

1 AN ACT relating to the Work Ready Kentucky Scholarship and making an  
2 appropriation therefor.

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

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

6 *(1) The General Assembly hereby establishes the Work Ready Kentucky Scholarship*  
7 *Program to ensure all Kentuckians who have not yet earned a postsecondary*  
8 *degree have affordable access to an industry-recognized certificate or diploma.*

9 *(2) For purposes of this section:*

10 *(a) "Academic term" means a fall, spring, or summer academic term or other*  
11 *time period specified in an administrative regulation promulgated by the*  
12 *authority;*

13 *(b) "Academic year" means July 1 through June 30 of each year;*

14 *(c) "Eligible program of study" means a program approved by the authority*  
15 *that leads to an industry-recognized certificate or diploma in one (1) of*  
16 *Kentucky's top five (5) high-demand workforce sectors identified by the*  
17 *Kentucky Workforce Innovation Board and the Education and Workforce*  
18 *Development Cabinet;*

19 *(d) "Eligible student" means a student who meets the requirements of*  
20 *subsection (4) of this section;*

21 *(e) "Fees" means mandatory fees charged by a participating institution for*  
22 *enrollment in a course, including but not limited to on-demand course fees,*  
23 *lab fees, and administrative fees. "Fees" does not include tools, books, or*  
24 *other instructional materials that may be required for a course;*

25 *(f) "Maximum program award" means one hundred twenty percent (120%) of*  
26 *the program tuition amount;*

27 *(g) "Participating institution" means an "institution" as defined in KRS*

- 1           164.001 that actively participates in the federal Pell Grant program,  
2           executes a contract with the authority on terms the authority deems  
3           necessary or appropriate for the administration of its programs, and is a:
- 4           1. Kentucky Community and Technical College System institution;
  - 5           2. Four (4) year Kentucky public college or university; or
  - 6           3. Kentucky college or university that is accredited by a federally  
7           recognized regional or national accrediting body; and
- 8           (h) "Program tuition amount" means the in-state tuition amount for one (1)  
9           credit hour at the Kentucky Community and Technical College System  
10           multiplied by the number of credit hours in which an eligible student is  
11           enrolled for the academic term.
- 12           (3) In consultation with the Education and Workforce Development Cabinet, the  
13           Kentucky Higher Education Assistance Authority shall administer the Work  
14           Ready Kentucky Scholarship Program and promulgate administrative regulations  
15           in accordance with KRS Chapter 13A as may be needed for the administration of  
16           the scholarship.
- 17           (4) To be eligible for a Work Ready Kentucky Scholarship, a student shall:
- 18           (a) Be a citizen or permanent resident of the United States;
  - 19           (b) Be a Kentucky resident as determined by the participating institution in  
20           accordance with criteria established by the Council on Postsecondary  
21           Education for the purposes of admission and tuition assessment;
  - 22           (c) Have earned a high school diploma or a High School Equivalency Diploma  
23           or be enrolled in a High School Equivalency Diploma program;
  - 24           (d) Not have earned an associate's degree or a higher level postsecondary  
25           degree;
  - 26           (e) Complete the Free Application for Federal Student Aid for the academic  
27           year in which the scholarship is awarded;

1 (f) Complete and submit a Work Ready Kentucky Scholarship application to  
2 the authority;

3 (g) Enroll in an eligible program of study at a participating institution;

4 (h) Be enrolled for at least three (3) credit hours for the academic term; and

5 (i) Not be in default on any obligation to the authority under any program  
6 administered by the authority under KRS 164.740 to 164.7891 or 164.7894,  
7 except that ineligibility for this reason may be waived by the authority for  
8 cause.

9 (5) (a) The authority shall award a Work Ready Kentucky Scholarship each  
10 academic term to any person who meets the requirements of this section to  
11 the extent funds are available for that purpose.

12 (b) The scholarship amount awarded to an eligible student for an academic  
13 term shall be the lesser of:

14 1. The maximum program award; or

15 2. The amount remaining after subtracting the student's federal and  
16 state grants from the sum of the program tuition amount and fees for  
17 the academic term. Work study and student loan funds shall not be  
18 included in the calculation.

19 (6) (a) A student shall have at least a 2.0 grade point average for each academic  
20 term to retain the Work Ready Kentucky Scholarship for the subsequent  
21 academic term.

22 (b) If a student interrupts enrollment during the academic term due to a serious  
23 and extended illness or injury of the student, the death or serious and  
24 extended illness or injury of an immediate family member of the student,  
25 natural disasters that would render a student unable to attend classes, or  
26 military deployment, and the participating institution does not certify a  
27 grade point average for that student at the end of that academic term, the

1           student shall retain eligibility for the academic term in which he or she  
2           resumes enrollment, if the student resumes enrollment within the two (2)  
3           following academic terms, not including a summer term.

4           (c) A student who does not meet the grade point average requirement may  
5           regain eligibility for the subsequent academic term upon establishing at  
6           least a 2.0 cumulative grade point average, as certified by the participating  
7           institution.

8           (7) A student's eligibility for the scholarship shall terminate upon the earlier of:

9           (a) Receiving the scholarship for the equivalent of four (4) academic terms, as  
10           determined by the authority;

11           (b) Receiving the scholarship for a total of thirty-two (32) credit hours;

12           (c) Obtaining an associate's degree;

13           (d) Failing to enroll for more than two (2) consecutive academic terms, not  
14           including the summer term; or

15           (e) The end of six (6) consecutive academic terms, excluding summer terms,  
16           after the first term the student receives the scholarship.

17           (8) The authority shall annually provide a report on the Work Ready Kentucky  
18           Scholarship Program, prepared in collaboration with the Kentucky Center for  
19           Education and Workforce Statistics, to the secretary of the Education and  
20           Workforce Development Cabinet that includes the following:

21           (a) By academic term and academic year, the number of:

22           1. Students served by the scholarship and the total amount disbursed;

23           2. Credits, certificates, and diplomas earned by students receiving the  
24           scholarship; and

25           3. Students receiving the scholarship who earn credits, certificates,  
26           diplomas, and degrees; and

27           (b) By workforce sector, the number of:

- 1           1. Credits, certificates, and diplomas earned by students receiving the  
2           scholarship; and
- 3           2. Students receiving the scholarship who earn credits, certificates,  
4           diplomas, and degrees.
- 5   (9) (a) The Work Ready Kentucky Scholarship fund is hereby created as a trust  
6   fund in the State Treasury to be administered by the authority, in  
7   collaboration with the Education Workforce and Development Cabinet, for  
8   the purpose of providing scholarships as described in this section.
- 9   (b) The trust fund shall consist of state general fund appropriations, gifts and  
10   grants from public and private sources, and federal funds. All moneys  
11   included in the fund shall be appropriated for the purposes set forth in this  
12   section.
- 13   (c) Any unallotted or unencumbered balances in the trust fund shall be invested  
14   as provided in KRS 42.500(9). Income earned from the investments shall be  
15   credited to the trust fund.
- 16   (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal  
17   year shall not lapse but shall be carried forward to the next fiscal year and  
18   continuously appropriated only for the purposes specified in this section.

19       ➔Section 2. The General Assembly confirms Executive Order 2017-434, dated  
20       June 30, 2017, to the extent not otherwise confirmed or superseded by this Act.