

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

23 *(e) "Participating institution" means an "institution" as defined in KRS*
24 *164.001 that actively participates in the federal Pell Grant program,*
25 *executes a contract with the authority on terms the authority deems*
26 *necessary or appropriate for the administration of its programs, and is a:*
27 *1. Kentucky Community and Technical College System institution;*

- 1 2. Four (4) year Kentucky public college or university; or
- 2 3. Kentucky college or university that is accredited by a nationally
- 3 recognized accrediting organization and licensed by the Council on
- 4 Postsecondary Education; and
- 5 (f) "Program tuition amount" means one hundred twenty percent (120%) of
- 6 the in-state tuition amount for one (1) credit hour at the Kentucky
- 7 Community and Technical College System.
- 8 (3) In consultation with the Education and Workforce Development Cabinet, the
- 9 Kentucky Higher Education Assistance Authority shall administer the Work
- 10 Ready Kentucky Scholarship Program and promulgate administrative regulations
- 11 in accordance with KRS Chapter 13A as may be needed for the administration of
- 12 the scholarship.
- 13 (4) To be eligible for a Work Ready Kentucky Scholarship, a student shall:
- 14 (a) Be a citizen or permanent resident of the United States;
- 15 (b) Be a Kentucky resident as determined by the participating institution in
- 16 accordance with criteria established by the Council on Postsecondary
- 17 Education for the purposes of admission and tuition assessment;
- 18 (c) Have earned a high school diploma or a High School Equivalency Diploma
- 19 or be enrolled in a High School Equivalency Diploma program;
- 20 (d) Not have earned an associate's degree or a higher level postsecondary
- 21 degree;
- 22 (e) Complete the Free Application for Federal Student Aid for the academic
- 23 year in which the scholarship is awarded;
- 24 (f) Complete and submit a Work Ready Kentucky Scholarship application to
- 25 the authority;
- 26 (g) Enroll in an eligible program of study at a participating institution;
- 27 (h) Be enrolled for at least three (3) credit hours for the academic term; and

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

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

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

10 1. The program tuition amount multiplied by the number of credit hours
11 taken by the student plus fees charged to the student for the academic
12 term; or

13 2. The amount remaining after subtracting the student's federal and
14 state grants and scholarships from the cost of attendance for the
15 academic term. Work study and student loan funds shall not be
16 included in the calculation.

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

20 (b) If a student interrupts enrollment during the academic term due to a serious
21 and extended illness or injury of the student, the death or serious and
22 extended illness or injury of an immediate family member of the student,
23 natural disasters that would render a student unable to attend classes, or
24 military deployment, and the participating institution does not certify a
25 grade point average for that student at the end of that academic term, the
26 student shall retain eligibility for the academic term in which he or she
27 resumes enrollment, if the student resumes enrollment within the two (2)

1 following academic terms, not including a summer term.

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

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

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

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

10 (c) Obtaining an associate's degree;

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

13 (e) Failing to earn at least three (3) credit hours in two (2) consecutive
14 academic terms, not including the summer term; or

15 (f) 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.