

164.7017 Aviation equipment partnership contracts.

- (1) The council shall reserve up to thirty-five percent (35%) of all net moneys in the fund for aviation equipment partnership contracts between public aviation programs and aviation industry partners to provide aviation and aviation equipment grants for a public high school vocational program or public postsecondary education institution to maintain, acquire, or lease aviation or aviation equipment.
- (2) An aviation equipment partnership shall require a written partnership contract between a public aviation program, aviation industry partner, and the council. The partnership contract shall:
 - (a) Prohibit any disbursement of moneys from the fund until the moneys appropriated by the General Assembly to be distributed are matched, at least dollar for dollar, with moneys deposited to the fund by the aviation partner;
 - (b) Require a public aviation program to use all moneys of an aviation equipment grant to maintain, acquire, or lease aviation or aviation equipment;
 - (c) Prohibit the aviation industry partner from maintaining any ownership interest in aviation or aviation equipment maintained, acquired, or leased with the funds from the aviation equipment grant;
 - (d) Prohibit the aviation industry partner from receiving direct or indirect compensation for the maintenance or purchase of aviation or aviation equipment above the fair market value cost of the services or equipment; and
 - (e) Meet all other requirements set forth in this section and administrative regulation, including but not limited to any reporting requirements to the council.
- (3)
 - (a) The council shall collaborate with the advisory committee to solicit, accept, and review proposals for partnership contracts by aviation industry partners and public aviation programs located in Kentucky. The council shall select proposals for partnership contracts, and decisions of the council in these matters shall be final. The council may prioritize partnership contracts:
 1. Targeted towards maintaining, acquiring, or leasing equipment used by a public aviation program for a high-demand eligible aviation credential;
 2. Based upon the financial advantages afforded to a public aviation program; or
 3. Based upon the number of students that would have access to the aviation or aviation equipment maintained, acquired, or leased by a public aviation program with funds from an aviation equipment grant.
 - (b) Disbursements of moneys from the fund to support aviation equipment grants shall be made directly to a public aviation program pursuant to the terms of the partnership contract.
- (4) The council shall require the public aviation program to submit proof that the entire amount of the aviation equipment grant is invested in the maintenance, acquisition, or lease of aviation or aviation training equipment utilized by students enrolled in a public aviation program. A public aviation program that fails to submit the proof required by the council shall return the entire amount of the grant to the fund.

Effective: April 5, 2024

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