

**164.7013 Declaration of intent -- Kentucky Aerospace, Aviation, and Defense Investment Fund Advisory Committee -- Membership -- Kentucky aerospace, aviation, and defense investment fund -- Purposes -- Administrative regulations.**

- (1) It is the intent of the General Assembly to incentivize collaboration between aviation programs, aviation industry partners, and the Commonwealth to grow and strengthen the education and training pipeline of aviation professionals within Kentucky by:
  - (a) Improving the ability of a broad variety of Kentucky's aviation programs to meet the workforce demands and capacity of the Commonwealth;
  - (b) Raising awareness of and interest in a broad variety of aviation occupations;
  - (c) Reducing the barriers of access to the aviation programs necessary to pursue these occupations, including financial barriers;
  - (d) Improving pathways between high school career and technical programs and aviation programs; and
  - (e) Developing strategies for aviation industry partners to support career growth and development for their employees.
- (2)
  - (a) The Kentucky Aerospace, Aviation, and Defense Investment Fund Advisory Committee is hereby created to be administered by the council. The advisory committee shall be responsible for advising the council on the implementation of KRS 164.7011 to 164.7021.
  - (b) The advisory committee shall be composed of the following twelve (12) members:
    1. The president of the council, who shall serve as chair of the advisory committee;
    2. The commissioner of the Department of Aviation in the Transportation Cabinet;
    3. Ten (10) members appointed by the chair of the council, of whom:
      - a. One (1) member shall be selected from a list of three (3) candidates nominated by the Kentucky Association of Manufacturers who possess professional experience and expertise with aviation manufacturing;
      - b. One (1) member shall have professional experience and expertise as an aviation engineer;
      - c. One (1) member shall have professional experience and expertise with Department of Defense contracts related to aviation;
      - d. One (1) member shall have professional experience and expertise with Department of Defense contracts related to aerospace;
      - e. One (1) member shall have professional experience and expertise with airport management or Federal Aviation Administration airport compliance and classifications;
      - f. One (1) member shall be a member from the Kentucky Aviation Association;

- g. One (1) member shall be a licensed air transport pilot;
    - h. One (1) member that is a licensed airframe and powerplant mechanic; and
    - i. Two (2) members shall be employees of a public aviation program.
  - (c) Members appointed under paragraph (b)3. of this subsection shall serve for terms of two (2) years, and any vacancy on the advisory committee shall be filled for the remainder of the unexpired term in the same manner as the original appointment. An appointed member shall continue to serve until reappointed or replaced.
  - (d) The majority of the voting members shall constitute a quorum, and all meetings shall be conducted in accordance with the Open Meetings Act, KRS 61.805 to 61.850.
  - (e) A member of the advisory committee shall not receive compensation or benefits for the member's service, but a member appointed under paragraph (b)3. of this subsection shall receive per diem and travel expenses consistent with the reimbursement policy for state employees.
- (3) There is hereby created a trust and agency account called the Kentucky aerospace, aviation, and defense investment fund to be administered by the Council for Postsecondary Education for the purpose of funding:
  - (a) Public and private partnerships to provide aviation training scholarships in accordance with KRS 164.7015 to reduce the financial barriers of Kentucky residents seeking eligible aviation credentials;
  - (b) Public and private partnerships to provide aviation and aerospace equipment grants in accordance with KRS 164.7017 to enhance Kentucky's aviation programs' ability to meet the workforce demands and capacity of the Commonwealth; and
  - (c) The council's administrative, research, consulting, fundraising, planning, and analysis costs of administering KRS 164.7011 to 164.7021.
- (4)
  - (a) It is the intent of the General Assembly to encourage private financial and philanthropic support of the Kentucky aerospace, aviation, and defense investment fund, as the aerospace, aviation, and defense industries directly benefit from a well-trained workforce capable of meeting their employment needs and the needs of the Commonwealth. To the extent allowed by applicable laws, the fund may directly accept gifts, grants, or donations subject to restrictions imposed by a grantor.
  - (b)
    1. The Kentucky aerospace, aviation, and defense investment fund shall consist of two (2) accounts.
    2. There shall be an appropriation account containing all moneys appropriated by the General Assembly and any federal funds received for this purpose.
    3. There shall be a grantor account containing all moneys received in the form of gifts, grants, or donations subject to restrictions imposed by a grantor, or any other moneys made available for the purposes of the

fund.

- (c) Notwithstanding KRS 45.229, any moneys appropriated to the fund by the General Assembly that remain in the fund at the end of any fiscal year prior to the 2029-2030 fiscal year shall not lapse.
  - (d) Any moneys remaining in the appropriation account at the end of fiscal year 2029-2030 shall be forfeited and shall lapse to the general fund.
  - (e) Any moneys remaining in the grantor fund at the end of the 2029-2030 fiscal year shall be returned to each grantor proportionally based on the amount donated by the grantor in relation to the total amount donated by all grantors.
- (5) Subject to available funds, the fund shall consist of any:
- (a) Appropriations designated for the fund;
  - (b) Funds, grants, and receipts from the council's fundraising activities on behalf of the fund;
  - (c) Federal funds; and
  - (d) Other moneys made available for the purposes of the fund.
- (6) Any interest earnings of the fund shall become a part of the fund and shall lapse only as provided in subsection (4) of this section. Moneys in the fund are hereby appropriated for the purposes set forth in this section.
- (7) The portion of the fund expended towards the council's costs of administering KRS 164.7011 to 164.7021 shall not exceed one-half of one percent (0.5%) of all gross moneys in the fund or seventy-five thousand dollars (\$75,000) annually, whichever is less.
- (8) (a) The council shall promulgate administrative regulations by August 1, 2024, in accordance with this subsection and KRS Chapter 13A to administer KRS 164.7011, 164.7013, 164.7015, and 164.7017.
- (b) At least thirty (30) days before filing an administrative regulation with the regulations compiler, the council shall first submit the draft administrative regulation, a detailed implementation plan, and other documents required to be filed by KRS Chapter 13A to the members of the Interim Joint Committee on Education and the Interim Joint Committee on Transportation for review and comment.
- (c) The council shall consider any comments and recommendations provided by the members of the Interim Joint Committee on Education and the Interim Joint Committee on Transportation before filing the administrative regulation.
- (9) A member of the advisory committee shall recuse himself or herself from any vote related to any aviation program or industry partner:
- (a) Owned by the member or an immediate family of a member;
  - (b) That employs the member or immediate family member of the member; or
  - (c) That would otherwise result in a direct benefit, financial or otherwise, to that member or an immediate family member of that member.

**Effective:** April 5, 2024

**History:** Created 2024 Ky. Acts ch. 109, sec. 2, effective April 5, 2024.