

1 AN ACT relating to the Work Ready Kentucky Scholarship Program.

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

3 ➔Section 1. KRS 164.787 is amended to read as follows:

4 (1) The General Assembly hereby establishes the Work Ready Kentucky Scholarship
5 Program to ensure that all Kentuckians who have not yet earned a postsecondary
6 degree have affordable access to an industry-recognized certificate, diploma, or
7 associate of applied science degree ***and, for students with intellectual disabilities***
8 ***enrolled in comprehensive transition and postsecondary programs, affordable***
9 ***access to meaningful credentials to prepare for competitive integrated***
10 ***employment.***

11 (2) For purposes of this section:

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

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

15 (c) "Approved dual credit course" means a dual credit course developed in
16 accordance with KRS 164.098 that is a career and technical education course
17 within a career pathway approved by the Kentucky Department of Education
18 that leads to an industry-recognized credential;

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

20 (e) "Eligible institution" means an institution defined in KRS 164.001 that:

21 1. Actively participates in the federal Pell Grant program;

22 2. Executes a contract with the authority on terms the authority deems
23 necessary or appropriate for the administration of its programs;

24 3. Charges no more than the dual credit tuition rate ceiling per credit hour,
25 including any additional fees, for any dual credit course it offers to any
26 Kentucky public or nonpublic high school student; and

27 4. Is a:

- 1 a. Kentucky Community and Technical College System institution;
- 2 b. Kentucky public university; or
- 3 c. College, university, or vocational-technical school that is
- 4 accredited by a recognized regional or national accrediting body
- 5 and licensed to operate at a site in Kentucky;
- 6 (f) "Eligible program of study" means a program approved by the authority that
- 7 leads to an industry-recognized certificate, diploma, or associate of applied
- 8 science degree in one (1) of Kentucky's top five (5) high-demand workforce
- 9 sectors identified by the Kentucky Workforce Innovation Board and the
- 10 Education and Workforce Development Cabinet or a program of study in a
- 11 comprehensive transition and postsecondary program that leads to a
- 12 credential, certificate, diploma, or degree;
- 13 (g) "Fees" means mandatory fees charged by an eligible institution for enrollment
- 14 in a course, including but not limited to online course fees, lab fees, and
- 15 administrative fees. "Fees" does not include tools, books, or other
- 16 instructional materials that may be required for a course; and
- 17 (h) "Tuition" means the in-state tuition charged to all students as a condition of
- 18 enrollment in an eligible institution.
- 19 (3) In consultation with the Education and Workforce Development Cabinet, the
- 20 Kentucky Department of Education, and the Council on Postsecondary Education,
- 21 the Kentucky Higher Education Assistance Authority shall administer the Work
- 22 Ready Kentucky Scholarship Program and promulgate administrative regulations in
- 23 accordance with KRS Chapter 13A as may be needed for the administration of the
- 24 scholarship.
- 25 (4) An eligible high school student shall:
- 26 (a) Be a Kentucky resident;
- 27 (b) Be enrolled in a Kentucky high school;

- 1 (c) Be enrolled, or accepted for enrollment, in an approved dual credit course at
2 an eligible institution; and
- 3 (d) Complete and submit a Work Ready Kentucky Scholarship dual credit
4 application to the authority.
- 5 (5) An eligible workforce student shall:
- 6 (a) Be a citizen or permanent resident of the United States;
- 7 (b) Be a Kentucky resident as determined by the eligible institution in accordance
8 with criteria established by the Council on Postsecondary Education for the
9 purposes of admission and tuition assessment;
- 10 (c) 1. Have earned a high school diploma or a High School Equivalency
11 Diploma or be enrolled in a High School Equivalency Diploma program;
12 or
- 13 2. For a student enrolled in a comprehensive transition and
14 postsecondary program, have received an alternative high school
15 diploma described in KRS 158.140(2)(b) or have attended a Kentucky
16 public high school and is a student with an intellectual disability as
17 defined in 34 C.F.R. sec. 668.231;
- 18 (d) Not have earned an associate's degree or higher level postsecondary degree;
- 19 (e) Complete the Free Application for Federal Student Aid for the academic year
20 in which the scholarship is awarded;
- 21 (f) Complete and submit a Work Ready Kentucky Scholarship application to the
22 authority;
- 23 (g) Enroll in an eligible program of study at an eligible institution;
- 24 (h) Not be enrolled in an ineligible degree program, such as a bachelor or
25 unapproved associate program, at any postsecondary institution;
- 26 (i) Following the first academic term scholarship funds are received, achieve and
27 maintain satisfactory academic progress as determined by the eligible

1 institution; and

2 (j) Not be in default on any program under Title IV of the federal act or any
3 obligation to the authority under any program administered by the authority
4 under KRS 164.740 to 164.7891 or 164.7894, except that ineligibility for this
5 reason may be waived by the authority for cause.

6 (6) (a) Beginning with the 2019-2020 academic year, the authority shall award a
7 Work Ready Kentucky Scholarship each academic term to any person who
8 meets the requirements of this section to the extent funds are available for that
9 purpose.

10 (b) The scholarship amount awarded to an eligible workforce student for an
11 academic term shall be the amount remaining after subtracting the student's
12 federal and state grants and scholarships from the maximum scholarship
13 amount. The maximum scholarship amount shall be the per credit hour in-
14 state tuition rate at the Kentucky Community and Technical College System
15 multiplied by the number of credit hours in which the student is enrolled and
16 the fees charged to the student. The authority shall promulgate an
17 administrative regulation in accordance with KRS Chapter 13A to specify the
18 maximum amount to be awarded for fees, except that for the 2019-2020
19 academic year the amount awarded for fees shall not exceed four hundred
20 dollars (\$400).

21 (c) The scholarship award for an eligible high school student shall be limited to
22 two (2) approved dual credit courses per academic year. The scholarship
23 amount awarded shall be equal to the amount charged by an eligible
24 institution for an approved dual credit course, in accordance with subsection
25 (2)(e)3. of this section.

26 (7) (a) Except as provided in paragraph (b) of this subsection, an eligible workforce
27 student's eligibility for the scholarship shall terminate upon the earlier of:

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

4 **(b) For an eligible workforce student enrolled in a comprehensive transition**
5 **and postsecondary program, eligibility for the scholarship shall terminate**
6 **upon the earlier of completing the program or receiving the scholarship for**
7 **up to nine (9) academic terms within three (3) academic years.**

8 (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; **and**

16 **(c) Students receiving the scholarship who are enrolled in a comprehensive**
17 **transition and postsecondary program and credentials earned by those**
18 **students.**

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

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

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

1 section.

2 (c) Any unallotted or unencumbered balances in the trust fund shall be invested as
3 provided in KRS 42.500(9). Income earned from the investments shall be
4 credited to the trust fund.

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