

Gov. Beshear Unveils \$2 Billion Investment in Pre-K–12 Education

State, local leaders join Governor to support largest Pre-K–12 investment in state history

FRANKFORT, Ky. (Jan. 10, 2022) – Today, Gov. Andy Beshear [outlined his budget plan](#) to make a record \$2 billion investment in pre-K–12 education to create a world-class education system across the commonwealth, the single largest investment in this sector in state history.

The Governor added that the state's recent record-breaking economic growth, with more than \$11.2 billion in new investments and 18,000 new full-time jobs added in 2021 alone, proves Kentucky is a destination for leading global companies like Ford, Toyota, GE Appliances and Amazon.

"We must meet this moment by ensuring we have a world-class education system to support our future workforce," **Gov. Beshear** said. "Perhaps the most important step in ensuring we are never a flyover state ever again is investing in our teachers, schools and students. We are the destination, but to stay a world-class destination for world-class companies, we must have a world-class workforce. And that starts with education."

In his budget, at every level, from pre-K to postsecondary education, the Governor is making game-changing investments that will turn two years of economic progress into 20 years of economic prosperity.

"We have an education-first administration in action, not just words," said **Lt. Gov. Jacqueline Coleman**. "When we think about our budget and our priorities, we ask three questions: Does it adopt a kids-first mentality? Does it care for the people who care for our kids? Finally, does it provide the resources necessary for our schools to do what we asked of them? To students and teachers from all across the state, thank you for your input and your work."

Pre-K–12 Education

The Governor's budget starts with investments in the commonwealth's youngest learners, providing universal preschool for all 4-year-olds and full-day kindergarten for every Kentucky child – for the first time ever.

Gov. Beshear said, “No longer will tens of thousands of our children be left out of preschool or head start – programs that we know provide positive outcomes on children’s early literacy and mathematics skills and foster long-term educational success.”

The historic investment starts with a 16.9% increase in SEEK funding. It has been more than 30 years since this type of investment has been made. The Governor is dedicating \$11 million each year to provide statewide learning focusing on literacy and mathematical ability and to implement a regional coaching program. He is providing a 12.5% increase in the SEEK base per pupil funding formula for elementary and secondary schools. This budget also [fully funds school districts' costs for student transportation](#), with \$175 million annually, which is an 81% increase in funding.

“What this means is our schools won’t have to bear this cost, freeing up funds for other needs, like hiring a school nurse to help keep students healthy throughout this pandemic,” Gov. Beshear said.

The Governor’s budget provides \$22.9 million each year to restore funding for professional development as well as textbooks and instructional resources.

“This is basic: Our children cannot learn if they do not have the resources to do so,” **Gov. Beshear** said.

The Governor added that a great education system requires more than learning resources and said we cannot ignore the social, emotional and mental health needs of our students. He noted Lt. Gov. Coleman’s efforts this past year traveling to schools to talk firsthand with students about their mental health needs. The Governor’s budget provides \$6.2 million each year to address this by assembling statewide staff and eight regional Social Emotional Learning institutes so that our educators have access to training on how best to help our students with their mental health.

The Governor is providing two new grant programs for school districts to provide wrap-around services to students impacted by violence, substance abuse, child abuse and parental incarceration, and other training and resources to help students.

Career and Technical Education

The Governor said career and technical education centers are a critical component of high

school curricula, helping meet the needs of students in academic achievement, career exploration, career preparation and leadership development.

To support Career and Technical Education (CTE) programs, Gov. Beshear is providing \$97.4 million this year to support the renovation of 11 local CTE centers that were not funded last year through the Better Kentucky Plan. The CTE centers still in need are in the following school districts: Boyd, Carter, Edmonson, Fleming, Grayson, Lewis, Livingston, McCreary, Marshall, Nelson and Union counties.

Also included is an additional \$75 million for a new round of applications to renovate more CTE centers and an additional \$8 million each year provides funding to 12 locally operated CTE centers that have not been part of the formula funding in the last 12 years due to lack of funding. They include centers in the following school districts: Ashland Independent, Bardstown Independent, Boone, Boyle, Hardin, Hopkins, Hart, Laurel, Oldham, Spencer, Washington and Whitley counties.

Additional funding is provided for state-operated area technical schools in the amount of \$3.2 million in fiscal year 2023 and \$3.6 million in fiscal year 2024.

The Governor is also supporting schools chosen by the U.S. Department of Education that need additional leadership, literacy and numeracy support by providing \$14.4 million each year to support all schools identified.

Gov. Beshear's budget also restores a longstanding library grant program that has been eliminated, with \$2.5 million annually for grants to local libraries.

Local and state education leaders applauded the Governor's plan.

"There is no greater investment in our state's future than education, which ensures the next generation is prepared to successfully enter the workforce and contribute to the incredible economic growth and job development Kentucky has worked to achieve," said **Commissioner of Education Jason E. Glass**. "All of the Kentucky Department for Education's priorities for this budget cycle are supported by this budget proposal, along with other investments that will contribute to the quality of education for Kentucky's public school students. We are at a great and historic starting point for education in these coming two

years and we look forward to working with the governor and the legislature in the weeks ahead as the budget is finalized.”

Teacher Pay and Benefits

Gov. Beshear said it was past time to pay those educating our children what they are worth. He is proposing a minimum 5 percent salary increase for all school personnel. That's in addition to the regular salary schedule increases for certified staff.

This is the first identified pay increase in a state budget since the 2006-08 budget.

According to the National Educational Association, Kentucky ranks 42nd in the nation for starting salaries, with new teachers averaging about \$37,000 per year.

The Governor's budget goes further by providing \$26.3 million each year for a student loan forgiveness program that will provide a maximum \$3,000 annual award for each year of employment in a public school as a teacher.

“Our teachers continue obtaining higher education to advance in their careers – and we want to encourage that. So let's help them get there,” **Gov. Beshear** said.

The Governor is also fully funding teachers' pension and medical benefits. And there will be no health insurance premium increases for school employees.

Gov. Beshear also included much-needed funding for Family Resource and Youth Service Centers, providing \$6 million more each year to support the 874 Family Resource and Youth Services Centers in 1,200 schools that serve nearly 650,000 students and families.

Student leaders, education advocates and educators across the state lauded the Governor's plan.

“This unprecedented budget presented is unbelievable. I just want to say I am so thankful and grateful. As a superintendent in the commonwealth of Kentucky and as an education leader, I believe that this will spark an incredible movement towards the success that needs to happen for students who are looking to read by the third grade level,” said **Houston Barber, Frankfort Independent Schools Superintendent**. “As a parent and as a leader in

the commonwealth, I think the Governor's budget is one of the greatest presentations that this commonwealth has ever seen."

"Teachers need current and reliable instructional resources to meet the needs for a unique and diverse student population," said **Kentucky educator Crystal Culp, a National Board-Certified Teacher in her 25th year of teaching**. "I believe it to be true that ongoing learning for teachers is an essential part of a teacher's effectiveness in student achievement. We currently have an education-first administration as reflected in Gov. Beshear's budget."

"My husband and I both teach and come from a long line of teachers. With the 5% salary increase, that's going to help us because we're not going to have to have a second job," said **Lori Baker, a 5th and 6th grade language arts and science teacher in Knox County Public Schools, who has taught for 18 years**. "We have always had a second job. I hold three degrees and have always worked earning money another way when school is over. I just pray and hope with everything in me that these budget items will pass and be approved because they will all have an impact on the future of education in the state of Kentucky."

"Being safe and healthy is a basic need," said **JuLeah Edie, a senior at Rowan County Senior High School**. "Investing these funds in mental health services on site as well as access to updated resources will directly benefit students' social and emotional learning. These historic investments in education will directly address some of the things we have heard from our Kentucky students."

"With this new investment, we could see the most up-to-date curriculum for every student across the commonwealth," said **Sam Smith, a senior at Daviess County High School**. "We could see new AP classes being offered, allowing students everywhere to appreciate cheaper college and free college credits. Additionally, we could see updated and new trade school opportunities – allowing students to graduate with certificates to be work ready as soon as they step out of high school. I would like to thank the Governor and Lt. Governor for this historic investment in our school systems."

"Gov. Beshear's historic investment in his education budget proposals illustrates his deep commitment and passion for investing in Kentucky's students, educators and public schools of the commonwealth," said **KEA President Eddie Campbell**. "KEA applauds the Governor's education budget proposal and the brighter futures it will create for all Kentucky's children. The Governor's education budget addresses the real-world needs of

parents who can now count on reduced childcare costs and increases educational opportunities for their kids, and it invests in the dedicated educators who work tirelessly to teach and care for the students of the commonwealth.”

KY120 United American Federation of Teachers shared the following statement on the Governor’s Proposed Budget: “We are glad that the Governor’s proposed budget demonstrates his strong commitment to public education and state employees. By proposing the largest increase to SEEK funding since KERA; fully funding transportation, which will save districts millions; giving badly needed and long overdue raises to employees; and including funding for universal pre-K for 4-year-olds, which will save families thousands of dollars a year and allow more parents to be able to enter the workforce, it is evident that our Governor has set a budget proposal that is ready to move Kentucky forward. We look forward to reviewing his proposed budget with our members and comparing it to the legislative budget to see which of these high-priority items have been included, and which is truly centered around moving Kentucky forward.”

Higher Education

In addition to its \$2 billion investment in Pre-K–12 education, the Governor’s budget also provides the highest funding increase for higher education in decades with a nearly 12% increase. And it is needed – from 2008 to 2020, about \$250 million in General Fund support has been cut from the nine public postsecondary education institutions.

“Past budget cuts have led to tuition increases and cutbacks,” **Gov. Beshear** said. “Restoring a significant share of past budget cuts will better position these institutions to graduate the world-class thinkers that our world-class companies and opportunities demand.”

The Governor’s budget includes \$60 million for the Bucks for Brains program to be matched dollar-for-dollar with private donations. Bucks for Brains helps the state support our world-class economy by aligning postsecondary education with emerging needs of business and industry, and there are many new and exciting businesses coming to Kentucky. These funds also help students prepare for employment and nurture an entrepreneurial climate.

Another top priority for postsecondary education is paying down the debt of deferred maintenance for nine postsecondary institutions.

“We can’t let our schools crumble,” said **Gov. Beshear**. “My budget includes \$500 million from the General Fund, the first significant funding for this in 20 years.”

And the Governor is investing funds, including agency bonds as well as third-party donations, for new construction of [19 new university capital projects](#), which include:

- Eastern Kentucky University constructing a new Model Laboratory School;
- Morehead State University building a new science and engineering building;
- Murray State University renovating classrooms and offices to support science and nursing curriculum;
- Northern Kentucky University expanding Herrmann Natural Science Center;
- University of Kentucky constructing a new health education building;
- University of Louisville adding on to its Speed Engineering School;
- Western Kentucky University constructing a new Gordon Ford College of Business; and
- The Kentucky Community & Technical College System (KCTCS) renovating and/or replacing buildings in Elizabethtown, Jefferson County and Somerset.

The Governor is also helping our postsecondary education students in need by increasing the maximum award aid programs, the College Access Program (CAP) and the Kentucky Tuition Grant program.

Both of these programs have benefitted from the dedication and growth of Kentucky Lottery receipts in the past several years. By leveraging federal Pell Grant dollars, the CAP program now covers full-time tuition and fees at KCTCS and nearly covers the average tuition and fees at four-year institutions. With additional General Fund dollars the Governor is increasing the maximum CAP award to \$3,100 and \$3,300 in fiscal years 2023 and 2024, while continuing to fund all eligible applicants.

The Governor announced a new program – the Better Kentucky Promise Scholarship – which fills the gap between tuition and federal and other state aid for all new associate degree and certificate-seeking students at public universities and private, nonprofit Kentucky institutions.

“What this means is we can fully cover the cost for approximately 6,000 additional students in the first year and 9,700 in the second year.” **Gov. Beshear** said. “We are removing another barrier to higher education for those students that want to go to school but could not afford it.”

“These investments in higher education are truly significant contributions to better the lives of Kentucky’s people, who will help power historic progress in the state’s workforce and post-pandemic economy,” said **Kentucky Council on Postsecondary Education President Aaron Thompson**. “Now is the time to make strategic investments to provide greater opportunities to our citizens, regardless of where they are in the education pipeline. Gov. Beshear, we stand ready to do our part to fulfill Kentucky’s vision – to lift up our citizens through affordable and accessible higher education programs, including high-demand, workforce credentials, two- and four-year degrees, and beyond. It’s a simple truth: We can’t have a strong workforce and economy without a strong higher education system. Thank you, Governor.”

“The significant investments that policymakers – Gov. Beshear and our legislative partners – are proposing for higher education are really investments in the future of our state. Whether Bucks for Brains or deferred maintenance, new dollars for our general funds or new construction projects, these investments will create jobs, provide healing and help in every corner of the commonwealth and make education more affordable and accessible to young Kentuckians from all walks of life. We look forward to working with Gov. Beshear and the legislature in making these proposed investments pay off in tangible ways that advance Kentucky,” said **Eli Capilouto, president, University of Kentucky**.

“We are in a transformative time. Whether we are referring to COVID or our economic boom, its clear things will be different going forward,” **Gov. Beshear** said. “A transformative time demands a transformative budget.”

Responsible and Real Budget

The Governor told Kentuckians that we are rapidly recovering from the economic impacts of the COVID-19 pandemic and saw record new private sector investment in 2021. The state’s successes under Gov. Beshear’s leadership have vaulted Kentucky’s finances to a historic level, which has set the table for game-changing investments. The state’s budget strengths include:

- An all-time, record-setting revenue surplus with \$1.9 billion more in General Fund revenues than budgeted;
- Best back-to-back growth rate since 2005-2006;
- General Fund receipts have grown over 15% in the first half of the current fiscal year;
- Gov. Beshear continues paying down on the commonwealth's pension liability;
- State has the lowest debt ratio since the policy was adopted; and
- Largest rainy day fund in state history.

The Governor thanked the full-time Executive Branch budget staff for their unmatched experienced and for working every day to communicate with the Executive Branch on budget needs.

The Governor added that the Legislative Branch's attempt to draft and file an Executive Branch budget without the knowledge or input of the Executive Branch itself is unprecedented, unprovoked, unprofessional, unwise and perhaps even unlawful.

The Governor concluded his media briefing by reminding Kentuckians that last week, during his State of the Commonwealth address, he spoke of the strength and spirit of our people when faced with devastating natural disasters and a continuing pandemic. And even in dark times, bright spots like the record-breaking strength of our economy have paved the way for us to make these historic investment in our educators, schools and children.

"Let's get to work moving our state forward by creating a world-class education system," **Gov. Beshear** said.