

1 AN ACT relating to dual credit scholarships.

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

3 ➔Section 1. KRS 164.786 is amended to read as follows:

4 (1) For purposes of this section:

5 (a) "Academic term" means the fall or spring academic semester;

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

7 (c) "Approved dual credit course" means a dual credit course developed in  
8 accordance with KRS 164.098 and shall include general education courses  
9 and career and technical education courses within a career pathway approved  
10 by the Kentucky Department of Education that leads to an industry-recognized  
11 credential;

12 (d) "Authority" means the Kentucky Higher Education Assistance Authority;

13 (e) "Dual credit" has the same meaning as in KRS 158.007;

14 (f) "Dual credit tuition rate ceiling" means one-third (1/3) of the per credit hour  
15 tuition amount charged by the Kentucky Community and Technical College  
16 System for in-state students;

17 (g) "Eligible high school student" means a student who:

18 1. Is a Kentucky resident;

19 2. Is enrolled in a Kentucky high school ~~as a senior or junior~~;

20 3. Has completed a thirty (30) minute college success counseling session;  
21 and

22 4. Is enrolled, or accepted for enrollment, in an approved dual credit course  
23 at a participating institution;

24 (h) "Participating institution" means a postsecondary institution that:

25 1. Has an agreement with the authority for the administration of the Dual  
26 Credit Scholarship Program;

27 2. Charges no more than the dual credit tuition rate ceiling per credit hour,

- 1 including any additional fees, for any dual credit course it offers to any  
 2 Kentucky public or nonpublic high school student;
- 3 3. Does not charge any tuition or fees to an eligible high school student for  
 4 an approved dual credit course beyond what is paid by the Dual Credit  
 5 Scholarship Program when the course is not successfully completed; and
- 6 4. Is a:
- 7 a. Kentucky Community and Technical College System institution;
- 8 b. Four (4) year Kentucky public college or university; or
- 9 c. Four (4) year private college or university that is accredited by the  
 10 Southern Association of Colleges and Schools and whose main  
 11 campus is located in Kentucky; and
- 12 (i) "Successfully completed" means a student receiving both secondary and  
 13 postsecondary credit upon completion of an approved dual credit course.
- 14 (2) To promote dual credit coursework opportunities at no cost to eligible Kentucky  
 15 high school students, the General Assembly hereby establishes the Dual Credit  
 16 Scholarship Program.
- 17 (3) In consultation with the Council on Postsecondary Education, the Kentucky  
 18 Department of Education, and the Education and Workforce Development  
 19 Cabinet, the authority shall administer the Dual Credit Scholarship Program and  
 20 shall promulgate administrative regulations in accordance with KRS Chapter 13A  
 21 as may be needed for the administration of the program.
- 22 (4) (a) Each high school shall apply to the authority for dual credit scholarship funds  
 23 for each eligible high school student.
- 24 (b) The authority may award a dual credit scholarship to an eligible high school  
 25 student for an academic term to the extent funds are available for that purpose,  
 26 except that priority for awarding a scholarship shall be given in  
 27 order~~awarded~~ to an eligible high school senior, ~~prior to awarding an~~

- 1           ~~eligible high school~~ junior, sophomore, and freshman.
- 2           (c) An eligible high school student may receive a dual credit scholarship for a  
3           maximum of ten (10) approved dual credit courses as follows:
- 4           1. Two (2) successfully completed *career and technical education* dual  
5           credit courses *per academic year; and*
- 6           2. *A total of two (2) successfully completed general education dual credit*  
7           *courses over the junior and senior year.*
- 8           (d) The dual credit scholarship award amount shall be equal to the amount  
9           charged by a participating institution, not to exceed the dual credit tuition rate  
10          ceiling for each dual credit hour, except the scholarship amount shall be  
11          reduced by fifty percent (50%) if the dual credit course is not successfully  
12          completed by the student.
- 13          (e) Dual credit scholarship funds shall not be used for remedial or developmental  
14          coursework.
- 15          (5) Each participating institution shall submit information each academic term to the  
16          authority required for the administration of the scholarship as determined by the  
17          authority.
- 18          (6) Beginning August 1, 2017, and each year thereafter, the authority shall provide a  
19          report to the secretary of the Education and Workforce Development Cabinet, the  
20          president of the Council on Postsecondary Education, and the commissioner of the  
21          Kentucky Department of Education to include:
- 22                  (a) The number of students, by local school district and in total, served by the  
23                  Dual Credit Scholarship Program; and
- 24                  (b) The number of *general education and career and technical education* dual  
25                  credits earned by students by high school and in total.
- 26          (7) By May 31, 2019, and each year thereafter, the Kentucky Center for Education and  
27          Workforce Statistics, in collaboration with the authority, shall publish data on the

1 Dual Credit Scholarship Program's academic and workforce outcomes. The center  
2 shall annually provide a report on the data to the Interim Joint Committee on  
3 Education.

4 (8) (a) The Dual Credit Scholarship Program trust fund is hereby created as a trust  
5 fund in the State Treasury to be administered by the Kentucky Higher  
6 Education Assistance Authority for the purpose of providing scholarships  
7 described in this section.

8 (b) The trust fund shall consist of state general fund appropriations, gifts and  
9 grants from public and private sources, and federal funds. All moneys  
10 included in the fund shall be appropriated for the purposes set forth in this  
11 section.

12 (c) Any ~~unallotted~~<sup>unalloted</sup> or unencumbered balances in the trust fund shall be  
13 invested as provided in KRS 42.500(9). Income earned from the investments  
14 shall be credited to the trust fund.

15 (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year  
16 shall not lapse but shall be carried forward to the next fiscal year and  
17 continuously appropriated only for the purposes specified in this section.

18 ➔Section 2. KRS 164.787 is amended to read as follows:

19 (1) The General Assembly hereby establishes the Work Ready Kentucky Scholarship  
20 Program to ensure that all Kentuckians who have not yet earned a postsecondary  
21 degree have affordable access to an industry-recognized certificate, diploma, or  
22 associate of applied science degree.

23 (2) For purposes of this section:

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

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

27 (c) ~~["Approved dual credit course" means a dual credit course developed in~~

1           ~~accordance with KRS 164.098 that is a career and technical education course~~  
 2           ~~within a career pathway approved by the Kentucky Department of Education~~  
 3           ~~that leads to an industry-recognized credential;~~

4           ~~(d) "Dual credit tuition rate ceiling" means the same as defined in 164.786;~~

5           ~~(e) ]~~"Eligible institution" means an institution defined in KRS 164.001 that:

- 6           1. Actively participates in the federal Pell Grant program;
- 7           2. Executes a contract with the authority on terms the authority deems  
 8           necessary or appropriate for the administration of its programs; ***and***
- 9           3. ~~[Charges no more than the dual credit tuition rate ceiling per credit hour,~~  
 10           ~~including any additional fees, for any dual credit course it offers to any~~  
 11           ~~Kentucky public or nonpublic high school student; and~~

12           4. ~~]~~Is a:

- 13           a. Kentucky Community and Technical College System institution;
- 14           b. Kentucky public university; or
- 15           c. College, university, or vocational-technical school that is  
 16           accredited by a recognized regional or national accrediting body  
 17           and licensed to operate at a site in Kentucky;

18           ~~(d)~~~~(f)~~ "Eligible program of study" means a program approved by the authority  
 19           that leads to an industry-recognized certificate, diploma, or associate of  
 20           applied science degree in one (1) of Kentucky's top five (5) high-demand  
 21           workforce sectors identified by the Kentucky Workforce Innovation Board  
 22           and the Education and Workforce Development Cabinet;

23           ~~(e)~~~~(g)~~ "Fees" means mandatory fees charged by an eligible institution for  
 24           enrollment in a course, including but not limited to online course fees, lab  
 25           fees, and administrative fees. "Fees" does not include tools, books, or other  
 26           instructional materials that may be required for a course; and

27           ~~(f)~~~~(h)~~ "Tuition" means the in-state tuition charged to all students as a condition

1 of enrollment in an eligible institution.

2 (3) In consultation with the Education and Workforce Development Cabinet~~[, the~~  
3 ~~Kentucky Department of Education,]~~ and the Council on Postsecondary Education,  
4 the Kentucky Higher Education Assistance Authority shall administer the Work  
5 Ready Kentucky Scholarship Program and promulgate administrative regulations in  
6 accordance with KRS Chapter 13A as may be needed for the administration of the  
7 scholarship.

8 (4) ~~[An eligible high school student shall:~~

9 ~~(a) Be a Kentucky resident;~~

10 ~~(b) Be enrolled in a Kentucky high school;~~

11 ~~(c) Be enrolled, or accepted for enrollment, in an approved dual credit course at~~  
12 ~~an eligible institution; and~~

13 ~~(d) Complete and submit a Work Ready Kentucky Scholarship dual credit~~  
14 ~~application to the authority.~~

15 ~~(5) ]An eligible workforce student shall:~~

16 (a) Be a citizen or permanent resident of the United States;

17 (b) Be a Kentucky resident as determined by the eligible institution in accordance  
18 with criteria established by the Council on Postsecondary Education for the  
19 purposes of admission and tuition assessment;

20 (c) Have earned a high school diploma or a High School Equivalency Diploma or  
21 be enrolled in a High School Equivalency Diploma program;

22 (d) Not have earned an associate's degree or higher level postsecondary degree;

23 (e) Complete the Free Application for Federal Student Aid for the academic year  
24 in which the scholarship is awarded;

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

27 (g) Enroll in an eligible program of study at an eligible institution;

- 1 (h) Not be enrolled in an ineligible degree program, such as a bachelor or  
2 unapproved associate program, at any postsecondary institution;
- 3 (i) Following the first academic term scholarship funds are received, achieve and  
4 maintain satisfactory academic progress as determined by the eligible  
5 institution; and
- 6 (j) Not be in default on any program under Title IV of the federal act or any  
7 obligation to the authority under any program administered by the authority  
8 under KRS 164.740 to 164.7891 or 164.7894, except that ineligibility for this  
9 reason may be waived by the authority for cause.
- 10 ~~(5)~~~~(6)~~ (a) Beginning with the 2019-2020 academic year, the authority shall award  
11 a Work Ready Kentucky Scholarship each academic term to any person who  
12 meets the requirements of this section to the extent funds are available for that  
13 purpose.
- 14 (b) The scholarship amount awarded to an eligible workforce student for an  
15 academic term shall be the amount remaining after subtracting the student's  
16 federal and state grants and scholarships from the maximum scholarship  
17 amount. The maximum scholarship amount shall be the per credit hour in-  
18 state tuition rate at the Kentucky Community and Technical College System  
19 multiplied by the number of credit hours in which the student is enrolled and  
20 the fees charged to the student. The authority shall promulgate an  
21 administrative regulation in accordance with KRS Chapter 13A to specify the  
22 maximum amount to be awarded for fees, except that for the 2019-2020  
23 academic year the amount awarded for fees shall not exceed four hundred  
24 dollars (\$400).f
- 25 ~~(c) The scholarship award for an eligible high school student shall be limited to~~  
26 ~~two (2) approved dual credit courses per academic year. The scholarship~~  
27 ~~amount awarded shall be equal to the amount charged by an eligible~~

1 ~~institution for an approved dual credit course, in accordance with subsection~~  
2 ~~(2)(e)3. of this section.]~~

3 ~~(6)~~~~(7)~~ An eligible workforce student's eligibility for the scholarship shall terminate  
4 upon the earlier of:

- 5 (a) Receiving the scholarship for four (4) academic terms;
- 6 (b) Receiving the scholarship for a total of sixty (60) credit hours; or
- 7 (c) Obtaining an associate's degree.

8 ~~(7)~~~~(8)~~ The authority shall annually provide a report on the Work Ready Kentucky  
9 Scholarship Program, prepared in collaboration with the Office for Education and  
10 Workforce Statistics, to the secretary of the Education and Workforce Development  
11 Cabinet that includes, by academic term, academic year, institution, and workforce  
12 sector, the number of:

- 13 (a) Students served by the scholarship and the total amount disbursed; and
- 14 (b) Credits, certificates, diplomas, and associate of applied science degrees earned  
15 by students receiving the scholarship.

16 ~~(8)~~~~(9)~~ The authority shall report Work Ready Kentucky Scholarship program data to  
17 the Office for Education and Workforce Statistics for analysis of the program's  
18 success in meeting the goal of increasing skilled workforce participation rates.

19 ~~(9)~~~~(10)~~ (a) The Work Ready Kentucky Scholarship fund is hereby created as a trust  
20 fund in the State Treasury to be administered by the authority for the purpose  
21 of providing scholarships as described in this section.

22 (b) The trust fund shall consist of state general fund appropriations, gifts and  
23 grants from public and private sources, and federal funds. All moneys  
24 included in the fund shall be appropriated for the purposes set forth in this  
25 section.

26 (c) Any unallotted or unencumbered balances in the trust fund shall be invested as  
27 provided in KRS 42.500(9). Income earned from the investments shall be

- 1                   credited to the trust fund.
- 2           (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year
- 3                   shall not lapse but shall be carried forward to the next fiscal year and
- 4                   continuously appropriated only for the purposes specified in this section.