Current Budget Language Relating to Lottery Revenue (KRS 154A.130) House Bill 1 – Budget Bill, 2022 Regular Session

Part I – Operating Budget

Section C (Department of Education), Subsection 2 (Operations and Support Services)

(5) Advanced Placement and International Baccalaureate Exams: Notwithstanding KRS 160.348(3), included in the above General Fund appropriation is \$1,000,000 in each fiscal year to pay the cost of Advanced Placement and International Baccalaureate examinations for those students who meet the eligibility requirements for free or reduced-price meals. Notwithstanding KRS 154A.130(4) and 160.348(3), included in the above General Fund appropriation is \$2,600,000 in each fiscal year to pay the cost of Advanced Placement examinations for students on a first-come, first-served basis.

Section C (Department of Education), Subsection 3 (Learning and Results Services)

(11) Learning and Results Services Programs: Included in the above General Fund appropriation are the following allocations for the 2022-2024 fiscal biennium, but no portion of these funds shall be utilized for state-level administrative purposes:

(j) Notwithstanding KRS 154A.130(4), \$1,000,000 in each fiscal year for the Jobs for America's Graduates Program;

Section J (Postsecondary Education), Subsection 2 (Kentucky Higher Education Assistance Authority)

(1) College Access Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$134,075,000 in fiscal year 2022-2023 and \$139,025,000 in fiscal year 2023-2024 for the College Access Program.

(2) Kentucky Tuition Grant Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$44,325,000 in fiscal year 2022-2023 and

\$45,975,000 in fiscal year 2023-2024 for the Kentucky Tuition Grant Program.

(3) Kentucky National Guard Tuition Award Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$7,398,100 in each fiscal year for the National Guard Tuition Award Program.

(4) Kentucky Educational Excellence Scholarships (KEES): Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$116,126,600 in each fiscal year for the Kentucky Educational Excellence Scholarships (KEES). Included in the above Restricted Funds appropriation is \$4,773,400 in fiscal year 2022-2023 and \$5,873,400 in fiscal year 2023-2024 for KEES.

(5) Work Ready Kentucky Scholarship Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$10,800,000 in each fiscal year for the Work Ready Kentucky Scholarship Program. Notwithstanding KRS 164.787, the dual credit component of the Work Ready Kentucky Scholarship Program for high school students shall be funded and administered through the Dual Credit Scholarship Program.

(6) **Dual Credit Scholarship Program:** (a) Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$13,150,000 in each fiscal year for the Dual Credit Scholarship Program.

(b) Excluding any unclaimed prize money received under Part III, 20. of this Act, there is hereby appropriated from the KEES Program Reserve Account Restricted Funds in the amount of \$5,987,400 for fiscal year 2022-2023 and \$6,290,100 for fiscal year 2023-2024 for the purposes set forth in paragraph (c) of this subsection from fiscal year 2020-2021 excess lottery receipts.

(c) Notwithstanding KRS 164.786(1)(f) and 164.787(2)(d), the dual credit tuition rate ceiling shall be one-half of the per credit hour tuition amount charged by the Kentucky Community and Technical College System for in-state students. Notwithstanding KRS 164.786(1)(g)2. and (4)(b), priority for awarding scholarships shall be given in order to high

school seniors, juniors, sophomores, and freshmen. Notwithstanding KRS 164.786(4)(c), eligible high school students may receive a dual credit scholarship for two career and technical education dual credit courses per academic year and four general education dual credit courses over the junior and senior years, up to a maximum of 12 approved dual credit courses.

(d) Notwithstanding KRS 45.229, any portion of funds provided for in paragraph (b) of this subsection that has not been expended by the end of fiscal year 2022-2023 shall not lapse and shall carry forward into fiscal year 2023-2024.

(9) Use of Lottery Revenues: Notwithstanding KRS 154A.130(3) and (4), lottery revenues in the amount of \$326,874,700 in fiscal year 2022-2023 and \$333,474,700 in fiscal year 2023-2024 are appropriated to the Kentucky Higher Education Assistance Authority. Notwithstanding KRS 154A.130(4) and any provisions of this Act to the contrary, if lottery receipts received by the Commonwealth, excluding any unclaimed prize money received under Part III, 20. of this Act, exceed \$292,000,000 in fiscal year 2021-2022, \$333,974,700 in fiscal year 2022-2023, or \$340,574,700 in fiscal year 2023-2024, the first \$3,000,000 of excess funds in each fiscal year shall be transferred to the Kentucky Higher Education Assistance Authority and appropriated in accordance with KRS 154A.130(4)(b), and any additional excess shall be transferred to a trust and agency account and shall not be expended or appropriated without the express authority of the General Assembly.

(11) Teacher Scholarship Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$1,000,000 in each fiscal year for the Teacher Scholarship Program. The Kentucky Higher Education Assistance Authority, in coordination with the Council on Postsecondary Education, shall submit a report on the number of teacher scholarships provided in each fiscal year, the program of study in which

recipients are enrolled, recipient retention rates, total number of applications, and the impact of the scholarships on recruitment. This report shall be submitted to the Interim Joint Committee on Education by September 1 of each fiscal year.

Section J (Postsecondary Education), Subsection 8 (University of Kentucky)

(j) Notwithstanding KRS 154A.130(4), \$500,000 in each fiscal year for the Human Development Institute for the Supported Higher Education Project;