

KENTUCKY P-12 EDUCATION FUNDING

COMPARING THE FY 2026 ENACTED BUDGET TO THE HB 500 HOUSE COMMITTEE SUBSTITUTE APPROVED FEBRUARY 25 AND AVAILABLE AT LEGISLATURE.KY.GOV

GENERAL FUND APPROPRIATIONS | SHOWN IN MILLIONS OF DOLLARS

| | FY 2026 HB 6 | FY 2027 HB 500 HCS | FY 2028 HB 500 HCS | 2026 to 2027 Change | Additional 2027 to 2028 Change |
|---|-----------------|-----------------------|-----------------------|------------------------|-----------------------------------|
| Base SEEK | \$2,023 | \$2,044 | \$2,101 | \$21 | \$57 |
| SEEK Transportation | \$399 | \$399 | \$399 | \$0 | \$0 |
| Tier I Component | \$224 | \$248 | \$237 | \$24 | -\$9 |
| Health Insurance | \$1,077 | \$1,077 | \$1,278 | \$0 | \$186 |
| Teachers' Retirement System Employer Match | \$468 | \$529 | \$541 | \$62 | \$12 |
| Facilities | \$232 | \$299 | \$273 | \$67 | -\$23 |
| Career and Technical Education | \$127 | \$127 | \$127 | \$0 | \$0 |
| Preschool Program | \$84 | \$84 | \$84 | \$0 | \$0 |
| Family Resource and Youth Services Centers | \$49 | \$49 | \$49 | \$0 | \$0 |
| Extended School Services | \$24 | \$24 | \$24 | \$0 | \$0 |
| State Schools (KSB and KSD) | \$20 | \$20 | \$20 | \$0 | \$0 |
| School Resource Officers | \$18 | \$0 | \$0 | -\$18 | \$0 |
| Read to Achieve | \$16 | \$16 | \$16 | \$0 | \$0 |
| Center for School Safety | \$15 | \$15 | \$15 | \$0 | \$0 |
| State Agency Children | \$13 | \$13 | \$13 | \$0 | \$0 |
| Read to Succeed | \$11 | \$11 | \$11 | \$0 | \$0 |
| Gifted and Talented Program | \$10 | \$10 | \$10 | \$0 | \$0 |
| Vocational Transportation | \$7.8 | \$7.8 | \$7.8 | \$0.0 | \$0.0 |
| School-Based Mental Health Services Providers | \$7.4 | \$0.0 | \$0.0 | -\$7.4 | \$0.0 |
| Smaller Line Items Total (Below \$6 Million Each) | \$49 | \$30 | \$30 | -\$19 | \$0 |
| Other Department of Education | \$87 | \$130 | \$130 | \$43 | \$0 |
| TOTAL DEPARTMENT OF EDUCATION | \$4,960 | \$5,132 | \$5,365 | \$172 | \$293 |

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|-------------------------------------|-----------------|-----------------------|-----------------------|------------------------|-----------------------------------|
| Teachers Retirement System | \$1,037 | \$1,225 | \$1,278 | \$188 | \$52 |
| School Facilities Construction Fund | \$127 | \$105 | \$107 | -\$22 | \$2 |
| Craft Academy | \$5.4 | \$5.6 | \$5.7 | \$0.1 | \$0.1 |
| Gatton Academy | \$5.4 | \$5.6 | \$5.7 | \$0.1 | \$0.1 |
| Model Lab School | \$4.6 | \$4.4 | \$4.3 | -\$0.2 | -\$0.1 |
| Kentucky Center for Mathematics | \$1.3 | \$1.3 | \$1.2 | -\$0.1 | \$0.0 |

SEEK Per Pupil Base Guarantee Note

The House Committee Substitute provides a base guarantee of \$4,626 in FY 2027 and 4,792 in FY 2028, an increase over the \$4,586 FY 2026 guarantee. The guarantee is paid by a combination of state and local dollars. The state share will increase each year, and the local share will grow in proportion to rising property tax assessments. Compared to the original bill, the Committee Substitute provides substantially stronger resources.

SEEK Kindergarten Funding Note

The House Committee Substitute calls for kindergarten pupils to continue to receive full-day SEEK funding.

Transportation Funding Note

The Prichard Committee recommends full funding of transportation, calling for an added investment of \$89 million per year. The House Committee Substitute provides no increase in state transportation dollars. The original bill included a \$40 million cut to annual transportation funding.

Tier 1 Note

The FY 2025 and FY 2026 budget moved Tier 1 maximum equalization up to 17.5% of each district's calculated SEEK base. Tier 1 has a statutory minimum of 15%, but budget language overrode that limit. The House Committee Substitute continues the higher maximum. Because the base guarantee and the transportation funding are higher than in the original bill, districts will also be eligible for higher Tier 1 funding.

Algebra 1 Enrollment Note

The Prichard Committee recommends annual investments of \$2 million to support automatic enrollment so all 5th and 6th grade students scoring proficient or distinguished in math are placed into Algebra I by 8th grade, with an opt-out option. The House Committee Substitute does not include that investment in student opportunities for advanced coursework..

FRYSC Note

The House Committee Substitute does not have a separate line item for FRYSC funding that flows through the Cabinet for Health and Family Services. Instead, it shows one General fund appropriation each year for Family Resource and Youth Services AND Serve Kentucky. The combined version shows \$26.6 million for FY 2027 and 26.7 for FY 2028, in line with \$26.6 million in the FY 2026 enacted budget. Most of those dollars, though not all, will go for FRYSCs and probably provide resources equivalent to what has been available this year.

DETAIL FOR DEPARTMENT LINE ITEMS SMALLER THAN \$6 MILLION

| | FY 2026 HB 6 | FY 2027 HB 500 HCS | FY 2028 HB 500 HCS | 2026 to 2027 Change | Additional 2027 to 2028 Change |
|--|---------------------|-----------------------|-----------------------|------------------------|-----------------------------------|
| Advanced Placement/first-come, first-served | \$2,600,000 | \$2,600,000 | \$2,600,000 | \$0 | \$0 |
| Advanced Placement and IB/free or reduced meal eligibility | \$1,000,000 | \$960,000 | \$930,000 | -\$40,000 | -\$30,000 |
| Mathematics Achievement Fund | \$5,019,000 | \$5,019,000 | \$5,019,000 | \$0 | \$0 |
| Numeracy Counts. | \$0 | \$0 | \$0 | \$0 | \$0 |
| Star Academy | \$5,000,000 | \$0 | \$0 | -\$5,000,000 | \$0 |
| Educators Employment Liability Insurance Program | \$5,000,000 | \$0 | \$0 | -\$5,000,000 | \$0 |
| Salary Supplements for Nationally Certified Teachers | \$4,655,500 | \$4,655,500 | \$4,655,500 | \$0 | \$0 |
| School Food Services | \$3,584,000 | \$0 | \$0 | -\$3,584,000 | \$0 |
| Certified Audiologists and Speech Language Pathologists: | \$2,312,000 | \$2,312,000 | \$2,312,000 | \$0 | \$0 |
| Save the Children | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$0 | \$0 |
| AdvanceKentucky | \$1,900,000 | \$1,900,000 | \$1,900,000 | \$0 | \$0 |
| Community Education Program | \$1,850,000 | \$1,850,000 | \$1,850,000 | \$0 | \$0 |
| Jobs for America's Graduates | \$1,675,500 | \$1,675,500 | \$1,675,500 | \$0 | \$0 |
| We Lead CS | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$0 | \$0 |
| Local School District Life Insurance | \$1,391,000 | \$1,391,000 | \$1,391,000 | \$0 | \$0 |
| Statewide Reading Research Center | \$1,200,000 | \$1,200,000 | \$1,200,000 | \$0 | \$0 |
| Academic Content Standards Review | \$1,200,000 | \$0 | \$0 | -\$1,200,000 | \$0 |
| Statewide Assessment Costs | \$1,093,300 | \$0 | \$0 | -\$1,093,300 | \$0 |
| Math Nation | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$0 | \$0 |
| Debt Service (Learning and Results Services) | \$907,000 | \$0 | \$0 | -\$907,000 | \$0 |
| Teach for America | \$700,000 | \$700,000 | \$700,000 | \$0 | \$0 |
| Junior Reserve Officers Training Corps | \$654,500 | \$0 | \$0 | -\$654,500 | \$0 |
| Classification of Primary and Secondary School Buildings | \$500,000 | \$0 | \$0 | -\$500,000 | \$0 |
| Kentucky Alliance of Boys & Girls Clubs | \$500,000 | \$500,000 | \$500,000 | \$0 | \$0 |
| Visually Impaired Preschool Services Program | \$500,000 | \$500,000 | \$500,000 | \$0 | \$0 |
| Blind/Deaf Residential Travel Program | \$492,300 | \$0 | \$0 | -\$492,300 | \$0 |
| SEEK Application | \$250,000 | \$0 | \$0 | -\$250,000 | \$0 |
| Debt Service (Operations and Support) | \$166,000 | \$0 | \$0 | -\$166,000 | \$0 |
| Hearing and Speech Center | \$100,000 | \$100,000 | \$100,000 | \$0 | \$0 |
| Heuser Hearing and Language Academy | \$100,000 | \$100,000 | \$100,000 | \$0 | \$0 |
| Smaller Line Items Total (Below \$6 Million Each) | \$48,850,100 | \$29,963,000 | \$29,933,000 | -\$18,887,100 | -\$30,000 |

Numeracy Counts Note

The Prichard Committee actively supports the Numeracy Counts investment in quality mathematics instruction. Kentucky has invested \$5 million in each of the last two fiscal years under 2024's House Bill 162, rather than the main House Bill 6 budget legislation. The House Committee Substitute does not include Numeracy Counts funding.

Debt Service Note

The House Committee Substitute includes no funding for debt service in the line items for the Department of Education. The Prichard Committee will seek further information on whether debt service costs are addressed in some other way.