The chief state school officer shall certify the compensating tax rate to the levying  
26 authorities.
- 27 ➔Section 5. KRS 157.615 is amended to read as follows:

1 As used in KRS 157.611 to 157.640, unless the context requires otherwise:

- 2 (1) "Available local revenue" means the sum of the school building fund account  
3 balance; the bonding potential of the capital outlay and building funds; and the  
4 capital outlay fund account balance on June 30 of odd-numbered years. These  
5 accounts shall be as defined in the manual for Kentucky school financial accounting  
6 systems;
- 7 (2) "Board of education" means the governing body of a county school district or an  
8 independent school district;
- 9 (3) "Bonds" or "bonds of the commission" means bonds issued by the commission, or  
10 issued by a city, county, or other agency or instrumentality of the Board of  
11 Education, in accordance with KRS Chapter 162, payable as to principal and  
12 interest from rentals received from a board of education or from the department  
13 pursuant to a lease or from contributions from the commission, and constitute  
14 municipal bonds exempt from taxation under the Constitution of the  
15 Commonwealth;
- 16 (4) "Department" means the State Department of Education;
- 17 (5) "District technology plan" means the plan developed by the local district and the  
18 Department of Education and approved by the Kentucky Board of Education upon  
19 the recommendation of the Council for Education Technology;
- 20 (6) "Equivalent tax rate" means the rate which results when the income from all taxes  
21 levied by the district for school purposes is divided by the total assessed value of  
22 property plus the assessment for motor vehicles certified by the Department of  
23 Revenue as provided by KRS 160.470;
- 24 (7) "Kentucky Education Technology System" means the statewide system set forth in  
25 the technology master plan issued by the Kentucky Board of Education with the  
26 recommendation of the Council for Education Technology and approved by the  
27 Legislative Research Commission;

- 1 (8) "Lease" or "lease instrument" means a written instrument for the leasing of one (1)  
2 or more school projects executed by the commission as lessor and a board of  
3 education as lessee, or executed by the commission as lessor and the department as  
4 lessee, as the case may be;
- 5 (9) "Lease/purchase agreement" means a lease between the school district or the  
6 department and a vendor that includes an option to purchase the technology  
7 equipment or software at the end of the lease period;
- 8 (10) "Percentage discount" means the degree to which the commission will participate in  
9 meeting the bond and interest redemption schedule required to amortize bonds  
10 issued by the commission on behalf of a local school district;
- 11 (11) "Project" means a defined item of need to construct new facilities or to provide  
12 major renovation of existing facilities which is identified on the ~~priority schedule~~  
13 ~~of the approved~~ district facilities ~~school facilities~~ plan;
- 14 (12) "District ~~school~~ facilities plan" means the plan required by Section 3 of this  
15 Act ~~developed pursuant to the survey specified by KRS 157.420 and by~~ and the  
16 administrative regulations of the Kentucky Board of Education;
- 17 (13) "Technology master plan" means the long-range plan for the implementation of the  
18 Kentucky Education Technology System as developed by the Council for Education  
19 Technology and approved by the Kentucky Board of Education and the Legislative  
20 Research Commission;
- 21 (14) "Unmet facilities need" means the total cost of new construction and major  
22 renovation needs as shown by the approved district ~~school~~ facilities plan less any  
23 available local revenue;
- 24 (15) "Unmet technology need" means the total cost of technology need as shown by the  
25 approved technology plan of the local district; and
- 26 (16) "Eligible district" means any local school district having an unmet facilities need, as  
27 defined in this section, in excess of one hundred thousand dollars (\$100,000) or a

1 district qualifying for education technology funding.

2 ➔Section 6. KRS 157.620 is amended to read as follows:

- 3 (1) To participate in the school construction funding program, the district must have  
4 unmet needs as defined by KRS 157.615 and must meet the following eligibility  
5 criteria:
- 6 (a) Commit at least an equivalent tax rate of five cents (\$0.05) to debt service,  
7 new facilities, or major renovations of existing school facilities as defined by  
8 KRS 157.440. A district that levies the five cents (\$0.05) and has not accepted  
9 an official offer of assistance from the School Facilities Construction  
10 Commission, made pursuant to KRS 157.611, may use receipts from the levy  
11 for other purposes as determined by the district board of education.
- 12 (b) On July 1 of odd-numbered years, the district board of education shall restrict  
13 all available local revenue, as defined by KRS 157.615, for school building  
14 construction, to be utilized in accordance with the priorities determined by the  
15 most current approved district~~[school]~~ facilities plan~~[approved by the~~  
16 ~~Kentucky Board of Education]~~.
- 17 (2) Interest earned on restricted funds required by this section shall become a part of  
18 the restricted funds.
- 19 (3) Funds restricted by the requirements of this section may be used by the district for  
20 projects or a portion thereof as listed in priority order on the approved  
21 district~~[school]~~ facilities plan prior to receiving state funds. Any local school  
22 district which is not an eligible district may be permitted, upon written application  
23 to the Department of Education, to transfer funds restricted by KRS 157.611 to  
24 157.640 for other school purposes.
- 25 (4) Not later than October 15 of the year immediately preceding an even-numbered  
26 year regular session of the General Assembly, the Kentucky Board of Education  
27 shall submit a statement to the School Facilities Construction Commission

1 certifying the following in each district:

- 2 (a) The amount of school facility construction needs in each district;
- 3 (b) The amount of available local revenue in each district; and
- 4 (c) That the district has or has not met the eligibility criteria established by
- 5 subsection (1) of this section.

6 (5) Construction needs shall be those needs specified in the approved district~~[school]~~  
7 facilities plan~~[approved by the Kentucky Board of Education]~~ as of June 30 of the  
8 year preceding an even-numbered year regular session of the General Assembly.

9 ➔Section 7. KRS 157.621 is amended to read as follows:

10 (1) In addition to the levy required by KRS 157.440(1)(b) to participate in the Facilities  
11 Support Program of Kentucky, local school districts that have made the levy  
12 required by KRS 157.440(1)(b) are authorized to levy the following additional  
13 equivalent rates to support debt service, new facilities, or major renovations of  
14 existing school facilities, which levies shall not be subject to recall under any  
15 provision of the Kentucky Revised Statutes, or to voter approval under the  
16 provisions of KRS 157.440(2):

17 (a) 1. Prior to April 24, 2008, local school districts that have experienced  
18 student population growth during a five (5) year period may levy an  
19 additional five cents (\$0.05) equivalent rate for debt service and new  
20 facilities. The tax rate levied by the district under this provision shall not  
21 be equalized by state funding, except as provided in paragraph (b) of  
22 this subsection. Any levy imposed under this paragraph prior to April  
23 24, 2008, by a local school district shall continue until removed by the  
24 local school district.

25 2. A local school district shall meet the following criteria in order to levy  
26 the tax provided in subparagraph 1. of this paragraph:

27 a. Growth of at least one hundred fifty (150) students in average

- 1                   daily attendance and three percent (3%) overall growth for the five  
2                   (5) preceding years;
- 3                   b.    Bonded debt to the maximum capability of at least eighty percent  
4                   (80%) of capital outlay from the Support Education Excellence in  
5                   Kentucky funding program, all revenue from the local facility tax,  
6                   and all receipts from state equalization on the local facility tax;
- 7                   c.    Current student enrollment in excess of available classroom space;  
8                   and
- 9                   d.    *The district facilities plan*~~[A local school facility plan that]~~ has  
10                  been approved by the Kentucky Board of Education and certified  
11                  to the School Facilities Construction Commission;
- 12           (b)  1.    In addition to the levy authorized by paragraph (a) of this subsection, a  
13                  local school district may levy an additional five cents (\$0.05) equivalent  
14                  rate under the same terms and conditions established by paragraph (a) of  
15                  this subsection beginning in fiscal year 2003-2004 if the levy was made  
16                  prior to April 24, 2008, and if the local school district:
- 17                  a.    Levied the five cents (\$0.05) equivalent rate authorized by  
18                  paragraph (a) of this subsection; and
- 19                  b.    Still meets the requirements established by paragraph (a)2. of this  
20                  subsection.
- 21           2.    Any school district that imposes both the levy authorized by paragraph  
22                  (a) of this subsection and the additional levy authorized by subparagraph  
23                  1. of this paragraph shall receive equalization funding from the state for  
24                  the levy imposed by paragraph (a) of this subsection beginning in fiscal  
25                  year 2003-2004. Equalization shall be provided at one hundred fifty  
26                  percent (150%) of the statewide average per pupil assessment, subject to  
27                  the provision of funding by the General Assembly. Equalization funds

1 shall be used as provided in KRS 157.440(1)(b).

2 3. Any levy imposed under this paragraph prior to April 24, 2008, by a  
3 local school district shall continue until removed by the local school  
4 district; and

5 (c) 1. A local school district that meets the following conditions may levy an  
6 additional five cents (\$0.05) equivalent rate on and after April 24, 2008:

7 a. The local school district is located in a county that will have more  
8 students as a direct result of the new mission established for Fort  
9 Knox by the Base Realignment and Closure (BRAC) 2005 issued  
10 by the United States Department of Defense pursuant to the  
11 Defense Base Closure and Realignment Act of 1990, Pub. L. No.  
12 100-526, Part A of Title XXIX of 104 Stat. 1808, 10 U.S.C. sec.  
13 2687 note; and

14 b. The commissioner of education has determined, based upon the  
15 presentation of credible data, that the projected increased number  
16 of students is sufficient to require new facilities or the major  
17 renovation of existing facilities to accommodate the new students,  
18 and has approved the imposition of the additional levy.

19 2. Any local school district that imposes both the levy authorized by  
20 paragraph (a) of this subsection and the additional levy authorized by  
21 subparagraph 1. of this paragraph, and that has not received equalization  
22 funding under subsection (2) or (3) of this section, shall receive  
23 equalization funding from the state for the levy imposed by paragraph  
24 (a) of this subsection beginning in the fiscal year following the fiscal  
25 year in which the levy authorized by subparagraph 1. of this paragraph  
26 is imposed. Equalization shall be provided at one hundred fifty percent  
27 (150%) of the statewide average per pupil assessment, subject to the

1 provision of funding by the General Assembly. Equalization funds shall  
2 be used as provided in KRS 157.440(1)(b).

3 3. Any levy imposed under this paragraph by a local school district shall  
4 continue until removed by the local school district.

5 (2) (a) Any local school district that, prior to April 27, 2016, levied an equivalent rate  
6 that:

7 1. Was subject to recall at the time it was levied; and

8 2. Included a rate of at least five cents (\$0.05) equivalent rate for the  
9 purpose of debt service for school construction or major renovation of  
10 existing school facilities;

11 shall be eligible for retroactive equalization from the state for that levy at one  
12 hundred fifty percent (150%) of the statewide average per pupil assessment  
13 beginning in fiscal year 2003-2004, subject to the fiscal condition of the  
14 Commonwealth and the provision of funding by the General Assembly.  
15 Equalization funds shall be used as provided in KRS 157.440(1)(b).

16 (b) It is the intent of the General Assembly that for levies described in this  
17 subsection that are imposed on or after April 27, 2016, equalization funds, if  
18 provided by the General Assembly, shall terminate upon the earlier of June  
19 30, 2038, or the date the bonds for the local school district supported by this  
20 equalization funding are retired. Equalization shall be subject to the fiscal  
21 condition of the Commonwealth and the provision of funding by the General  
22 Assembly.

23 (3) Any local school district that:

24 (a) Levied an equivalent tax rate as of April 24, 2008, that included at least ten  
25 cents (\$0.10) that was devoted to building purposes, or that had debt service  
26 corresponding to a ten cents (\$0.10) equivalent rate;

27 (b) Did not receive equalized growth funding pursuant to subsection (1)(b)2. of



1           this section; and

2           (c) Has been approved by the commissioner of education;

3           shall be eligible for equalization from the state for that levy at one hundred fifty  
4           percent (150%) of the statewide average per pupil assessment beginning in fiscal  
5           year 2005-2006, subject to the provision of funding by the General Assembly.  
6           Equalization funds shall be used as provided in KRS 157.440(1)(b). Equalization  
7           funds shall be available to a local school district pursuant to this subsection until the  
8           earlier of June 30, 2038, or the date the bonds for the local school district supported  
9           by this equalization funding are retired.

10       (4) (a) Notwithstanding any other provision of this section, any local school district  
11           receiving equalization funding prior to April 27, 2016, related to an equivalent  
12           rate levy described in subsection (1), (2), (3), or (5) of this section shall  
13           continue to receive the equalization funding related to the applicable  
14           equivalent rate levy, subject to the limitations established by subsections (1),  
15           (2), (3), and (5) of this section, and subject to the fiscal condition of the  
16           Commonwealth and the provision of funding by the General Assembly, until  
17           amended by subsequent action of the General Assembly. A local school  
18           district described in this paragraph shall not be eligible to receive equalization  
19           for any additional equivalent rate levies made by it on or after April 27, 2016.

20       (b) Notwithstanding any other provision of this section, any local school district  
21           that has imposed an equivalent rate levy described in subsection (1)(a) or (b)  
22           or (2) of this section prior to April 27, 2016, that qualifies for equalization but  
23           that has not yet received equalization funding shall be eligible for equalization  
24           funding as provided in subsection (1)(a) or (b) or (2) of this section, subject to  
25           the provision of funding by the General Assembly.

26       (c) On and after April 24, 2008, a local school district not included in paragraph  
27           (a) or (b) of this subsection shall be prohibited from imposing an equivalent

1 rate levy under the provisions of subsection (1)(a) or (b) of this section, and  
2 shall not be eligible for equalization funding under the provisions of this  
3 section.

4 (d) On and after April 24, 2008, a local school district meeting the requirements  
5 of subsection (1)(c) of this section may impose the levy authorized by  
6 subsection (1)(c) of this section, and shall qualify for equalization as provided  
7 in subsection (1)(c) of this section, subject to the provision of funding by the  
8 General Assembly.

- 9 (5) (a) Any local school district that:
- 10 1. Had school facilities classified as Category 5 on May 18, 2010, by the  
11 Kentucky Department of Education; and
  - 12 2. Levied an additional five cents (\$0.05) equivalent tax rate prior to April  
13 27, 2016, for debt service, new construction, and major renovation  
14 beyond the five cents (\$0.05) equivalent tax rate required by KRS  
15 157.440(1)(b), except as provided in paragraph (b) of this subsection;  
16 shall be eligible for equalization from the state for that levy at one hundred  
17 fifty percent (150%) of the statewide average per pupil assessment beginning  
18 in the fiscal year following the fiscal year in which the levy was imposed.  
19 This levy shall be subject to the recall provisions of KRS 132.017.
- 20 (b) School districts that levied a five cents (\$0.05) equivalent tax rate for debt  
21 service, new construction, and major renovation, beyond the rate required by  
22 KRS 157.440(1)(b) prior to May 18, 2010, shall not be required to levy an  
23 additional tax to receive the equalization funds provided in paragraph (a) of  
24 this subsection.
- 25 (c) If the school district utilizes the equalization funds to support a bond issue for  
26 construction purposes, equalization funds shall be provided until the earlier of  
27 twenty (20) years or date the bonds are retired.

1 (d) In the event that a school district receives funding pursuant to this subsection  
 2 to support construction of a new school facility and subsequently, as a result  
 3 of litigation, receives funding for the same facility for which state funds were  
 4 provided, that school district shall reimburse the Commonwealth an amount  
 5 equal to the amount provided under paragraph (a) of this subsection. Any  
 6 funds received in this manner shall be deposited in the budget reserve trust  
 7 fund account established in KRS 48.705.

8 ➔Section 8. KRS 157.622 is amended to read as follows:

9 The School Facilities Construction Commission shall be governed by the following  
 10 procedures in providing assistance to school districts for construction purposes:

- 11 (1) Upon receipt of the certified statements from the Kentucky Board of Education as  
 12 required by KRS 157.620, the commission shall compute the unmet needs of all  
 13 eligible districts as defined by KRS 157.615;
- 14 (2) Assistance to each eligible district shall be determined by computing the ratio of the  
 15 available state funding to total unmet need statewide. Based on the computed ratio,  
 16 an equivalent percentage of each eligible district's unmet need will be funded;
- 17 (3) Each eligible district which has otherwise complied with the provisions of KRS  
 18 157.615 and 157.620 shall be offered sufficient funding to finance construction of  
 19 the portion of its unmet need computed by applying the ratio determined in  
 20 subsection (2) of this section to the total unmet need of the district. The funds shall  
 21 be applied to the projects listed on the most current approved district  
 22 facilities~~[facility]~~ plan~~[ approved by the Kentucky Board of Education]~~, and the  
 23 funds shall be applied to projects in the priority order listed on the plan. Exceptions  
 24 to the priority order of projects may be approved by the School Facilities  
 25 Construction Commission when it is documented by the local board of education  
 26 and approved by the Kentucky Board of Education upon the recommendation of the  
 27 chief state school officer that the school district's priority order of needs has

1 changed. The exceptions shall not alter the amount of the offer of assistance;

2 (4) The commission shall promulgate administrative regulations whereby an eligible  
3 district which fails in any budget period to receive an allocation of state funds that  
4 is sufficient to fund the district's priority project or portions thereof may accumulate  
5 credit, subject to the availability of funds, for its unused state allocation for a period  
6 not to exceed eight (8) years. Accumulation and retention of credit is contingent  
7 upon the transfer of available local revenue to the restricted construction account by  
8 June 30 of each year;

9 (5) Except as provided in subsection (6) of this section, all unused state allocations  
10 accumulated according to the provisions of subsection (3) of this section shall be  
11 reallocated by the commission. The reallocation shall follow the process and intent  
12 as set forth in this section with eligible districts being those districts which  
13 contribute unused state allocations to the reallocation account. Any district which  
14 has an unused state allocation after funding its first priority project in a biennium is  
15 not eligible for consideration for additional funds from the reallocation account.  
16 Any funding received and utilized from the reallocation account by a district shall  
17 equally reduce the credit as set forth in this section; and

18 (6) Refinancing savings that have occurred since July 1, 1997, and subsequent savings  
19 to the commission generated over the life of a bond by the local district's  
20 refinancing of the bond shall be dedicated to the district's account by the  
21 commission. Any funds accumulated in this account shall be used toward the  
22 district's next priority, but shall not be deducted from the district's share of  
23 commission funds under subsection (3) of this section.

24 ➔Section 9. KRS 158.814 is amended to read as follows:

25 (1) In order to ensure that high-quality, relevant secondary career and technical  
26 programs are available to students in all school districts that enable them to gain the  
27 academic and technical skills to meet high school graduation requirements and for

1 successful transition to postsecondary education, work, or the military and to  
2 support present-day and future needs of Kentucky employers, the Department of  
3 Education shall:

4 (a) Review and revise as needed the equipment and facilities standards for each  
5 career and technical education program identified and described in the career  
6 and technical education supplement to the Kentucky program of studies and  
7 published by the Department of Education; and

8 (b) Determine the statewide unmet needs for career and technical education  
9 capital projects, including renovations and expansions of existing facilities  
10 and the construction of new technology centers, through a needs assessment  
11 process. This process shall be tied to specific criteria in determining if the  
12 current programs or career pathways offered in locally and state-operated  
13 facilities are appropriate for the students in the school districts served as well  
14 as for determining if new programs are needed. The statewide assessment of  
15 capital needs for career and technical education shall be incorporated into the  
16 ***district facilities plan of each*** local school district~~[facility plan]~~ as required  
17 by ***Section 3 of this Act***~~[KRS 157.420]~~. The Kentucky Board of Education  
18 shall incorporate criteria within the administrative regulations relating to  
19 ***district facilities***~~[school facility]~~ plan requirements to prioritize need for  
20 career and technical education programming, regardless of whether the  
21 programs are locally or state-operated.

22 (2) The Career and Technical Education Advisory Committee established in KRS  
23 156.806 shall be consulted in carrying out the requirements of this section.

24 ➔Section 10. KRS 160.105 is amended to read as follows:

25 The Kentucky Board of Education shall by regulation require each school district to:

26 (1) Provide for fire and extended insurance coverage on each building owned by the  
27 board which is not surplus to its needs as shown by the approved ***district*** facilities

1 plan. The requirement for such coverage shall not exceed replacement cost and  
2 shall allow for the features of coinsurance and deductibles; and

3 (2) Provide each certified employee of the district with primary liability insurance  
4 coverage for an amount of not less than one million dollars (\$1,000,000) for the  
5 protection of the employee from liability arising in the course and scope of pursuing  
6 the duties of employment.

7 ➔Section 11. KRS 160.160 is amended to read as follows:

8 (1) Each school district shall be under the management and control of a board of  
9 education consisting of five (5) members, except in counties containing a city of the  
10 first class wherein a merger pursuant to KRS 160.041 shall have been accomplished  
11 which shall have seven (7) members elected from the divisions and in the manner  
12 prescribed by KRS 160.210(5), to be known as the "Board of Education of ...,  
13 Kentucky." Each board of education shall be a body politic and corporate with  
14 perpetual succession. It may sue and be sued; make contracts; expend funds  
15 necessary for liability insurance premiums and for the defense of any civil action  
16 brought against an individual board member in his official or individual capacity, or  
17 both, on account of an act made in the scope and course of his performance of legal  
18 duties as a board member; purchase, receive, hold, and sell property; issue its bonds  
19 to build and construct improvements; and do all things necessary to accomplish the  
20 purposes for which it is created. Each board of education shall elect a chairman and  
21 vice chairman from its membership in a manner and for a term prescribed by the  
22 board not to exceed two (2) years.

23 (2) No board of education shall participate in any financing of school buildings, school  
24 improvements, appurtenances thereto, or furnishing and equipment, including  
25 education technology equipment without:

26 (a) First establishing the cost of the project in advance of financing, based on:

27 1. The receipt of advertised, public, and competitive bids for such project,

- 1 in accordance with KRS Chapter 424; or
- 2 2. Estimates of the cost of the project developed by licensed architects or
- 3 engineers who prepared the plans or specifications; and
- 4 (b) Establishing the cost of financing in advance of the sale of any bonds,
- 5 certificates of participation in any leases, or other evidences of financial
- 6 commitments issued by or on behalf of such board. Any bonds, leases,
- 7 participations, or other financial arrangements shall not involve a final
- 8 commitment of the board until the purchaser or lender involved shall have
- 9 been determined by public advertising in accordance with KRS Chapter 424.
- 10 (3) No board of education shall ~~make a mortgage, lien, or other encumbrance upon~~
- 11 ~~any school building owned by the board, or transfer title to any [such] school~~
- 12 ~~building as part of any financing arrangement[.]~~ without the specific approval of the
- 13 Department of Education, and without the transaction being entered into pursuant to
- 14 a detailed plan or procedure specifically authorized by Kentucky statute.
- 15 (4) ~~Without the approval of the Department of Education, ]~~No board may lease, as
- 16 lessee, a building or public facility that has been or is to be financed at the request
- 17 of the board or on its behalf through the issuance of bonds by another public body
- 18 or by a nonprofit corporation serving as an agency and instrumentality of the board,
- 19 or by a leasing corporation~~. Any lease, participation, or other financial arrangement~~
- 20 ~~shall not involve a final commitment of the board unless and until] unless~~ the
- 21 purchaser or lender involved in same shall have been determined by public
- 22 advertising in accordance with KRS Chapter 424. No transaction shall be entered
- 23 into by the board except upon the basis of public advertising and competitive
- 24 bidding in accordance with KRS Chapter 424.
- 25 (5) Rental payments due by a board under a lease ~~approved by the Department of~~
- 26 ~~Education in accordance with] established under~~ subsection (4) of this section shall
- 27 be due and payable not less than ten (10) days prior to the interest due date for the

1 bonds, notes, or other debt obligations issued to finance the building or public  
2 facility. If a board fails to make a rental payment when due under a lease, upon  
3 notification to the Department of Education by the paying agent, bond registrar, or  
4 trustee for the bonds not less than three (3) days prior to the interest due date, the  
5 Department of Education shall withhold or intercept any funds then due the board  
6 to the extent of the amount of the required payment on the bonds and remit the  
7 amount to the paying agent, bond registrar, or trustee as appropriate. Thereafter, the  
8 Department of Education shall resolve the matter with the board and adjust  
9 remittances to the board to the extent of the amount paid by the Department of  
10 Education on the board's behalf.

11 (6) Bonds, notes or leases negotiated to provide education technology shall not be sold  
12 for longer than seven (7) years or the useful life of the equipment as established by  
13 the state technology master plan, whichever is less.

14 (7) Notwithstanding any requirements of public advertising, competitive bidding, or  
15 approval by the Department of Education, or any administrative regulation  
16 promulgated pursuant to KRS 156.160(1)(o), a local board may authorize the  
17 transfer or sale of the district's real or personal property to another governmental or  
18 quasi-governmental agency in exchange for money or a similar type of property that  
19 equals or exceeds the fair market value of the district property as determined by an  
20 independent appraisal conducted by:

21 (a) An individual or organization not affiliated with the district or its officers or  
22 employees, using a generally accepted national or professional standard; or

23 (b) A district's officers or employees using a nationally published valuation of  
24 property based on the most recent edition of the publication.

25 ➔Section 12. KRS 199.882 is amended to read as follows:

26 As used in KRS 199.881 to 199.888:

27 (1) "Cabinet" means the Cabinet for Health and Family Services;



- 1 (2) "Child-care provider" means a child-care provider that is rated pursuant to the  
2 quality-based graduated early care and education program rating system set forth in  
3 KRS 199.8943;
- 4 (3) "Contribution" means a direct payment to a child-care provider either directly by an  
5 employer or through a third party vendor to subsidize an employee's eligible child-  
6 care costs, and shall include an employer directly paying for the child-care  
7 facilities and facility maintenance on behalf of a child-care provider;
- 8 (4) "Eligible child-care costs" means costs to be incurred by an individual for services  
9 rendered by an eligible child-care provider;
- 10 (5) "Employee" means an individual who works in Kentucky and is employed by an  
11 employer;
- 12 (6) "Employer" means a nonprofit or for-profit entity with at least one (1) employee  
13 who works in Kentucky in each of twenty (20) or more calendar weeks in the  
14 current or preceding calendar year;
- 15 (7) "Fund" means the fund administered by the cabinet as described in KRS 199.885;
- 16 (8) "Program" means the Employee Child Care Assistance Partnership;
- 17 (9) "Small business" means a business with fewer than fifty (50) employees who are  
18 individually contracted to work more than thirty-five (35) hours per week;
- 19 (10) "State match" means the money paid directly to the child-care provider by the  
20 cabinet from the fund described in KRS 199.885; and
- 21 (11) "State median household income" means the most recent estimate available of real  
22 median household income for the state, as determined by the United States Census  
23 Bureau, and adjusted for family size.
- 24 ➔Section 13. Any person granted an emergency teaching certificate pursuant to  
25 KRS 161.100 by the Education Professional Standards Board during the 2023-2024  
26 school year shall be eligible to renew that emergency certificate for the 2024-2025 school  
27 year, notwithstanding any administrative regulation to the contrary.

1           ➔Section 14. Whereas, due to the need to ensure continued financial savings for  
2 school districts in relation to construction costs and approval delays, an emergency is  
3 declared to exist, and this Act takes effect July 1, 2024.