

BUDGET REVIEW SUBCOMMITTEE ON EDUCATION

Minutes of the 2nd Meeting of the 2025 Interim

August 20, 2025

Call to Order and Roll Call

The second meeting of the Budget Review Subcommittee on Education was held on August 20, 2025, at 10:30 AM in Room 154 of the Capitol Annex. Representative Steve Riley, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Steve Riley Co-Chair; Senator Steve Rawlings Co-Chair; Representative Kim Banta Co-Chair; Senators Christian McDaniel, Gerald A. Neal, and Stephen West; Representatives George Brown Jr., Scott Lewis, Bobby McCool, James Tipton, Josh Bray, Shane Baker, Tina Bojanowski, Mike Clines, and Timmy Truett.

Guests: Travis Powell, Executive Vice President and General Counsel, Council on Postsecondary Education; Dr. Amanda Ellis, Senior Vice President of Student Access and Success, Council on Postsecondary Education; Leslie Brown, Assistant Vice President of Operations, Council on Postsecondary Education; Jo Carole Ellis, Executive Director, Kentucky Higher Education Assistance Authority; Becky Gilpatrick, Director of Student Aid, Kentucky Higher Education Assistance Authority.

LRC Staff: Liz Columbia, Mariah Derringer-Lackey, Justin Smith, David Talley, Ethan Williams, and Amie Elam.

The minutes from the July 15, 2025, meeting were approved by voice vote.

Lottery-Funded Scholarships

Jo Carole Ellis and Becky Gilpatrick from KHEAA gave an update to the committee on lottery-funded scholarships.

In response to a question from Representative Bojanowski, Ms. Gilpatrick explained that KHEAA determines initial eligibility, while schools make the final determinations. This process accounts for the difference between the number of applicants and the number of recipients.

In response to a question from Representative McCool, Ms. Gilpatrick explained that Kentucky Tuition Grants (KTG) are awarded using a different need-based formula than Pell Grants, making more middle-income families eligible for KTG.

In response to a question from Senator Neal, Ms. Gilpatrick noted that projecting the number of first-time resident undergraduate FAFSA filers is difficult. She added that once awards begin to be distributed at the end of November, KHEAA will have a clearer understanding of whether sufficient funds will be available to cover all applicants.

In response to a question from Representative Tipton, Ms. Ellis stated that KHEAA is closely monitoring federal changes but does not anticipate any impact on grant or scholarship programs. She noted that the current changes will affect only student loan programs.

In response to a question from Senator McDaniel, Ms. Gilpatrick said that the Council on Postsecondary Education has dual-credit tracking data.

In response to a question from Representative Bray, Ms. Gilpatrick explained that each grant and scholarship program has its own eligibility requirements. She added that there are no income requirements for Kentucky Educational Excellence Scholarships (KEES), dual-credit, or Work Ready programs.

In response to a question from Representative McCool, Ms. Ellis stated that dual-credit programs help reduce the cost of postsecondary education. She cited a study showing a decline in college debt levels among Kentucky students, likely due to students earning college credits while still in high school.

In response to a question from Representative Truett, Ms. Gilpatrick stated that 9th- and 10th-grade students are eligible for two career and technical education courses per year, while 11th- and 12th-grade students may take two career and technical education courses and two general education courses annually. She added that students may take additional classes at a discounted rate.

In response to a question from Senator West, Ms. Ellis explained that while the top five high-demand workforce sectors are referenced in the WorkReady statute, they are not exclusive to the program. She added that WorkReady is limited to short-term credentials and certificates, which may prevent teachers from qualifying.

2026-2028 Budget Priorities

Representatives from the Council on Postsecondary Education (CPE) presented an update to the committee on the Council's 2026-2028 budget priorities. The presentation included 2025-2026 budget information, Futuriti expansion projects details, and additional budget requests.

In response to a question from Senator West, Dr. Ellis stated that Futuriti will include a link

where students can view employment areas with expected salaries, find schools offering related programs, explore open positions listed by employers, and access scholarship opportunities. She added that CPE hopes to track post-graduate outcomes in the future.

In response to a question from Representative Baker, Dr. Ellis stated that Futuriti had a goal of 10,000 website visitors and is currently just shy of 25,000. She added that the site tracks how visitors arrive, with "trusted sources" being the most common method.

There being no further business before the subcommittee, the meeting adjourned at 11:58 a.m.