

157.622 Assistance to school districts -- Priority order of needs -- Exception -- Reallocation of funds -- Disposition of bond savings and refinancing savings.

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

- (1) Upon receipt of the certified statements from the Kentucky Board of Education as required by KRS 157.620, the commission shall compute the unmet needs of all eligible districts as defined by KRS 157.615;
- (2) Assistance to each eligible district shall be determined by computing the ratio of the available state funding to total unmet need statewide. Based on the computed ratio, an equivalent percentage of each eligible district's unmet need will be funded;
- (3) Each eligible district which has otherwise complied with the provisions of KRS 157.615 and 157.620 shall be offered sufficient funding to finance construction of the portion of its unmet need computed by applying the ratio determined in subsection (2) of this section to the total unmet need of the district. The funds shall be applied to the projects listed on the most current facility plan approved by the Kentucky Board of Education, and the funds shall be applied to projects in the priority order listed on the plan. Exceptions to the priority order of projects may be approved by the School Facilities Construction Commission when it is documented by the local board of education and approved by the Kentucky Board of Education upon the recommendation of the chief state school officer that the school district's priority order of needs has changed. The exceptions shall not alter the amount of the offer of assistance;
- (4) The commission shall promulgate administrative regulations whereby an eligible district which fails in any budget period to receive an allocation of state funds that is sufficient to fund the district's priority project or portions thereof may accumulate credit, subject to the availability of funds, for its unused state allocation for a period not to exceed eight (8) years. Accumulation and retention of credit is contingent upon the transfer of available local revenue to the restricted construction account by June 30 of each year;
- (5) Except as provided in subsection (6) of this section, all unused state allocations accumulated according to the provisions of subsection (3) of this section shall be reallocated by the commission. The reallocation shall follow the process and intent as set forth in this section with eligible districts being those districts which contribute unused state allocations to the reallocation account. Any district which has an unused state allocation after funding its first priority project in a biennium is not eligible for consideration for additional funds from the reallocation account. Any funding received and utilized from the reallocation account by a district shall equally reduce the credit as set forth in this section; and
- (6) Refinancing savings that have occurred since July 1, 1997, and subsequent savings to the commission generated over the life of a bond by the local district's refinancing of the bond shall be dedicated to the district's account by the commission. Any funds accumulated in this account shall be used toward the district's next priority, but shall not be deducted from the district's share of commission funds under subsection (3) of this section.

Effective: July 12, 2006

History: Amended 2006 Ky. Acts ch. 156, sec. 1, effective July 12, 2006. -- Amended 2001 Ky. Acts ch. 165, sec. 3, effective June 21, 2001. -- Amended 1998 Ky. Acts ch. 591, sec. 1, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 362, sec. 6, effective July 15, 1996. -- Amended 1990 Ky. Acts ch. 476, Pt. IV, sec. 194, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 213, sec. 2, effective July 15, 1988. -- Created 1985 (1st Extra. Sess.) Ky. Acts ch. 10, sec. 30, effective October 18, 1985.

Legislative Research Commission Note (6/21/2001). A reference to "subsection (7)" in subsection (5) of this statute has been changed in codification to "subsection (6)" under KRS 7.136(1)(e) and (h). In 2001 Ky. Acts ch. 165, sec. 3, the existing subsection (6) was renumbered as subsection (5), but an internal reference to that subsection in the existing language of this statute was overlooked.