

CHAPTER 165

(HB 206)

AN ACT relating to scholarship programs, making an appropriation therefor, and declaring an emergency.

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

➔SECTION 1. A NEW SECTION OF KRS 164.740 TO 164.7891 IS CREATED TO READ AS FOLLOWS:

(1) *For purposes of this section:*

- (a) *"Academic term" means the fall or spring academic semester;*
- (b) *"Academic year" means July 1 through June 30 of each year;*
- (c) *"Approved dual credit course" means a dual credit course developed in accordance with KRS 164.098 and shall include general education courses and career and technical education courses within a career pathway approved by the Kentucky Department of Education that leads to an industry-recognized credential;*
- (d) *"Authority" means the Kentucky Higher Education Assistance Authority;*
- (e) *"Dual credit" has the same meaning as in KRS 158.007;*
- (f) *"Dual credit tuition rate ceiling" means one-third (1/3) of the per credit hour tuition amount charged by the Kentucky Community and Technical College System for in-state students;*
- (g) *"Eligible high school student" means a student who:*
 - 1. *Is a Kentucky resident;*
 - 2. *Is enrolled in a Kentucky high school as a senior or junior;*
 - 3. *Has completed a thirty (30) minute college success counseling session; and*
 - 4. *Is enrolled, or accepted for enrollment, in an approved dual credit course at a participating institution;*
- (h) *"Participating institution" means a postsecondary institution that:*
 - 1. *Has an agreement with the authority for the administration of the Dual Credit Scholarship Program;*
 - 2. *Charges no more than the dual credit tuition rate ceiling per credit hour, including any additional fees, for any dual credit course it offers to any Kentucky public or nonpublic high school student;*
 - 3. *Does not charge any tuition or fees to an eligible high school student for an approved dual credit course beyond what is paid by the Dual Credit Scholarship Program when the course is not successfully completed; and*
 - 4. *Is a:*
 - a. *Kentucky Community and Technical College System institution;*
 - b. *Four (4) year Kentucky public college or university; or*
 - c. *Four (4) year private college or university that is accredited by the Southern Association of Colleges and Schools and whose main campus is located in Kentucky; and*
- (i) *"Successfully completed" means a student receiving both secondary and postsecondary credit upon completion of an approved dual credit course.*

(2) *To promote dual credit coursework opportunities at no cost to eligible Kentucky high school students, the General Assembly hereby establishes the Dual Credit Scholarship Program.*

- (3) *In consultation with the Education and Workforce Development Cabinet, the authority shall administer the Dual Credit Scholarship Program and shall promulgate administrative regulations in accordance with KRS Chapter 13A as may be needed for the administration of the program.*
- (4) (a) *Each high school shall apply to the authority for dual credit scholarship funds for each eligible high school student.*
- (b) *The authority may award a dual credit scholarship to an eligible high school student for an academic term to the extent funds are available for that purpose, except that a scholarship shall be awarded to an eligible high school senior prior to awarding an eligible high school junior.*
- (c) *An eligible high school student may receive a dual credit scholarship for a maximum of two (2) successfully completed dual credit courses.*
- (d) *The dual credit scholarship award amount shall be equal to the amount charged by a participating institution, not to exceed the dual credit tuition rate ceiling for each dual credit hour, except the scholarship amount shall be reduced by fifty percent (50%) if the dual credit course is not successfully completed by the student.*
- (e) *Dual credit scholarship funds shall not be used for remedial or developmental coursework.*
- (5) *Each participating institution shall submit information each academic term to the authority required for the administration of the scholarship as determined by the authority.*
- (6) *Beginning August 1, 2017, and each year thereafter, the authority shall provide a report to the secretary of the Education and Workforce Development Cabinet, the president of the Council on Postsecondary Education, and the commissioner of the Kentucky Department of Education to include:*
- (a) *The number of students, by local school district and in total, served by the Dual Credit Scholarship Program; and*
- (b) *The number of dual credits earned by students by high school and in total.*
- (7) *By May 31, 2019, and each year thereafter, the Kentucky Center for Education and Workforce Statistics, in collaboration with the authority, shall publish data on the Dual Credit Scholarship Program's academic and workforce outcomes. The center shall annually provide a report on the data to the Interim Joint Committee on Education.*
- (8) (a) *The Dual Credit Scholarship Program trust fund is hereby created as a trust fund in the State Treasury to be administered by the Kentucky Higher Education Assistance Authority for the purpose of providing scholarships described in this section.*
- (b) *The trust fund shall consist of state general fund appropriations, gifts and grants from public and private sources, and federal funds. All moneys included in the fund shall be appropriated for the purposes set forth in this section.*
- (c) *Any unallotted or unencumbered balances in the trust fund shall be invested as provided in KRS 42.500(9). Income earned from the investments shall be credited to the trust fund.*
- (d) *Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year shall not lapse but shall be carried forward to the next fiscal year and continuously appropriated only for the purposes specified in this section.*

➔SECTION 2. A NEW SECTION OF KRS 164.7871 TO 164.7885 IS CREATED TO READ AS FOLLOWS:

- (1) *As used in this section:*
- (a) *"Academic year" means July 1 through June 30 of each year;*
- (b) *"Apprentice" has the same meaning as in KRS 343.010;*
- (c) *"Eligible student" means an eligible high school student who has graduated from high school or a student eligible under KRS 164.7879(3)(e);*
- (d) *"Registered apprenticeship program" means an apprenticeship program that:*
1. *Is established in accordance with the requirements of KRS Chapter 343;*
 2. *Requires a minimum of two thousand (2,000) hours of on-the-job work experience;*

3. *Requires a minimum of one hundred forty-four (144) hours of related instruction for each year of the apprenticeship; and*
4. *Is approved by the Kentucky Labor Cabinet;*
 - (e) *"Related instruction" has the same meaning as in KRS 343.010; and*
 - (f) *"Sponsor" has the same meaning as in KRS 343.010.*
- (2) *Notwithstanding KRS 164.7881, an eligible student who earned a KEES award and is an apprentice in a registered apprenticeship program shall be eligible for a Kentucky educational excellence scholarship.*
- (3) (a) *Beginning with the 2018-2019 academic year, an eligible student enrolled in a registered apprenticeship program may receive reimbursement of tuition, books, required tools, and other approved expenses required for participation in the registered apprenticeship program, upon certification by the sponsor and approval by the authority.*
 - (b) *The reimbursement amount an eligible student may receive in an academic year shall not exceed the student's KEES award maximum.*
 - (c) *The total reimbursement amount an eligible student may receive under this section shall not exceed the student's KEES award maximum multiplied by four (4).*
- (4) *Eligibility for a KEES scholarship under this section shall terminate upon the earlier of:*
 - (a) *The expiration of five (5) years following the eligible student's graduation from high school or receiving a GED, except as provided in KRS 164.7881(5); or*
 - (b) *The eligible student's successful completion of the registered apprenticeship program.*
- (5) *The authority shall promulgate administrative regulations establishing the procedures for making awards under this section in consultation with the Kentucky Labor Cabinet, the Kentucky Education and Workforce Development Cabinet, and the Kentucky Economic Development Cabinet.*

➔Section 3. Whereas the timely implementation of the scholarship provisions created in this Act are needed to provide immediate financial assistance to Kentucky students, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.

Signed by Governor April 10, 2017.