

1 AN ACT relating to workforce investment.

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

3 ➔SECTION 1. A NEW SECTION OF SUBCHAPTER 12 OF KRS CHAPTER
4 154 IS CREATED TO READ AS FOLLOWS:

5 *As used in Sections 1 to 4 of this Act:*

6 *(1) "Authority" means the Kentucky Economic Development Finance Authority;*

7 *(2) "Cabinet" means the Cabinet for Economic Development;*

8 *(3) "Eligible grant applicant" means a county or city governing body, or entity*
9 *organized under Kentucky law providing public services or a nonprofit charitable*
10 *organization organized under 26 U.S.C. sec. 501(c)(3) or (6) engaged in*
11 *economic development, workforce investment, talent development, or community*
12 *development;*

13 *(4) "Eligible project" means a talent investment initiative established by an eligible*
14 *grant applicant and approved by the authority, which may include one (1) or*
15 *more of the following:*

16 *(a) A plan to relocate employees or households from outside Kentucky;*

17 *(b) A plan to retain Kentucky students; or*

18 *(c) A targeted marketing campaign to engage potential new residents;*

19 *(5) "Fund" means the Kentucky Talent Recruitment Grant Program fund*
20 *established in Section 4 of this Act;*

21 *(6) "Household goal" means the total number of households that a talent*
22 *recruitment program seeks to incentivize for relocating or committing to relocate*
23 *from outside Kentucky to a Kentucky locality;*

24 *(7) "Program" means the Kentucky Talent Recruitment Grant Program;*

25 *(8) "Regional project" means an eligible project that is proposed by eligible grant*
26 *applicants residing or having a primary business address in different counties in*
27 *this Commonwealth; and*

(9) "Retention goal" means the total number of Kentucky students an eligible project seeks to retain.

➔SECTION 2. A NEW SECTION OF SUBCHAPTER 12 OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky Talent Recruitment Grant Program is hereby established under the cabinet. The cabinet's administration of the program includes but is not limited to the following:

(a) Creating and making available a grant application for eligible grant applicants to apply for program grant funds;

(b) Reviewing and processing applications submitted to the cabinet by eligible grant applicants; and

(c) Submitting grant applications to the authority for approval.

(2) The maximum amount of funding for each eligible grant applicant is five hundred thousand dollars (\$500,000).

(3) If a grant application is approved by the authority as an eligible project under subsection (4)(a) or (b) of Section 1 of this Act, the cabinet shall disburse fifty percent (50%) of the total grant award to the eligible grant applicant upon execution of the grant agreement. The remaining fifty percent (50%) of the grant award shall be disbursed upon the eligible grant applicant demonstrating to the authority, subject to its approval, that fifty percent (50%) of the household goal or the retention goal has been met based on the reported metrics set forth in subsection (4)(a) of Section 3 of this Act.

(4) The cabinet shall determine the terms, conditions, and requirements of grant awards from the fund. The cabinet may establish procedures and standards for the review and approval of the obligation of grant funds through the administrative regulations promulgated in accordance with KRS Chapter 13A.

(5) The secretary of the cabinet shall have the authority to hire staff, contract for

services, expend funds, and operate the normal business activities of the program.

➔SECTION 3. A NEW SECTION OF SUBCHAPTER 12 OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

(1) Applications for the program shall include:

(a) At least one (1) eligible project;

(b) The total estimated cost of the program; and

(c) The individual estimated costs associated with the program design, administration, marketing, and relocation efforts.

(2) Eligible grant applicants shall contribute twenty percent (20%) of total project costs. Applicant contributions may include local investments and in-kind donations. For regional projects, one (1) or more of the eligible grant applicants may combine to meet the twenty percent (20%) local match.

(3) Previous applicants may present a subsequent application if they met the household goal in their previous application.

(4) Each approved eligible grant applicant shall report semiannually to the cabinet the following:

(a) The reported metrics from the initial application as provided under subsection (1)(c) of Section 2 of this Act. Metrics may include:

1. Household recruitment targets;

2. Engagement rates;

3. Qualified interest metrics;

4. Documented perception shifts;

5. Student job placement connections;

6. Graduate retention rates;

7. The household goal and the grant amount per household;

8. The program's estimated state and local tax impact; and

9. The program's estimated total economic impact;

1 (b) A summary of the grant applications received from eligible grant applicants
 2 and submitted to the cabinet, including the grant amounts awarded to
 3 eligible households;

4 (c) The current balance of the program funds awarded to eligible grant
 5 applicants; and

6 (d) Recommendations for legislation or policy actions needed to facilitate
 7 greater receipt of grant funding to eligible grant applicants.

8 (5) If a grant recipient fails to comply with this section or uses the awarded funds for
 9 any purpose other than an eligible project, the grant recipient shall forfeit and be
 10 liable to the cabinet for the full award amount.

11 ➔SECTION 4. A NEW SECTION OF SUBCHAPTER 12 OF KRS CHAPTER
 12 154 IS CREATED TO READ AS FOLLOWS:

13 (1) There is hereby established in the State Treasury a trust and agency account to be
 14 known as the Kentucky Talent Recruitment Grant Program fund.

15 (2) The fund shall consist of moneys appropriated by the General Assembly, gifts,
 16 grants, federal funds, or other funds made available to the cabinet.

17 (3) The fund shall be administered by the cabinet.

18 (4) Amounts deposited in the fund shall be used for awarding eligible grant
 19 applicants funding for eligible projects. The fund shall be distributed as follows:

20 (a) Fifty percent (50%) shall be used for relocation efforts pursuant to
 21 subsection (4)(a) of Section 1 of this Act;

22 (b) Twenty-five percent (25%) shall be used for retention of Kentucky students
 23 pursuant to subsection (4)(b) of Section 1 of this Act; and

24 (c) Twenty-five percent (25%) shall be used for targeted marketing campaigns
 25 pursuant to subsection (4)(c) of Section 1 of this Act.

26 (5) The cabinet may use up to five percent (5%) of the fund annually for costs and
 27 services for the administration of the program.

- 1 (6) Notwithstanding KRS 45.229, moneys remaining in the fund at the close of a
- 2 fiscal year shall not lapse but shall be carried forward into the next fiscal year.