922 KAR 1:500. Educational and training vouchers.


STATUTORY AUTHORITY: KRS 194A.050(1)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 194A.050(1) authorizes the secretary of the Cabinet for Health and Family Services to promulgate, administer, and enforce those administrative regulations necessary to implement programs mandated by federal law or to qualify for the receipt of federal funds and necessary to cooperate with other state and federal agencies for proper administration of the cabinet and its programs. In addition, 42 U.S.C. 677(i) makes available vouchers for education and training to youths who have aged out of foster care or were adopted from foster care at age sixteen (16) or older. This administrative regulation establishes eligibility and an application process, specifies allowable uses, and provides a procedure for administrative hearings pertaining to the educational and training vouchers.

Section 1. Definitions. (1) "Cost of attendance" is defined by 20 U.S.C. 1087II.
(2) "Educational and training voucher" means resources provided to an eligible individual to meet educational or training purposes as specified under 42 U.S.C. 677(i).
(3) "Foster care" is defined by KRS 620.020(5) and 45 C.F.R. 1355.20(a).
(4) "Institution of higher education" is defined by 20 U.S.C. 1001 and 1002.
(5) "Tuition waiver" means waiver of tuition and mandatory fees for Kentucky foster or adopted children pursuant to KRS 164.2847 and 922 KAR 1:450.

Section 2. Eligibility. (1) An individual shall be eligible to receive an educational and training voucher if the individual:
(a) Is committed to the cabinet in accordance with:
1. KRS 620.140(1)(d); or
2. KRS 610.110(6);
(b) Was adopted or entered a state Title IV-E Guardianship Assistance Program from foster care after attaining sixteen (16) years of age; or
(c) Left foster care upon attaining eighteen (18) years of age.
(2) An individual shall be eligible to participate in the voucher program for a maximum of five (5) years until twenty-six (26) years of age if the individual is enrolled in an institution of higher education and is making satisfactory progress towards completion:
(a) As determined by the institution of higher education; and
(b) In accordance with Section 3(2) of this administrative regulation.

Section 3. Application Process. (1) To request an educational and training voucher, an applicant shall submit a completed DPP-334, Request for Educational and Training Voucher Funds, to the cabinet:
(a) Upon initial application for enrollment into an institution of higher education;
(b) When the student transfers to another institution of higher education; or
(c) If a student has not been enrolled continuously at the same institution of higher education.

(2) (a) To maintain eligibility in accordance with Section 2 of this administrative regulation, for each semester or equivalent term of instruction, the cabinet shall contact the National Student Clearinghouse to verify an applicant’s enrollment in an institution of higher education.

(b) If verification cannot be obtained through the National Student Clearinghouse in accordance with paragraph (a) of this subsection, the cabinet shall notify the applicant, and the applicant shall:

1. Contact the applicant’s institution of higher education; and
2. Request that written confirmation of enrollment from the institution of higher education be sent to the cabinet.

(3) If an applicant is determined ineligible by the cabinet, the cabinet shall provide notification, in writing, to the applicant stating the reason for ineligibility.

Section 4. Allowable Payments. (1) An educational and training voucher shall be used to:

(a) Assist an eligible individual to prepare for and enter an institution of higher education, including:

1. A fee for an educational aptitude examination to qualify for or apply to an institution of higher education;
2. An entrance or application fee required by an institution of higher education;
3. An enrollment fee or deposit required by an institution of higher education;
4. Cost of an educational aptitude course to prepare the eligible individual for an examination as specified in this subsection; or
5. An expense, in addition to an expense specified in subparagraphs 2 and 3 of this paragraph, required for entrance by the institution of higher education; or

(b) Pay for the cost of attendance at an institution of higher education.

(2) An educational and training voucher shall not exceed the lesser of $5,000 per year or the total cost of attendance per year.

(3) To the extent that funds are available, the cabinet shall authorize payment for an application for an educational and training voucher to an eligible individual.

(4) In accordance with 42 U.S.C. 677(d)(2), an educational and training voucher shall not be approved for the same purpose as a tuition waiver or other student financial aid.

Section 5. Service Appeal. An applicant who is determined ineligible for an educational and training voucher shall have access to an administrative hearing in accordance with 922 KAR 1:320.


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MARTA MIRANDA-STRAUB, Commissioner
ERIC C. FRIEDLANDER, Secretary

APPROVED BY AGENCY: August 3, 2020
FILED WITH LRC: August 5, 2020 at 2 p.m.

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall, if requested, be October 26, 2020, at 9:00 a.m. in Suites A & B, Health
Services Building, First Floor, 275 East Main Street, Frankfort, Kentucky 40621. Individuals interested in attending this hearing shall notify this agency in writing by October 19, 2020, five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who attends will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on this proposed administrative regulation until October 31, 2020. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to the contact person. Pursuant to KRS 13A.280(8), copies of the statement of consideration and, if applicable, the amended after comments version of the administrative regulation shall be made available upon request.

CONTACT PERSON: Donna Little, Deputy Executive Director, Office of Legislative and Regulatory Affairs, 275 East Main Street 5 W-A, Frankfort, Kentucky 40621; Phone: 502-564-6746; Fax: 502-564-7091; email CHFSregs@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Laura Begin or Donna Little

1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes eligibility and an application process, specifies allowable uses, and provides a procedure for administrative hearings pertaining to educational and training vouchers.

(b) The necessity of this administrative regulation:

KRS 194A.050(1) authorizes the secretary of the Cabinet for Health and Family Services to promulgate, administer, and enforce administrative regulations necessary to implement programs mandated by federal law or to qualify for the receipt of federal funds and necessary to cooperate with other state and federal agencies for proper administration of the cabinet and its programs. 42 U.S.C. 677(i) makes available vouchers for education and training to youths who have aged out of foster care or were adopted from foster care at age sixteen (16) or older. This administrative regulation outlines this process.

(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation conforms with state statute KRS 194A.050(1) and federal code 42 U.S.C. 677.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists in the effective administration of the statutes by explaining the process through which an education and training voucher may be obtained and how it may be used.

2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: The amendment is necessary to update the material incorporated by reference, the DPP-334 form. The amendment also includes reference to a federal program for consistency with the federal rule. Although Kentucky does not participate in this program, Kentucky does provide educational and training voucher (ETV) funds to individuals who were eligible in other states if pursuing their education or training in Kentucky.

(b) The necessity of the amendment to this administrative regulation: The amendment is needed in the material incorporated by reference, the DPP-334, to include students who are currently in the legal custody of the Cabinet for Health and Family Services as meeting the eli-
gibility for educational and training voucher funds. This was inadvertently excluded from previous versions of the form.

(c) How the amendment conforms to the content of the authorizing statutes: The amendment is necessary to conform to state statute and federal rule.

(d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the statutes through clarifying the instructions and making technical corrections to assist an individual in the application for educational and training voucher funds.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: There were 146 individuals who received education and training voucher funds in State Fiscal Year 2018 and 195 individuals who received these funds in SFY 2019.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: Eligible individuals may receive educational and training voucher funds up to the age of twenty-six (26) if they have not received these funds for five (5) years already when they complete the application and submit it as outlined in this administrative regulation. The amendment includes more individuals in the eligibility, consistent with state statute and federal rule.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): The amendment to this administrative regulation imposes no new or additional costs on eligible individuals.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Eligible individuals will benefit through the eligibility process and utilization of educational and training voucher funds.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This is an existing program and the cabinet projects there will be no costs. The educational and training voucher program is funded through a federal grant that requires no matching state funds.

(b) On a continuing basis: This is an existing program and the cabinet projects there will be no continuing costs to implement this amendment. The educational and training voucher program is funded through a federal grant that requires no matching state funds.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This program is entirely funded by federal funds.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: An increase in fees or funding is not necessary to implement this administrative regulation.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This administrative regulation does not establish any fees or directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering is not applied, because this administrative regulation is applied in a like manner statewide.
FEDERAL MANDATE ANALYSIS COMPARISON

1. Federal statute or regulation constituting the federal mandate. 42 U.S.C. 677(d)(2), (i)
2. State compliance standards. KRS 194A.050(1)
3. Minimum or uniform standards contained in the federal mandate. 42 U.S.C. 677(d)(2), (i)
4. Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate? The amended administrative regulation does not impose stricter requirements or responsibilities. This amendment conforms with federal rule.
5. Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements. This administrative regulation does not impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

1. What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Cabinet for Health and Family Services is impacted by this administrative regulation.
2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 194A.050(1), 42 U.S.C. 677(d)(2), (i)
3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.
   (a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate any revenue for state or local government.
   (b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate any revenue for state or local government in subsequent years.
   (c) How much will it cost to administer this program for the first year? An increase in fees or funding is not necessary to implement this administrative regulation.
   (d) How much will it cost to administer this program for subsequent years? The amendment to this administrative regulation is not projected to have a new fiscal impact on the administrative body.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):
Expenditures (+/-):
Other Explanation: