

AN ACT relating to the Kentucky Educational Excellence Scholarship and making an appropriation therefor.

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

➔Section 1. KRS 164.7881 is amended to read as follows:

(1) Eligible high school students who have graduated from high school and eligible postsecondary students who have earned a Kentucky educational excellence scholarship, a Kentucky educational excellence scholarship and a supplemental award, or a supplemental award only pursuant to KRS 164.7879(3)(e), shall be eligible to receive the Kentucky educational excellence scholarship, the Kentucky educational excellence scholarship and the supplemental award, or a supplemental award only for a maximum of eight (8) academic terms in an undergraduate or other postsecondary program of study at a participating institution, except as provided in subsections~~[(5) and]~~ (6) and (7) of this section.

(2) (a) Notwithstanding any other statute to the contrary, an eligible high school student may use the KEES award the student has earned to pay tuition for up to six (6) college credit hours provided by a participating institution if:

1. The student is:

a. A high school senior beginning with the 2017-2018 academic year; or

b. A high school junior or senior beginning with the 2018-2019 academic year; and

2. The student is enrolled in:

a. A dual credit program as defined in KRS 164.002(5); or

b. A career or technical course or courses required for an industry-recognized certificate or licensure program.

(b) The amount used to pay for tuition as described in paragraph (a) of this subsection shall not exceed the total KEES award amount earned at the

time of enrollment in the course or courses.

(c) The KEES award maximum for an eligible postsecondary student shall be reduced by proportionally applying any amount used while in high school over eight (8) academic terms, or ten (10) academic terms for a student who is enrolled in a five (5) year undergraduate degree program as described in subsection (7) of this section.

(d) Use of a KEES award by an eligible high school student as described in paragraph (a) of this subsection shall not affect the length of time and the number of academic terms during which an eligible postsecondary student may receive a KEES award in accordance with this section.

(3) To receive the Kentucky educational excellence scholarship, a Kentucky educational excellence scholarship and supplemental award, or a supplemental award only, an eligible high school or postsecondary student shall:

- (a) Enroll in and attend a participating institution as a full-time student or a part-time student; and
- (b) Maintain eligibility as provided in subsection ~~(4)~~~~(3)~~ of this section.

~~(4)~~~~(3)~~ Eligibility for a Kentucky educational excellence scholarship or a Kentucky educational excellence scholarship and supplemental award shall terminate upon the earlier of:

- (a) The expiration of five (5) years following the student's graduation from high school, except as provided in subsection ~~(5)~~~~(6)~~ **or (7)** of this section; or
- (b) The successful completion of an undergraduate or other postsecondary course of study. However, any student who successfully completes the requirements for a degree or certification involving a postsecondary course of study that normally requires less than eight (8) academic terms to complete may continue to receive the benefits of a Kentucky educational excellence scholarship, a Kentucky educational excellence scholarship and supplemental

award, or a supplemental award only, for a cumulative total of eight (8) academic terms if the student enrolls as at least a part-time student in a four (4) year program.

- ~~(5)~~~~(4)~~ (a) The maximum award amount shall be determined by the authority and shall be adjusted as provided in this subsection. The award amount ultimately determined to be available to an eligible postsecondary student for an award period shall be delivered by the authority to the participating institution for disbursement to the eligible postsecondary student.
- (b) The authority shall, by promulgation of administrative regulations, provide for the proportionate reduction of the maximum award amount for an eligible postsecondary student for any academic term in which the student is enrolled on a part-time basis. Each academic term for which any scholarship or supplemental award funds are accepted by an eligible postsecondary student shall count as a full academic term, even if the award amount was reduced to reflect the part-time status of the eligible postsecondary student, except if the eligible postsecondary student interrupts enrollment during the award period for any reason specified in subsection ~~(6)~~~~(5)~~ of this section, and the participating institution does not certify a cumulative grade point average for that student at the end of that award period.
- (c) 1. An eligible postsecondary student who is enrolled full-time in an undergraduate program of study, in the pharmacy program at the University of Kentucky, or in a program of study designated as an equivalent undergraduate program of study by the authority in an administrative regulation, shall receive the maximum award amount for the first award period that the student is enrolled in and attending the program of study.
2. To retain the maximum award for the second award period, an eligible

postsecondary student shall have at least a 2.5 grade point average at the end of the first award period. If the eligible postsecondary student interrupts enrollment during the award period for any reason specified in subsection ~~(6)(5)~~ of this section, and the participating institution does not certify a cumulative grade point average for that student at the end of that award period, the eligible postsecondary student shall, subject to paragraph (b) of this subsection, retain the maximum award for the award period in which he or she resumes enrollment.

3. To retain the maximum award amount for subsequent award periods, an eligible postsecondary student shall have:
 - a. A cumulative grade point average of 3.0 or greater at the end of the prior award period. If the eligible postsecondary student interrupts enrollment during the award period for any reason specified in subsection ~~(6)(5)~~ of this section, and the participating institution does not certify a cumulative grade point average for that student at the end of that award period, the eligible postsecondary student shall, subject to paragraph (b) of this subsection, retain the same award for the award period in which he or she resumes enrollment as he or she received in the award period in which enrollment was interrupted; or
 - b. A cumulative grade point average of 2.5 or greater but less than 3.0 at the end of the prior award period and be on track to graduate. If the eligible postsecondary student interrupts enrollment during the award period for any reason specified in subsection ~~(6)(5)~~ of this section, and the participating institution does not certify a cumulative grade point average for that student at the end of that award period, the eligible postsecondary student

shall, subject to paragraph (b) of this subsection, retain the same award for the award period in which he or she resumes enrollment as he or she received in the award period in which enrollment was interrupted.

4. Any eligible full-time postsecondary student who maintains a cumulative grade point average of less than 3.0 but at least 2.5 but is not on track to graduate at the completion of any award period shall receive a reduction in the maximum award amount equal to fifty percent (50%) of the maximum award amount for the next award period.
5. Any eligible postsecondary student who maintains a cumulative grade point average of less than 2.5 at the completion of any award period shall lose his or her award for the next award period.
6.
 - a. Each participating institution shall certify to the authority at the close of each award period the cumulative grade point average of each Kentucky educational excellence scholarship recipient enrolled as a full-time or part-time student at the participating institution.
 - b. In addition to reporting the grade point average, beginning with the 2010-2011 academic year, each participating institution shall certify to the authority at the close of each award period whether a Kentucky educational excellence scholarship recipient who initially enrolled in college in 2009-2010 or thereafter is on track to graduate.
7. Any student who loses eligibility through failure to maintain the required cumulative grade point average may regain eligibility in a subsequent award period upon reestablishing at least a 2.5 cumulative grade point average or its equivalent during a subsequent award period,

as certified by the participating institution.

~~(6)~~~~(5)~~ The expiration of a student's eight (8) academic terms and five (5) year eligibility shall be extended by the authority upon a determination that the student was unable to enroll for or complete an academic term due to any of the following circumstances:

- (a) A serious and extended illness or injury of the student, certified by an attending physician;
- (b) The death or serious and extended illness or injury of an immediate family member of the student, certified by an attending physician, which would render the student unable to attend classes;
- (c) Natural disasters that would render a student unable to attend classes; or
- (d)
 1. Active duty status for the student in the United States Armed Forces or as an officer in the Commissioned Corps of the United States Public Health Service, or active service by the student in the Peace Corps Act or the Americorps, for the total number of years during which the student was on active duty status. The number of months served on active duty status shall be rounded up to the next higher year to determine the maximum length of eligibility extension allowed.
 2. A student whose eligibility expired prior to July 15, 2008, due to the three (3) year time limit on eligibility extensions imposed by this paragraph prior to July 15, 2008, shall have his or her eligibility reinstated for the number of years beyond the three (3) years during which he or she was on active duty status. The number of months served on active duty status shall be rounded up to the next higher year to determine the maximum length of eligibility extension allowed.

~~(7)~~~~(6)~~ An eligible postsecondary student who is enrolled at a participating institution in a five (5) year undergraduate degree program designated in an administrative

regulation promulgated by the authority shall be eligible to receive the Kentucky educational excellence scholarship, the Kentucky educational excellence scholarship and the supplemental award, or the supplemental award only for a maximum of ten (10) academic terms. The expiration of an eligible postsecondary student's five (5) year eligibility shall be extended to six (6) years for eligible postsecondary students meeting the requirements of this subsection.

~~(8)~~~~(7)~~ Each participating institution shall notify its students of their terms of eligibility.

~~(9)~~~~(8)~~ Each eligible high school student who attains a 28 or above on the ACT and a 4.0 grade point average for all four (4) years of high school shall be designated as a "Senator Jeff Green Scholar" in honor of the late Senator Jeff Green of Mayfield, Kentucky, First District, and shall be recognized by the high school in a manner consistent with recognition given by the high school to other high levels of academic achievement.

➔Section 2. KRS 164.7885 is amended to read as follows:

- (1) Not later than August 1, 1999, and each June 30 thereafter, each Kentucky high school shall submit to the authority, a compiled list of all high school students during the academic year. A high school shall report the grade point average of an eligible high school student pursuant to KRS 164.7874 by January 15 following the end of the fall academic term in which the student completed the high school graduation requirements. The list shall identify the high school and shall contain each high school student's name, Social Security number, address, grade point average for the academic year, expected or actual graduation date, highest ACT score, family eligibility status for free or reduced-price lunch, and each AP, Cambridge Advanced International, or IB examination score. The Gatton Academy of Mathematics and Science in Kentucky and the Craft Academy for Excellence in Science and Mathematics shall report the data on its students to the authority. The

list need not contain the ACT, AP, Cambridge Advanced International, or IB if the authority receives the scores directly from the testing services. The authority shall notify each eligible high school student of his or her Kentucky educational excellence scholarship award earned each academic year. The authority shall determine the final Kentucky educational excellence scholarship and supplemental award based upon the actual final grade point average, highest ACT score, and qualifying AP, Cambridge Advanced International, or IB scores, and any adjustment under subsection (2)(c) of Section 1 of this Act and shall notify each eligible twelfth-grade high school student of the final determination. The authority shall make available a list of eligible high school and postsecondary students to participating institutions.

- (2) The authority shall provide data access only to the Kentucky Longitudinal Data System and to those participating institutions that have either received an admission application from an eligible high school or postsecondary student or have been listed by the eligible high school or postsecondary student on the Free Application For Federal Student Aid.
- (3) For each eligible postsecondary student enrolling in a participating institution after July 1, 1999, the participating institution shall verify to the authority:
 - (a) The student's initial eligibility for a Kentucky educational excellence scholarship, Kentucky educational excellence scholarship and supplemental award, or supplemental award only pursuant to KRS 164.7879(3)(~~e~~)(~~d~~) through the comprehensive list compiled by the authority or an alternative source satisfactory to the authority;
 - (b) The student's highest ACT score attained by the date of graduation from high school, provided that the participating institution need not report the ACT score if the authority receives the ACT score directly from the testing services;
 - (c) The eligible postsecondary student's full-time or part-time enrollment status at

- the beginning of each academic term; and
- (d) The eligible postsecondary student's cumulative grade point average after the completion of each award period.
- (4) Each participating institution shall submit to the authority a report, in a form satisfactory to the authority, of all eligible postsecondary students enrolled, **and all eligible high school students enrolled in a course or courses under subsection (2) of Section 1 of this Act,** for that academic term. Kentucky educational excellence scholarships and supplemental awards shall be disbursed by the authority to each eligible postsecondary student, **and each eligible high school student enrolled in a course or courses under subsection (2) of Section 1 of this Act,** attending a participating institution during the academic term within thirty (30) days after receiving a satisfactory report.
- (5) The Kentucky educational excellence scholarship and the supplemental award shall not be reduced, except as provided in KRS 164.7881**(2)(c) and (5)**~~[(4)]~~.
- (6) Kentucky educational excellence scholarships and supplemental awards shall not be awarded or disbursed to any eligible postsecondary students who are:
- (a) In default on any loan under Title IV of the federal act; or
 - (b) Liable for any amounts that exceed annual or aggregate limits on any loan under Title IV of the federal act; or
 - (c) Liable for overpayment of any grant or loan under Title IV of the federal act; or
 - (d) In default on any obligation to the authority under any programs administered by the authority until financial obligations to the authority are satisfied, except that ineligibility may be waived by the authority for cause.
- (7) Notwithstanding the provisions of KRS 164.753, the authority may promulgate administrative regulations for the administration of Kentucky educational excellence scholarships and supplemental awards under the provisions of KRS

164.7871 to 164.7885 and KRS 164.7889.

→Section 3. For fiscal year 2017-2018, if adequate funds are not appropriated for the payment of Kentucky educational excellence scholarship expenditures specified in subsection (2)(a) of Section 1 of this Act, the expenditures shall be a necessary governmental expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

→Section 4. It is the intent of the General Assembly that the use of Kentucky educational excellence scholarship funds by high school students for the purposes of this Act shall not be considered in any way to impact or reduce the allocation of Support Educational Excellence in Kentucky, or SEEK, funds to local school districts.