

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2022 REGULAR SESSION**

**MEASURE**

2022 BR NUMBER 864

HOUSE BILL NUMBER 250

**TITLE AN ACT** relating to Kentucky State University, making an appropriation therefor, and declaring an emergency.

**SPONSOR** Representative James Tipton

**FISCAL SUMMARY**

STATE FISCAL IMPACT:  YES  NO  UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY:  ACTUARIAL ANALYSIS  
 LOCAL MANDATE  CORRECTIONS IMPACT  HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Kentucky State University and Council on Postsecondary Education

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

FISCAL ESTIMATES	2021-2022	2022-2023	2023-2024	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES	\$23,000,000	\$1,000,000	\$1,000,000	Appropriations will adjust accordingly
NET EFFECT	(\$23,000,000)	(\$1,000,000)	(\$1,000,000)	Appropriations will adjust accordingly

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** The measure provides emergency fiscal relief to Kentucky State University (KSU) as a non-interest bearing loan that will begin repayment in fiscal year (FY) 2027, establishes a trust fund to accept loan repayments, requires the Council of Postsecondary Education (CPE) to develop a management improvement plan, and establishes regular reporting requirements for both KSU and CPE.

**FISCAL EXPLANATION:** HB 250 will increase expenditures beginning in FY 2022 with a \$23 million appropriation to KSU to stabilize the university's finances in the form of a loan with possible forgiveness. CPE has indicated that with the expanded duties and responsibilities provided for in this measure they will require additional personnel for support and oversight with an estimated impact of \$1 million in each fiscal year.

At this time, it is unknown how much, if any, of the \$23 million of the non-interest bearing loan will be repaid by KSU, but the potential exists for an increase in revenues in the future.

**DATA SOURCE(S):** Council on Postsecondary Education

**PREPARER:** Savannah Wiley **NOTE NUMBER:** 22 **REVIEW:** JAB **DATE:** 1/24/2022