

INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE

Budget Review Subcommittee on Education

Minutes of the 4th Meeting of the 2020 Interim

September 16, 2020

Call to Order and Roll Call

The 4th meeting of the Budget Review Subcommittee on Education of the Interim Joint Committee on Appropriations and Revenue was held on Wednesday, September 16, 2020, at 10:30 AM, in Room 171 of the Capitol Annex. Representative James Tipton, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Alice Forgy Kerr, Co-Chair; Representatives James Tipton, Co-Chair, and Steve Riley, Co-Chair; Senators C.B. Embry Jr., Johnny Ray Turner, and Mike Wilson; Representatives Kim Banta, Tina Bojanowski, Randy Bridges, Joseph M. Fischer, Kelly Flood, Cluster Howard, Regina Huff, C. Ed Massey, Bobby McCool, and Attica Scott.

Guests: Gene Hutchins, Executive Director, Kentucky Higher Education Assistance Authority; Becky Gilpatrick, Director of Student Aid, Kentucky Higher Education Assistance Authority; Beth Roark, Executive Director, Office of Administrative Services, Education and Workforce Development Cabinet; Larry L Rogers, Secretary, Labor Cabinet; Amy Cubbage, General Counsel, Labor Cabinet.

LRC Staff: Chuck Truesdell, Jennifer Krieger, Seth Dawson, Nick Peak, and Amie Elam

Kentucky Higher Education Assistance Authority (KHEAA)

Mr. Hutchins and Ms. Gilpatrick spoke about the impact of COVID-19 on statewide financial aid programs.

In response to a question from Chair Tipton, Mr. Hutchins said the current administration prioritizes education. Thus, KHEAA has not been impacted by any recent budget cuts. Mr. Hutchins added that HB 171 provided KHEAA a manageable level of pension funds.

In response to a question from Representative McCool, Ms. Gilpatrick said there is no mechanism to ensure that scholarships are used towards degree-seeking. She added that

scholarships are awarded to high school students that often have not decided what degree they will pursue. Ms. Gilpatrick stated that the financial aid office at each institution handles the appeals process for students. She added that the time for that process varies.

In response to a question from Representative Howard, Ms. Gilpatrick said that there are mechanisms in place for recalculations due to a change in student status. She added that COVID-19 happened so late in the school year that it would not have affected many student's bottom line.

Career Centers and Unemployment Insurance

Representatives from the Education and Workforce Development Cabinet and the Labor Cabinet provided an update on Career Centers and the Unemployment Insurance transition.

In response to a question from Chair Tipton, Mr. Roberts said the Labor Cabinet has identified 30,000 residents as chronically unemployed individuals. He added that targeted outreach to those individuals will be completed by the career centers to see what resources and training can be provided.

In response to a question from Representative Massey, Ms. Cubbage said that unemployment insurance claims are running around four and a half weeks behind. She added that it would be another couple of weeks before the situation gets any better. Ms. Cubbage said she understands how critical consistency is, and that her office is working to relay clear and straightforward information.

In response to a question from Chair Tipton, Ms. Cubbage said increases will occur in 2021 and the average increase will be ninety dollars per year, per employee. CARES act funding will cover any deficits.

In response to a question from Representative Bridges, Ms. Cubbage said her office will work on getting a letter for the legislature to send to constituents. She added that her office is working on providing more clarity on their website in order to relay honest expectations about claims.

There being no further business to come before the subcommittee, the meeting adjourned at 11:56 a.m.